

## STATE OF MINNESOTA

## SEVENTY-SIXTH SESSION — 1990

## EIGHTY-FOURTH DAY

SAINT PAUL, MINNESOTA, WEDNESDAY, APRIL 4, 1990

The House of Representatives convened at 12:00 noon and was called to order by Robert E. Vanasek, Speaker of the House.

Prayer was offered by Patty and Jerry Wetterling, St. Joseph, Minnesota.

The roll was called and the following members were present:

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

A quorum was present.

Beard and McLaughlin were excused.

The Chief Clerk proceeded to read the Journal of the preceding day. Simoneau moved that further reading of the Journal be dis-

pensed 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. 2024, 2520, 2230 and 1843 and S. F. Nos. 2489, 1891, 1854, 2396, 1520, 1799, 2282, 2382, 1994, 1725 and 1866 have been placed in the members' files.

S. F. No. 1854 and H. F. No. 1890, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Pugh moved that the rules be so far suspended that S. F. No. 1854 be substituted for H. F. No. 1890 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1891 and H. F. No. 2223, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Pugh moved that the rules be so far suspended that S. F. No. 1891 be substituted for H. F. No. 2223 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2282 and H. F. No. 2426, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Rice moved that S. F. No. 2282 be substituted for H. F. No. 2426 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2489 and H. F. No. 2656, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Rukavina moved that the rules be so far suspended that S. F. No. 2489 be substituted for H. F. No. 2656 and that the House File be indefinitely postponed. The motion prevailed.

#### REPORTS OF STANDING COMMITTEES

Ogren from the Committee on Taxes to which was referred:

H. F. No. 2005, A bill for an act relating to lawful gambling; providing primary enforcement for criminal violations in the division of gambling enforcement; defining lawful purposes for expenditures of gambling profits; establishing licensing qualifications for organizations and manufacturers; requiring organizations to report monthly on expenditures and contributions of gambling profits; authorizing the gambling control board to require recipients of contributions of gambling profits to register with the board; authorizing summary suspension of gambling licenses for failure to file tax returns; authorizing a limited number of video pull-tab devices and establishing standards and requirements for them; regulating pull-tab dispensing machines; requiring inspection and testing of gambling equipment; requiring permits for gambling premises; requiring gambling managers to be licensed; requiring that employees of organizations conducting lawful gambling be registered with the board; expanding allowable uses for revenue from local gambling taxes and requiring board approval of these taxes; specifying authority to establish incentive plans for state lottery employees; repealing video games of chance regulating provisions on January 1, 1992; abolishing lawful gambling on July 1, 1993; amending Minnesota Statutes 1988, sections 349.12, subdivision 10, and by adding subdivisions; 349.16, as amended; 349.17, as amended; 349.18, as amended; 349.19, as amended; 349.212, subdivision 5; 349.2121, subdivisions 1 and 4a; 349.2123; 349.30, subdivision 2; 349.31; 349.32; 349.34; 349.35, subdivision 1; 349.36; 349.38; 349.39; 349.50, subdivision 8; 349.55; and 609.75, subdivision 4; Minnesota Statutes 1989 Supplement, sections 299L.03, by adding a subdivision; 340A.410, subdivision 5; 349.12, subdivisions 12 and 15; 349.151, subdivision 4; 349.152, subdivision 2, and by adding subdivisions; 349.161, as amended; 349.162; 349.163, as amended; 349.164; 349.2121, subdivision 2; 349.2122; 349.213, subdivisions 1 and 2; 349A.02, subdivision 5; 609.75, subdivision 3; and 609.761, subdivision 1; Minnesota Statutes Second 1989 Supplement, sections 349.12, subdivisions 11 and 19; 349.15; and 349.212, subdivisions 1 and 4; Laws 1989, First Special Session chapter 1, article 13, section 27; proposing coding for new law in Minnesota Statutes, chapters

299L and 349; repealing Minnesota Statutes 1988, sections 349.11, as amended; 349.12, as amended; 349.13; 349.14; 349.15, as amended; 349.16, as amended; 349.161, as amended; 349.162, as amended; 349.163, as amended; 349.164, as amended; 349.17, as amended; 349.18, as amended; 349.19, as amended; 349.211; 349.212, as amended; 349.2121, as amended; 349.2122, as amended; 349.2123; 349.2124; 349.2125, as amended; 349.2127, as amended; 349.213, as amended; 349.214, subdivisions 1, 1a, 3, and 4; 349.22, as amended; and 349.23; Minnesota Statutes 1989 Supplement, sections 349.151, subdivisions 1, 2, 4, 4a, and 5; 349.152; 349.153; 349.20; and 349.21; Minnesota Statutes Second 1989 Supplement, sections 349.214, subdivision 2; 349.215; 349.2151; 349.2152; 349.216; 349.217; 349.2171; 349.218; and 349.219.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1988, section 297A.01, subdivision 16, is amended to read:

Subd. 16. [CAPITAL EQUIPMENT.] Capital equipment means machinery and equipment and the materials and supplies necessary to construct or install the machinery or equipment. To qualify under this definition the capital equipment must be used by the purchaser or lessee for manufacturing, fabricating, or refining a product to be sold at retail and must be used for the establishment of a new or the physical expansion of an existing manufacturing, fabricating, or refining facility in the state. Capital equipment does not include (1) machinery or equipment purchased or leased to replace machinery or equipment performing substantially the same function in an existing facility, or (2) repair or replacement parts, or (3) ~~machinery or equipment used to extract, receive, or store raw materials.~~

Sec. 2. Minnesota Statutes 1989 Supplement, section 299L.03, is amended by adding a subdivision to read:

Subd. 9. [VIDEO GAMES OF CHANCE.] The commissioner shall exercise all powers and duties assigned to the commissioner relating to video games of chance under sections 349.50 to 349.60 through the division and director.

Sec. 3. Minnesota Statutes 1989 Supplement, section 299L.03, is amended by adding a subdivision to read:

Subd. 10. [FINGERPRINTING.] The director may require that any: (1) licensee under sections 349.11 to 349.23, (2) employee of such a licensee, or (3) shareholder or officer of such a licensee be fingerprinted by the director, or otherwise submit to fingerprinting in a form and manner acceptable to the director.

## Sec. 4. [299L.06] [JURISDICTION.]

In any investigation or other enforcement activity where there is probable cause to believe that a criminal violation relating to gambling has occurred, the division shall be the primary investigation entity where enforcement rests.

Sec. 5. Minnesota Statutes 1988, section 349.12, subdivision 10, is amended to read:

Subd. 10. "Pull-tab" means a single folded or banded ticket or a card with a face covered to conceal one or more numbers or symbols, where one or more of each set of tickets or cards has been designated in advance as a winner. "Pull-tab" also includes a ticket sold in a gambling device known as a ticket jar, and includes plays on a video pull-tab device and video pull-tab device memory chips.

Sec. 6. Minnesota Statutes 1988, section 349.12, is amended by adding a subdivision to read:

Subd. 10a. [VIDEO PULL-TAB DEVICE.] "Video pull-tab device" means an electronic video device that on the insertion of cash or a token simulates the game of pull-tabs.

Sec. 7. Minnesota Statutes Second 1989 Supplement, section 349.12, subdivision 11, is amended to read:

Subd. 11. (a) "Lawful purpose" means one or more of the following:

(1) benefiting persons by enhancing their opportunity for religious or educational advancement, by relieving or protecting them from disease, suffering or distress, by contributing to their physical well-being, by assisting them in establishing themselves in life as worthy and useful citizens, or by increasing their comprehension of and devotion to the principles upon which this nation was founded;

(2) initiating, performing, or fostering worthy public works or enabling or furthering the erection or maintenance of public structures;

(3) lessening the burdens borne by government or voluntarily supporting, augmenting or supplementing services which government would normally render to the people;

(4) payment of local taxes authorized under this chapter, and taxes imposed by the United States on receipts from lawful gambling;

(5) any expenditure by, or any contribution to, a hospital or nursing home exempt from taxation under section 501(c)(3) of the Internal Revenue Code;

(6) payment of reasonable costs incurred in complying with the

performing of annual audits required under section 340.19, subdivision 9;

(7) payment of real estate taxes and assessments on licensed gambling premises wholly owned by the licensed organization; or

(8) if approved by the board, construction, improvement, expansion, maintenance, and repair of athletic fields and outdoor ice rinks and their appurtenances, owned by the organization or a public agency.

(b) "Lawful purpose" does not include the erection, acquisition, improvement, expansion, repair, or maintenance of any real property or capital assets owned or leased by an organization, other than a hospital or nursing home exempt from taxation under section 501(c)(3) of the Internal Revenue Code, unless the board has first specifically authorized the expenditures after finding: (1) that the property or capital assets will be used exclusively for one or more of the purposes specified in paragraph (a), clauses (1) to (3); or (2) with respect to expenditures for repair or maintenance only, that the property is or will be used extensively as a meeting place or event location by other nonprofit organizations or community or service groups and that no rental fee is charged for the use; or (3) with respect to expenditures for erection or acquisition only, that the erection or acquisition is necessary to replace with a comparable building a building owned by the organization and destroyed or made uninhabitable by fire or natural disaster, provided that the expenditure may be only for that part of the replacement cost not reimbursed by insurance. The board shall by rule adopt procedures and standards to administer this subdivision.

(1) any expenditure by or contribution to a 501(c)(3) organization, provided that the organization and expenditure or contribution are in conformity with standards prescribed by the board under section 19;

(2) a contribution to an organization designed to assist an individual or family suffering from poverty, homelessness, or physical or mental disability, which is used to relieve the effects of that poverty, homelessness, or disability;

(3) a contribution to an organization designed to assist an individual for treatment for delayed post-traumatic stress syndrome, or a contribution to a recognized program for the treatment of compulsive gambling on behalf of an individual who is a compulsive gambler;

(4) a contribution to or expenditure on a public or private nonprofit educational institution registered with or accredited by this state or any other state;

(5) a contribution to a scholarship fund for defraying the cost of education to individuals, where the funds are awarded through an open and fair selection process not controlled by the contributing organization;

(6) activities by a veterans organization or a government entity which recognize humanitarian or military service to the United States, the state of Minnesota, or a community;

(7) recreational and athletic facilities and activities intended primarily for persons under age 21, provided that such facilities and activities do not discriminate on the basis of gender, as evidenced by (i) provision of equipment and supplies, (ii) scheduling of activities, including games and practice times, (iii) supply and assignment of coaches or other adult supervisors, (iv) provision and availability of support facilities, and (v) whether the opportunity to participate reflects each gender's demonstrated interest in the activity;

(8) payment of local taxes authorized under this chapter, and taxes imposed by the United States on receipts from lawful gambling;

(9) a contribution to the United States, this state or any of its political subdivisions, or any agency or instrumentality thereof other than a direct contribution to a law enforcement or prosecutorial agency; or

(10) a contribution to or expenditure by a nonprofit organization, church or body of communicants, gathered in common membership for mutual support and edification in piety, worship, or religious observances.

(b) Notwithstanding paragraph (a), "lawful purpose" does not include:

(1) any expenditure made or incurred for the purpose of influencing the nomination or election of a candidate for public office or for the purpose of promoting or defeating a ballot question;

(2) any activity intended to influence an election or a governmental decision-making process;

(3) the erection, acquisition, improvement, expansion, repair, or maintenance of real property or capital assets owned or leased by an organization, unless the board has first specifically authorized the expenditures after finding that (i) the real property or capital assets will be used exclusively for one or more of the purposes in paragraph (a); (ii) with respect to expenditures for repair or maintenance only, that the property is or will be used extensively as a meeting place or event location by other nonprofit organizations or community or

service groups and that no rental fee is charged for the use; (iii) with respect to expenditures, including a mortgage payment or other debt service payment, for erection or acquisition only, that the erection or acquisition is necessary to replace with a comparable building, a building owned by the organization and destroyed or made uninhabitable by fire or natural disaster, provided that the expenditure may be only for that part of the replacement cost not reimbursed by insurance; or (iv) with respect to expenditures, including a mortgage payment or other debt service payment, for erection or acquisition only, that the erection or acquisition is necessary to replace with a comparable building a building owned by the organization that was acquired from the organization by eminent domain or sold by the organization to a purchaser that the organization reasonably believed would otherwise have acquired the building by eminent domain, provided that the expenditure may be only for that part of the replacement cost that exceeds the compensation received by the organization for the building being replaced;

(4) an expenditure by an organization which is a contribution to a parent organization, foundation or affiliate of the contributing organization, if the parent organization, foundation, or affiliate has provided to the contributing organization within one year of the contribution any money, grants, property, or other thing of value; or

(5) a contribution by a licensed organization to another licensed organization unless the board has specifically authorized the contribution. The board must authorize such a contribution when requested to do so by the contributing organization unless it makes an affirmative finding that the contribution will not be used by the recipient organization for one or more of the purposes in paragraph (a).

Sec. 8. Minnesota Statutes 1989 Supplement, section 349.12, subdivision 12, is amended to read:

Subd. 12. [ORGANIZATION.] "Organization" means any fraternal, religious, veterans, or other nonprofit organization which has at least 15 active members, and either has been duly incorporated as a nonprofit organization for at least three years, or has been recognized by the Internal Revenue Service as exempt from income taxation for the most recent three years.

Sec. 9. Minnesota Statutes 1989 Supplement, section 349.12, subdivision 15, is amended to read:

Subd. 15. [GAMBLING EQUIPMENT.] "Gambling equipment" means: bingo cards or sheets, devices for selecting bingo numbers, pull-tabs, jar tickets, pull-tab and/or tipboard dispensing machines, video pull-tab devices, video pull-tab device memory chips, paddle-wheels, and tipboards.



Sec. 10. Minnesota Statutes 1988, section 349.12, subdivision 18, is amended to read:

Subd. 18. [DEAL.] "Deal" means each separate package, or series of packages, consisting of one game of pull-tabs or tipboards with the same serial number. "Deal" also includes a video pull-tab device memory chip.

Sec. 11. Minnesota Statutes Second 1989 Supplement, section 349.12, subdivision 19, is amended to read:

Subd. 19. [IDEAL GROSS.] "Ideal gross" means the total amount of receipts that would be received if every individual ticket in the pull-tab or tipboard deal was sold at its face value. In the calculation of ideal gross and prizes, a free play ticket shall be valued at face value. In the case of video pull-tab devices "ideal gross" is the total amount of receipts that can be received by the read-only memory chip driving the device.

Sec. 12. Minnesota Statutes 1988, section 349.12, is amended by adding a subdivision to read:

Subd. 30. [501(c)(3) ORGANIZATION.] "501(c)(3) organization" is an organization exempt from the payment of federal income taxes under section 501(c)(3) of the Internal Revenue Code.

Sec. 13. Minnesota Statutes 1988, section 349.12, is amended by adding a subdivision to read:

Subd. 31. [AFFILIATE.] "Affiliate" is any person or entity directly or indirectly controlling, controlled by, or under common control or ownership with a licensee of the board or any officer or director of a licensee of the board.

Sec. 14. Minnesota Statutes 1988, section 349.12, is amended by adding a subdivision to read:

Subd. 32. [PERSON.] "Person" is an individual, firm, association, partnership, corporation, trustee, or legal representative.

Sec. 15. Minnesota Statutes 1988, section 349.12, is amended by adding a subdivision to read:

Subd. 33. [VIDEO PULL-TAB DEVICE WHOLESALER.] "Video pull-tab device wholesaler" is a person who purchases video pull-tab devices from a manufacturer and sells them to a distributor.

Sec. 16. Minnesota Statutes 1988, section 349.12, is amended by adding a subdivision to read:

Subd. 34. [FLARE.] "Flare" is the posted display, with registration stamp affixed, that sets forth the rules of a particular game of pull-tabs or tipboards, and that is associated with a specific deal of pull-tabs or grouping of tipboards.

Sec. 17. Minnesota Statutes Second 1989 Supplement, section 349.15, is amended to read:

349.15 [USE OF GROSS PROFITS.]

(a) Gross profits from lawful gambling may be expended only for lawful purposes or allowable expenses as authorized at a regular meeting of the conducting organization. Provided that no more than 55 percent of the gross profit less the tax imposed under section 349.212, subdivision 1, from bingo, no more than 50 percent of the gross profit from raffles, paddlewheels, and tipboards, and no more than 50 percent of the gross profit less the taxes imposed by section 349.212, subdivisions 1, 4, and 6, from other forms of lawful gambling pull-tabs, may be expended for allowable expenses related to lawful gambling.

(b) The board shall provide by rule for the administration of this section, including specifying allowable expenses. The rules must specify that no more than one-third of the annual premium on a policy of liability insurance procured by the organization may be taken as an allowable expense. This expense shall be allowed by the board only to the extent that it relates directly to the conduct of lawful gambling and is verified in the manner the board prescribes by rule. The rules may provide a maximum percentage of gross profits which may be expended for certain expenses.

(c) Allowable expenses also include reasonable costs of bank account service charges, and the reasonable costs of an audit required by the board, except an audit required under section 349.19, subdivision 9.

(d) Allowable expenses include reasonable legal fees and damages that relate to the conducting of lawful gambling, except for legal fees or damages incurred in defending the organization against the board, attorney general, United States attorney, commissioner of revenue, or a county or city attorney.

Sec. 18. Minnesota Statutes 1989 Supplement, section 349.151, subdivision 4, is amended to read:

Subd. 4. [POWERS AND DUTIES.] (a) The board has the following powers and duties:

(1) to regulate lawful gambling to ensure it is conducted in the public interest;

(2) to issue, ~~revoke, and suspend~~ licenses to organizations, distributors, bingo halls, and manufacturers ~~under sections 349.16, 349.161, 349.163, and 349.164,~~ and gambling managers;

(~~2~~) (3) to collect and deposit license, permit, and registration fees due under this chapter;

(~~3~~) (4) to receive reports required by this chapter and inspect ~~the~~ all premises, records, books, and other documents of organizations and suppliers, distributors, manufacturers, and bingo halls to insure compliance with all applicable laws and rules;

(4) (5) to make rules ~~required~~ authorized by this chapter;

(~~5~~) (6) to register gambling equipment and issue registration stamps ~~under section 349.162;~~

(~~6~~) (7) to provide by rule for the mandatory posting by organizations conducting lawful gambling of rules of play and the odds and/or house percentage on each form of lawful gambling;

(7) (8) to report annually to the governor and legislature on its activities and on recommended changes in the laws governing gambling;

(~~8~~) (9) to impose civil penalties of not more than \$500 per violation on organizations, distributors, and manufacturers, bingo halls, and gambling managers for failure to comply with any provision of sections 349.12 to 349.23 this chapter or any rule of the board;

(9) to ~~notify city councils, county boards, and town boards before issuing or renewing licenses to organizations and bingo halls as specified under section 349.213; and~~

(10) to issue premises permits to organizations licensed to conduct lawful gambling;

(11) to delegate to the director the authority to issue licenses and premises permits under criteria established by the board;

(12) to suspend or revoke licenses and premises permits of organizations, distributors, manufacturers, bingo halls, or gambling managers for violations of law or board rule;

(13) to register recipients of net profits from lawful gambling and to revoke or suspend such registrations;

(14) to register employees of organizations licensed to conduct lawful gambling;

(15) to require fingerprints from those persons determined by board rule to be subject to fingerprinting; and

(16) to take all necessary steps to ensure the integrity of and public confidence in lawful gambling.

(b) Any organization, distributor, bingo hall operator, or manufacturer assessed a civil penalty may request a hearing before the board. Hearings conducted on appeals of imposition of penalties are not subject to the provisions of the administrative procedure act.

(c) All fees and penalties received by the board must be deposited in the general fund.

Sec. 19. Minnesota Statutes 1989 Supplement, section 349.152, subdivision 2, is amended to read:

Subd. 2. [DUTIES OF THE DIRECTOR.] The director has the following duties:

- (1) to carry out gambling policy established by the board;
- (2) to employ and supervise personnel of the board;
- (3) to advise and make recommendations to the board on rules;
- (4) to issue licenses and premises permits as authorized by the board;
- (5) to issue cease and desist orders;
- (6) to make recommendations to the board on license issuance, denial, suspension and revocation, and civil penalties the board imposes; and
- (7) to ensure that board rules, policy, and decisions are adequately and accurately conveyed to the board's licensees.

Sec. 20. Minnesota Statutes 1989 Supplement, section 349.152, is amended by adding a subdivision to read:

Subd. 3. [CEASE AND DESIST ORDERS.] Whenever it appears to the director that any person has engaged or is about to engage in any act or practice constituting a violation of this chapter or any rule:

(a) The director has the power to issue and cause to be served upon the person an order requiring the person to cease and desist from violations of this chapter. The order must give reasonable notice of

the rights of the person to request a hearing and must state the reason for the entry of the order. A hearing shall be held not later than seven days after the request for the hearing is received by the board after which and within 20 days of the date of the hearing the board shall issue an order vacating the cease and desist order or making it permanent as the facts require. All hearings shall be conducted in accordance with the provisions of chapter 14. If the person to whom a cease and desist order is issued fails to appear at the hearing after being duly notified, the person shall be deemed in default, and the proceeding may be determined against the person upon consideration of the cease and desist order, the allegations of which may be deemed to be true.

(b) The board may bring an action in the district court in the appropriate county to enjoin the acts or practices and to enforce compliance with this chapter or any rule and may refer the matter to the attorney general. Upon a proper showing, a permanent or temporary injunction, restraining order, or writ of mandamus shall be granted. The court may not require the board to post a bond.

Sec. 21. Minnesota Statutes 1989 Supplement, section 349.152, is amended by adding a subdivision to read:

Subd. 4. [EXECUTIVE ASSISTANT.] The director may appoint an executive assistant to the director, who is in the unclassified service.

Sec. 22. [349.154] [EXPENDITURE OF NET PROFITS FROM LAWFUL GAMBLING.]

Subdivision 1. [STANDARDS FOR CERTAIN ORGANIZATIONS.] The board shall by rule prescribe standards that must be met by any licensed organization that is a 501(c)(3) organization. The standards must provide:

(1) operating standards for the organization, including a maximum percentage or percentages of the organization's total expenditures that may be expended for the organization's administration and operation; and

(2) standards for any expenditure by the organization of net profits from lawful gambling, including a requirement that the expenditure be related to the primary purpose of the organization.

Subd. 2. [NET PROFIT REPORTS.] (a) Each licensed organization must report monthly to the board on a form prescribed by the board each expenditure and contribution of net profits from lawful gambling. The reports must provide for each expenditure or contribution:

(1) the name, address, and telephone number of the recipient of the expenditure or contribution;

(2) the date the contribution was approved by the organization;

(3) the date, amount, and check number of the expenditure or contribution; and

(4) a brief description of how the expenditure or contribution meets one or more of the purposes in section 349.12, subdivision 11, paragraph (a).

(b) Each report required under paragraph (a) must be accompanied by an acknowledgment, on a form the board prescribes, of each contribution of net profits from lawful gambling included in the report. The acknowledgment must be signed by the recipient of the contribution, or, if the recipient is not an individual, or other authorized representative of the recipient, by an officer. The acknowledgment must include the name and address of the contributing organization and each item in paragraph (a), clauses (1) to (3).

(c) The board shall provide the commissioners of revenue and public safety copies of each report received under this subdivision.

Subd. 3. [REGISTRATION OF LAWFUL GAMBLING NET PROFIT RECIPIENTS.] The board may by rule require that any individual, organization, or other entity must be registered with the board to receive a contribution of net profits from lawful gambling. The rules may designate and define specific categories of recipients which are subject to registration. The board may suspend or revoke the registration of any recipient the board determines has made an unlawful expenditure of net profits from lawful gambling.

Sec. 23. Minnesota Statutes 1988, section 349.16, as amended by Laws 1989, chapter 334, article 2, sections 20 and 21, and Laws 1989, First Special Session chapter 1, article 13, section 8, is amended to read:

#### 349.16 [ORGANIZATION LICENSES.]

Subdivision 1. [LICENSE REQUIRED.] An organization may conduct lawful gambling if it has a license to conduct lawful gambling and complies with this chapter.

Subd. 2. [ISSUANCE OF GAMBLING LICENSES.] Licenses authorizing organizations to conduct lawful gambling may be issued by the board to organizations meeting the following qualifications of section 349.14, if the board determines that the license is consistent with the purpose of sections 349.11 to 349.22::

(a) The organization must have been in existence for the most recent three years preceding the license application as a registered Minnesota nonprofit corporation or as an organization designated as exempt from the payment of income taxes by the Internal Revenue Code.

(b) The organization at the time of licensing must have at least 15 active members.

(c) The organization must not be in existence solely for the purpose of conducting gambling.

(d) The organization must not have as an officer or member of the governing body any person who has within the five years prior to the issuance of the license been convicted in a federal or state court of a felony or gross misdemeanor or who has ever been convicted of a crime involving gambling or who has had a license issued by the board or director revoked for a violation of law or board rule.

(e) The organization has identified in its license application the lawful purposes on which it proposes to expend net profits from lawful gambling.

(f) The organization has identified on its license application a gambling manager and certifies that the manager is qualified under this section.

(g) The organization must not, in the opinion of the board after consultation with the commissioner of revenue, be seeking licensing primarily for the purpose of evading or reducing the tax imposed by section 349.212, subdivision 6.

Subd. 3. [TERM OF LICENSE: SUSPENSION AND REVOCATION] (a) Licenses issued under this section are valid for one year and may be suspended by the board for a violation of law or board rule or revoked for what the board determines to be a ~~pattern of willful violations~~ violation of law or board rule. A revocation or suspension is a contested case under sections 14.57 to 14.69 of the administrative procedure act.

(b) The board may summarily suspend the license of an organization that is more than three months late in filing a tax return required under this chapter, and may keep the suspension in effect until all required returns are filed. The board must notify an organization at least 14 days before suspending the organization's license under this paragraph. A contested case hearing must be held within 20 days of the summary suspension and the administrative law judge's report must be issued within 20 days after the close of the hearing record. In all cases involving summary suspension, the board must issue its final decision within 30 days after receipt of the

report of the administrative law judge and subsequent exceptions and argument under section 14.61.

(c) When an organization's license is suspended or revoked under this subdivision, the board shall within three days notify all municipalities in which the organization's gambling premises are located, and all licensed distributors in the state.

Subd. 1a. [RESTRICTIONS ON LICENSE ISSUANCE.] On and after October 1, 1989, the board shall not issue an initial license to any organization if the board, in consultation with the department of revenue, determines that the organization is seeking licensing for the primary purpose of evading or reducing the tax imposed by section 349.212, subdivision 6.

Subd. 2 4. [APPLICATION.] All applications for a license under this section must be on a form prescribed by the board. The board may require the applying organization to submit a copy of its articles of incorporation and other documents it deems necessary.

Subd. 5. [RENEWALS.] The board shall not renew a license issued under this section unless it determines that the organization is (1) in compliance with all laws and rules governing lawful gambling; and (2) is not delinquent in filing tax returns or paying taxes required under this chapter. The board may delegate to the director the authority to make determinations required under this subdivision.

Subd. 3 6. [FEES.] The board may issue four classes of organization licenses: a class A license authorizing all forms of lawful gambling; a class B license authorizing all forms of lawful gambling except bingo; a class C license authorizing bingo only; and a class D license authorizing raffles only. The annual license fee for each class of license is:

- (1) \$200 for a class A license;
- (2) \$125 for a class B license;
- (3) \$100 for a class C license; and

(4) \$75 for a class D license. board shall not charge a fee for an organization license.

Subd. 7. [PURCHASE OF GAMBLING EQUIPMENT.] An organization may purchase gambling equipment only from a person licensed as a distributor.

Subd. 4 8. [LOCAL INVESTIGATION FEE.] A statutory or home rule charter city or county notified under section 349.213, subdivision 2, may assess an investigation fee on organizations or bingo



halls applying for or renewing a license to conduct lawful gambling or operate a bingo hall. An investigation fee may not exceed the following limits:

- (1) for cities of the first class, \$500;
- (2) for cities of the second class, \$250;
- (3) for all other cities, \$100; and
- (4) for counties, \$375.

Sec. 24. Minnesota Statutes 1989 Supplement, section 349.161, as amended by Laws 1989, First Special Session chapter 1, article 13, section 9, is amended to read:

### 349.161 [DISTRIBUTOR LICENSES.]

Subdivision 1. [PROHIBITED ACTS; LICENSES REQUIRED.]  
No person may:

(1) sell, offer for sale, or furnish gambling equipment for use within the state for gambling purposes, other than for lawful gambling exempt or excluded from licensing under section 349.214, except to an organization licensed for lawful gambling;

(2) sell, offer for sale, or furnish gambling equipment to an ~~organization licensed~~ for lawful gambling without having obtained a distributor license under this section;

(3) sell, offer for sale, or furnish gambling equipment for use within the state that is not purchased or obtained from a manufacturer or distributor licensed under this chapter, or in the case of video pull-tab devices, purchased or obtained from a manufacturer or a video pull-tab device wholesaler; or

(4) sell, offer for sale, or furnish gambling equipment for use within the state that has the same serial number as another item of gambling equipment of the same type sold or offered for sale or furnished for use in the state by that distributor.

~~No licensed organization may purchase gambling equipment from any person not licensed as a distributor under this section.~~

Nothing in this subdivision prohibits the otherwise lawful sale of video pull-tab devices to a distributor by a licensed video pull-tab device wholesaler.

Subd. 2. [LICENSE APPLICATION.] The board may issue licenses for the sale of gambling equipment to persons who meet the

qualifications of this section if the board determines that a license is consistent with the purpose of sections 349.11 to 349.22. Applications must be on a form the board prescribes.

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

(1) has been convicted of a felony ~~within the past five years~~;

(2) has ever been convicted of a felony involving fraud or misrepresentation or a crime involving gambling;

(3) has ever been convicted of (i) assault, (ii) any criminal violation involving the use of a firearm, or (iii) making terroristic threats;

(4) is or has ever been engaged in an illegal business;

~~(4)~~ (5) owes \$500 or more in delinquent taxes as defined in section 270.72;

~~(5)~~ (6) has had a sales and use tax permit revoked by the commissioner of revenue within the last two years; or

~~(6)~~ (7) after demand, has not filed tax returns required by the commissioner of revenue.

Subd. 4. [FEES.] The annual fee for a distributor's license is \$2,500.

Subd. 5. [PROHIBITION.] (a) No distributor, or employee of a distributor, may also be a wholesale distributor of alcoholic beverages or an employee of a wholesale distributor of alcoholic beverages.

(b) No distributor, ~~distributor's or any~~ representative, agent, affiliate, or employee of a distributor, may be (1) involved ~~directly~~ in the ~~operation~~ conduct of lawful gambling ~~conducted~~ by an organization; (2) keep or assist in the keeping of an organization's financial records, accounts, and inventories; or (3) prepare or assist in the preparation of tax forms and other reporting forms required to be submitted to the state by an organization.

(c) No ~~manufacturer or distributor or person acting as a~~ any representative, agent, affiliate, or employee of a ~~manufacturer or distributor~~ may provide a lessor of gambling premises any compensation, gift, gratuity, premium, or other thing of value.

(d) No distributor, distributor's or any representative, agent, affiliate, or employee of a distributor may participate in any gambling activity at any gambling site or premises where gambling equipment purchased from that distributor is being used in the conduct of lawful gambling.

(e) No distributor, distributor's or any representative, agent, affiliate, or employee of a distributor may alter or modify any gambling equipment, except to add a "last ticket sold" prize sticker.

(f) No distributor or any representative, agent, affiliate, or employee of a distributor may: (1) recruit a person to become a gambling manager of an organization or identify to an organization a person as a candidate to become gambling manager for the organization; or (2) identify for an organization a potential gambling location.

(g) No distributor may purchase gambling equipment from any person not licensed as a manufacturer under section 349.163.

(h) No distributor may sell gambling equipment to any person in Minnesota other than (i) a licensed organization or organization exempt from licensing, or (ii) the governing body of an Indian tribe.

Subd. 6. [REVOCATION AND SUSPENSION.] A license under this section may be suspended by the board for a violation of law or board rule ~~or~~. A license under this section may be revoked for (1) failure to meet the qualifications in subdivision 3 at any time; or ~~revoked~~ (2) ~~for what the board determines to be a pattern of a willful violations~~ violation of law or board rule. A revocation or suspension is a contested case under sections 14.57 to 14.69 of the administrative procedure act.

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

Subd. 8. [EMPLOYEES OF DISTRIBUTORS.] Licensed distributors shall provide the board upon request with the names and home addresses of all employees. Each distributor, and employee of a distributor, or a person making sales of gambling equipment on behalf of a distributor must have in their possession a picture identification card approved by the board. No person other than an employee of a licensed distributor shall make any sales on behalf of a licensed distributor.

Subd. 9. [LEASES OF VIDEO PULL-TAB DEVICES.] For pur-

poses of this section the terms "sell" and "sale" include the lease of a video pull-tab device or pull-tab dispensing machine by a distributor to a licensed organization.

Sec. 25. [349.1611] [VIDEO PULL-TAB DEVICE WHOLE-SALER.]

Subdivision 1. [LICENSE REQUIRED.] No person may engage in the business of purchasing video pull-tab devices from a manufacturer for sale to a distributor without having obtained a license from the board. The board may issue a license to persons who meet the qualifications of this section if the board determines that issuance of the license is consistent with the purposes of section 349.11 to 349.23. Applications must be on a form the board prescribes. Video pull-tab device wholesaler's licenses are valid for one year. The fee for a video pull-tab device wholesaler's license is \$2,500.

Subd. 2. [QUALIFICATIONS.] A license may not be issued under this section to a person, or to a corporation, firm, or partnership which has as an officer, director, other person in a supervisory or management position, or employee eligible to make sales on behalf of the distributor, a person, who:

(1) has been convicted of a felony;

(2) has ever been convicted of a felony involving fraud or misrepresentation or a crime involving gambling;

(3) has ever been convicted of (i) assault, (ii) any criminal violation involving the use of a firearm, or (iii) making terroristic threats;

(4) is or has ever been engaged in an illegal business;

(5) owes \$500 or more in delinquent taxes as defined in section 270.72;

(6) has had a sales and use tax permit revoked by the commissioner of revenue within the last two years; or

(7) after demand, has not filed tax returns required by the commissioner of revenue.

A video pull-tab device wholesaler's license may not be issued to any person licensed as a distributor under section 349.161.

Subd. 3. [PROHIBITIONS.] All prohibitions applicable to distributors or manufacturers under section 349.161, subdivision 5, apply to video pull-tab device wholesalers.

Subd. 4. [REVOCAION; SUSPENSION.] A license under this section may be suspended by the board for a violation of law or board rule. A license under this section may be revoked for (1) failure to meet the qualifications in subdivision 2 at any time, or (2) for a willful violation of law or board rule. A revocation or suspension is a contested case under sections 14.57 to 14.69 of the administrative procedure act.

Sec. 26. Minnesota Statutes 1989 Supplement, section 349.162, is amended to read:

349.162 [EQUIPMENT REGISTERED.]

Subdivision 1. [STAMP REQUIRED.] (a) A distributor may not sell, transfer, furnish, or otherwise provide to a person, organization, or distributor, and no person, organization, or distributor may purchase, borrow, accept, or acquire from a distributor gambling equipment unless the equipment has been registered with the board and has a registration stamp affixed. The board shall charge a fee of five cents for each stamp. Each stamp must bear a registration number assigned by the board. A distributor is entitled to a refund for unused stamps and replacement for stamps which are defective or canceled by the distributor.

(b) From January 1, 1991, to June 30, 1992, no distributor, organization, or other person may sell a pull-tab which is not clearly marked "For Sale in Minnesota Only."

(c) On and after July 1, 1992, no distributor, organization, or other person may sell a pull-tab which is not clearly marked "Manufactured in Minnesota For Sale in Minnesota Only."

Subd. 2. [RECORDS REQUIRED.] A distributor must maintain a record of all gambling equipment which it sells to organizations. The record must include:

(1) the identity of the person or firm from whom the equipment was distributor purchased the equipment;

(2) the registration number of the equipment;

(3) the name and, address and license or exempt permit number of the organization to which the sale was made;

(4) the date of the sale;

(5) the name of the person who ordered the equipment; and

(6) the name of the person who received the equipment;.

(7) the type of equipment;

(8) the serial number of the equipment;

(9) the name, form number, or other identifying information for each game; and

(10) in the case of bingo cards sold on and after January 1, 1991, the individual number of each card.

The invoice for each sale must be retained for at least ~~two~~ three and one-half years after the sale is completed and a copy of each invoice is to be delivered to the board in the manner and time prescribed by the board. For purposes of this section, a sale is completed when the gambling equipment is physically delivered to the purchaser.

Each distributor must report monthly to the board, in a form the board prescribes, its sales of each type of gambling equipment. Employees of the division and the division of gambling enforcement may inspect the business premises, books, records, and other documents of a distributor at any reasonable time without notice and without a search warrant.

Subd. 3. [EXEMPTION.] For purposes of this section, bingo cards or sheets need not be stamped.

Subd. 4. [PROHIBITION.] (a) No person other than a licensed distributor may possess unaffixed registration stamps issued by the board.

(b) Unless otherwise provided in this chapter, no person may possess gambling equipment that has not been stamped and registered with the board.

(c) On and after January 1, 1991, no distributor may:

(1) sell a bingo card that does not bear an individual number; or

(2) sell a package of bingo cards that does not contain bingo cards in numerical order.

Subd. 5. [SALES FROM FACILITIES.] (a) All gambling equipment purchased or possessed by a licensed distributor for resale in Minnesota must, prior to the equipment's resale, be unloaded into a sales or storage facility located in Minnesota which the distributor owns or leases; and which has been registered, in advance and in writing, with the division of gambling enforcement as a sales or storage facility of the distributor's. All unregistered gambling equipment and all unaffixed registration stamps owned by, or in the

possession of, a licensed distributor in the state of Minnesota shall be stored at a sales or storage facility which has been registered with the division of gambling enforcement. No gambling equipment may be moved from the facility unless the gambling equipment has been first registered with the board.

(b) All sales and storage facilities owned, leased, used, or operated by a licensed distributor may be entered upon and inspected by the employees of the division of gambling enforcement or the director's authorized representatives during reasonable and regular business hours. Obstruction of, or failure to permit, entry and inspection is cause for revocation or suspension of a distributor's licenses and permits issued under this chapter.

(c) Unregistered gambling equipment and unaffixed registration stamps found at any location in Minnesota other than a registered sales or storage facility are contraband under section 349.2125. This paragraph does not apply to unregistered gambling equipment being transported in interstate commerce between locations outside Minnesota, if the interstate shipment is verified by a bill of lading or other valid shipping document.

Subd. 6. [VIDEO PULL-TAB DEVICE MEMORY CHIPS.] For purposes of this section only, "gambling equipment" includes any memory chip used or intended to be used to drive a video pull-tab device.

Subd. 7. [REMOVAL OF EQUIPMENT FROM INVENTORY.] Authorized employees of the division, the division of gambling enforcement of the department of public safety, and the commissioner of revenue may remove gambling equipment from the inventories of distributors and organizations and test that equipment to determine its compliance with all applicable laws and rules. A distributor or organization may return to the manufacturer thereof any gambling equipment which is determined to be in violation of law or rule. The cost to an organization of gambling equipment removed from inventory under this paragraph and found to be in compliance with all applicable law and rules is an allowable expense under section 349.15.

Sec. 27. Minnesota Statutes 1989 Supplement, section 349.163, as amended by Laws 1989, First Special Session chapter 1, article 13, section 10, is amended to read:

#### 349.163 [LICENSING OF MANUFACTURERS.]

Subdivision 1. [LICENSE REQUIRED.] No manufacturer of gambling equipment may sell any gambling equipment to any person unless the manufacturer has been issued a current and valid license by the board under objective this section and other criteria prescribed by the board by rule.

A manufacturer licensed under this section may not also be directly or indirectly licensed as a distributor under section 349.161 or as a video pull-tab wholesaler under section 22.

Subd. 1a. [QUALIFICATIONS.] A license may not be issued under this section to a person, or to a corporation, firm, or partnership which has as an officer, director, other person in a supervisory or management position, or employee eligible to make sales on behalf of the distributor, a person, who:

(1) has been convicted of a felony;

(2) has ever been convicted of a felony involving fraud, misrepresentation, or a crime involving gambling;

(3) has ever been convicted of (i) assault, (ii) any criminal violation involving the use of a firearm, or (iii) making terroristic threats;

(4) is or has ever been engaged in an illegal business;

(5) owes \$500 or more in delinquent taxes as defined in section 270.72;

(6) has had a sales and use tax permit revoked by the commissioner of revenue within the last two years; or

(7) after demand, has not filed tax returns required by the commissioner of revenue.

Subd. 1b. [APPLICATIONS; INFORMATION.] An applicant for a manufacturer's license must list on the license application the names and addresses of all subsidiaries, affiliates, and branches in which the applicant has any form of ownership or control, in whole or in part, without regard to whether the subsidiary, affiliate, or branch does business in Minnesota.

Subd. 2. [LICENSE; FEE.] A license under this section is valid for one year. The annual fee for the license is \$2,500.

Subd. 3. [PROHIBITED SALES.] (a) A manufacturer may not:

(1) sell gambling equipment to any person not licensed as a distributor unless the manufacturer is also a licensed distributor; or

(2) sell gambling equipment to a distributor in this state that has the same serial number as another item of gambling equipment of the same type that is sold by that manufacturer for use in this state;



(3) on and after January 1, 1991, sell to any person in Minnesota a pull-tab on which the manufacturer has not clearly printed the words "For Sale in Minnesota Only," or

(4) on and after January 1, 1991, sell to any person inside or outside the state, including the governing body of any Indian tribe, other than a Minnesota licensed distributor, a pull-tab marked "For Sale in Minnesota Only."

(b) A manufacturer, affiliate of a manufacturer, or person acting as a representative, agent, or employee of a manufacturer may not provide a lessor of gambling premises any compensation, gift, gratuity, premium, or other thing of value.

(c) On and after July 1, 1992, all pull-tabs sold by a licensed manufacturer to a person in Minnesota must (1) be manufactured within Minnesota, and (2) be clearly marked with the words "Manufactured in Minnesota For Sale in Minnesota Only." A manufacturer may not place the words required in this paragraph on any pull-tab not manufactured in Minnesota.

Subd. 4. [INSPECTION OF MANUFACTURERS.] Employees of the division and the division of gambling enforcement may inspect the books, records, inventory, and manufacturing operations of a licensed manufacturer without notice during the normal business hours of the manufacturer.

Subd. 5. [PULL-TAB AND TIPBOARD FLARES.] (a) A manufacturer may not ship or cause to be shipped into this state any deal of pull-tabs or tipboards that does not have its own individual flare as required for that deal by rule of the board. No person other than a manufacturer may manufacture, alter, modify, or otherwise change a flare for a deal of pull-tabs or tipboards except as allowed by this chapter or board rules.

(b) The flare of each deal of pull-tabs and tipboards sold by a manufacturer in Minnesota must have the Minnesota gambling stamp affixed. The flare, with the stamp affixed, must be placed inside the wrapping of the deal which the flare describes.

(c) Each pull-tab and tipboard flare must bear the following statement, printed in letters large enough to be clearly legible:

"Pull-tab or tipboard purchasers—This pull-tab or tipboard game is not legal in Minnesota unless:

—a Minnesota gambling stamp is affixed to this sheet, and

—the serial number handwritten on the gambling stamp is the

same as the serial number printed on this sheet, and on the pull-tab ticket or tipboard you have purchased."

(d) The flare of each pull-tab and tipboard game must bear the serial number of the game, printed in numbers at least one-half inch high.

(e) The flare of each pull-tab and tipboard game must be imprinted at the bottom with a bar code which provides:

- (1) the name of the game;
- (2) the serial number of the game;
- (3) the name of the manufacturer;
- (4) the number of tickets or tipboards in the deal;
- (5) the odds of winning each prize in the deal; and
- (6) any other information the board by rule requires.

The serial number included in the bar code must be the same as the serial number of the tickets or tipboards included in the deal. A manufacturer who manufactures a deal of pull-tabs or tipboards must affix to the outside of the box containing that game the same bar code which is imprinted at the bottom of a flare for that deal.

(f) No person may alter the bar code which appears on the outside of a box containing a deal of pull-tabs or tipboards. Possession of a box containing a deal of pull-tabs or tipboards which has a bar code different from the bar code of the deal inside the box is prima facie evidence that the possessor has altered the bar code on the box.

Subd. 6. [SAMPLES OF GAMBLING EQUIPMENT.] The board shall require each licensed manufacturer to submit samples to the board of each item of gambling equipment the manufacturer manufactures for sale in this state. The board shall inspect and test all such equipment as it deems necessary to determine the equipment's compliance with law and board rules. The board may request the assistance of the commissioner of public safety and the director of the state lottery division in performing such tests.

Subd. 7. [RECYCLED PAPER REQUIRED.] All pull-tabs sold in Minnesota by a licensed manufacturer on and after January 1, 1991, must be manufactured on recycled paper.

Sec. 28. Minnesota Statutes 1989 Supplement, section 349.164, is amended to read:

## 349.164 [BINGO HALL LICENSES.]

Subdivision 1. [LICENSE REQUIRED.] No person may lease a facility to more than one individual, corporation, partnership, or organization to conduct bingo without having obtained a current and valid bingo hall license under this section, unless the lessor is a licensed organization.

Subd. 2. [LICENSE APPLICATION.] The board may issue a bingo hall license to persons who meet the qualifications of this section if the board determines that a license is consistent with the purpose of sections 349.11 to 349.22. Applications must be on a form the board prescribes. The board may not issue or renew a bingo hall license unless the conditions of section 349.213, subdivision 2, have been satisfied.

Subd. 3. [QUALIFICATIONS.] A license may not be issued under this section to a person, ~~or to a~~ organization, corporation, firm, or partnership which is not the legal owner of the facility, or to a person, organization, corporation, firm, or partnership which has as an officer, director, or other person in a supervisory or management position, who:

- (1) has been convicted of a felony within the past five years;
- (2) has ever been convicted of a felony involving fraud or misrepresentation or a crime involving gambling; ~~or~~
- (3) has every been convicted of (i) assault, (ii) any criminal violation involving the use of a firearm, or (iii) making terroristic threats;
- (4) owes delinquent taxes in excess of \$500 as defined in section 270.72; or
- (5) after demand, has not filed tax returns required by the commissioner of revenue.

Subd. 4. [FEES.] The annual fee for a bingo hall license is \$2,500.

Subd. 5. [CRIMINAL HISTORY.] The board may request the assistance of the division of gambling enforcement in investigating the background of an applicant for a bingo hall license and may reimburse the division of gambling enforcement for the costs. The board has access to all criminal history data compiled by the bureau of criminal apprehension and the division of gambling enforcement on licensees and applicants.

Subd. 6. [~~PROHIBITION~~ PROHIBITED ACTS.] No bingo hall

licensee, person holding a financial or managerial interest in a bingo hall, or an affiliate thereof may also:

(1) be a licensed distributor or licensed manufacturer or affiliate of the distributor or manufacturer under section 349.161 or 349.163 or a wholesale distributor of alcoholic beverages;

Subd. 7. [RESTRICTIONS.] A bingo hall licensee or affiliate of the licensee may not:

(1) (2) provide any staff to conduct or assist in the conduct of bingo or any other form of lawful gambling during the bingo occasion on the premises;

(2) (3) acquire, provide storage or inventory control, or report the use of any gambling equipment used by an organization that conducts bingo lawful gambling on the premises;

(3) (4) provide accounting services to an organization conducting bingo lawful gambling on the premises;

(4) (5) solicit, suggest, encourage, or make any expenditures of gross receipts of an organization from lawful gambling; or

(5) (6) charge any fee to a person at a bingo occasion, without which the person could not play a bingo game or participate in another form of lawful gambling on the premises;

(7) provide assistance or participate in the conduct of lawful gambling on the premises; or

(8) permit more than 21 bingo occasions to be conducted on the premises in any week.

Subd. 8 7. [LEASES.] All of the remuneration to be received from the organization for the conduct of lawful gambling must be stated in the lease. No amount may be paid by the organization or received by the operator of the bingo hall licensee based on the number of participants attending the bingo occasion or participating in lawful gambling on the premises, or based on the gross receipts or profit received by the organization. All provisions of section 349.18 apply to lawful gambling conducted in bingo halls.

Subd. 9 8. [REVOCATION AND SUSPENSION.] A license under this section may be suspended by the board for a violation of law or board rule or revoked for (1) failure to meet the qualifications in subdivision 3 at any time; or ~~revoked for what the board determines to be~~ (2) a pattern of willful violations violation of law or board rule. A revocation or suspension is a contested case under sections 14.57 to 14.69 of the administrative procedure act.

## Sec. 29. [349.165] [PREMISES PERMITS.]

Subdivision 1. [PREMISES PERMIT REQUIRED; APPLICATION.] No licensed organization may conduct any lawful gambling at any site unless it has first obtained from the board a premises permit for the site. The board shall prescribe a form for permit applications, and each application for a permit must be submitted on a separate form. The board may by rule limit the number of premises permits that may be issued to an organization.

Subd. 2. [CONTENTS OF APPLICATION.] Each application for a premises permit must contain:

(1) the name and address of the applying organization and of the organization's gambling manager;

(2) a description of the site for which the permit is sought, including its address and, where applicable, its placement within another premises or establishment;

(3) if the site is leased, the name and address of the lessor and such information about the lease as the board requires, including all rents and other charges for the use of the site; and

(4) other information the board deems necessary to carry out its purposes.

An organization holding a premises permit must notify the board within ten days whenever any material change is made in the above information.

Subd. 3. [FEES.] The board may issue four classes of premises permits, corresponding to the classes of licenses authorized under section 349.16, subdivision 6. The annual fee for each class of permit is:

(1) \$200 for a class A permit;

(2) \$125 for a class B permit;

(3) \$100 for a class C permit; and

(4) \$75 for a class D permit.

Subd. 4. [IDENTIFICATION OF PREMISES.] No organization may seek or accept assistance from a manufacturer or distributor, or a representative, agent, affiliate, or employee of a manufacturer or distributor, in identifying potential locations for gambling conducted by the organization.

## Sec. 30. [349.166] [EXEMPTIONS; EXCLUSIONS.]

Subdivision 1. [EXCLUSIONS.] (a) Bingo may be conducted without a license and without complying with sections 349.17, subdivision 1, and 349.18, if it is conducted:

(1) in connection with a county fair, the state fair, or a civic celebration if it is not conducted for more than 12 consecutive days in a calendar year; or

(2) by an organization that conducts four or fewer bingo occasions in a calendar year.

No organization that holds a license to conduct lawful gambling under this chapter may conduct bingo under this subdivision.

(b) Bingo may be conducted within a nursing home or a senior citizen housing project or by a senior citizen organization without compliance with sections 349.11 to 349.213 if the prizes for a single bingo game do not exceed \$10, total prizes awarded at a single bingo occasion do not exceed \$200, no more than two bingo occasions are held by the organization or at the facility each week, only members of the organization or residents of the nursing home or housing project are allowed to play in a bingo game, no compensation is paid for any persons who conduct the bingo, a manager is appointed to supervise the bingo, and the manager registers with the board. The gross receipts from bingo conducted under the limitations of this subdivision are exempt from taxation under chapter 297A.

(c) Raffles may be conducted by an organization without complying with sections 349.11 to 349.14 and 349.151 to 349.213 if the value of all raffle prizes awarded by the organization in a calendar year does not exceed \$750.

Subd. 2. [EXEMPTIONS.] (a) Lawful gambling may be conducted by an organization as defined in section 349.12, subdivision 12, without complying with sections 349.151 to 349.16; 349.167; 349.168; 349.18; 349.19; and 349.212 if:

(1) the organization conducts lawful gambling on five or fewer days in a calendar year;

(2) the organization does not award more than \$50,000 in prizes for lawful gambling in a calendar year;

(3) the organization pays a fee of \$25 to the board, notifies the board in writing not less than 30 days before each lawful gambling occasion of the date and location of the occasion, or 60 days for an occasion held in the case of a city of the first class, the types of lawful

gambling to be conducted, the prizes to be awarded, and receives an exemption identification number;

(4) the organization notifies the local government unit 30 days before the lawful gambling occasion, or 60 days for an occasion held in a city of the first class;

(5) the organization purchases all gambling equipment and supplies from a licensed distributor; and

(6) the organization reports to the board, on a single page form prescribed by the board, within 30 days of each gambling occasion, the gross receipts, prizes, expenses, expenditures of net profits from the occasion, and the identification of the licensed distributor from whom all gambling equipment was purchased.

(b) If the organization fails to file a timely report as required by paragraph (a), clause (3) or (6), a \$250 penalty is imposed on the organization. Failure to file a timely report does not disqualify the organization as exempt under this paragraph if a report is subsequently filed and the penalty paid.

(c) Merchandise prizes must be valued at their fair market value.

(d) Unused pull-tab and tipboard deals must be returned to the distributor within seven working days after the end of the lawful gambling occasion. The distributor must accept and pay a refund for all returns of unopened and undamaged deals returned under this paragraph.

(e) An organization that is exempt from taxation on purchases of pull-tabs and tipboards under section 349.212, subdivision 4, paragraph (c), must return to the distributor any tipboard or pull-tab deal no part of which is used at the lawful gambling occasion for which it was purchased by the organization.

Subd. 3. [RAFFLES; CERTAIN ORGANIZATIONS.] The provisions of sections 349.21 and 349.211, subdivision 3, and the membership requirements of sections 349.14 and 349.20 do not apply to raffles conducted by an organization which directly or under contract to the state or a political subdivision delivers health or social services and which is a 501(c)(3) organization if the prizes awarded in the raffles are real or personal property donated by an individual, firm, or other organization. The person who accounts for the gross receipts, expenses, and profits of the raffles may be the same person who accounts for other funds of the organization.

Subd. 4. [TAXATION.] An organization's receipts from lawful gambling that is exempt from licensing under this section is not subject to the tax imposed by section 297A.02 or 349.212.

## Sec. 31. [349.167] [GAMBLING MANAGERS.]

Subdivision 1. [GAMBLING MANAGER REQUIRED.] (a) All lawful gambling conducted by a licensed organization must be under the supervision of a gambling manager. A gambling manager designated by an organization to supervise lawful gambling is responsible for the gross receipts of the organization and for its conduct in compliance with all laws and rules. The organization must maintain, or require the person designated as a gambling manager to maintain, a fidelity bond in the sum or \$25,000 in favor of the organization and the state, conditioned on (1) the faithful performance of the manager's duties; and (2) the payment of all taxes due under this chapter on lawful expenditures of gross profits from lawful gambling. The terms of the bond must provide that notice be given to the board in writing not less than 30 days before its cancellation. In the case of conflicting claims against a bond a claim by the state has preference over a claim by the organization.

(b) A person may not act as a gambling manager for more than one organization.

(c) An organization may not conduct lawful gambling without having a gambling manager. The board must be notified in writing of a change in gambling managers. Notification must be made within ten days of the date the gambling manager assumes the manager's duties.

(d) An organization may not have more than one gambling manager at any time.

Subd. 2. [GAMBLING MANAGERS; LICENSES.] No person may serve as a gambling manager for any organization unless the person possesses a valid gambling manager's license from the board. The board may issue a gambling manager's license to a person applying for the license who:

(1) has received training as required in subdivision 5;

(2) has not been convicted of a felony in a state or federal court;

(3) has not at any time within the five years prior to the license application committed any violation of law or board rule which resulted in the revocation of any license issued by the board;

(4) has never been convicted in a state or federal court of any criminal violation involving fraud, theft, tax evasion, misrepresentation, or gambling;

(5) has never been convicted of (i) assault, (ii) any criminal



violation involving the use of a firearm, or (iii) making terroristic threats; and

(6) has not engaged in conduct the board determines is contrary to the public health, welfare, or safety or the integrity of lawful gambling.

A gambling manager's license is valid for one year unless suspended or revoked. The annual fee for a gambling manager's license is \$100.

Subd. 4. [SUSPENSION; REVOCATION.] The board may suspend or revoke, as provided in board rules, a gambling manager's license for a violation of law or board rule. A suspension or revocation is a contested case under sections 14.57 to 14.69 of the administrative procedure act.

Subd. 5. [TRAINING OF GAMBLING MANAGERS.] (a) The board shall by rule require all persons licensed as gambling managers to receive periodic training in laws and rules governing lawful gambling. The rules must contain the following requirements:

(1) each gambling manager must have received such training before being issued a new license;

(2) each gambling manager applying for a renewal of a license must have received training within the three years prior to the date of application for the renewal; and

(3) the training required by this subdivision may be provided by a person, firm, association, or organization authorized by the board to provide the training. Before authorizing a person, firm, association, or organization to provide training, the board must determine that:

(i) the provider and all of the provider's personnel conducting the training are qualified to do so;

(ii) the curriculum to be used fully and accurately covers all elements of lawful gambling law and rules that the board determines are necessary for a gambling manager to know and understand;

(iii) the fee to be charged for participants in the training sessions is fair and reasonable; and

(iv) the training provider has an adequate system for documenting completion of training.

The rules may provide for differing training requirements for

gambling managers based on the class of license held by the gambling manager's organization.

The board or the director may provide the training required by this subdivision using employees of the division.

Subd. 6. [CRIMINAL HISTORY.] The board may request the assistance of the division of gambling enforcement in investigating the background of an applicant for a gambling manager's license and may reimburse the division of gambling enforcement for the costs thereof. The board has access to all criminal history data compiled by the division of gambling enforcement on licensees and applicants.

Subd. 7. [RECRUITMENT OF GAMBLING MANAGERS.] No organization may seek or accept assistance from a manufacturer or distributor, or a representative, agent, affiliate, or employee of a manufacturer or distributor, in identifying or recruiting candidates to become a gambling manager for the organization.

Sec. 32. [349.168] [GAMBLING EMPLOYEES.]

Subdivision 1. [REGISTRATION OF EMPLOYEES.] No person may receive compensation for participating in the conduct of lawful gambling as an employee of a licensed organization unless the person has first registered with the board on a form the board prescribes. The form must require that each person registering must provide (1) the person's name, address, and social security number; (2) a current photograph; (3) the name, address, and license number of the employing organization; and (4) a listing of all employment in the conduct of lawful gambling within the previous three years, including the name and address of each employing organization and the circumstances under which the employment was terminated.

Subd. 2. [IDENTIFICATION OF EMPLOYEES.] The board shall issue to each person registering under subdivision 1 a registration number and identification card which must include the employee's photograph. Each person receiving compensation for the conduct of lawful gambling must wear the identification card provided by the board at all times while engaged in such employment.

Subd. 3. [COMPENSATION.] Compensation to persons who participate in the conduct of lawful gambling may be paid only to active members of the conducting organization or its auxiliary, or the spouse or surviving spouse of an active member, except that the following persons may receive compensation without being active members: (1) sellers of pull-tabs, tipboards, raffle tickets, paddle-wheel tickets, and bingo paper; and (2) accountants performing auditing or bookkeeping services for the organization; and (3) attorneys providing legal services to the organization.

Subd. 4. [AMOUNTS PAID.] The amounts of compensation which may be paid under this section may be provided for in a schedule of compensation adopted by the board by rule. In adopting a schedule, the board must consider the nature of the participation and the types of lawful gambling participated in.

Subd. 5. [COMPENSATION RECORDS.] An organization paying compensation to persons for the conduct of lawful gambling must maintain a compensation record. The record must be retained for at least two years after the month in which the compensation is paid. The record must be an itemization of each payment made to each recipient of compensation and must include the amount of compensation paid and the full name, address, and membership status of each recipient.

Subd. 6. [COMPENSATION PAID BY CHECK.] Compensation paid by an organization in connection with lawful gambling must be in the form of a check drawn on the organization's gambling account, as specified in section 349.19, and paid directly to the employee of the organization.

Subd. 7. [PENALTY.] (a) An organization that makes payment of compensation, or causes compensation to be made, which violates the provisions of subdivision 4 shall be assessed a civil penalty not to exceed \$1,000 for each violation of subdivision 4. A second violation within 12 months of notification by the board to the organization of the first violation shall result in suspension of the organization's gambling license for a period of three months, in addition to any civil penalty assessed. A third violation within 12 months of the board's notification to the organization of the second violation shall result in revocation of the organization's gambling license in addition to any civil penalty assessed.

(b) Upon each violation, the director shall notify the organization in writing of its violation and of the penalties under this subdivision for future violations. Notification is effective upon mailing.

(c) For purposes of this subdivision, a violation consists of a payroll period or compensation date that includes payments made in violation of subdivision 4.

Subd. 8. [PERCENTAGE OF GROSS PROFIT PAID.] A licensed organization may pay a percentage of the gross profit from raffle ticket sales to a nonprofit organization which sells raffle tickets for the licensed organization.

Sec. 33. [349.169] [FILING OF PRICES.]

Subdivision 1. [FILING REQUIRED.] All manufacturers and distributors must file with the director, not later than the first day

of each month, the prices at which the manufacturer or distributor will sell all gambling equipment in that month. The filing must be on a form the director prescribes. Prices filed must include all charges the manufacturer or distributor makes for each item of gambling equipment sold, including all volume discounts, exclusive of transportation costs. All filings are effective on the first day of the month for which they are filed, except that a manufacturer or distributor may amend a filed price within five days of filing it.

Subd. 2. [COPIES.] The director shall provide copies of price filings to any person requesting them, and may charge a reasonable fee for the copies. Any person may examine price filings in the division office at no cost, and the director shall make the filings available for that purpose.

Subd. 3. [SALES AT FILED PRICES.] No manufacturer may sell to a distributor, and no distributor may sell to an organization, any gambling equipment for any price other than a price the manufacturer or distributor has filed with the director under subdivision 1, exclusive of transportation costs.

Sec. 34. Minnesota Statutes 1988, section 349.17, as amended by Laws 1989, chapter 334, article 2, section 26, is amended to read:

349.17 [CONDUCT OF BINGO.]

Subdivision 1. [BINGO OCCASIONS.] Not more than ~~six~~ seven bingo occasions each week may be conducted by an organization. At least 15 bingo games must be held at each occasion and a bingo occasion must continue for at least 1½ hours but not more than four consecutive hours.

Subd. 2. [BINGO ON LEASED PREMISES.] (a) A person or corporation, other than an organization, which leases any premises that it owns to two or more organizations for purposes including the conduct of bingo occasions, may not allow more than 18 bingo occasions to be conducted on the premises in any week.

(b) If an organization conducts bingo on premises it does not own, the organization must provide the board with the name of the owner and lessor of the premises, copies of all agreements between the organization and the owner or lessor, and the names of employees of the owner or lessor who will be responsible for the premises during the bingo occasion held by the organization.

(c) During any bingo occasion held conducted by an organization on premises it does not own, the organization shall be directly responsible for the:

- (1) staffing of the bingo occasion;

- (2) conducting of lawful gambling during the bingo occasion;
- (3) acquiring, storage, inventory control, and reporting of all gambling equipment used by the organization; and
- (4) receipt, accounting, and all expenditures of gross receipts from lawful gambling; and
- (5) preparation of the bingo packets.

Subd. 2a. [DISTRIBUTOR LICENSE EXEMPTION FOR LESSOR.] As part of a lease agreement on a leased bingo premises, the lessor may furnish bingo equipment without being a licensed distributor. For purposes of this section, "furnish" does not include the right to sell or offer for sale.

Subd. 3. Each bingo winner must be determined and every prize shall be awarded and delivered the same day on which the bingo occasion is conducted.

Subd. 4. [CHECKERS.] One or more checkers must be engaged for each bingo occasion. The checker or checkers must record, on a form the board provides, the number of cards played in each game and the prizes awarded to recorded cards. The form must provide for the inclusion of the registration number of each card and must include a checker's certification that the figures recorded are correct to the best of the checker's knowledge.

Subd. 5. [BINGO CARD NUMBERING.] The board shall by rule require that all licensed organizations (1) conduct bingo only using liquid daubers on cards that bear an individual number recorded by the distributor; (2) sell all bingo cards only in the order of the numbers appearing on the cards; and (3) use each bingo card for no more than one bingo occasion. In lieu of the requirements of clauses (2) and (3), a licensed organization may electronically record the sale of each bingo card at each bingo occasion, using an electronic recording system approved by the board. In lieu of the requirements of clauses (1), (2), and (3), a licensed organization may conduct bingo using electronic remote units which simulate bingo games and which are programmed for a certain number of plays by a central computer, provided that all such electronic equipment is approved by the board.

Sec. 35. [349.172] [PULL-TABS; INFORMATION REQUIRED TO BE POSTED.]

An organization selling pull-tabs, other than plays on a video pull-tab device at any location must post for each deal of pull-tabs all major prizes that have been awarded for pull-tabs purchased from that deal and the name of the winner of each major prize. The

information must be posted prominently at the point of sale of the deal. An easily legible pull-tab flare which lists prizes in that deal, and on which prizes are marked or crossed off as they are awarded, satisfies the requirement of this section that major prizes be posted, provided that a separate flare is posted for each deal of pull-tabs. An organization must post or mark off each major prize and post the name of the prize winner immediately upon awarding the prize. A "major prize" in a deal of pull-tabs is any prize that is at least 50 times the face value of any pull-tab in the deal.

Sec. 36. [349.173] [VIDEO PULL-TAB DEVICES.]

Subdivision 1. [LICENSES.] (a) No organization may operate a video pull-tab device for which the board has not issued a license. An application for a video pull-tab device license must be on a form the board prescribes and must contain the following information:

(1) the name, address, and license number of the organization applying for the license;

(2) the name, address, and license number of the distributor that will be leasing the device to the applicant;

(3) the name and address of the premises on which the device is to be located;

(4) the serial number, the model number, and the name of the manufacturer or other identifying number of the device; and

(5) such other information as the board deems necessary to identify the device and insure its compliance with law and board rules.

(b) A license issued under this section is valid for one year. The board shall set and charge a fee for each license under this section in an amount sufficient to reimburse the board for its costs in administering and enforcing this section other than the costs recovered under subdivision 3.

(c) A license issued under this section must display all the information required in paragraph (a), clauses (1) to (5).

(d) The license must specify by name those persons whom the board has approved to have access to the device, and the extent of that access. The board may not approve any person to have such access who is not (1) an active member of the licensed organization applying for the license, or (2) a licensed distributor or an employee thereof. No person other than a licensed peace officer or an authorized employee of the board, the commissioner of revenue or the commissioner of public safety may obtain or attempt to obtain access

to a device or to any of its parts or components unless that person is named and authorized on the license to have such access.

Subd. 2. [LICENSES; LIMITATIONS.] (a) The board may not have outstanding at any time more than 100 licenses issued under this section. The board shall, in issuing licenses under this section, insure as nearly as practicable that the locations of the licenses are equally divided between locations where paper pull-tabs will also be sold and locations where paper pull-tabs will not be sold.

(b) All licenses issued under this section expire July 1, 1993.

Subd. 3. [INSPECTION OF DEVICES.] (a) The board may issue a video pull-tab device license only for a device it has determined is in compliance with all applicable law and rules. The board shall examine and if necessary conduct tests on each video pull-tab device for which a license is applied, and may examine and if necessary conduct tests on any component of such a video pull-tab device. The board may request the assistance of the commissioner of public safety or contract for the services of a consultant or testing laboratory in making examinations or conducting tests. The board shall require that the manufacturer of a video pull-tab device pay all costs of examining and testing the device or any of its components.

(b) No manufacturer, distributor, or video pull-tab device wholesaler may sell or lease any video pull-tab device unless the board has determined that the device and all its components are in compliance with all applicable laws and rules.

Subd. 4. [DISPLAY OF LICENSE.] An organization operating a video pull-tab device must prominently display the license on the device at all times when the device is available for play by the public. An organization may display a license only on the device for which it was issued.

Subd. 5. [SPECIFICATIONS.] (a) A video pull-tab device approved by the board must be driven by a sealed read-only memory chip displaying or having attached such information as the board deems necessary, which must include (1) identification of the manufacturer; (2) the number of plays for which the chip has been programmed; (3) the serial number of the chip; and (4) the words "For Sale in Minnesota Only." A chip must be secured within the device by a strip of security tape of a type approved by the board, capable of evidencing the removal of a chip from its memory board.

(b) A chip must be programmed for a specific number of plays and be incapable of offering any plays in excess of that number. The number of plays programmed onto any chip must be the number on which tax has been paid under section 349.212, subdivision 4. The chip must be programmed to accept only the same price for all plays on the chip. A chip must also have programmed onto it the

percentage of plays which are winning plays and the percentage of total receipts on all plays which are returned to players as prizes, and may not be capable of having these percentages altered. Winning plays must be randomly distributed on each chip, and a chip must be designed and programmed in such a way that the location of winning chances cannot be determined in advance. A chip on which all programmed plays have been exhausted must be replaced before the device may again be operated.

(c) A video pull-tab device must display, on the video screen or elsewhere, (1) the price of each chance, (2) the percentage of total chances on the chip that are winning chances, (3) the number of free games or credits awarded for each successful chance, (4) the words "For Sale in Minnesota Only," and (5) the serial number of the memory chip driving the device. If the information is displayed on the video screen it must be displayed at all times when the machine is operable but not being played.

(d) A video pull-tab device must contain a prize meter with a printer. The prize meter must be capable of dispensing to any player a voucher containing:

(1) the name of the establishment where the device is located;

(2) the organization operating the device;

(3) the license number of the device;

(4) a sequential number of the voucher and a separate encrypted validation number;

(5) the time and date of the play; and

(6) the value of any credits won.

The prize meter must print and retain inside the device a copy of each such voucher issued. The device must not be capable of returning anything to the player other than the voucher.

(e) A video pull-tab device must contain electronic accounting meters which must be maintained at all times, whether or not the game is being supplied with external power. The following information must be recorded and stored on a meter capable of maintaining totals of not less than eight digits:

(1) total coins and bills inserted by players and their value;

(2) total credits wagered;

(3) total credits won; and



- (4) total credits paid out by printed ticket voucher.

The following information must be recorded and stored on a meter capable of maintaining totals of not less than six digits:

- (1) number of times access was obtained to the compartment containing the memory chip;

- (2) number of chances played on the memory chip; and

- (3) number of cumulative credits representing credits won and money inserted by a player but not redeemed or played off.

Electronic accounting meters may be cleared only by an employee of the board, or by an authorized person in the presence of an employee of the board. The organization to which the device was leased must make a written record of the readings before and after clearing. The record must include the reason why the meter was cleared. A separate record must be made for each meter cleared. If the record is kept by an authorized person, a copy must be provided to the board.

- (f) A video pull-tab device may not offer any game or gambling form other than the simulation of the game of pull-tabs.

- (g) A video pull-tab device may not have any functions or parameters adjustable by or through any separate video display or input codes except for the adjustment of wholly cosmetic features.

- (h) A video pull-tab device must contain a meter and printer which issues, on activation of a switch, an accounting ticket containing the following information:

- (1) the name of the licensed organization;

- (2) the location of the device;

- (3) the license number and manufacturer's serial number of the device;

- (4) the time and date of the printout;

- (5) the registration number of the chip driving the device;

- (6) the readings from the meter required under paragraph (e); and

- (7) other information the board by rule requires.

No person may activate the switch required in this paragraph who is not authorized by the board to do so.

Subd. 6. [HARDWARE REQUIREMENTS.] (a) A video pull-tab device must have:

(1) a surge protector for all power fed to the device;

(2) a power switch located in an accessible place within the interior of the device, which controls the electrical current which powers the device;

(3) a separate secure compartment for holding coins or currency, with a key or combination different from that used for unlocking any other part of the device;

(4) a battery back-up or its equivalent, which allows the electronic meters of the device to maintain accurate readings for not less than 180 days after power is discontinued to the device, for all information regarding:

(i) current and total tallies for amount wagered and paid out;

(ii) records of access to the logic board compartment;

(iii) records of access to the cash and coin compartments; and

(iv) other information the board by rule requires.

(b) A video pull-tab device may not have:

(1) any hardware switch capable of altering the payment tables or payout percentages of the device; or

(2) a mechanism or program which will cause the electronic accounting meters to clear automatically.

(c) A video pull-tab device and all its components may not be capable of being adversely affected by static discharge, radio frequency interference, or other electromagnetic interference.

(d) All logic boards, memory chips, and other logic control components of a video pull-tab device must be located in a locked compartment which is separate from any other compartment. The key or combination of this compartment must be different from that used for unlocking any other part of the device.

(e) A video pull-tab device must not be capable of being activated by a credit card.

Subd. 7. [LOCATIONS.] (a) An organization may place a video pull-tab device for operation only in a location approved by the board, which location must be specified on the license. The board may approve locations that are authorized to sell alcoholic beverages at on-sale under chapter 340A. The board may not allow the placement of more than two video pull-tab devices in any location.

(b) All leases by which a licensed organization leases space in a location for the placement of a video pull-tab device are subject to the provisions of section 349.18.

(c) The board, the commissioner of revenue, and the commissioner of public safety may inspect at any time any location agreement made between a distributor and a licensed organization governing the terms of leasing a video pull-tab device.

(d) No video pull-tab device may stand at any place in a location where it cannot readily be observed by employees of the location or persons supervising the device on behalf of a licensed organization.

Subd. 8. [CONDUCT OF GAMBLING ON VIDEO PULL-TAB DEVICES.] No person receiving compensation for participating in the conduct of gambling on a video pull-tab device may gamble on such a device while so participating. No person receiving compensation for participating in the conduct of gambling on a video pull-tab device and no employee of the lessor of the premises on which the device is located may provide any information on the device that would give any player an unfair advantage in operating the device. No person under age 18 may wager on or receive a prize from a video pull-tab device.

Subd. 9. [PAYMENT OF PRIZES.] An organization may not pay any prize won on a video pull-tab device except on presentation by the winner of the ticket voucher printed by the device's prize meter. The provisions of law and board rules governing the retention of winning pull-tabs apply to ticket vouchers. An organization must upon presentation of a ticket voucher and making payment thereof immediately deface the voucher in a manner that prevents its reuse.

Subd. 10. [LIMITATION OF PRIZES.] A video pull-tab device may not:

- (1) charge any price for a single chance of more than \$2; or
- (2) award any single prize of more than \$250.

Subd. 11. [RULES.] The board may by rule provide additional requirements for video pull-tab devices as it deems necessary to ensure their integrity and the full accounting for all play thereon. The rules may include:

(1) authorization of persons who have access to any locked area of a video pull-tab device;

(2) additional device specifications;

(3) methods of determining randomness of distributing prizes in a memory chip; and

(4) testing procedures for video pull-tab devices.

Sec. 37. [349.174] [PULL-TAB DISPENSING MACHINES.]

Subdivision 1. [MACHINES AUTHORIZED.] The board may authorize a licensed organization to sell pull-tabs by means of a dispensing device which dispenses pull-tabs on insertion of a coin or currency. The board must indicate on the license of each organization whether the organization is authorized to sell pull-tabs by means of a dispensing device. Each dispensing device installed and maintained by a licensed organization must be of a type approved by the board. The board shall approve for installation only those pull-tab dispensing devices that it determines provide adequate security, integrity, and accountability. The board may not approve for installation any dispensing machine which cannot hold at least 2,500 pull-tabs at any time.

Subd. 2. [MACHINE REQUIREMENTS.] Each pull-tab dispensing machine must have a meter which records (i) the total amounts of coin and currency inserted into the machine, and (ii) the total number of pull-tabs dispensed. The meter must be in a compartment which is separate from the compartment which holds the coins and currency inserted into the machine.

Subd. 3. [ACCESS TO MACHINES.] The board shall specify each person authorized to have access to a pull-tab dispensing machine and shall identify each such person on the license of the organization authorized to install the machine, and the extent of that access. No person may obtain or attempt to obtain access to a pull-tab dispensing machine or any part or component of a machine without being authorized by the board to have such access.

Subd. 4. [DISPLAY OF INFORMATION.] Each pull-tab dispensing machine installed by a licensed organization must conspicuously display the following information:

(1) the name and license number of the installing organization;

(2) the number of pull-tabs originally placed in the machine at the beginning of the current game;

(3) the number and amount of all prizes in the game which are at least 50 times the price of each individual chance in the game; and

(4) the prize payout percentage for that game.

Pull-tab dispensing machines are subject to the requirements of section 349.172.

Subd. 5. [LEASE OF MACHINES.] A licensed organization may lease a pull-tab dispensing machine only from a distributor licensed under section 349.161.

Subd. 6. [PERMITTED LOCATIONS.] The license of an organization authorized to install a pull-tab dispensing machine must specify the locations where the machines will be installed. The organization must have a premises permit for each such location. Not more than two machines may be installed on any premises.

Subd. 7. [LIMITATIONS.] The board may not (1) authorize more than 100 organizations at any time to operate a pull-tab dispensing machine, or (2) authorize any organization to operate more than two machines.

Subd. 8. [REPEAL.] This section is repealed July 1, 1993.

Sec. 38. [349.175] [PULL-TABS; DEADLINE FOR USE.]

A deal of pull-tabs or tipboards received by an organization before September 1, 1989, must be put into play by that organization before September 1, 1990, unless the deal bears a serial number which allows the deal to be traced back to its manufacturer and to the distributor who sold it to the organization. An organization in possession on and after September 1, 1990, of a deal of pull-tabs or tipboards the organization received before September 1, 1989, may not put such a deal in play but must remove it from the organization's inventory and return it to the manufacturer.

Sec. 39. Minnesota Statutes 1988, section 349.18, as amended by Laws 1989, chapter 334, article 2, sections 27 and 28, is amended to read:

349.18 [PREMISES USED FOR GAMBLING.]

Subdivision 1. [LEASE OR OWNERSHIP REQUIRED.] An organization may conduct lawful gambling only on premises it owns or leases. Leases must be for a period of one year and must be in writing on a form prescribed by the board. Copies of all leases must be made available to employees of the division and the division of gambling enforcement on request. A lease may not provide for payments determined directly or indirectly by the receipts or profits

from lawful gambling. The board may prescribe by rule limits on the amount of rent which an organization may pay to a lessor for premises leased for lawful gambling. Any rule adopted by the board limiting the amount of rent to be paid may only be effective for leases entered into, or renewed, after the effective date of the rule.

No person, distributor, manufacturer, lessor, or organization other than the licensed organization leasing the space may conduct any activity ~~in a~~ on the leased space premises during times when lawful gambling is being conducted ~~in the space on the premises~~.

Subd. 1a. [STORAGE OF GAMBLING EQUIPMENT.] (a) Gambling equipment owned by or in the possession of ~~a licensed an~~ organization must be kept at a licensed gambling premises owned or operated by the organization, or at other storage sites within the state that the organization has notified the board are being used as gambling equipment storage sites. At each storage site or licensed premises, the organization must have the invoices or true and correct copies of the invoices for the purchase of all gambling equipment at the site or premises. No gambling equipment owned by an organization may be kept at a distributor's office, warehouse, storage unit, or other place of the distributor's business.

(b) Gambling equipment, other than devices for selecting bingo numbers, owned by a ~~licensed an~~ organization must be secured and kept separate from gambling equipment owned by other persons, organizations, distributors, or manufacturers consistent with the organization's internal controls filed with the board.

(c) Gambling equipment kept in violation of this subdivision is contraband under section 349.2125.

(d) A ~~licensed An~~ organization may transport gambling equipment it owns or possesses between approved gambling equipment storage sites and to and from licensed distributors.

Subd. 2. [EXCEPTIONS.] (a) A ~~licensed An~~ organization may conduct raffles on a premise it does not own or lease.

(b) A ~~licensed An~~ organization may with the permission of the board, conduct bingo on premises it does not own or lease for up to ~~six~~ 12 consecutive days in a calendar year, in connection with a county fair, the state fair, or civil a civic celebration.

(c) A licensed organization may, after compliance with section 349.213, conduct lawful gambling on premises other than the organization's licensed premise for one day per year for not more than 12 hours that day. A lease for that time period for the exempted premises must accompany the request to the board.

Subd. 3. [PROCEEDS FROM RENTAL.] Rental proceeds from premises owned by a licensed an organization and leased or sub-leased to one or more other licensed organizations for the purposes of conducting lawful gambling shall not be reported as gambling proceeds under this chapter.

Subd. 4. [PROHIBITION.] (a) An organization may not pay rent to itself or to any of its affiliates for use of space for conducting lawful gambling.

(b) An organization may not pay rent for space for conducting lawful gambling from any account or fund other than the organization's separate gambling account.

Sec. 40. Minnesota Statutes 1988, section 349.19, as amended by Laws 1989, chapter 334, article 2, sections 29, 30, 32, and 33, and Laws 1989, First Special Session chapter 1, article 13, section 11, is amended to read:

#### 349.19 [RECORDS AND REPORTS.]

Subdivision 1. [REQUIRED RECORD OF RECEIPTS.] A licensed organization must keep a record of each occasion on which it conducts gambling, including each bingo occasion and each day on which other forms of lawful gambling are conducted. The record must include gross receipts, quantities of free plays if any, expenses, prizes, and ~~profits~~ gross profit. The board may by rule provide for the methods by which expenses are documented. ~~Gross receipts for bingo include any amount received by the organization which has been paid by a person at the bingo occasion to play the game, without which the player could not play the game.~~ In the case of bingo, gross receipts must be compared to the checkers' records for the occasion by a person who did not sell cards for the occasion. Separate records must be kept for bingo and all other forms of lawful gambling.

Subd. 2. [ACCOUNTS.] Gross receipts from lawful gambling by each organization at each licensed permitted premises must be segregated from all other revenues of the conducting organization and placed in a separate account. All expenditures for expenses, taxes, and lawful purposes must be made from such a separate account except in the case of expenditures previously approved by the organization's membership for emergencies as defined by board rule. The name and address of the bank and the account number for that separate account for that licensed premises, and the names of organization members authorized as signatories on the separate account must be provided to the board when the application is submitted. Changes in the information must be submitted to the board at least ten days before the change is made. Gambling receipts must be deposited into the gambling bank account within one business day ~~three days~~ of completion of the bingo occasion, deal, or game from which they are received, and deposit records must be

sufficient to allow determination of deposits made from each bingo occasion, deal, or game. The person who accounts for gambling gross receipts and profits may not be the same person who accounts for other revenues of the organization.

Subd. 3. [EXPENDITURES.] All expenditures of gross profits from lawful gambling must be itemized as to payee, purpose, amount, and date of payment, and must be in compliance with section 349.154. Authorization of the expenditures must be recorded in the regular monthly meeting minutes of the licensed organization. All checks for expenditures of gross profits must be signed by at least two persons authorized by board rules to sign the checks.

Subd. 4. [DISCREPANCIES.] If at a bingo occasion a discrepancy of more than \$20 is found between the gross receipts as reported by the checkers and the gross receipts determined by adding the cash receipts, the discrepancy must be reported to the board within five days of the bingo occasion.

Subd. 5. [REPORTS.] A licensed organization must report to the board and to its membership monthly, or quarterly in the case of a licensed organization which does not report more than \$1,000 in gross receipts from lawful gambling in any calendar quarter, on its gross receipts, expenses, profits, and expenditure of profits from lawful gambling. If the organization conducts both bingo and other forms of lawful gambling, the figures for both must be reported separately. In addition, a licensed organization must report to the board monthly on its purchases of gambling equipment and must include the type, quantity, and dollar amount from each supplier separately. The reports must be on a form the board prescribes. Submission of the report required by section 15 satisfies the requirement for reporting monthly to the board on expenditure of net profits.

Subd. 6. [PRESERVATION OF RECORDS.] Records required to be kept by this section must be preserved by a licensed organization for at least 3½ years and may be inspected by the commissioner of revenue, the commissioner of gaming, or the commissioner of public safety at any reasonable time without notice or a search warrant.

Subd. 7. [TAX RECORDS.] The board may by rule require each licensed organization to provide copies of forms it files with the United States department of the treasury which are required for organizations exempt from income tax.

Subd. 8. [TERMINATION PLAN.] Upon termination of a license for any reason, a licensed organization must notify the board in writing within 15 calendar days of the license termination date of its plan for disposal of registered gambling equipment and distribution of remaining gambling proceeds. Before implementation, a plan must be approved by the board. The board may accept or reject a plan



and order submission of a new plan or amend a proposed plan. The board may specify a time for submission of new or amended plans or for completion of an accepted plan.

Subd. 9. [ANNUAL AUDIT; FILING REQUIREMENT.] An organization licensed under this chapter must have an annual financial audit of its lawful gambling activities and funds performed by an independent auditor licensed by the state of Minnesota or performed by an independent accountant who has had prior approval of the board. The board shall by rule prescribe standards for the audit, which must provide for the reconciliation of the organization's gambling account or accounts with the organization's reports filed under subdivision 5 and section 19. A complete, true, and correct copy of the audit report must be filed with the board upon completion of the audit.

Subd. 10. [PULL-TAB RECORDS.] The board shall by rule require a licensed organization to require each winner of a pull-tab prize of \$50 or more to present identification in the form of a drivers license, Minnesota identification card, or other identification the board deems sufficient to allow the identification and tracing of the winner. The rule must require the organization to retain winning pull-tabs of \$50 or more, and the identification of the winner of each such pull-tab, for 3½ years.

Subd. 11. [INFORMATION MADE PART OF ORGANIZATION MINUTES.] A licensed organization which receives a copy of a written audit under subdivision 9, or an audit or compliance report prepared by an agency of the state, must place the audit report or compliance report in the minutes of the next meeting of the organization following receipt of the report. Copies of such minutes must be made available to all members of the organization.

Sec. 41. Minnesota Statutes Second 1989 Supplement, section 349.212, subdivision 1, is amended to read:

Subdivision 1. [IMPOSITION.] There is hereby imposed a tax on all lawful gambling, other than (1) pull-tabs purchased and placed into inventory after January 1, 1987, and (2) tipboards purchased and placed into inventory after June 30, 1988, and (3) operation of video pull-tab devices, at the rate of ten percent on the gross receipts as defined in section 349.12, subdivision 26, less prizes actually paid. The tax imposed by this subdivision is in lieu of the tax imposed by section 297A.02 and all local taxes and license fees except a fee authorized under section 349.16, subdivision 4 8, or a tax authorized under section 349.212, subdivision 5.

The tax imposed under this subdivision is payable by the organization or party conducting, directly or indirectly, the gambling.

Sec. 42. Minnesota Statutes Second 1989 Supplement, section 349.212, subdivision 4, is amended to read:

Subd. 4. [PULL-TAB AND TIPBOARD TAX.] (a) There is imposed a tax on the sale of each deal of pull-tabs and tipboards sold by a licensed distributor, and each read-only memory chip intended to drive a video pull-tab device. The rate of the tax is two percent of the ideal gross of the pull-tab or tipboard deal or the chip. The sales tax imposed by chapter 297A on the sale of the pull-tabs and tipboards by the licensed distributor and on the sale of a chip intended to drive a video pull-tab device is imposed on the retail sales price less the tax imposed by this subdivision. The retail sale of pull-tabs or tipboards by the organization is exempt from taxes imposed by chapter 297A if the tax imposed by this subdivision has been paid and is exempt from all local taxes and license fees except a fee authorized under section 349.16, subdivision 4 8.

(b) The liability for the tax imposed by this section is incurred when the pull-tabs and tipboards are delivered by the distributor to the customer, to a common or contract carrier for delivery to the customer, or when received by the customer's authorized representative at the distributor's place of business, regardless of the distributor's method of accounting or the terms of the sale.

The tax imposed by this subdivision is imposed on all sales of pull-tabs and tipboards, except the following:

(1) sales to the governing body of an Indian tribal organization for use on an Indian reservation;

(2) sales to distributors licensed under this chapter;

(3) sales to distributors licensed under the laws of another state or of a Province of Canada, as long as all statutory and regulatory requirements are met in the other state or province; and

(4) sales of promotional tickets as defined in section 349.12.

(c) In the case of a memory chip intended to drive a video pull-tab device, the liability for the tax imposed by this section is incurred when the chip has been delivered by the distributor to the organization, to a common carrier for delivery to the organization, or when received by the organization's representative at the distributor's place of business, regardless of the distributor's method of accounting.

(d) Pull-tabs and tipboards sold to an organization that sells pull-tabs and tipboards under the exemption from licensing in section ~~349.214~~ 27, subdivision 2, ~~paragraph (b)~~, are exempt from the tax imposed by this subdivision. A distributor must require an

organization conducting exempt gambling to show proof of its exempt status before making a tax-exempt sale of pull-tabs or tipboards to such an organization. A distributor shall identify, on all reports submitted to the commissioner, all sales of pull-tabs and tipboards that are exempt from tax under this subdivision.

(e) A distributor reporting the sale of any deal of pull-tabs to the commissioner of revenue must include in the report a duplicate bar code for that deal.

Sec. 43. Minnesota Statutes 1988, section 349.212, subdivision 5, is amended to read:

Subd. 5. [LOCAL GAMBLING TAX.] (a) A statutory or home rule charter city which has one or more licensed organizations ~~operating~~ conducting lawful gambling, and a county which has one or more licensed organizations outside incorporated areas ~~operating~~ conducting lawful gambling, may with the prior approval of the board impose a local gambling tax on each licensed organization within the city's or county's jurisdiction. ~~The tax may be imposed only if the amount to be received by the city or county is necessary to cover the costs incurred by the city or county to regulate lawful gambling. The board may approve a local gambling tax only if it determines that the revenue from the tax will be used exclusively for lawful gambling enforcement and regulation or other law enforcement purposes. The board may withdraw approval of a local gambling tax if it determines that the revenue from the tax is or will be used for any purpose other than lawful gambling enforcement and regulations or other law enforcement.~~

(b) The tax imposed by this subdivision may not exceed three percent of the gross receipts profit of a licensed organization from all lawful gambling less prizes actually paid out conducted by the organization. A city or county may not use money collected under this subdivision for any purpose other than for the purpose of regulating lawful gambling. A tax imposed under this subdivision is in lieu of all other local taxes and local investigation fees on lawful gambling.

(c) Any city or county that imposes a tax under this subdivision shall annually by March 15 file a report with the board in a form prescribed by the board showing (1) the amount of revenue produced by the tax during the preceding calendar year, and (2) the use of the proceeds of the tax.

Sec. 44. Minnesota Statutes 1988, section 349.2121, subdivision 1, is amended to read:

Subdivision 1. [APPLICATION AND ISSUANCE.] Every distributor licensed by the board who sells pull-tabs and tipboards to organizations authorized to sell pull-tabs and tipboards under this

chapter, and every manufacturer who sells video pull-tab devices under this chapter, must file with the commissioner of revenue an application, on a form the commissioner prescribes, for a gambling tax identification number and gambling tax permit. The commissioner, when satisfied that the applicant has a valid license from the board, shall issue the applicant a permit and number. A permit is not assignable and is valid only for the distributor or video pull-tab device manufacturer in whose name it is issued.

Sec. 45. Minnesota Statutes 1989 Supplement, section 349.2121, subdivision 2, is amended to read:

Subd. 2. [RECORDS.] (a) A distributor shall keep at each licensed place of business complete and accurate records for that place of business, including itemized invoices of pull-tabs and tipboards held, purchased, manufactured, or brought in or caused to be brought in from without this state, and of all sales of pull-tabs and tipboards. The records must show the names and addresses of purchasers, the inventory at the close of each period for which a return is required of all pull-tab and tipboard deals on hand, and other pertinent papers and documents relating to the purchase, sale, or disposition of pull-tab and tipboard deals. Books, records, and other papers and documents required by this section must be kept for a period of at least 3½ years after the date of the documents, or the date of the entries appearing in the records, unless the commissioner of revenue authorizes in writing their destruction or disposal at an earlier date. At any time during usual business hours, the commissioner of revenue, director of gambling enforcement, or any of their duly authorized agents or employees, may enter a place of business of a distributor or organization, any site from which pull-tabs or tipboards or other gambling equipment are being sold, or any site at which lawful gambling is being conducted, and inspect the premises and the records required to be kept under this section to determine whether or not all the provisions of this section are being fully complied with. If the commissioner of revenue, director of gambling enforcement, or their duly authorized agents or employees are denied free access to or are hindered or interfered with in making an inspection of the distributor's place of business, the permit of the distributor may be revoked by the commissioner, and the license of the distributor may be revoked by the gambling control board.

(b) A distributor who replaces a memory chip used to drive a video pull-tab device after all chances on the chip have been played must retain the chip for 3½ years from the date of its removal from the device. All provisions of law relating to the availability of a distributor's books and records apply to such chips.

Sec. 46. Minnesota Statutes 1988, section 349.2121, subdivision 4a, is amended to read:

Subd. 4a. [REFUND.] (a) If any deal of pull-tabs or tipboards registered with the board and upon which the tax imposed by section 349.212, subdivision 4, has been paid is returned unplayed to the distributor, or if any memory chip used to drive a video pull-tab device is returned to its manufacturer with unplayed chances, the commissioner of revenue shall allow a refund of the tax paid.

(b) In the case of a defective deal or defective memory chip registered with the board and upon which the taxes have been paid is returned to the manufacturer, the distributor shall submit to the commissioner of revenue certification from the manufacturer that the deal or chip was returned and in what respect it was defective. The certification must be in a form prescribed by the commissioner and must contain additional information the commissioner requires.

(c) The commissioner may require that no refund under this subdivision be made unless the returned pull-tabs or tipboards, or the returned memory chip, have been set aside for inspection by the commissioner's employee.

(d) Reductions in previously paid taxes authorized by this subdivision shall be made at the time and in the manner prescribed by the commissioner.

Sec. 47. Minnesota Statutes 1989 Supplement, section 349.2122, is amended to read:

**349.2122 [MANUFACTURERS; REPORTS TO THE COMMISSIONER OF REVENUE; PENALTY.]**

A manufacturer licensed ~~with~~ by the board who sells pull-tabs and tipboards to a licensed distributor ~~licensed by the board~~ must file with the commissioner of revenue, on a form prescribed by the commissioner, a report of pull-tabs and tipboards sold to ~~licensed distributors~~ any person in the state, including the established governing body of Indian tribes recognized by the United States Department of the Interior. The report must be filed monthly on or before the 25th day of the month succeeding the month in which the sale was made. The commissioner of revenue may inspect the books, records, and inventory of a licensed manufacturer without notice during the normal business hours of the manufacturer. Any person violating this section shall be guilty of a misdemeanor.

Sec. 48. Minnesota Statutes 1988, section 349.2123, is amended to read:

**349.2123 [CERTIFIED PHYSICAL INVENTORY.]**

The board or commissioner of revenue may, upon request, require a ~~licensed~~ distributor to furnish a certified physical inventory of ~~the~~

~~pull tabs and tipboards~~ all gambling equipment in stock. The inventory must contain the information required by the board or the commissioner.

Sec. 49. Minnesota Statutes 1989 Supplement, section 349.213, subdivision 1, is amended to read:

Subdivision 1. [LOCAL REGULATION.] A statutory or home rule city or county has the authority to adopt more stringent regulation of any form of lawful gambling within its jurisdiction, including the prohibition of any form of lawful gambling, and may require a permit for the conduct of gambling exempt from licensing under section 349.214. The fee for a permit issued under this subdivision may not exceed \$100. The authority granted by this subdivision does not include the authority to require a license or permit to conduct gambling by organizations or sales by distributors licensed by the board. The authority granted by this subdivision does not include the authority to require an organization to make specific expenditures of more than ten percent from its net profits derived from lawful gambling. For the purposes of this subdivision, net profits are profits less amounts expended for allowable expenses. A statutory or home rule charter city or a county may not require an organization conducting lawful gambling within its jurisdiction to make an expenditure to the city or county as a condition to operate within that city or county, except as authorized under section 349.16, subdivision 4 8, or 349.212; provided, however, that an ordinance requirement that such organizations must contribute ten percent of their net profits derived from lawful gambling to a fund administered and regulated by the responsible local unit of government without cost to such fund, for disbursement by the responsible local unit of government of the receipts for lawful purposes, is not considered an expenditure to the city or county nor a tax under section 349.212, and is valid and lawful.

A statutory or home rule city or county may by ordinance require that a licensed organization conducting lawful gambling within its jurisdiction expend all or a portion of its expenditures for lawful purposes on lawful purposes conducted or located within the city's or county's trade area. Such an ordinance must define the city's or county's trade area and must specify the percentage of lawful purpose expenditures which must be expended within the trade area. A trade area defined by a city under this subdivision must include each city contiguous to the defining city.

Sec. 50. Minnesota Statutes 1989 Supplement, section 349.213, subdivision 2, is amended to read:

Subd. 2. [LOCAL APPROVAL.] Before issuing or renewing ~~an organization license~~ a premises permit or bingo hall license, the board must notify the city council of the statutory or home rule city in which the organization's premises or the bingo hall is located or,

if the premises or hall is located outside a city, the county board of the county and the town board of the town where the premises or hall is located. The board may require organizations or bingo halls to notify the appropriate local government at the time of application. This required notification is sufficient to constitute the notice required by this subdivision. If the city council or county board adopts a resolution disapproving the license and so informs the board within 60 days of receiving notice of the application, the license may not be issued or renewed. The board may not issue or renew a premises permit or bingo hall license unless the organization submits a resolution from the city council or county board approving the premises permit or bingo hall license. The resolution must have been adopted within 60 days of the date of application for the new or renewed permit or license.

Sec. 51. Minnesota Statutes 1988, section 349.30, subdivision 2, is amended to read:

Subd. 2. "Gambling devices" means slot machines, roulette wheels, punchboards, and pin ball machines which return coins or slugs, chips, or tokens of any kind, which are redeemable in merchandise or cash device" has the meaning given it in section 609.75, subdivision 4.

Sec. 52. Minnesota Statutes 1988, section 349.31, is amended to read:

#### 349.31 [GAMBLING DEVICE; POSSESSION OF.]

Subdivision 1. [INTENTIONAL POSSESSION; WILLFUL KEEPING.] The intentional possession or willful keeping of a gambling device on a licensed premises is cause for the suspension or revocation of any license under which the licensed business is carried on upon the premises where the gambling device is found, provided that possession of gambling equipment as defined in section 349.12, subdivision 17, which is used for lawful gambling authorized by this chapter, and the manufacture of gambling devices for use in jurisdictions where use of the gambling device is legal as provided for by section 349.40 shall not be cause for revocation of a license.

Subd. 2. [SUSPENSION AND REVOCATION OF LICENSES.] All licenses under which any licensed business is permitted to be carried on upon the licensed premises shall be suspended or revoked if the intentional possession or willful keeping of any such gambling devices upon the licensed premises is established, notwithstanding that it may not be made to appear that such devices have actually been used or operated for the purpose of gambling.

Sec. 53. Minnesota Statutes 1988, section 349.32, is amended to read:

## 349.32 [ISSUING AUTHORITY TO REVOKE.]

The proceedings for suspension or revocation shall be had before the issuing authority, which shall have power to suspend or revoke the license or licenses involved, as hereinafter provided.

Sec. 54. Minnesota Statutes 1988, section 349.34, is amended to read:

## 349.34 [PROCEEDINGS BEFORE ISSUING AUTHORITY; ORDER TO SHOW CAUSE.]

Upon the receipt of such information from any of the peace officers referred to in section 349.33, if any issuing authority is of the opinion that cause exists for the suspension or revocation of any such license, then that authority shall issue an order to show cause directed to the licensee of the premises, stating the ground upon which the proceeding is based and requiring the licensee to appear and show cause at a time and place, within the county in which the licensed premises are located, not less than ten days after the date of the order, why the license should not be suspended or revoked. That order to show cause shall be served upon the licensee in the manner prescribed by law for the service of summons in a civil action, or by certified mail, not less than eight days before the date fixed for the hearing thereof. A copy of the order shall forthwith be mailed to the owner of the premises, as shown by the records in the office of the county recorder, at the owner's last known post office address. A copy of the order shall at the same time be mailed to any other issuing authority, of which the authority issuing the order to show cause has knowledge, by which other license to that licensee may have been issued, and any such other authority may participate in the suspension or revocation proceedings after notifying the licensee and the officer or authority holding the hearing of its intention so to do on or before the date of hearing, and after the hearing take such action as it could have taken had it instituted the suspension or revocation proceedings in the first instance.

Sec. 55. Minnesota Statutes 1988, section 349.35, subdivision 1, is amended to read:

Subdivision 1. [REVOCATION; STAY; APPEAL.] If, upon the hearing of the order to show cause, it appears that the licensee intentionally possessed or willfully kept upon the licensed premises any gambling device, then the license or licenses under which the licensed business is operated on the licensed premises, shall be suspended or revoked. The order of suspension or revocation shall not be enforced during the period allowed by section 349.39 for taking an appeal.

Sec. 56. Minnesota Statutes 1988, section 349.36, is amended to read:



## 349.36 [DUTIES OF COUNTY ATTORNEY.]

The county attorney of the county in which the hearing is held, or the city attorney if the issuing authority is the city, shall attend the hearing, interrogate the witnesses, and advise the issuing authority. The county attorney shall also, and appear for the issuing authority on any appeal taken pursuant to the provisions of section 349.39.

Sec. 57. Minnesota Statutes 1988, section 349.38, is amended to read:

## 349.38 [PROPERTY OWNERS LIABILITY.]

When a license is suspended or revoked under the provisions of sections 349.30 to 349.39, the owner of the premises upon which any licensed business has been operated shall not be penalized by reason thereof unless it is established that the owner had knowledge of the existence of the gambling devices resulting in license suspension or revocation.

Sec. 58. Minnesota Statutes 1988, section 349.39, is amended to read:

## 349.39 [APPEAL TO DISTRICT COURT; STAY; CONTINUANCE UNDER BOND; HEARING UPON ONE YEAR LIMITATION ON PREMISES.]

Any licensee, or any owner of licensed premises, aggrieved by an order of an issuing authority suspending or revoking any license may appeal from that order to the district court of the county in which the licensee resides by serving a notice of the appeal upon the issuing authority or the clerk thereof. The notice of appeal shall state that the person appealing takes an appeal to that district court from the order suspending or revoking the license or licenses, describing them and identifying the order appealed from. This notice shall be served within 15 days from the date of service of the order appealed from, and the same, with proof of service thereof, shall be filed with the court administrator of the district court of the proper county. The appeal shall stand for trial at the next term of the district court following the filing of the notice of appeal, without the service of any notice of trial, and shall be tried in the district court de novo. The trial shall be by jury if the appellant shall so demand. The licensee may continue to operate the licensed business or businesses until the final disposition of such appeal. If the district court upon the appeal shall determine that any license involved in the appeal should be suspended or revoked, it may, nevertheless, in its discretion permit the continuance of the licensed business under a bond in the amount and in the form and containing the conditions prescribed by the court. The district court on the appeal, or in a separate proceeding, may permit the issuance of a new license to a

different licensee before the expiration of the period of one year specified in section 349.35, subdivision 2, upon such terms and conditions imposed by the court as will insure that no gambling device shall thereafter be maintained upon the licensed premises.

Sec. 59. Minnesota Statutes 1988, section 349.50, subdivision 8, is amended to read:

Subd. 8. [VIDEO GAME OF CHANCE.] "Video game of chance" means games or devices that simulate games commonly referred to as poker, blackjack, craps, hi-lo, roulette or other common gambling forms, though not offering any type of pecuniary award or gain to players. The term also includes any video game having one or more of the following characteristics:

(1) it is primarily a game of chance, and has no substantial elements of skill involved;

(2) it awards game credits or replays and contains a meter or device which records unplayed credits or replays and contains a device that permits them to be canceled.

"Video game of chance" does not include a video pull-tab device as defined in section 5.

Sec. 60. Minnesota Statutes 1988, section 349.55, is amended to read:

#### 349.55 [GAME SPECIFICATIONS.]

No payment may be made directly from any game or in connection with the operation of any device. Each game must contain a random character generator, and any internal meter must be nonresetable. Any game canceling replays or credits must cancel them no more than one at a time. A video game of chance may not contain or have attached to it any switch, lever, button, or other device capable of canceling replays or credits in any way other than by playing the game offered by the machine. A video game of chance must be programmed and must operate in such a way that all credits accumulated on a game must automatically cancel within 60 seconds of the completion of a play. No person may cancel replays or credits on a video game of chance in any way other than by playing the game offered by the machine. A video game of chance may not be restarted after cancellation of all accumulated credits except on insertion of a coin.

Sec. 61. [349.61] [REPEAL; TERMINATION OF LICENSES.]

Section 1 and sections 349.50 to 349.60 are repealed January 1,

1992. All licenses issued under sections 349.51 and 349.52 in effect on that date expire on that date. The commissioner of finance shall on that date transfer all money in the video gaming license account to the general fund.

Sec. 62. Minnesota Statutes 1989 Supplement, section 349A.02, subdivision 5, is amended to read:

Subd. 5. [~~COMPENSATION INCENTIVE PLAN.~~] ~~The compensation of employees in the division is as provided in chapter 43A. Subject to the provisions of section 43A.18, subdivision 1, the commissioner of employee relations director may, at the request of the director, develop and implement a plan for making incentive payments to employees of the division whose primary responsibilities are in marketing.~~

Sec. 63. Minnesota Statutes 1988, section 609.75, subdivision 4, is amended to read:

Subd. 4. [GAMBLING DEVICE.] A gambling device is a contrivance which for a consideration affords the player an opportunity to obtain something of value, other than free plays, automatically from the machine or otherwise, the award of which is determined principally by chance. "Gambling device" includes any video game of chance, as defined in section 349.50, subdivision 8, that is not in compliance with sections 349.50 to 349.60.

Sec. 64. Laws 1989, First Special Session chapter 1, article 13, section 27, is amended to read:

Sec. 27. [STATE TO BE SUPPLIER OF GAMBLING EQUIPMENT.]

~~Notwithstanding any other law to the contrary, After June 30, 1990 1993, the state of Minnesota will be the sole supplier of all gambling equipment under Minnesota Statutes, chapter 349. The commissioner of revenue shall no later than January 15, 1990 December 7, 1992, submit to the legislature a bill making all statutory changes required to implement this section including proposing the required staff and appropriation. The bill shall include provisions requiring the state to provide an adequate supply and variety of gambling equipment and to supply it efficiently. The commissioner of revenue shall provide copies of this bill to the chair of the house of representatives tax committee and to the chair of the senate committee on taxes and tax laws. Notwithstanding any contrary requirements of Minnesota Statutes, section 3C.035, subdivision 2, the revisor shall assess the commissioner of revenue for the actual cost of bill drafting services rendered to the department with respect to the bill required by this section.~~

## Sec. 65. [REPORT.]

The gambling control board shall study and report to the legislature by January 15, 1993, on the use of video pull-tab devices in Minnesota. The study must include, among other subjects:

(1) the volume of gambling on video pull-tab devices compared with paper pull-tabs;

(2) the effectiveness of video pull-tabs in eliminating pull-tab cheating;

(3) the effectiveness of state licensing and regulation of video pull-tab devices;

(4) the effects of video pull-tab devices on the accountability of lawful gambling; and

(5) recommendations for future legislative action regarding video pull-tab devices.

## Sec. 66. [STEARNS COUNTY; SPECIAL LEVY.]

For taxes levied in 1990, payable in 1991 only, Stearns county may levy a tax in an amount not to exceed \$109,000 to cover the cost of the investigation of criminal activity connected with a kidnaping. The levy under this section is not subject to the limitations of Minnesota Statutes, sections 275.50 to 275.56.

## Sec. 67. [MILLE LACS COUNTY; SPECIAL LEVY.]

For taxes levied in 1990, payable in 1991 only, Mille Lacs county may levy an amount equal to the expenditures from reserve funds used in 1990 to pay social service costs. The county must provide evidence to the commissioner of revenue that expenditures from reserve funds were made for this purpose. This levy may not exceed \$694,000. This levy is not subject to the levy limitations in Minnesota Statutes, section 275.50 to 275.56.

## Sec. 68. [REPEALER.]

(a) Minnesota Statutes 1988, sections 349.14 and 349.214, subdivisions 1, 1a, 3, and 4; Minnesota Statutes 1989 Supplement, section 349.151, subdivision 4a; and Minnesota Statutes Second 1989 Supplement, section 349.214, subdivision 2, are repealed.

(b) Minnesota Statutes 1989 Supplement, sections 349.20 and 349.21, are repealed.

## Sec. 69. [EFFECTIVE DATE.]

Sections 5, 6, 9, 11, 15, 25, 36, 41, 42, 44, 45, 46, and 64 are effective the day following final enactment. Sections 29, 31, 32, 60, 63, and 68, paragraph (b), are effective January 1, 1991."

Delete the title and insert:

"A bill for an act relating to lawful gambling; providing primary enforcement for criminal violations in the division of gambling enforcement; defining lawful purposes for expenditures of gambling profits; establishing licensing qualifications for organizations and manufacturers; requiring organizations to report monthly on expenditures and contributions of gambling profits; authorizing the gambling control board to require recipients of contributions of gambling profits to register with the board; authorizing summary suspension of gambling licenses for failure to file tax returns; authorizing a limited number of video pull-tab devices and establishing standards and requirements for them; regulating pull-tab dispensing machines; requiring inspection and testing of gambling equipment; requiring permits for gambling premises; requiring gambling managers to be licensed; requiring that employees of organizations conducting lawful gambling be registered with the board; expanding allowable uses for revenue from local gambling taxes and requiring board approval of these taxes; specifying authority to establish incentive plans for state lottery employees; repealing games of chance regulating provisions on January 1, 1992; abolishing lawful gambling on July 1, 1993; amending Minnesota Statutes 1988, sections 297A.01, subdivision 16; 349.12, subdivisions 10, 18, and by adding subdivisions; 349.16, as amended; 349.17, as amended; 349.18, as amended; 349.19, as amended; 349.212, subdivision 5; 349.2121, subdivisions 1 and 4a; 349.2123; 349.30, subdivision 2; 349.31; 349.32; 349.34; 349.35, subdivision 1; 349.36; 349.38; 349.39; 349.50, subdivision 8; 349.55; and 609.75, subdivision 4; Minnesota Statutes 1989 Supplement, sections 299L.03, by adding subdivisions; 349.12, subdivisions 12 and 15; 349.151, subdivision 4; 349.152, subdivision 2, and by adding subdivisions; 349.161, as amended; 349.162; 349.163, as amended; 349.164; 349.2121, subdivision 2; 349.2122; 349.213, subdivisions 1 and 2; and 349A.02, subdivision 5; Minnesota Statutes Second 1989 Supplement, sections 349.12, subdivisions 11 and 19; 349.15; and 349.212, subdivisions 1 and 4; Laws 1989, First Special Session chapter 1, article 13, section 27; proposing coding for new law in Minnesota Statutes, chapters 299L and 349; repealing Minnesota Statutes 1988, sections 349.14; 349.214, subdivisions 1, 1a, 3, and 4; Minnesota Statutes 1989 Supplement, sections 349.151, subdivisions 1, 2, 4, 4a, and 5; 349.152; 349.20; and 349.21; Minnesota Statutes Second 1989 Supplement, section 349.214, subdivision 2."

With the recommendation that when so amended the bill pass.

The report was adopted.

Ogren from the Committee on Taxes to which was referred:

H. F. No. 2283, A bill for an act relating to housing; establishing a local government housing account that may be used for transitional housing, public housing modernization and rehabilitation, and subsidized rental housing preservation; requiring state interagency coordination on homelessness; providing for a housing and redevelopment authority property service charge in lieu of property taxes; appropriating nonrefundable bond allocation deposits to the housing trust fund account; appropriating money; amending Minnesota Statutes 1988, sections 462A.201, subdivision 2; 469.040, by adding a subdivision; and 474A.21; Minnesota Statutes 1989 Supplement, section 469.203, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 462A; repealing Minnesota Statutes 1989 Supplement, section 469.203, subdivision 5.

Reported the same back with the following amendments:

Pages 3 and 4, delete section 4

Page 5, delete section 7

Renumber the sections in sequence

Correct internal references

Amend the title as follows:

Page 1, line 7, delete everything after the semicolon

Page 1, delete lines 8 to 10

Page 1, line 11, delete "account;"

Page 1, line 13, delete everything before "and"

With the recommendation that when so amended the bill pass.

The report was adopted.

Ogren from the Committee on Taxes to which was referred:

S. F. No. 1822, A bill for an act relating to housing; providing for the administration of section 8 existing housing and low-rent public housing programs; clarifying and limiting local approval requirements; removing the exemption for special assessments for housing

and redevelopment authorities; providing for the transfer of housing and housing development projects to an economic development authority; authorizing the metropolitan council to plan and administer a section 8 program in the metropolitan area without approval of local units of government; amending Minnesota Statutes 1988, sections 469.002, subdivision 10, and by adding a subdivision; 469.004, subdivision 5; 469.005, subdivision 1; 469.012, subdivision 3; 469.016; 469.040, subdivisions 1 and 3; 469.094, subdivisions 1 and 2; and 473.195, subdivision 1; and Minnesota Statutes 1989 Supplement, section 469.012, subdivision 1.

Reported the same back with the following amendments:

Page 12, line 21, delete "benefiting" and insert "provided to"

Page 12, delete line 23.

Page 12, line 24, delete the new language

Page 16, after line 22, insert:

"Sec. 13. [BONDS AUTHORIZED.]

Subdivision 1. The governing body of the city of Bemidji or Beltrami county may sell and issue general obligation bonds or revenue bonds of the city or the county, respectively, to finance the construction and betterment of an airport terminal and other air navigation facilities as defined in Minnesota Statutes, section 360.013, or of other related facilities, including hangars, repair shops and other buildings, and equipment needed for the storage, repair, reconstruction, and servicing of aircraft. The bonds may be issued by the city or the county on its own behalf with the consent of both parties, or with the consent of the other on behalf of both of them. The bonds must be issued, sold and secured in accordance with Minnesota Statutes, chapter 475, except as provided in subdivisions 2 and 3. The facilities to be financed by the bonds are a public convenience from which a revenue is derived, and are not indebtedness under chapter 475 or any city charter.

Subd. 2. The aggregate principal amount of all bonds issued by the city or the county under this section which are outstanding and undischarged at any time shall not exceed \$400,000.

Subd. 3. If either the city or the county issues bonds on behalf of both of them, the entity not issuing the bonds may levy ad valorem taxes on all taxable property within its corporate limits to pay the principal of and interest on the bonds as agreed upon before their issuance, and may irrevocably appropriate the collections of the taxes to the sinking fund established by the issuing entity for the payment of the bonds. The entity issuing the bonds may levy ad

valorem taxes on all taxable property within its corporate limits for the years and in the amounts that, together with any taxes levied and appropriated by the nonissuing entity, will meet the requirements of Minnesota Statutes, section 475.61. Neither the taxes nor any additional taxes levied to eliminate any deficiencies in the collection thereof are subject to any limitation established by general or special law or charter as to rate or amount. The taxes may not be considered in determining the amount of any other taxes which may be levied subject to any such limitation.

Subd. 4. (a) After approval of a bond issue under subdivision 1 or the first approval of a tax levy to pay bond obligations under subdivision 3, the governing body of the city for a city action or the county for a county action shall publish notice of the action in its official publication. The bonds may be issued and sold or the tax levied without submitting the question to the voters, unless within 30 days after the date of publication a petition signed by qualified voters equal to five percent of the voters who voted in the last general election in the governmental subdivision is filed with the city or the county.

(b) If a petition is filed that meets the requirements of paragraph (a), the bonds may be issued or the tax levied upon obtaining the approval of a majority of the voters voting on the question at a special or regular election.

Page 16, line 25, after the period insert "Section 13 is effective upon approval by a majority of all members of the Bemidji city council, and by a majority of all members of the Beltrami county board of commissioners, and compliance with Minnesota Statutes, section 645.021."

Renumber the sections in sequence.

Amend the title as follows:

Page 1, line 12, after the semicolon, insert "authorizing the issuance of bonds by the city of Bemidji and Beltrami county,"

With the recommendation that when so amended the bill pass.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 2005 and 2283 were read for the second time.



**SECOND READING OF SENATE BILLS**

S. F. Nos. 1854, 1891, 2282, 2489 and 1822 were read for the second time.

**MESSAGES FROM THE SENATE**

The following messages were received from the Senate:

Mr. Speaker:

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

H. F. No. 2645, A bill for an act relating to insurance; regulating domestic insurers; providing for domestications and conversions to foreign insurers; proposing coding for new law in Minnesota Statutes, chapter 60A.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 1730, A bill for an act relating to commerce; requiring seating furniture in public occupancies to meet flammability and labeling standards; proposing coding for new law in Minnesota Statutes, chapter 299F.

The Senate has appointed as such committee:

Mrs. Lantry, Mr. Solon and Mrs. McQuaid.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 2294, A bill for an act relating to drivers' licenses;

providing for electronically produced images on drivers' licenses; providing for living will designation on driver's licenses; allowing commissioner to suspend a driver's license for failure to report certain medical conditions; amending Minnesota Statutes 1988, sections 171.07, subdivisions 1a and 6, and by adding a subdivision; and 171.071; Minnesota Statutes 1989 Supplement, sections 171.06, subdivision 3; 171.07, subdivisions 1 and 3; and 171.18.

The Senate has appointed as such committee:

Mr. Vickerman, Ms. Reichgott and Mr. Purfeerst.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVER, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 2343, A bill for an act relating to insurance; accident and health; providing for the classification and disclosure of certain comprehensive health insurance data; regulating the Minnesota comprehensive health insurance plan; requiring insurers to provide written materials on the Minnesota comprehensive health insurance plan; amending Minnesota Statutes 1988, sections 13.71, by adding a subdivision; 62E.10, subdivision 9; 62E.14, by adding subdivisions; and 62E.15, subdivision 4.

The Senate has appointed as such committee:

Messrs. Brandl, Solon and Frederick.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVER, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 2457, A bill for an act relating to public financing; allocating authority to issue tax exempt revenue bonds; restricting loans from proceeds of mortgage revenue bonds under certain circumstances; amending Minnesota Statutes 1988, sections 474A.02, subdivisions 6, 8, and by adding a subdivision; 474A.03;

474A.061, subdivision 3, and by adding subdivisions; 474A.091, subdivisions 1, 4, and 5; 474A.131, subdivision 2; and 474A.14; Minnesota Statutes 1989 Supplement, section 290.01, subdivision 19a; Minnesota Statutes Second 1989 Supplement, sections 474A.061, subdivisions 1 and 4; and 474A.091, subdivisions 2 and 3; proposing coding for new law in Minnesota Statutes, chapter 474A; repealing Minnesota Statutes 1988, sections 474A.081, subdivisions 1, 2, and 4; and 474A.091, subdivision 4a; Minnesota Statutes Second 1989 Supplement, section 474A.061, subdivision 2.

The Senate has appointed as such committee:

Messrs. Pogemiller and Johnson, D. J., and Ms. Reichgott.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 2474, A bill for an act relating to insurance; long-term care; modifying the definition of medically prescribed long-term care; allowing additional licensed health care providers to prepare plans of care; regulating assessments; regulating cancellations; amending Minnesota Statutes 1988, sections 62A.46, subdivisions 2, 4, 5, and 8; 62A.48, subdivision 3, and by adding a subdivision; and 62A.56; Minnesota Statutes 1989 Supplement, section 62A.48, subdivision 1.

The Senate has appointed as such committee:

Messrs. Solon, Metzen and Larson.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 2480, A bill for an act relating to taxation; making technical corrections and administrative changes to property, sales and use, motor vehicle excise, income, franchise, insurance, petro-

leum products, pull-tab and tipboard taxes, firefighter state aids, and property tax refunds; making technical corrections and administrative changes to certain aids to local government; including lottery prizes as refunds in the revenue recapture act; providing for posting of certain tax delinquencies; requiring a social security number on certain probate applications; imposing a tax on untaxed pull-tabs and tipboards; recodifying license inquiry provisions; providing for payment and settlement of state elections campaign funds to political party state committees; transferring certain powers and duties; recodifying and providing for tax administrative, enforcement, and collection procedures; imposing penalties; amending Minnesota Statutes 1988, sections 60A.198, by adding a subdivision; 69.771, subdivision 3; 69.772, subdivision 2a; 69.774, subdivision 1; 116K.04, subdivision 4; 270.65; 270.67, subdivisions 1 and 2; 270.68, subdivisions 1 and 3; 270.69, subdivisions 2, 3, 7, 8, and by adding a subdivision; 270.70, subdivision 1; 270A.03, subdivision 7; 274.01, subdivision 1; 275.54; 287.21, subdivision 2; 290.05, subdivision 4; 290.17, subdivision 5; 290.39, subdivision 5; 290.49, subdivision 3; 290.92, subdivisions 6a, 12, 23, and 24; 290.93, subdivision 1; 290A.03, subdivision 3; 290A.04, subdivision 1; 290A.07, subdivision 3; 290A.19; 296.06, subdivision 2; 296.18, subdivisions 2 and 3; 296.25; 297A.01, subdivision 8; 297A.03, subdivision 2; 297A.041; 297A.14, subdivision 1; 297A.18; 297A.211, subdivision 3; 297A.25, subdivision 31; 297A.255, by adding a subdivision; 297B.035, subdivision 1; 299F.21, subdivision 1; 349.212, by adding a subdivision; 477A.011, by adding a subdivision; 524.3-1001; 524.3-301; Minnesota Statutes 1989 Supplement, sections 38.18; 50.14, subdivision 4; 69.021, subdivision 6; 110.70; 118.12; 163.04, subdivision 3; 163.06, subdivision 6; 165.10, subdivision 1; 168.013, subdivision 5; 168A.10, subdivision 1; 270.06; 270.73, subdivision 1; 270B.07, by adding a subdivision; 272.16; 273.01; 273.11, subdivision 1; 290.39, subdivision 4; 290.92, subdivision 4c; 290.9201, subdivisions 7 and 8; 290.9705, subdivision 4; 297A.17; 365.025, subdivision 4; 368.01, subdivision 23; 368.44; 368.47; 370.01; 383.06; 385.31; 386.34; 412.081, subdivision 1; 412.221, subdivision 2; 430.102, subdivision 2; 465.04; 469.177, subdivision 1a; 471.24; 471.73; 475.58, subdivision 2; 475.73, subdivision 1; 477A.011, subdivision 15; 505.173, subdivision 1; Minnesota Statutes Second 1989 Supplement, sections 10A.31, subdivision 5; 60A.15, subdivision 1; 273.13, subdivision 25; 273.1391, subdivision 2; 273.1398, subdivision 1, 2, 5a, and 6; 274.14; 274.175; 275.07, subdivision 3; 275.50, subdivision 5; 275.51, subdivisions 3f, 3h, and 6; 287.29, subdivision 1; 290.17, subdivision 2; 290A.04, subdivisions 2h and 2i; 290A.07, subdivision 2a; 349.212, subdivision 4; 373.40, subdivision 1; 473F.08, subdivision 8a; 477A.012, subdivision 3; 477A.013, subdivision 3; Laws 1989, chapter 28, section 24; and Laws 1989, First Special Session chapter 1, articles 3, section 35; and 9, section 86; proposing coding for new law in Minnesota Statutes, chapters 270 and 289A; repealing Minnesota Statutes 1988, sections 270.08; 270.10, subdivision 4; 270.651; 272.70; 290.05, subdivision 5; 290.067, subdivision 5; 290.23, subdivision 15; 290.281, subdivision 5; 290.29; 290.37, as amended; 290.39, as amended; 290.391; 290.40; 290.41; 290.42;

290.43; 290.44; 290.45; 290.46; 290.47; 290.49; 290.50, as amended; 290.52; 290.521; 290.522; 290.523, as amended; 290.53, subdivisions 1, 1a, 2, 2a, 3, 3a, 4, 5, 7, 8, 9, 10, and 11; 290.54; 290.56; 290.57; 290.58; 290.59; 290.611, subdivision 5; 290.612; 290.65; 290.92, subdivisions 6, 7, 8, 11, 13, 14, 15, and 18; 290.9201, subdivisions 4, 5, 9, and 10; 290.923, subdivision 7; 290.93; 290.931; 290.932; 290.933; 290.934, as amended; 290.935; 290.936; 290.9705, subdivision 2; 290.974; 290A.06; 290A.11, subdivisions 1, 2, 3, and 4; 290A.111; 290A.112, as amended; 290A.12; 291.09; 291.11; 291.131; 291.14; 291.15, subdivisions 1 and 3; 291.215, subdivisions 2 and 3; 291.31, subdivisions 1 and 2; 291.32; 296.027; 296.16, subdivision 3; 296.17, subdivision 13; 296.18, subdivisions 3a and 7; 296.24; 297A.08; 297A.121; 297A.15, subdivision 3; 297A.26, subdivisions 1 and 4; 297A.27; 297A.275; 297A.29; 297A.30; 297A.31; 297A.32; 297A.33, subdivisions 1, 3, 4, and 5; 297A.34; 297A.35; 297A.37; 297A.39, subdivisions 1, 2, 2a, 3, 4, 5, 7, and 8; 297A.40; 297A.41, 297A.42; 297A.431; 297A.44, subdivision 2; Minnesota Statutes 1989 Supplement, sections 290A.11, subdivision 1a; and 297A.20; Minnesota Statutes Second 1989 Supplement, sections 270.77 and 290.38; Minnesota Rules, parts 8052.0100; 8052.0200; and 8130.7800.

The Senate has appointed as such committee:

Messrs. Pogemiller and Johnson, D. J.; Ms. Reichgott; Messrs. Stumpf and Belanger.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVER, Secretary of the Senate

Mr. Speaker:

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

H. F. No. 2350, A bill for an act relating to natural resources; authorizing the commissioner to designate agents to sell state park permits; amending Minnesota Statutes 1988, section 85.053, subdivision 1.

PATRICK E. FLAHAVER, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

McGuire moved that the House concur in the Senate amendments to H. F. No. 2350 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 2350, A bill for an act relating to natural resources; authorizing the commissioner to designate agents to sell state park permits; clarifying requirements for financial assurance to be provided by mining operators; amending Minnesota Statutes 1988, sections 85.053, subdivision 1; and 93.49.

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

The question was taken on the repassage of the bill and the roll was called. There were 124 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

Mr. Speaker:

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

H. F. No. 2025, A bill for an act relating to agriculture; creating a restricted seed potato growing area and historic certified seed potato area; providing restrictions; requiring a study; imposing a penalty; proposing coding for new law in Minnesota Statutes, chapter 21.

PATRICK E. FLAHAVEN, Secretary of the Senate

Tunheim moved that the House refuse to concur in the Senate amendments to H. F. No. 2025, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses.

A roll call was requested and properly seconded.

The question was taken on the Tunheim motion and the roll was called. There were 69 yeas and 55 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Hausman	Krueger	Otis	Simoneau
Battaglia	Jacobs	Lasley	Pappas	Skoglund
Bauerly	Janezich	Lieder	Pelowski	Solberg
Begich	Jaros	Long	Peterson	Sparby
Brown	Jefferson	McEachern	Price	Trimble
Carlson, L.	Jennings	McGuire	Pugh	Tunheim
Carruthers	Johnson, A.	Munger	Quinn	Vellenga
Clark	Johnson, R.	Murphy	Reding	Wagenius
Cooper	Kahn	Nelson, C.	Rest	Welle
Dauner	Kalis	Nelson, K.	Rice	Wenzel
Dawkins	Kelly	Neuenschwander	Rodosovich	Williams
Dorn	Kelso	O'Connor	Rukavina	Winter
Greenfield	Kinkel	Ogren	Sarna	Spk. Vanasek
Hasskamp	Kostohryz	Olson, E.	Segal	

Those who voted in the negative were:

Abrams	Frederick	Johnson, V.	Olson, K.	Seaberg
Anderson, R.	Frerichs	Knickerbocker	Omann	Stanius
Bennett	Girard	Lumner	Onnen	Steensma
Bishop	Gruenes	Lynch	Ostrom	Sviggum
Blatz	Gutknecht	Macklin	Ozment	Swenson
Boo	Hartle	Marsh	Fellow	Tjornhom
Burger	Haukoos	McDonald	Redalen	Tompkins
Carlson, D.	Heap	McPherson	Richter	Uphus
Dempsey	Henry	Miller	Runbeck	Valento
Dille	Himle	Morrison	Schafer	Waltman
Forsythe	Hugoson	Olsen, S.	Schreiber	Weaver

The motion prevailed.

Mr. Speaker:

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

S. F. Nos. 1847, 2430, 2347 and 1903.

**FIRST READING OF SENATE BILLS**

S. F. No. 1847, A bill for an act relating to human rights; amending the definition of age; clarifying medical information obtainable from prospective employees; clarifying protection for pregnant employees; prohibiting threats against home owners and renters; prohibiting discriminatory business practices; clarifying the meaning of business necessity and continuing violations; renumbering definitions; amending Minnesota Statutes 1988, sections 363.01, subdivision 28; 363.03, subdivisions 2, 8a, and by adding subdivisions; 363.06, subdivision 1, and by adding a subdivision; 363.071, by adding subdivisions; 363.116; Minnesota Statutes 1989 Supplement, sections 363.02, subdivision 1; and 363.03, subdivision 1.

The bill was read for the first time.

Orenstein moved that S. F. No. 1847 and H. F. No. 2038, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2430, A bill for an act relating to financial institutions; establishing a system for the evaluation and rating of community reinvestment by depository financial institutions owned by interstate holding companies; providing uniformity with federal financial institutions regulatory practices; regulating public disclosure of uniform rating; requiring notice to the commissioner of proposed acquisitions of control; regulating Minnesota transmission facilities; allowing equal access by other transmission facilities; permitting interstate banking with an additional reciprocating state; amending Minnesota Statutes 1988, sections 47.61, by adding a subdivision; 47.65, by adding subdivisions; 48.92, subdivision 7; and 48.93, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 46 and 47.

The bill was read for the first time.

Osthoff moved that S. F. No. 2430 and H. F. No. 2770, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2347, A bill for an act relating to environmental protection; approving state membership in the Great Lakes Protection Fund; proposing coding for new law as Minnesota Statutes, chapter 116Q.

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



S. F. No. 1903, A bill for an act relating to health; providing programs and incentives for persons to volunteer as bone marrow donors; requiring the commissioner of health to educate residents about the need for volunteer bone marrow donors; requiring paid leave for employees to donate bone marrow; requiring a bone marrow donor drive to encourage state employees to volunteer as bone marrow donors; appropriating money; proposing coding for new law in Minnesota Statutes, chapters 145 and 181.

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

The following Conference Committee Report was received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1981

A bill for an act relating to motor vehicles; providing for temporary permit while awaiting delivery of special vehicle license plates; requiring registered owner of motor vehicle to list address or mailing address of primary residence on application for registration; permitting motor vehicle owners to classify residence addresses as private data and to use mailing addresses on motor vehicle registration forms; clarifying when inspection fee must be paid to receive certificate of inspection for salvage vehicle; clarifying disclosure requirements for motor vehicle pollution control system; amending Minnesota Statutes 1988, sections 168.09, by adding a subdivision; 168.10, subdivision 1; and 325E.0951, subdivision 3a; Minnesota Statutes 1989 Supplement, section 168A.152, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 168.

April 2, 1990

The Honorable Robert E. Vanasek  
Speaker of the House of Representatives

The Honorable Jerome M. Hughes  
President of the Senate

We, the undersigned conferees for H. F. No. 1981, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H. F. No. 1981 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1988, section 168.09, is amended by adding a subdivision to read:

Subd. 7. [DISPLAY OF TEMPORARY PERMIT; SPECIAL PLATES.] A vehicle that displays a special plate issued under section 168.021; 168.12, subdivision 2, 2a, 2b, or 2c; 168.123; 168.124; 168.125; 168.126; or 168.128 may display a temporary permit in conjunction with expired registration if:

(1) the current registration tax and all other fees have been paid in full; and

(2) the plate requires replacement under section 168.12, subdivision 1, paragraph (3).

The permit is valid for a period of 60 days. The permit must be in a form prescribed by the commissioner of public safety and whenever practicable must be posted upon the driver's side of the rear window on the inside of the vehicle. The permit is valid only for the vehicle for which it was issued to allow a reasonable time for the new license plates to be manufactured and delivered to the applicant.

Sec. 2. Minnesota Statutes 1988, section 168.10, subdivision 1, is amended to read:

Subdivision 1. [APPLICATION.] Except as provided in subdivisions 1a, 1b, 1c, 1d, 1g, and 1h, every registered owner of any motor vehicle in this state, not exempted by section 168.012 or 168.26, shall as soon as registered ownership of a motor vehicle is acquired and annually thereafter during the period provided in section 168.31, file with the commissioner of public safety on a blank provided by the commissioner a listing for taxation and application for the registration of such vehicle, stating the first, middle and last names, the dates date of birth, and addresses the address of the primary residence of all each registered owners owner thereof who are is a natural persons person or mailing address if the address of the primary residence has been classified as private data under this chapter, the full names name and addresses address of all any other registered owners owner, the name and address of the person from whom purchased, make of motor vehicle, year and number of the model, manufacturer's identification number or serial number, type of body, the weight of the vehicle in pounds, for trailers only, its rated load carrying capacity and for buses only, its seating capacity, and such other information as the commissioner may require. Any false statement willfully and knowingly made in regard thereto shall be deemed perjury and punished accordingly. The listing and application for registration by dealers or manufacturers' agents within the state, of motor vehicles received for sale or use within the state shall be accepted as compliance with the requirements of this chapter, imposed upon the manufacturer.

Registration shall be refused a motor vehicle if the original identification or serial number has been destroyed, removed, altered,

covered, or defaced. However, if the commissioner is satisfied on the sworn statements of the registered owner or registered owners or such other persons as the commissioner may deem advisable that the applicant is the legal owner, a special identification number in the form prescribed by the commissioner shall be assigned to the motor vehicle. When it has been determined that the number had been affixed to such vehicle in a manner prescribed by the commissioner, the vehicle may thereafter be registered in the same manner as other motor vehicles. In the case of a new or rebuilt motor vehicle manufactured or assembled without an identification or serial number, the commissioner may assign an identification number to the motor vehicle in the same manner as prescribed heretofore.

Sec. 3. Minnesota Statutes 1989 Supplement, section 168A.152, subdivision 2, is amended to read:

Subd. 2. [INSPECTION FEE.] A fee of \$20 must be paid to the department before the department ~~conducts an inspection under~~ issues a certificate of title for a vehicle that has been inspected and for which a certificate of inspection has been issued pursuant to subdivision 1. The only additional fee that may be assessed for issuing the certificate of title is the filing fee imposed under section 168.33, subdivision 7.

Fees collected by the department under this subdivision, for conducting inspections under subdivision 1, must be deposited in the general fund.

Sec. 4. Minnesota Statutes 1988, section 325E.0951, subdivision 3a, is amended to read:

Subd. 3a. [DISCLOSURE.] No person may transfer a motor vehicle that was required to be manufactured with an air pollution control system without certifying in writing to the transferee that to the best of the person's knowledge, the air pollution control systems, including the restricted gasoline fill pipe, have not been removed, altered, or rendered inoperative. The registrar of motor vehicles shall prescribe the manner and form in which this written disclosure must be made. No transferor may knowingly give a false statement to a transferee in making a disclosure required by this subdivision.

Sec. 5. [U.S. OPEN LICENSE PLATES.]

Subdivision 1. [DEFINITIONS.] (a) "Committee" means the 1991 U.S. Open Committee.

(b) "Registrar" means the registrar of motor vehicles.

Subd. 2. [ISSUANCE AND DESIGN.] Upon the request of the committee, the registrar shall issue to the committee special license

plates for use in connection with the 1991 United States Golf Association Open Championship. The special plates must be of a design approved by the registrar after consultation with the committee. The plates may be displayed on a passenger vehicle the use of which has been donated for the open championship by the vehicle manufacturer. The plates are valid for a period of 14 days after issuance.

Subd. 3. [FEES.] The registrar shall collect a fee of \$10 for each pair of special plates issued under this section. The minimum number of special plates the registrar may issue to the committee under this section is 50 pairs.

Subd. 4. [APPLICATION.] In requesting special plates under this section, the committee shall provide the following information to the registrar at least 120 days before the start of the period for which the plates are requested:

- (1) the dates of the period for which the plates are requested;
- (2) the name, address, and telephone number of an authorized representative of the committee;
- (3) the quantity of plates requested; and
- (4) a certification that the insurance required under Minnesota Statutes, section 65B.49, subdivision 3, will be provided for each vehicle for which special plates are provided under this section.

Subd. 5. [LIABILITY.] If a parking violation citation is issued for a violation committed by a driver of a vehicle displaying special plates issued under this section, the committee is liable for the amount of fine, penalty assessment, late payment penalty, or cost of warrants issued in connection with the violation unless, within 15 days after receiving knowledge of the violation, the committee provides to the issuing authority the following information to the extent available: the driver's full name, home address, local address, if any, license number, and employer's name and address. If the committee is relieved of liability under this subdivision, the person who committed the violation remains liable for the violation.

#### Sec. 6. [EFFECTIVE DATE.]

Sections 3 and 4 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to motor vehicles; providing for temporary permit while awaiting delivery of special vehicle license plates;

requiring registered owner of motor vehicle to list address or mailing address of primary residence on application for registration; clarifying when inspection fee must be paid to receive certificate of inspection for salvage vehicle; clarifying disclosure requirements for motor vehicle pollution control system; providing for special U.S. Open license plates; amending Minnesota Statutes 1988, sections 168.09, by adding a subdivision; 168.10, subdivision 1; and 325E.0951, subdivision 3a; Minnesota Statutes 1989 Supplement, section 168A.152, subdivision 2."

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

House Conferees: ALICE M. JOHNSON, CHUCK BROWN AND ARTHUR W. SEABERG.

Senate Conferees: LEROY A. STUMPF, WILLIAM V. BELANGER, JR AND KEITH LANGSETH.

Johnson, A., moved that the report of the Conference Committee on H. F. No. 1981 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1981, A bill for an act relating to motor vehicles; providing for temporary permit while awaiting delivery of special vehicle license plates; requiring registered owner of motor vehicle to list address or mailing address of primary residence on application for registration; permitting motor vehicle owners to classify residence addresses as private data and to use mailing addresses on motor vehicle registration forms; clarifying when inspection fee must be paid to receive certificate of inspection for salvage vehicle; clarifying disclosure requirements for motor vehicle pollution control system; amending Minnesota Statutes 1988, sections 168.09, by adding a subdivision; 168.10, subdivision 1; and 325E.0951, subdivision 3a; Minnesota Statutes 1989 Supplement, section 168A.152, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 168.

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

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

Those who voted in the affirmative were:

Abrams	Begich	Boo	Carruthers	Dempsey
Anderson, G.	Bennett	Brown	Clark	Dille
Anderson, R.	Bertram	Burger	Cooper	Dorn
Battaglia	Bishop	Carlson, D.	Dauner	Forsythe
Bauerly	Blatz	Carlson, L.	Dawkins	Frederick

Frerichs	Kalis	Murphy	Price	Stanius
Girard	Kelly	Nelson, C.	Pugh	Steensma
Greenfield	Kelso	Nelson, K.	Quinn	Sviggum
Gruenes	Kinkel	Neuenschwander	Redalen	Swenson
Gutknecht	Knickerbocker	O'Connor	Reding	Tjornhom
Hartle	Kostohryz	Ogren	Rest	Tompkins
Hasskamp	Krueger	Olsen, S.	Rice	Trimble
Haukoos	Lasley	Olson, E.	Richter	Tunheim
Hausman	Lieder	Olson, K.	Rodosovich	Uphus
Heap	Limmer	Omann	Rukavina	Valento
Henry	Long	Onnen	Runbeck	Vellenga
Himle	Lynch	Orenstein	Sarna	Wagenius
Hugoson	Macklin	Ostrom	Schafer	Waltman
Jacobs	Marsh	Otis	Scheid	Weaver
Janezich	McDonald	Ozment	Schreiber	Welle
Jefferson	McEachern	Pappas	Seaberg	Wenzel
Jennings	McGuire	Pauly	Segal	Williams
Johnson, A.	McPherson	Pellow	Simoneau	Winter
Johnson, R.	Milbert	Pelowski	Skoglund	Spk. Vanasek
Johnson, V.	Morrison	Peterson	Solberg	
Kahn	Munger	Poppenhagen	Sparby	

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

#### REPORT FROM THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION

Long, from the Committee on Rules and Legislative Administration, pursuant to House Rule No. 1.9, designated the following bill as a Special Order to be acted upon immediately preceding Special Orders pending for today, Wednesday, April 4, 1990:

H. F. No. 2390.

#### SPECIAL ORDERS

The Speaker called Quinn to the Chair.

H. F. No. 2390 was reported to the House.

Blatz moved to amend H. F. No. 2390, the third engrossment, as follows:

Page 3, after line 25, insert:

"Sec. 3. Minnesota Statutes 1989 Supplement, section 179A.03, subdivision 7, is amended to read:

Subd. 7. [ESSENTIAL EMPLOYEE.] "Essential employee" means

firefighters, peace officers subject to licensure under sections 626.84 to 626.855, guards at correctional facilities, child protection workers, confidential employees, supervisory employees, principals, and assistant principals. However, for state employees, "essential employee" means all employees in law enforcement, health care professionals, correctional guards, professional engineering, and supervisory collective bargaining units, irrespective of severance, and no other employees. For University of Minnesota employees, "essential employee" means all employees in law enforcement, nursing professional and supervisory units, irrespective of severance, and no other employees. "Firefighters" means salaried employees of a fire department whose duties include, directly or indirectly, controlling, extinguishing, preventing, detecting, or investigating fires."

Renumber the sections in sequence

Correct the internal cross references

Page 29, line 3, after the period insert:

"Section 3 is effective July 1, 1991."

Amend the title accordingly

The motion prevailed and the amendment was adopted.

O'Connor moved to amend H. F. No. 2390, the third engrossment, as amended, as follows:

Page 1, after line 27, insert:

**"Section 1: [120.161] [MISSING CHILD; FLAG STUDENT RECORDS.]**

(a) The superintendent of a school district or a designee shall flag the record of a child who is currently or was previously enrolled in a school of that district if a law enforcement agency notifies the district of the child's disappearance. The flag must be made so that when a copy of or information regarding the record is requested, school personnel are alerted to the fact that the record is that of a missing child.

(b) Before providing a copy of the school record or other information concerning the child whose record is flagged, the superintendent or designee shall notify the agency that requested the record to be flagged of every inquiry concerning the record, and shall provide a copy to the agency of a written request for information concerning the record.

(c) When a child transfers from one school to another, the receiving school shall, within 30 days of the child's enrollment, obtain the child's record from the school from which the child is transferring. If the child's parent, custodian, or guardian provides a copy of the child's record from the school from which the child is transferring, the receiving school shall, within 30 days of the child's enrollment, request written verification of the school record by contacting the school named on the transferring child's record.

(d) Information received indicating that the transferring child is a missing child must be reported to the bureau of criminal apprehension in the department of public safety."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

H. F. No. 2390, A bill for an act relating to children; providing improved procedures to protect the safety and welfare of abused and neglected children; improving data practices; requiring the commissioner of health to encourage display of posters informing pregnant women of the dangers of alcohol use; excluding persons with a history of child abuse or criminal sexual behavior from certain protections for criminal offenders; increasing penalties for assault against a child when there is a past pattern of child abuse; increasing the penalties for malicious child punishment resulting in great bodily harm and assaulting a child protection worker; including mental injuries and threatened injuries as abuse to be reported as maltreatment of minors; amending Minnesota Statutes 1988, sections 147.09; 259.40, subdivisions 1 and 4; 260.011, subdivision 2; 260.155, subdivision 1; 609.2231, by adding a subdivision; 626.556, subdivisions 1, 3, 4, and by adding a subdivision; 626.559, subdivision 2; Minnesota Statutes 1989 Supplement, sections 179A.03, subdivision 7; 245A.04, subdivision 3; 260.015, subdivision 2a; 260.161, subdivision 2; 260.171, subdivision 4; 260.221, subdivision 1; 364.09; 609.223; 609.377; 626.556, subdivisions 2, 10e, and 11; and 626.558, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 120; 144; and 245.

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

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:



Those who voted in the affirmative were:

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

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

Speaker pro tempore Quinn called Burger to the Chair.

H. F. No. 1877 was reported to the House.

Schreiber moved that H. F. No. 1877 be continued on Special Orders. The motion prevailed.

H. F. No. 2057, A bill for an act relating to the city of Detroit Lakes; authorizing the establishment of a detached banking facility under certain conditions.

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 87 yeas and 41 nays as follows:

Those who voted in the affirmative were:

Abrams	Begich	Carlson, D.	Dauner	Hartle
Anderson, G.	Bertram	Carlson, L.	Dawkins	Hasskamp
Anderson, R.	Bishop	Carruthers	Dille	Hausman
Battaglia	Brown	Clark	Dorn	Himle
Bauerly	Burger	Cooper	Greenfield	Jacobs

Janezich	Lasley	Olsen, S.	Reding	Steensma
Jaros	Lieder	Olson, E.	Rest	Trimble
Jefferson	Long	Olson, K.	Rice	Tunheim
Jennings	McGuire	Orenstein	Rodosovich	Vellenga
Johnson, A.	Milbert	Osthoff	Rukavina	Wagenius
Johnson, R.	Miller	Ostrom	Runbeck	Welle
Kahn	Munger	Otis	Sarna	Wenzel
Kalis	Murphy	Pappas	Scheid	Williams
Kelly	Nelson, C.	Pelowski	Segal	Winter
Kelso	Nelson, K.	Peterson	Simoneau	Spk. Vanasek
Kinkel	Neuenschwander	Price	Skoglund	
Kostohryz	O'Connor	Pugh	Solberg	
Krueger	Ogren	Quinn	Sparby	

Those who voted in the negative were:

Bennett	Gutknecht	Marsh	Pellow	Tjornhom
Blatz	Haukoos	McDonald	Poppenhagen	Tompkins
Boo	Heap	McEachern	Redalen	Valento
Dempsey	Henry	McPherson	Richter	Waltman
Forsythe	Hugoson	Morrison	Schafer	Weaver
Frederick	Johnson, V.	Omann	Schreiber	
Frerichs	Limmer	Onnen	Seaberg	
Girard	Lynch	Ozment	Sviggum	
Gruenes	Macklin	Pauly	Swenson	

The bill was passed and its title agreed to.

Speaker pro tempore Burger called Quinn to the Chair.

S. F. No. 1942 was reported to the House.

Winter moved to amend S. F. No. 1942, as follows:

Delete everything after the enacting clause and insert:

“Section 1. [65B.526] [NO-FAULT INSURANCE; CLAIM DENIAL.]

Subdivision 1. [ADVERSE MEDICAL EVALUATION.] No insurer shall deny a claim by an insured under no-fault coverage on the basis of a medical evaluation by the insurer's health care provider unless: (1) the insurer allows the insured the option of obtaining a medical evaluation by a neutral health care provider from the roster established pursuant to subdivision 2; and (2) this medical evaluation is consistent with the insurer's initial evaluation. The cost of this evaluation must be borne by the insurer.

Subd. 2. [NEUTRAL HEALTH CARE PROVIDER ROSTER.] The commissioner of commerce shall develop and maintain a roster of neutral health care providers. The commissioner shall, by rule, establish criteria for identifying neutral health care providers and establish standards to ensure that no provider on the roster is an

insurance company health care provider and that no provider receives a disproportionately large number of requests for medical evaluation. The rules also shall require that the neutral provider is randomly assigned to examine the claimant. The state boards, or other officers whose duty it is to license or register a system or branch of healing, must provide the information the commissioner requires to develop and maintain the roster, and must provide any other assistance the commissioner requires.

Subd. 3. [NONAPPLICATION.] This section does not apply:

(1) to denials of workers' compensation claims; or

(2) if the insurer's initial medical evaluation is performed by a neutral health care provider from the roster established pursuant to subdivision 2.

Sec. 2. Minnesota Statutes 1988, section 72A.201, subdivision 8, is amended to read:

Subd. 8. [STANDARDS FOR CLAIM DENIAL.] The following acts by an insurer, adjuster, or self-insured, or self-insurance administrator constitute unfair settlement practices:

(1) denying a claim or any element of a claim on the grounds of a specific policy provision, condition, or exclusion, without informing the insured of the policy provision, condition, or exclusion on which the denial is based;

(2) denying a claim without having made a reasonable investigation of the claim;

(3) denying a liability claim because the insured has requested that the claim be denied;

(4) denying a liability claim because the insured has failed or refused to report the claim, unless an independent evaluation of available information indicates there is no liability;

(5) denying a claim without including the following information:

(i) the basis for the denial;

(ii) the name, address, and telephone number of the insurer's claim service office or the claim representative of the insurer to whom the insured or claimant may take any questions or complaints about the denial; and

(iii) the claim number and the policy number of the insured;

(6) denying a claim because the insured or claimant failed to exhibit the damaged property unless:

(i) the insurer, within a reasonable time period, made a written demand upon the insured or claimant to exhibit the property; and

(ii) the demand was reasonable under the circumstances in which it was made;

(7) failing to comply with section 65B.526."

Delete the title and insert:

"A bill for an act relating to insurance; regulating no-fault insurance claim denials; amending Minnesota Statutes 1988, section 72A.201, subdivision 8; proposing coding for new law in Minnesota Statutes, chapter 65B."

The motion prevailed and the amendment was adopted.

Winter moved to amend S. F. No. 1942, as amended, as follows:

Page 1, after line 6, insert:

"Section 1. Minnesota Statutes 1989 Supplement, section 65B.525, subdivision 1, is amended to read:

Subdivision 1. Except as otherwise provided in section 72A.327, The supreme court and the several courts of general trial jurisdiction of this state shall by rules of court or other constitutionally allowable device, provide for the mandatory submission to binding arbitration of all cases at issue where the claim at the commencement of arbitration is in an amount of \$5,000 or less against any insured's reparation obligor for no-fault benefits or comprehensive or collision damage coverage."

Page 1, line 7, delete "Section 1" and insert "Sec. 2"

Page 1, lines 10 and 11, delete "the insurer's health care provider" and insert "a health professional selected by the insurer"

Page 1, line 16, after "insurer" insert "at a rate at least equal to the rate the insurer has customarily paid for similar medical evaluations. The medical evaluation required in this subdivision must be performed by a health professional, as defined in section 72A.491, subdivision 9, having the same licensure and specialty designation as the health professional who is treating the insured or other eligible claimant"

Page 1, delete lines 18 to 25 and insert “commissioner of commerce shall make any necessary rules to carry out the purposes of this section, including but not limited to establishing criteria for identifying neutral health professionals and maintaining a roster. Health professionals on the roster must agree not to treat the insured or claimant after the evaluation for the injury that is the subject of the claim. The commissioner shall select the person from the roster who is to provide the medical examination. This assignment shall be made by a random procedure, to be established by rule, based upon sub-pools within the roster. The sub-pools must be based upon geographic location of the health professional’s office or offices and upon the licensure or designated specialty of the health professional.”

Page 2, line 10, before the period insert “and selected by the commissioner using the procedure set forth in subdivision 2”

Page 2, line 11, delete “Sec. 2.” and insert “Sec. 3.”

Page 3, after line 8, insert:

“Sec. 4. [REPEALER.]

Minnesota Statutes 1989 Supplement, section 72A.327 is repealed.

Sec. 5. [EFFECTIVE DATE.]

Sections 2 and 3 are effective January 1, 1991, except that the permanent rulemaking authority granted in section 2 is effective the day following final enactment. Sections 1 and 4 are effective the day following final enactment.”

Amend the title as follows:

Page 1, line 4, delete “section” and insert “sections 65B.525, subdivision 1, and”

Page 1, line 5, after “65B” insert “; repealing Minnesota Statutes 1989 Supplement, section 72A.327”

A roll call was requested and properly seconded.

The question was taken on the Winter amendment and the roll was called. There were 128 yeas and 0 nays as follows:

## Those who voted in the affirmative were:

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

The motion prevailed and the amendment was adopted.

S. F. No. 1942, A bill for an act relating to insurance; making changes in arbitration proceedings concerning no-fault automobile insurance; amending Minnesota Statutes 1988, section 65B.525, by adding a subdivision; and Minnesota Statutes 1989 Supplement, section 72A.327.

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

The question was taken on the passage of the bill and the roll was called. There were 113 yeas and 15 nays as follows:

## Those who voted in the affirmative were:

Abrams	Clark	Janezich	Lieder	Neuenschwander
Anderson, G.	Cooper	Jaros	Limmer	O'Connor
Anderson, R.	Dauner	Jefferson	Long	Ogren
Battaglia	Dawkins	Jennings	Lynch	Olsen, S.
Bauerly	Dempsey	Johnson, A.	Macklin	Olson, E.
Begich	Dille	Johnson, R.	Marsh	Olson, K.
Bennett	Dorn	Kahn	McDonald	Omann
Bertram	Forsythe	Kalis	McEachern	Onnen
Bishop	Frederick	Kelly	McGuire	Orenstein
Blatz	Greenfield	Kelso	Milbert	Osthoff
Brown	Hasskamp	Kinkel	Morrison	Ostrom
Burger	Haukoos	Knickerbocker	Munger	Otis
Carlson, D.	Hausman	Kostohryz	Murphy	Ozment
Carlson, L.	Henry	Krueger	Nelson, C.	Pappas
Carruthers	Jacobs	Lasley	Nelson, K.	Pellow

Pelowski	Rest	Seaberg	Swenson	Weaver
Peterson	Rice	Segal	Tjornhom	Welle
Poppenhagen	Rodosovich	Simoneau	Trimble	Wenzel
Price	Rukavina	Skoglund	Tunheim	Williams
Pugh	Runbeck	Solberg	Uphus	Winter
Quinn	Sarna	Sparby	Vellenga	Spk. Vanasek
Redalen	Scheid	Steensma	Wagenius	
Reding	Schreiber	Svigum	Waltman	

Those who voted in the negative were:

Boo	Gruenes	Hugoson	Miller	Stanius
Frerichs	Gutknecht	Johnson, V.	Richter	Tompkins
Girard	Hartle	McPherson	Schafer	Valento

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

S. F. No. 1927, A bill for an act relating to education; changing state board of vocational technical education powers; amending Minnesota Statutes 1988, section 136C.04, subdivision 12.

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

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

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

S. F. No. 1752 was reported to the House.

Brown moved that S. F. No. 1752 be continued on Special Orders. The motion prevailed.

S. F. No. 2119 was reported to the House.

Dille moved to amend S. F. No. 2119, as follows:

Page 2, delete lines 16 to 23 and insert "not be implemented unless first submitted to and approved by a majority of the voters voting on the question at a regular or special election."

A roll call was requested and properly seconded.

The question was taken on the Dille amendment and the roll was called. There were 24 yeas and 101 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Hasskamp	Macklin	Onnen	Tompkins
Bertram	Jennings	Marsh	Poppenhagen	Uphus
Dauner	Kelso	McPherson	Richter	Waltman
Dille	Krueger	Nelson, C.	Schafer	Wenzel
Frerichs	Limmer	Olsen, S.	Seaberg	

Those who voted in the negative were:

Abrams	Girard	Kostohryz	Osthoff	Skoglund
Anderson, G.	Greenfield	Lasley	Ostrom	Solberg
Battaglia	Gruenes	Lieder	Otis	Sparby
Bauerly	Gutknecht	Long	Ozment	Stanius
Begich	Hartle	Lynch	Pappas	Steensma
Bennett	Haukoos	McDonald	Pellow	Sviggum
Bishop	Hausman	McEachern	Pelowski	Swenson
Blatz	Henry	McGuire	Peterson	Tjornhom
Boo	Himle	Milbert	Price	Trimble
Brown	Hugoson	Miller	Quinn	Tunheim
Burger	Jacobs	Morrison	Redalen	Vellenga
Carlson, D.	Janezich	Munger	Reding	Wagenius
Carlson, L.	Jaros	Murphy	Rest	Weaver
Carruthers	Jefferson	Nelson, K.	Rodosovich	Welle
Clark	Johnson, A.	Neuenschwander	Rukavina	Williams
Cooper	Johnson, R.	O'Connor	Runbeck	Winter
Dawkins	Johnson, V.	Ogren	Sarna	Spk. Vanasek
Dempsey	Kahn	Olson, E.	Scheid	
Dorn	Kalis	Olson, K.	Schreiber	
Forsythe	Kelly	Omann	Segal	
Frederick	Kinkel	Orenstein	Simoneau	

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

Frerichs moved to amend S. F. No. 2119, as follows:



Page 2, line 19, delete "at least ten percent" and insert "a qualifying number".

Page 2, line 20, after the period insert "For purposes of this subdivision, a qualifying number of voters means a number equal to the greater of: (1) five percent of the voters who voted in the last general election; or (2) the lesser of (i) 200 voters or (ii) 50 percent of the registered voters in the county."

A roll call was requested and properly seconded.

The question was taken on the Frerichs amendment and the roll was called. There were 47 yeas and 77 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Frerichs	Kelso	Pellow	Tompkins
Bauerly	Girard	Krueger	Poppenhagen	Uphus
Bennett	Hartle	Limmer	Richter	Valento
Bertram	Hasskamp	Macklin	Schafer	Waltman
Blatz	Haukoos	McDonald	Seaberg	Weaver
Dauner	Heap	McPherson	Sparby	Wenzel
Dempsey	Henry	Miller	Stanius	Winter
Dille	Hugoson	Nelson, C.	Steensma	
Forsythe	Jaros	Olsen, S.	Svigum	
Frederick	Jennings	Omann	Tjornhom	

Those who voted in the negative were:

Abrams	Gutknecht	Long	Otis	Schreiber
Anderson, G.	Hausman	McEachern	Ozment	Segal
Battaglia	Himle	McGuire	Pappas	Simoneau
Begich	Jacobs	Milbert	Pelowski	Skoglund
Bishop	Janezich	Munger	Peterson	Solberg
Boo	Jefferson	Murphy	Price	Swenson
Brown	Johnson, A.	Nelson, K.	Quinn	Trimble
Burger	Johnson, R.	Neuenschwander	Redalen	Tunheim
Carlson, L.	Johnson, V.	O'Connor	Reding	Vellenga
Carruthers	Kahn	Ogren	Rest	Wagenius
Clark	Kalis	Olson, E.	Rice	Welle
Cooper	Kelly	Olson, K.	Rodosovich	Williams
Dawkins	Kinkel	Onnen	Rukavina	Spk. Vanasek
Dorn	Kostohryz	Orenstein	Runbeck	
Greenfield	Lasley	Osthoff	Sarna	
Gruenes	Lieder	Ostrom	Scheid	

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

S. F. No. 2119, A bill for an act relating to Blue Earth county; permitting the appointment of the auditor, recorder, and treasurer; authorizing the reorganization of county offices.

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 95 yeas and 31 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Knickerbocker	Onnen	Sarna
Anderson, G.	Girard	Kostohryz	Orenstein	Scheid
Anderson, R.	Greenfield	Lasley	Osthoff	Schreiber
Battaglia	Gutknecht	Lieder	Ostrom	Segal
Bauerly	Hausman	Long	Otis	Simoneau
Begich	Heap	Lynch	Pappas	Skoglund
Bennett	Henry	Macklin	Pellow	Stanisus
Bishop	Himle	McDonald	Peterson	Swenson
Blatz	Hugoson	McEachern	Poppenhagen	Tjornhom
Boo	Jacobs	McGuire	Price	Trimble
Burger	Janezich	Milbert	Pugh	Tunheim
Carlson, L.	Jaros	Morrison	Quinn	Vellenga
Carruthers	Jefferson	Munger	Redalen	Wagenius
Clark	Johnson, A.	Murphy	Reding	Waltman
Cooper	Johnson, V.	Nelson, K.	Rest	Weaver
Dawkins	Kahn	Neuenschwander	Rice	Welle
Dempsey	Kalis	O'Connor	Rodosovitch	Williams
Dorn	Kelly	Ogren	Rukavina	Winter
Forsythe	Kelso	Olson, E.	Runbeck	Spk. Vanasek

Those who voted in the negative were:

Bertram	Hasskamp	Marsh	Schafer	Uphus
Brown	Haukoos	McPherson	Seaberg	Valento
Dauner	Jennings	Miller	Solberg	Wenzel
Dille	Johnson, R.	Nelson, C.	Sparby	
Frerichs	Kinkel	Omann	Steenasma	
Gruenes	Krueger	Pelowski	Sviggum	
Hartle	Limmer	Richter	Tompkins	

The bill was passed and its title agreed to.

#### ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 2025:

Tunheim, Bauerly and Lieder.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 2131:

Johnson, R.; Kelly; Bishop; Ozment and Rukavina.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 2200:

Nelson, K.; McEachern; Ozment; Bauerly and Kelso.

**SPECIAL ORDERS, Continued**

S. F. No. 1726, A bill for an act relating to child care funding; authorizing the commissioner of human services to promulgate rules directing county boards to establish certain payment policies; amending Minnesota Statutes 1989 Supplement, section 256H.02.

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

The bill was passed and its title agreed to.

S. F. No. 1980, A bill for an act relating to local government; requiring additional notice of various vacation proceedings; amending Minnesota Statutes 1988, section 368.01, subdivision 25; and Minnesota Statutes 1989 Supplement, section 412.851.

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

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

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

There being no objection, S. F. No. 1752 which was continued earlier today was again reported to the House.

Brown moved to amend S. F. No. 1752, as follows:

Page 1, line 15, delete "may grant" and insert "shall consider, if submitted, whether"

Page 1, line 16, delete "approval if it finds that"

Page 1, line 17, after "not" insert "substantially"

Page 2, line 11, delete "may approve the" and insert "shall consider, if submitted, whether"

Page 2, delete line 12

Page 2, line 13, delete "if the board finds that" and after "not" insert "substantially"

The motion prevailed and the amendment was adopted.

S. F. No. 1752, A bill for an act relating to railroads; establishing

standard for abandonment of tracks; clarifying standard for abandonment of shops, terminals, and stations; amending Minnesota Statutes 1988, sections 219.681; 219.71; and 219.85.

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

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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

Speaker pro tempore Quinn called Rodosovich to the Chair.

S. F. No. 2172, A bill for an act relating to waters; requiring the commissioner of natural resources to establish a plan for drought emergencies; changing the completion date for the metropolitan council's long-term water supply plan; amending Minnesota Statutes 1989 Supplement, section 473.156, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapter 105.

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

The bill was passed and its title agreed to.

S. F. No. 2136, A bill for an act relating to education; changing the duration and membership of the task force on education organization; amending Laws 1988, chapter 718, article 6, section 23, subdivisions 1, 2, and 7.

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	Carruthers	Hartle	Johnson, V.	Marsh
Anderson, G.	Clark	Hasskamp	Kahn	McDonald
Anderson, R.	Cooper	Haukoos	Kalis	McEachern
Battaglia	Dauner	Hausman	Kelly	McGuire
Bauerly	Dawkins	Heap	Kelso	McPherson
Begich	Dempsey	Henry	Kinkel	Milbert
Bennett	Dille	Himle	Knickerbocker	Miller
Bertram	Dorn	Hugoson	Kostohryz	Morrison
Bishop	Forsythe	Jacobs	Krueger	Munger
Blatz	Frederick	Janezich	Lasley	Murphy
Boo	Frerichs	Jaros	Lieder	Nelson, C.
Brown	Girard	Jefferson	Limmer	Nelson, K.
Burger	Greenfield	Jennings	Long	Neuenschwander
Carlson, D.	Gruenes	Johnson, A.	Lynch	O'Connor
Carlson, L.	Gutknecht	Johnson, R.	Macklin	Ogren

Olsen, S.	Pellow	Rodosovich	Sparby	Wagenius
Olson, E.	Pelowski	Rukavina	Stanius	Waltman
Olson, K.	Peterson	Runbeck	Steenasma	Weaver
Omamn	Poppenhagen	Sarna	Sviggum	Welle
Onnen	Price	Schafer	Swenson	Wenzel
Orenstein	Pugh	Scheid	Tjornhom	Williams
Osthoff	Quinn	Schreiber	Tompkins	Winter
Ostrom	Redalen	Seaberg	Trimble	Spk. Vanasek
Otis	Reding	Segal	Tunheim	
Ozment	Rest	Simoneau	Uphus	
Pappas	Rice	Skoglund	Valento	
Pauly	Richter	Solberg	Vellenga	

The bill was passed and its title agreed to.

S. F. No. 1879 was reported to the House.

Kinkel moved to amend S. F. No. 1879, as follows:

Page 1, line 22, after the period insert "In adjoining counties, sales may not be held less than two hours apart."

The motion prevailed and the amendment was adopted.

S. F. No. 1879, A bill for an act relating to natural resources; amending a certain requirement relating to the sale of state timber; amending Minnesota Statutes 1988, section 90.101, subdivision 1.

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

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dawkins	Jacobs	Long	Olson, E.
Anderson, G.	Dempsey	Janezich	Lynch	Olson, K.
Anderson, R.	Dille	Jaros	Macklin	Omamn
Battaglia	Dorn	Jefferson	Marsh	Onnen
Bauerly	Forsythe	Jennings	McDonald	Orenstein
Begich	Frederick	Johnson, A.	McEachern	Osthoff
Bennett	Frerichs	Johnson, R.	McGuire	Ostrom
Bertram	Girard	Johnson, V.	McPherson	Otis
Bishop	Greenfield	Kahn	Milbert	Ozment
Blatz	Gruenes	Kalis	Miller	Pappas
Boo	Gutknecht	Kelly	Morrison	Pauly
Brown	Hartle	Kelso	Munger	Pellow
Burger	Hasskamp	Kinkel	Murphy	Pelowski
Carlson, D.	Haukoos	Knickerbocker	Nelson, C.	Peterson
Carlson, L.	Hausman	Kostohryz	Nelson, K.	Poppenhagen
Carruthers	Heap	Krueger	Neuenschwander	Price
Clark	Henry	Lasley	O'Connor	Pugh
Cooper	Himle	Lieder	Ogren	Quinn
Dauner	Hugoson	Limmer	Olsen, S.	Redalen

Reding	Schafer	Sparby	Tunheim	Wenzel
Rest	Scheid	Stanius	Uphus	Williams
Rice	Schreiber	Steensma	Valento	Winter
Richter	Seaberg	Sviggum	Vellenga	Spk. Vanasek
Rodosovich	Segal	Swenson	Wagenius	
Rukavina	Simoneau	Tjornhom	Waltman	
Runbeck	Skoglund	Tompkins	Weaver	
Sarna	Solberg	Trimble	Welle	

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

Speaker pro tempore Rodosovich called Quinn to the Chair.

S. F. No. 1670 was reported to the House.

Skoglund moved to amend S. F. No. 1670, as follows:

Page 1, line 13, before "on" insert "or other aquatic vegetation,"

Page 1, line 14, after the period insert "Eurasian water milfoil, myriophyllum spicatum, or other aquatic vegetation, must be removed from a watercraft before the watercraft is transported away from the water."

Page 1, line 16, after the second comma insert "or other aquatic vegetation"

Page 1, line 20, after "milfoil" insert "or other aquatic vegetation"

Page 1, line 22, after "milfoil" insert "or other aquatic vegetation"

Page 2, line 10, after the second comma insert "or other aquatic vegetation"

The motion prevailed and the amendment was adopted.

S. F. No. 1670, A bill for an act relating to natural resources; prohibiting transportation of Eurasian water milfoil; providing exceptions; providing penalties for not removing Eurasian water milfoil from watercraft; providing penalties; amending Minnesota Statutes 1988, section 361.03, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 18.

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

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:



## Those who voted in the affirmative were:

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

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

S. F. No. 1897 was reported to the House.

Swenson and Bauerly moved to amend S. F. No. 1897, as follows:

Page 1, lines 17 and 18, restore the stricken language and delete the new language

Page 1, line 19, after the period insert "A town or statutory city assessor who is an employee may be dismissed by the appointing authority for cause."

The motion prevailed and the amendment was adopted.

S. F. No. 1897, A bill for an act relating to taxation; property; clarifying employment terms of city and town assessors; amending Minnesota Statutes 1988, section 273.05, subdivision 1.

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

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

Those who voted in the affirmative were:

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

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

S. F. No. 2046, A bill for an act relating to crime victims; providing for a notice for victims of sexual assault concerning their risk of developing sexually transmitted diseases; proposing coding for new law in Minnesota Statutes, chapter 611A.

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	Carruthers	Hartle	Johnson, V.	Marsh
Anderson, G.	Clark	Hasskamp	Kahn	McDonald
Anderson, R.	Cooper	Haukoos	Kalis	McEachern
Battaglia	Dauner	Hausman	Kelly	McGuire
Bauerly	Dawkins	Heap	Kelso	McPherson
Begich	Dempsey	Henry	Kinkel	Milbert
Bennett	Dille	Himle	Knickerbocker	Miller
Bertram	Dorn	Hugoson	Kostohryz	Morrison
Bishop	Forsythe	Jacobs	Krueger	Munger
Blatz	Frederick	Janezich	Lasley	Murphy
Boo	Frerichs	Jaros	Lieder	Nelson, C.
Brown	Girard	Jefferson	Limmer	Nelson, K.
Burger	Greenfield	Jennings	Long	Neuenschwander
Carlson, D.	Greenfield	Johnson, A.	Lynch	O'Connor
Carlson, L.	Gutknecht	Johnson, R.	Macklin	Ogren

Olsen, S.	Pellow	Rodosovich	Sparby	Wagenius
Olson, E.	Pelowski	Rukavina	Stanius	Waltman
Olson, K.	Peterson	Runbeck	Steenasma	Weaver
Omann	Poppenhagen	Sarna	Sviggum	Welle
Onnen	Price	Schafer	Swenson	Wenzel
Orenstein	Pugh	Scheid	Tjornhom	Williams
Osthoff	Quinn	Schreiber	Tompkins	Winter
Ostrom	Redalen	Seaberg	Trimble	Spk. Vanasek
Otis	Reding	Segal	Tunheim	
Ozment	Rest	Simoneau	Uphus	
Pappas	Rice	Skoglund	Valento	
Pauly	Richter	Solberg	Vellenga	

The bill was passed and its title agreed to.

S. F. No. 2079, A bill for an act relating to state parks; renaming Helmer Myre and Nerstrand Woods state parks; amending Minnesota Statutes 1988, section 85.012, subdivisions 27 and 45.

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

The bill was passed and its title agreed to.

The Speaker resumed the Chair.

S. F. No. 2373 was reported to the House.

Frerichs moved to amend S. F. No. 2373, as follows:

Page 2, line 3, delete everything after the comma and insert "signed by voters equal in number to five percent of the persons voting at the last previous election for the office of governor"

Page 2, line 4, delete everything before the comma

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

S. F. No. 2373, A bill for an act relating to Olmsted county; permitting the consolidation of the offices of auditor and treasurer.

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 100 yeas and 28 nays as follows:

Those who voted in the affirmative were:

Abrams	Forsythe	Kelso	Ogren	Rukavina
Anderson, G.	Frederick	Knickerbocker	Olsen, S.	Runbeck
Anderson, R.	Girard	Kostohryz	Olson, E.	Sarna
Battaglia	Greenfield	Lasley	Olson, K.	Scheid
Bauerly	Gutknecht	Lieder	Orenstein	Schreiber
Begich	Haukoos	Long	Osthoff	Segal
Bennett	Hausman	Lynch	Ostrom	Simoneau
Bertram	Heap	Macklin	Otis	Skoglund
Bishop	Henry	Marsh	Pappas	Stanis
Blatz	Himle	McDonald	Pellow	Sviggum
Boo	Hugoson	McEachern	Peterson	Swenson
Burger	Jacobs	McPherson	Poppenhagen	Tjornhom
Carlson, L.	Janezich	Milbert	Price	Trimble
Carruthers	Jaros	Miller	Pugh	Uphus
Clark	Jefferson	Morrison	Quinn	Vellenga
Cooper	Johnson, A.	Munger	Redalen	Wagenius
Dauner	Johnson, V.	Murphy	Reding	Weaver
Dawkins	Kahn	Nelson, K.	Rest	Welle
Dempsey	Kalis	Neuenschwander	Rice	Williams
Dorn	Kelly	O'Connor	Rodosovich	Spk. Vanasek

Those who voted in the negative were:

Brown	Jennings	Omman	Seaberg	Valento
Dille	Johnson, R.	Onnen	Solberg	Waltman
Frerichs	Kinkel	Pauly	Sparby	Wenzel
Gruenes	Krueger	Pelowski	Steenma	Winter
Hartle	Limmer	Richter	Tompkins	
Hasskamp	Nelson, C.	Schafer	Tunheim	

The bill was passed and its title agreed to.

S. F. No. 1873 was reported to the House.

Seaberg moved to amend S. F. No. 1873, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1989 Supplement, section 13.84, subdivision 5a, is amended to read:

Subd. 5a. [PUBLIC BENEFIT DATA.] (a) The responsible authority or its designee of a parole or probation authority or correctional agency may release private or confidential court services data related to: (1) criminal acts to any law enforcement agency, if necessary for law enforcement purposes; and (2) criminal acts or delinquent acts to the victims of criminal or delinquent acts to the extent that the data are necessary for the victim to assert the victim's legal right to restitution. In the case of delinquent acts, the data that may be released include only the juvenile's name, address, date of birth, and place of employment; the name and address of the juvenile's parents or guardians; and the factual part of police reports related to the investigation of the delinquent act.

(b) The responsible entity or its designee of a juvenile correctional agency may release private or confidential court services data to a victim of a delinquent act to the extent the data are necessary to enable the victim to assert the victim's right to request notice of release under section 611A.06. The data that may be released include only the name, home address, and placement site of a juvenile who has been placed in a juvenile correctional facility under a disposition order for a delinquent act.

Sec. 2. Minnesota Statutes 1989 Supplement, section 260.161, subdivision 2, is amended to read:

Subd. 2. Except as provided in this subdivision and in subdivision 1, and except for legal records arising from proceedings that are public under section 260.155, subdivision 1, none of the records of the juvenile court and none of the records relating to an appeal from a nonpublic juvenile court proceeding, except the written appellate opinion, shall be open to public inspection or their contents disclosed except (a) by order of a court or (b) as required by sections 611A.03, 611A.04, and 611A.06, and 629.73. The records of juvenile probation officers and county home schools are records of the court for the purposes of this subdivision. Court services data relating to delinquent acts that are contained in records of the juvenile court may be released as allowed under section 13.84, subdivision 5a. This subdivision applies to all proceedings under this chapter, including

appeals from orders of the juvenile court, except that this subdivision does not apply to proceedings under section 260.255, 260.261, or 260.315 when the proceeding involves an adult defendant. The court shall maintain the confidentiality of adoption files and records in accordance with the provisions of laws relating to adoptions. In juvenile court proceedings any report or social history furnished to the court shall be open to inspection by the attorneys of record and the guardian ad litem a reasonable time before it is used in connection with any proceeding before the court.

When a judge of a juvenile court, or duly authorized agent of the court, determines under a proceeding under this chapter that a child has violated a state or local law, ordinance, or regulation pertaining to the operation of a motor vehicle on streets and highways, except parking violations, the judge or agent shall immediately report the violation to the commissioner of public safety. The report must be made on a form provided by the department of public safety and must contain the information required under section 169.95.

**Sec. 3. [611A.021] [RIGHT TO REQUEST WITHHOLDING OF CERTAIN PUBLIC DATA.]**

A victim has a right under section 13.82, subdivision 10, clause (d), to request a law enforcement agency to withhold public access to data revealing the victim's identity.

Sec. 4. Minnesota Statutes 1989 Supplement, section 611A.04, subdivision 2, is amended to read:

Subd. 2. [PROCEDURES.] The offender shall make restitution payments to the court administrator of the county, municipal, or district court of the county in which the restitution is to be paid. The court administrator shall disburse restitution in incremental payments and may not keep a restitution payment for longer than 30 days; except that the court administrator is not required to disburse a restitution payment that is under \$10 unless the payment would fulfill the offender's restitution obligation. The court administrator shall keep records of the amount of restitution ordered in each case, any change made to the restitution order, and the amount of restitution actually paid by the offender. The court administrator shall forward the data collected to the state court administrator who shall compile the data and make it available to the supreme court and the legislature upon request.

Sec. 5. Minnesota Statutes 1989 Supplement, section 611A.06, is amended to read:

**611A.06 [RIGHT TO NOTICE OF RELEASE.]**

The commissioner of corrections or other custodial authority shall

make a good faith effort to notify the victim that the offender is to be released from imprisonment or incarceration, including release on extended furlough and for work release; released from a juvenile correctional facility if the offender was placed there under a disposition order; or released from a facility in which the offender was confined due to incompetency, mental illness, or mental deficiency, or commitment under section 253B.18, prior to the release if the victim has mailed to the commissioner of corrections or to the head of the facility in which the offender is confined a written request for this notice. The notice given to a victim of a crime against a person must include the conditions governing the offender's release, and either the identity of the corrections agent who will be supervising the offender's release or a means to identify the court services agency that will be supervising the offender's release. The commissioner or other custodial authority complies with this section upon mailing the notice of impending release to the victim at the address which the victim has most recently provided to the commissioner or authority in writing. All identifying information regarding the victim, including the victim's request and the notice provided by the commissioner or custodial authority, is classified as private data on individuals as defined in section 13.02, subdivision 12, and is accessible only to the victim.

As used in this section, "crime against the person" means a crime listed in section 611A.031.

Sec. 6. Minnesota Statutes 1989 Supplement, section 611A.52, subdivision 8, is amended to read:

Subd. 8. [ECONOMIC LOSS.] "Economic loss" means actual economic detriment incurred as a direct result of injury or death.

(a) In the case of injury the term is limited to:

(1) reasonable expenses incurred for necessary medical, chiropractic, hospital, rehabilitative, and dental products, services, or accommodations, including ambulance services, drugs, appliances, and prosthetic devices;

(2) reasonable expenses incurred for psychological or psychiatric products, services, or accommodations where the nature of the injury or the circumstances of the crime are such that the treatment is necessary to the rehabilitation of the victim, subject to the following limitations:

(i) if treatment is likely to continue longer than six months after the date the claim is filed and the cost of the additional treatment will exceed \$1,500, or if the total cost of treatment in any case will exceed \$4,000, the provider shall first submit to the board a plan which includes the measurable treatment goals, the estimated cost of the treatment, and the estimated date of completion of the

treatment. Claims submitted for treatment that was provided more than 30 days after the estimated date of completion may be paid only after advance approval by the board of an extension of treatment; and

(ii) the board may, in its discretion, elect to pay claims under this clause on a quarterly basis;

(3) loss of income greater than \$50 that the victim would have earned had the victim not been injured;

(4) reasonable expenses incurred for substitute child care or household services to replace those the victim would have performed had the victim not been injured. As used in this clause, "child care services" means services provided by facilities licensed under and in compliance with either Minnesota Rules, parts 9502.0315 to 9502.0445, or 9545.0510 to 9545.0670, or exempted from licensing requirements pursuant to section 245A.03. Licensed facilities must be paid at a rate not to exceed their standard rate of payment. Facilities exempted from licensing requirements must be paid at a rate not to exceed \$3 an hour per child for daytime child care or \$4 an hour per child for evening child care; and

(5) reasonable expenses actually incurred to return a child who was a victim of a crime under section 609.25 or 609.26 to the child's parents or lawful custodian. These expenses are limited to transportation costs, meals, and lodging from the time the child was located until the child was returned home.

(b) In the case of death the term is limited to:

(1) reasonable expenses actually incurred for funeral, burial, or cremation, not to exceed an amount to be determined by the board on the first day of each fiscal year;

(2) reasonable expenses for medical, chiropractic, hospital, rehabilitative, psychological and psychiatric services, products or accommodations which were incurred prior to the victim's death and for which the victim's survivors or estate are liable;

(3) loss of support, including contributions of money, products or goods, but excluding services which the victim would have supplied to dependents if the victim had lived; and

(4) reasonable expenses incurred for substitute child care and household services to replace those which the victim would have performed for the benefit of dependents if the victim had lived.

Claims for loss of support for minor children made under clause (3) must be paid for three years or until the child reaches 18 years old,



whichever is the shorter period. After three years, if the child is less than 18 years old a claim for loss of support may be resubmitted to the board, and the board shall evaluate the claim giving consideration to the child's financial need and to the availability of funds to the board.

Claims for substitute child care services made under clause (4) must be limited to the actual care that the deceased victim would have provided to enable surviving family members to pursue economic, educational, and other activities other than recreational activities.

Sec. 7. Minnesota Statutes 1988, section 611A.53, subdivision 2, is amended to read:

Subd. 2. No reparations shall be awarded to a claimant otherwise eligible if:

(a) the crime was not reported to the police within five days of its occurrence or, if it could not reasonably have been reported within that period, within five days of the time when a report could reasonably have been made. A victim of criminal sexual conduct in the first, second, third, or fourth degree who does not report the crime within five days of its occurrence is deemed to have been unable to have reported it within that period;

(b) the victim or claimant failed or refused to cooperate fully with the police and other law enforcement officials;

(c) the victim or claimant was the offender or an accomplice of the offender or an award to the claimant would unjustly benefit the offender or an accomplice;

(d) the victim or claimant was in the act of committing a crime at the time the injury occurred;

(e) no claim was filed with the board within one year of victim's injury or death; except that (1) if the claimant was unable to file a claim within that period, then the claim can be made within one year of the time when a claim could have been filed; and (2) if the victim's injury or death was not reasonably discoverable within one year of the injury or death, then the claim can be made within one year of the time when the injury or death is reasonably discoverable. The following circumstances do not render a claimant unable to file a claim for the purposes of this clause: (1) lack of knowledge of the existence of the Minnesota crime victims reparations act, (2) the failure of a law enforcement agency to provide information or assistance to a potential claimant under section 611A.66, (3) the incompetency of the claimant if the claimant's affairs were being managed during that period by a guardian, guardian ad litem,

conservator, authorized agent, or parent, or (4) the fact that the claimant is not of the age of majority; or

(f) the claim is less than ~~\$100~~ \$50.

The limitations contained in clauses (a) and (e) do not apply to victims of domestic child abuse as defined in section 260.015, subdivision 24. In those cases the one year limitation period commences running with the report of the crime to the police; provided that no claim as a result of loss due to domestic child abuse may be paid when the claimant is ~~19~~ 21 years of age or older at the time the claim is filed.

Sec. 8. Minnesota Statutes 1988, section 611A.57, subdivision 6, is amended to read:

Subd. 6. Claims for reparations and supporting documents and reports are investigative data and subject to the provisions of section 13.39 until the claim is paid, denied, withdrawn, or abandoned. Following the payment, denial, withdrawal, or abandonment of a claim, the claim and supporting documents and reports are private data on individuals as defined in section 13.02, subdivision 12; provided that the board may forward any reparations claim forms, supporting documents, and reports to local law enforcement authorities for purposes of implementing section 611A.67.

Sec. 9. Minnesota Statutes 1989 Supplement, section 629.73, is amended to read:

629.73 [NOTICE TO SEXUAL ASSAULT VICTIM REGARDING RELEASE OF ARRESTED OR DETAINED PERSON.]

Subdivision 1. [ORAL NOTICE.] When a person arrested or a juvenile detained for criminal sexual conduct or attempted criminal sexual conduct is about to be released from pretrial detention, the agency having custody of the arrested or detained person or its designee shall make a reasonable and good faith effort before release to inform orally the victim or, if the victim is incapacitated, the same or next of kin, or if the victim is a minor, the victim's parent or guardian of the following matters:

(1) the conditions of release, if any;

(2) the time of release;

(3) the time, date, and place of the next scheduled court appearance of the arrested or detained person and, where applicable, the victim's right to be present at the court appearance; and

(4) the location and telephone number of the area sexual assault program as designated by the commissioner of corrections.

Subd. 2. [WRITTEN NOTICE.] As soon as practicable after the arrested or detained person is released, the agency having custody of the arrested or detained person or its designee must personally deliver or mail to the alleged victim written notice of the information contained in subdivision 1, clauses (2) and (3)."

Delete the title and insert:

"A bill for an act relating to crime victims; providing victims of delinquent acts the right to request notice of release of juvenile offenders from juvenile correctional facilities; providing notice to sexual assault victims when a juvenile offender is released from pretrial detention; clarifying the duty of court administrators to disburse restitution payments; making certain changes to the crime victims reparations act; amending Minnesota Statutes 1988, sections 611A.53, subdivision 2; 611A.57, subdivision 6; Minnesota Statutes 1989 Supplement, sections 13.84, subdivision 5a; 260.161, subdivision 2; 611A.04, subdivision 2; 611A.06; 611A.52, subdivision 8; and 629.73; proposing coding for new law in Minnesota Statutes, chapter 611A."

The motion prevailed and the amendment was adopted.

Seaberg moved to amend S. F. No. 1873, as amended, as follows:

Page 8, after line 32, insert:

"Sec. 10. [EFFECTIVE DATE.]

Sections 6 to 8 are effective June 30, 1990."

The motion prevailed and the amendment was adopted.

S. F. No. 1873, A bill for an act relating to crime victims; providing victims of delinquent acts the right to request notice of release of juvenile offenders from juvenile correctional facilities; providing notice to sexual assault victims when a juvenile offender is released from pretrial detention; requiring that victims be informed of their right to request the withholding of public law enforcement data that identifies them; clarifying the duty of court administrators to disburse restitution payments; making certain changes to the crime victims reparations act; amending Minnesota Statutes 1988, sections 611A.53, subdivision 2; and 611A.57, subdivision 6; Minnesota Statutes 1989 Supplement, sections 13.84, subdivision 5a; 260.161, subdivision 2; 611A.04, subdivision 2; 611A.06; 611A.52, subdivi-

sion 8; and 629.73; proposing coding for new law in Minnesota Statutes, chapter 611A.

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

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

Those who voted in the affirmative were:

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

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

S. F. No. 2134, A bill for an act relating to crime; imposing penalties on persons who commit a gross misdemeanor or felony while wearing or possessing a bullet-resistant vest; permitting summary forfeiture of weapons used to commit a controlled substance offense; permitting summary forfeiture of bullet-resistant vests worn or possessed during the commission of a crime; increasing the penalty for furnishing firearms to a minor, intentionally discharging a firearm under circumstances that endanger another, and selling a firearm with a silencer; clarifying that ammunition manufacturers and federally licensed dealers may sell to government agencies; amending Minnesota Statutes 1988, sections 609.5316, subdivision 3; 609.66, subdivision 1, and by adding a subdivision; and 609.67, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 609.

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

The bill was passed and its title agreed to.

S. F. No. 1794 was reported to the House.

Rice moved to amend S. F. No. 1794, as follows:

Page 1, after line 21, insert:

"Sec. 2. Minnesota Statutes 1988, section 197.75, subdivision 2, is amended to read:

Subd. 2. [LIMITATIONS.] ~~None of The provisions of benefits in subdivision 1 shall be made are not available to any a veteran who is entitled to the same or similar benefits under any a law or regulation of the United States now in force or hereafter created, unless the, with the exceptions in paragraphs (a) and (b).~~

(a) A veteran shall have who has been eligible for and exhausted has used up the benefits the veteran is entitled to under the laws of

the United States; through use thereof, in which event the veteran shall be is entitled to the benefits provided for by subdivision 1.

(b) A veteran who has had less than ten years of eligibility for educational assistance under federal law because of the December 31, 1989, delimiting date and who has lost more than four months of that eligibility is entitled to the benefits provided for by subdivision 1."

Amend the title as follows:

Page 1, line 2, after "veteran"; insert "setting criteria for educational assistance;"

Page 1, line 3, delete everything after "1988," and insert "sections 197.447; and 197.75, subdivision 2."

The motion prevailed and the amendment was adopted.

S. F. No. 1794, A bill for an act relating to veterans; redefining the term "veteran"; amending Minnesota Statutes 1988, section 197.447.

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

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

Those who voted in the affirmative were:

Abrams	Dille	Jennings	McGuire	Ozment
Anderson, G.	Dorn	Johnson, A.	McPherson	Pappas
Anderson, R.	Forsythe	Johnson, R.	Milbert	Pauly
Battaglia	Frederick	Johnson, V.	Miller	Pellow
Bauerly	Frerichs	Kahn	Morrison	Pelowski
Begich	Girard	Kalis	Munger	Peterson
Bennett	Greenfield	Kelly	Murphy	Poppenhagen
Bertram	Gruenes	Kelso	Nelson, C.	Price
Bishop	Gutknecht	Kinkel	Nelson, K.	Pugh
Blatz	Hartle	Knickerbocker	Neuenschwander	Quinn
Boo	Hasskamp	Kostohryz	O'Connor	Redalen
Brown	Haukoos	Krueger	Ogren	Reding
Burger	Hausman	Lasley	Olsen, S.	Rest
Carlson, D.	Heap	Lieder	Olson, E.	Rice
Carlson, L.	Henry	Limmer	Olson, K.	Richter
Carruthers	Himle	Long	Omann	Rodosovich
Clark	Hugoson	Lynch	Onnen	Rukavina
Cooper	Jacobs	Macklin	Orenstein	Runbeck
Dauner	Janezich	Marsh	Osthoff	Sarna
Dawkins	Jaros	McDonald	Ostrom	Schafer
Dempsey	Jefferson	McEachern	Otis	Scheid

Schreiber	Solberg	Tjornhom	Valento	Welle
Seaberg	Sparby	Tompkins	Vellenga	Wenzel
Segal	Stanius	Trimble	Wagenius	Williams
Simoneau	Steensma	Tunheim	Waltman	Winter
Skoglund	Sviggum	Uphus	Weaver	Spk. Vanasek

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

The Speaker called Rodosovich to the Chair.

H. F. No. 2138, A bill for an act relating to veterans; requiring two members of the board of directors of the Minnesota veterans homes to be women; directing the commissioner of veterans affairs to study the provision of veterans services to women; amending Minnesota Statutes 1988, section 198.002, subdivision 2.

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

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

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

H. F. No. 2148 was reported to the House.

Johnson, R., moved to amend H. F. No. 2148, the first engrossment, as follows:

Page 2, delete line 12 and insert "Section 1 is effective January 1, 1989."

The motion prevailed and the amendment was adopted.

H. F. No. 2148, A bill for an act relating to state employees, public employees, and teachers; providing immediate vesting for those persons whose employer ceases to be a governmental agency, instrumentality, subdivision, or public body; permitting those persons to elect a refund of their accumulated contributions, retirement annuity, or deferred retirement annuity; proposing coding for new law in Minnesota Statutes, chapter 356.

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

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

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



S. F. No. 2433, A bill for an act relating to metropolitan government; authorizing certain investments by the metropolitan airports commission; authorizing the metropolitan council to review and approve changes in certain land uses relating to metropolitan airport development; amending Minnesota Statutes 1988, section 473.606, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 473.

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

The bill was passed and its title agreed to.

H. F. No. 1854 was reported to the House.

Pugh moved that H. F. No. 1854 be continued on Special Orders. The motion prevailed.

S. F. No. 2089 was reported to the House.

Schreiber and Nelson, K., moved to amend S. F. No. 2089, as follows:

Page 1, after line 5, insert:

“Section 1. Minnesota Statutes 1988, section 609.2231, subdivision 3, is amended to read:

Subd. 3. [CORRECTIONAL EMPLOYEES.] Whoever assaults an employee of a correctional facility as defined in section 241.021, subdivision 1, clause (5), while the employee is engaged in the performance of a duty imposed by law, policy or rule, and inflicts demonstrable bodily harm, is guilty of a gross misdemeanor and may be sentenced to imprisonment for not more than one year or to payment of a fine of not more than \$3,000, or both. As used in this subdivision, “correctional facility” has the meaning given it in section 241.021, subdivision 1, paragraph (5), and includes local jails, lockups, and other detention facilities.”

Page 1, line 16, delete “Section 1 is” and insert “Sections 1 and 2 are” and delete “applies” and insert “apply”

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

S. F. No. 2089, A bill for an act relating to crime; clarifying that terroristic threats include those made indirectly; amending Minnesota Statutes 1988, section 609.713, subdivision 1.

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

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

Those who voted in the affirmative were:

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

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

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

H. F. No. 2599 was reported to the House.

Simoneau moved that H. F. No. 2599 be continued on Special Orders. The motion prevailed.

S. F. No. 1874 was reported to the House.

Carruthers moved that S. F. No. 1874 be continued on Special Orders. The motion prevailed.

S. F. No. 2130 was reported to the House.

Skoglund moved to amend S. F. No. 2130, as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1988, section 72B.135, is amended by adding a subdivision to read:

Subd. 4. [PROHIBITED PRACTICES.] No public adjuster shall:

(1) pay money or give anything of value to a person in consideration of a direct or indirect referral of a client or potential client;

(2) pay money or give anything of value to a person as an inducement to refer business or clients;

(3) rebate to a client a part of a fee specified in an employment contract;

(4) initiate contact with a prospective client between the hours of 8 p.m. and 8 a.m.;

(5) split the fee received or pay money to a person for services rendered to a client unless the other person is also licensed as a public adjuster;

(6) have an interest directly or indirectly in a construction firm, salvage firm, or appraisal firm. "Firm" includes a corporation, partnership, association, or individual firm;

(7) solicit employment of a client in connection with a loss that is the subject of an employment contract with another public adjuster;

(8) represent both an insurer and insured simultaneously; or

(9) advance money to a client pending the settlement of a loss where the amount would be included in a final settlement.

Sec. 2. Minnesota Statutes 1988, section 72B.135, is amended by adding a subdivision to read:

Subd. 5. [DISCLOSURES.] (a) A public adjuster shall disclose in writing to the client any interest the public adjuster has in loss proceeds other than those acquired by the public adjuster's employment contract.

(b) A public adjuster in soliciting a client for employment shall display a license and immediately inform the client that the adjuster does not represent an insurance company or insurance company adjusting firm. The adjuster shall inform the client that services are available for a fee to be paid by the client, and shall give the client a card identifying the public adjuster and specifying the fee charged by the public adjuster.

Sec. 3. Minnesota Statutes 1988, section 72B.135, is amended by adding a subdivision to read:

Subd. 6. [RECORDS; CONTRACTS.] (a) A public adjuster shall maintain an office that contains the records of all documents pertaining to the settlement of the claim and files of all clients. The records must be available for inspection by an authorized examiner or employee of the commerce department. The records will be kept by the public adjuster for at least five years after the end of the contracted employment period.

(b) An employment contract used by a public adjuster is valid only if signed by an insured and the property owner of the property involved, or an authorized agent or representative."

The motion prevailed and the amendment was adopted.

S. F. No. 2130, A bill for an act relating to insurance; regulating the practices and record keeping of, and disclosures by, public adjusters; amending Minnesota Statutes 1988, section 72B.135, by adding subdivisions.

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

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

Those who voted in the affirmative were:

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

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

H. F. No. 2458 was reported to the House.

Rukavina, Milbert, Pugh and Ozment offered an amendment to H. F. No. 2458, the first engrossment.

#### POINT OF ORDER

Reding raised a point of order pursuant to rule 3.9 that the Rukavina et al amendment was not in order. Speaker pro tempore Rodosovich ruled the point of order well taken and the amendment out of order.

H. F. No. 2458, A bill for an act relating to hazardous materials; directing the commissioner of public safety to plan a system for a regional hazardous materials incident response program; establishing an advisory task force.

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

The bill was passed and its title agreed to.

S. F. No. 2127 was reported to the House.

Lasley moved to amend S. F. No. 2127, as follows:

Page 2, line 10, after "commissioner" insert "of agriculture"

Page 2, line 18, delete "place of" and insert "conjunction with"

Page 2, line 19, after "walls" insert "along urban freeways"

The motion prevailed and the amendment was adopted.

S. F. No. 2127, A bill for an act relating to forestry; implementing a statewide program to encourage maintenance and expansion of community and urban forests; assigning responsibilities to various state agencies and municipalities; proposing coding for new law in Minnesota Statutes, chapter 17.

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

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

Those who voted in the affirmative were:

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

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

The Speaker resumed the Chair.

H. F. No. 173 was reported to the House.

Sviggum moved that H. F. No. 173 be re-referred to the Committee on Appropriations.

A roll call was requested and properly seconded.

The question was taken on the Sviggum motion and the roll was called. There were 55 yeas and 74 nays as follows:

Those who voted in the affirmative were:

Abrams	Frerichs	Johnson, V.	Olsen, S.	Schreiber
Bennett	Girard	Knickerbocker	Omann	Seaberg
Bishop	Gruenes	Limmer	Onnen	Stanius
Blatz	Gutknecht	Lynch	Ozment	Sviggum
Boo	Hartle	Macklin	Pellow	Swenson
Burger	Haukoos	Marsh	Poppenhagen	Tjornhom
Carlson, D.	Heap	McDonald	Redalen	Tompkins
Dempsey	Henry	McPherson	Richter	Uphus
Dille	Himle	Miller	Runbeck	Valento
Forsythe	Hugoson	Morrison	Schafer	Waltman
Frederick	Jennings	Neuenschwander		Weaver

Those who voted in the negative were:

Anderson, G.	Hasskamp	Lieder	Ostrom	Simoneau
Anderson, R.	Hausman	Long	Otis	Skoglund
Battaglia	Jacobs	McEachern	Pelowski	Solberg
Bauerly	Janezich	McGuire	Peterson	Sparby
Begich	Jaros	Milbert	Price	Steensma
Bertram	Jefferson	Munger	Pugh	Trimble
Brown	Johnson, A.	Murphy	Quinn	Tunheim
Carlson, L.	Johnson, R.	Nelson, C.	Reding	Vellenga
Carruthers	Kalis	Nelson, K.	Rest	Wagenius
Clark	Kelly	O'Connor	Rice	Welle
Cooper	Kelso	Ogren	Rodosovich	Wenzel
Dauner	Kinkel	Olson, E.	Rukavina	Williams
Dawkins	Kostohryz	Olson, K.	Sarna	Winter
Dorn	Krueger	Orenstein	Scheid	Spk. Vanasek
Greenfield	Lasley	Osthoff	Segal	

The motion did not prevail.

Sviggum moved to amend H. F. No. 173, the second engrossment, as follows:

Page 1, line 14, delete "or"

Page 1, line 16, after "cheese" insert "2 or

(3) inform a customer, upon request, which foods served by the restaurant or retailer contain artificial cheese"

A roll call was requested and properly seconded.

The question was taken on the Sviggum amendment and the roll was called. There were 56 yeas and 67 nays as follows:



## Those who voted in the affirmative were:

Abrams	Frederick	Johnson, V.	Omann	Stanius
Anderson, G.	Frerichs	Knickerbocker	Onnen	Svigguum
Bennett	Girard	Limmer	Ozment	Swenson
Bishop	Gruenes	Lynch	Pauly	Tjornhom
Blatz	Gutknecht	Macklin	Fellow	Tompkins
Boo	Hartle	Marsh	Poppenhagen	Uphus
Burger	Haukoos	McDonald	Redalen	Waltman
Carlson, D.	Heap	McPherson	Richter	Weaver
Dempey	Henry	Miller	Rumbeck	
Dille	Himle	Morrison	Schafer	
Dorn	Hugoson	Neuenschwander	Schreiber	
Forsythe	Jennings	Olsen, S.	Seaberg	

## Those who voted in the negative were:

Anderson, R.	Hausman	McEachern	Peterson	Sparby
Battaglia	Jacobs	McGuire	Price	Steensma
Bauerly	Janezich	Munger	Pugh	Trimble
Begich	Jaros	Murphy	Quinn	Tunheim
Bertram	Jefferson	Nelson, C.	Reding	Vellenga
Brown	Johnson, A.	O'Connor	Rest	Wagenius
Carlson, L.	Kahn	Ogren	Rice	Welle
Carruthers	Kalis	Olson, E.	Rodosovich	Wenzel
Clark	Kelly	Olson, K.	Rukavina	Williams
Cooper	Kelso	Orenstein	Sarna	Winter
Dauner	Kinkel	Ostrom	Segal	Spk. Vanasek
Dawkins	Kostohryz	Otis	Simoneau	
Greenfield	Krueger	Pappas	Skoglund	
Hasskamp	Lieder	Pelowski	Solberg	

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

H. F. No. 173, A bill for an act relating to agriculture; providing customer information when artificial cheese is used in certain foods; proposing coding for new law in Minnesota Statutes, chapter 31.

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 83 yeas and 48 nays as follows:

## Those who voted in the affirmative were:

Anderson, G.	Dawkins	Kahn	Murphy	Pappas
Anderson, R.	Dille	Kalis	Nelson, C.	Pelowski
Battaglia	Greenfield	Kelly	Nelson, K.	Peterson
Bauerly	Gruenes	Kelso	O'Connor	Price
Begich	Hasskamp	Kinkel	Ogren	Pugh
Bertram	Hausman	Kostohryz	Olson, E.	Quinn
Brown	Jacobs	Krueger	Olson, K.	Reding
Carlson, D.	Janezich	Lieder	Omann	Rest
Carlson, L.	Jaros	Long	Orenstein	Rice
Carruthers	Jefferson	McEachern	Osthoff	Rodosovich
Clark	Johnson, A.	McGuire	Ostrom	Rukavina
Cooper	Johnson, R.	Milbert	Otis	Sarna
Dauner	Johnson, V.	Munger	Ozment	Schafer

Scheid	Solberg	Trimble	Wagenius	Winter
Segal	Sparby	Tunheim	Welle	Spk. Vanasek
Simoneau	Steensma	Uphus	Wenzel	
Skoglund	Tompkins	Vellenga	Williams	

Those who voted in the negative were:

Abrams	Frerichs	Knickerbocker	Neuenschwander	Seaberg
Bennett	Girard	Lasley	Olsen, S.	Stanius
Bishop	Gutknecht	Limmer	Onnen	Sviggum
Blatz	Hartle	Lynch	Pauly	Swenson
Boo	Haukoos	Macklin	Pellow	Tjornhom
Burger	Heap	Marsh	Poppenhagen	Valento
Dempsey	Henry	McDonald	Redalen	Waltman
Dorn	Himle	McPherson	Richter	Weaver
Forsythe	Hugoson	Miller	Runbeck	
Frederick	Jennings	Morrison	Schreiber	

The bill was passed and its title agreed to.

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

### GENERAL ORDERS

Krueger moved that the bills on General Orders for today be continued. The motion prevailed.

### ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 2421:

Scheid, Otis and Abrams.

### MOTIONS AND RESOLUTIONS

Osthoff moved that the name of Quinn be stricken and the names of Scheid, Milbert, Jacobs and Abrams be added as authors on H. F. No. 2770. The motion prevailed.

Kahn moved that H. F. No. 2338 be returned to its author. The motion prevailed.

## ADJOURNMENT

Krueger moved that when the House adjourns today it adjourn until 1:00 p.m., Thursday, April 5, 1990. The motion prevailed.

Krueger moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 1:00 p.m., Thursday, April 5, 1990.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

