

STATE OF MINNESOTA  
SEVENTY-EIGHTH SESSION -- 1993

FIFTY-FIRST DAY

SAINT PAUL, MINNESOTA, WEDNESDAY, MAY 5, 1993

The House of Representatives convened at 9:00 a.m. and was called to order by Dee Long, Speaker of the House.

Prayer was offered by the Reverend Tom Allen, Riverside Alliance Church, Monticello, Minnesota.

The roll was called and the following members were present:

|              |            |               |          |           |            |           |
|--------------|------------|---------------|----------|-----------|------------|-----------|
| Abrams       | Dauner     | Hausman       | Krinkie  | Murphy    | Rice       | Vellenga  |
| Anderson, I. | Davids     | Holsten       | Krueger  | Nelson    | Rodosovich | Vickerman |
| Anderson, R. | Dawkins    | Hugoson       | Lasley   | Ness      | Rukavina   | Wagenius  |
| Asch         | Dehler     | Huntley       | Leppik   | Olson, K. | Sarna      | Waltman   |
| Battaglia    | Delmont    | Jacobs        | Lieder   | Olson, M. | Seagren    | Weaver    |
| Bauerly      | Dempsey    | Jaros         | Limmer   | Onnen     | Sekhon     | Wejzman   |
| Beard        | Dorn       | Jefferson     | Lindner  | Opatz     | Simoneau   | Welle     |
| Bergson      | Erhardt    | Jennings      | Lourey   | Orenstein | Skoglund   | Wenzel    |
| Bertram      | Evans      | Johnson, A.   | Luther   | Orfield   | Smith      | Winter    |
| Bettermann   | Farrell    | Johnson, R.   | Lynch    | Ostrom    | Solberg    | Wolf      |
| Bishop       | Frerichs   | Johnson, V.   | Macklin  | Ozment    | Stanis     | Worke     |
| Blatz        | Garcia     | Kahn          | Mahon    | Pauly     | Steensma   | Workman   |
| Brown, C.    | Girard     | Kalis         | Mariani  | Pawlenty  | Sviggum    | Spk. Long |
| Brown, K.    | Goodno     | Kelley        | McCollum | Pelowski  | Swenson    |           |
| Carlson      | Greenfield | Kelso         | McGuire  | Perlt     | Tomassoni  |           |
| Carruthers   | Greiling   | Kinkel        | Milbert  | Peterson  | Tompkins   |           |
| Clark        | Gruenes    | Klinzing      | Molnau   | Pugh      | Trimble    |           |
| Commers      | Gutknecht  | Knickerbocker | Mosel    | Reding    | Tunheim    |           |
| Cooper       | Hasskamp   | Koppendrayner | Munger   | Rhodes    | Van Dellen |           |

A quorum was present.

Rest was excused until 9:30 a.m. Morrison and Neary were excused until 10:00 a.m. Olson, E., was excused until 10:15 a.m. Osthoff was excused until 10:20 a.m. Sparby was excused until 11:30 a.m. Haukoos was excused until 12:00 noon.

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

REPORTS OF CHIEF CLERK

S. F. No. 53 and H. F. No. 64, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Jacobs moved that the rules be so far suspended that S. F. No. 53 be substituted for H. F. No. 64 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 131 and H. F. No. 148, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Johnson, A., moved that the rules be so far suspended that S. F. No. 131 be substituted for H. F. No. 148 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 693 and H. F. No. 898, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Weaver moved that the rules be so far suspended that S. F. No. 693 be substituted for H. F. No. 898 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 869 and H. F. No. 1152, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Ozment moved that the rules be so far suspended that S. F. No. 869 be substituted for H. F. No. 1152 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1081 and H. F. No. 1376, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Carruthers moved that the rules be so far suspended that S. F. No. 1081 be substituted for H. F. No. 1376 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1187 and H. F. No. 1349, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Greenfield moved that S. F. No. 1187 be substituted for H. F. No. 1349 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1367 and H. F. No. 1492, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Orfield moved that S. F. No. 1367 be substituted for H. F. No. 1492 and that the House File be indefinitely postponed. The motion prevailed.

### SECOND READING OF SENATE BILLS

S. F. Nos. 53, 131, 693, 869, 1081, 1187 and 1367 were read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Krinkie, Ness, Limmer and Rhodes introduced:

H. F. No. 1766, A bill for an act relating to public employment; requiring a study of University of Minnesota employee compensation compared with state employees' compensation.

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

Krinkie; Van Dellen; Olson, M., and Molnau introduced:

H. F. No. 1767, A bill for an act relating to the legislature; providing oversight of long distance telephone calls and public inspection of records; requiring budget information and opening the budgets to the public; providing for appropriations; establishing the office of legislative finance administrator; providing that statewide accounting applies to the legislature; amending Minnesota Statutes 1992, sections 3.303, by adding a subdivision; 16A.18; and 16A.281; proposing coding for new law in Minnesota Statutes, chapter 3.

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

Olson, E.; Dauner and Rest introduced:

H. F. No. 1768, A bill for an act relating to taxation; authorizing cities, counties, and school districts to abate property taxes under certain circumstances; repealing the tax increment financing and deferred property taxation programs; amending Minnesota Statutes 1992, section 469.179, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 469; repealing Minnesota Statutes 1992, section 469.181.

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

## MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Madam Speaker:

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

H. F. No. 20, A resolution memorializing the United States Secretary of Agriculture to establish higher price supports for grain commodities.

H. F. No. 157, A bill for an act relating to retirement; authorizing the purchase of prior service credit in the public employees police and fire fund by two employees of the city of Minneapolis.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam 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. 287, A bill for an act relating to waste management; encouraging local government units to use purchasing techniques to reduce waste and develop markets for recycled products; prohibiting burning and burial of harmful materials on farms; defining packaging; prohibiting disposal of unprocessed mixed municipal solid waste; extending the time to construct certain projects with grant money; authorizing counties to count waste reduction toward 1996 recycling goals; providing for county management and service contracts; requiring local government units to separately account for all revenue and spending related to waste management; requiring collectors of commercial waste to disclose where the waste is deposited; prohibiting fluorescent and high intensity discharge lamps in solid waste; clarifying that organized waste collection is one of several tools for cities and counties to use to collect waste; requiring reporting of tipping fee schedules at all waste facilities; requiring owners or operators of waste facilities that are publicly financed to account for charges and expenditures related to the facilities; regulating lamp recycling facilities; requiring electric utilities to encourage use of fluorescent and high intensity discharge lamps and to collect spent lamps; requiring a study of such lamps; extending by one year the solid waste field citation pilot program; providing for the postponement of certain waste collection fees; requiring a certain number of base units for homesteaded multiunit dwellings; clarifying the effects of the repeal of the metropolitan landfill siting process; providing for reports; amending Minnesota Statutes 1992, sections 16B.121; 16B.122, by adding a subdivision; 17.135; 115.071, subdivision 1; 115A.03, by adding a subdivision; 115A.034; 115A.54, subdivision 2a; 115A.5501, subdivision 3; 115A.551, subdivisions 2a and 4; 115A.552, subdivision 2; 115A.557, subdivision 3; 115A.56; 115A.916; 115A.929; 115A.932, subdivision 1; 115A.94, subdivisions 5 and 6; 115A.941; 115A.9651; 115A.981; 116.78, by adding a subdivision; 116.92, subdivision 7; 216B.241, by adding a subdivision; 325E.1151, subdivision 1; 325E.12; 325E.125, subdivision 1; 325E.1251; 400.04, subdivisions 3 and 4; 400.08, subdivision 3; 473.149, subdivision 6; 473.803, subdivision 3; 473.8441, subdivision 5; 473.846; and 473.848, subdivisions 2 and 3; Laws 1991, chapter 347, article 1, sections 15, subdivisions 1 and 6; and 20; Laws 1992, chapter 593, article 1, section 55; proposing coding for new law in Minnesota Statutes, chapters 115A and 116.

The Senate has appointed as such committee:

Ms. Johnson, J. B.; Messrs. Mondale; Merriam; Stevens and Chandler.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam 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. 546, A bill for an act relating to outdoor recreation; prohibiting motor sports areas within the Dorer Memorial Hardwood Forest without county and township board approval.

The Senate has appointed as such committee:

Messrs. Murphy, Morse and Ms. Kiscaden.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam 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. 643, A bill for an act relating to commerce; making technical changes in the department's enforcement powers; regulating cosmetology; prescribing powers and duties; setting fees; amending Minnesota Statutes 1992, sections 45.011, subdivision 1, and by adding a subdivision; 45.027, subdivisions 1, 2, 5, 6, and 8; 155A.03, subdivision 1; 155A.05; 155A.06; 155A.07, subdivisions 2, 4, 7, and 8; 155A.08, subdivisions 2 and 5; 155A.09, subdivisions 2, 5, 6, and 9; 155A.10; 155A.14; 155A.15; and 155A.16; proposing coding for new law in Minnesota Statutes, chapter 155A; repealing Minnesota Statutes 1992, sections 155A.11; 155A.12; 155A.13; and 155A.18; Minnesota Rules, parts 2642.0310, subparts 3, 4, and 5; 2642.0330, subparts 3 and 4; 2642.0800; 2642.0810; 2644.0310, subparts 2, 3, and 4; 2644.0800; and 2644.0810.

The Senate has appointed as such committee:

Messrs. Belanger, Solon and Metzen.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Madam 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. 43, A bill for an act relating to transportation; allocating funding for town bridges replaced by culverts when replacement does not exceed \$20,000; amending Minnesota Statutes 1992, section 161.082, subdivision 2a.

PATRICK E. FLAHAVEN, Secretary of the Senate

### CONCURRENCE AND REPASSAGE

Kinkel moved that the House concur in the Senate amendments to H. F. No. 43 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 43, A bill for an act relating to transportation; regulating the sign franchise program; allocating funding for town bridges replaced by culverts when replacement does not exceed \$20,000; amending Minnesota Statutes 1992, sections 160.80, subdivision 1; and 161.082, subdivision 2a.

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

The question was taken on the repassage of the bill and the roll was called. There were 120 yeas and 2 nays as follows:

Those who voted in the affirmative were:

|              |            |            |           |               |         |           |
|--------------|------------|------------|-----------|---------------|---------|-----------|
| Abrams       | Brown, C.  | Delmont    | Greiling  | Johnson, A.   | Krinkie | Mahon     |
| Anderson, I. | Brown, K.  | Dempsey    | Gruenes   | Johnson, R.   | Krueger | McCollum  |
| Anderson, R. | Carlson    | Dorn       | Gutknecht | Johnson, V.   | Lasley  | McGuire   |
| Battaglia    | Carruthers | Erhardt    | Hasskamp  | Kahn          | Leppik  | Milbert   |
| Bauerly      | Clark      | Evans      | Hausman   | Kalis         | Lieder  | Molnau    |
| Beard        | Commers    | Farrell    | Holsten   | Kelley        | Limmer  | Mosel     |
| Bergson      | Cooper     | Frerichs   | Hugoson   | Kelso         | Lindner | Munger    |
| Bertram      | Dauner     | Garcia     | Huntley   | Kinkel        | Lourey  | Murphy    |
| Bettermann   | Davids     | Girard     | Jacobs    | Klinzing      | Luther  | Nelson    |
| Bishop       | Dawkins    | Goodno     | Jaros     | Knickerbocker | Lynch   | Ness      |
| Blatz        | Dehler     | Greenfield | Jefferson | Koppendrayar  | Macklin | Olson, M. |

|           |          |            |          |            |         |           |
|-----------|----------|------------|----------|------------|---------|-----------|
| Onnen     | Pawlenty | Rice       | Skoglund | Tomassoni  | Weaver  | Spk. Long |
| Opatz     | Pelowski | Rodosovich | Smith    | Tompkins   | Wejcman |           |
| Orenstein | Perlt    | Rukavina   | Solberg  | Tunheim    | Wenzel  |           |
| Orfield   | Peterson | Sarna      | Stanis   | Van Dellen | Winter  |           |
| Ostrom    | Pugh     | Seagren    | Steensma | Vickerman  | Wolf    |           |
| Ozment    | Reding   | Sekhon     | Sviggum  | Wagenius   | Worke   |           |
| Pauly     | Rhodes   | Simoneau   | Swenson  | Waltman    | Workman |           |

Those who voted in the negative were:

Asch                      Trimble

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

Madam 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. 454, A bill for an act relating to economic development; requiring a summary of performance measures for business loan or grant programs from the department of trade and economic development; amending Minnesota Statutes 1992, section 116J.58, subdivision 1.

PATRICK E. FLAHAVEN, Secretary of the Senate

Clark moved that the House refuse to concur in the Senate amendments to H. F. No. 454, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Madam Speaker:

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

Senate Concurrent Resolution No. 4, A senate concurrent resolution adopting permanent joint rules of the Senate and House of Representatives.

PATRICK E. FLAHAVEN, Secretary of the Senate

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

Madam Speaker:

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

S. F. Nos. 521, 1054, 1114, 253, 1297, 34 and 868.

PATRICK E. FLAHAVEN, Secretary of the Senate

**FIRST READING OF SENATE BILLS**

S. F. No. 521, A bill for an act relating to health; permitting minors to give consent for a hepatitis B vaccination; establishing procedures and programs relating to tuberculosis; proposing coding for new law in Minnesota Statutes, chapter 144.

The bill was read for the first time.

Orenstein moved that S. F. No. 521 and H. F. No. 818, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1054, A bill for an act relating to state departments and agencies; providing for reports on advisory task forces committees and councils; providing for their expirations; eliminating certain advisory bodies; amending Minnesota Statutes 1992, sections 6.65; 15.059, subdivision 5; 16B.39, subdivision 1a; 41A.02, subdivision 1; 41A.04, subdivisions 2 and 4; 116J.975; 125.188, subdivision 3; 125.1885, subdivision 3; 129D.16; 148.235, subdivision 2; 246.017, subdivision 2; 246.56, subdivision 2; 256B.0629, subdivision 4; and 256B.433, subdivision 1; 299F.093, subdivision 1; repealing Minnesota Statutes 1992, sections 41.54; 41A.07; 43A.31, subdivision 4; 82.30, subdivision 1; 84.524, subdivisions 1 and 2; 85A.02, subdivision 4; 86A.10, subdivision 1; 116J.645; 116J.984, subdivision 11; 116N.05; 120.064, subdivision 6; 121.87; 145.93, subdivision 2; 148B.20, subdivision 2; 152.02, subdivision 11; 175.008; 184.23; 206.57, subdivision 3; 245.476, subdivision 4; 245.4885, subdivision 4; 256.9745; 256B.0629, subdivisions 1, 2, and 3; 256B.433, subdivision 4; 257.072, subdivision 6; 299F.092, subdivision 9; 299F.097; and 626.5592.

The bill was read for the first time.

Mahon moved that S. F. No. 1054 and H. F. No. 1203, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1114, A bill for an act relating to commerce; franchises; regulating assignments, transfers, and sales; amending Minnesota Statutes 1992, section 80C.17, subdivisions 1 and 5.

The bill was read for the first time.

Pugh moved that S. F. No. 1114 and H. F. No. 1636, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 253, A bill for an act relating to occupations and professions; clarifying the training requirements for private detectives and security guards; amending Minnesota Statutes 1992, section 326.3361, subdivisions 1, 2, and 3.

The bill was read for the first time.

Rhodes moved that S. F. No. 253 and H. F. No. 1575, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1297, A bill for an act relating to occupations and professions; board of architecture, engineering, land surveying, landscape architecture, and certified interior designer; establishing a procedure for issuance, denial, revocation, and suspension of licenses; imposing penalties; proposing coding for new law in Minnesota Statutes, chapter 326.

The bill was read for the first time.

Milbert moved that S. F. No. 1297 and H. F. No. 1407, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 34, A bill for an act relating to student exchange programs; regulating student exchange programs; imposing a penalty; appropriating money; amending Minnesota Statutes 1992, section 299C.61, subdivision 5; proposing coding for new law as Minnesota Statutes, chapter 5A.

The bill was read for the first time.

Beard moved that S. F. No. 34 and H. F. No. 37, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 868, A bill for an act relating to human services; adding conditions on availability of funds; changing conditions on adoption assistance agreement; changing reimbursement of costs; determining program funding; amending Minnesota Statutes 1992, section 259.40, subdivisions 1, 2, 3, 4, 5, 7, 8, and 9.

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

### CONSENT CALENDAR

H. F. No. 1259, A bill for an act relating to the city of Minneapolis; extending authority to guarantee certain loans; amending Laws 1988, chapter 594, section 6, as amended.

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

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

Those who voted in the affirmative were:

|              |            |               |          |           |            |            |
|--------------|------------|---------------|----------|-----------|------------|------------|
| Abrams       | Dauner     | Hausman       | Krinkie  | Murphy    | Rhodes     | Van Dellen |
| Anderson, I. | Davids     | Holsten       | Krueger  | Nelson    | Rice       | Vellenga   |
| Anderson, R. | Dawkins    | Hugoson       | Lasley   | Ness      | Rodosovich | Vickerman  |
| Asch         | Dehler     | Huntley       | Leppik   | Olson, K. | Rukavina   | Wagenius   |
| Battaglia    | Delmont    | Jacobs        | Lieder   | Olson, M. | Sarna      | Waltman    |
| Bauerly      | Dempsey    | Jaros         | Limmer   | Onnen     | Seagren    | Weaver     |
| Beard        | Dorn       | Jefferson     | Lindner  | Opatz     | Sekhon     | Wejcman    |
| Bergson      | Erhardt    | Jennings      | Lourey   | Orenstein | Simoneau   | Wenzel     |
| Bertram      | Evans      | Johnson, A.   | Luther   | Orfield   | Skoglund   | Winter     |
| Bettermann   | Farrell    | Johnson, R.   | Lynch    | Ostrom    | Smith      | Wolf       |
| Bishop       | Frerichs   | Johnson, V.   | Macklin  | Ozment    | Solberg    | Worke      |
| Blatz        | Garcia     | Kahn          | Mahon    | Pauly     | Stanis     | Workman    |
| Brown, C.    | Girard     | Kalis         | Mariani  | Pawlenty  | Steensma   | Spk. Long  |
| Brown, K.    | Goodno     | Kelley        | McCollum | Pelowski  | Sviggum    |            |
| Carlson      | Greenfield | Kelso         | McGuire  | Perlt     | Swenson    |            |
| Carruthers   | Greiling   | Kinkel        | Milbert  | Peterson  | Tomassoni  |            |
| Clark        | Gruenes    | Klinzing      | Molnau   | Pugh      | Tompkins   |            |
| Commers      | Gutknecht  | Knickerbocker | Mosel    | Reding    | Trimble    |            |
| Cooper       | Hasskamp   | Koppendraye   | Munger   | Rest      | Tunheim    |            |

The bill was passed and its title agreed to.



The following Conference Committee Report was received:

# CONFERENCE COMMITTEE REPORT ON H. F. NO. 1408

A bill for an act relating to agriculture; redefining terms in the plant pest act; exempting certain nonprofit organizations from the requirement for a nursery stock dealer certificate; amending Minnesota Statutes 1992, section 18.46, subdivision 3, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 18.

May 3, 1993

The Honorable Dee Long  
Speaker of the House of Representatives

The Honorable Allan H. Spear  
President of the Senate

We, the undersigned conferees for H. F. No. 1408, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment.

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

House Conferees: WARREN LIMMER, STEVEN SMITH AND STEPHEN G. WENZEL.

Senate Conferees: PATRICK D. MCGOWAN, DAN STEVENS AND JOE BERTRAM, SR.

Limmer moved that the report of the Conference Committee on H. F. No. 1408 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1408, A bill for an act relating to agriculture; redefining terms in the plant pest act; exempting certain nonprofit organizations from the requirement for a nursery stock dealer certificate; amending Minnesota Statutes 1992, section 18.46, subdivision 3, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 18.

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

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

Those who voted in the affirmative were:

|              |            |            |               |          |           |            |
|--------------|------------|------------|---------------|----------|-----------|------------|
| Abrams       | Carruthers | Girard     | Johnson, A.   | Lieder   | Murphy    | Peterson   |
| Anderson, I. | Clark      | Goodno     | Johnson, R.   | Limmer   | Nelson    | Pugh       |
| Anderson, R. | Commers    | Greenfield | Johnson, V.   | Lindner  | Ness      | Reding     |
| Asch         | Cooper     | Greiling   | Kahn          | Lourey   | Olson, K. | Rest       |
| Battaglia    | Dauner     | Gruenes    | Kalis         | Luther   | Olson, M. | Rhodes     |
| Bauerly      | Davids     | Gutknecht  | Kelley        | Lynch    | Onnen     | Rice       |
| Beard        | Dawkins    | Hasskamp   | Kelso         | Macklin  | Opatz     | Rodosovich |
| Bergson      | Dehler     | Hausman    | Kinkel        | Mahon    | Orenstein | Rukavina   |
| Bertram      | Dempsey    | Holsten    | Klinzing      | Mariani  | Orfield   | Sarna      |
| Bettermann   | Dorn       | Hugoson    | Knickerbocker | McCollum | Ostrom    | Seagren    |
| Bishop       | Erhardt    | Huntley    | Koppendrayer  | McGuire  | Ozment    | Sekhon     |
| Blatz        | Evans      | Jacobs     | Krinkie       | Milbert  | Pauly     | Simoneau   |
| Brown, C.    | Farrell    | Jaros      | Krueger       | Molnau   | Pawlenty  | Skoglund   |
| Brown, K.    | Frerichs   | Jefferson  | Lasley        | Mosel    | Pelowski  | Smith      |
| Carlson      | Garcia     | Jennings   | Leppik        | Munger   | Perlt     | Solberg    |

Stanisus  
Steensma  
Sviggum

Swenson  
Tomassoni  
Tompkins

Trimble  
Tunheim  
Van Dellen

Vellenga  
Vickerman  
Wagenius

Waltman  
Weaver  
Wejcman

Wenzel  
Winter  
Wolf

Worke  
Workman  
Spk. Long

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

### CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Solberg requested immediate consideration of H. F. Nos. 327, 1245 and 673.

The Speaker called Bauerly to the Chair.

H. F. No. 327 was reported to the House.

Hasskamp and Bergson moved to amend H. F. No. 327, the first engrossment, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 168.031, is amended to read:

168.031 [EXEMPTION FROM REGISTRATION; PERSONS IN ARMED FORCES, DISABLED VETERANS, FORMER PRISONERS OF WAR.]

The motor vehicle of any person who engages in active service in time of war or other emergency declared by proper authority in any of the military or naval forces of the United States shall be exempt from the motor vehicle registration tax during the period of such active service and for 40 days immediately thereafter if the owner has filed with the registrar of motor vehicles a written application for exemption with such proof of military service as the registrar may have required and if the motor vehicle is not operated on a public highway within the state, except by the owner while on furlough or leave of absence.

The motor vehicle of any disabled war veteran, which vehicle has been furnished free, in whole or in part, by the United States government to said disabled veteran, shall be exempt from the motor vehicle registration tax. The motor vehicle owned and registered by a former prisoner of war that bears the "EX-POW" plates is exempt from the motor vehicle registration tax.

Sec. 2. Minnesota Statutes 1992, section 168.12, subdivision 5, is amended to read:

Subd. 5. [ADDITIONAL FEE.] In addition to any fee otherwise authorized or any tax otherwise imposed upon any motor vehicle, the payment of which is required as a condition to the issuance of any number license plate or plates, the commissioner of public safety may impose a fee that is calculated to cover the cost of manufacturing and issuing the license plate or plates, except for license plates issued to disabled veterans as defined in section 168.031 and license plates issued pursuant to section 168.124, 168.125, or 168.27, subdivisions 16 and 17, for passenger automobiles. Graphic design license plates shall only be issued for vehicles registered pursuant to section 168.017 and recreational vehicles registered pursuant to section 168.013, subdivision 1g.

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

Sec. 3. Minnesota Statutes 1992, section 168.125, subdivision 1, is amended to read:

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

Subd. 1a. [APPLICATION.] Application for issuance of these plates shall be made at the time of renewal or first application for registration. The application shall include a certification by the commissioner of veterans affairs that the applicant was a member of the military forces of the United States who was captured, separated, and incarcerated by an enemy of the United States during a period of armed conflict.

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

Subd. 1b. [NO FEE.] The registrar shall issue a set of EX-POW plates to qualified applicants, free of charge for the cost of the plates, and shall replace them without charge if they become damaged. In addition, no fee may be charged for a subsequent year when tabs or stickers are issued for that motor vehicle on which the special EX-POW plates are placed.

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

Subd. 1d. [SURVIVING SPOUSE.] Upon the death of a former prisoner of war, the registrar shall continue to issue free of charge, upon renewal, the special license plates to a vehicle owned by the surviving spouse of the former prisoner of war. Special license plates issued to a surviving spouse may be transferred to another vehicle owned by the surviving spouse as provided in ~~this~~ subdivision 1c. No fee may be charged for replacement plates issued to a surviving spouse or for tabs or stickers issued for the motor vehicle on which the special "EX-POW" plates are placed. A surviving spouse is not exempt from the motor vehicle registration tax.

Subd. 1e. [MOTOR VEHICLE; SPECIAL DEFINITION.] For purposes of this section, "motor vehicle" means a passenger automobile, van, pickup truck, motorcycle, or recreational vehicle."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

H. F. No. 327, A bill for an act relating to motor vehicles; providing for free motor vehicle license plates for former prisoners of war; exempting former prisoners of war plates from motor vehicle registration tax; amending Minnesota Statutes 1992, sections 168.031; 168.12, subdivision 5; and 168.125, 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 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

|              |           |         |            |           |            |        |
|--------------|-----------|---------|------------|-----------|------------|--------|
| Abrams       | Asch      | Beard   | Bettermann | Brown, C. | Carruthers | Cooper |
| Anderson, I. | Battaglia | Bergson | Bishop     | Brown, K. | Clark      | Dauner |
| Anderson, R. | Bauerly   | Bertram | Blatz      | Carlson   | Commers    | Davids |

|            |             |               |           |            |           |            |
|------------|-------------|---------------|-----------|------------|-----------|------------|
| Dawkins    | Gutknecht   | Kinkel        | Mahon     | Orenstein  | Rukavina  | Tunheim    |
| Dehler     | Hasskamp    | Klinzing      | Mariani   | Orfield    | Sarna     | Van Dellen |
| Delmont    | Holsten     | Knickerbocker | McCollum  | Ostrom     | Seagren   | Vellenga   |
| Dempsey    | Hugoson     | Koppendrayner | McGuire   | Ozment     | Sekhon    | Vickerman  |
| Dorn       | Huntley     | Krinkie       | Milbert   | Pauly      | Simoneau  | Wagenius   |
| Erhardt    | Jacobs      | Krueger       | Molnau    | Pawlenty   | Skoglund  | Waltman    |
| Evans      | Jaros       | Lasley        | Mosel     | Pelowski   | Smith     | Weaver     |
| Farrell    | Jefferson   | Leppik        | Munger    | Perlt      | Solberg   | Wejcmán    |
| Frerichs   | Jennings    | Lieder        | Murphy    | Peterson   | Stanius   | Welle      |
| Garcia     | Johnson, A. | Limmer        | Nelson    | Pugh       | Steensma  | Wenzel     |
| Girard     | Johnson, R. | Lindner       | Ness      | Reding     | Sviggum   | Winter     |
| Goodno     | Johnson, V. | Lourey        | Olson, K. | Rest       | Swenson   | Wolf       |
| Greenfield | Kalis       | Luther        | Olson, M. | Rhodes     | Tomassoni | Worke      |
| Greiling   | Kelley      | Lynch         | Onnen     | Rice       | Tompkins  | Workman    |
| Gruenes    | Kelso       | Macklin       | Opatz     | Rodosovich | Trimble   | Spk. Long  |

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

H. F. No. 1245 was reported to the House.

Kelley, McGuire and Rodosovich moved to amend H. F. No. 1245, the second engrossment, as follows:

Page 4, line 11, delete "or"

Page 4, line 15, delete the period and insert "; or

(h) To the appropriate school district officials to the extent necessary under subdivision 6, annually to indicate the extent and content of remedial instruction, including the results of assessment testing and academic performance at a post-secondary institution during the previous academic year by a student who graduated from a Minnesota school district within two years before receiving the remedial instruction.

Sec. 4. Minnesota Statutes 1992, section 13.32, subdivision 6, is amended to read:

Subd. 6. [ADMISSIONS FORMS; REMEDIAL INSTRUCTION.] (a) Minnesota post-secondary education institutions, for purposes of reporting and research, may collect on the 1986-1987 admissions form, and disseminate to any public educational agency or institution the following data on individuals: student sex, ethnic background, age, and disabilities. The data shall not be required of any individual and shall not be used for purposes of determining the person's admission to an institution.

(b) A school district that receives information under subdivision 3, paragraph (h) from a post-secondary institution about an identifiable student shall maintain the data as educational data and use that data to conduct studies to improve instruction. Public post-secondary systems annually shall provide summary data to the department of education indicating the extent and content of the remedial instruction received in each system during the prior academic year by, and the results of assessment testing and the academic performance of, students who graduated from a Minnesota school district within two years before receiving the remedial instruction. The department shall evaluate the data and annually report its findings to the education committees of the legislature.

(c) This section supersedes any inconsistent provision of law."

Page 34, after line 7, insert a section to read:

"Sec. 38. [JOINT PLAN TO REPORT TO SCHOOL DISTRICTS.]

Minnesota public post-secondary education systems, for the purpose of assisting school districts in developing academic standards, determining specific areas of academic deficiency within the secondary school curriculum, and improving instruction, shall by September 1, 1993, jointly develop a plan to disseminate data to Minnesota school districts indicating the extent and content of the remedial instruction received at each public post-secondary institution by, and the results of assessment testing and the academic performance of, students who graduated from a district within two years before receiving the remedial instruction. The data shall include personally identifiable information about the student to the extent necessary to accomplish the purpose of this section."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

H. F. No. 1245, A bill for an act relating to data practices; providing for the collection, classification, and dissemination of data; proposing classifications of data as not public; classifying certain licensing data, educational data, security service data, motor carrier operating data, retirement data and other forms of data; amending Minnesota Statutes 1992, sections 13.32, subdivisions 1, 3, and 6; 13.41, subdivision 4; 13.43, subdivision 2; 13.46, subdivisions 1, 2, and 4; 13.643; 13.692; 13.72, by adding a subdivision; 13.792; 13.82, subdivisions 4, 6, and 10; 13.99, subdivision 24, and by adding subdivisions; 115A.93, by adding a subdivision; 144.335, subdivision 3a, and by adding a subdivision; 151.06, by adding a subdivision; 169.09, subdivisions 7 and 13; 245A.04, subdivisions 3 and 3a; 260.161, subdivisions 1 and 3; 270B.14, subdivision 1, and by adding a subdivision; 299L.03, by adding a subdivision; and 626.556, subdivisions 11 and 11c; proposing coding for new law in Minnesota Statutes, chapters 6; 13; and 144; repealing Minnesota Statutes 1992, sections 13.644; and 13.82, subdivision 5b.

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 1 nay as follows:

Those who voted in the affirmative were:

|              |            |               |          |           |            |            |
|--------------|------------|---------------|----------|-----------|------------|------------|
| Abrams       | Dauner     | Hausman       | Krinkie  | Munger    | Pugh       | Tompkins   |
| Anderson, I. | Davids     | Holsten       | Krueger  | Murphy    | Reding     | Trimble    |
| Anderson, R. | Dawkins    | Hugoson       | Lasley   | Neary     | Rest       | Tunheim    |
| Asch         | Dehler     | Huntley       | Leppik   | Nelson    | Rhodes     | Van Dellen |
| Battaglia    | Delmont    | Jacobs        | Lieder   | Ness      | Rice       | Vellenga   |
| Bauerly      | Dempsey    | Jaros         | Limmer   | Olson, E. | Rodosovich | Vickerman  |
| Beard        | Dorn       | Jefferson     | Lindner  | Olson, K. | Rukavina   | Wagenius   |
| Bergson      | Erhardt    | Jennings      | Lourey   | Olson, M. | Sarna      | Waltman    |
| Bertram      | Evans      | Johnson, A.   | Luther   | Onnen     | Seagren    | Weaver     |
| Bettermann   | Farrell    | Johnson, R.   | Lynch    | Opatz     | Sekhon     | Wejcman    |
| Bishop       | Frerichs   | Johnson, V.   | Macklin  | Orenstein | Simoneau   | Welle      |
| Blatz        | Garcia     | Kahn          | Mahon    | Orfield   | Skoglund   | Wenzel     |
| Brown, C.    | Girard     | Kalis         | Mariani  | Osthoff   | Smith      | Winter     |
| Brown, K.    | Goodno     | Kelley        | McCollum | Ostrom    | Solberg    | Wolf       |
| Carlson      | Greenfield | Kelso         | McGuire  | Ozment    | Stanis     | Worke      |
| Carruthers   | Greiling   | Kinkel        | Milbert  | Pauly     | Steensma   | Workman    |
| Clark        | Gruenes    | Klinzing      | Molnau   | Pawlenty  | Sviggum    | Spk. Long  |
| Commers      | Gutknecht  | Knickerbocker | Morrison | Pelowski  | Swenson    |            |
| Cooper       | Hasskamp   | Koppendrayer  | Mosel    | Perlt     | Tomassoni  |            |

Those who voted in the negative were:

Peterson

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

Speaker pro tempore Bauerly called Rodosovich to the Chair.

H. F. No. 673, A bill for an act relating to agriculture; regulating activities relating to restricted species; providing penalties; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 84.

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

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

Those who voted in the affirmative were:

|              |            |               |          |           |            |           |
|--------------|------------|---------------|----------|-----------|------------|-----------|
| Abrams       | Davids     | Huntley       | Leppik   | Ness      | Rice       | Vellenga  |
| Anderson, I. | Dawkins    | Jacobs        | Lieder   | Olson, E. | Rodosovich | Vickerman |
| Anderson, R. | Dehler     | Jaros         | Limmer   | Olson, K. | Rukavina   | Wagenius  |
| Asch         | Delmont    | Jefferson     | Lindner  | Olson, M. | Sarna      | Waltman   |
| Battaglia    | Dorn       | Jennings      | Lourey   | Onnen     | Seagren    | Weaver    |
| Bauerly      | Erhardt    | Johnson, A.   | Luther   | Opatz     | Sekhon     | Wejcman   |
| Bergson      | Evans      | Johnson, R.   | Lynch    | Orenstein | Simoneau   | Welle     |
| Bertram      | Farrell    | Johnson, V.   | Macklin  | Osthoff   | Skoglund   | Wenzel    |
| Bettermann   | Garcia     | Kahn          | Mahon    | Ostrom    | Smith      | Winter    |
| Bishop       | Girard     | Kalis         | Mariani  | Ozment    | Solberg    | Wolf      |
| Blatz        | Goodno     | Kelley        | McCollum | Pauly     | Stanis     | Worke     |
| Brown, C.    | Greenfield | Kelso         | McGuire  | Pawlenty  | Steensma   | Workman   |
| Brown, K.    | Greiling   | Kinkel        | Milbert  | Pelowski  | Sviggum    | Spk. Long |
| Carlson      | Gruenes    | Klinzing      | Molnau   | Perlt     | Swenson    |           |
| Carruthers   | Gutknecht  | Knickerbocker | Morrison | Peterson  | Tomassoni  |           |
| Clark        | Hasskamp   | Koppendraye   | Mosel    | Pugh      | Tompkins   |           |
| Commers      | Hausman    | Krinkie       | Murphy   | Reding    | Trimble    |           |
| Cooper       | Holsten    | Krueger       | Neary    | Rest      | Tunheim    |           |
| Dauner       | Hugoson    | Lasley        | Nelson   | Rhodes    | Van Dellen |           |

The bill was passed and its title agreed to.

Anderson, I., moved that the House recess subject to the call of the Chair. The motion prevailed.

#### RECESS

#### RECONVENED

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

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

Anderson, I., from the Committee on Rules and Legislative Administration, pursuant to rule 1.09, designated the following bills as Special Orders to be acted upon immediately preceding printed Special Orders for today, Wednesday, May 5, 1993:

S. F. Nos. 181, 1199, 911, 645, 952 and 1315; H. F. No. 1387; S. F. No. 1158; and H. F. Nos. 199 and 1185.

## SPECIAL ORDERS

S. F. No. 181 was reported to the House.

Rest moved to amend S. F. No. 181, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 48.24, subdivision 1, is amended to read:

Subdivision 1. The total liabilities to any such bank, as principal, guarantor or endorser of any individual, including the liabilities of any corporation or limited liability company which the individual owns or controls a majority interest, any partnership, unincorporated association, limited liability company, or corporation, including the liabilities of the several members of a partnership or unincorporated association, and in case of a corporation or limited liability company of all subsidiaries thereof in which such corporation or limited liability company owns or controls a majority interest, shall never exceed 20 percent of its capital actually paid in cash and of its actual surplus fund, except that obligations not to exceed 25 percent of said capital and surplus to any one borrower shall not be included as liabilities for the purposes of this section, but shall be liabilities of the borrowers, provided they are secured by not less than a like amount of any one of the various types of obligations of the United States or which are fully guaranteed as to principal and interest by the United States, and providing that such bonds or obligations have a market value of at least ten percent in excess of the amount loaned thereon at the time each loan is made.

For the purpose of this section the members of a family living together in one household, if borrowed funds are to be used in the conduct of a common enterprise, shall be regarded as one person and the total liabilities of the members of the family shall be limited as herein provided. The endorser or guarantor of any obligation which is exempt from loaning limits according to the provisions of this section shall also be exempt from such loaning limits to the extent of the amount of liability on such obligations for the purposes of this section but shall be liable thereon. Individual extensions of credit which result in liabilities of individuals ~~or~~ corporations, or limited liability companies exceeding the limitations set forth in this section shall be construed to conform to the provisions of this subdivision upon reduction in an amount sufficient to reduce the total liability to not more than the legal amount, but until paid in full shall not exempt the officer or employee of the bank from being personally liable to the bank for the amount of the original excess portion of the loan as set forth in subdivision 8.

Sec. 2. Minnesota Statutes 1992, section 48.24, subdivision 7, is amended to read:

Subd. 7. Obligations of any person, copartnership, limited liability company, association or corporation in the form of notes or drafts secured by shipping documents or instruments transferring or securing title covering feeder livestock which is free from all other encumbrances, when the market value of the livestock securing the obligation at the time of the making of the loan is not less than 115 percentum of the face amount of the notes covered by such documents, shall be subject under this subdivision to a limitation of 20 percent of capital and surplus in addition to 20 percent of capital and surplus as included in provisions of subdivision 1. Feeder livestock loans as referred to in this subdivision is defined to include only obligations secured by liens or giving title to cattle, sheep, goats, hogs or poultry being fattened for market, but excluding dairy cattle, milk goats, poultry used for production of eggs, or barnyard or work animals.

Sec. 3. Minnesota Statutes 1992, section 48.24, subdivision 8, is amended to read:

Subd. 8. When a bank shall allow any individual, partnership, limited liability company, unincorporated association, or corporation, or any officer or director of the bank, to become indebted to it, directly or indirectly, in excess of the amount, exclusive of interest permitted by the laws of this state, the officer or employee of the bank willfully permitting or approving the loan shall be guilty of a gross misdemeanor and, in addition thereto, shall be personally liable to the bank for the amount of the loan in excess of the statutory limit.

Sec. 4. Minnesota Statutes 1992, section 51A.02, subdivision 43, is amended to read:

Subd. 43. [ORGANIZATION.] "Organization" means a corporation, government or governmental subdivision or agency, trust, estate, partnership, joint venture, cooperative, limited liability company, or association.

Sec. 5. Minnesota Statutes 1992, section 176.011, subdivision 10, is amended to read:

Subd. 10. [EMPLOYER.] "Employer" means any person who employs another to perform a service for hire; and includes corporation, partnership, limited liability company, association, group of persons, state, county, town, city, school district, or governmental subdivision.

Sec. 6. Minnesota Statutes 1992, section 176.041, subdivision 1a, is amended to read:

Subd. 1a. [ELECTION OF COVERAGE.] The persons, partnerships, limited liability companies, and corporations described in this subdivision may elect to provide the insurance coverage required by this chapter.

(a) An owner or owners of a business or farm may elect coverage for themselves.

(b) A partnership owning a business or farm may elect coverage for any partner.

(c) A family farm corporation as defined in section 500.24, subdivision 2, clause (c), may elect coverage for any executive officer.

(d) A closely held corporation which had less than 22,880 hours of payroll in the previous calendar year may elect coverage for any executive officer if that executive officer is also an owner of at least 25 percent of the stock of the corporation.

(e) A person, partnership, limited liability company, or corporation hiring an independent contractor, as defined by rules adopted by the commissioner, may elect to provide coverage for that independent contractor.

A person, partnership, limited liability company, or corporation may charge the independent contractor a fee for providing the coverage only if the independent contractor (1) elects in writing to be covered, (2) is issued an endorsement setting forth the terms of the coverage, the name of the independent contractors, and the fee and how it is calculated.

The persons, partnerships, and corporations described in this subdivision may also elect coverage for an employee who is a spouse, parent, or child, regardless of age, of an owner, partner, or executive officer, who is eligible for coverage under this subdivision. Coverage may be elected for a spouse, parent, or child whether or not coverage is elected for the related owner, partner, or executive director and whether or not the person, partnership, or corporation employs any other person to perform a service for hire. Any person for whom coverage is elected pursuant to this subdivision shall be included within the meaning of the term employee for the purposes of this chapter.

Notice of election of coverage or of termination of election under this subdivision shall be provided in writing to the insurer. Coverage or termination of coverage is effective the day following receipt of notice by the insurer or at a subsequent date if so indicated in the notice. The insurance policy shall be endorsed to indicate the names of those persons for whom coverage has been elected or terminated under this subdivision. An election of coverage under this subdivision shall continue in effect as long as a policy or renewal policy of the same insurer is in effect.

Nothing in this subdivision shall be construed to limit the responsibilities of owners, partnerships, limited liability companies, or corporations to provide coverage for their employees, if any, as required under this chapter.

Sec. 7. Minnesota Statutes 1992, section 268.04, subdivision 9, is amended to read:

Subd. 9. [EMPLOYING UNIT.] "Employing unit" means any individual or type of organization, including any partnership, limited liability company, association, trust, estate, joint-stock company, insurance company, or corporation, whether domestic or foreign, or the receiver, trustee in bankruptcy, trustee or successor of any of the foregoing, or the legal representative of a deceased person, which has or subsequent to January 1, 1936, had in its employ one or more individuals performing services for it. All individuals performing services within this state for any employing unit which maintains two or more separate establishments within this state shall be deemed to be employed by a single employing unit. Each individual employed to perform or assist in performing the work of any agent or individual employed by an employing unit shall be deemed to be employed by such employing unit whether such individual was hired or paid directly by such employing unit or by such agent or individual, provided the employing unit had actual or constructive knowledge of such work. Any private or nonprofit organization or government agency providing or authorizing the hiring of homeworkers, personal care attendants, or other individuals performing similar services in the private home of an individual is the employing unit of the homemaker, attendant or similar worker whether the agency pays the employee directly or provides funds to the recipient of the services to pay for the services.



Sec. 8. Minnesota Statutes 1992, section 268.161, subdivision 9, is amended to read:

Subd. 9. [PERSONAL LIABILITY.] Any officer, director, or any employee having 20 percent ownership interest of a corporation which is an employer under sections 268.03 to 268.231, and any manager, governor, or member of a limited liability company having 20 percent ownership interest of a limited liability company which is an employer under sections 268.03 to 268.231, who

(1) has control of or supervision over the filing of and responsibility for filing contribution reports or of making payment of contributions under these sections, and ~~who~~

(2) willfully fails to file the reports or to make payments as required, shall be personally liable for contributions or reimbursement, including interest, penalties, and costs in the event the corporation does not pay to the department those amounts for which the employer is liable.

Any personal representative of the estate of a decedent or fiduciary who voluntarily distributes the assets filed therein without reserving a sufficient amount to pay the contributions, interest, and penalties due pursuant to this chapter shall be personally liable for the deficiency.

The personal liability of any person as provided herein shall survive dissolution, reorganization, bankruptcy, receivership, or assignment for the benefit of creditors. For the purposes of this subdivision, all wages paid by the corporation shall be considered earned from the person determined to be personally liable.

An official designated by the commissioner shall make an initial determination as to the personal liability under this section. The determination shall be final unless the person found to be personally liable shall within 30 days after mailing of notice of determination to the person's last known address file a written appeal. Proceedings on the appeal shall be conducted in the same manner as an appeal from a determination of employer liability under section 268.12, subdivision 13.

Sec. 9. Minnesota Statutes 1992, section 290.92, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] (1) [WAGES.] For purposes of this section, the term "wages" means the same as that term is defined in section 3401(a) and (f) of the Internal Revenue Code of 1986, as amended through December 31, 1991, except wages shall not include agricultural labor as defined in section 3121(g) of the Internal Revenue Code of 1986, as amended through December 31, 1991.

(2) [PAYROLL PERIOD.] For purposes of this section the term "payroll period" means a period for which a payment of wages is ordinarily made to the employee by the employee's employer, and the term "miscellaneous payroll period" means a payroll period other than a daily, weekly, biweekly, semimonthly, monthly, quarterly, semiannual, or annual payroll period.

(3) [EMPLOYEE.] For purposes of this section the term "employee" means any resident individual performing services for an employer, either within or without, or both within and without the state of Minnesota, and every nonresident individual performing services within the state of Minnesota, the performance of which services constitute, establish, and determine the relationship between the parties as that of employer and employee. As used in the preceding sentence, the term "employee" includes an officer of a corporation, and an officer, employee, or elected official of the United States, a state, or any political subdivision thereof, or the District of Columbia, or any agency or instrumentality of any one or more of the foregoing.

(4) [EMPLOYER.] For purposes of this section the term "employer" means any person, including individuals, fiduciaries, estates, trusts, partnerships, limited liability companies, and corporations transacting business in or deriving any income from sources within the state of Minnesota for whom an individual performs or performed any service, of whatever nature, as the employee of such person, except that if the person for whom the individual performs or performed the services does not have legal control of the payment of the wages for such services, the term "employer," except for purposes of paragraph (1), means the person having legal control of the payment of such wages. As used in the preceding sentence, the term "employer" includes any corporation, individual, estate, trust, or organization which is exempt from taxation under section 290.05 and further includes, but is not limited to, officers of corporations who have legal control, either individually or jointly with another or others, of the payment of the wages.

(5) [NUMBER OF WITHHOLDING EXEMPTIONS CLAIMED.] For purposes of this section, the term "number of withholding exemptions claimed" means the number of withholding exemptions claimed in a withholding exemption certificate in effect under subdivision 5, except that if no such certificate is in effect, the number of withholding exemptions claimed shall be considered to be zero.

Sec. 10. Minnesota Statutes 1992, section 297A.01, subdivision 2, is amended to read:

Subd. 2. "Person" includes any individual, partner, officer, director, firm, partnership, joint venture, limited liability company, association, cooperative, social club, fraternal organization, municipal or private corporation whether organized for profit or not, estate, trusts, business trusts, receiver, trustee, syndicate, the United States, the state of Minnesota, any political subdivision of Minnesota, or any other group or combination acting as a unit, and the plural as well as the singular number. As used in the preceding sentence, the term "person" includes, but is not limited to, directors and officers of corporations, governors and managers of a limited liability company, or members of partnerships who, either individually or jointly with others, have the control, supervision or responsibility of filing returns and making payment of the amount of tax imposed by this chapter. "Person" shall also include any agent or consignee of any individual or organization enumerated in this subdivision.

Sec. 11. Minnesota Statutes 1992, section 302A.011, subdivision 25, is amended to read:

Subd. 25. [~~RELATED CORPORATION~~ ORGANIZATION.] "Related ~~corporation~~ organization" of a specified corporation means:

- (1) a parent or subsidiary of the specified corporation ~~or~~;
- (2) another subsidiary of a parent of the specified corporation;
- (3) a limited liability company owning, directly or indirectly, more than 50 percent of the voting power of the shares entitled to vote for directors of the specified corporation;
- (4) a limited liability company having more than 50 percent of the voting power of its membership interests entitled to vote for governors owned directly or indirectly by the specified corporation;
- (5) a limited liability company having more than 50 percent of the voting power of its membership interests entitled to vote for governors owned directly or indirectly either (i) by a parent of the specified corporation or (ii) a limited liability company owning, directly or indirectly, more than 50 percent of the voting power of the shares entitled to vote for directors of the specified corporation; or
- (6) a corporation having more than 50 percent of the voting power of its shares entitled to vote for director owned directly or indirectly by a limited liability company owning, directly or indirectly, more than 50 percent of the voting power of the shares entitled to vote for directors of the specified corporation.

Sec. 12. Minnesota Statutes 1992, section 302A.161, subdivision 12, is amended to read:

Subd. 12. [PENSIONS; BENEFITS.] A corporation may pay pensions, retirement allowances, and compensation for past services to and for the benefit of, and establish, maintain, continue, and carry out, wholly or partially at the expense of the corporation, employee or incentive benefit plans, trusts, and provisions to or for the benefit of, any or all of its and its related ~~corporations'~~ organizations' officers, managers, directors, governors, employees, and agents and, in the case of a related organization that is a limited liability company, members who provide services to the limited liability company, and the families, dependents, and beneficiaries of any of them. It may indemnify and purchase and maintain insurance for and on behalf of a fiduciary of any of these employee benefit and incentive plans, trusts, and provisions.

Sec. 13. Minnesota Statutes 1992, section 302A.501, subdivision 1, is amended to read:

Subdivision 1. [PREREQUISITES.] A corporation may lend money to, guarantee an obligation of, become a surety for, or otherwise financially assist a person, if the transaction, or a class of transactions to which the transaction belongs, is approved by the affirmative vote of a majority of the directors present and:

- (a) Is in the usual and regular course of business of the corporation;

(b) Is with, or for the benefit of, a related ~~corporation~~ organization, an organization in which the corporation has a financial interest, an organization with which the corporation has a business relationship, or an organization to which the corporation has the power to make donations;

(c) Is with, or for the benefit of, an officer or other employee of the corporation or a subsidiary, including an officer or employee who is a director of the corporation or a subsidiary, and may reasonably be expected, in the judgment of the board, to benefit the corporation; or

(d) Has been approved by (1) the holders of two-thirds of the voting power of the shares entitled to vote which are owned by persons other than the interested person or persons, or (2) the unanimous affirmative vote of the holders of all outstanding shares, whether or not entitled to vote.

Sec. 14. Minnesota Statutes 1992, section 302A.521, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] (a) For purposes of this section, the terms defined in this subdivision have the meanings given them.

(b) "Corporation" includes a domestic or foreign corporation that was the predecessor of the corporation referred to in this section in a merger or other transaction in which the predecessor's existence ceased upon consummation of the transaction.

(c) "Official capacity" means (1) with respect to a director, the position of director in a corporation, (2) with respect to a person other than a director, the elective or appointive office or position held by an officer, member of a committee of the board, or the employment relationship undertaken by an employee of the corporation, and (3) with respect to a director, officer, or employee of the corporation who, while a director, officer, or employee of the corporation, is or was serving at the request of the corporation or whose duties in that position involve or involved service as a director, officer, partner, trustee, employee, or agent of another organization or employee benefit plan, the position of that person as a director, officer, partner, trustee, employee, or agent, as the case may be, of the other organization or employee benefit plan.

(d) "Proceeding" means a threatened, pending, or completed civil, criminal, administrative, arbitration, or investigative proceeding, including a proceeding by or in the right of the corporation.

(e) "Special legal counsel" means counsel who has not represented the corporation or a related ~~corporation~~ organization, or a director, officer, member of a committee of the board, or employee, whose indemnification is in issue.

Sec. 15. Minnesota Statutes 1992, section 302A.551, subdivision 3, is amended to read:

Subd. 3. [EFFECT MEASURED.] (a) In the case of a distribution made by a corporation in connection with a purchase, redemption, or other acquisition of its shares, the effect of the distribution shall be measured as of the date on which money or other property is transferred, or indebtedness payable in installments or otherwise is incurred, by the corporation, or as of the date on which the shareholder ceases to be a shareholder of the corporation with respect to the shares, whichever is the earliest.

(b) The effect of any other distribution shall be measured as of the date of its authorization if payment occurs 120 days or less following the date of authorization, or as of the date of payment if payment occurs more than 120 days following the date of authorization.

(c) Indebtedness of a corporation incurred or issued in a distribution in accordance with this section to a shareholder who as a result of the transaction is no longer a shareholder is on a parity with the indebtedness of the corporation to its general unsecured creditors, except to the extent subordinated, agreed to, or secured by a pledge of any assets of the corporation or a related ~~corporation~~ organization, or subject to any other agreement between the corporation and the shareholder.

(d) Sections 302A.551 to 302A.559 supersede all other statutes of this state with respect to distributions, and the provisions of sections 513.41 to 513.51 do not apply to distributions made by a corporation governed by this chapter.

Sec. 16. Minnesota Statutes 1992, section 302A.673, subdivision 1, is amended to read:

Subdivision 1. [BUSINESS COMBINATION WITH INTERESTED SHAREHOLDER; APPROVAL BY DIRECTORS.]

(a) Notwithstanding anything to the contrary contained in this chapter (except the provisions of subdivision 3), an issuing public corporation may not engage in any business combination, or vote, consent, or otherwise act to authorize a subsidiary of the issuing public corporation to engage in any business combination, with, with respect to, proposed by or on behalf of, or pursuant to any written or oral agreement, arrangement, relationship, understanding, or otherwise with, any interested shareholder of the issuing public corporation or any affiliate or associate of the interested shareholder for a period of four years following the interested shareholder's share acquisition date unless the business combination or the acquisition of shares made by the interested shareholder on the interested shareholder's share acquisition date is approved before the interested shareholder's share acquisition date by a committee of the board of the issuing public corporation formed in accordance with paragraph (d).

(b) If a good faith definitive proposal regarding a business combination is made in writing to the board of the issuing public corporation, a committee of the board formed in accordance with paragraph (d) shall consider and take action on the proposal and respond in writing within 30 days after receipt of the proposal by the issuing public corporation, setting forth its decision regarding the proposal.

(c) If a good faith definitive proposal to acquire shares is made in writing to the board of the issuing public corporation, a committee of the board formed in accordance with paragraph (d), shall consider and take action on the proposal and respond in writing within 30 days after receipt of the proposal by the issuing public corporation, setting forth its decision regarding the proposal.

(d)(1) When a business combination or acquisition of shares is proposed pursuant to this subdivision, the board shall promptly form a committee composed of all of the board's disinterested directors. The committee shall take action on the proposal by the affirmative vote of a majority of committee members. No larger proportion or number of votes shall be required. Notwithstanding the provisions of section 302A.241, subdivision 1, the committee shall not be subject to any direction or control by the board with respect to the committee's consideration of, or any action concerning, a business combination or acquisition of shares pursuant to this section.

(2) A committee formed pursuant to this subdivision shall be composed of one or more members. Only disinterested directors may be members of a committee formed pursuant to this subdivision. However, if the board has no disinterested directors, the board shall select three or more disinterested persons to be committee members. Committee members are deemed to be directors for purposes of sections 302A.251, 302A.255, and 302A.521.

(3) For purposes of this subdivision, a director or person is "disinterested" if the director or person is neither an officer nor an employee, nor has been an officer or employee within five years preceding the formation of the committee pursuant to this section, of the issuing public corporation, or of a related corporation or organization.

Sec. 17. Minnesota Statutes 1992, section 319A.02, subdivision 7, is amended to read:

Subd. 7. "Corporation" as used in this chapter includes a limited liability company organized under chapter 322B and, with respect to a limited liability company, references in this chapter to articles of incorporation, bylaws, directors, officers, ~~directors~~, shareholders and shares of stock shall refer to articles of organization, operating agreement, governors, managers, members and membership interests, respectively.

Sec. 18. Minnesota Statutes 1992, section 322B.03, is amended by adding a subdivision to read:

Subd. 17a. [DOMESTIC CORPORATION.] "Domestic corporation" means a corporation, other than a foreign corporation, organized for profit and incorporated under or governed by chapter 302A.

Sec. 19. Minnesota Statutes 1992, section 322B.03, is amended by adding a subdivision to read:

Subd. 19a. [FOREIGN CORPORATION.] "Foreign corporation" means a corporation organized for profit that is incorporated under laws other than the laws of this state for a purpose or purposes for which a corporation may be incorporated under chapter 302A.

Sec. 20. Minnesota Statutes 1992, section 322B.03, is amended by adding a subdivision to read:

Subd. 36a. [PARENT.] "Parent" of a specified limited liability company means a limited liability company or a corporation that directly or indirectly owns more than 50 percent of the voting power of the membership interests entitled to vote for governors of the specified limited liability company.

Sec. 21. Minnesota Statutes 1992, section 322B.03, subdivision 41, is amended to read:

Subd. 41. [~~RELATED LIMITED LIABILITY COMPANY ORGANIZATION.~~] "~~Related limited liability company organization~~" of a specified limited liability company means a parent or subsidiary of the specified limited liability company or another subsidiary of a parent of the specified limited liability company.

Sec. 22. Minnesota Statutes 1992, section 322B.03, is amended by adding a subdivision to read:

Subd. 45a. [SUBSIDIARY.] "Subsidiary" of a specified limited liability company means a limited liability company or a corporation having more than 50 percent of the voting power of its membership interests entitled to vote for governors owned directly or indirectly by the specified limited liability company.

Sec. 23. Minnesota Statutes 1992, section 322B.115, subdivision 1, is amended to read:

Subdivision 1. [REQUIRED PROVISIONS.] The articles of organization must contain:

- (1) the name of the limited liability company;
- (2) the address of the registered office of the limited liability company and the name of its registered agent, if any, at that address;
- (3) the name and address of each organizer;
- (4) the limited period of existence for the limited liability company, which must be a period of 30 years or less from the date the articles of organization are filed with the secretary of state, unless the articles of organization expressly authorize a longer period of duration;
- (5) a statement as to whether upon the occurrence of any event under section 322B.80, subdivision 1, clause (5), that terminates the continued membership of a member in the limited liability company, the remaining members will have the power to avoid dissolution by giving dissolution avoidance consent; and
- (6) a statement as to whether the members have the power to enter into a business continuation agreement.

Sec. 24. Minnesota Statutes 1992, section 322B.115, subdivision 2, is amended to read:

Subd. 2. [STATUTORY PROVISIONS THAT MAY BE MODIFIED ONLY IN ARTICLES OF ORGANIZATION.] The following provisions govern a limited liability company unless modified in the articles of organization:

- (1) a limited liability company has general business purposes (section 322B.10);
- (2) a limited liability company has certain powers (section 322B.20);
- (3) the power to adopt, amend, or repeal the operating agreement is vested in the board of governors (section 322B.603);
- (4) a limited liability company must allow cumulative voting for governors (section 322B.63);
- (5) the affirmative vote of a majority of governors present is required for an action of the board of governors (section 322B.653);
- (6) a written action by the board of governors taken without a meeting must be signed by all governors (section 322B.656);
- (7) the board may accept contributions, make contribution agreements, and make contribution allowance agreements (sections 322B.40, subdivision 1; 322B.42; and 322B.43);
- (8) all membership interests are ordinary membership interests entitled to vote and are of one class with no series (section 322B.40, subdivision 5, clauses (1) and (2));
- (9) all membership interests have equal rights and preferences in all matters not otherwise provided for by the board of governors (section 322B.40, subdivision 5, clause (2));

(10) the restatement of value of previous contributions is to be determined according to a specified process (section 322B.41, subdivisions 3 and 4);

(11) a member has certain preemptive rights, unless otherwise provided by the board of governors (section 322B.33);

(12) the affirmative vote of the owners of a majority of the voting power of the membership interests present and entitled to vote at a duly held meeting is required for an action of the members, except where this chapter requires the affirmative vote of a majority of the voting power of all membership interests entitled to vote (section 322B.35, subdivision 1);

(13) the voting power of each membership interest is in proportion to the value reflected in the required records of the contributions of the members (section 322B.356);

(14) members share in distributions in proportion to the value reflected in the required records of the contributions of members (section 322B.50);

(15) members share profits and losses in proportion to the value reflected in the required records of the contributions of members (section 322B.326);

(16) a written action by the members taken without a meeting must be signed by all members (section 322B.35);

(17) members have no right to receive distributions in kind and the limited liability company has only limited rights to make distributions in kind (section 322B.52); ~~and~~

(18) a member is not subject to expulsion (section 322B.306, subdivision 2);

(19) unanimous consent is required for the transfer of governance rights to a person not already a member (section 322B.313, subdivision 2); and

(20) unanimous consent is required to avoid dissolution (section 322B.80, subdivision 1, clause (5)(B)).

Sec. 25. Minnesota Statutes 1992, section 322B.20, subdivision 5, is amended to read:

Subd. 5. [PROPERTY DISPOSITION.] A limited liability company may sell, convey, mortgage, create a security interest in, otherwise encumber, assign, lease, exchange, transfer, or otherwise dispose of all or any part of its real or personal property, or any interest in this property, wherever situated.

Sec. 26. Minnesota Statutes 1992, section 322B.20, subdivision 7, is amended to read:

Subd. 7. [CONTRACTS AND MORTGAGES.] A limited liability company may make contracts and incur liabilities, borrow money, and secure any of its obligations by mortgage of or creation of a security interest in or other encumbrance or assignment of all or any of its property, franchises, and income.

Sec. 27. Minnesota Statutes 1992, section 322B.20, subdivision 12, is amended to read:

Subd. 12. [PENSIONS AND BENEFITS.] A limited liability company may pay pensions, retirement allowances, and compensation for past services to and for the benefit of, and establish, maintain, continue, and carry out, wholly or partially at the expense of the limited liability company, employee or incentive benefit plans, trusts, and provisions to or for the benefit of, any or all of its and its related ~~limited liability companies'~~ organizations' officers, managers, directors, governors, employees, and agents and, in the case of a related organization that is a limited liability company, members who provide services to the limited liability company, and the families, dependents, and beneficiaries of any of them. It may indemnify and purchase and maintain insurance for and on behalf of a fiduciary of any of these employee benefit and incentive plans, trusts, and provisions.

Sec. 28. Minnesota Statutes 1992, section 322B.20, subdivision 14, is amended to read:

Subd. 14. [INSURANCE.] A limited liability company may provide for its benefit life insurance and other insurance with respect to the services of any or all of its members, managers, governors, employees, and agents, or on the life of a member for the purpose of acquiring at the death of the member any or all membership interests in the limited liability company owned by the member.

Sec. 29. Minnesota Statutes 1992, section 322B.20, subdivision 21, is amended to read:

Subd. 21. [ADVANCES.] A limited liability company may make advances to members who provide services to the limited liability company, its governors, managers, and employees and those of its subsidiaries as provided in section 322B.696.

Sec. 30. Minnesota Statutes 1992, section 322B.30, subdivision 2, is amended to read:

Subd. 2. [STATEMENT OF MEMBERSHIP INTEREST.] At the request of any member, the limited liability company shall state in writing the particular membership interest owned by that member as of the moment the limited liability company makes the statement. The statement must describe the member's rights to vote, to share in profits and losses, and to share in distributions, restrictions on assignments of financial rights under section 322B.31, subdivision 3, or governance rights under section 322B.313, subdivision 6, then in effect, as well as any assignment of the member's rights then in effect other than a security interest. The statement is not a certificated security as defined in section 336.8-102(1)(a), is not a negotiable instrument, and may not serve as a vehicle by which a transfer of any membership interest may be effected.

Sec. 31. Minnesota Statutes 1992, section 322B.30, subdivision 3, is amended to read:

Subd. 3. [GRANT OF A SECURITY INTEREST.] Notwithstanding any law to the contrary, for the purpose of any law relating to security interests, a membership interest, governance rights, and financial rights are each a general intangible, as defined in section 336.9-106, and not a certificated security as defined in section 336.8-102(1)(a) and not an uncertificated security as defined in section 336.8-102(1)(b) and not chattel paper as defined in section 336.9-105(1)(b) and not an instrument as defined in section 336.9-105(1)(i) and not an account as defined in section 336.9-106.

Sec. 32. Minnesota Statutes 1992, section 322B.306, subdivision 1, is amended to read:

Subdivision 1. [MEMBER'S POWER TO TERMINATE MEMBERSHIP.] A member always has the power, though not necessarily the right, to terminate its membership by resigning or retiring at any time. A member's resignation or retirement, whether rightful or wrongful, causes dissolution under section 322B.80, subdivision 1, clause (5), unless dissolution avoidance consent is obtained from the remaining members is avoided under that clause. A member has no power to transfer all or part of the member's membership interest, except as provided in sections 322B.31 and 322B.313.

Sec. 33. Minnesota Statutes 1992, section 322B.306, subdivision 3, is amended to read:

Subd. 3. [EFFECT OF TERMINATION OF MEMBERSHIP ON THE GOVERNANCE RIGHTS OF THE TERMINATED MEMBER.] If for any reason the continued membership of a member is terminated:

(1) if dissolution under section 322B.80, subdivision 1, clause (5), is avoided through dissolution avoidance consent under that clause, then the member whose membership has terminated loses all governance rights and will be considered merely an assignee of the financial rights owned before the termination of membership; and

(2) if dissolution under section 322B.80, subdivision 1, clause (5), is not avoided through dissolution avoidance consent under that clause, the member whose continued membership has terminated retains all governance rights and financial rights owned before the termination of the membership and may exercise those rights through the winding up and termination of the limited liability company.

Sec. 34. Minnesota Statutes 1992, section 322B.306, subdivision 4, is amended to read:

Subd. 4. [ADDITIONAL EFFECTS IF TERMINATION OF MEMBERSHIP IS WRONGFUL.] If a member resigns or retires in contravention of the articles of organization or a member control agreement then:

(1) if dissolution avoidance consent is obtained, the member who has wrongfully resigned or retired is liable to all the other members and to the limited liability company to the extent damaged by the wrongful resignation or retirement; and

(2) if dissolution avoidance consent is not obtained but the business of the limited liability company is continued under a business continuation agreement, then unless otherwise provided in the business continuation agreement:

(i) ~~the member who has wrongfully resigned or retired has the right as against the successor organization to have the value of the resigned or retired membership interest determined and paid in cash; but~~

(ii) ~~in ascertaining the value of the resigned or retired membership interest, the value of the goodwill of the business must not be considered, section 322B.873 applies.~~

Sec. 35. Minnesota Statutes 1992, section 322B.31, subdivision 3, is amended to read:

Subd. 3. [RESTRICTIONS OF ASSIGNMENT OF FINANCIAL RIGHTS.] (a) A restriction on the assignment of financial rights may be imposed in the articles, in the operating agreement, by a resolution adopted by the members, or by an agreement among or other written action by members or among them and the limited liability company. A restriction is not binding with respect to financial rights reflected in the required records before the adoption of the restriction, unless the owners of those financial rights are parties to the agreement or voted in favor of the restriction.

(b) Subject to paragraph (c), a written restriction on the assignment of financial rights that is not manifestly unreasonable under the circumstances and is noted conspicuously in the required records may be enforced against the owner of the restricted financial rights or a successor or transferee of the owner, including a pledgee or a legal representative. Unless noted conspicuously in the required records, a restriction, even though permitted by this section, is ineffective against a person without knowledge of the restriction.

(c) With regard to restrictions on the assignment of financial rights, a would-be assignee of financial rights is entitled to rely on a statement of membership interest issued by the limited liability company under section 322B.30. A restriction on the assignment of financial rights, which is otherwise valid and in effect at the time of the issuance of a statement of membership interest but which is not reflected in that statement, is ineffective against an assignee who takes an assignment in reliance on the statement.

(d) Notwithstanding any provision of law, articles of organization, member control agreement, operating agreement, other agreement, resolution, or action to the contrary, a security interest in a member's financial rights may be foreclosed and otherwise enforced, and a secured party may assign a member's financial rights in accordance with chapter 336, without the consent or approval of the member whose financial rights are subject to the security interest.

Sec. 36. Minnesota Statutes 1992, section 322B.313, is amended to read:

~~322B.313 [ASSIGNMENT OF A COMPLETE MEMBERSHIP INTEREST AND OF GOVERNANCE RIGHTS COUPLED WITH AN ASSIGNMENT OF FINANCIAL RIGHTS.]~~

~~Subdivision 1. [TRANSFER OF MEMBERSHIP INTERESTS GOVERNANCE RIGHTS RESTRICTED.] A member may assign the member's full membership interest only by assigning all of the member's governance rights coupled with a simultaneous assignment to the same assignee of all the member's financial rights. A member's governance rights are assignable, in whole or in part, only as provided in this section.~~

Subd. 2. [WHEN UNANIMOUS CONSENT REQUIRED.] Subject to subdivision 6, a member may, without the consent of any other member, assign governance rights, in whole or in part, to another person already a member at the time of the assignment. Any other assignment of any governance rights is effective only if all the members, other than the member seeking to make the assignment, approve the assignment by unanimous written consent, unless the articles of organization provide for written consent by fewer than all members. Subject to subdivision 6, a member may grant a security interest in a complete membership interest or governance rights without obtaining the consent required by this subdivision. However, a secured party may not take or assign ownership of governance rights without first obtaining the consent required by this subdivision. If a secured party has a security interest in both a member's financial rights and governance rights, including a security interest in a complete membership interest, this subdivision's requirement that the secured party obtain consent applies only to taking or assigning ownership of the governance rights and does not apply to taking or assigning ownership of the financial rights.

Subd. 3. [EFFECT ON MEMBERSHIP.] When an assignment of governance rights ~~coupled with financial rights~~ is effective under subdivision 2:

(1) if the assignment is not a security interest, the assignee becomes a member, if not already a member; and

(2) if the assignor does not retain any governance rights, the assignor ceases to be a member, and the unanimous written consent required under subdivision 2, clause (2), also constitutes the dissolution avoidance consent necessary to avoid dissolution that would otherwise ensue under section 322B.80, subdivision 1, clause (5), on account of the assignor ceasing to be a member if the consent required to avoid dissolution is not greater than the consent required under subdivision 2.



Subd. 4. [EFFECT ON LIABILITY FOR CONTRIBUTIONS AND ILLEGAL DISTRIBUTIONS.] When an assignment other than a security interest is effective under subdivision 2, unless the written consent under subdivision 2 otherwise provides:

(1) the assignee is liable for any in proportion to the interest assigned for the obligations of the assignor under sections 322B.40 (including liability for unperformed promises that have been reflected as contributions in the required records) and 322B.55 existing at the time of transfer, except to the extent that, at the time the assignee became a member, the liability was unknown to the assignee, and could not be ascertained from the required records; and

(2) the assignor is not released from liability to the limited liability company for obligations of the assignor existing at the time of transfer under sections 322B.40 and 322B.55.

Subd. 5. [CONSEQUENCES OF INEFFECTIVE ASSIGNMENT.] If any purported or attempted assignment of governance rights is ineffective for failure to obtain the consent required in subdivision 2:

(1) the purported or attempted assignment is ineffective in its entirety; and

(2) any assignment of financial rights that accompanied the purported or attempted assignment of governance rights is void.

Subd. 6. [RESTRICTIONS ON ASSIGNMENT OF GOVERNANCE RIGHTS.] Restrictions on the transfer of governance rights may be imposed following the same procedures and under the same conditions as stated in section 322B.31, subdivision 3, for restricting the transfer of financial rights.

Subd. 7. [FORECLOSURE OF SECURITY INTEREST.] Notwithstanding any provision of law, articles of organization, member control agreement, operating agreement, other agreement, resolution, or action to the contrary, a security interest in a member's full membership interest or governance rights may be foreclosed and otherwise enforced, and a secured party may assign a member's complete membership interest or governance rights in accordance with chapter 336, all without the consent or approval of the member whose full membership interest or governance rights are the subject of the security interest.

Sec. 37. Minnesota Statutes 1992, section 322B.316, is amended to read:

322B.316 [EFFECTIVE DATE OF ASSIGNMENTS.]

Any permissible and otherwise valid assignment of financial rights under section 322B.31 and or of governance rights coupled with financial rights or a complete membership interest under section 322B.313 will be effective as to and binding on the limited liability company only when the assignee's name, address, and the nature and extent of the assignment are reflected in the required records of the limited liability company, except that a permissible and otherwise valid security interest in a complete membership interest, financial rights, or governance rights will be effective as to and binding on the limited liability company as provided in chapter 336 whether or not the information about the secured party or the permissible and otherwise valid security interest is reflected in the required records of the limited liability company.

Sec. 38. Minnesota Statutes 1992, section 322B.323, subdivision 2, is amended to read:

Subd. 2. [WHEN MEMBERSHIP IS TERMINATED.] If an event referred to in subdivision 1 causes the termination of a member's membership interest and ~~the remaining members give dissolution avoidance consent~~ is avoided under section 322B.80, subdivision 1, clause (5), then:

(1) as provided in section 322B.306, subdivision 3, the terminated member's interest will be considered to be merely that of an assignee of the financial rights owned before the termination of membership; and

(2) the rights to be exercised by the legal representative of the terminated member will be limited accordingly.

Sec. 39. Minnesota Statutes 1992, section 322B.373, subdivision 1, is amended to read:

Subdivision 1. [REQUIRED RECORDS.] A limited liability company shall keep at its principal executive office, or at another place or places within the United States determined by the board of governors:

(1) a current list of the full name and last-known business, residence, or mailing address of each member, governor, and chief manager;

(2) a current list of the full name and last-known business, residence, or mailing address of each assignee of financial rights other than a secured party, and a description of the rights assigned;

(3) a copy of the articles of organization and all amendments to the articles;

(4) copies of any currently effective written operating agreement;

(5) copies of the limited liability company's federal, state, and local income tax returns and reports, if any, for the three most recent years;

(6) financial statements required by section 322B.376;

(7) records of all proceedings of members for the last three years;

(8) records of all proceedings of the board of governors for the last three years;

(9) reports made to members generally within the last three years;

(10) member control agreements described in section 322B.37;

(11) a statement of all contributions accepted under section 322B.40, subdivision 3, including for each contribution:

(i) the identity of the member to whom the contribution relates;

(ii) the class or series to which the contribution pertains;

(iii) the amount of cash accepted by the limited liability company or promised to be paid to the limited liability company;

(iv) a description of any services rendered to or for the benefit of the limited liability company or promised to be rendered to or for the benefit of the limited liability company; and

(v) the value accorded under section 322B.40, subdivision 4 to:

(A) any other property transferred or promised to be transferred to the limited liability company; and

(B) any services rendered to or for the benefit of the limited liability company or promised to be rendered to or for the benefit of the limited liability company;

(12) a statement of all contribution agreements made under section 322B.42, including for each contribution agreement:

(i) the identity of the would-be contributor;

(ii) the class or series to which the future contribution pertains; and

(iii) as to each future contribution to be made, the same information as subdivision 1, clause (11) requires for contributions already accepted;

(13) a statement of all contribution allowance agreements made under section 322B.43, including for each contribution allowance agreement:

(i) the identity of the would-be contributor;

(ii) the class or series to which the future contribution would pertain; and

(iii) as to each future contribution allowed to be made, the same information as subdivision 1, clause (11) requires for contributions already accepted;

(14) an explanation of any restatement of value made under section 322B.41;

(15) any written consents obtained from members under this chapter;

(16) a copy of agreements, contracts, or other arrangements or portions of them incorporated by reference under section 322B.40, subdivision 6.

Sec. 40. Minnesota Statutes 1992, section 322B.54, subdivision 3, is amended to read:

Subd. 3. [EFFECT MEASURED.] (a) In the case of a distribution made by a limited liability company in connection with a redemption of its membership interests, the effect of the distribution must be measured as of the date on which money or other property is transferred, or indebtedness payable in installments or otherwise is incurred, by the limited liability company, or as of the date on which the member ceases to be a member of the limited liability company, whichever is the earliest.

(b) The effect of any other distribution must be measured as of the date of its authorization if payment occurs 120 days or less following the date of authorization, or as of the date of payment if payment occurs more than 120 days following the date of authorization.

(c) Indebtedness of a limited liability company incurred or issued in a distribution in accordance with this section to a member who as a result of the transaction is no longer a member is on a parity with the indebtedness of the limited liability company to its general unsecured creditors, except to the extent subordinated, agreed to, or secured by a pledge of any assets of the limited liability company or a related ~~limited liability company~~ organization, or subject to any other agreement between the limited liability company and the member.

(d) Sections 322B.54 to 322B.56 supersede all other statutes of this state with respect to distributions, and the provisions of sections 513.41 to 513.51 do not apply to distributions made by a limited liability company governed by this chapter.

Sec. 41. Minnesota Statutes 1992, section 322B.693, subdivision 1, is amended to read:

Subdivision 1. [PREREQUISITES.] A limited liability company may lend money to, guarantee an obligation of, become a surety for, or otherwise financially assist a person, if the transaction, or a class of transactions to which the transaction belongs, is approved by the affirmative vote of a majority of the governors present and:

(1) is in the usual and regular course of business of the limited liability company;

(2) is with, or for the benefit of, a related ~~limited liability company~~ organization, an organization in which the limited liability company has a financial interest, an organization with which the limited liability company has a business relationship, or an organization to which the limited liability company has the power to make donations;

(3) is with, or for the benefit of, a member who provides services to the limited liability company, or a manager or other employee of the limited liability company or a subsidiary, including a member, manager or employee who is a governor of the limited liability company or a subsidiary, and may reasonably be expected, in the judgment of the board of governors, to benefit the limited liability company; or

(4) has been approved by the owners of two-thirds of the voting power of persons other than the interested person or persons, or the unanimous affirmative vote of all members, whether or not ordinarily entitled to vote.

Sec. 42. Minnesota Statutes 1992, section 322B.696, is amended to read:

322B.696 [ADVANCES.]

A limited liability company may, without a vote of the governors or its members, advance money to its members who provide services, governors, managers, or employees to cover expenses that can reasonably be anticipated to be incurred by them in the performance of their duties and for which they would be entitled to reimbursement in the absence of an advance.

Sec. 43. Minnesota Statutes 1992, section 322B.699, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] (a) For purposes of this section, the terms defined in this subdivision have the meanings given them.

(b) "Limited liability company" includes a domestic or foreign limited liability company that was the predecessor of the limited liability company referred to in this section in a merger or other transaction in which the predecessor's existence ceased upon consummation of the transaction.

(c) "Official capacity" means (1) with respect to a governor, the position of governor in a limited liability company, (2) with respect to a person other than a governor, the elective or appointive office or position held by a manager, member of a committee of the board of governors, or the employment relationship undertaken by an employee of the limited liability company, or the scope of the services provided by members of the limited liability company who provide services to the limited liability company, and (3) with respect to a governor, manager, member, or employee of the limited liability company who, while a member, governor, manager, or employee of the limited liability company, is or was serving at the request of the limited liability company or whose duties in that position involve or involved service as a governor, director, manager, officer, member, partner, trustee, employee, or agent of another organization or employee benefit plan, the position of that person as a governor, director, manager, officer, member, partner, trustee, employee, or agent, as the case may be, of the other organization or employee benefit plan.

(d) "Proceeding" means a threatened, pending, or completed civil, criminal, administrative, arbitration, or investigative proceeding, including a proceeding by or in the right of the limited liability company.

(e) "Special legal counsel" means counsel who has not represented the limited liability company or a related ~~limited liability company~~ organization, or a governor, manager, member of a committee of the board of governors, or employee, whose indemnification is in issue.

Sec. 44. Minnesota Statutes 1992, section 322B.77, subdivision 1, is amended to read:

Subdivision 1. [MEMBER APPROVAL AND WHEN NOT REQUIRED.] A limited liability company, by affirmative vote of a majority of the governors present, may sell, lease, transfer, or otherwise dispose of all or substantially all of its property and assets in the usual and regular course of its business and grant a mortgage of or security interest in and otherwise encumber and assign for purposes of security all or substantially all of its property and assets whether or not in the usual and regular course of its business, upon those terms and conditions and for those considerations, which may be money, securities, or other instruments for the payment of money or other property, as the board of governors considers expedient, in which case no member approval is required.

Sec. 45. Minnesota Statutes 1992, section 322B.77, subdivision 3, is amended to read:

Subd. 3. [SIGNING OF DOCUMENTS.] Confirmatory deeds, assignments, or similar instruments to evidence a sale, lease, transfer, or other disposition may be signed and delivered at any time in the name of the transferor by its current managers or authorized agents or, if the limited liability company no longer exists, by its last managers.

Sec. 46. Minnesota Statutes 1992, section 322B.80, subdivision 1, is amended to read:

Subdivision 1. [DISSOLUTION EVENTS.] A limited liability company dissolves upon the occurrence of any of the following events:

- (1) when the period fixed in the articles of organization for the duration of the limited liability company expires;
- (2) by order of a court pursuant to sections 322B.833 and 322B.843;
- (3) by action of the organizers pursuant to section 322B.803;
- (4) by action of the members pursuant to section 322B.806; or
- (5) upon the occurrence of an event that terminates the continued membership of a member in the limited liability company, including:
  - (i) death of any member;

- (ii) retirement of any member;
- (iii) resignation of any member;
- (iv) redemption of a member's complete membership interest;
- (v) assignment of a member's governance rights under section 322B.313 which leaves the assignor with no governance rights;
- (vi) a buy-out of a member's membership interest under section 322B.833 that leaves that member with no governance rights;
- (vii) expulsion of any member;
- (viii) bankruptcy of any member;
- (ix) dissolution of any member;
- (x) a merger in which the limited liability company is not the surviving organization;
- (xi) an exchange in which the limited liability company is not the acquiring organization; or
- (xii) the occurrence of any other event that terminates the continued membership of a member in the limited liability company,

but the limited liability company is not dissolved and is not required to be wound up by reason of any event that terminates the continued membership of a member if (A) either there are at least two remaining members or a new member is admitted as provided in section 322B.11, and (B) the existence and business of the limited liability company is continued either by the consent of all the remaining members under a right to ~~do so~~ consent stated in the articles of organization and the consent is obtained no later than 90 days after the termination of the continued membership or under a separate right to continue stated in the articles of organization.

Sec. 47. Minnesota Statutes 1992, section 322B.80, is amended by adding a subdivision to read:

Subd. 3. [SECURITY INTERESTS.] Notwithstanding any provision of law, articles of organization, member control agreement, operating agreement, other agreement, resolution, or action to the contrary, a limited liability company is not dissolved and is not required to be wound up upon the granting of a security interest in a member's membership interest, governance rights, or financial rights, or upon the foreclosure or other enforcement of a security interest in a member's financial rights, or upon the secured party's assignment, acceptance, or retention of a member's financial rights in accordance with chapter 336.

Sec. 48. Minnesota Statutes 1992, section 322B.873, is amended to read:

**322B.873 [DISPOSITION OF ASSETS UPON DISSOLUTION.]**

Subdivision 1. [DISPOSITION UPON LIQUIDATION.] Subject to subdivision 4, except when the business of a dissolved limited liability company is being continued under subdivision 2 or when the dissolved limited liability company is being wound up and terminated under section 322B.81, subdivision 3, the assets of the dissolved limited liability company must be disposed of to satisfying liabilities according to the following priorities:

(1) to creditors, including members who are creditors, to the extent otherwise permitted by law, in satisfaction of liabilities of the limited liability company other than liabilities for interim distributions to members under section 322B.51 or termination distributions under section 322B.50;

(2) unless otherwise provided in the articles of organization, to members and former members of the limited liability company in satisfaction of liabilities for distributions under section 322B.50 or 322B.51; and

(3) unless otherwise provided in the articles of organization, to members first for a return of their contributions, as restated from time to time under section 322B.41, and secondly respecting their membership interests in the proportions in which the members share in distributions.

~~A limited liability company may offset any amount due a member under this subdivision by any amount owed to the limited liability company by the member and by the amount of damages, if any, suffered by the limited liability company as a result of that member's breach of a member control agreement.~~

Subd. 2. [DISPOSITION UNDER A BUSINESS CONTINUATION AGREEMENT.] If a business continuation agreement exists, then after dissolution the board of governors shall resolve to implement the business continuation agreement and the assets of the dissolved limited liability company shall be disposed of according to that agreement, except:

(1) members and former members shall have dissenters' rights as provided in sections 322B.383 and 322B.386, but:

(i) no dissenters' rights shall exist if the business of the dissolved limited liability company is being continued pursuant to a business continuation agreement made after the dissolution, and

(ii) any dissenters' rights that do exist are limited by ~~subdivision~~ subdivisions 3 and 4; and

(2) if the business of the dissolved limited liability company is being continued, but not through a merger under section 322B.81, subdivision 3, the dissolved limited liability company shall comply with either section 322B.816 or 322B.82.

Subd. 3. [LIMITATIONS ON DISSENTERS' RIGHTS.] If a person has agreed in a business continuation agreement to waive dissenters' rights and nonetheless asserts dissenters' rights under subdivision 2:

(1) those rights must be honored; but

(2) unless the business continuation agreement provides otherwise, including providing for installment payments:

(i) in determining the fair value of the membership interest, the value of the good will of the business of the dissolved limited liability company must not be considered; and

(ii) the payment due the dissenter is subject to an offset equal to:

(A) any amount owed to the limited liability company by the member;

(B) the amount of damages, if any, suffered by the limited liability company as a result of the dissenter's breach of the business continuation agreement; and

(C) the amount of other damages, if any, suffered by the limited liability company as a result of any breach by the dissenter of any other member control agreement or part of a member control agreement provided for in subdivision 4.

Subd. 4. [DAMAGES AND OFFSETS FOR WRONGFUL DISSOCIATION AND BREACH OF A MEMBER CONTROL AGREEMENT.] A member who wrongfully resigns or retires is liable to the limited liability company for any damages caused by the member's wrongful resignation or retirement. Any member who breaches a member control agreement is liable to the limited liability company for any damages caused by the breach. Any payment due a member under this section, including payments to dissenters due to winding up merger under section 322B.81, subdivision 3, is subject to offset these damages.

Sec. 49. [322B.901] [FOREIGN LIMITED LIABILITY PARTNERSHIPS CONSIDERED FOREIGN LIMITED LIABILITY COMPANIES.]

For the purposes of sections 322B.90 to 322B.955, the term "foreign limited liability company" includes a foreign limited liability partnership organized for profit that is organized under laws other than the laws of this state for a purpose or purposes for which a limited liability company may be organized under this chapter or for which a professional limited liability company may be organized under chapter 319A.

Sec. 50. Minnesota Statutes 1992, section 322B.91, subdivision 1, is amended to read:

Subdivision 1. [APPLICATION INFORMATION.] Before transacting business in this state, a foreign limited liability company shall obtain a certificate of authority. An applicant for the certificate shall file with the secretary of state a certificate of status from the filing office in the jurisdiction in which the foreign limited liability company is organized and an application executed by an authorized person and setting forth:

(1) the name of the foreign limited liability company and, if different, the name under which it proposes to transact business in this state;

(2) the jurisdiction of its organization;

(3) the name and business address of the proposed registered agent in this state, which agent shall be an individual resident of this state, a domestic corporation, or a foreign corporation having a place of business in, and authorized to do business in, this state; ~~and~~

(4) the address of the office required to be maintained in the jurisdiction of its organization by the laws of that jurisdiction or, if not so required, of the principal place of business of the foreign limited liability company; and

(5) the date the foreign limited liability company expires in the jurisdiction of its organization.

Sec. 51. Minnesota Statutes 1992, section 322B.92, is amended to read:

322B.92 [AMENDMENTS TO THE CERTIFICATE OF AUTHORITY.]

If any statement in the application for a certificate of authority by a foreign limited liability company was false when made or any arrangements or other facts described have changed, making the application inaccurate in any respect, ~~including but not limited to a change in the name or address of the registered agent required to be maintained by section 322B.925, the foreign limited liability company shall promptly file with the secretary of state an amendment to the certificate of authority, executed by an authorized person correcting the statement;~~

(1) in the case of a change in its name, a termination or a merger, a certificate to that effect authenticated by the proper officer of the state or country under the laws of which the foreign limited liability company is organized; or

(2) in the case of a change in the name or address of the registered agent required to be maintained by section 322B.925, an amendment to the certificate of authority signed by an authorized person.

Sec. 52. Minnesota Statutes 1992, section 322B.93, is amended to read:

322B.93 [CERTIFICATE OF WITHDRAWAL.]

A foreign limited liability company authorized to transact business in this state may withdraw from this state upon procuring from the secretary of state a certificate of withdrawal. In order to procure the certificate, the foreign limited liability company shall file with the secretary of state an application for withdrawal, which must set forth:

(1) the name of the limited liability company and the state or country under the laws of which it is organized;

(2) that the limited liability company is not transacting business in this state;

(3) that the limited liability company surrenders its authority to transact business in this state;

(4) that the limited liability company revokes the authority of its registered agent in this state to accept service of process and consents to that service of process in any action, suit, or proceeding based upon any cause of action arising in this state during the time the limited liability company was authorized to transact business in this state may be made on the limited liability company by service upon the secretary of state; and

(5) a post office address to which a person may mail a copy of any process against the limited liability company.

The filing with the secretary of state of a certificate of termination or a certificate of merger if the limited liability company is not the surviving organization from the proper officer of the state or country under the laws of which the limited liability company is organized constitutes a valid application of withdrawal and the authority of the limited liability company to transact business in this state shall cease upon filing of the certificate.

Sec. 53. Minnesota Statutes 1992, section 322B.935, subdivision 2, is amended to read:

Subd. 2. [REVOCATION NOTICE.] No certificate of authority of a foreign limited liability company shall be revoked by the secretary of state unless:

(1) the secretary has given the foreign limited liability company not less than 60 days' notice by mail addressed to its registered office in this state or, if the foreign limited liability company fails to appoint and maintain a registered agent in this state, addressed to the office ~~required to be maintained pursuant to section 322B.13~~ address in the jurisdiction of organization; and

(2) during the 60-day period, the foreign limited liability company has failed to file the report of change regarding the registered agent, to file any amendment, or to correct the misrepresentation.

Sec. 54. Minnesota Statutes 1992, section 322B.935, subdivision 3, is amended to read:

Subd. 3. [EFFECTIVE DATE.] Upon the expiration of 60 days after the mailing of the notice, the authority of the foreign limited liability company to transact business in this state ceases. The secretary of state shall issue a certificate of revocation and shall mail the certificate to the address of the principal executive place of business or the office required to be maintained in the jurisdiction of organization of the foreign limited liability company.

Sec. 55. Minnesota Statutes 1992, section 334.021, is amended to read:

334.021 [CORPORATION PROHIBITED FROM INTERPOSING DEFENSE OF USURY.]

No corporation shall hereafter interpose the defense of usury in any action. The term "corporation," as used in this section, includes any cooperative corporation, cooperative association, limited liability company, or limited partnership, and further includes any association or joint stock company having any of the powers and privileges of corporations not possessed by an individual or a partnership.

Sec. 56. [EFFECTIVE DATE.]

Sections 1 to 55 are effective retroactive to January 1, 1993."

Delete the title and insert:

"A bill for an act relating to limited liability companies; clarifying the application of financial institution, workers' compensation, unemployment compensation, taxation, and usury laws; modifying certain powers of, and rules applicable to, limited liability companies and their members and affiliates; amending Minnesota Statutes 1992, sections 48.24, subdivisions 1, 7, and 8; 51A.02, subdivision 43; 176.011, subdivision 10; 176.041, subdivision 1a; 268.04, subdivision 9; 268.161, subdivision 9; 290.92, subdivision 1; 297A.01, subdivision 2; 302A.011, subdivision 25; 302A.161, subdivision 12; 302A.501, subdivision 1; 302A.521, subdivision 1; 302A.551, subdivision 3; 302A.673, subdivision 1; 319A.02, subdivision 7; 322B.03, subdivision 41, and by adding subdivisions; 322B.115, subdivisions 1 and 2; 322B.20, subdivisions 5, 7, 12, 14, and 21; 322B.30, subdivisions 2 and 3; 322B.306, subdivisions 1, 3, and 4; 322B.31, subdivision 3; 322B.313; 322B.316; 322B.323, subdivision 2; 322B.373, subdivision 1; 322B.54, subdivision 3; 322B.693, subdivision 1; 322B.696; 322B.699, subdivision 1; 322B.77, subdivisions 1 and 3; 322B.80, subdivision 1, and by adding a subdivision; 322B.873; 322B.91, subdivision 1; 322B.92; 322B.93; 322B.935, subdivisions 2 and 3; and 334.021; proposing coding for new law in Minnesota Statutes, chapter 322B."

The motion prevailed and the amendment was adopted.

S. F. No. 181, A bill for an act relating to limited liability companies; clarifying the application of financial institution, workers' compensation, unemployment compensation, taxation, and usury laws; modifying certain powers of, and rules applicable to, limited liability companies and their members and affiliates; creating an agricultural limited liability companies task force; amending Minnesota Statutes 1992, sections 48.24, subdivisions 1, 7, and 8; 51A.02, subdivision 43; 176.011, subdivision 10; 176.041, subdivision 1a; 268.04, subdivision 9; 268.161, subdivision 9; 290.92, subdivision 1; 297A.01, subdivision 2; 302A.011, subdivision 25; 302A.161, subdivision 12; 302A.501, subdivision 1; 302A.521, subdivision 1; 302A.551, subdivision 3; 302A.673, subdivision 1; 319A.02, subdivision 7; 322B.03,



subdivision 41, and by adding subdivisions; 322B.115, subdivisions 1 and 2; 322B.20, subdivisions 5, 7, 12, 14, and 21; 322B.30, subdivisions 2 and 3; 322B.306, subdivisions 1, 3, and 4; 322B.31, subdivision 3; 322B.313; 322B.316; 322B.323, subdivision 2; 322B.373, subdivision 1; 322B.54, subdivision 3; 322B.693, subdivision 1; 322B.696; 322B.699, subdivision 1; 322B.77, subdivisions 1 and 3; 322B.80, subdivision 1, and by adding a subdivision; 322B.873; 322B.91, subdivision 1; 322B.92; 322B.93; 322B.935, subdivisions 2 and 3; and 334.021; proposing coding for new law in Minnesota Statutes, chapter 322B.

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 124 yeas and 0 nays as follows:

Those who voted in the affirmative were:

|              |            |               |          |           |            |            |
|--------------|------------|---------------|----------|-----------|------------|------------|
| Abrams       | Dauner     | Hasskamp      | Krinkie  | Neary     | Reding     | Trimble    |
| Anderson, I. | Davids     | Hausman       | Krueger  | Nelson    | Rest       | Tunheim    |
| Anderson, R. | Dawkins    | Holsten       | Leppik   | Ness      | Rhodes     | Van Dellen |
| Asch         | Dehler     | Hugoson       | Lieder   | Olson, E. | Rodosovich | Vellenga   |
| Battaglia    | Delmont    | Huntley       | Limmer   | Olson, M. | Rukavina   | Vickerman  |
| Bauerly      | Dempsey    | Jacobs        | Lindner  | Onnen     | Sarna      | Wagenius   |
| Beard        | Dorn       | Jaros         | Lourey   | Opatz     | Seagren    | Waltman    |
| Bergson      | Erhardt    | Jefferson     | Luther   | Orenstein | Sekhon     | Weaver     |
| Bertram      | Evans      | Jennings      | Lynch    | Orfield   | Simoneau   | Wejzman    |
| Bettermann   | Farrell    | Johnson, A.   | Macklin  | Osthoff   | Skoglund   | Welle      |
| Blatz        | Frerichs   | Johnson, V.   | Mahon    | Ostrom    | Solberg    | Wenzel     |
| Brown, C.    | Garcia     | Kahn          | McCollum | Ozment    | Sparby     | Winter     |
| Brown, K.    | Girard     | Kalis         | McGuire  | Pauly     | Stanis     | Wolf       |
| Carlson      | Goodno     | Kelso         | Milbert  | Pawlenty  | Steensma   | Worke      |
| Carruthers   | Greenfield | Kinkel        | Molnau   | Pelowski  | Sviggum    | Workman    |
| Clark        | Greiling   | Klinzing      | Morrison | Perlt     | Swenson    | Spk. Long  |
| Commers      | Gruenes    | Knickerbocker | Mosel    | Peterson  | Tomassoni  |            |
| Cooper       | Gutknecht  | Koppendraye   | Murphy   | Pugh      | Tompkins   |            |

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

S. F. No. 1199, A bill for an act relating to labor and employment; advisory councils; extending the expiration date of labor and employment related advisory councils; amending Minnesota Statutes 1992, sections 79.51, subdivision 4; 175.008; 178.02, subdivision 2; 182.656, subdivision 3; 268.363; and 326.41.

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 126 yeas and 1 nay as follows:

Those who voted in the affirmative were:

|              |            |            |               |          |           |            |
|--------------|------------|------------|---------------|----------|-----------|------------|
| Abrams       | Carruthers | Frerichs   | Jaros         | Lasley   | Morrison  | Ostrom     |
| Anderson, I. | Clark      | Garcia     | Jefferson     | Lieder   | Mosel     | Ozment     |
| Anderson, R. | Commers    | Girard     | Jennings      | Limmer   | Munger    | Pauly      |
| Battaglia    | Cooper     | Goodno     | Johnson, A.   | Lindner  | Murphy    | Pawlenty   |
| Bauerly      | Dauner     | Greenfield | Johnson, R.   | Lourey   | Neary     | Pelowski   |
| Beard        | Davids     | Greiling   | Johnson, V.   | Luther   | Nelson    | Perlt      |
| Bergson      | Dawkins    | Gruenes    | Kahn          | Lynch    | Ness      | Peterson   |
| Bertram      | Dehler     | Gutknecht  | Kalis         | Macklin  | Olson, E. | Pugh       |
| Bettermann   | Delmont    | Hasskamp   | Kelso         | Mahon    | Olson, M. | Reding     |
| Bishop       | Dempsey    | Hausman    | Kinkel        | Mariani  | Onnen     | Rest       |
| Blatz        | Dorn       | Holsten    | Klinzing      | McCollum | Opatz     | Rhodes     |
| Brown, C.    | Erhardt    | Hugoson    | Knickerbocker | McGuire  | Orenstein | Rodosovich |
| Brown, K.    | Evans      | Huntley    | Koppendraye   | Milbert  | Orfield   | Rukavina   |
| Carlson      | Farrell    | Jacobs     | Krueger       | Molnau   | Osthoff   | Sarna      |

|          |          |           |            |           |         |           |
|----------|----------|-----------|------------|-----------|---------|-----------|
| Seagren  | Solberg  | Sviggum   | Trimble    | Vickerman | Wejcman | Wolf      |
| Sekhon   | Sparby   | Swenson   | Tunheim    | Wagenius  | Welle   | Worke     |
| Simoneau | Stanis   | Tomassoni | Van Dellen | Waltman   | Wenzel  | Workman   |
| Smith    | Steensma | Tompkins  | Vellenga   | Weaver    | Winter  | Spk. Long |

Those who voted in the negative were:

Krinkie

The bill was passed and its title agreed to.

S. F. No. 911 was reported to the House.

Ozment and Pugh moved to amend S. F. No. 911, as follows:

Page 1, after line 9, insert:

"Section 1. [43A.321] [VOLUNTEER FIREFIGHTER AND RESCUE WORKERS; AGREEMENTS.]

(a) An employee may reach an agreement with the employee's appointing authority to respond to emergency calls as a volunteer emergency fire or rescue worker during working hours, provided that:

(1) the employee does not respond to a call when the employee's sudden absence would endanger others; and

(2) the employee remits to the appointing authority any compensation received for responding to the call.

(b) If such an agreement is entered into:

(1) the appointing authority shall make no deductions from the employee's wages or sick or vacation time for time spent responding to calls; and

(2) workers' compensation liability is the responsibility of the entity for which the emergency services are provided while the employee is responding to the call."

Renumber the remaining section

Amend the title accordingly

The motion prevailed and the amendment was adopted.

S. F. No. 911, A bill for an act relating to public employment; essential employees; requiring the commissioner of the bureau of mediation services to designate separate units for peace officers and other essential employees at the request of either group of employees; amending Minnesota Statutes 1992, section 179A.09, by adding a subdivision.

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

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

Those who voted in the affirmative were:

|              |            |               |          |           |            |            |
|--------------|------------|---------------|----------|-----------|------------|------------|
| Abrams       | Dauner     | Hausman       | Leppik   | Nelson    | Rest       | Trimble    |
| Anderson, I. | Dauids     | Holsten       | Lieder   | Ness      | Rhodes     | Tunheim    |
| Anderson, R. | Dawkins    | Hugoson       | Limmer   | Olson, E. | Rice       | Van Dellen |
| Asch         | Dehler     | Huntley       | Lindner  | Olson, K. | Rodosovich | Vellenga   |
| Battaglia    | Delmont    | Jacobs        | Lourey   | Olson, M. | Rukavina   | Vickerman  |
| Bauerly      | Dempsey    | Jefferson     | Luther   | Onnen     | Sarna      | Wagenius   |
| Beard        | Dorn       | Johnson, A.   | Lynch    | Opatz     | Seagren    | Waltman    |
| Bergson      | Erhardt    | Johnson, R.   | Macklin  | Orenstein | Sekhon     | Weaver     |
| Bertram      | Evans      | Johnson, V.   | Mahon    | Orfield   | Simoneau   | Wejcman    |
| Bettermann   | Farrell    | Kahn          | Mariani  | Osthoft   | Skoglund   | Welle      |
| Bishop       | Frerichs   | Kalis         | McCollum | Ostrom    | Smith      | Wenzel     |
| Blatz        | Garcia     | Kelso         | McGuire  | Ozment    | Solberg    | Winter     |
| Brown, C.    | Girard     | Kinkel        | Milbert  | Pauly     | Sparby     | Wolf       |
| Brown, K.    | Goodno     | Klinzing      | Molnau   | Pawlenty  | Stanius    | Worke      |
| Carlson      | Greenfield | Knickerbocker | Morrison | Pelowski  | Steensma   | Workman    |
| Carruthers   | Greiling   | Koppendrayner | Mosel    | Perlt     | Sviggum    | Spk. Long  |
| Clark        | Gruenes    | Krinkie       | Munger   | Peterson  | Swenson    |            |
| Commers      | Gutknecht  | Krueger       | Murphy   | Pugh      | Tomassoni  |            |
| Cooper       | Hasskamp   | Lasley        | Neary    | Reding    | Tompkins   |            |

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

The Speaker called Rest to the Chair.

S. F. No. 645, A bill for an act relating to labor; protecting interests of employees following railroad acquisitions; imposing a penalty; amending Minnesota Statutes 1992, sections 222.86, subdivision 3; 222.87, by adding a subdivision; and 222.88.

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 92 yeas and 39 nays as follows:

Those who voted in the affirmative were:

|              |            |               |           |           |            |           |
|--------------|------------|---------------|-----------|-----------|------------|-----------|
| Anderson, I. | Dehler     | Huntley       | Krueger   | Olson, K. | Rice       | Tunheim   |
| Asch         | Delmont    | Jacobs        | Lieder    | Opatz     | Rodosovich | Vellenga  |
| Battaglia    | Dempsey    | Jaros         | Lourey    | Orenstein | Rukavina   | Wagenius  |
| Bauerly      | Dorn       | Jefferson     | Luther    | Orfield   | Sarna      | Wejcman   |
| Beard        | Evans      | Johnson, A.   | Mahon     | Osthoft   | Sekhon     | Welle     |
| Bergson      | Farrell    | Johnson, R.   | Mariani   | Ostrom    | Simoneau   | Wenzel    |
| Brown, C.    | Garcia     | Johnson, V.   | McCollum  | Ozment    | Skoglund   | Winter    |
| Brown, K.    | Goodno     | Kahn          | McGuire   | Pelowski  | Smith      | Spk. Long |
| Carlson      | Greenfield | Kalis         | Milbert   | Perlt     | Solberg    |           |
| Carruthers   | Greiling   | Kelley        | Mosel     | Peterson  | Stanius    |           |
| Clark        | Gruenes    | Kelso         | Munger    | Pugh      | Steensma   |           |
| Cooper       | Gutknecht  | Kinkel        | Murphy    | Reding    | Tomassoni  |           |
| Dauner       | Hasskamp   | Klinzing      | Neary     | Rest      | Tompkins   |           |
| Dawkins      | Hausman    | Knickerbocker | Olson, E. | Rhodes    | Trimble    |           |

Those who voted in the negative were:

|            |          |               |          |           |            |         |
|------------|----------|---------------|----------|-----------|------------|---------|
| Abrams     | Dauids   | Hugoson       | Lindner  | Ness      | Sviggum    | Wolf    |
| Bertram    | Erhardt  | Jennings      | Lynch    | Olson, M. | Swenson    | Worke   |
| Bettermann | Frerichs | Koppendrayner | Macklin  | Onnen     | Van Dellen | Workman |
| Bishop     | Girard   | Krinkie       | Molnau   | Pauly     | Vickerman  |         |
| Blatz      | Haukoos  | Leppik        | Morrison | Pawlenty  | Waltman    |         |
| Commers    | Holsten  | Limmer        | Nelson   | Seagren   | Weaver     |         |

The bill was passed and its title agreed to.

Speaker pro tempore Rest called Bauerly to the Chair.

S. F. No. 952, A bill for an act relating to occupations and professions; requiring crane operators to be licensed by the state; requiring rulemaking; establishing a crane operators examining board; providing penalties; amending Minnesota Statutes 1992, section 214.01, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 326.

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

The question was taken on the passage of the bill and the roll was called. There were 94 yeas and 37 nays as follows:

Those who voted in the affirmative were:

|              |          |               |          |           |            |            |
|--------------|----------|---------------|----------|-----------|------------|------------|
| Anderson, I. | Cooper   | Jacobs        | Lieder   | Olson, E. | Rice       | Tunheim    |
| Anderson, R. | Dawkins  | Jaros         | Lourey   | Onnen     | Rodosovich | Van Dellen |
| Asch         | Dehler   | Jefferson     | Luther   | Opatz     | Rukavina   | Vellenga   |
| Battaglia    | Delmont  | Jennings      | Mahon    | Orenstein | Sarna      | Wagenius   |
| Bauerly      | Dorn     | Johnson, A.   | Mariani  | Orfield   | Seagren    | Wejcman    |
| Beard        | Evans    | Johnson, R.   | McCollum | Osthoff   | Sekhon     | Welle      |
| Bergson      | Farrell  | Kahn          | McGuire  | Ostrom    | Simoneau   | Wenzel     |
| Bertram      | Frerichs | Kelley        | Milbert  | Ozment    | Skoglund   | Winter     |
| Bishop       | Garcia   | Kelso         | Morrison | Pelowski  | Smith      | Wolf       |
| Brown, C.    | Greiling | Kinkel        | Mosel    | Perlt     | Solberg    | Spk. Long  |
| Brown, K.    | Gruenes  | Klinzing      | Munger   | Peterson  | Steensma   |            |
| Carlson      | Hasskamp | Knickerbocker | Murphy   | Pugh      | Swenson    |            |
| Carruthers   | Hausman  | Krueger       | Neary    | Reding    | Tomassoni  |            |
| Clark        | Huntley  | Leppik        | Nelson   | Rest      | Trimble    |            |

Those who voted in the negative were:

|            |           |               |         |           |           |         |
|------------|-----------|---------------|---------|-----------|-----------|---------|
| Abrams     | Dempsey   | Holsten       | Limmer  | Olson, K. | Sviggum   | Workman |
| Bettermann | Erhardt   | Hugoson       | Lindner | Olson, M. | Tompkins  |         |
| Blatz      | Girard    | Johnson, V.   | Lynch   | Pauly     | Vickerman |         |
| Commers    | Goodno    | Kalis         | Macklin | Pawlenty  | Waltman   |         |
| Dauner     | Gutknecht | Koppendrayner | Molnau  | Rhodes    | Weaver    |         |
| Davids     | Haukoos   | Krinkie       | Ness    | Stanis    | Worke     |         |

The bill was passed and its title agreed to.

S. F. No. 1315 was reported to the House.

Clark moved to amend S. F. No. 1315, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 307.08, subdivision 2, is amended to read:

Subd. 2. A person who intentionally, willfully, and knowingly destroys, mutilates, injures, disturbs, or removes human skeletal remains or human ~~burials~~ burial grounds, is guilty of a felony. A person who intentionally, willfully, or knowingly removes any tombstone, monument, or structure placed in any public or private cemetery or unmarked human burial ground, or any fence, railing, or other work erected for protection or ornament, or any tree, shrub, or plant or grave goods and artifacts within the limits of the cemetery or burial ground, and a person who, without authority from the trustees, state archaeologist, or Indian affairs intertribal board, discharges any firearms upon or over the grounds of any public or private cemetery or authenticated and identified Indian burial ground, is guilty of a gross misdemeanor.

Sec. 2. [307.082] [CIVIL ACTIONS.]

A person residing within the state; the attorney general; a political subdivision of the state; an instrumentality or agency of the state; or a partnership, corporation, association, organization, or other entity having shareholders, members, partners, or employees residing within the state may maintain a civil action seeking an injunction, damages, or other appropriate relief against a person who is alleged to have violated section 307.08, subdivision 2. The action must be brought within two years after the plaintiff discovers the violation. The action may be filed in the district court of the county in which the subject burial ground is located or within which the defendant resides."

Delete the title and insert:

"A bill for an act relating to burial grounds; providing criminal penalties for the disturbance of human burial grounds; creating civil remedies for the destruction or disturbance of human burial grounds; amending Minnesota Statutes 1992, section 307.08, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 307."

The motion prevailed and the amendment was adopted.

S. F. No. 1315, A bill for an act relating to burial grounds; creating a council of traditional Indian practitioners to make recommendations regarding the management, treatment, and protection of Indian burial grounds and of human remains or artifacts contained in or removed from those grounds; proposing coding for new law in Minnesota Statutes, chapter 307.

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 132 yeas and 1 nay as follows:

Those who voted in the affirmative were:

|              |            |               |          |           |            |            |
|--------------|------------|---------------|----------|-----------|------------|------------|
| Abrams       | Davidson   | Hausman       | Krinkie  | Munger    | Peterson   | Tomassoni  |
| Anderson, I. | Dawkins    | Holsten       | Krueger  | Murphy    | Pugh       | Tompkins   |
| Anderson, R. | Dehler     | Hugoson       | Lasley   | Neary     | Reding     | Trimble    |
| Battaglia    | Delmont    | Huntley       | Leppik   | Nelson    | Rest       | Tunheim    |
| Bauerly      | Dempsey    | Jacobs        | Lieder   | Ness      | Rhodes     | Van Dellen |
| Beard        | Dorn       | Jaros         | Limmer   | Olson, E. | Rice       | Vellenga   |
| Bergson      | Erhardt    | Jefferson     | Lindner  | Olson, K. | Rodosovich | Vickerman  |
| Bertram      | Evans      | Jennings      | Lourey   | Olson, M. | Rukavina   | Wagenius   |
| Bettermann   | Farrell    | Johnson, A.   | Luther   | Ornen     | Sarna      | Waltman    |
| Bishop       | Frerichs   | Johnson, R.   | Lynch    | Opatz     | Seagren    | Weaver     |
| Blatz        | Garcia     | Johnson, V.   | Macklin  | Orenstein | Sekhon     | Wejzman    |
| Brown, C.    | Girard     | Kahn          | Mahon    | Orfield   | Simoneau   | Welle      |
| Brown, K.    | Goodno     | Kalis         | Mariani  | Osthoff   | Skoglund   | Wenzel     |
| Carlson      | Greenfield | Kelley        | McCollum | Ostrom    | Smith      | Winter     |
| Carruthers   | Greiling   | Kelso         | McGuire  | Ozment    | Solberg    | Wolf       |
| Clark        | Gruenes    | Kinkel        | Milbert  | Pauly     | Stanis     | Worke      |
| Commers      | Gutknecht  | Klinzing      | Molnau   | Pawlenty  | Steensma   | Workman    |
| Cooper       | Hasskamp   | Krickerbocker | Morrison | Pelowski  | Sviggum    | Spk. Long  |
| Dauner       | Haukoos    | Koppendrayner | Mosel    | Perlt     | Swenson    |            |

Those who voted in the negative were:

Asch

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

H. F. No. 1387 was reported to the House.

Anderson, I., moved to amend H. F. No. 1387, the first engrossment, as follows:

Delete everything after the enacting clause and insert:

"Section 1. [176.0411] [INDEPENDENT CONTRACTOR COVERAGE.]

Notwithstanding section 176.041, any person contracting to perform work in a construction trade is an employer and is subject to section 176.181 and must be insured for workers' compensation.

Sec. 2. [182.6521] [INDEPENDENT CONTRACTORS.]

An independent contractor doing building construction or improvements in the public or private sector must comply with the occupational safety and health standards that apply under this chapter to an employer and its employees. This section applies to an independent contractor however organized including, without limitation, those organized as a partnership, sole proprietorship, or corporation.

Sec. 3. [STUDY; INDEPENDENT CONTRACTORS.]

Subdivision 1. [UNEMPLOYMENT COMPENSATION.] The department of jobs and training shall study the issue of independent contractors and their compliance with unemployment compensation contribution requirements. The department shall report the results of the study along with recommendations for legislation to the policy committees of the legislature having jurisdiction over unemployment compensation matters by February 1, 1994.

Subd. 2. [INCOME TAX WITHHOLDING.] The department of revenue shall study the issue of independent contractors and their compliance with income tax withholding laws. The department shall report the results of the study along with recommendations for legislation to the policy committees of the legislature having jurisdiction over taxation matters.

Sec. 4. [EFFECTIVE DATE.]

This act is effective June 1, 1993, and applies to contracts entered into on and after that date."

Delete the title and insert:

"A bill for an act relating to employment; requiring workers' compensation and Occupational Safety and Health Act coverage for certain independent contractors; requiring certain reports on independent contractors; proposing coding for new law in Minnesota Statutes, chapters 176; and 182."

The motion prevailed and the amendment was adopted.

Winter and Bauerly moved to amend H. F. No. 1387, the first engrossment, as amended, as follows:

Page 1, line 8, after the period insert:

"This section does not apply if the independent contractor is an independent trucker and is the sole owner and operator of the truck used to perform the services required in a contract for trucking services."

The motion prevailed and the amendment was adopted.

The Speaker resumed the Chair.

Dauner, Nelson and Mosel moved to amend H. F. No. 1387, the first engrossment, as amended, as follows:

Page 1, line 8, after the period insert:

"This section does not apply if the total costs of the construction or improvements is less than \$3,500 and the construction or improvement is to the residence of the person contracting with the independent contractor."

A roll call was requested and properly seconded.

The question was taken on the Dauner et al amendment and the roll was called. There were 74 yeas and 58 nays as follows:

Those who voted in the affirmative were:

|              |           |             |              |           |            |            |
|--------------|-----------|-------------|--------------|-----------|------------|------------|
| Abrams       | Dauids    | Haukoos     | Koppendrayer | Morrison  | Peterson   | Van Dellen |
| Anderson, R. | Dehler    | Holsten     | Krinkie      | Mosel     | Rhodes     | Vickerman  |
| Bergson      | Dempsey   | Hugoson     | Krueger      | Nelson    | Rodosovich | Waltman    |
| Bertram      | Dorn      | Jennings    | Leppik       | Ness      | Seagren    | Weaver     |
| Bettermann   | Erhardt   | Johnson, R. | Lieder       | Olson, K. | Stanius    | Winter     |
| Blatz        | Frerichs  | Johnson, V. | Limner       | Olson, M. | Steensma   | Wolf       |
| Brown, C.    | Girard    | Kalis       | Lindner      | Opatz     | Sviggum    | Worke      |
| Brown, K.    | Goodno    | Kelley      | Lourey       | Ostrom    | Swenson    | Workman    |
| Commers      | Gruenes   | Kelso       | Lynch        | Pauly     | Tompkins   |            |
| Cooper       | Gutknecht | Kinkel      | Macklin      | Pawlenty  | Trimble    |            |
| Dauner       | Hasskamp  | Klinzing    | Molnau       | Pelowski  | Tunheim    |            |

Those who voted in the negative were:

|              |            |               |           |          |           |           |
|--------------|------------|---------------|-----------|----------|-----------|-----------|
| Anderson, I. | Delmont    | Jaros         | McCollum  | Orfield  | Sarna     | Wejcman   |
| Asch         | Evans      | Jefferson     | McGuire   | Osthoff  | Sekhon    | Welle     |
| Battaglia    | Farrell    | Johnson, A.   | Milbert   | Ozment   | Simoneau  | Wenzel    |
| Bauerly      | Garcia     | Kahn          | Munger    | Perlt    | Skoglund  | Spk. Long |
| Beard        | Greenfield | Knickerbocker | Murphy    | Pugh     | Smith     |           |
| Carlson      | Greiling   | Lasley        | Neary     | Reding   | Solberg   |           |
| Carruthers   | Hausman    | Luther        | Olson, E. | Rest     | Tomassoni |           |
| Clark        | Huntley    | Mahon         | Onnen     | Rice     | Vellenga  |           |
| Dawkins      | Jacobs     | Mariani       | Orenstein | Rukavina | Wagenius  |           |

The motion prevailed and the amendment was adopted.

H. F. No. 1387, A bill for an act relating to employment; requiring workers' compensation and Occupational Safety and Health Act coverage for certain independent contractors; requiring certain reports on independent contractors; proposing coding for new law in Minnesota Statutes, chapters 176; and 182.

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 65 yeas and 66 nays as follows:

Those who voted in the affirmative were:

|              |            |         |            |           |           |             |
|--------------|------------|---------|------------|-----------|-----------|-------------|
| Anderson, I. | Beard      | Clark   | Evans      | Greiling  | Huntley   | Johnson, A. |
| Asch         | Bergson    | Dauner  | Farrell    | Gutknecht | Jacobs    | Johnson, R. |
| Battaglia    | Carlson    | Dawkins | Garcia     | Hasskamp  | Jaros     | Kahn        |
| Bauerly      | Carruthers | Delmont | Greenfield | Hausman   | Jefferson | Kinkel      |

|               |          |           |            |          |           |           |
|---------------|----------|-----------|------------|----------|-----------|-----------|
| Knickerbocker | Mariani  | Olson, E. | Pugh       | Sarna    | Tomassoni | Spk. Long |
| Lasley        | McCollum | Orenstein | Reding     | Sekhon   | Trimble   |           |
| Lieder        | McGuire  | Orfield   | Rest       | Simoneau | Vellenga  |           |
| Lourey        | Milbert  | Osthoff   | Rice       | Skoglund | Wagenius  |           |
| Luther        | Munger   | Ozment    | Rodosovich | Smith    | Wejzman   |           |
| Mahon         | Murphy   | Perlt     | Rukavina   | Solberg  | Wenzel    |           |

Those who voted in the negative were:

|              |          |               |          |           |            |         |
|--------------|----------|---------------|----------|-----------|------------|---------|
| Abrams       | Davids   | Holsten       | Krueger  | Nelson    | Seagren    | Weaver  |
| Anderson, R. | Dehler   | Hugoson       | Leppik   | Ness      | Stanius    | Welle   |
| Bertram      | Dempsey  | Jennings      | Limmer   | Olson, K. | Steensma   | Winter  |
| Bettermann   | Dorn     | Johnson, V.   | Lindner  | Olson, M. | Sviggum    | Wolf    |
| Bishop       | Erhardt  | Kalis         | Lynch    | Onnen     | Swenson    | Worke   |
| Blatz        | Frerichs | Kelley        | Macklin  | Ostrom    | Tompkins   | Workman |
| Brown, C.    | Girard   | Kelso         | Molnau   | Pauly     | Tunheim    |         |
| Brown, K.    | Goodno   | Klinzing      | Morrison | Pawlenty  | Van Dellen |         |
| Commers      | Gruenes  | Koppendrayner | Mosel    | Pelowski  | Vickerman  |         |
| Cooper       | Haukoos  | Krinkie       | Neary    | Rhodes    | Waltman    |         |

The bill was not passed, as amended.

S. F. No. 1158, A bill for an act relating to workers' compensation; modifying provisions relating to adjustment of benefits; amending Minnesota Statutes 1992, section 176.645, subdivision 1.

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 70 yeas and 60 nays as follows:

Those who voted in the affirmative were:

|              |            |             |          |           |            |           |
|--------------|------------|-------------|----------|-----------|------------|-----------|
| Anderson, I. | Cooper     | Huntley     | Lasley   | Murphy    | Reding     | Tomassoni |
| Anderson, R. | Dawkins    | Jacobs      | Lieder   | Neary     | Rest       | Trimble   |
| Asch         | Delmont    | Jaros       | Lourey   | Olson, E. | Rice       | Tunheim   |
| Battaglia    | Dorn       | Jefferson   | Luther   | Olson, K. | Rodosovich | Vellenga  |
| Beard        | Evans      | Johnson, A. | Mahon    | Orenstein | Rukavina   | Wagenius  |
| Brown, C.    | Garcia     | Johnson, R. | Mariani  | Orfield   | Sarna      | Wejzman   |
| Brown, K.    | Greenfield | Kahn        | McCollum | Osthoff   | Sekhon     | Welle     |
| Carlson      | Greiling   | Kelley      | McGuire  | Ozment    | Simoneau   | Wenzel    |
| Carruthers   | Hasskamp   | Kinkel      | Milbert  | Perlt     | Skoglund   | Winter    |
| Clark        | Hausman    | Krueger     | Munger   | Pugh      | Smith      | Spk. Long |

Those who voted in the negative were:

|            |           |               |          |           |            |           |
|------------|-----------|---------------|----------|-----------|------------|-----------|
| Abrams     | Davids    | Holsten       | Krinkie  | Nelson    | Peterson   | Vickerman |
| Bauerly    | Dehler    | Hugoson       | Leppik   | Ness      | Rhodes     | Waltman   |
| Bergson    | Dempsey   | Jennings      | Limmer   | Olson, M. | Seagren    | Weaver    |
| Bertram    | Erhardt   | Johnson, V.   | Lindner  | Onnen     | Stanius    | Wolf      |
| Bettermann | Frerichs  | Kalis         | Lynch    | Opatz     | Steensma   | Worke     |
| Bishop     | Girard    | Kelso         | Macklin  | Ostrom    | Sviggum    | Workman   |
| Blatz      | Goodno    | Klinzing      | Molnau   | Pauly     | Swenson    |           |
| Commers    | Gruenes   | Knickerbocker | Morrison | Pawlenty  | Tompkins   |           |
| Dauner     | Gutknecht | Koppendrayner | Mosel    | Pelowski  | Van Dellen |           |

The bill was passed and its title agreed to.



The Speaker called Rodosovich to the Chair.

H. F. No. 199, A bill for an act relating to insurance; workers' compensation; regulating the state fund mutual insurance company; requiring the workers' compensation reinsurance association to provide funds; amending Minnesota Statutes 1992, sections 176A.02, by adding a subdivision; 176A.11; proposing coding for new law in Minnesota Statutes, chapter 79.

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 103 yeas and 31 nays as follows:

Those who voted in the affirmative were:

|              |            |               |          |           |            |           |
|--------------|------------|---------------|----------|-----------|------------|-----------|
| Anderson, I. | Cooper     | Jacobs        | Lasley   | Neary     | Pugh       | Sviggum   |
| Anderson, R. | Dauner     | Jaros         | Leppik   | Nelson    | Reding     | Swenson   |
| Asch         | Dawkins    | Jefferson     | Lieder   | Ness      | Rest       | Tomassoni |
| Battaglia    | Delmont    | Jennings      | Lourey   | Olson, E. | Rhodes     | Trimble   |
| Bauerly      | Dempsey    | Johnson, A.   | Luther   | Olson, K. | Rice       | Tunheim   |
| Beard        | Dorn       | Johnson, R.   | Lynch    | Opatz     | Rodosovich | Vellenga  |
| Bergson      | Erhardt    | Johnson, V.   | Macklin  | Orenstein | Rukavina   | Wagenius  |
| Bertram      | Evans      | Kahn          | Mahon    | Orfield   | Sarna      | Weaver    |
| Bishop       | Farrell    | Kalis         | Mariani  | Osthoft   | Sekhon     | Wejcman   |
| Brown, C.    | Garcia     | Kelley        | McCollum | Ostrom    | Simoneau   | Welle     |
| Brown, K.    | Greenfield | Kelso         | McGuire  | Ozment    | Skoglund   | Wenzel    |
| Carlson      | Greiling   | Kinkel        | Milbert  | Pawlenty  | Smith      | Winter    |
| Carruthers   | Hasskamp   | Klinzing      | Mosel    | Pelowski  | Solberg    | Spk. Long |
| Clark        | Hausman    | Knickerbocker | Munger   | Perlt     | Sparby     |           |
| Commers      | Huntley    | Krueger       | Murphy   | Peterson  | Steensma   |           |

Those who voted in the negative were:

|            |           |              |           |          |            |         |
|------------|-----------|--------------|-----------|----------|------------|---------|
| Abrams     | Frerichs  | Haukoos      | Limmer    | Onnen    | Van Dellen | Workman |
| Bettermann | Girard    | Holsten      | Lindner   | Pauly    | Vickerman  |         |
| Blatz      | Goodno    | Hugoson      | Molnau    | Seagren  | Waltman    |         |
| Davids     | Gruenes   | Koppendrayer | Morrison  | Stanis   | Wolf       |         |
| Dehler     | Gutknecht | Krinkie      | Olson, M. | Tompkins | Worke      |         |

The bill was passed and its title agreed to.

The Speaker resumed the Chair.

Anderson, I., moved that the remaining bills on Special Orders for today be continued. The motion prevailed.

## GENERAL ORDERS

Anderson, I., moved that the bills on General Orders for today be continued. The motion prevailed.

Anderson, I., moved that when the House adjourns today it adjourn until 9:00 a.m., Thursday, May 6, 1993. The motion prevailed.

## MOTION FOR RECONSIDERATION

Asch moved that the vote whereby S. F. No. 1619, as amended, was not passed on Monday, May 3, 1993, be now reconsidered. The motion prevailed.

S. F. No. 1619, as amended, was again reported to the House.

## CALL OF THE HOUSE

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

|              |            |               |               |           |            |            |
|--------------|------------|---------------|---------------|-----------|------------|------------|
| Abrams       | Dauner     | Haukoos       | Koppendrayner | Munger    | Peterson   | Tomassoni  |
| Anderson, I. | Davids     | Hausman       | Krinkie       | Murphy    | Pugh       | Tompkins   |
| Anderson, R. | Dawkins    | Holsten       | Krueger       | Neary     | Rest       | Trimble    |
| Asch         | Dehler     | Hugoson       | Lasley        | Nelson    | Rhodes     | Tunheim    |
| Battaglia    | Delmont    | Huntley       | Leppik        | Ness      | Rice       | Van Dellen |
| Bauerly      | Dempsey    | Jacobs        | Lieder        | Olson, E. | Rodosovich | Vellenga   |
| Beard        | Dorn       | Jaros         | Limmer        | Olson, K. | Rukavina   | Vickerman  |
| Bergson      | Erhardt    | Jefferson     | Lindner       | Olson, M. | Sarna      | Wagenius   |
| Bertram      | Evans      | Jennings      | Lourey        | Onnen     | Seagren    | Waltman    |
| Bettermann   | Farrell    | Johnson, A.   | Luther        | Opatz     | Sekhon     | Weaver     |
| Bishop       | Frerichs   | Johnson, R.   | Lynch         | Orenstein | Simoneau   | Wejcman    |
| Blatz        | Garcia     | Johnson, V.   | Macklin       | Orfield   | Skoglund   | Welle      |
| Brown, C.    | Girard     | Kahn          | Mahon         | Osthoff   | Smith      | Wenzel     |
| Brown, K.    | Goodno     | Kalis         | Mariani       | Ostrom    | Solberg    | Winter     |
| Carlson      | Greenfield | Kelley        | McCollum      | Ozment    | Sparby     | Wolf       |
| Carruthers   | Greiling   | Kelso         | McGuire       | Pauly     | Stanius    | Worke      |
| Clark        | Gruenes    | Kinkel        | Milbert       | Pawlenty  | Steensma   | Workman    |
| Commers      | Gutknecht  | Klinzing      | Molnau        | Pelowski  | Sviggum    | Spk. Long  |
| Cooper       | Hasskamp   | Knickerbocker | Morrison      | Perlt     | Swenson    |            |

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

S. F. No. 1619, A bill for an act relating to natural resources; resolving claims raised by the Mille Lacs Band of Chippewa Indians regarding hunting, fishing, and gathering rights under treaty; nonband harvest under band permit; authority to transfer land; compensation to counties; resort acquisition; condemnation authority; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 97A.

The bill, as amended, was placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 64 yeas and 69 nays as follows:

Those who voted in the affirmative were:

|              |            |             |           |           |           |           |
|--------------|------------|-------------|-----------|-----------|-----------|-----------|
| Abrams       | Commers    | Huntley     | Lieder    | Orenstein | Sekhon    | Welle     |
| Anderson, R. | Dawkins    | Jaros       | Lourey    | Orfield   | Skoglund  | Winter    |
| Battaglia    | Dorn       | Jefferson   | Mariani   | Ostrom    | Solberg   | Wolf      |
| Bishop       | Erhardt    | Jennings    | McCollum  | Pauly     | Sparby    | Spk. Long |
| Blatz        | Evans      | Johnson, R. | McGuire   | Pelowski  | Tomassoni |           |
| Brown, C.    | Farrell    | Kahn        | Morrison  | Peterson  | Trimble   |           |
| Brown, K.    | Garcia     | Kelley      | Murphy    | Reding    | Tunheim   |           |
| Carlson      | Greenfield | Kinkel      | Neary     | Rhodes    | Vellenga  |           |
| Carruthers   | Greiling   | Lasley      | Olson, E. | Rice      | Wagenius  |           |
| Clark        | Hausman    | Leppik      | Olson, K. | Rukavina  | Wejcman   |           |

Those who voted in the negative were:

|              |           |               |         |           |            |            |
|--------------|-----------|---------------|---------|-----------|------------|------------|
| Anderson, I. | Dehler    | Holsten       | Krinkie | Mosel     | Pugh       | Swenson    |
| Asch         | Delmont   | Hugoson       | Krueger | Nelson    | Rest       | Tompkins   |
| Bauerly      | Dempsey   | Jacobs        | Limmer  | Ness      | Rodosovich | Van Dellen |
| Beard        | Frerichs  | Johnson, A.   | Lindner | Olson, M. | Sarna      | Vickerman  |
| Bergson      | Girard    | Johnson, V.   | Luther  | Onnen     | Seagren    | Waltman    |
| Bertram      | Goodno    | Kalis         | Lynch   | Opatz     | Simoneau   | Weaver     |
| Bettermann   | Gruenes   | Kelso         | Macklin | Osthoff   | Smith      | Wenzel     |
| Cooper       | Gutknecht | Klinzing      | Mahon   | Ozment    | Stanis     | Worke      |
| Dauner       | Hasskamp  | Knickerbocker | Milbert | Pawlenty  | Steensma   | Workman    |
| Dauids       | Haukoos   | Koppendraye   | Molnau  | Perlt     | Sviggum    |            |

The bill was not passed, as amended.

## MOTIONS AND RESOLUTIONS

Sparby moved that the name of Peterson be added as an author on H. F. No. 1765. The motion prevailed.

Nelson moved that the following statement be printed in the Journal of the House: "It was my intention to vote in the affirmative on Friday, April 30, 1993, when the vote was taken on the Dehler amendment to H. F. No. 1178, the third engrossment, as amended." The motion prevailed.

Ness moved that the following statement be printed in the Journal of the House: "It was my intention to vote in the affirmative on Friday, April 30, 1993, when the vote was taken on the final passage of H. F. No. 1404, as amended by the Senate." The motion prevailed.

Rest moved that the following statement be printed in the Journal of the House: "It was my intention to vote in the affirmative on Tuesday, April 27, 1993, when the vote was taken on the final passage of S. F. No. 1613, as amended." The motion prevailed.

Jennings moved that H. F. No. 1051 be returned to its author. The motion prevailed.

## ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1178:

Greenfield, Cooper, Lourey, Leppik and Frerichs.

## ADJOURNMENT

Anderson, I., moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 9:00 a.m., Thursday, May 6, 1993.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

