

## STATE OF MINNESOTA

## SEVENTY-SIXTH SESSION — 1989

## TENTH DAY

SAINT PAUL, MINNESOTA, MONDAY, FEBRUARY 6, 1989

The House of Representatives convened at 2:30 p.m. and was called to order by Robert E. Vanasek, Speaker of the House.

Prayer was offered by the Reverend Margaret Thomas of the Minnesota Council of Churches, Minneapolis, Minnesota.

The members of the House gave the pledge of allegiance to the flag of the United States of America.

The roll was called and the following members were present:

Abrams	Frerichs	Kostohryz	Omann	Schreiber
Anderson, G.	Girard	Krueger	Onnen	Seaberg
Anderson, R.	Greenfield	Lasley	Orenstein	Segal
Battaglia	Gruenes	Lieder	Osthoff	Simoneau
Bauerly	Gutknecht	Limmer	Ostrom	Skoglund
Beard	Hartle	Long	Otis	Solberg
Begich	Hasskamp	Lynch	Ozment	Sparby
Bennett	Haukoos	Macklin	Pappas	Stanius
Bertram	Heap	Marsh	Pauly	Steensma
Bishop	Henry	McDonald	Pellow	Sviggum
Blatz	Himle	McEachern	Pelowski	Swenson
Boo	Hugoson	McGuire	Peterson	Tjornhom
Brown	Jacobs	McLaughlin	Poppenhagen	Tompkins
Burger	Janezich	McPherson	Price	Trimble
Carlson, D.	Jaros	Milbert	Pugh	Tunheim
Carlson, L.	Jefferson	Miller	Quinn	Uphus
Carruthers	Jennings	Morrison	Redalen	Valento
Clark	Johnson, A.	Munger	Reding	Vellenga
Conway	Johnson, R.	Nelson, C.	Rest	Wagenius
Cooper	Johnson, V.	Nelson, K.	Rice	Waltman
Dauner	Kahn	Neuenschwander	Richter	Weaver
Dawkins	Kalis	O'Connor	Rodosovich	Welle
Dempsey	Kelly	Ogren	Rukavina	Wenzel
Dille	Kelso	Olsen, S.	Sarna	Williams
Dorn	Kinkel	Olson, E.	Schafer	Winter
Frederick	Knickerbocker	Olson, K.	Scheid	Wynia
				Spk. Vanasek

A quorum was present.

Forsythe and Murphy were excused.

The Chief Clerk proceeded to read the Journal of the preceding

day. Rodosovich 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. 122 and 29 have been placed in the members' files.

#### REPORTS OF STANDING COMMITTEES

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

H. F. No. 42, A bill for an act relating to economic development; permitting state agencies and local jurisdictions to invest in a working capital fund; amending Minnesota Statutes 1988, section 137.31, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 16B, 161, 471, and 473.

Reported the same back with the following amendments:

Page 1, lines 10 and 11, delete "to the extent allowed by other law or by contract" and insert "subject to other applicable law"

Page 1, line 14, delete everything after "to" and insert "minority business enterprises, as defined in Code of Federal Regulations, title 49, section 23.5"

Page 1, delete line 15

Page 1, line 16, delete everything before the period

Page 1, lines 24 and 25, delete "to the extent allowed by other law or by contract" and insert "subject to other applicable law"

Page 2, line 2, delete everything after "to" and insert "minority business enterprises, as defined in Code of Federal Regulations, title 49, section 23.5"

Page 2, delete line 3

Page 2, line 4, delete everything before the period

Page 2, lines 10 and 11, delete "to the extent allowed by other law or by contract" and insert "subject to other applicable law"

Page 2, line 14, delete everything after "to" and insert "minority business enterprises, as defined in Code of Federal Regulations, title 49, section 23.5"

Page 2, delete line 15

Page 2, line 16, delete everything before the period

Page 2, lines 23 and 24, delete "to the extent allowed by other law or by contract" and insert "subject to other applicable law"

Page 2, line 27, delete everything after "to" and insert "minority business enterprises, as defined in Code of Federal Regulations, title 49, section 23.5"

Page 2, delete line 28

Page 2, line 29, delete everything before the period

Page 2, line 36, delete "to the extent allowed"

Page 3, line 1, delete "by other law or by contract" and insert "subject to other applicable law"

Page 3, line 4, delete everything after "to" and insert "minority business enterprises, as defined in Code of Federal Regulations, title 49, section 23.5"

Page 3, delete line 5

Page 3, line 6, delete everything before the period

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Local Government and Metropolitan Affairs.

The report was adopted.

Long from the Committee on Taxes to which was referred:

H. F. No. 68, A bill for an act relating to taxation; making technical corrections and tax capacity rate changes to the property taxation of unmined iron ore; making technical corrections and clarifications to the corporate franchise tax; retroactively providing a corporate franchise tax modification for mining income or gains; clarifying the computation of mining occupation taxes; exempting S corporations from business activity report filing requirements; repealing an obsolete reference; amending Minnesota Statutes 1988, sections 273.1104, subdivision 2; 273.13, subdivision 31; 290.01,

subdivisions 4a and 19d; 290.015, subdivisions 1, 2, 3, and 4; 290.092, subdivision 4a; 290.191, subdivisions 6 and 11; 290.371; 298.01, subdivisions 3 and 4, and by adding subdivisions; and Laws 1988, chapter 719, article 2, section 57; repealing Minnesota Statutes 1988, sections 52.22 and 273.1104, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

#### "ARTICLE 1

Section 1. Minnesota Statutes 1988, section 273.1104, subdivision 2, is amended to read:

Subd. 2. On or before ~~October 1~~ September 15 in each year, the commissioner shall send to each person subject to the tax on unmined iron ores and to each taxing district affected, a notice of the gross tax capacity market value of the unmined ores as determined by the commissioner prior to adjustment under section 273.1104, subdivision 1. Said notice shall be sent by mail directed to such person at the address given in the report filed and the assessor of such taxing district, but the validity of the tax shall not be affected by the failure of the commissioner of revenue to mail such notice or the failure of the person subject to the tax to receive it.

On the first secular day following the ~~tenth~~ first day of October, the commissioner of revenue shall hold a hearing which may be adjourned from day to day. All relevant and material evidence having probative value with respect to the issues shall be submitted at the hearing and such hearing shall not be a "contested case" within the meaning of section 14.02, subdivision 3. Every person subject to such tax may at such hearing present evidence and argument on any matter bearing upon the validity or correctness of the tax determined to be due, and the commissioner of revenue shall review the determination of such tax.

Sec. 2. Minnesota Statutes 1988, section 290.01, subdivision 19d, is amended to read:

Subd. 19d. [CORPORATIONS; MODIFICATIONS DECREASING FEDERAL TAXABLE INCOME.] For corporations, there shall be subtracted from federal taxable income after the increases provided in subdivision 19c:

(1) the amount of foreign dividend gross-up added to gross income for federal income tax purposes under section 78 of the Internal Revenue Code;

(2) the decrease in salary expense for federal income tax purposes due to claiming the federal jobs credit under section 51 of the Internal Revenue Code;

(3) any dividend (not including any distribution in liquidation) paid within the taxable year by a national or state bank to the United States, or to any instrumentality of the United States exempt from federal income taxes, on the preferred stock of the bank owned by the United States or the instrumentality;

(4) amounts disallowed for intangible drilling costs due to differences between this chapter and the Internal Revenue Code in taxable years beginning before January 1, 1987, as follows:

(i) to the extent the disallowed costs are represented by physical property, an amount equal to the allowance for depreciation under Minnesota Statutes 1986, section 290.09, subdivision 7, subject to the modifications contained in subdivision 19e; and

(ii) to the extent the disallowed costs are not represented by physical property, an amount equal to the allowance for cost depletion under Minnesota Statutes 1986, section 290.09, subdivision 8;

(5) the deduction for capital losses pursuant to sections 1211 and 1212 of the Internal Revenue Code of 1986, as amended through December 31, 1987, except that:

(i) for capital losses incurred in taxable years beginning after December 31, 1986, capital loss carrybacks shall not be allowed;

(ii) for capital losses incurred in taxable years beginning after December 31, 1986, a capital loss carryover to each of the 15 taxable years succeeding the loss year shall be allowed;

(iii) for capital losses incurred in taxable years beginning before January 1, 1987, a capital loss carryback to each of the three taxable years preceding the loss year, subject to the provisions of Minnesota Statutes 1986, section 290.16, shall be allowed; and

(iv) for capital losses incurred in taxable years beginning before January 1, 1987, a capital loss carryover to each of the five taxable years succeeding the loss year to the extent such loss was not used in a prior taxable year and subject to the provisions of Minnesota Statutes 1986, section 290.16, shall be allowed;

(6) an amount for interest and expenses relating to income not taxable for federal income tax purposes, if (i) the income is taxable under this chapter and (ii) the interest and expenses were disallowed as deductions under the provisions of section 171(a)(2), 265 or 291 of

the Internal Revenue Code of 1986, as amended through December 31, 1987, in computing federal taxable income;

(7) in the case of mines, oil and gas wells, other natural deposits, and timber for which percentage depletion was disallowed pursuant to subdivision 19c, clause (11), a reasonable allowance for depletion based on actual cost. In the case of leases the deduction must be apportioned between the lessor and lessee in accordance with rules prescribed by the commissioner. In the case of property held in trust, the allowable deduction must be apportioned between the income beneficiaries and the trustee in accordance with the pertinent provisions of the trust, or if there is no provision in the instrument, on the basis of the trust's income allocable to each;

(8) for certified pollution control facilities placed in service in a taxable year beginning before December 31, 1986, and for which amortization deductions were elected under section 169 of the Internal Revenue Code of 1954, as amended through December 31, 1985, an amount equal to the allowance for depreciation under Minnesota Statutes 1986, section 290.09, subdivision 7;

(9) the amount included in federal taxable income attributable to the credits provided in Minnesota Statutes 1986, section 273.1314, subdivision 9, or Minnesota Statutes, section 469.171, subdivision 6;

(10) amounts included in federal taxable income that are due to refunds of income, excise, or franchise taxes based on net income or related minimum taxes paid by the corporation to Minnesota, another state, a political subdivision of another state, the District of Columbia, or a foreign country or possession of the United States to the extent that the taxes were added to federal taxable income under section 290.01, subdivision 19c, clause (1), in a prior taxable year; and

(11) the following percentage of royalties, fees, or other like income accrued or received from a foreign operating corporation or a foreign corporation which is part of the same unitary business as the receiving corporation:

Taxable Year	
Beginning After . . . . .	Percentage
December 31, 1988 . . . . .	50 percent
December 31, 1990 . . . . .	80 percent; and

(12) income or gains from the business of mining as defined in section 290.05, subdivision 1, clause (a), that are not subject to Minnesota franchise tax.

Sec. 3. Minnesota Statutes 1988, section 298.01, subdivision 3, is amended to read:

Subd. 3. [OCCUPATION TAX; OTHER ORES.] Every person engaged in the business of mining or producing ores in this state, except iron ore or taconite concentrates, shall pay an occupation tax to the state of Minnesota as provided in this subdivision. The tax is measured by the person's taxable income for the year for which the tax is imposed, and computed in the manner and at the rates provided in chapter 290 determined in the same manner as the tax imposed by section 290.02, except that sections 290.01, subdivisions 19c, clause (11), 19d, clause (7), and 290.05, subdivision 1, clause (a), and 290.17, subdivision 4, do not apply. Corporations and individuals shall be subject to the alternative minimum taxes imposed under chapter 290. The tax is in addition to all other taxes and is due and payable on or before June 15 of the year succeeding the calendar year covered by the report required by section 298.05.

Sec. 4. Minnesota Statutes 1988, section 298.01, is amended by adding a subdivision to read:

Subd. 3a. [GROSS INCOME.] (a) For purposes of determining a person's taxable income under subdivision 4, gross income is determined by the amount of gross proceeds from mining in this state under section 298.016 and includes any gain or loss recognized from the sale or disposition of assets used in the business in this state.

(b) In applying section 290.191, subdivision 5, transfers of ores are deemed to be sales outside this state if the ores are transported out of this state after the ores have been converted to a marketable quality.

Sec. 5. Minnesota Statutes 1988, section 298.01, is amended by adding a subdivision to read:

Subd. 3b. [DEDUCTIONS.] (a) For purposes of determining taxable income under subdivision 3, the deductions from gross income include only those expenses necessary to convert raw ores to marketable quality. Such expenses include costs associated with refinement but do not include expenses such as transportation, stockpiling, marketing, or marine insurance that are incurred after marketable ores are produced, unless the expenses are included in gross income.

(b) The provisions of section 290.01, subdivisions 19c, clauses (7) and (11), and 19d, clauses (7) and (12), are not used to determine taxable income.

Sec. 6. Minnesota Statutes 1988, section 298.01, subdivision 4, is amended to read:

Subd. 4. [OCCUPATION TAX; IRON ORE; TACONITE CONCENTRATES.] A person engaged in the business of mining or producing of iron ore or taconite concentrates in this state shall pay an occupation tax to the state of Minnesota. The tax is measured by the person's taxable income for the year for which the tax is imposed, and computed in the manner and at the rates provided for in chapter 290, determined in the same manner as the tax imposed by section 290.02, except that sections 290.01, subdivisions 19e, clause (11), 19d, clause (7), and 290.05, subdivision 1, clause (a), and 290.17, subdivision 4, do not apply. Corporations and individuals shall be subject to the alternative minimum taxes imposed under chapter 290. The tax is in addition to all other taxes and is due and payable on or before June 15 of the year succeeding the calendar year covered by the report required by section 298.05.

Sec. 7. Minnesota Statutes 1988, section 298.01, is amended by adding a subdivision to read:

Subd. 4a. [GROSS INCOME.] (a) For purposes of determining a person's taxable income under subdivision 4, gross income is determined by the mine value of the ore mined in Minnesota and includes any gain or loss recognized from the sale or disposition of assets used in the business in this state.

(b) Mine value is the value, or selling price, of iron ore or taconite concentrates, f.o.b. mine. The mine value is calculated by multiplying the iron unit price for the period, as determined by the commissioner, by the tons produced and the weighted average analysis.

(c) In applying section 290.191, subdivision 5, transfers of iron ore and taconite concentrates are deemed to be sales outside this state if the iron ore or taconite concentrates are transported out of this state after the raw iron ore and taconite concentrates have been converted to a marketable quality.

Sec. 8. Minnesota Statutes 1988, section 298.01, is amended by adding a subdivision to read:

Subd. 4b. [DEDUCTIONS.] For purposes of determining taxable income under subdivision 4, the deductions from gross income include only those expenses necessary to convert raw iron ore or taconite concentrates to marketable quality. Such expenses include costs associated with beneficiation and refinement but do not include expenses such as transportation, stockpiling, marketing, or marine insurance that are incurred after marketable iron ore or taconite pellets are produced.

Sec. 9. Minnesota Statutes 1988, section 298.01, is amended by adding a subdivision to read:



Subd. 4c. [SPECIAL DEDUCTIONS.] (a) For purposes of determining taxable income under subdivision 4, the following modifications are allowed:

(1) the provisions of section 290.01, subdivisions 19c, clauses (7) and (11), and 19d, clauses (7) and (12), are not used to determine taxable income; and

(2) for assets placed in service before January 1, 1990, the deduction for depreciation will be the same amount allowed under chapter 290, except that after an asset has been fully depreciated for federal income tax purposes any remaining depreciable basis is allowed as a deduction using the straight-line method over the following number of years:

- (i) three-year property, one year;
- (ii) five- and seven-year property, two years;
- (iii) ten-year property, five years; and
- (iv) all other property, seven years.

No deduction is allowed if an asset is fully depreciated for occupation tax purposes before January 1990.

(b) For purposes of determining the deduction allowed under paragraph (a), clause (2), the remaining depreciable basis of property placed in service before January 1, 1990, is calculated as follows:

(1) the adjusted basis of the property on December 31, 1989, which was used to calculate the hypothetical corporate franchise tax under Minnesota Statutes 1988, section 298.40, including salvage value; less

(2) deductions for depreciation allowed under section 290.01, subdivision 19e.

(c) The basis for determining gain or loss on sale or disposition of assets placed in service before January 1, 1990, is the basis determined under paragraph (b), less the deductions allowed under paragraph (a), clause (2).

(d) The amount of net operating loss incurred in a taxable year beginning before January 1, 1990, that may be carried over to a taxable year beginning after December 31, 1989, is the amount of net operating loss carryover determined in the calculation of the hypothetical corporate franchise tax under Minnesota Statutes 1988, sections 298.40 and 298.402.

## Sec. 10. [EFFECTIVE DATES.]

Section 1 is effective for taxes levied in 1989, payable in 1990, and thereafter. Section 2 is effective for taxable years beginning after December 31, 1986. Sections 3 to 5 are effective for ores mined after December 31, 1986. Sections 6 to 9 are effective for ores mined after December 31, 1989.

## ARTICLE 2

Section 1. Minnesota Statutes 1988, section 290.015, subdivision 2, is amended to read:

Subd. 2. [PRESUMPTION.] (a) A person is presumed, subject to rebuttal, to be obtaining or regularly soliciting business from within this state if:

(1) ~~it is a financial institution and~~ it conducts activities described in subdivision 1, paragraph (b), without regard to transactions described in subdivision 3, with 20 or more persons within this state during any tax period; or

(2) it is a financial institution as defined in section 290.01, subdivision 4a, and the sum of its assets and the absolute value of its deposits attributable to sources within this state equals or exceeds \$5,000,000, with assets and deposits attributed to sources within this state by applying the principles established under section 290.191, except as provided in subdivision 3.

(b) A financial institution that (i) is not engaged in activities within this state under subdivision 1, paragraph (a), and (ii) does not satisfy the requirements of paragraph (a) is not subject to taxes imposed by this chapter.

Sec. 2. Minnesota Statutes 1988, section 290.015, subdivision 3, is amended to read:

Subd. 3. [EXCEPTIONS.] (a) A person is not subject to tax under this chapter if the person is engaged in the business of selling tangible personal property and taxation of that person under this chapter is precluded by Public Law Number 86-272, United States Code, title 15, sections 381 to 384 or would be so precluded except for the fact that the person stored tangible personal property in a state licensed facility under chapter 231.

(b) Ownership of an interest in the following types of property (including those contacts with this state reasonably required to evaluate and complete the acquisition or disposition of the property, the servicing of the property or the income from it, the collection of

income from the property, or the acquisition or liquidation of collateral relating to the property) shall not be a factor in determining whether the owner is subject to tax under this chapter:

(1) an interest in a real estate mortgage investment conduit, a real estate investment trust, or a regulated investment company or a fund of a regulated investment company, as those terms are defined in the Internal Revenue Code of 1986, as amended through December 31, 1987;

(2) an interest in money market instruments or securities as defined in section 290.191, subdivision 6, paragraphs (c) and (d);

(3) an interest in a loan-backed, mortgage-backed, or receivable-backed security representing either: (i) ownership in a pool of promissory notes, mortgages, or receivables or certificates of interest or participation in such notes, mortgages, or receivables, or (ii) debt obligations or equity interests which provide for payments in relation to payments or reasonable projections of payments on the notes, mortgages, or receivables, and which are issued by a financial institution or by an entity substantially all of whose assets consist of promissory notes, mortgages, receivables, or interests in them;

(3) (4) an interest in any assets described in section 290.191, subdivision 11, paragraphs (e) to (l), and in which the payment obligations embodied in such assets were solicited and entered into by persons independent and not acting on behalf of the owner;

(4) (5) an interest in the right to service, or collect income from any assets described in section 290.191, subdivision 11, paragraphs (e) to (l), and in which the payment obligations embodied in such assets were solicited and entered into by persons independent and not acting on behalf of the owner;

(5) (6) an interest of a person other than an individual, estate, or trust, in any intangible, tangible, real, or personal property acquired in satisfaction, whether in whole or in part, of any asset embodying a payment obligation which is in default, whether secured or unsecured, the ownership of an interest in which would be exempt under the preceding provisions of this subdivision, provided the property is disposed of within a reasonable period of time; or

(6) (7) amounts held in escrow or trust accounts, pursuant to and in accordance with the terms of property described in this subdivision.

If the person is a member of the unitary group, paragraph (b) does, clauses (2) to (7) do not apply to an interest acquired from another member of the unitary group.

Sec. 3. Minnesota Statutes 1988, section 290.015, subdivision 4, is amended to read:

Subd. 4. [LIMITATIONS.] (a) This section does not subject a trade or business to any regulation, including any tax, of any local unit of government or subdivision of this state if the trade or business does not own or lease tangible or real property located within this state and has no employees or independent contractors present in this state to assist in the carrying on of the business.

(b) The purchase of tangible personal property or intangible property or services by a person that conducts a trade or business with the principal place of business outside of Minnesota (the "non-Minnesota person") from a person within Minnesota shall not be taken into account in determining whether the non-Minnesota person is subject to the taxes imposed by this chapter, except for services involving either the direct solicitation of Minnesota customers or relationships with Minnesota customers after sales are made. This paragraph is subject to the limitations contained in subdivision 3, paragraph (b), clauses (4) and (5).

(c) No contact with any Minnesota financial institution by any financial institution with its principal place of business outside Minnesota with respect to transactions described in subdivision 3, or with respect to deposits received from or by a Minnesota financial institution, shall be taken into account in determining whether such a financial institution is subject to the taxes imposed by this chapter. The fact of participation by a Minnesota financial institution in a transaction which also involves a borrower and a financial institution that conducts a trade or business with its principal place of business outside of Minnesota shall not be a factor in determining whether such financial institution is subject to the taxes imposed by this chapter. This paragraph does not apply to transactions between or among members of the same unitary group.

Sec. 4. Minnesota Statutes 1988, section 290.092, subdivision 2, is amended to read:

Subd. 2. [EXEMPTIONS.] Corporations subject to tax under sections 290.05, subdivision 3; or 60A.15, subdivision 1 and 290.35; real estate investment trusts; regulated investment companies as defined in section 851(a) of the Internal Revenue Code of 1986 or funds of regulated investment companies as defined in section 851(h) of the Internal Revenue Code of 1986, as amended through December 31, 1988; cooperatives taxable under subchapter T of the Internal Revenue Code of 1986 or organized under chapter 308 or a similar law of another state; and entities having a valid election in effect under section 1362 or 860D(b) of the Internal Revenue Code of 1986, as amended through December 31, 1987-1988, are not subject to the tax imposed in subdivision 1 or subdivision 5.

Sec. 5. Minnesota Statutes 1988, section 290.092, subdivision 4a, is amended to read:

Subd. 4a. [NEW BUSINESS EXCLUSION.] For the first five taxable years during which a corporation is subject to taxation under this chapter, the amount of its Minnesota property and payrolls must be excluded from the alternative minimum tax base unless it is disqualified in this subdivision. A corporation is considered subject to taxation under this chapter if it would be subject to Minnesota's jurisdiction to tax as provided in section 290.015, before claiming this exclusion. The following does not qualify for this exclusion:

- (1) a corporation that is a member of a unitary group that includes at least one business that does not qualify for this exclusion;
- (2) any corporation organized under the laws of this state or certified to do business within this state at least five taxable years before the taxable year in which this exclusion is claimed;
- (3) corporations created by: reorganizations, as defined in section 368 of the Internal Revenue Code of 1986, as amended through December 31, 1987; or split-ups, split-offs, or spin-offs, as described in section 355 of the Internal Revenue Code of 1986, as amended through December 31, 1987; or the transfer or acquisition, whether directly or indirectly, of assets which constitute a trade or business, including stock purchases under section 338 of the Internal Revenue Code of 1986, as amended through December 31, 1987, where the surviving, newly formed, or acquiring corporation conducts substantially the same activities as the predecessor corporation, regardless of whether or not the survivor corporation also conducts additional activities, and the predecessor corporation would not otherwise qualify for this exclusion if it had continued to conduct those activities;
- (4) any change in identity or form of business where the original business entity would have been subject to Minnesota's taxing jurisdiction, as provided in section 290.015, at least five taxable years before the taxable year in which this exclusion is claimed;
- (5) a corporation, the primary business activity of which is the providing of professional services as defined in section 319A.02; operation as a financial institution, as defined in section 290.01, subdivision 4a; sales or management of real estate; or operation as an insurance agency, as defined in section ~~60A.03~~ 60A.02; or
- (6) a corporation the affairs of which the commissioner finds were arranged as they were primarily to reduce taxes by qualifying as a new business under this subdivision.

Sec. 6. Minnesota Statutes 1988, section 290.191, subdivision 6, is amended to read:

Subd. 6. [DETERMINATION OF RECEIPTS FACTOR FOR FINANCIAL INSTITUTIONS.] (a) For purposes of this section, the rules in this subdivision and subdivisions 7 and 8 apply in determining the receipts factor for financial institutions.

(b) "Receipts" for this purpose means gross income, including net taxable gain on disposition of assets, including securities and money market instruments, when derived from transactions and activities in the regular course of the taxpayer's trade or business.

(c) "Money market instruments" means federal funds sold and securities purchased under agreements to resell, commercial paper, banker's acceptances, and purchased certificates of deposit and similar instruments to the extent that the instruments are reflected as assets under generally accepted accounting principles.

(d) "Securities" means United States Treasury securities, obligations of United States government agencies and corporations, obligations of state and political subdivisions, corporate stock and other securities, participations in securities backed by mortgages held by United States or state government agencies, loan-backed securities and similar investments to the extent the investments are reflected as assets under generally accepted accounting principles.

(e) Receipts from the lease or rental of real or tangible personal property, including both finance leases and true leases, must be attributed to this state if the property is located in this state. Tangible personal property that is characteristically moving property, such as motor vehicles, rolling stock, aircraft, vessels, mobile equipment, and the like, is considered to be located in a state if:

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

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

(f) Interest income and other receipts from assets in the nature of loans that are secured primarily by real estate or tangible personal property must be attributed to this state if the security property is located in this state under the principles stated in paragraph (e).

(g) Interest income and other receipts from consumer loans not secured by real or tangible personal property that are made to residents of this state, whether at a place of business, by traveling loan officer, by mail, by telephone or other electronic means, must be attributed to this state.

(h) Interest income and other receipts from commercial loans and installment obligations not secured that are unsecured by real or tangible personal property or secured by intangible property must be attributed to this state if the proceeds of the loan are to be applied in this state. If it cannot be determined where the funds are to be applied, the income and receipts are attributed to the state in which the office of the borrower from which the application would be made in the regular course of business is located. If this cannot be determined, the transaction is disregarded in the apportionment formula.

(i) Interest income and other receipts from a participating financial institution's portion of participation and syndication loans must be attributed under paragraphs (e) to (h). A participation loan is a loan in which more than one lender is a creditor to a common borrower an arrangement in which a lender makes a loan to a borrower and then sells all or a part of the loan to a purchasing financial institution. A syndication loan is a multibank loan transaction in which all the lenders are named as parties to the loan documentation, are known to the borrower, and have privity of contract with the borrower.

(j) Interest income and other receipts including service charges from financial institution credit card and travel and entertainment credit card receivables and credit card holders' fees must be attributed to the state to which the card charges and fees are regularly billed.

(k) Merchant discount income derived from financial institution credit card holder transactions with a merchant must be attributed to the state in which the merchant is located. In the case of merchants located within and outside the state, only receipts from merchant discounts attributable to sales made from locations within the state are attributed to this state. It is presumed, subject to rebuttal, that the location of a merchant is the address shown on the invoice submitted by the merchant to the taxpayer.

(l) Receipts from the performance of fiduciary and other services must be attributed to the state in which the benefits of the services are consumed. If the benefits are consumed in more than one state, the receipts from those benefits must be apportioned to this state pro rata according to the portion of the benefits consumed in this state. If the extent to which the benefits of services are consumed in this state is not readily determinable, the benefits of the services shall be deemed to be consumed at the location of the office of the customer from which the services were ordered in the regular course of the customer's trade or business. If the ordering office cannot be determined, the benefits of the services shall be deemed to be consumed at the office of the customer to which the services are billed.

(m) Receipts from the issuance of travelers checks and money

orders must be attributed to the state in which the checks and money orders are purchased.

(n) Receipts from investments of a financial institution in securities of this state, its political subdivisions, agencies, and instrumentalities must be attributed to this state.

(o) Receipts from a financial institution's interest in any property described in section 290.015, subdivision 3, paragraph (b), is not included in the numerator or the denominator of the receipts factor provided the financial institution's activities within this state with respect to any interest in the property are limited in the manner provided in section 290.015, subdivision 3, paragraph (b). If a financial institution is subject to tax under this chapter, its interest in property described in section 290.015, subdivision 3, paragraph (b), is included in the receipts factor in the same manner as assets in the nature of securities or money market instruments are included under paragraph (n) and subdivision 7.

Sec. 7. Minnesota Statutes 1988, section 290.191, subdivision 11, is amended to read:

**Subd. 11. [FINANCIAL INSTITUTIONS; PROPERTY FACTOR.]**

(a) For financial institutions, the property factor includes, as well as tangible property, intangible property as set forth in this subdivision.

(b) Intangible personal property must be included at its tax basis for federal income tax purposes.

(c) Goodwill must not be included in the property factor.

(d) Coin and currency located in this state must be attributed to this state.

(e) Lease financing receivables must be attributed to this state if and to the extent that the property is located within this state.

(f) Assets in the nature of loans that are secured by real or tangible personal property must be attributed to this state if and to the extent that the security property is located within this state.

(g) Assets in the nature of consumer loans and installment obligations that are unsecured or secured by intangible property must be attributed to this state if the loan was made to a resident of this state.

(h) Assets in the nature of commercial loan and installment obligations that are unsecured by real or tangible personal property or secured by intangible property must be attributed to this state if



the ~~loan~~ proceeds of the loan are to be applied in this state. If it cannot be determined where the funds are to be applied, the assets must be attributed to the state in which there is located the office of the borrower from which the application would be made in the regular course of business. If this cannot be determined, the transaction is disregarded in the apportionment formula.

(i) A participating financial institution's portion of a participation ~~loan~~ and syndication loans must be attributed under paragraphs (e) to (h).

(j) Financial institution credit card and travel and entertainment credit card receivables must be attributed to the state to which the credit card charges and fees are regularly billed.

(k) Receivables arising from merchant discount income derived from financial institution credit card holder transactions with a merchant are attributed to the state in which the merchant is located. In the case of merchants located within and without the state, only receipts receivables from merchant discounts attributable to sales made from locations within the state are attributed to this state. It is presumed, subject to rebuttal, that the location of a merchant is the address shown on the invoice submitted by the merchant to the taxpayer.

(l) Assets in the nature of securities and money market instruments are apportioned to this state based upon the ratio that total deposits from this state, its residents, its political subdivisions, agencies and instrumentalities bear to the total deposits from all states, their residents, their political subdivisions, agencies and instrumentalities. In the case of an unregulated financial institution, the assets are apportioned to this state based upon the ratio that its gross business income earned from sources within this state bears to gross business income earned from sources within all states. For purposes of this subsection, deposits made by this state, its residents, its political subdivisions, agencies, and instrumentalities are attributed to this state, whether or not the deposits are accepted or maintained by the taxpayer at locations within this state.

(m) A financial institution's interest in any property described in section 290.015, subdivision 3, paragraph (b), is not included in the numerator or the denominator of the property factor provided the financial institution's activities within this state with respect to any interest in such property are limited in the manner provided in section 290.015, subdivision 3, paragraph (b). If a financial institution is subject to tax under this chapter, its interest in property described in section 290.015, subdivision 3, paragraph (b), is included in the property factor in the same manner as assets in the nature of securities or money market instruments are included under paragraph (1).

Sec. 8. Minnesota Statutes 1988, section 290.371, is amended to read:

Subdivision 1. [REPORT REQUIRED.] Every corporation that, during any calendar year or fiscal accounting year beginning after December 31, 1986, obtained any business from within this state as described in section 290.015, subdivision 1, with the exception of:

(1) activity levels lower than those set forth in section 290.015, subdivision 2, paragraph (a), if the corporation is a financial institution; or

(2) activities described in section 290.015, subdivision 3, paragraph (b); or

(3) except corporations specifically exempted under subdivision 3 2, must file a notice of business activities report, as provided in this section. Filing of the report is not a factor in determining whether a corporation is subject to taxation under this chapter.

Subd. 3- 2. [EXEMPTIONS.] A corporation is not required to file a notice of business activities report if:

(1) by the end of an accounting period for which it was otherwise required to file a notice of business activities report under this section, it had received a certificate of authority to do business in this state;

(2) a timely return or report has been filed under section 290.05, subdivision 4; or 290.37;

(3) the corporation is exempt from taxation under this chapter pursuant to section 290.05, subdivision 1; or

(4) the corporation's activities in Minnesota, or the interests in property which it owns, consist solely of activities or property exempted from jurisdiction to tax under section 290.015, subdivision 3, paragraph (b); or

(5) The corporation has a valid election in effect under section 1362 of the Internal Revenue Code of 1986, as amended through December 31, 1988.

Subd. 4. 3. [ANNUAL FILING.] Every corporation not exempt under subdivision 3 must file annually a notice of business activities report, including such forms as the commissioner may require, with respect to each of its calendar or fiscal accounting years beginning after December 31, 1986, on or before the 15th day of the fourth month after the close of the calendar or fiscal accounting year.

Subd. 5-4. [FAILURE TO FILE TIMELY REPORT.] (a) Any corporation required to file a notice of business activities report does not have any cause of action upon which it may bring suit under Minnesota law, except for issues related to its Minnesota tax liability, unless the corporation has filed a notice of business activities report.

(b) The failure of a corporation to file a timely report prevents the use of the courts in this state, except regarding activities and property described in section 290.015, subdivision 3, paragraph (b), for all contracts executed and all causes of action that arose at any time before the end of the last accounting period for which the corporation failed to file a required report.

(c) The court in which the issues arise ~~has the power to~~ must excuse the corporation for its failure to file a report when due, and restore the corporation's cause of action under the laws of this state, if the corporation has paid all taxes, interest, and civil penalties due the state for all periods, or provided for payment of them by adequate security or bond approved by the commissioner.

(d) Notwithstanding the provisions of section 290.61, the commissioner may acknowledge whether or not a particular corporation has filed with the commissioner reports or returns required by this chapter if the acknowledgment:

(1) is to a party in a civil action;

(2) relates to the filing status of another party in the same civil action; and

(3) is in response to a written request accompanied by a copy of the summons and complaint in the civil action.

Sec. 9. Laws 1988, chapter 719, article 2, section 57, is amended to read:

Sec. 57. [EFFECTIVE DATE.]

Sections 1, 4, and 5 are effective January 1, 1988. Sections 7, 8, 9, 11, clause (13), 31, and 40 are effective for taxable years beginning after December 31, 1990, except that sections 7, 8, 9, 11, clause (13), and 40 are effective for taxable years beginning after December 31, 1989, insofar as they apply to 936 corporations and sections 7 and 8 are effective for taxable years beginning after December 31, 1988, insofar as they apply to royalties, fees, or other like income as described in section 12, clause (11). In this section, "936 corporations" are corporations referred to in section 9, clause (2)(ii). Sections 12, clause (11), 14, 26, 33, and 56, paragraph (c), are effective for taxable years beginning after December 31, 1988. Sections 2, 3, 32,

36, 37, and 38 are effective for taxable years beginning after December 31, 1987. Section 30, paragraphs (f), (g), (h), and (j) are effective for taxable years beginning after December 31, 1990, except that insofar as they apply to 936 corporations, they are effective for taxable years beginning after December 31, 1989. Sections 29, in its reference to section 290.17, subdivision 4, paragraph (i), and 30, paragraph (i), are effective for taxable years beginning after December 31, 1987, in its application to dividends, for taxable years beginning after December 31, 1988, in its application to income described in section 290.01, subdivision 19d, clause (11), for taxable years beginning after December 31, 1989, in its application to other income of 936 corporations a deemed dividend from a 936 corporation, and for taxable years beginning after December 31, 1990, in its application to other income of foreign operating corporations deemed dividends. Section 30, paragraph (k) is effective for taxable years beginning after December 31, 1987. As used in this section, a "deemed dividend" has the meaning described in section 30, paragraph (g).

Sections 10, 11, clauses (2) and (3), 12, except for clause (11), 13, 15 to 18, 20, 21, 23, 25, 29 insofar as it refers to companies subject to the occupation tax, 34, 35, 39, 41 to 49, and 56, paragraph (d), are effective for taxable years beginning after December 31, 1986. Section 22 is effective for taxable years beginning after December 31, 1986, except that the part relating to the apportionment of the exemption amount among members of a unitary group is effective for taxable years beginning after December 31, 1987. Section 27 is effective for taxable years beginning after December 31, 1986, except that the part relating to the allowance of a net operating loss incurred in any taxable year to the extent of the apportionment ratio of the loss year is effective for taxable years beginning after December 31, 1987. Section 28 is effective for losses incurred in taxable years beginning after December 31, 1986 1987, and is repealed effective for taxable years beginning after December 31, 1993. Sections 6, 50, and 55 are effective the day following final enactment. Sections 51 and 52 are effective for ores mined after December 31, 1989. Section 53 is effective for ores mined after December 31, 1986, and before January 1, 1990. Section 54 is effective for ore mined after December 31, 1986. Section 56, paragraph (a), is effective for ores mined after December 31, 1989. Section 56, paragraph (b), is effective for ores mined after December 31, 1986, and supersedes the repealer in Laws 1987, chapter 268, article 9, section 43.

Sec. 10. [REPEALER.]

Minnesota Statutes 1988, section 52.22, is repealed.

Sec. 11. [EFFECTIVE DATE.]

Sections 1 to 8 are effective for taxable years beginning after

December 31, 1986, except that the elimination of clause (1) in section 290.371, subdivision 1, is effective for taxable years beginning after December 31, 1988."

Delete the title and insert:

"A bill for an act relating to taxation; making technical corrections to the property taxation of unmined iron ore; making technical corrections and clarifications to the corporate franchise tax; retroactively providing a corporate franchise tax modification for mining income or gains; clarifying the computation of mining occupation taxes; exempting S corporations from business activity report filing requirements; repealing an obsolete reference; amending Minnesota Statutes 1988, sections 273.1104, subdivision 2; 290.01, subdivision 19d; 290.015, subdivisions 2, 3, and 4; 290.092, subdivisions 2 and 4a; 290.191, subdivisions 6 and 11; 290.371; 298.01, subdivisions 3 and 4, and by adding subdivisions; and Laws 1988, chapter 719, article 2, section 57; repealing Minnesota Statutes 1988, section 52.22."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 115, A bill for an act relating to local government; authorizing towns to establish subordinate service districts; proposing coding for new law as Minnesota Statutes, chapter 365B.

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

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. No. 68 was read for the second time.

**INTRODUCTION AND FIRST READING  
OF HOUSE BILLS**

The following House Files were introduced:

Kostohryz, Scheid, Vanasek, Gutknecht and Schreiber introduced:

H. F. No. 385, A bill for an act relating to ethics in government; providing certain limits on fundraising events; proposing coding for new law in Minnesota Statutes, chapter 10A.

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

Welle, Greenfield, Brown, Swenson and Hasskamp introduced:

H. F. No. 386, A bill for an act relating to health; permitting various public hospitals to hold closed meetings on certain facility business; permitting certain data to be treated as trade secret information; amending Minnesota Statutes 1988, section 144.581, by adding a subdivision.

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

Sarna, Carlson, D.; Kalis; Hartle and Steensma introduced:

H. F. No. 387, A bill for an act relating to traffic regulations; exempting state patrol troopers from requirement of security barrier in marked state patrol vehicles; amending Minnesota Statutes 1988, section 169.98, by adding a subdivision.

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

O'Connor, Quinn, Sarna, Morrison and Osthoff introduced:

H. F. No. 388, A bill for an act relating to housing; appropriating lottery proceeds and other revenue to the home ownership assistance fund; proposing coding for new law in Minnesota Statutes, chapter 462A.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Schreiber, Scheid, Milbert, Seaberg and Dempsey introduced:

H. F. No. 389, A bill for an act relating to drivers' licenses; providing that person must discharge bad checks before driver's license or permit is issued, renewed, or reinstated; authorizing department of public safety to maintain records of bad checks submitted; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 171.

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

Kahn and Anderson, G., introduced:

H. F. No. 390, A bill for an act relating to appropriations; requiring recommendations of the legislative advisory commission to be made at a meeting of the commission except in certain circumstances; amending Minnesota Statutes 1988, section 3.30, subdivisions 1 and 2.

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

Bertram; Beard; Anderson, G., and Kahn introduced:

H. F. No. 391, A bill for an act relating to peace officers; providing benefits to good samaritans who assist peace officers; amending Minnesota Statutes 1988, section 176B.01, subdivision 2.

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

Johnson, R., Battaglia; Rukavina; Solberg and Carlson, D., introduced:

H. F. No. 392, A bill for an act relating to natural resources; increasing certain limits on security in lieu of bond for forestry development projects; amending Minnesota Statutes 1988, section 574.264, subdivision 1.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Kostohryz, Boo, McEachern, Redalen and Reding introduced:

H. F. No. 393, A bill for an act relating to charitable gambling; allowing licensed organizations to conduct casino nights under

specified conditions; allowing organizations to use profits derived from a casino night to maintain and repair real property that they own or lease; amending Minnesota Statutes 1988, sections 349.12, subdivisions 2, 15, and by adding a subdivision; and 349.214, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 349.

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

Dawkins and Osthoff introduced:

H. F. No. 394, A bill for an act relating to housing; changing terminology in the temporary housing demonstration program; extending the authorized duration of transitional housing; providing for an annual report to the legislature; amending Minnesota Statutes 1988, section 268.38, subdivisions 1, 2, 4, 8, 11, and 12.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Sviggum, Wenzel, Pelowski, Redalen and Waltman introduced:

H. F. No. 395, A bill for an act relating to veterans; changing the amount of state cash bonus payments to certain members of the Minnesota national guard; appropriating money; amending Laws 1988, chapter 686, article 1, section 21.

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

Greenfield; Ogren; Anderson, R.; Clark and Rodosovich introduced:

H. F. No. 396, A bill for an act relating to human services; increasing the medical assistance income standard for aged, blind, and disabled persons; amending Minnesota Statutes 1988, section 256B.056, subdivision 4.

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

McGuire, Vellenga, Weaver, Kelly and Blatz introduced:

H. F. No. 397, A bill for an act relating to criminal procedure; providing for the Ramsey county attorney to prosecute certain gross



misdemeanors; amending Minnesota Statutes 1988, section 388.051, subdivision 2.

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

Trimble; Clark; Carlson, L., and Jaros introduced:

H. F. No. 398, A bill for an act relating to education; requiring the state universities and community colleges to examine tuition-free education for American Indians.

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

O'Connor and Osthoff introduced:

H. F. No. 399, A bill for an act relating to housing; regulating the powers and duties of the housing finance agency; amending Minnesota Statutes 1988, sections 462A.03, subdivision 12; 462A.05, subdivisions 4, 14a, 20, 21, and 27, and by adding subdivisions; 462A.07, subdivision 14, and by adding a subdivision; and 462A.21, subdivisions 4c and 12, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Wagenius; Johnson, A., and Johnson, R., introduced:

H. F. No. 400, A bill for an act relating to natural resources; requiring written notice to the commissioner of natural resources of the vacation of roads, highways, streets, alleys, and similar public grounds that terminate at or abut upon any public water; amending Minnesota Statutes 1988, sections 161.16, subdivision 6; 163.11, by adding a subdivision; 164.07, subdivision 2; 412.851; 440.13; 440.135, subdivision 2; and 505.14.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Kahn introduced:

H. F. No. 401, A bill for an act relating to governmental operations; eliminating use of reorganization orders to transfer appropriations, powers, or duties; amending Minnesota Statutes 1988, section 16B.37, subdivisions 1 and 2; repealing Minnesota Statutes 1988, section 16B.37, subdivision 3.

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

Miller, Scheid, Gutknecht, Weaver and Macklin introduced:

H. F. No. 402, A bill for an act relating to the legislature; prohibiting the solicitation of funds during legislative sessions; providing certain exceptions; establishing penalties; proposing coding for new law in Minnesota Statutes, chapter 10A.

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

Greenfield; Vellenga; Ogren; Anderson, R., and Segal introduced:

H. F. No. 403, A bill for an act relating to human services; giving subpoena power to the ombudsman for mental health and retardation; requiring reporting of death or serious injury; amending Minnesota Statutes 1988, sections 245.91, by adding a subdivision; and 245.94, subdivision 1; and by adding a subdivision.

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

Greenfield; Segal; Clark; Anderson, R., and Trimble introduced:

H. F. No. 404, A bill for an act relating to health; requiring a person to be licensed to perform radon work; regulating radon testing and mitigation work; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 326.

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

Hasskamp, Wenzel, Kinkel, Ogren and McGuire introduced:

H. F. No. 405, A bill for an act relating to veterans; providing for establishment of a veterans home in Brainerd; proposing coding for new law in Minnesota Statutes, chapter 198.

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

Stanius, Neuenschwander, Reding, Rukavina and Miller introduced:

H. F. No. 406, A bill for an act relating to game and fish; allowing possession of a handgun while hunting bear with bow and arrow; amending Minnesota Statutes 1988, section 97B.211, subdivision 1.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Pappas introduced:

H. F. No. 407, A bill for an act relating to parentage; extending the time for bringing certain actions; amending Minnesota Statutes 1988, section 257.57, subdivision 1.

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

Wagenius, Winter, Dorn, Kalis and Morrison introduced:

H. F. No. 408, A bill for an act relating to transportation; specifying that state airports fund money may be used as state's match of costs of the federal essential air services program; establishing registration classification for recreational aircraft; amending Minnesota Statutes 1988, sections 360.305, subdivision 2; and 360.55, by adding a subdivision.

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

Johnson, R.; Kinkel; Segal; Trimble and Janezich introduced:

H. F. No. 409, A bill for an act relating to public employment; appointments to the classified service; certification of eligibles; permitting the commissioner of employee relations to limit certification in certain circumstances to those eligibles who meet special qualifications; amending Minnesota Statutes 1988, section 43A.13, subdivision 1.

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

Trimble; Rukavina; Johnson, A.; Dille and Kelly introduced:

H. F. No. 410, A bill for an act relating to public safety; defining

high pressure piping; regulating the practice of pipefitting; amending Minnesota Statutes 1988, section 326.461, subdivision 2.

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

Nelson, C.; Omann; McGuire; Kinkel and Jaros introduced:

H. F. No. 411, A bill for an act relating to education; appropriating money to the higher education coordinating board for a community service grant program for postsecondary institutions.

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

McEachern; Nelson, K.; Simoneau; Ozment and Kelso introduced:

H. F. No. 412, A bill for an act relating to education; changing the definitions of teachers and of supervisory and support personnel for the purpose of licensure; changing the kinds of personnel licensed by the board of teaching and the state board of education; changing the composition of the board of teaching; providing for teacher performance effectiveness plan; amending Minnesota Statutes 1988, sections 125.03, subdivisions 1 and 4; 125.05, subdivisions 1 and 2; 125.08; and 125.183, subdivisions 1 and 3; proposing coding for new law in Minnesota Statutes, chapter 125.

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

Kelly; Olson, E.; O'Connor; Milbert and Welle introduced:

H. F. No. 413, A bill for an act relating to taxation; sales; providing an exemption for certain building materials; providing for a refund; amending Minnesota Statutes 1988, sections 297A.15, by adding a subdivision; and 297A.25, by adding a subdivision.

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

Scheid, Osthoff, Sparby, Boo and Olsen, S., introduced:

H. F. No. 414, A bill for an act relating to financial institutions; regulating the business of mortgage bankers, loan officers, general mortgage brokers, and individual mortgage brokers; establishing licensing requirements; detailing the supervising powers of the commissioner; prohibiting certain practices; prescribing penalties;

establishing an education, research, and recovery fund; appropriating money; amending Minnesota Statutes 1988, sections 47.208, subdivision 1; 82.17, subdivision 4; and 82.18; proposing coding for new law in Minnesota Statutes, chapters 65A and 279; proposing coding for new law as Minnesota Statutes, chapter 57; repealing Minnesota Statutes 1988, section 82.175.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Sviggum and Wenzel introduced:

H. F. No. 415, A bill for an act relating to agriculturally derived ethyl alcohol; clarifying eligibility for producer payments; defining terms; amending Minnesota Statutes 1988, section 41A.09, subdivisions 2 and 3.

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

Rukavina, Trimble, McEachern, Bauerly and Weaver introduced:

H. F. No. 416, A bill for an act relating to education; providing a resident district with notice of a pupil's participation in the enrollment options program; amending Minnesota Statutes 1988, section 120.062, subdivision 6.

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

Munger; Carlson, D.; Kahn; Anderson, G., and Himle introduced:

H. F. No. 417, A bill for an act relating to solid waste; establishing plans and programs to reduce waste generated, recycle waste, develop markets for recyclables, address materials that cause special problems in the waste stream, prevent, control, and abate litter, inform and educate the public on proper waste management; appropriating money; amending Minnesota Statutes 1988, sections 18B.01, by adding a subdivision; 115A.03, by adding subdivisions; 115A.072; 115A.12, subdivision 1; 115A.15, by adding subdivisions; 115A.46, subdivision 2; 115A.48, subdivision 3; and by adding subdivisions; 115A.96, subdivision 2, and by adding a subdivision; 116.07, by adding a subdivision; 116K.04, by adding a subdivision; 275.51, subdivision 1; 297A.01, subdivision 3; 297A.44, subdivision 1; 325E.115, subdivision 1; 400.08, by adding a subdivision; 473.149, subdivision 1; and 473.803, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 18B; 115A; 116C; 116J; 173; 297A; and 473.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Nelson, K., and McEachern introduced:

H. F. No. 418, A bill for an act relating to education; clarifying the procedure for the issuance of certain certificates of indebtedness or capital notes; amending Minnesota Statutes 1988, section 124.2445.

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

Kalis introduced:

H. F. No. 419, A bill for an act relating to charitable gambling; allowing organizations to use profits from charitable gambling to maintain and repair buildings they own or lease; amending Minnesota Statutes 1988, section 349.12, subdivision 11.

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

Jennings; Vanasek; Schreiber; Anderson, G., and Long introduced:

H. F. No. 420, A bill for an act relating to environment; requiring counties to provide an opportunity to recycle; requiring transportation of recyclable materials to processing and markets; requiring haulers of solid waste and recyclable materials to be licensed by local governments; requiring a charge for solid waste collection on a volume basis; providing financial assistance to counties for collection, transportation, processing, handling, and secondary market development of recyclables; imposing fees for land disposal of solid waste; assessing recycling fees to property owners based on generation of solid waste; developing a recycling and waste reduction program for use in schools; establishing a recycling account; requiring public agency purchase of recycled materials; reviewing barriers to recycling in public buildings; prohibiting incineration and land disposal of recyclable materials; prioritizing incineration and land disposal of waste; authorizing local governments to prohibit and remove unauthorized deposit of solid waste; providing a plan for processing and disposal of solid waste problem materials; appropriating money; amending Minnesota Statutes 1988, sections 16B.61, by adding a subdivision; 115A.919; 115A.95; 368.01, subdivision 14; 375.19, by adding a subdivision; and 412.221, subdivision 22; proposing coding for new law in Minnesota Statutes, chapters 16B and 115A.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Trimble; McEachern; Swenson; Olson, K., and Kelso introduced:

H. F. No. 421, A bill for an act relating to education; providing for the Minnesota career teacher act; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 129B.

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

Olsen, S.; Tompkins; Abrams; Heap and Bennett introduced:

H. F. No. 422, A bill for an act relating to taxation; property; extending the homestead and agricultural credit to taxes payable after 1989; abolishing transition aid, disparity aid, and other aids and credits; repealing increases in income maintenance payments; amending Minnesota Statutes 1988, sections 124.155, subdivision 2; 124.2131, subdivision 3; 124.2139; 124A.02, subdivision 3a; 256.01, subdivision 2; 256.72; 256.81; 256.82, subdivision 1; 256.863; 256.871, subdivision 6; 256.935, subdivision 1; 256.991; 256B.041, subdivisions 5 and 7; 256B.05, subdivision 1; 256B.091, subdivision 8; 256B.15; 256B.19, subdivisions 1 and 2; 256D.03, subdivisions 2 and 6; 256D.04; 256D.36, subdivision 1; 256G.01, subdivision 3; 256G.02, subdivision 4; 256G.04, subdivision 1; 256G.05; 256G.07; 256G.10; 256G.11; 273.123, subdivisions 4 and 5; 273.124, subdivisions 11 and 13; 273.13, subdivisions 22 and 23; 273.132, subdivisions 1, 2, and 5; 273.135, subdivision 2; 273.1391, subdivision 2; 273.1392; 273.165, subdivision 2; 275.065, subdivision 2; 275.07, subdivision 1; 275.08, subdivisions 1a and 1b; 275.50, subdivision 5; 275.51, subdivisions 3f and 3h; 276.04, subdivision 2; 290A.04, subdivision 2; 393.07, subdivisions 2 and 10; 473.446, subdivision 1; 473F.02, subdivision 23; 473F.05; 473F.06; 473F.07, subdivisions 1, 4, and 5; 473F.08, subdivisions 1, 2, 3a, 4, 5, 6, and 10; 473F.10; 477A.011, subdivisions 15, 20, and 21; and 477A.013, subdivision 3; Laws 1988, chapter 719, article 5, sections 81 and 84; repealing Minnesota Statutes 1988, sections 256.017; 256.018; 256.019; 273.13, subdivision 21a; 273.135, subdivision 2a; 273.1391, subdivision 2a; 273.1398; 275.07, subdivision 3; 275.08, subdivision 1c; 290A.04, subdivision 2b; and Laws 1988, chapter 719, article 8, sections 32, 33, 34, 35, and 36.

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

Vellenga introduced:

H. F. No. 423, A bill for an act relating to education; providing counseling and guidance services for elementary school students; proposing coding for new law in Minnesota Statutes, chapter 123.

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

O'Connor introduced:

H. F. No. 424, A bill for an act relating to commerce; unclaimed property; providing for the ownership of metal dies and molds; amending Minnesota Statutes 1988, section 345.20, subdivision 1.

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

Simoneau introduced:

H. F. No. 425, A bill for an act relating to retirement; providing entitlement to joint and survivor annuities for certain surviving spouses.

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

Dorn, Frederick, Ostrom, Scheid and Osthoff introduced:

H. F. No. 426, A bill for an act relating to the city of Mankato; authorizing location of certain polling places more than 3,000 feet outside precinct boundaries.

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

Pappas, Kelly, Vellenga, Greenfield and Hasskamp introduced:

H. F. No. 427, A bill for an act relating to crime; requiring county attorneys to develop written plea negotiation and charging policies; proposing coding for new law in Minnesota Statutes, chapter 388.

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



Solberg, Kinkel, Dille, Lasley and Cooper introduced:

H. F. No. 428, A bill for an act relating to public safety; transferring duties and powers relating to emergency medical services from the department of health to the department of public safety; instructing the revisor; amending Minnesota Statutes 1988, sections 144.801, subdivision 3; 144.802, subdivision 1; 144.804, subdivisions 1 and 5; and 144.8093, subdivisions 2 and 4.

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

Olsen, S.; Bennett; Pellow; Lynch and Knickerbocker introduced:

H. F. No. 429, A bill for an act relating to taxation; sales and use; repealing accelerated payment of June liability; amending Minnesota Statutes 1988, section 297A.27, subdivision 1; repealing Minnesota Statutes 1988, section 297A.275.

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

Milbert; Johnson, A.; Pugh; Scheid and Williams introduced:

H. F. No. 430, A bill for an act relating to education; establishing a basic revenue formula allowance for fiscal years 1990 and 1991; revising the training and experience revenue formula; amending Minnesota Statutes 1988, section 124A.22, subdivisions 2 and 4.

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

Milbert; O'Connor; Johnson, A.; Williams and Orenstein introduced:

H. F. No. 431, A bill for an act relating to taxation; individual income; modifying computation of the dependent care credit; indexing the offset for inflation; amending Minnesota Statutes 1988, section 290.067, subdivision 2, and by adding subdivisions.

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

Lasley, Reding, Beard and Johnson, R., introduced:

H. F. No. 432, A bill for an act relating to state agencies; providing for the development of internal auditing standards and requiring a

report to the legislature and the governor on progress made; providing for the classification of certain internal auditing data as confidential data on individuals; protected nonpublic data, or private data on individuals; requiring the commissioner to coordinate development and develop standards for internal auditing and report on progress; amending Minnesota Statutes 1988, section 16A.055, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 13.

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

Simoneau; Weaver; Johnson, A.; Segal and Morrison introduced:

H. F. No. 433, A bill for an act relating to water; providing urban drought relief; establishing a program of low-interest loans for repairs to drought-damaged homes; providing assistance to certain municipalities with water supply problems; studying surface back-water infiltration of water supplies; appropriating money.

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

O'Connor, Sarna, Frerichs, McEachern and Ogren introduced:

H. F. No. 434, A bill for an act relating to financial institutions; regulating certain arrangements to extend credit; authorizing acquisitions by reciprocal interstate banks and savings associations which express a commitment to provide certain forms of affordable credit; amending Minnesota Statutes 1988, sections 47.52; 47.62, subdivision 3; 48.185, subdivision 1; 48.93, subdivision 3; 48.99, subdivision 1; 51A.05, subdivision 3a; 51A.58; and 52.04, subdivision 1.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Swenson, McPherson, Omann, Weaver and Haukoos introduced:

H. F. No. 435, A bill for an act relating to education; establishing a basic revenue formula allowance for fiscal years 1990 and 1991; revising the training and experience revenue formula; amending Minnesota Statutes 1988, section 124A.22, subdivisions 2 and 4.

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

Johnson, A.; Kelso; Nelson, C.; McEachern and Williams introduced:

H. F. No. 436, A bill for an act relating to education; requiring the state board of education to adopt a rule on preparation time for teachers.

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

Otis; Vellenga; Schafer; Nelson, K., and McEachern introduced:

H. F. No. 437, A bill for an act relating to education; creating PER local school development councils; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 126.

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

Macklin, Orenstein, Pugh, Dempsey and Weaver introduced:

H. F. No. 438, A bill for an act relating to courts; specifying the income standard for proceeding in forma pauperis; amending Minnesota Statutes 1988, section 563.01, subdivision 3.

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

Carlson, L., introduced:

H. F. No. 439, A bill for an act relating to retirement; volunteer firefighters; excluding volunteer firefighters serving with the Robbinsdale fire department from the definition of "public employee"; providing for refunds.

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

Valento, Limmer, Lynch, Macklin and Henry introduced:

H. F. No. 440, A bill for an act relating to crime; enhancing penalties for offenders who unlawfully distribute controlled substances on school premises, at bus stops, or enroute to or from school; making possession and use of dangerous weapons while involved in unlawful controlled substance transactions a separate crime; requiring the attorney general to draft and disseminate a plain language version of these laws; amending Minnesota Statutes 1988, section

152.15, subdivision 1, and by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 152.

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

Olsen, S.; Blatz; Vellenga and Kelly introduced:

H. F. No. 441, A bill for an act relating to child support enforcement; permitting obligors to withdraw from the automatic withholding program; amending Minnesota Statutes 1988, section 518.613, subdivision 4.

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

Stanisus, Omann, Marsh, Bishop and Blatz introduced:

H. F. No. 442, A bill for an act relating to crimes; providing mandatory minimum penalties for aggravated robbery of a pharmacy; amending Minnesota Statutes 1988, section 609.245.

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

Stanisus, Neuenschwander, Miller, Rukavina and Omann introduced:

H. F. No. 443, A bill for an act relating to game and fish; authorizing taking of two deer under specified conditions; amending Minnesota Statutes 1988, section 97B.301, subdivision 4.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Weaver, Brown, Carruthers, Kelly and Macklin introduced:

H. F. No. 444, A bill for an act relating to data privacy; providing for access to private medical examiner data and other medical data by family members; amending Minnesota Statutes 1988, sections 13.42, subdivision 3; 13.83, subdivision 8; and 144.335, subdivision 1.

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

Vellenga, Vanasek, Rodosovich, Orenstein and Seaberg introduced:

H. F. No. 445, A bill for an act relating to alcoholic beverages; requiring registration numbers on kegs and barrels of beer and records of their sale; increasing penalties for selling or furnishing alcoholic beverages to a minor under certain circumstances; amending Minnesota Statutes 1988, sections 340A.701; and 340A.702; proposing coding for new law in Minnesota Statutes, chapter 340A.

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

Stanius, Neuenschwander, Miller, Rukavina and Omann introduced:

H. F. No. 446, A bill for an act relating to game and fish; authorizing taking of two deer; specifying methods for taking; amending Minnesota Statutes, 1988, section 97B.301, subdivision 4.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Weaver, Bauerly, Lynch and Jacobs introduced:

H. F. No. 447, A bill for an act relating to retirement; excluding members of the Anoka-Champlin joint volunteer fire department from membership in the public employees retirement association.

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

Weaver, Carruthers, Vellenga, Orenstein and Blatz introduced:

H. F. No. 448, A bill for an act relating to data practices; providing that victims of criminal sexual conduct have access to the assailant's medical data concerning testing for HIV antibody and sexually transmitted diseases; amending Minnesota Statutes 1988, sections 13.42, by adding a subdivision; and 144.335, by adding a subdivision.

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

Simoneau introduced:

H. F. No. 449, A bill for an act relating to corporations; providing

that the control share acquisition and business combination statutes apply to certain corporations unless they elect not to be covered; clarifying application of the statutes; reducing the period of time that business combinations are regulated from five years to three years; amending Minnesota Statutes 1988, sections 302A.011, subdivisions 41 and 49; 302A.671, subdivision 1; and 302A.673, subdivisions 1 and 3.

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

McGuire, Waltman, Jennings, Winter and Neuenschwander introduced:

H. F. No. 450, A bill for an act relating to natural resources; authorizing additions to and deletions from certain state parks and waysides; abolishing Little Elbow Lake State Park; repealing Minnesota Statutes 1988, section 85.012, subdivision 39.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Gruenes, Bertram, Marsh and Bauerly introduced:

H. F. No. 451, A bill for an act relating to human services; creating an exclusion to the human services licensing act; amending Minnesota Statutes 1988, section 245A.03, subdivision 2.

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

Kahn, Ogren, Dille, Skoglund and Hasskamp introduced:

H. F. No. 452, A bill for an act relating to health; amending the clean indoor air act; amending Minnesota Statutes 1988, sections 144.413, subdivision 2; 144.414, subdivisions 1 and 3; 144.415; and 144.416.

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

Uphus and Waltman introduced:

H. F. No. 453, A bill for an act relating to taxation; property; allowing agricultural homestead treatment in certain cases; amending Minnesota Statutes 1988, sections 273.124, subdivision 1, and by adding a subdivision; and 273.13, subdivision 23.

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

O'Connor, Osthoff, Sarna, Morrison and McGuire introduced:

H. F. No. 454, A bill for an act relating to financial institutions; electronic funds transfer facilities; requiring disclosure of the transaction charge on the customer's receipt or record; amending Minnesota Statutes 1988, section 47.69, subdivision 6.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Johnson, R.; Sparby; Lieder; Tunheim and Olson, E., introduced:

H. F. No. 455, A bill for an act relating to education; appropriating money to continue programs at the Northern Coalition Teacher Center.

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

Williams, Pugh, Orenstein and Johnson, A., introduced:

H. F. No. 456, A bill for an act relating to human rights; providing that failure to implement a comparable worth plan is an unfair discriminatory practice; amending Minnesota Statutes 1988, section 363.01, subdivision 9.

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

Stanius, Bennett, Lynch, Macklin and Abrams introduced:

H. F. No. 457, A bill for an act relating to student nutrition; expanding the school milk program to all grade levels; appropriating money; amending Minnesota Statutes 1988, section 124.648.

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

Clark, Greenfield, Jefferson and Ogren introduced:

H. F. No. 458, A bill for an act relating to human services; amending general assistance and work readiness programs for people who are functionally illiterate; amending Minnesota Stat-

utes 1988, sections 256D.05, subdivision 1; 256D.051, subdivisions 1, 2, 3, and 6a; and 256D.052.

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

Weaver, Kalis, Omann, Brown and McLaughlin introduced:

H. F. No. 459, A bill for an act relating to traffic regulations; providing for suspension of nonresident's driving privilege under certain circumstances; amending Minnesota Statutes 1988, sections 171.15 and 171.16.

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

Johnson, R.; Rukavina; Solberg; Janezich and Carlson, D., introduced:

H. F. No. 460, A bill for an act relating to natural resources; appropriating funds for control and removal of beaver.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Kelly, Vellenga, Orenstein, Miller and Wagenius introduced:

H. F. No. 461, A bill for an act relating to crime victims; modifying the limitations provision governing damage actions brought by sexual assault victims; requiring that victims of crimes against the person be informed of the conditions governing the convicted offender's release from confinement and the identity of the corrections agent supervising the offender; requiring that sexual assault victims be notified when the alleged sex offender is released from pretrial detention; amending Minnesota Statutes 1988, sections 541.07; and 611A.06; proposing coding for new law in Minnesota Statutes, chapters 541 and 629.

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

Gruenes, Henry, Poppenhagen, Frederick and Uphus introduced:

H. F. No. 462, A bill for an act relating to taxation; income; providing a credit for long-term care policy premiums; appropriating money; amending Minnesota Statutes 1988, section 290.06, by adding a subdivision.



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

Gruenes, Ogren, Battaglia, Waltman and Jennings introduced:

H. F. No. 463, A bill for an act relating to health; authorizing the public facilities authority to make health care planning grants and capital equipment loans available to small hospitals; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 446A.

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

Redalen, Kostohryz, Kelso, Ostrom and Waltman introduced:

H. F. No. 464, A bill for an act relating to horse racing; allowing certain money in the breeders fund to be expended for equine promotion; amending Minnesota Statutes 1988, section 240.18.

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

#### HOUSE ADVISORIES

The following House Advisories were introduced:

Johnson, V.; Henry; Brown; Girard and Milbert introduced:

H. A. No. 1, A proposal to study use of private property for underage consumption of alcohol.

The advisory was referred to the Committee on Judiciary.

Gutknecht and Simoneau introduced:

H. A. No. 2, A proposal to study the state flag.

The advisory was referred to the Committee on Governmental Operations.

**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. 1, A bill for an act relating to courts; reenacting the statutory provision authorizing six member juries in nonfelony cases; reenacting Minnesota Statutes 1988, section 593.01, subdivision 1.

PATRICK E. FLAHAVER, Secretary of the Senate

Mr. Speaker:

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

S. F. No. 25.

PATRICK E. FLAHAVER, Secretary of the Senate

**FIRST READING OF SENATE BILLS**

S. F. No. 25, A bill for an act relating to the legislature; correcting inaccurate references to senate committees; removing an obsolete reference to senate and house committees; amending Minnesota Statutes 1988, sections 97A.045, subdivision 8; 97A.065, subdivision 3; 116E.035; and 480.256.

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

**CONSENT CALENDAR**

H. F. No. 29, A bill for an act relating to examiners of title; increasing number of deputy examiners of title in second and fourth judicial districts; amending Minnesota Statutes 1988, section 508.12, 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 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Girard	Krueger	Onnen	Seaberg
Anderson, G.	Greenfield	Lasley	Orenstein	Segal
Anderson, R.	Gruenes	Lieder	Osthoff	Simoneau
Battaglia	Gutknecht	Limmer	Ostrom	Skoglund
Bauerly	Hartle	Long	Otis	Solberg
Beard	Hasskamp	Lynch	Ozment	Sparby
Begich	Haukoos	Macklin	Pappas	Stanius
Bennett	Heap	Marsh	Pauly	Steensma
Bertram	Henry	McDonald	Pellow	Sviggum
Blatz	Himle	McEachern	Pelowski	Swenson
Boo	Hugoson	McGuire	Peterson	Tjornhom
Brown	Jacobs	McLaughlin	Poppenhagen	Tompkins
Burger	Janezich	McPherson	Price	Trimble
Carlson, D.	Jaros	Milbert	Pugh	Tunheim
Carlson, L.	Jefferson	Miller	Quinn	Uphus
Carruthers	Jennings	Morrison	Redalen	Valento
Clark	Johnson, A.	Munger	Reding	Vellenga
Conway	Johnson, R.	Nelson, C.	Rest	Wagenius
Cooper	Johnson, V.	Nelson, K.	Rice	Waltman
Dauner	Kahn	Neuenschwander	Richter	Weaver
Dawkins	Kalis	O'Connor	Rodosovich	Welle
Dempsey	Kelly	Ogren	Rukavina	Wenzel
Dille	Kelso	Olsen, S.	Sarna	Williams
Dorn	Kinkel	Olson, E.	Schafer	Winter
Frederick	Knickerbocker	Olson, K.	Scheid	Wynia
Frerichs	Kostohryz	Omann	Schreiber	Spk. Vanasek

The bill was passed and its title agreed to.

H. F. No. 122, A bill for an act relating to crimes; providing for an exception to certain activities prohibited on buses; amending Minnesota Statutes 1988, section 609.855, 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 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Burger	Frerichs	Janezich	Kostohryz
Anderson, G.	Carlson, D.	Girard	Jaros	Krueger
Anderson, R.	Carlson, L.	Greenfield	Jefferson	Lasley
Battaglia	Carruthers	Gruenes	Jennings	Lieder
Bauerly	Clark	Gutknecht	Johnson, A.	Limmer
Beard	Conway	Hartle	Johnson, R.	Long
Begich	Cooper	Hasskamp	Johnson, V.	Lynch
Bennett	Dauner	Haukoos	Kahn	Macklin
Bertram	Dawkins	Heap	Kalis	Marsh
Bishop	Dempsey	Henry	Kelly	McDonald
Blatz	Dille	Himle	Kelso	McEachern
Boo	Dorn	Hugoson	Kinkel	McGuire
Brown	Frederick	Jacobs	Knickerbocker	McLaughlin

McPherson	Onnen	Quinn	Simoneau	Vellenga
Milbert	Orenstein	Redalen	Skoglund	Wagenius
Miller	Osthoff	Reding	Solberg	Waltman
Morrison	Ostrom	Rest	Sparby	Weaver
Munger	Otis	Rice	Stanisus	Welle
Nelson, C.	Ozment	Richter	Steensma	Wenzel
Nelson, K.	Pappas	Rodosovich	Sviggum	Williams
Neuenschwander	Pauly	Rukavina	Swenson	Winter
O'Connor	Pellow	Sarna	Tjornhom	Wynia
Ogren	Pelowski	Schafer	Tompkins	Spk. Vanasek
Olson, S.	Peterson	Scheid	Trimble	
Olson, E.	Poppenhagen	Schreiber	Tunheim	
Olson, K.	Price	Seaberg	Uphus	
Omann	Pugh	Segal	Valento	

The bill was passed and its title agreed to.

### MOTIONS AND RESOLUTIONS

McLaughlin moved that the name of Jefferson be added as an author on H. F. No. 42. The motion prevailed.

Pelowski moved that the name of Frederick be added as an author on H. F. No. 165. The motion prevailed.

Boo moved that the name of Kostohryz be added as an author on H. F. No. 239. The motion prevailed.

Wenzel moved that the name of Cooper be added as an author on H. F. No. 301. The motion prevailed.

Clark moved that the name of Long be added as an author on H. F. No. 317. The motion prevailed.

Orenstein moved that the name of Long be added as an author on H. F. No. 330. The motion prevailed.

Price moved that the name of Solberg be added as an author on H. F. No. 331. The motion prevailed.

Simoneau moved that the names of Segal and Trimble be added as authors on H. F. No. 334. The motion prevailed.

Simoneau moved that the names of Valento, Segal and Trimble be added as authors on H. F. No. 335. The motion prevailed.

Simoneau moved that the names of Trimble and Segal be added as authors on H. F. No. 336. The motion prevailed.

Jennings moved that the name of Jefferson be added as an author on H. F. No. 337. The motion prevailed.

Bauerly moved that the names of Schafer and Gruenes be added as authors on H. F. No. 339. The motion prevailed.

Bauerly moved that the names of Olsen, S., and Schafer be added as authors on H. F. No. 340. The motion prevailed.

Price moved that the name of Marsh be added as an author on H. F. No. 349. The motion prevailed.

Kelso moved that the name of Sparby be added as an author on H. F. No. 363. The motion prevailed.

Tunheim moved that the name of Neuenschwander be added as an author on H. F. No. 373. The motion prevailed.

McLaughlin, Jefferson, Wynia, Schreiber and Vanasek introduced:

House Resolution No. 3, A house resolution commemorating A. Phillip Randolph and his lifetime devotion to ending discrimination against African-Americans.

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

#### ADJOURNMENT

Wynia moved that when the House adjourns today it adjourn until 2:30 p.m., Thursday, February 9, 1989. The motion prevailed.

Wynia moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Thursday, February 9, 1989.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

