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HOUSE  
OF REPRESENTATIVES  
SEVENTY-FIFTH SESSION

OF THE  
LEGISLATURE

STATE OF MINNESOTA

1987

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## STATE OF MINNESOTA

## SEVENTY-FIFTH SESSION—1987

## FIRST DAY

SAINT PAUL, MINNESOTA, TUESDAY, JANUARY 6, 1987

In accordance with the Constitution and the Laws of the State of Minnesota, the members-elect of the House of Representatives assembled in the Chamber of the House of Representatives in the Capitol in Saint Paul on Tuesday, the sixth day of January, 1987.

At the hour of twelve o'clock noon and pursuant to Minnesota Statutes 1986, section 3.05, the Honorable Joan Anderson Growe, Secretary of State, called the members-elect to order and appointed the Honorable Phyllis Kahn from District 58B as Clerk pro tempore.

Prayer was offered by Monsignor Ambrose Hayden, Saint Paul Cathedral, Saint Paul, Minnesota.

The Clerk pro tempore called the roll by legislative district in numerical order, and the following members-elect presented proof of their eligibility to be sworn in and seated as members of the House of Representatives:

District 1A .....	Jim Tunheim
District 1B .....	Wallace (Wally) Sparby
District 2A .....	Bernie Lieder
District 2B .....	Edgar L. Olson
District 3A .....	Bob Neuenschwander
District 3B .....	Loren A. Solberg
District 4A .....	Bob Johnson
District 4B .....	Anthony G. (Tony) Kinkel
District 5A .....	Thomas Rukavina
District 5B .....	Lona Minne
District 6A .....	David P. Battaglia
District 6B .....	Joseph R. Begich
District 7A .....	Willard Munger
District 7B .....	Mike Jaros
District 8A .....	Mary Murphy
District 8B .....	Ben Boo
District 9A .....	Kenneth J. Kludt
District 9B .....	Marvin Dauner
District 10A .....	Dennis Poppenhagen
District 10B .....	Bob Anderson
District 11A .....	Chuck Brown

District 11B	Clair Nelson
District 12A	Don Richter
District 12B	Richard "Rick" Krueger
District 13A	Paul M. (T D) Thiede
District 13B	Stephen G. Wenzel
District 14A	Paul Anders Ogren
District 14B	Doug Carlson
District 15A	Sylvester Uphus
District 15B	Alan W. Welle
District 16A	Bernie Omann, Jr.
District 16B	Jeff Bertram
District 17A	Marcus Marsh
District 17B	Dave Gruenes
District 18A	Jerome "J. P." Peterson
District 18B	Jerry J. Bauerly
District 19A	Harold Lasley
District 19B	Loren G. Jennings
District 20A	Glen H. Anderson
District 20B	Howard Miller
District 21A	Steve Dille
District 21B	Roger Cooper
District 22A	Bob McEachern
District 22B	Tony Onnen
District 23A	Terry Dempsey
District 23B	Allen Quist
District 24A	John Dorn
District 24B	Marcel "Sal" Frederick
District 25A	Robert E. Vanasek
District 25B	Peter Rodosovich
District 26A	Steven Sviggum
District 26B	Bob Waltman
District 27A	Norman DeBlieck
District 27B	Andy Steensma
District 28A	Ted Winter
District 28B	Katy Olson
District 29A	Gene Hugoson
District 29B	Henry J. Kalis
District 30A	Dean Hartle
District 30B	Jerry Schoenfeld
District 31A	Bob Haukoos
District 31B	Leo J. Reding
District 32A	Don L. Frerichs
District 32B	Elton R. Redalen
District 33A	Gil Gutknecht
District 33B	Dave Bishop
District 34A	Virgil J. Johnson
District 34B	Gene Pelowski, Jr.
District 35A	Gary Schafer
District 35B	K. J. McDonald
District 36A	Becky Kelso
District 36B	Bob Jensen
District 37A	Eileen Tompkins
District 37B	Dennis Ozment

District 38A	Connie Morrison
District 38B	Art Seaberg
District 39A	Bert J. McKasy
District 39B	Robert P. Milbert
District 40A	Chris Tjornhom
District 40B	Phillip J. Riveness
District 41A	John Himle
District 41B	Kathleen Blatz
District 42A	Sidney Pauly
District 42B	Mary Forsythe
District 43A	John Burger
District 43B	Jerry Knickerbocker
District 44A	Sally Olsen
District 44B	Gloria Segal
District 45A	Craig Shaver
District 45B	Jim Heap
District 46A	Ann H. Rest
District 46B	Lyndon R. Carlson
District 47A	Linda Scheid
District 47B	Phil Carruthers
District 48A	Dale A. Clausnitzer
District 48B	Bill Schreiber
District 49A	Darby Nelson
District 49B	Joel Jacobs
District 50A	Ernest Larsen
District 50B	Joe Quinn
District 51A	Alice Johnson
District 51B	Wayne Simoneau
District 52A	Gordon O. Voss
District 52B	Dan Knuth
District 53A	Tony Bennett
District 53B	Brad Stanius
District 54A	Don Valento
District 54B	Dick Kostohryz
District 55A	Douglas G. Swenson
District 55B	Harriet McPherson
District 56A	Len Price
District 56B	Pat Beard
District 57A	James I. Rice
District 57B	Richard H. Jefferson
District 58A	John J. Sarna
District 58B	Phyllis Kahn
District 59A	Dee Long
District 59B	Todd Otis
District 60A	Karen Clark
District 60B	Peter McLaughlin
District 61A	Lee Greenfield
District 61B	Wesley J. "Wes" Skoglund
District 62A	Ken Nelson
District 62B	Jean Wagenius
District 63A	John Rose
District 63B	Ann Wynia
District 64A	Kathleen Vellenga

District 64B .....	Howard Orenstein
District 65A .....	Fred C. Norton
District 65B .....	Sandy Pappas
District 66A .....	
District 66B .....	Rich O'Connor
District 67A .....	Randy C. Kelly
District 67B .....	Steve Trimble

133 eligible persons answered to the call by legislative district.

The arrival of the Honorable Lawrence R. Yetka, Associate Justice, Minnesota Supreme Court, was announced and he was escorted to the front of the Chamber.

#### OATH OF OFFICE

The members-elect subscribed to the oath of office as administered to them by the Honorable Associate Justice Yetka.

The members took their seats in the Chamber of the House of Representatives.

The Clerk pro tempore called the roll in alphabetical order and the following members answered to their names:

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

A quorum was present.

## ELECTION OF OFFICERS

The Secretary of State announced the next order of business to be the election of Speaker.

The name of Fred C. Norton was placed in nomination by Vanasek. The nomination was seconded by Munger, Minne, Voss and Anderson, G.

The name of Douglas W. Carlson was placed in nomination by Redalen. The nomination was seconded by Thiede and Schreiber.

There being no further nominations, the Secretary of State declared the nominations closed.

The Clerk pro tempore called the roll on the election of a Speaker.

The following members of the House voted for Norton:

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

Norton received 82 votes.

The following members of the House voted for Carlson, D.:

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

Carlson, D., received 51 votes.

Fred C. Norton, having received a majority of the votes cast, was declared duly elected Speaker of the House.

Kelso; Cooper; Olson, E.; Peterson and Riveness were appointed to escort the Speaker-elect to the rostrum.

#### OATH OF OFFICE

The oath of office was administered to Speaker-elect Fred C. Norton by the Honorable Associate Justice Lawrence R. Yetka. The Speaker expressed his appreciation for the honor bestowed upon him.

The Speaker announced the next order of business to be the election of the Chief Clerk.

The name of Edward A. Burdick was placed in nomination by Vanasek. The nomination was seconded by Schreiber.

There being no further nominations, the Speaker declared the nominations closed.

The Clerk pro tempore called the roll on the election of the Chief Clerk and the following voted for Burdick:

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

Edward A. Burdick, having received a majority of the votes cast, was declared elected Chief Clerk of the House of Representatives.

#### OATH OF OFFICE

The oath of office was administered to the Chief Clerk-elect by the Speaker.

The Speaker announced the next order of business to be the election of other elected officers of the House of Representatives.

Vanasek offered the following resolution and moved its adoption:

*Resolved*, That the election of other officers be made on one roll call unless there should be more than one nomination for any one office.

The motion prevailed and the resolution was adopted.

The following names were placed in nomination:

The name of Albin A. Mathiowetz was placed in nomination for First Assistant Chief Clerk by Knuth.

The name of Teresa B. Kittridge was placed in nomination for Second Assistant Chief Clerk by Kahn.

The name of Ronald G. Lawrence was placed in nomination for Postmaster by Jacobs.

The name of Helen Haugerud was placed in nomination for Assistant Postmaster by Vanasek.

The name of Margaret M. Olson was placed in nomination for Assistant Sergeant at Arms by Scheid.

The name of Toya A. Farrar-Orr was placed in nomination for Assistant Sergeant at Arms by Kostohryz.

The name of LeClair Lambert was placed in nomination for Assistant Sergeant at Arms by Wynia.

The name of Stephen E. Fischer was placed in nomination for Index Clerk by Otis.

The name of the Reverend Delton Krueger was placed in nomination for Chaplain by Riveness.

There being no further nominations, the Speaker declared the nominations closed.

The Chief Clerk called the roll on the election of the other officers and the following members voted for the other officers:

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

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

The nominees, having received a majority of the votes cast, were declared duly elected to their respective offices.

#### OATH OF OFFICE

The oath of office was administered to those elected to the above offices by the Speaker.

Vanasek offered the following resolution and moved its adoption:

*Resolved*, That the temporary Rules of the House for this session, the 75th regular session, shall be the same as the permanent Rules of the House for the last session, the 74th regular session, as they existed on Monday, March 17, 1986, with the following exceptions:

Rule 6.1 shall read as follows:

6.1 COMMITTEES. Standing committees of the House shall be appointed by the Speaker as follows:

Agriculture

Division: Agriculture Finance

Appropriations

Divisions: Agriculture, Transportation and  
Semi-State

Education

Health and Human Services

State Departments

Commerce

Economic Development and Housing

**Education**

Division: Education Finance

**Environment and Natural Resources**

**Financial Institutions and Insurance**

**Future and Technology**

**General Legislation, Veterans Affairs and Gaming**

**Governmental Operations**

**Health and Human Services**

**Higher Education**

**Judiciary**

Division: Crime and Family Law

**Labor-Management Relations**

Division: Unemployment Compensation and  
Workers' Compensation

**Local and Urban Affairs**

**Metropolitan Affairs**

**Regulated Industries**

**Rules and Legislative Administration**

**Taxes**

Divisions: Property Tax  
Tax Laws

**Transportation**

**Ways and Means**

Rule 7.5 shall read as follows:

7.5 BUDGET AND PURCHASING. The Director, House Administrative Services, shall prepare a biennial budget for the House which must be approved by the Committee on Rules and Legislative Administration before it is submitted to the Committee on Appropriations.

The Director shall be the agent of the House of Representatives for the purchase of supplies. The Director shall seek the lowest possible

prices and shall file timely reports of expenditures made with the Committee on Rules and Legislative Administration.

All deadlines referred to in rules 1.10, 1.16, 3.4, 6.11 and 9.3 shall not be applicable until such time as new permanent rules shall have been adopted.

The temporary Rules of the House for the 75th session shall apply to the order of business of parliamentary practice until such time as the Committee on Rules and Legislative Administration to be appointed by the Speaker shall have made its report and new permanent rules shall have been adopted.

The motion prevailed and the temporary Rules of the House for the 75th session were adopted.

#### ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of Andrew R. Remke as Chief Sergeant at Arms.

#### OATH OF OFFICE

The oath of office was administered to the Chief Sergeant at Arms by the Speaker.

Vanasek offered the following resolution and moved its adoption:

*Resolved*, That the Chief Clerk be instructed to inform the Senate that the House is duly organized pursuant to law and to invite the Senate to meet with the House in Joint Convention at 6:45 p.m., Wednesday, January 7, 1987, to receive the message of the Governor which will be delivered at 7:00 p.m.

The motion prevailed and the resolution was adopted.

Vanasek offered the following resolution and moved its adoption:

*Resolved*, That an invitation be extended to the Governor to address a Joint Convention of the House and Senate to be held in the House Chamber on Wednesday, January 7, 1987, said Joint Convention to convene at 6:45 p.m., and said message to be delivered at 7:00 p.m.; and that the Speaker appoint a committee of seven members of the House to act with a similar committee of the Senate to extend the invitation to the Governor and to notify him that the House of Representatives is now duly organized pursuant to law.

The motion prevailed and the resolution was adopted.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members to the committee to invite the Governor to address the Joint Convention and to notify him that the House is now organized:

Greenfield, Chair; Olson, K.; Johnson, R.; Anderson, R.; Carruthers; Trimble and Dauner.

Vanasek offered the following resolution and moved its adoption:

*Resolved*, That the Speaker be and he is hereby directed to appoint a committee of seven members on the part of the House to act with a similar committee on the part of the Senate to escort the Governor to the Joint Convention to be held in the House Chamber on Wednesday evening, January 7, 1987.

The motion prevailed and the resolution was adopted.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members to the committee to escort the Governor to the House Chamber Wednesday evening, January 7, 1987:

Winter, Chair; Pelowski; Orenstein; Dorn; Kinkel; Morrison and Johnson, A.

Vanasek offered the following resolution and moved its adoption:

*Resolved*, That necessary employees as directed by the Committee on Rules and Legislative Administration be authorized by the House effective today, Tuesday, January 6, 1987, to better expedite the business of the House.

The question was taken on the adoption of the Vanasek resolution relating to employees and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Bertram	Carlson, D.	Dauner	Frerichs
Anderson, R.	Bishop	Carlson, L.	DeBlicke	Greenfield
Battaglia	Blatz	Carruthers	Dille	Gruenes
Bauerly	Boo	Clark	Dorn	Gutknecht
Beard	Brown	Clausnitzer	Forsythe	Hartle
Begich	Burger	Cooper	Frederick	Haukoos

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

The motion prevailed and the resolution relating to employees was adopted.

#### ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to the Committee on Rules and Legislative Administration:

Vanasek, Chair; Anderson, G.; Jacobs; Long; Minne; Munger; Nelson, K.; Norton; Otis; Pappas; Reding; Rice; Riveness; Schoenfeld; Simoneau; Voss; Blatz; Himle; Knickerbocker; Redalen; Schreiber; Thiede and Valento.

Vanasek offered the following resolution and moved its adoption:

*Resolved*, That the selection of permanent desks shall be as directed by the Speaker:

1. That the majority caucus shall occupy section 3, seats 44, 46, 47, 49-51, 54-56, 59-62, and 65-68; section 4, seats 70-97; section 5, seats 98-119; and section 6, seats 120-135. All members of the majority caucus shall be seated in the manner prescribed by the majority caucus.

2. That the minority caucus shall occupy section 1, seats 1-19; section 2, seats 20-41; and section 3, seats 42, 43, 45, 48, 52, 57, 58, 63 and 64. All members of the minority caucus shall be seated in the manner prescribed by the minority caucus.

Redalen moved to amend the Vanasek resolution as follows:

Delete everything after the word "*Resolved,*" and insert: "That the following order shall prevail in the selection of permanent desks:

1. That all members who are serving their seventh session or more, the majority leader and assistant majority leaders, Speaker pro tempore, the minority leader and assistant minority leaders, the Chairman of the Committee on Appropriations, the Chairman of the Committee on Taxes, and all members with impaired hearing, impaired sight, or other physical handicaps shall be permitted to select their desks.

2. The Chief Clerk shall prepare a list of members who are serving their sixth session and place the names in a box from which the names will be drawn and announced until the names are exhausted, and the members being called will have the right to select their desks in the order in which they are called.

3. The Chief Clerk shall then prepare a list of members who are serving their fifth session and proceed in a like manner until all names are exhausted.

4. The Chief Clerk shall then prepare a list of members who are serving their fourth session and proceed in a like manner until all names are exhausted.

5. The Chief Clerk shall then prepare a list of members who are serving their third session and proceed in a like manner until all names are exhausted.

6. The Chief Clerk shall then prepare a list of members who are serving their second session and proceed in a like manner until all names are exhausted.

7. The Chief Clerk shall then prepare a list of members who are serving their first session and proceed in a like manner until all names are exhausted.

Members of the 1st and 2nd groups shall remain in the Chamber until their names have been drawn.

Members of the 3rd group shall wait in the members' alcove in the back of the Chamber until their names have been drawn.

Members of the 4th and 5th groups shall wait in the Reception area (room 214 East of the Chamber) until notified orally by the Sergeant at Arms that their names have been drawn, at which time they shall enter the Chamber and select their permanent desks.

Members of the 6th and 7th groups shall wait in the members' Retiring room (North of the Chamber) until notified orally by the

Sergeant at Arms that their names have been drawn, at which time they shall enter the Chamber and select their permanent desks."

A roll call was requested and properly seconded.

The question was taken on the Redalen amendment and the roll was called. There were 52 yeas and 77 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

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

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

Schreiber moved to amend the Vanasek resolution as follows:

Delete everything after "Speaker:" and insert:

"1. That the majority caucus shall occupy section 1, seats 1-15 and 17 and 18; section 4, seats 70-97; section 5, seats 98-119; and section 6, seats 120-135. All members of the majority caucus shall be seated in the manner prescribed by the majority caucus.

2. That the minority caucus shall occupy section 1, seats 16 and 19; section 2, seats 20-41; and section 3, seats 42-68. All members of the minority caucus shall be seated in the manner prescribed by the minority caucus."

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

The question recurred on the Vanasek resolution relating to seating. The motion prevailed and the resolution was adopted.

#### REPORT FROM HOUSE COMMITTEE

The Speaker recognized Representative Greenfield and his committee who reported to the House that they informed the Governor that the House was now duly organized pursuant to law and that the Governor will be present to address the Joint Convention of the House of Representatives and the Senate on Wednesday evening, January 7, 1987.

Carlson, D., and Bishop moved that the Speaker appoint a Select Committee of eight members, four to be selected from the majority caucus and four to be selected from the minority caucus, to investigate the activities occurring over the weekend of January 3 and in which numerous member and staff offices were illegally entered and state and personal property were taken. The Select Committee shall present its findings of fact and recommendations to the whole House no later than February 4.

Vanasek moved that the Carlson, D., and Bishop motion be re-referred to the Committee on Rules and Legislative Administration.

A roll call was requested and properly seconded.

The question was taken on the Vanasek motion and the roll was called. There were 77 yeas and 49 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

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

The motion prevailed and the Carlson, D., and Bishop motion was re-referred to the Committee on Rules and Legislative Administration.

### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I have the honor to announce that the Senate has appointed a committee of five members of the Senate to notify the House of Representatives that the Senate of the State of Minnesota is now duly organized pursuant to law.

Messrs. Metzen and Brandl; Ms. Piper; Messrs. Cohen and Larson have been appointed to such committee on the part of the Senate.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I have the honor to announce that the Senate of the State of Minnesota is now duly organized pursuant to law with the election of the following officers:

Jerome M. Hughes, President

Patrick E. Flahaven, Secretary of the Senate

Janine Mattson, First Assistant Secretary of the Senate

Patrice Dworak, Second Assistant Secretary of the Senate

Catherine Morrison, Engrossing Secretary

Sven Lindquist, Sergeant at Arms

Ralph Graham, Assistant Sergeant at Arms

Reverend Philip Weiler, Chaplain

The Senate also adopted a resolution naming Roger D. Moe as Majority Leader and Duane Benson as Minority Leader.

PATRICK E. FLAHAVEN, Secretary of the Senate

ADJOURNMENT

Vanasek moved that when the House adjourns today it adjourn until 6:30 p.m., Wednesday, January 7, 1987. The motion prevailed.

Vanasek moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 6:30 p.m., Wednesday, January 7, 1987.

EDWARD A. BURDICK, Chief Clerk, House of Representatives



## STATE OF MINNESOTA

## SEVENTY-FIFTH SESSION—1987

## SECOND DAY

SAINT PAUL, MINNESOTA, WEDNESDAY, JANUARY 7, 1987

The House of Representatives convened at 6:30 p.m. and was called to order by Fred C. Norton, Speaker of the House.

Prayer was offered by Bishop Emerson Colaw, United Methodist Church, Minneapolis, Minnesota.

The roll was called and the following members were present:

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

A quorum was present.

O'Connor, Pauly, Quist and Scheid were excused.

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

**MESSAGES FROM THE SENATE**

The following messages were received from the Senate:

Mr. Speaker:

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

Senate Concurrent Resolution No. 1, A Senate concurrent resolution relating to the adoption of temporary joint rules.

PATRICK E. FLAHAVEN, Secretary of the Senate

Vanasek moved that the rules be so far suspended that Senate Concurrent Resolution No. 1 be now considered and be placed upon its adoption.

Vanasek moved that Senate Concurrent Resolution No. 1 be laid on the table. The motion prevailed.

Mr. Speaker:

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

Senate Concurrent Resolution No. 2, A Senate concurrent resolution relating to parking space on the Capitol grounds, Capitol Approach and Aurora Avenue for members of the Legislature and staff.

PATRICK E. FLAHAVEN, Secretary of the Senate

**SUSPENSION OF RULES**

Vanasek moved that the rules be so far suspended that Senate Concurrent Resolution No. 2 be now considered and be placed upon its adoption. The motion prevailed.

**SENATE CONCURRENT RESOLUTION NO. 2**

A Senate concurrent resolution relating to parking space on the Capitol grounds, Capitol Approach and Aurora Avenue for members of the Legislature and staff.

*Be It Resolved*, by the Senate of the State of Minnesota, the House of Representatives concurring:

The custodian of the Capitol shall reserve all parking space necessary on the Capitol grounds, Capitol Approach and Aurora Avenue for the use of the members and staff of the Legislature for the 75th session of the Legislature, allowing reasonable space for parking to the general public having business at the Capitol. The Committee on Rules and Administration of the Senate and the Committee on Rules and Legislative Administration of the House of Representatives may designate necessary personnel to assist the custodian of the Capitol in this matter.

The Secretary of the Senate and the Chief Clerk of the House of Representatives may deduct from the check of any legislator or legislative employee in each year of the 75th session of the Legislature a sum adequate to cover the exercise of the parking privilege defined in this resolution in conformity with the practice of the Department of Administration.

Vanasek moved that Senate Concurrent Resolution No. 2 be now adopted. The motion prevailed and Senate Concurrent Resolution No. 2 was adopted.

Mr. Speaker:

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

Senate Concurrent Resolution No. 3, A Senate concurrent resolution relating to adjournment for more than three days.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### SUSPENSION OF RULES

Vanasek moved that the rules be so far suspended that Senate Concurrent Resolution No. 3 be now considered and be placed upon its adoption. The motion prevailed.

#### SENATE CONCURRENT RESOLUTION NO. 3

A Senate concurrent resolution relating to adjournment for more than three days.

*Be It Resolved*, by the Senate of the State of Minnesota, the House of Representatives concurring:

1. Upon its adjournment on Wednesday, January 7, 1987, the Senate may set its next day of meeting for Monday, January 12, 1987.

2. Upon its adjournment on Wednesday, January 7, 1987, the House of Representatives may set its next day of meeting for Monday, January 12, 1987.

3. Pursuant to the Minnesota Constitution, Article IV, Section 12, the Senate and House of Representatives each consents to the adjournment of the other for more than three days.

Vanasek moved that Senate Concurrent Resolution No. 3 be now adopted. The motion prevailed and Senate Concurrent Resolution No. 3 was adopted.

Mr. Speaker:

I have the honor to inform the House that the Senate is duly organized pursuant to law and is ready to meet with the House at 6:45 p.m., Wednesday, January 7, 1987, to receive the message of the Honorable Rudy Perpich, Governor of the State of Minnesota.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I have the honor to announce that the Senate has appointed a committee of five members of the Senate to act with a similar committee on the part of the House to escort the Governor to the Joint Convention to be held in the House Chamber, Wednesday, January 7, 1987, said Joint Convention to be convened at 6:45 p.m. and said message of the Governor to be delivered at 7:00 p.m.

Messrs. Purfeerst, Willet, Chmielewski, Renneke and Frederick have been appointed as members of such committee on the part of the Senate.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the following House committee assignments and the committee meeting schedule for the 1987-88 session:

AGRICULTURE—

Mondays, 10:00 A.M., Basement

Wenzel, Chair

Dille

Bauerly  
 Bertram  
 Brown  
 Cooper  
 Dauner  
 DeBlicek  
 Kahn  
 Kalis  
 Krueger  
 Nelson  
 Olson, E.  
 Olson, K.  
 Riviness  
 Schoenfeld  
 Sparby  
 Steensma  
 Tunheim  
 Winter

Frederick  
 Hugoson  
 McDonald  
 McPherson  
 Omann  
 Quist  
 Redalen  
 Richter  
 Uphus  
 Waltman

Agriculture Finance Division/Agriculture  
 Wednesdays, 10:00 A.M., Basement

Schoenfeld, Chair  
 Dauner  
 DeBlicek  
 Kahn  
 Kalis  
 Olson, E.  
 Olson, K.  
 Wenzel  
 Winter

Frederick  
 McDonald  
 Redalen  
 Uphus

APPROPRIATIONS—

Mondays through Thursdays, 8:00 A.M., Room 200

Anderson, G., Chair  
 Battaglia  
 Carlson, L.  
 Dorn  
 Greenfield  
 Jennings  
 Kahn  
 Kalis  
 Knuth  
 Krueger  
 Lieder  
 Munger  
 Murphy  
 Nelson, D.  
 Orenstein  
 Pappas  
 Price

Anderson, R.  
 Bishop  
 Boo  
 Carlson, D.  
 Forsythe  
 Haukoos  
 Johnson, V.  
 Miller  
 Poppenhagen  
 Rose  
 Seaberg  
 Stanius

Rice  
Riveness  
Rodosovich  
Sarna  
Schoenfeld  
Solberg  
Sparby  
Steensma  
Wynia

**Agriculture, Transportation and Semi-State  
Division/Appropriations**

**Mondays through Thursdays, 8:00 A.M., Room 400S**

Rice, Chair  
Anderson, G.  
Kalis  
Knuth  
Lieder  
Sarna  
Steensma

Johnson, V.  
Poppenhagen  
Seaberg

**Education Division/Appropriations**

**Mondays through Thursdays, 8:00 A.M., Room 300N**

Carlson, L., Chair  
Anderson, G.  
Dorn  
Munger  
Orenstein  
Price  
Schoenfeld

Boo  
Haukoos  
Rose

**Health and Human Services Division/Appropriations**

**Mondays through Thursdays, 8:00 A.M., Room 200**

Wynia, Chair  
Anderson, G.  
Greenfield  
Jennings  
Murphy  
Riveness  
Rodosovich

Anderson, R.  
Forsythe  
Stanisus

**State Departments Division/Appropriations**

**Mondays through Thursdays, 8:00 A.M., Room 300S**

Kahn, Chair  
Anderson, G.  
Battaglia

Bishop  
Carlson, D.  
Miller

Krueger  
Nelson, D.  
Pappas  
Solberg  
Sparby

## COMMERCE—

Tuesdays and Thursdays, 10:00 A.M., Basement

Sarna, Chair  
Beard  
Jacobs  
Jaros  
Kinkel  
McEachern  
Milbert  
Murphy  
Nelson, C.  
O'Connor  
Pelowski  
Peterson  
Price  
Solberg  
Sparby

Anderson, R.  
Bennett  
Bishop  
Burger  
Forsythe  
Hartle  
McDonald  
McKasy  
Richter

## ECONOMIC DEVELOPMENT AND HOUSING—

Tuesdays and Thursdays, 12:00 Noon, Room 5

Otis, Chair  
Carlson, L.  
Clark  
Cooper  
Jaros  
Jefferson  
Kelso  
Knuth  
Lasley  
McLaughlin  
Murphy  
Nelson, C.  
Neuenschwander  
Ogren  
Olson, K.  
Peterson  
Riveness  
Rukavina  
Sparby

Burger  
Dille  
Frerichs  
Himle  
Hugoson  
Knickerbocker  
McPherson  
Poppenhagen  
Schafer  
Thiede  
Tjornhom

## EDUCATION—

Mondays and Wednesdays, 8:00 A.M., Room 5

McEachern, Chair

Gruenes

Bauerly  
 Beard  
 Johnson, A.  
 Kelso  
 Kinkel  
 Kostohryz  
 Nelson, C.  
 Nelson, K.  
 Olson, E.  
 Olson, K.  
 Otis  
 Pelowski  
 Quinn  
 Segal  
 Trimble  
 Tunheim  
 Vellenga  
 Wagenius  
 Wenzel

Hartle  
 Hugoson  
 McDonald  
 McPherson  
 Olsen, S.  
 Ozment  
 Schafer  
 Sviggum  
 Swenson  
 Thiede  
 Tompkins

**Education Finance Division/Education**

Mondays, 12:00 Noon, Room 300N

Wednesdays, 2:00 P.M., Room 300N

Fridays, 10:00 A.M., Room 300N

Nelson, K., Chair  
 Bauerly  
 Kostohryz  
 McEachern  
 Olson, E.  
 Otis  
 Tunheim  
 Vellenga

Olsen, S.  
 Ozment  
 Schafer  
 Thiede

**ENVIRONMENT AND NATURAL RESOURCES—**

Tuesdays and Thursdays, 10:00 A.M., Room 10

Munger, Chair  
 Battaglia  
 Begich  
 Jennings  
 Johnson, A.  
 Johnson, R.  
 Kahn  
 Knuth  
 Larsen  
 Long  
 Nelson, D.  
 Neuenschwander  
 Ogren  
 Reding  
 Rukavina

Carlson, D.  
 Himle  
 Hugoson  
 McPherson  
 Marsh  
 Pauly  
 Rose  
 Schafer  
 Shaver  
 Thiede  
 Waltman

Simoneau  
Skoglund  
Trimble  
Wagenius

## FINANCIAL INSTITUTIONS AND INSURANCE—

Wednesdays, 12:00 Noon, Room 5

Skoglund, Chair  
Anderson, G.  
Bertram  
Carlson, L.  
Carruthers  
Milbert  
Neuenschwander  
Osthoff  
Otis  
Peterson  
Quinn  
Rodosovich  
Scheid  
Voss  
Wenzel  
Winter  
Wynia

Blatz  
Boo  
Clausnitzer  
Frederick  
Hartle  
Knickerbocker  
McKasy  
Olsen, S.  
Poppenhagen  
Uphus

## FUTURE AND TECHNOLOGY—

Mondays, 12:00 Noon, Room 5

Reding, Chair  
Bauerly  
Dorn  
Kahn  
Kelso  
Knuth  
Krueger  
Larsen  
Pelowski  
Peterson  
Price  
Rest  
Riveness  
Rukavina  
Trimble

Frederick  
Frerichs  
Gruenes  
Haukoos  
Himle  
Morrison  
Quist  
Rose  
Shaver

## GENERAL LEGISLATION, VETERANS AFFAIRS AND GAMING—

Thursdays, 12:00 Noon, Room 500S

Kostohryz, Chair  
Brown  
Jensen

Bennett  
Boo  
Gutknecht

Kludt  
 Minne  
 Orenstein  
 Osthoff  
 Price  
 Reding  
 Scheid  
 Steensma  
 Vellenga

Knickerbocker  
 Redalen  
 Sviggum  
 Richter  
 Shaver

GOVERNMENTAL OPERATIONS—

Mondays through Thursdays, 8:00 A.M., Room 10

Simoneau, Chair  
 Bertram  
 Carruthers  
 Clark  
 Cooper  
 DeBlieck  
 Jefferson  
 Jensen  
 Johnson, R.  
 Kludt  
 Larsen  
 Lasley  
 Milbert  
 O'Connor  
 Reding  
 Rukavina  
 Winter

Burger  
 Dille  
 Gutknecht  
 Heap  
 Knickerbocker  
 Morrison  
 Omann  
 Shaver  
 Tjornhom  
 Uphus  
 Waltman

HEALTH AND HUMAN SERVICES—

Tuesdays and Thursdays, 10:00 A.M., Room 5

Greenfield, Chair  
 Anderson, G.  
 Clark  
 Cooper  
 Dauner  
 Dorn  
 Jefferson  
 Kelso  
 McLaughlin  
 Orenstein  
 Rodosovich  
 Segal  
 Vellenga  
 Welle  
 Wynia

Clausnitzer  
 Gruenes  
 Onnen  
 Ozment  
 Quist  
 Stanius  
 Sviggum  
 Swenson  
 Tompkins

HIGHER EDUCATION—

Wednesdays, 10:00 A.M., Room 500S

Jaros, Chair

Boo

Johnson, R.  
Kinkel  
Kludd  
Larsen  
Lasley  
Nelson, K.  
Otis  
Pelowski  
Reding  
Rukavina  
Trimble

Forsythe  
Gruenes  
Heap  
Johnson, V.  
Omann  
Ozment  
Tompkins

## JUDICIARY—

Tuesdays, 12:00 Noon, Basement

Kelly, Chair  
Brown  
Carruthers  
Greenfield  
Kalis  
Kludd  
Long  
Milbert  
Nelson, D.  
Orenstein  
Pappas  
Quinn  
Rest  
Schoenfeld  
Solberg  
Vellenga  
Wagenius  
Welle

Bishop  
Blatz  
Clausnitzer  
Dempsey  
Forsythe  
Marsh  
McKasy  
Miller  
Quist  
Seaberg  
Swenson

Crime and Family Law Division/Judiciary  
Mondays, 10:00 A.M., Room 500N

Vellenga, Chair  
Carruthers  
Kelly  
Kludd  
Orenstein  
Pappas  
Rest  
Solberg  
Wagenius  
Welle

Bishop  
Blatz  
Clausnitzer  
Dempsey  
Marsh  
Seaberg  
Swenson

## LABOR-MANAGEMENT RELATIONS—

Mondays, 12:00 Noon, Room 200

Begich, Chair

Clausnitzer

Battaglia  
 Beard  
 Johnson, A.  
 Murphy  
 O'Connor  
 Pappas  
 Rice  
 Sarna  
 Scheid  
 Simoneau  
 Solberg  
 Wenzel

Dille  
 Gutknecht  
 Hartle  
 Heap  
 McPherson  
 Miller  
 Sviggum

Unemployment Compensation and Workers' Compensation  
 Division/ Labor-Management Relations  
 Mondays, 10:00 A.M., Room 500S

Murphy, Chair  
 Battaglia  
 Begich  
 Johnson, A.  
 O'Connor  
 Simoneau

Gutknecht  
 Heap  
 Miller  
 Sviggum

LOCAL AND URBAN AFFAIRS—

Tuesdays and Thursdays, 12:00 Noon, Room 200

Battaglia, Chair  
 Bauerly  
 Bertram  
 DeBlieck  
 Dorn  
 Greenfield  
 Jacobs  
 Jennings  
 Kinkel  
 Krueger  
 Lieder  
 O'Connor  
 Olson, E.  
 Rice  
 Sarna  
 Segal  
 Tunheim  
 Winter

Anderson, R.  
 Frederick  
 Haukoos  
 Johnson, V.  
 Morrison  
 Omann  
 Onnen  
 Pauly  
 Richter  
 Tompkins  
 Valento

METROPOLITAN AFFAIRS—

Wednesdays, 10:00 A.M., Room 500N

Osthoff, Chair  
 Carruthers

Blatz  
 Clausnitzer

Jefferson  
 Johnson, A.  
 Kelly  
 Kostohryz  
 Long  
 Nelson, D.  
 Pappas  
 Rest  
 Simoneau  
 Wagenius

Morrison  
 Ozment  
 Pauly  
 Stanius  
 Tjornhom  
 Valento

## REGULATED INDUSTRIES—

Mondays, 10:00 A.M., Room 400N

Jacobs, Chair  
 Beard  
 Clark  
 Jaros  
 Jennings  
 Jensen  
 Lieder  
 McLaughlin  
 Minne  
 Ogren  
 Osthoff  
 Quinn  
 Rodosovich  
 Scheid

Bennett  
 Gruenes  
 Hartle  
 Olsen, S.  
 Poppenhagen  
 Redalen  
 Rose  
 Stanius  
 Tjornhom

## RULES AND LEGISLATIVE ADMINISTRATION—

Call of the Chair, Room 400N

Vanasek, Chair  
 Anderson, G.  
 Jacobs  
 Long  
 Minne  
 Munger  
 Nelson, K.  
 Norton  
 Otis  
 Pappas  
 Reding  
 Rice  
 Riveness  
 Schoenfeld  
 Simoneau  
 Voss

Blatz  
 Himle  
 Knickerbocker  
 Redalen  
 Schreiber  
 Thiede  
 Valento

## TAXES—

Tuesdays, Thursdays and Fridays, 8:00 A.M., Room 5

Voss, Chair

Bennett

Begich  
Brown  
Dauner  
Jacobs  
Jaros  
Kelly  
Long  
McLaughlin  
Minne  
Nelson, K.  
Neuenschwander  
Norton  
Ogren  
Osthoff  
Peterson  
Rest  
Scheid  
Skoglund  
Vanasek  
Welle

Blatz  
Dempsey  
Frerichs  
Himle  
Marsh  
McKasy  
Onnen  
Pauly  
Quist  
Redalen  
Schreiber  
Valento

**Property Tax Division/Taxes**

Tuesdays, Thursdays and Fridays, 8:00 A.M., Room 400N

Minne, Chair  
Brown  
Dauner  
Jacobs  
Nelson, K.  
Neuenschwander  
Osthoff  
Scheid  
Skoglund  
Vanasek  
Voss

Bennett  
Blatz  
Dempsey  
Frerichs  
McKasy  
Redalen

**Tax Laws Division/Taxes**

Tuesdays, Thursdays and Fridays, 8:00 A.M., Room 500N

Long, Chair  
Begich  
Jaros  
Kelly  
McLaughlin  
Norton  
Ogren  
Peterson  
Rest  
Voss  
Welle

Himle  
Marsh  
Onnen  
Pauly  
Quist  
Schreiber  
Valento

**TRANSPORTATION—**

Wednesdays, 12:00 Noon, Room 10

Kalis, Chair

Carlson, D.

Begich  
Brown  
Dauner  
DeBlieck  
Jensen  
Johnson, A.  
Johnson, R.  
Lasley  
Lieder  
McEachern  
Olson, E.  
Olson, K.  
Segal  
Steensma  
Tunheim  
Welle

Dempsey  
Frerichs  
Haukoos  
Johnson, V.  
McDonald  
Richter  
Seaberg  
Valento  
Waltman

## WAYS AND MEANS—

Call of the Chair, Room 400N

Norton, Chair  
Anderson, G.  
Carlson, L.  
Kahn  
Long  
McEachern  
Minne  
Nelson, K.  
Rice  
Vanasek  
Voss  
Wynia

Carlson, D.  
Dempsey  
Forsythe  
Olsen, S.  
Schreiber

## ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the following schedule of committee meetings for the 1987-88 regular session:

## 1987-88 HOUSE COMMITTEE SCHEDULE

<i>Committee</i>	<i>Meeting Room</i>	<i>Hour</i>
MONDAY		
Appropriations	200	8:00- 9:45 a.m.
Appropriations (Education Division)	300N	8:00- 9:45 a.m.

Appropriations (Human Services Division)	200	8:00- 9:45 a.m.
Appropriations (State Departments Division)	300S	8:00- 9:45 a.m.
Appropriations (Semi-State Division)	400S	8:00- 9:45 a.m.
Governmental Operations	10	8:00- 9:45 a.m.
Education	5	8:00- 9:45 a.m.
Agriculture	Bsmt.	10:00-11:45 a.m.
Regulated Industries	400N	10:00-11:45 a.m.
Labor-Management Relations (Unemployment Compensation and Workers' Compensation Division)	500S	10:00-11:45 a.m.
Judiciary (Crime and Family Law Division)	500N	10:00-11:45 a.m.
Education (Education Finance Division)	300N	12:00- 1:45 p.m.
Labor-Management Relations	200	12:00- 1:45 p.m.
Future and Technology	5	12:00- 1:45 p.m.

## TUESDAY

Appropriations	200	8:00- 9:45 a.m.
Appropriations (Education Division)	300N	8:00- 9:45 a.m.
Appropriations (Human Services Division)	200	8:00- 9:45 a.m.
Appropriations (State Departments Division)	300S	8:00- 9:45 a.m.
Appropriations (Semi-State Division)	400S	8:00- 9:45 a.m.
Governmental Operations	10	8:00- 9:45 a.m.
Taxes	5	8:00- 9:45 a.m.

Taxes (Property Tax Division)	400N	8:00- 9:45 a.m.
Taxes (Tax Laws Division)	500N	8:00- 9:45 a.m.
Commerce	Bsmt.	10:00-11:45 a.m.
Environment and Natural Resources	10	10:00-11:45 a.m.
Health and Human Services	5	10:00-11:45 a.m.
Judiciary	Bsmt.	12:00- 1:45 p.m.
Local and Urban Affairs	200	12:00- 1:45 p.m.
Economic Development and Housing	5	12:00- 1:45 p.m.

## WEDNESDAY

Appropriations	200	8:00- 9:45 a.m.
Appropriations (Education Division)	300N	8:00- 9:45 a.m.
Appropriations (Human Services Division)	200	8:00- 9:45 a.m.
Appropriations (State Departments Division)	300S	8:00- 9:45 a.m.
Appropriations (Semi-State Division)	400S	8:00- 9:45 a.m.
Governmental Operations	10	8:00- 9:45 a.m.
Education	5	8:00- 9:45 a.m.
Agriculture (Agriculture Finance Division)	Bsmt.	10:00-11:45 a.m.
Higher Education	500S	10:00-11:45 a.m.
Metropolitan Affairs	500N	10:00-11:45 a.m.
Financial Institutions and Insurance	5	12:00- 1:45 p.m.
Transportation	10	12:00- 1:45 p.m.
Education (Education Finance Division)	300N	2:00- 4:00 p.m.

## THURSDAY

Appropriations	200	8:00- 9:45 a.m.
Appropriations (Education Division)	300N	8:00- 9:45 a.m.
Appropriations (Human Services Division)	200	8:00- 9:45 a.m.
Appropriations (State Departments Division)	300S	8:00- 9:45 a.m.
Appropriations (Semi-State Division)	400S	8:00- 9:45 a.m.
Governmental Operations	10	8:00- 9:45 a.m.
Taxes	5	8:00- 9:45 a.m.
Taxes (Property Tax Division)	400N	8:00- 9:45 a.m.
Taxes (Tax Laws Division)	500N	8:00- 9:45 a.m.
Commerce	Bsmt.	10:00-11:45 a.m.
Environment and Natural Resources	10	10:00-11:45 a.m.
Health and Human Services	5	10:00-11:45 a.m.
General Legislation, Veterans Affairs and Gaming	500S	12:00- 1:45 p.m.
Local and Urban Affairs	200	12:00- 1:45 p.m.
Economic Development and Housing	5	12:00- 1:45 p.m.

## FRIDAY

Taxes	5	8:00- 9:45 a.m.
Taxes (Property Tax Division)	400N	8:00- 9:45 a.m.
Taxes (Tax Laws Division)	500N	8:00- 9:45 a.m.
Education (Education Finance Division)	300N	10:00-11:45 a.m.

## CALL OF THE CHAIR

Rules and Legislative Administration 400N

Ways and Means 400N

Vanasek moved that when the House adjourns today it adjourn until 2:00 p.m., Monday, January 12, 1987. The motion prevailed.

Vanasek moved that the House recess subject to the call of the Chair for the purpose of meeting with the Senate in Joint Convention to hear the address by the Governor. The motion prevailed.

## RECESS

## RECONVENED

The Speaker called the House to order at 6:45 p.m.

The Sergeant at Arms announced the arrival of the members of the Senate, and they were escorted to the seats reserved for them at the front of the Chamber.

## JOINT CONVENTION

The Speaker of the House as President of the Joint Convention called the Joint Convention to order.

Prayer was offered by Bishop Emerson Colaw, United Methodist Church, Minneapolis, Minnesota.

The roll being called the following Senators answered to their names: Adkins, Anderson and Beckman.

Senator Moe, R. D., moved that further proceedings of the roll call be dispensed with. The motion prevailed and a quorum was declared present.

The Sergeant at Arms announced the arrival of the Constitutional Officers of the State of Minnesota: Joan Anderson Growe, Secretary of State; Arne H. Carlson, State Auditor; Michael A. McGrath, State

Treasurer and Hubert H. Humphrey III, Attorney General. The Constitutional Officers were escorted to the seats reserved for them.

The Sergeant at Arms announced the arrival of the Honorable Douglas K. Amdahl, Chief Justice of the Supreme Court, and the Associate Justices of the Supreme Court. They were escorted to the seats reserved for them near the rostrum.

The Sergeant at Arms announced the arrival of the Honorable Peter S. Popovich, Chief Judge of the Court of Appeals, and the Associate Judges of the Court of Appeals. They were escorted to the seats reserved for them near the rostrum.

The Sergeant at Arms announced the arrival of former Governors Harold E. Stassen, Orville L. Freeman, Elmer L. Anderson, Karl F. Rolvaag, Harold LeVander, Wendell R. Anderson and Albert H. Quie. The distinguished guests were escorted to the seats reserved for them.

The Sergeant at Arms announced the arrival of the Honorable Marlene Johnson, Lieutenant Governor. The Lieutenant Governor was escorted to the seat reserved for her at the rostrum.

The Sergeant at Arms announced the arrival of the Honorable Rudy Perpich, Governor of the State of Minnesota and his official party. The Governor was escorted to the rostrum by the appointed committees.

#### ADDRESS BY THE GOVERNOR

Governor Rudy Perpich was presented by the President of the Joint Convention, the Honorable Fred C. Norton, and the Governor delivered his "State of the State Address" to the members of the Joint Convention and their guests.

Following the address, Senator Moe, R. D., moved that the Joint Convention arise. The motion prevailed and the President declared the Joint Convention adjourned.

#### RECONVENED

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

## ADJOURNMENT

Vanasek moved that the House adjourn. The motion prevailed and the Speaker declared the House stands adjourned until 2:00 p.m., Monday, January 12, 1987.

EDWARD A. BURDICK, Chief Clerk, House of Representatives



## STATE OF MINNESOTA

## SEVENTY-FIFTH SESSION—1987

## THIRD DAY

SAINT PAUL, MINNESOTA, MONDAY, JANUARY 12, 1987

The House of Representatives convened at 2:00 p.m. and was called to order by Fred C. Norton, Speaker of the House.

Prayer was offered by the Reverend Delton Krueger, House Chaplain.

## ANNOUNCEMENT BY THE SPEAKER

The Speaker announced that Representative Tom Osthoff, District 66A, was administered the oath of office on Friday, January 9, 1987. His certificate of election and a signed and sworn statement of the oath of office are on file.

The roll was called and the following members were present:

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

A quorum was present.

Boo, Clark, Kludt, Neuenschwander, Pauly and Vanasek were excused.

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

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Olson, K.; Schoenfeld; Cooper; Nelson, C., and Johnson, V., introduced:

H. F. No. 1, A bill for an act relating to agriculture; extending and financing the mediation and interest rate buy-down programs; appropriating money; amending Laws 1986, chapter 398, article 23, section 1, subdivisions 5 and 6.

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

Schoenfeld, Vanasek, Otis and Kinkel introduced:

H. F. No. 2, A bill for an act relating to economic development; rural development; renaming and providing powers to the agricultural resource loan guaranty board; establishing a mineral resources program; establishing a community development division in the department of energy and economic development; transferring the independent wastewater treatment grant program from the pollution control agency to the department of energy and economic development; establishing the rural development board; establishing the challenge grant program; establishing the customized training program; establishing the greater Minnesota corporation; establishing the state supplemental education grant program; establishing the Minnesota public finance authority; appropriating money; amending Minnesota Statutes 1986, sections 41A.01; 41A.02, subdivisions 3, 4, 6, and 11; 41A.05, subdivisions 1 and 2; 116.16, subdivisions 2 and 5; and 462.384, subdivision 7; proposing coding for new law in Minnesota Statutes, chapters 41A; 84; 116J; and 136A; proposing coding for new law as Minnesota Statutes, chapters 116N; 116P; and 446A; repealing Minnesota Statutes 1986,

sections 41A.06, subdivision 2; 116.18, subdivision 3a; 116J.951; 116J.955; and 116J.961.

The bill was read for the first time and referred to the Committee on Economic Development and Housing.

Kelly, Norton, Vanasek and Begich introduced:

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

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

Osthoff, Scheid, Norton and Larsen introduced:

H. F. No. 4, A bill for an act proposing an amendment to the Minnesota Constitution, article XIII, section 5; allowing the legislature to authorize certain lotteries.

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

DeBlicke, Vanasek, Steensma, Kalis and Pappas introduced:

H. F. No. 5, A bill for an act relating to taxation; individual income; expanding the exclusion for pension income; amending Minnesota Statutes 1986, section 290.08, subdivision 26.

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

Milbert; Ogren; Johnson, R.; Kinkel and Rukavina introduced:

H. F. No. 6, A bill for an act relating to taxation; individual income; expanding the exclusion for pension income; amending Minnesota Statutes 1986, section 290.08, subdivision 26.

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

O'Connor introduced:

H. F. No. 7, A bill for an act relating to taxation; property; providing for delayed assessment of valuation increases due to the

rehabilitation of buildings; proposing coding for new law in Minnesota Statutes, chapter 273.

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

Wenzel introduced:

H. F. No. 8, A bill for an act relating to crimes; imposing a mandatory minimum sentence on persons who commit criminal vehicular operation resulting in death; amending Minnesota Statutes 1986, section 609.21, subdivisions 1 and 3.

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

O'Connor, Riveness and Vanasek introduced:

H. F. No. 9, A bill for an act relating to taxation; individual income; eliminating restrictions on the pension income exclusion; modifying the income offset; amending Minnesota Statutes 1986, section 290.08, subdivision 26.

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

Wenzel introduced:

H. F. No. 10, A bill for an act relating to crimes; providing for life imprisonment without parole for persons convicted of premeditated murder in the first degree; eliminating juvenile court jurisdiction over minors 14 years old and older accused of murder or manslaughter; expanding the crime of murder in the second degree to cover the unintentional killing of certain young children; increasing penalties and imposing mandatory minimum sentences for certain homicides and other crimes; clarifying the elements of manslaughter in the first degree; prohibiting waiver of certain mandatory minimum sentencing provisions; amending Minnesota Statutes 1986, sections 244.05, subdivision 4; 260.015, subdivision 5; 260.111, by adding a subdivision; 260.125, subdivision 3, and by adding a subdivision; 609.19; 609.195; 609.20; 609.221; 609.223; 609.224; 609.255, subdivision 3; 609.342, subdivision 2; 609.343, subdivision 2; 609.344, subdivision 2; 609.345, subdivision 2; and 609.377; and repealing Minnesota Statutes 1986, section 609.11, subdivision 8.

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

Begich and Battaglia introduced:

H. F. No. 11, A bill for an act relating to tax forfeited land; providing for the sale of a certain tract.

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

Rukavina and Begich introduced:

H. F. No. 12, A bill for an act relating to retirement; increasing retirement and survivor benefits for certain retired members of the Virginia firefighters' relief association and surviving spouses of deceased members.

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

Rukavina and Begich introduced:

H. F. No. 13, A bill for an act relating to alcoholic beverages; authorizing St. Louis county to issue one off-sale license.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Begich, Battaglia, Minne, Solberg and Rukavina introduced:

H. F. No. 14, A bill for an act relating to unemployment compensation; regulating the receipt of benefits; providing that wages for volunteer firefighter services not be deducted for benefit calculation purposes; amending Minnesota Statutes 1986, section 268.07, subdivision 2.

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

Sviggum introduced:

H. F. No. 15, A bill for an act relating to the city of Red Wing; directing the department of energy and economic development to refund a certain bond deposit; appropriating money.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Redalen introduced:

H. F. No. 16, A bill for an act relating to traffic regulations; specifying colors of slow moving vehicle emblems; amending Minnesota Statutes 1986, section 169.522, subdivision 1.

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

McEachern introduced:

H. F. No. 17, A bill for an act relating to education; making a technical correction to the compulsory attendance law; amending Minnesota Statutes 1986, section 120.10, subdivision 1.

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

Ogren introduced:

H. F. No. 18, A bill for an act relating to human services; allowing recovery of medical assistance payments upon death of recipient; amending Minnesota Statutes 1986, section 256B.15.

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

Ogren introduced:

H. F. No. 19, A bill for an act relating to probate; including certain agencies as successors who may collect personal property by affidavit; amending Minnesota Statutes 1986, section 524.3-1201.

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

Ogren; Sarna; Milbert; Johnson, R., and DeBlieck introduced:

H. F. No. 20, A bill for an act relating to commerce; modifying the maximum finance on certain open end credit sales; amending Minnesota Statutes 1986, section 334.16, subdivision 1.

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

Carlson, D., introduced:

H. F. No. 21, A bill for an act relating to state employees; permitting direct deposit of pay in financial institutions; amending Minnesota Statutes 1986, section 16A.133, subdivision 1; repealing Minnesota Statutes 1986, section 16A.133, subdivision 3.

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

Forsythe, Pauly, Simoneau and Long introduced:

H. F. No. 22, A bill for an act relating to retirement; authorizing certain members of the public employees retirement association to elect a benefit conversion.

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

Kahn, Greenfield, Orenstein, Stanius and Jaros introduced:

H. F. No. 23, A bill for an act relating to health; requiring a hospital administrator to request an organ or tissue donation for purposes of the uniform anatomical gift act; proposing coding for new law in Minnesota Statutes, chapter 525.

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

Simoneau; Johnson, A., and Sviggum introduced:

H. F. No. 24, A bill for an act relating to drivers' licenses; requiring certain notice on uniform traffic ticket; providing penalty for failure to respond to summons and complaint on uniform traffic ticket; prohibiting issuance of warrants on persons failing to pay fines for parking violations; establishing system for collecting unpaid fines; providing for and allocating driver's license reinstatement fees; amending Minnesota Statutes 1986, sections 169.99, by adding a subdivision; 171.16, subdivision 3, and by adding subdivisions; 171.20, subdivision 1; and 171.29.

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

Simoneau; Johnson, A.; Pappas and Morrison introduced:

H. F. No. 25, A bill for an act relating to traffic regulations; requiring motor vehicle operators to use child passenger restraint system when transporting child under age of four; imposing penalty; amending Minnesota Statutes 1986, section 169.685, subdivision 5.

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

Simoneau, Pappas, Rice and Anderson, G., introduced:

H. F. No. 26, A bill for an act relating to workers' compensation; providing for the organization and powers of the state compensation insurance fund; appropriating money; amending Minnesota Statutes 1986, sections 11A.24, subdivision 6; 176A.02, subdivision 1; 176A.04; and 176A.11.

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

Simoneau and Olsen, S., introduced:

H. F. No. 27, A bill for an act relating to corporations; regulating control share acquisitions; delaying the effective date of certain amendments; amending Laws 1985, First Special Session chapter 5, section 21, as amended.

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

Skoglund, Carruthers, Voss, Clausnitzer and Quinn introduced:

H. F. No. 28, A bill for an act relating to financial institutions; extending the EFT law to terminals located on the premises of a financial institution; amending Minnesota Statutes 1986, section 47.61, subdivision 3.

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

Skoglund introduced:

H. F. No. 29, A bill for an act relating to traffic regulations; requiring motor vehicle operators to use child passenger restraint system when transporting child under age of four; assessing court

costs to violator under certain conditions; imposing penalty; amending Minnesota Statutes 1986, section 169.685, subdivision 5.

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

Skoglund, Carruthers, Quinn, Brown and Milbert introduced:

H. F. No. 30, A bill for an act relating to consumer protection; requiring certain disclosures regarding the quality of replacement parts used in certain repairs and appraisals; amending Minnesota Statutes 1986, sections 72B.091, subdivision 2; 325F.56, subdivision 8; and 325F.60, subdivision 1.

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

Skoglund, Begich, Dauner, Norton and Brown introduced:

H. F. No. 31, A bill for an act relating to labor; prohibiting the charging of a fee in connection with a job application; providing penalties; proposing coding for new law in Minnesota Statutes, chapter 181.

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

Skoglund introduced:

H. F. No. 32, A bill for an act relating to consumer protection; prohibiting vending machine sales of tobacco and tobacco products; providing remedies; proposing coding for new law in Minnesota Statutes, chapter 325F; repealing Minnesota Statutes 1986, section 325E.07.

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

Skoglund introduced:

H. F. No. 33, A bill for an act relating to elections; changing the time for holding precinct caucuses; amending Minnesota Statutes 1986, section 202A.14, subdivision 1.

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

Carruthers, Vanasek, Kelly, Sarna and McKasy introduced:

H. F. No. 34, A bill for an act relating to corporations; providing for modification of liability of directors; amending Minnesota Statutes 1986, sections 302A.111, subdivision 4; and 302A.251, by adding a subdivision.

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

Thiede, Schafer, Poppenhagen, Richter and Hugoson introduced:

H. F. No. 35, A resolution memorializing Congress of ratification of a proposed amendment to the Constitution of the United States to provide for a delay in an increase in compensation to members of Congress until an intervening election of representatives has occurred.

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

Olsen, S.; Tompkins; Morrison; Bennett and Stanius introduced:

H. F. No. 36, A bill for an act relating to motor vehicles; establishing fees for personalized license plates; allowing credit for certain fees paid; amending Minnesota Statutes 1986, section 168.12, subdivision 2a.

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

Redalen introduced:

H. F. No. 37, A bill for an act relating to natural resources; requiring refunds on agricultural leases; proposing coding for new law in Minnesota Statutes, chapter 84.

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

Olsen, S.; Tjornhom; Omann; Tompkins and Valento introduced:

H. F. No. 38, A bill for an act relating to taxation; individual income; eliminating restrictions on the pension income exclusion;

modifying the income offset; amending Minnesota Statutes 1986, section 290.08, subdivision 26.

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

Shaver, Schreiber, Richter, Omann and Dille introduced:

H. F. No. 39, A bill for an act relating to state government; rejecting salary adjustments for legislators and constitutional officers recommended by the compensation council.

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

McPherson, Clausnitzer, Frederick, Burger and Waltman introduced:

H. F. No. 40, A bill for an act relating to state government; rejecting salary adjustments for legislators and constitutional officers recommended by the compensation council.

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

Milbert, Kelly, Orenstein and Swenson introduced:

H. F. No. 41, A bill for an act relating to data privacy; providing for the classification of data in certain adoption reports; amending Minnesota Statutes 1986, section 259.27, by adding a subdivision.

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

## MOTIONS AND RESOLUTIONS

Schoenfeld moved that the name of Carlson, D., be added as an author on H. F. No. 2. The motion prevailed.

McLaughlin, Vanasek, Norton, Jefferson and Schreiber introduced:

House Resolution No. 1, A House resolution requiring the establishment of an affirmative action plan and designating an affirmative action officer.

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

Lasley introduced:

House Resolution No. 2, A House resolution congratulating the Isanti County 4-H Dairy Bowl Team for placing third in the North American Invitational Dairy Bowl.

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

Schreiber, Frerichs, Knickerbocker, Sviggum and Carlson, D., introduced:

House Resolution No. 3, A House resolution relating to the cost of administering the House of Representatives for the last two years; directing the refund of \$1,000,000 to the general fund of the state.

Schreiber moved that the rules be so far suspended that House Resolution No. 3 be now considered and be placed upon its adoption.

A roll call was requested and properly seconded.

The question was taken on the Schreiber motion and the roll was called. There were 49 yeas and 77 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Anderson, G.	DeBlieck	Kahn	McEachern	Olson, E.
Battaglia	Dille	Kalis	McLaughlin	Olson, K.
Bauerly	Dorn	Kelly	Milbert	Orenstein
Beard	Greenfield	Kelso	Minne	Osthoff
Begich	Jacobs	Kinkel	Munger	Otis
Bertram	Jaros	Kostohryz	Murphy	Pappas
Brown	Jefferson	Krueger	Nelson, C.	Pelowski
Carlson, L.	Jennings	Larsen	Nelson, D.	Peterson
Carruthers	Jensen	Lasley	Nelson, K.	Quinn
Cooper	Johnson, A.	Lieder	O'Connor	Reding
Dauner	Johnson, R.	Long	Ogren	Rest

Rice	Schoenfeld	Sparby	Voss	Wynia
Rodosovich	Segal	Steensma	Wagenius	Spk. Norton
Rukavina	Simoneau	Trimble	Welle	
Sarna	Skoglund	Tunheim	Wenzel	
Scheid	Solberg	Vellenga	Winter	

The motion did not prevail.

House Resolution No. 3 was referred to the Committee on Rules and Legislative Administration.

Clark, Kahn, Pappas and Orenstein introduced:

House Concurrent Resolution No. 1, A House concurrent resolution protesting the use of the Minnesota National Guard in Central America; encouraging efforts to legally contest the mandatory deployment by the federal government of the Minnesota National Guard in foreign countries without state assent.

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

Otis introduced:

House Concurrent Resolution No. 2, A House concurrent resolution relating to adjournment of the House of Representatives and Senate for more than three days.

#### SUSPENSION OF RULES

Otis moved that the rules be so far suspended that House Concurrent Resolution No. 2 be now considered and be placed upon its adoption. The motion prevailed.

#### HOUSE CONCURRENT RESOLUTION NO. 2

A House concurrent resolution relating to adjournment of the House of Representatives and Senate for more than three days.

*Be It Resolved* by the House of Representatives, the Senate concurring:

(1) Upon their adjournments on January 15, 1987, the House of Representatives and Senate may each set their next days of meeting for January 20, 1987.

(2) By the adoption of this resolution, each house consents to adjournment of the other body for more than three days.

Otis moved that House Concurrent Resolution No. 2 be now adopted. The motion prevailed and House Concurrent Resolution No. 2 was adopted.

#### ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the following changes in committee assignments:

Agriculture, Agriculture Finance Division: Add the names of Sparby and Hugoson.

Economic Development and Housing: Remove the name of Jaros.

General Legislation, Veterans Affairs and Gaming: Remove the name of Vellenga and add the name of Quinn.

Judiciary: Remove the name of Quinn.

Labor-Management Relations, Unemployment Compensation and Workers' Compensation Division: Add the name of Rice.

Metropolitan Affairs: Add the names of McLaughlin, Skoglund and Swenson.

#### ADJOURNMENT

Otis moved that when the House adjourns today it adjourn until 3:00 p.m., Thursday, January 15, 1987. The motion prevailed.

Otis moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 3:00 p.m., Thursday, January 15, 1987.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

## STATE OF MINNESOTA

## SEVENTY-FIFTH SESSION -- 1987

## FOURTH DAY

SAINT PAUL, MINNESOTA, THURSDAY, JANUARY 15, 1987

The House of Representatives convened at 3:00 p.m. and was called to order by Fred C. Norton, Speaker of the House.

Prayer was offered by the Reverend Clay Oglesbee, Simpson United Methodist Church, Minneapolis, Minnesota.

The roll was called and the following members were present:

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

A quorum was present.

Beard, DeBlicke and Pauly were excused.

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

**PETITIONS AND COMMUNICATIONS**

The following communication was received:

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
SAINT PAUL 55155

October 28, 1986

The Honorable David M. Jennings  
Speaker of the House of Representatives  
The State of Minnesota

Dear Sir:

The following appointment to the Ethical Practices Board is hereby respectfully submitted to the House for confirmation as required by law:

Douglas R. Ewald, 15025 Highland Trail, Minnetonka, Hennepin county, has been appointed by me, effective November 3, 1986, for a term expiring the first Monday in January 1988.

Sincerely,

RUDY PERPICH  
Governor

The communication relating to the State Ethical Practices Board was referred to the Committee on General Legislation, Veterans Affairs and Gaming.

**INTRODUCTION AND FIRST READING  
OF HOUSE BILLS**

The following House Files were introduced:

Pappas, Simoneau, Begich, McKasy and Swenson introduced:

H. F. No. 42, A bill for an act relating to employment; regulating substance abuse testing of employees and job applicants; establishing certification program of substance abuse testing facilities; ap-

propriating money; proposing coding for new law in Minnesota Statutes, chapters 181 and 299C.

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

Bauerly, Bertram, Uphus, McEachern and Kalis introduced:

H. F. No. 43, A bill for an act relating to motor vehicles; providing for special license plates for Vietnam era veterans; amending Minnesota Statutes 1986, section 168.12, by adding a subdivision.

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

Simoneau introduced:

H. F. No. 44, A bill for an act relating to nonprofit corporations; authorizing the elimination or limitation of a director's personal liability to the corporation or its members; proposing coding for new law in Minnesota Statutes, chapter 317; repealing Minnesota Statutes 1986, section 317.201.

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

Orenstein, McKasy, Kelly and Milbert introduced:

H. F. No. 45, A bill for an act relating to commerce; revising the Uniform Trade Secret Act; clarifying remedies; amending Minnesota Statutes 1986, sections 325C.01, subdivision 5; 325C.02; 325C.03; and 325C.07.

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

Jacobs, Bennett, Long, Frederick and Bertram introduced:

H. F. No. 46, A bill for an act relating to alcoholic beverages; permitting certain transactions by brewers and wholesalers; authorizing cities to issue temporary off-sale licenses for the sale of vintage wine at auctions; amending Minnesota Statutes 1986, sections 340A.308; and 340A.405, by adding a subdivision.

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

Krueger, Kahn and McEachern introduced:

H. F. No. 47, A bill for an act relating to education; allowing a school district to use a state compatible financial reporting system without going through a regional center and without state board approval; amending Minnesota Statutes 1986, section 121.936, subdivision 1.

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

Begich and Battaglia introduced:

H. F. No. 48, A bill for an act relating to taxation; requiring recomputation of certain corporate taxes; providing for purchase of health insurance policies for certain employees; appropriating money; amending Minnesota Statutes 1986, section 290.34, by adding a subdivision.

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

Begich and Battaglia introduced:

H. F. No. 49, A bill for an act relating to taxation; income; regulating certain trade or business expense deductions of corporations; requiring the posting of a bond to protect employee benefit plans; amending Minnesota Statutes 1986, section 290.02, subdivision 2.

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

Begich and Battaglia introduced:

H. F. No. 50, A bill for an act relating to employment; requiring employers offering certain benefit plans to maintain bonds sufficient to guarantee those benefits; proposing coding for new law in Minnesota Statutes, chapter 181.

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

Wenzel introduced:

H. F. No. 51, A bill for an act relating to school districts; changing the qualifying percentage of agricultural valuation for minimum aid

from 60 to 55; amending Minnesota Statutes 1986, section 124A.02, subdivision 22.

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

Ogren, Begich, Beard and Sarna introduced:

H. F. No. 52, A bill for an act relating to labor; removing an exception from overtime and minimum wage laws for certain ski facility employees; amending Minnesota Statutes 1986, section 177.23, subdivision 7.

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

Ogren and Sarna introduced:

H. F. No. 53, A bill for an act relating to historical preservation; directing an archaeological site assessment and tourism study of the Fond du Lac area; appropriating funds.

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

Ogren, Krueger and Johnson, R., introduced:

H. F. No. 54, A bill for an act relating to natural resources; appropriating funds for control and removal of beaver.

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

Carlson, D., introduced:

H. F. No. 55, A bill for an act relating to taxation; extending the pension exclusion to recipients of federal law enforcement officers' pensions under age 65; amending Minnesota Statutes 1986, section 290.08, subdivision 26.

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

Nelson, D., and Rose introduced:

H. F. No. 56, A bill for an act relating to health; requiring mosquito research and management activities to be ecologically nondisruptive; amending Minnesota Statutes 1986, section 144.95, subdivisions 1, 2, 3, 7, 9, and 10.

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

Gruenes, Marsh, Bauerly, Bertram and Omann introduced:

H. F. No. 57, A bill for an act relating to highways; abolishing restrictions on disposition of right-of-way of trunk highway No. 15 in St. Cloud; repealing Laws 1986, chapter 387, section 2.

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

Gruenes, Marsh, Bauerly and Omann introduced:

H. F. No. 58, A bill for an act relating to appropriations; providing for a payment for certain improvements in the city of St. Cloud.

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

Price, Beard, Quinn, Solberg and Knuth introduced:

H. F. No. 59, A bill for an act relating to watercraft; requiring titling for certain watercraft; regulating perfection of security interests in watercraft; amending Minnesota Statutes 1986, section 336.9-302; proposing coding for new law as Minnesota Statutes, chapter 361A.

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

Tjornhom, Ozment, Hartle, Morrison and Tompkins introduced:

H. F. No. 60, A bill for an act relating to state government; rejecting salary adjustments for legislators and constitutional officers recommended by the compensation council.

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

Beard, Price, Quinn and Lasley introduced:

H. F. No. 61, A bill for an act relating to health; requiring a hospital administrator to request an organ or tissue donation; proposing coding for new law in Minnesota Statutes, chapter 525.

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

Ogren and Battaglia introduced:

H. F. No. 62, A bill for an act relating to libraries; permitting the joint financing of their construction among government units; allowing cities and counties to levy above limits for library construction; amending Minnesota Statutes 1986, section 275.50, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 134.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Krueger, Munger and Kinkel introduced:

H. F. No. 63, A bill for an act relating to environment; providing for the recycling of beverage containers; establishing a minimum redemption value for certain beverage containers; establishing recycling centers; providing for the payment of incentives to promote recycling of beverage containers; providing for administration by the pollution control agency; requiring reports; establishing the beverage container recycling fund; establishing the beverage container recycling advisory committee and providing for its duties; providing penalties; and appropriating money; amending Minnesota Statutes 1986, section 290.01, subdivision 20b; proposing coding for new law in Minnesota Statutes, chapter 116F.

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

Kostohryz introduced:

H. F. No. 64, A bill for an act relating to charitable gambling; changing the effective date for collection of certain taxes by distributors; amending Laws 1986, chapter 467, section 33.

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

**Lasley, Murphy and Trimble introduced:**

H. F. No. 65, A bill for an act relating to consumer protection; requiring cash refunds for goods returned on certain retail sales; providing an exception; proposing coding for new law in Minnesota Statutes, chapter 325F.

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

**Johnson, A.; Johnson, R.; Johnson, V.; Olson, K., and Olson, E., introduced:**

H. F. No. 66, A resolution memorializing the Congress of the United States to enact an extension of the federal highway program at the earliest possible date.

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

**Begich and Battaglia introduced:**

H. F. No. 67, A resolution memorializing the President and Congress to adopt amendments to the Retirement Income Security Act of 1974.

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

## **MESSAGES FROM THE SENATE**

The following message was received from the Senate:

Mr. Speaker:

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

House Concurrent Resolution No. 2, A House concurrent resolution relating to adjournment of the House of Representatives and Senate for more than three days.

**PATRICK E. FLAHAVEN, Secretary of the Senate**

**MOTIONS AND RESOLUTIONS**

Kelly moved that the name of Carlson, D., be added as an author on H. F. No. 3. The motion prevailed.

Wenzel moved that the name of Olsen, S., be added as an author on H. F. No. 8. The motion prevailed.

Simoneau moved that the name of Bishop be added as an author on H. F. No. 24. The motion prevailed.

Simoneau moved that the name of Bishop be added as an author on H. F. No. 25. The motion prevailed.

**MOTION TO TAKE FROM THE TABLE**

Vanasek moved that Senate Concurrent Resolution No. 1 be taken from the table and be referred to the Committee on Rules and Legislative Administration. The motion prevailed and Senate Concurrent Resolution No. 1 was referred to the Committee on Rules and Legislative Administration.

**ANNOUNCEMENT BY THE SPEAKER**

The Speaker announced the following change in committee assignments:

Local and Urban Affairs: Remove the name of Greenfield.

**ADJOURNMENT**

Vanasek moved that when the House adjourns today it adjourn until 3:00 p.m., Tuesday, January 20, 1987. The motion prevailed.

Vanasek moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 3:00 p.m., Tuesday, January 20, 1987.

EDWARD A. BURDICK, Chief Clerk, House of Representatives



## STATE OF MINNESOTA

## SEVENTY-FIFTH SESSION—1987

## FIFTH DAY

SAINT PAUL, MINNESOTA, TUESDAY, JANUARY 20, 1987

The House of Representatives convened at 3:00 p.m. and was called to order by Fred C. Norton, Speaker of the House.

Prayer was offered by the Reverend Paul Jannakos, St. Mary's Eastern Orthodox Cathedral, Minneapolis, Minnesota.

The roll was called and the following members were present:

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

A quorum was present.

McEachern, Sarna and Vellenga were excused.

Gutknecht was excused until 3:35 p.m. Schreiber was excused until 3:55 p.m.

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

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

### REPORTS OF STANDING COMMITTEES

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

House Resolution No. 1, A House resolution requiring the establishment of an affirmative action plan and designating an affirmative action officer.

Reported the same back with the following amendments:

Page 1, line 9, delete "in Vietnam"

With the recommendation that when so amended the resolution be adopted.

The report was adopted.

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

House Concurrent Resolution No. 1, A House concurrent resolution protesting the use of the Minnesota National Guard in Central America; encouraging efforts to legally contest the mandatory deployment by the federal government of the Minnesota National Guard in foreign countries without state assent.

Reported the same back with the following amendments:

Page 2, line 16, after "America" insert ", except in cases of natural disaster or in cases of the transportation of humanitarian medical supplies"

With the recommendation that when so amended the resolution be adopted.

The report was adopted.

### INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Vanasek, Cooper, Krueger, Norton and Steensma introduced:

H. F. No. 68, A bill for an act relating to state government; rejecting salary adjustments for legislators recommended by the

compensation council.

The bill was read for the first time.

#### SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Shaver moved that the rule therein be suspended and an urgency be declared so that H. F. No. 68 be given its second and third readings and be placed upon its final passage.

A roll call was requested and properly seconded.

The question was taken on the Shaver motion and the roll was called. There were 53 yeas and 71 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Frederick	McDonald	Ozment	Stanius
Bennett	Frerichs	McKasy	Pauly	Sviggum
Blatz	Gruenes	McPherson	Pelowski	Swenson
Boo	Hartle	Milbert	Poppenhagen	Thiede
Burger	Haukoos	Miller	Quist	Tjornhom
Carlson, D.	Heap	Morrison	Redalen	Tompkins
Carlson, L.	Himle	Olsen, S.	Richter	Uphus
Clausnitzer	Hugoson	Omann	Rose	Valento
Dempsey	Johnson, V.	Onnen	Scheid	Waltman
Dille	Knickerbocker	Orenstein	Seaberg	
Forsythe	Marsh	Osthoff	Shaver	

Those who voted in the negative were:

Anderson, G.	Jaros	Krueger	Ogren	Segal
Battaglia	Jefferson	Larsen	Olson, E.	Simoneau
Bauerly	Jennings	Lasley	Otis	Skoglund
Beard	Jensen	Lieder	Pappas	Solberg
Begich	Johnson, A.	Long	Peterson	Sparby
Bertram	Johnson, R.	McLaughlin	Price	Steensma
Brown	Kahn	Minne	Quinn	Trimble
Carruthers	Kalis	Munger	Reding	Vanasek
Cooper	Kelly	Murphy	Rest	Voss
Dauner	Kelso	Nelson, C.	Rice	Wagenius
DeBlicke	Kinkel	Nelson, D.	Riveness	Welle
Dorn	Kludt	Nelson, K.	Rodosovich	Wenzel
Greenfield	Knuth	Neuenschwander	Rukavina	Winter
Jacobs	Kostohryz	O'Connor	Schafer	Wynia
				Spk. Norton

The motion did not prevail.

H. F. No. 68 was referred to the Committee on Governmental Operations.

**INTRODUCTION AND FIRST READING  
OF HOUSE BILLS, Continued**

Welle, Ogren, Greenfield and Stanius introduced:

H. F. No. 69, A bill for an act relating to health; providing for licensure and operation of hospice programs; proposing coding for new law in Minnesota Statutes, chapter 144.

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

Minne and Solberg introduced:

H. F. No. 70, A bill for an act relating to utilities; limiting compensation awarded to utility under certain conditions when municipal electric utility extends its boundaries; amending Minnesota Statutes 1986, section 216B.44.

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

Tunheim, Long and Vellenga introduced:

H. F. No. 71, A bill for an act relating to insurance; health and accident; requiring coverage for scalp hair prostheses in certain circumstances; amending Minnesota Statutes 1986, section 62E.06, subdivision 1; and proposing coding for new law in Minnesota Statutes, chapter 62A.

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

O'Connor and McEachern introduced:

H. F. No. 72, A bill for an act relating to retirement; appropriating funds to reimburse certain pension funds for the amount of reduced employer contributions during the economic emergency of 1983.

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

**Welle introduced:**

**H. F. No. 73, A bill for an act relating to the city of Willmar; providing an exception from the Willmar police civil service system for the chief of police.**

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

**Redalen, Rose, Dorn, Munger and Battaglia introduced:**

**H. F. No. 74, A bill for an act relating to game and fish; authorizing deer bow and arrow licenses for nonresident students at resident fees; amending Minnesota Statutes 1986, section 97A.455.**

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

**McDonald and Gutknecht introduced:**

**H. F. No. 75, A resolution memorializing Congress to call a constitutional convention to propose an amendment to the United States Constitution to require a balanced federal budget.**

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

**Riveness; Kelso; Knuth; Nelson, K., and Ozment introduced:**

**H. F. No. 76, A bill for an act relating to education; requiring school districts to provide special instruction and services for children with attention deficit disabilities; amending Minnesota Statutes 1986, section 120.03, subdivision 1.**

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

**Olsen, S.; Ozment; Swenson; McPherson and Hartle introduced:**

**H. F. No. 77, A bill for an act relating to education; changing the foundation aid formula allowance for the 1987-1988 school year and setting it for the 1988-1989 school year; amending Minnesota Statutes 1986, section 124A.02, subdivision 9.**

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

Nelson, K.; Wagenius and Olsen, S., introduced:

H. F. No. 78, A bill for an act relating to education; raising the age for compulsory school attendance to 17; making conforming changes; amending Minnesota Statutes 1986, sections 120.10, subdivisions 1 and 3; 123.35, subdivision 8; 124.26, subdivision 1; and 260.015, subdivision 19.

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

Uphus introduced:

H. F. No. 79, A bill for an act relating to human services; providing for an exception to the nursing home moratorium; amending Minnesota Statutes 1986, section 144A.071, subdivision 3.

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

Simoneau, Seaberg, Rice and Norton introduced:

H. F. No. 80, A bill for an act relating to motor vehicles; providing that certain license plates be issued every six years; amending Minnesota Statutes 1986, section 168.12, subdivisions 1, 2a, and 5.

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

Stanius introduced:

H. F. No. 81, A bill for an act relating to local government; providing for the use of certain city reserve funds; amending Minnesota Statutes 1986, section 471.572, subdivision 3.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Stanius introduced:

H. F. No. 82, A bill for an act relating to the city of White Bear Lake; permitting the establishment of special service districts in the city and providing taxing and other authority.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Bauerly, Winter, Cooper, Bertram and Wenzel introduced:

H. F. No. 83, A resolution memorializing Congress to immediately adopt the "Save the Family Farm Act" or similar legislation to meet the catastrophe striking American farmers and the farm economy.

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

Shaver introduced:

H. F. No. 84, A bill for an act relating to waters; allowing aeration activities on Hadley Lake in Hennepin county.

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

Begich, Larsen, Battaglia, Quinn and Sarna introduced:

H. F. No. 85, A bill for an act relating to consumer protection; requiring certain disclosures in sales of used motor vehicles; regulating new and used motor vehicle licenses; providing certain standards in applications for certificates of title; requiring certain disclosures upon the transfer of a motor vehicle; amending Minnesota Statutes 1986, sections 168.27, subdivisions 1, 8, 10, and 24; and 325E.0951, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 168 and 168A.

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

Peterson, Lasley, Jennings and Carlson, D., introduced:

H. F. No. 86, A bill for an act relating to local government; permitting certain counties to levy a tax for the county historical society; imposing a reverse referendum requirement.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Frerichs, Richter, Tjornhom, Hugoson and Sviggum introduced:

H. F. No. 87, A bill for an act relating to the legislature; redefining "legislative day" as any calendar day except Sunday; amending Minnesota Statutes 1986, section 3.012.

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

Quinn, Greenfield, Bishop, Orenstein and Voss introduced:

H. F. No. 88, A bill for an act relating to trusts; regulating investment of trust assets; prescribing the standard of care for trustees; allowing trustees to delegate duties and employ agents; amending Minnesota Statutes 1986, sections 501.125, subdivision 1; and 501.66, subdivision 28; repealing Minnesota Statutes 1986, sections 501.125, subdivision 1a; and 501.66, subdivision 6a.

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

Simoneau, O'Connor, Quinn, Clausnitzer and Scheid introduced:

H. F. No. 89, A bill for an act relating to animals; providing for the return of lost animals to their owners; prohibiting transfer of certain dogs and cats for use in research; providing a penalty; amending Minnesota Statutes 1986, section 35.71.

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

Haukoos, Vellenga, Kalis, Pappas and Dempsey introduced:

H. F. No. 90, A bill for an act relating to crimes; requiring health professionals to report certain burn injuries; amending Minnesota Statutes 1986, sections 626.52, by adding a subdivision; and 626.53.

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

Knuth, Bishop, Munger, Price and Rose introduced:

H. F. No. 91, A bill for an act relating to utilities; enacting the Minnesota pipeline safety act; creating the office of pipeline safety and providing for its powers and duties; granting rulemaking authority to the environmental quality board; authorizing rulemaking for purposes of delegation of federal authority; creating the pipeline safety advisory commission; regulating the operation of certain pipelines; regulating excavations in the area of buried utilities; providing for a pipeline inspection fee; establishing the pipeline safety fund; requiring a study; providing penalties; appropriating money; amending Minnesota Statutes 1986, section 116I.02, subdivisions 2 and 3; proposing coding for new law in

Minnesota Statutes, chapter 116I; proposing coding for new law as Minnesota Statutes, chapters 216C and 299J.

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

### MOTIONS AND RESOLUTIONS

Simoneau moved that the names of Pappas, McKasy, Dorn and Carruthers be added as authors on H. F. No. 44. The motion prevailed.

Ogren moved that the name of O'Connor be added as an author on H. F. No. 52. The motion prevailed.

Ogren moved that the names of Sparby and Johnson, V., be added as authors on H. F. No. 54. The motion prevailed.

Kostohryz moved that the name of Bennett be added as an author on H. F. No. 64. The motion prevailed.

Bertram introduced:

House Resolution No. 4, A House resolution extending congratulations to Craig Brinkman of Paynesville, Minnesota, on attaining Scouting's Eagle Award.

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

House Resolution No. 1 was reported to the House.

McLaughlin moved that House Resolution No. 1 be now adopted.

McLaughlin moved to amend House Resolution No. 1, as follows:

Page 1, line 8, after "origin," insert "marital status,"

The motion prevailed and the amendment was adopted.

McLaughlin moved to amend House Resolution No. 1, as amended, as follows:

Page 2, line 34, after "affirmative" insert "action"

The motion prevailed and the amendment was adopted.

NOTICE OF INTENTION TO DEBATE  
A RESOLUTION

Pursuant to House Rule 4.5, Rose gave notice of his intention to debate House Resolution No. 1. The resolution, as amended, was laid over one day.

House Concurrent Resolution No. 1 was reported to the House.

Clark moved that House Concurrent Resolution No. 1 be now adopted.

Kostohryz moved to amend House Concurrent Resolution No. 1, as follows:

Page 2, line 10, delete "protests the use of"

Page 2, delete line 11

Page 2, line 12, delete "is clarified. It"

Page 2, line 12, delete "immediately"

Page 2, line 15, delete everything after "Code"

Page 2, line 16, delete everything before "and"

Page 2, line 22, delete "Central America" and insert "a foreign country"

Amend the title as follows:

Page 1, line 3, delete "Central America" and insert "foreign countries without the consent of the Governor"

A roll call was requested and properly seconded.

McDonald moved to re-refer House Concurrent Resolution No. 1 to the Committee on Rules and Legislative Administration.

A roll call was requested and properly seconded.

The question was taken on the McDonald motion and the roll was called. There were 62 yeas and 66 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Bennett	Blatz	Burger	Clausnitzer
Beard	Bishop	Boo	Carlson, D.	Dauner

DeBleck	Hugoson	Miller	Redalen	Sviggum
Dempsey	Jennings	Morrison	Richter	Swenson
Dille	Johnson, R.	Olsen, S.	Rodosovich	Tjornhom
Forsythe	Johnson, V.	Omann	Rose	Tompkins
Frederick	Knickerbocker	Onnen	Rukavina	Uphus
Frerichs	Lasley	Osthoff	Schafer	Valento
Gutknecht	Lieder	Ozment	Schreiber	Waltman
Hartle	Marsh	Pauly	Seaberg	Wenzel
Haukoos	McDonald	Pelowski	Shaver	
Heap	McKasy	Poppenhagen	Solberg	
Himle	McPherson	Quist	Stanius	

Those who voted in the negative were:

Anderson, G.	Jaros	McLaughlin	Otis	Steensma
Battaglia	Jefferson	Milbert	Pappas	Trimble
Bauerly	Jensen	Minne	Peterson	Tunheim
Begich	Kahn	Munger	Price	Vanasek
Bertram	Kalis	Murphy	Quinn	Voss
Brown	Kelly	Nelson, C.	Reding	Wagenius
Carlson, L.	Kelso	Nelson, D.	Rest	Welle
Carruthers	Kinkel	Nelson, K.	Rice	Winter
Clark	Kludt	Neuenschwander	Scheid	Wynia
Cooper	Knuth	O'Connor	Schoenfeld	Spk. Norton
Dorn	Kostohryz	Ogren	Segal	
Greenfield	Krueger	Olson, E.	Simoneau	
Gruenes	Larsen	Olson, K.	Skoglund	
Jacobs	Long	Orenstein	Sparby	

The motion did not prevail.

The question recurred on the Kostohryz amendment and the roll was called. There were 121 yeas and 4 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Beard            Marsh            McDonald            Osthoff

The motion prevailed and the amendment was adopted.

NOTICE OF INTENTION TO DEBATE  
A RESOLUTION

Pursuant to House Rule 4.5, McDonald gave notice of his intention to debate House Concurrent Resolution No. 1. The resolution, as amended, was laid over one day.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the following changes in committee assignments:

Education: Remove the name of Sviggum and add the name of Richter.

General Legislation, Veterans Affairs and Gaming: Remove the name of Richter and add the name of Quist.

Taxes: Remove the name of Quist and add the name of Sviggum.

ADJOURNMENT

Vanasek moved that when the House adjourns today it adjourn until 12:00 noon, Thursday, January 22, 1987. The motion prevailed.

Vanasek moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 12:00 noon, Thursday, January 22, 1987.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

## STATE OF MINNESOTA

## SEVENTY-FIFTH SESSION—1987

## SIXTH DAY

SAINT PAUL, MINNESOTA, THURSDAY, JANUARY 22, 1987

The House of Representatives convened at 12:00 noon and was called to order by Fred C. Norton, Speaker of the House.

Prayer was offered by the Reverend Delton Krueger, House Chaplain.

The roll was called and the following members were present:

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

A quorum was present.

Carlson, D.; Frerichs; Himle; Jensen; Knickerbocker and McEachern were excused.

Seaberg was excused until 1:00 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Winter 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 STANDING COMMITTEES

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 34, A bill for an act relating to corporations; providing for modification of liability of directors; amending Minnesota Statutes 1986, sections 302A.111, subdivision 4; and 302A.251, by adding a subdivision.

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

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 45, A bill for an act relating to commerce; revising the Uniform Trade Secret Act; clarifying remedies; amending Minnesota Statutes 1986, sections 325C.01, subdivision 5; 325C.02; 325C.03; and 325C.07.

Reported the same back with the following amendments:

Page 1, delete section 1

Renumber the remaining sections

Amend the title as follows:

Page 1, line 4, delete "325C.01, subdivision 5;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 66, A resolution memorializing the Congress of the United States to enact an extension of the federal highway program at the earliest possible date.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 34, 45 and 66 were read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Minne, Begich, Battaglia, Solberg and Rukavina introduced:

H. F. No. 92, A bill for an act relating to taxation; providing for expenditure of proceeds of the taconite production tax; amending Minnesota Statutes 1986, section 298.293; repealing Laws 1986, chapter 441, section 14.

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

Neuenschwander; Carlson, D.; Kelly; Begich and Miller introduced:

H. F. No. 93, A bill for an act proposing an amendment to the Minnesota Constitution, article I, adding a section to provide that the right to keep and bear arms shall not be abridged; appropriating money.

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

Simoneau; Johnson, A.; Larsen; Jacobs and Schreiber introduced:

H. F. No. 94, A bill for an act relating to Anoka county; authorizing a certain loan agreement with the commissioner of transportation for the development of new highway No. 10; appropriating money.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Simoneau; Johnson, A.; Voss; Larsen and Jacobs introduced:

H. F. No. 95, A bill for an act relating to Anoka county; authorizing the issuance of county bonds for capital improvements.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

McKasy, Quinn, Kelly, Kostohryz and Valento introduced:

H. F. No. 96, A bill for an act relating to the state high school league; requiring the league to arrange certain conference memberships; providing standards; amending Minnesota Statutes 1986, section 129.121, subdivision 1.

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

Begich, Battaglia and Rukavina introduced:

H. F. No. 97, A bill for an act relating to public improvements; providing for loans for firefighting facilities; providing for a state bond issue; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 16B.

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

Rukavina and Begich introduced:

H. F. No. 98, A bill for an act relating to liquor; authorizing St. Louis county to issue one off-sale liquor license.

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

McKasy introduced:

H. F. No. 99, A bill for an act relating to retirement; West St. Paul police relief association; defining salary for benefit and contribution purposes; amending Laws 1967, chapter 751, section 2.

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

Neuenschwander introduced:

H. F. No. 100, A bill for an act relating to public utilities; providing for uniformity of public coin-operated telephones; proposing coding for new law in Minnesota Statutes, chapter 237.

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

Stanius, Hartle, Jennings and Uphus introduced:

H. F. No. 101, A bill for an act relating to taxation; individual income; eliminating restrictions on the pension income exclusion; modifying the income offset; amending Minnesota Statutes 1986, section 290.08, subdivision 26.

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

Stanius; Rose; Carlson, D.; Neuenschwander and Jennings introduced:

H. F. No. 102, A bill for an act relating to game and fish; use of mechanical release bows during archery seasons; amending Minnesota Statutes 1986, section 97B.035, subdivision 1.

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

Uphus introduced:

H. F. No. 103, A bill for an act relating to traffic regulations; providing for designation of exempt railroad grade crossings; amending Minnesota Statutes 1986, section 169.28.

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

Stanius; Carlson, D.; Tompkins; Tjornhom and Jennings introduced:

H. F. No. 104, A bill for an act relating to health; changing eligibility requirements for catastrophic health expense protection program; appropriating money; amending Minnesota Statutes 1986, sections 62E.52, subdivisions 2, 3, 7, and by adding a sub-

division; 62E.53, subdivisions 1, 2, 3, and 4; and 62E.531, subdivisions 1 and 3.

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

Bishop, Kelly, Skoglund, Long and Morrison introduced:

H. F. No. 105, A bill for an act relating to discrimination; prohibiting conditioning credit on the signature of another person if the applicant is credit-worthy; amending Minnesota Statutes 1986, section 363.03, subdivision 8.

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

Gruenes, Morrison, Bennett, Dille and Omann introduced:

H. F. No. 106, A bill for an act relating to education; changing the foundation aid formula allowance for the 1987-1988 school year and setting it for the 1988-1989 school year; amending Minnesota Statutes 1986, section 124A.02, subdivision 9.

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

Tompkins; Stanius; Hugoson; Carlson, D., and Tjornhom introduced:

H. F. No. 107, A bill for an act relating to education; changing the foundation aid formula allowance for the 1987-1988 school year and setting it for the 1988-1989 school year; amending Minnesota Statutes 1986, section 124A.02, subdivision 9.

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

Sparby, Sviggum, McDonald, Waltman and Neuenschwander introduced:

H. F. No. 108, A bill for an act relating to trespass; permitting paint blazes in lieu of trespass signs; amending Minnesota Statutes 1986, section 97B.001, subdivision 4.

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

Tunheim, Dauner, Neuenschwander and Johnson, V., introduced:

H. F. No. 109, A bill for an act relating to workers' compensation; providing for an efficient hearing process; amending Minnesota Statutes 1986, sections 176.102, subdivisions 6 and 6a; 176.103, subdivisions 2 and 3; 176.155, subdivision 1; 176.242, by adding a subdivision; 176.306, by adding subdivisions; and 176.341.

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

Nelson, D.; Solberg; Beard and Pelowski introduced:

H. F. No. 110, A bill for an act relating to employment; limiting the employment hours of certain minors during the school year; amending Minnesota Statutes 1986, sections 181A.04, by adding a subdivision; and 181A.12, subdivision 1.

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

Olsen, S.; Kalis; Kostohryz; Scheid and Valento introduced:

H. F. No. 111, A bill for an act relating to motor vehicles; authorizing special license plates for Pearl Harbor survivors; proposing coding for new law in Minnesota Statutes, chapter 168.

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

Simoneau; Clark; Johnson, R.; Knickerbocker and Reding introduced:

H. F. No. 112, A bill for an act relating to retirement; providing lump sum payments to certain retired or disabled public employees or their surviving spouses; appropriating money.

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

Sviggum, Vanasek and Ozment introduced:

H. F. No. 113, A bill for an act relating to retirement; guaranteeing public employees retirement benefits; proposing coding for new law in Minnesota Statutes, chapter 356.

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

Pelowski and Johnson, V., introduced:

H. F. No. 114, A bill for an act relating to education; state universities; establishing a composites science and engineering program at Winona State University; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 136.

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

Johnson, A.; Olson, E.; Johnson, V.; Rukavina and Otis introduced:

H. F. No. 115, A bill for an act relating to motor vehicles; establishing system of lifetime motor vehicle license plates; refunding certain license plate fees; providing that personalized license plates be reissued to previous holders under certain circumstances; appropriating money; amending Minnesota Statutes 1986, section 168.12, subdivisions 1 and 5.

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

Krueger introduced:

H. F. No. 116, A bill for an act relating to waters; petitions for termination of watershed districts; amending Minnesota Statutes 1986, section 112.411, subdivision 1; repealing Minnesota Statutes 1986, section 112.411, subdivision 5.

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

Hugoson and Olson, K., introduced:

H. F. No. 117, A resolution memorializing that the governments of the United States and the Socialist Republic of Vietnam take all possible action to determine the fate of persons missing in action and/or held as prisoners of war in Asian nations.

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

Begich, Battaglia and Rukavina introduced:

H. F. No. 118, A bill for an act relating to taxation; individual income; eliminating restrictions on the pension income exclusion;

modifying the income offset; amending Minnesota Statutes 1986, section 290.08, subdivision 26.

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

Johnson, R.; Pelowski; Marsh and DeBlicke introduced:

H. F. No. 119, A bill for an act relating to employment; providing the option for certain employees at a state university to obtain state employee fringe benefits; amending Minnesota Statutes 1986, section 43A.27, by adding a subdivision.

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

Greenfield, Wynia, Carruthers, Dorn and Ozment introduced:

H. F. No. 120, A bill for an act relating to health; requiring licensure of home care agencies; providing a home care bill of rights; providing a complaint procedure for home care clients; appropriating money; amending Minnesota Statutes 1986, sections 144.335, subdivision 1; 144.699, subdivision 2; 144A.51, subdivision 6, and by adding a subdivision; 144A.52, subdivision 3; 144A.53, subdivisions 1, 2, 3, and 4; 144A.54, subdivision 1; 256B.04, by adding a subdivision; 364.09; and 626.557, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 144A.

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

Riveness introduced:

H. F. No. 121, A bill for an act relating to public safety; providing special license plates for motorcycles for amateur radio station licensees; amending Minnesota Statutes 1986, section 168.12, subdivision 2.

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

Riveness; Ogren; Simoneau; Johnson, R., and Knickerbocker introduced:

H. F. No. 122, A bill for an act relating to retirement; providing that membership in public pension systems is an enforceable con-

tractual right; proposing coding for new law in Minnesota Statutes, chapter 356.

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

Bishop, Kelly, Pappas, Rest and Swenson introduced:

H. F. No. 123, A bill for an act relating to probate; changing the size of estates subject to collection by affidavit; amending Minnesota Statutes 1986, section 524.3-1201.

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

### MOTIONS AND RESOLUTIONS

Skoglund moved that the name of Quist be added as an author on H. F. No. 32. The motion prevailed.

Milbert moved that the name of Blatz be added as an author on H. F. No. 41. The motion prevailed.

Welle moved that the name of Jennings be added as an author on H. F. No. 69. The motion prevailed.

McDonald moved that the name of Valento be added as an author on H. F. No. 75. The motion prevailed.

Nelson, K., moved that the name of Johnson, A., be added as an author on H. F. No. 78. The motion prevailed.

Simoneau moved that the name of Bennett be added as an author on H. F. No. 80. The motion prevailed.

Shaver moved that the name of Morrison be added as an author on H. F. No. 84. The motion prevailed.

Carruthers; Bertram; Olson, K.; Clausnitzer and Stanius introduced:

House Resolution No. 5, A House resolution proclaiming January 25-31 to be Young Astronaut Week and January 28 to be Challenger Day in Minnesota.

### SUSPENSION OF RULES

Carruthers moved that the rules be so far suspended that House Resolution No. 5 be now considered and be placed upon its adoption. The motion prevailed.

## HOUSE RESOLUTION NO. 5

A House resolution proclaiming January 25-31 to be Young Astronaut Week and January 28 to be Challenger Day in Minnesota.

*Whereas*, our children are the future of our state and country; and

*Whereas*, the space program has an important role to play in advancing science and the dreams of the human race; and

*Whereas*, interest and enthusiasm in the study of science and space technology throughout the state of Minnesota should be encouraged in our young people; and

*Whereas*, the courage of the Challenger astronauts and all those involved in our space program should always be remembered; *Now, Therefore,*

*Be It Resolved* by the House of Representatives of the State of Minnesota that it proclaims January 25-31 to be Young Astronaut Week and January 28 to be Challenger Day in Minnesota.

Carruthers moved that House Resolution No. 5 be now adopted. The motion prevailed and House Resolution No. 5 was adopted.

Johnson, R., introduced:

House Resolution No. 6, A House resolution extending congratulations to the citizens of Bemidji on their 50th Anniversary celebration of the arrival of Paul Bunyan and his Blue Ox, Babe, to the city's waterfront.

The resolution was referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Kostohryz, Norton, Vanasek and Schreiber introduced:

House Resolution No. 7, A House resolution stating the sense of the House that the governments of the United States and the Socialist Republic of Vietnam take all possible action to determine the fate of persons missing in action and/or held as prisoners of war in Asian nations.

The resolution was referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Marsh, Omann, Quist, Wenzel and Hugoson introduced:

House Resolution No. 8, A House resolution expressing the sense of the House of Representatives that the United States Congress propose an amendment to the United States Constitution to protect human life.

#### SUSPENSION OF RULES

Marsh moved that the rules be so far suspended that House Resolution No. 8 be now considered and be placed upon its adoption.

A roll call was requested and properly seconded.

#### POINT OF ORDER

Bishop raised a point of order pursuant to rule 5.2 relating to Introduction of Bills and Resolutions. The Speaker ruled the point of order well taken and House Resolution No. 8 out of order.

Marsh appealed the decision of the Chair.

A roll call was requested and properly seconded.

The vote was taken on the question "Shall the decision of the Speaker stand as the judgment of the House?" and the roll was called. There were 39 yeas and 81 nays as follows:

Those who voted in the affirmative were:

Bishop	Johnson, A.	Nelson, K.	Reding	Trimble
Carlson, L.	Kahn	Ogren	Rest	Vanasek
Carruthers	Knuth	Olson, K.	Rice	Vellenga
Clark	Long	Orenstein	Riveness	Wagenius
Greenfield	McLaughlin	Otis	Rukavina	Welle
Jaros	Minne	Pappas	Segal	Wynia
Jefferson	Munger	Peterson	Simoneau	Spk. Norton
Jennings	Nelson, C.	Price	Skoglund	

Those who voted in the negative were:

Anderson, G.	DeBlieck	Johnson, R.	McKasy	Pauly
Anderson, R.	Dempsey	Johnson, V.	McPherson	Pelowski
Battaglia	Dille	Kalis	Milbert	Poppenhagen
Bauerly	Dorn	Kelly	Miller	Quinn
Beard	Forsythe	Kelso	Morrison	Quist
Begich	Frederick	Kinkel	Murphy	Redalen
Bennett	Gruenes	Kludt	Neuenschwander	Richter
Bertram	Gutknecht	Krueger	O'Connor	Rodosovich
Blatz	Hartle	Larsen	Olsen, S.	Rose
Brown	Haukoos	Lasley	Olson, E.	Sarna
Burger	Heap	Lieder	Omann	Schafer
Clausnitzer	Hugoson	Marsh	Onnen	Schoenfeld
Cooper	Jacobs	McDonald	Ozment	Schreiber

Solberg  
Sparby  
Stanius  
Steensma

Sviggum  
Swenson  
Thiede  
Tjornhom

Tompkins  
Tunheim  
Uphus  
Valento

Voss  
Waltman  
Wenzel  
Winter

So it was the judgment of the House that the decision of the Speaker should not stand.

The question recurred on the Marsh motion that the rules be so far suspended that House Resolution No. 8 be now considered and be placed upon its adoption. The motion prevailed.

#### HOUSE RESOLUTION NO. 8

A House resolution expressing the sense of the House of Representatives that the United States Congress propose an amendment to the United States Constitution to protect human life.

*Whereas*, millions of abortions have been performed in the United States since the Roe v. Wade decision of the Supreme Court on January 22, 1973; and

*Whereas*, the Congress of the United States has not proposed, subject to ratification, a human life amendment to the Constitution of the United States; and

*Whereas*, under Article V of the Constitution of the United States, amendments to the United States Constitution may be proposed by the Congress whenever two-thirds of both houses believe it necessary; *Now, Therefore*,

*Be It Resolved* by the House of Representatives of the State of Minnesota that it proposes to the Congress of the United States that procedures be instituted in the Congress to add a new article to the Constitution of the United States, and that the House of Representatives of the State of Minnesota requests the Congress to prepare and submit to the several states an amendment to the Constitution of the United States that is substantially in the following form:

"Section 1. With respect to the right to life, the word 'person,' as used in this article and the Fifth and Fourteenth Articles of Amendment to the Constitution of the United States, applies to all human beings irrespective of age, health, function, or condition of dependency, including their biological development.

"Section 2. No unborn person shall be deprived of life by any person; provided, however, that nothing in this article shall prohibit a law permitting only those medical procedures required to prevent the death of the mother.

"Section 3. The Congress and the several states shall have power to enforce this article by appropriate legislation."

*Be It Further Resolved* that the legislatures of the several states comprising the United States are urged to apply to the Congress requesting the proposal of an appropriate amendment to the United States Constitution that protects human life.

*Be It Further Resolved* that the Chief Clerk of the House of Representatives is directed to prepare enrolled copies of this resolution, to be authenticated by his signature and that of the Speaker, and present them to the President of the Senate of the United States, the Secretary of the Senate of the United States, the Speaker of the House of Representatives of the United States, the Clerk of the House of Representatives of the United States, to each of the Minnesota Representatives and Senators in Congress, and to each house of the legislatures of all other states of the union.

Marsh moved that House Resolution No. 8 be now adopted.

A roll call was requested and properly seconded.

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

The question was taken on the adoption of House Resolution No. 8 and the roll was called. There were 91 yeas and 30 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Dorn	Krueger	Onnen	Schoenfeld
Anderson, R.	Forsythe	Larsen	Osthoff	Schreiber
Battaglia	Frederick	Lasley	Ozment	Solberg
Bauerly	Gruenes	Lieder	Pauly	Sparby
Bear	Gutknecht	Marsh	Pelowski	Stanius
Begich	Hartle	McDonald	Peterson	Steensma
Bennett	Haukoos	McKasy	Poppenhagen	Sviggum
Bertram	Heap	McPherson	Price	Swenson
Blatz	Hugoson	Milbert	Quinn	Thiede
Boo	Jacobs	Miller	Quist	Tjornhom
Brown	Johnson, R.	Murphy	Redalen	Tompkins
Burger	Johnson, V.	Nelson, C.	Reding	Tunheim
Clausnitzer	Kalis	Neuenschwander	Rice	Uphus
Cooper	Kelly	O'Connor	Richter	Vanasek
Dauner	Kelso	Ogren	Rodosovich	Voss
DeBlieck	Kinkel	Olsen, S.	Sarna	Waltman
Dempsey	Kludt	Olson, E.	Schafer	Welle
Dille	Kostohryz	Omann	Scheid	Wenzel
				Winter

Those who voted in the negative were:

Bishop	Jefferson	McLaughlin	Rest	Skoglund
Carlson, L.	Jennings	Minne	Riveness	Trimble
Carruthers	Johnson, A.	Munger	Rukavina	Vellenga
Clark	Kahn	Olson, K.	Segal	Wagenius
Greenfield	Knuth	Orenstein	Shaver	Wynia
Jaros	Long	Pappas	Simoneau	Spk. Norton

The motion prevailed and House Resolution No. 8 was adopted.

Quist moved that the House recess subject to the call of the Chair.

A roll call was requested and properly seconded.

#### POINT OF ORDER

Quist raised a point of order pursuant to section 216, paragraph 3, of "Mason's Manual of Legislative Procedure" relating to rules governing the motion to recess. The Speaker ruled the point of order well taken and the Quist motion in order.

The question recurred on the Quist motion and the roll was called. There were 55 yeas and 65 nays as follows:

Those who voted in the affirmative were:

Bauerly	Dorn	Kludt	Ozment	Steensma
Bennett	Forsythe	Larsen	Pauly	Sviggum
Bertram	Frederick	Lieder	Pelowski	Swenson
Blatz	Gruenes	Marsh	Poppenhagen	Thiede
Burger	Gutknecht	McDonald	Quist	Tjornhom
Clausnitzer	Haukoos	McKasy	Redalen	Tompkins
Cooper	Heap	McPherson	Richter	Tunheim
Dauner	Hugoson	Miller	Schafer	Uphus
DeBlieck	Johnson, A.	Olsen, S.	Schreiber	Waltman
Dempsey	Johnson, V.	Omann	Sparby	Wenzel
Dille	Kinkel	Onnen	Stanius	Winter

Those who voted in the negative were:

Anderson, G.	Jefferson	Milbert	Otis	Schoenfeld
Anderson, R.	Jennings	Minne	Pappas	Segal
Battaglia	Johnson, R.	Munger	Peterson	Simoneau
Beard	Kahn	Murphy	Price	Skoglund
Begich	Kalis	Nelson, C.	Quinn	Solberg
Bishop	Kelly	Nelson, K.	Reding	Trimble
Brown	Kelso	Neuenschwander	Rest	Vanasek
Carlson, L.	Knuth	O'Connor	Rice	Vellenga
Carruthers	Kostohryz	Ogren	Riveness	Voss
Clark	Krueger	Olson, E.	Rodosovich	Wagenius
Greenfield	Lasley	Olson, K.	Rukavina	Welle
Hartle	Long	Orenstein	Sarna	Wynia
Jaros	McLaughlin	Osthoff	Scheid	Spk. Norton

The motion did not prevail.

House Resolution No. 1 was reported to the House.

McLaughlin moved that House Resolution No. 1 be now adopted.

Osthoff, Rose and McLaughlin moved to amend House Resolution No. 1, as follows:

Page 1, delete lines 11 through 14, and insert:

*“Whereas, it is the policy of the Minnesota House of Representatives to take affirmative action to eliminate the underutilization of qualified members of protected groups, in order to correct imbalances and eliminate the present effects of past discrimination.*

*‘Protected groups’ means females; handicapped persons; members of the following minorities: Black, Hispanic, Asian or Pacific Islander, American Indian or Alaskan native; and, until 1989, veterans who served in the military service of this country during the period from August 5, 1964, to May 7, 1975, and separated under honorable conditions from any branch of the armed forces of the United States after having served on active duty for 181 consecutive days or because of disability incurred while serving on active duty and who are permanent residents of the state of Minnesota; Now, Therefore,”*

The motion prevailed and the amendment was adopted.

#### HOUSE RESOLUTION NO. 1

A House resolution requiring the establishment of an affirmative action plan and designating an affirmative action officer.

*Whereas, the Minnesota House of Representatives has the responsibility to guarantee equal employment opportunity in the House of Representatives without reference to age, race, color, religion, sex, disability, national origin, marital status, status with regard to public assistance, or military service; and*

*Whereas, it is the policy of the Minnesota House of Representatives to take affirmative action to eliminate the underutilization of qualified members of protected groups, in order to correct imbalances and eliminate the present effects of past discrimination.*

*“Protected groups” means females; handicapped persons; members of the following minorities: Black, Hispanic, Asian or Pacific Islander, American Indian or Alaskan native; and, until 1989, veterans who served in the military service of this country during the period from August 5, 1964, to May 7, 1975, and separated under honorable conditions from any branch of the armed forces of the United States after having served on active duty for 181 consecutive days or because of disability incurred while serving on active duty and who are permanent residents of the state of Minnesota; Now, Therefore,*

*Be It Resolved* by the House of Representatives of the State of Minnesota that:

(a) The House Committee on Rules and Legislative Administration shall adopt and periodically revise an affirmative action plan for the staff of the House of Representatives and monitor compliance with the plan.

(b) At the direction of the committee, the House Department Directors Group, with the assistance of the House Personnel Services Administrator, shall prepare and recommend to the committee an affirmative action plan. The plan shall consist of:

(1) procedures, standards, and assumptions used by the committee in preparing or revising the plan;

(2) methods and policies to improve underutilization including a job posting and advertising policy;

(3) procedures to implement the methods and policies specifically including procedures to investigate and resolve any complaints;

(4) goals and timetables for accomplishing the goals;

(5) a requirement for the periodic submission of affirmative action progress reports to the committee; and

(6) other relevant information.

(c) The House Personnel Services Administrator is designated as the affirmative action officer of the House of Representatives. As affirmative action officer, the House Personnel Services Administrator reports directly to the Chairman of the Committee on Rules and Legislative Administration and shall keep the Minority Leader advised of all activities. At the direction of the committee, the officer shall implement the plan for the House; research or investigate to identify problem areas; assist in recruiting qualified members of protected classes for staff positions; provide educational programs for House members, staff managers, and staff on the need for and proper response to affirmative action; review House personnel practices on an ongoing basis to ensure compliance with the plan; investigate complaints of discrimination and report his or her findings and recommendations to the committee; periodically report to the Rules and Legislative Administration Committee on the degree of success of the committee's plan and his or her action program; and take other action necessary to support and further equal employment opportunity in the House.

(d) All House members and staff shall facilitate the work of the affirmative action officer. Information shall be provided to the officer on each vacant position or new position established, and the affirmative action officer may provide each hiring officer with a list of qualified applicants for these positions.

The motion prevailed and House Resolution No. 1, as amended, was adopted.

House Concurrent Resolution No. 1 was reported to the House.

Clark moved that House Concurrent Resolution No. 1 be now adopted.

Kostohryz moved to amend House Concurrent Resolution No. 1, as follows:

Page 2, line 16, delete everything after the period

Page 2, delete lines 17 to 20

The motion prevailed and the amendment was adopted.

McDonald moved to amend House Concurrent Resolution No. 1, as amended, as follows:

Delete the title and text of the resolution and insert:

“A House concurrent resolution relating to National Guard service in Central America.

*Whereas*, the National Guard traces its roots to colonial militias that fought the Revolutionary War; and

*Whereas*, militias were believed so important by the country's founders that article 1, section 8, clause 15, of the United States Constitution reserved to the states the power to train the militias; and

*Whereas*, the National Guard is made up of volunteers who willingly give up their time to be of service to our state and nation; and

*Whereas*, the National Guard has an opportunity to participate in training exercises in Central America; and

*Whereas*, these training exercises consist of assisting humanitarian missions in Central America through our embassies and in assisting refugees at camps in Honduras; and

*Whereas*, the countries where the exercises occur have requested the presence of the National Guard; *Now, Therefore,*

*Be It Resolved* that the Minnesota House of Representatives of the State of Minnesota support the participation of our National Guard

in these humanitarian missions to Central America while on training exercises in that area.

*Be It Further Resolved* that a copy of this resolution should be sent by the Chief Clerk of the House of Representatives to the Minnesota Adjutant-General."

A roll call was requested and properly seconded.

Clark requested a division of the McDonald amendment.

#### POINT OF ORDER

McDonald raised a point of order pursuant to rule 3.6 relating to the division of a question. The Speaker ruled the point of order not well taken.

Clark withdrew her request for a division of the McDonald amendment.

Anderson, G., moved to amend the McDonald amendment to House Concurrent Resolution No. 1, as amended, as follows:

In the McDonald amendment, Page 1, delete lines 3 to 12 and insert "Page 1, after line 7, insert"

Page 1, delete lines 16 to 24

Page 2, delete lines 1 to 5

#### POINT OF ORDER

McDonald raised a point of order pursuant to rule 3.6 relating to the division of a question. The Speaker ruled the point of order not well taken and the Anderson, G., amendment in order.

#### POINT OF ORDER

Osthoff raised a point of order pursuant to section 401, paragraph 2, of "Mason's Manual of Legislative Procedure" relating to frivolous and improper amendments. The Speaker ruled the point of order not well taken and the Anderson, G., amendment in order.

Solberg moved that House Concurrent Resolution No. 1, as amended, be laid over until Monday, January 26, 1987.

Neuenschwander moved that House Concurrent Resolution No. 1, as amended, be re-referred to the Committee on General Legislation, Veterans Affairs and Gaming.

A roll call was requested and properly seconded.

The question was taken on the Neuenschwander motion and the roll was called. There were 91 yeas and 30 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Long	Pelowski	Solberg
Battaglia	Gruenes	McKasy	Peterson	Sparby
Bauerly	Haukoos	McLaughlin	Price	Steensma
Beard	Jacobs	Milbert	Quinn	Trimble
Begich	Jefferson	Minne	Redalen	Tunheim
Bennett	Jennings	Munger	Reding	Uphus
Bertram	Johnson, A.	Nelson, C.	Rest	Vanasek
Bishop	Johnson, R.	Nelson, D.	Rice	Vellenga
Blatz	Kahn	Nelson, K.	Riveness	Voss
Brown	Kelly	Neuenschwander	Rodosovich	Wagenius
Burger	Kelso	O'Connor	Rose	Waltman
Carlson, L.	Kinkel	Ogren	Rukavina	Wenzel
Carruthers	Kludt	Olsen, S.	Sarna	Winter
Clark	Knuth	Olson, E.	Scheid	Wynia
Cooper	Kostohryz	Olson, K.	Schoenfeld	Spk. Norton
DeBlicke	Krueger	Orenstein	Seaberg	
Dille	Larsen	Osthoff	Segal	
Dorn	Lasley	Otis	Simoneau	
Forsythe	Lieder	Pappas	Skoglund	

Those who voted in the negative were:

Anderson, R.	Heap	McPherson	Poppenhagen	Swenson
Boo	Hugoson	Miller	Quist	Thiede
Clausnitzer	Johnson, V.	Murphy	Richter	Tjornhom
Dauner	Kalis	Onnen	Schafer	Tompkins
Dempsey	Marsh	Ozment	Schreiber	Valento
Hartle	McDonald	Pauly	Stanius	Welle

The motion prevailed and House Concurrent Resolution No. 1, as amended, was re-referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Jacobs moved that H. F. No. 13 be recalled from the Committee on Local and Urban Affairs and be re-referred to the Committee on Regulated Industries. The motion prevailed.

#### ADJOURNMENT

Vanasek moved that when the House adjourns today it adjourn until 2:00 p.m., Monday, January 26, 1987. The motion prevailed.

Vanasek moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:00 p.m., Monday, January 26, 1987.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

## STATE OF MINNESOTA

## SEVENTY-FIFTH SESSION—1987

## SEVENTH DAY

SAINT PAUL, MINNESOTA, MONDAY, JANUARY 26, 1987

The House of Representatives convened at 2:00 p.m. and was called to order by Fred C. Norton, Speaker of the House.

Prayer was offered by the Reverend Margaret J. Thomas, Executive Director of the Minnesota Council of Churches, State of Minnesota.

The roll was called and the following members were present:

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

A quorum was present.

Frerichs and Neuenschwander were excused.

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

## REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 34, 66 and 45 have been placed in the members' files.

**REPORTS OF STANDING COMMITTEES**

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

H. F. No. 64, A bill for an act relating to charitable gambling; changing the effective date for collection of certain taxes by distributors; amending Laws 1986, chapter 467, section 33.

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

The report was adopted.

## POINT OF ORDER

Schreiber raised a point of order pursuant to rule 5.10 relating to Budget Committee Resolutions and their effect on Appropriation and Tax bills, that the Committee Report on H. F. No. 64 was out of order. The Speaker deferred his decision on the Schreiber point of order.

There being no objection, H. F. No. 64 was laid over and was not given a second reading.

**INTRODUCTION AND FIRST READING  
OF HOUSE BILLS**

The following House Files were introduced:

Quinn and Sarna introduced:

H. F. No. 124, A bill for an act relating to utilities; trade practices; restricting use and connection of automatic dialing-announcing devices to telephone lines; proposing coding for new law in Minnesota Statutes, chapter 325E.

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

Skoglund introduced:

H. F. No. 125, A bill for an act relating to financial institutions; permitting interstate banking with an additional reciprocating state; amending Minnesota Statutes 1986, section 48.92, subdivision 7.

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

Ozment introduced:

H. F. No. 126, A bill for an act relating to transportation; school bus safety; providing for amber proceed-with-caution signal for driver-activated student control warning systems; amending Minnesota Statutes 1986, section 169.44, subdivision 1d.

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

Krueger, Skoglund and Rest introduced:

H. F. No. 127, A bill for an act relating to nonprofit corporations; adoption services corporations; providing that pledges to make contributions to reimburse the corporation for expenses shall be voidable at the option of the person making the pledge and payment of expenses shall not be a prerequisite to providing adoption services; amending Minnesota Statutes 1986, section 317.65, subdivision 7.

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

Olson, E.; Sparby; Redalen; Uphus and Kahn introduced:

H. F. No. 128, A bill for an act relating to taxation; permitting counties to impose a special levy for payments to soil and water conservation districts; amending Minnesota Statutes 1986, section 275.50, subdivision 5.

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

Ozment introduced:

H. F. No. 129, A bill for an act relating to industrial development bonds; requiring the refund of application deposits to the city of Hastings; appropriating money.

The bill was read for the first time and referred to the Committee on Economic Development and Housing.

Voss and Bennett introduced:

H. F. No. 130, A bill for an act relating to Ramsey county; authorizing the county to use certain land dedicated as open space for highway purposes; amending Minnesota Statutes 1986, section 383A.07, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Lieder; Johnson, V., and Kelso introduced:

H. F. No. 131, A bill for an act relating to transportation; increasing amount authorized for state transportation bonds for bridges; amending Laws 1979, chapter 280, sections 1 and 2, as amended.

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

Onnen, Dauner, Ogren, Brown and Uphus introduced:

H. F. No. 132, A bill for an act relating to taxation; providing for payment of property tax refunds if the taxes are delinquent; amending Minnesota Statutes 1986, section 290A.10.

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

Reding introduced:

H. F. No. 133, A bill for an act relating to economic development; creating an enterprise zone to be designated by the city of Austin.

The bill was read for the first time and referred to the Committee on Economic Development and Housing.

Price, Begich, Beard, Solberg and Quinn introduced:

H. F. No. 134, A bill for an act relating to employment; requiring an employer to notify employees and job applicants of bankruptcy proceedings; providing a penalty; proposing coding for new law in Minnesota Statutes, chapter 181.

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

McLaughlin and Voss introduced:

H. F. No. 135, A resolution memorializing the President and Congress to adopt legislation permitting state and local governments to require out-of-state sellers to collect sales and use taxes.

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

Sviggum, Welle and Ozment introduced:

H. F. No. 136, A bill for an act relating to labor; creating an employee's social responsibility act; providing penalties; proposing coding for new law in Minnesota Statutes, chapter 181.

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

Kelly, Blatz, Carruthers, Swenson and Pappas introduced:

H. F. No. 137, A bill for an act relating to criminal procedure; providing a presumption favoring joinder of multiple felony defendants in a single prosecution; permitting the prosecution to offer a rebuttal closing argument; allowing the prosecution and the defense an equal number of peremptory challenges when the offense charged is not punishable by life imprisonment; amending Minnesota Statutes 1986, section 631.07; proposing coding for new law in Minnesota Statutes, chapter 631.

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

Rose; Carlson, L.; Nelson, K., and Olsen, S., introduced:

H. F. No. 138, A bill for an act relating to education; restoring to school districts the authority to decide when to start the school year; repealing Minnesota Statutes 1986, section 126.12, subdivision 1.

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

Sviggum, Rodosovich, Welle, Waltman and Dille introduced:

H. F. No. 139, A bill for an act relating to unemployment compensation; benefit requalification after voluntary quit or discharge for misconduct; amending Minnesota Statutes 1986, section 268.09, subdivision 1.

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

Sarna, Beard, Sparby and Murphy introduced:

H. F. No. 140, A bill for an act relating to taxation; individual income; expanding the exclusion for pension income; amending Minnesota Statutes 1986, section 290.08, subdivision 26.

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

Ogren, Kelly, Simoneau, Blatz and Solberg introduced:

H. F. No. 141, A bill for an act relating to commerce; exempting certain directors, members, and agents of certain commercial bodies from civil liability; amending Minnesota Statutes 1986, section 317.201.

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

Blatz, Murphy, Jacobs, Kelly and Dempsey introduced:

H. F. No. 142, A bill for an act relating to drivers' licenses; permitting limited license for homemaker; amending Minnesota Statutes 1986, section 171.30, subdivision 1.

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

Kelly, Trimble, Greenfield, Segal and Ozment introduced:

H. F. No. 143, A bill for an act relating to public safety; establishing state reimbursement program for purchases of soft body armor by and for peace officers; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 299A.

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

Kelly, Ogren, Solberg, Quist and Dempsey introduced:

H. F. No. 144, A bill for an act relating to crime victims; creating a fund to be used by local law enforcement agencies for the purpose of meeting certain emergency needs of crime victims; providing for administration of the fund by the crime victims reparations board; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 611A.

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

Stanius, Rose, Osthoff and Bennett introduced:

H. F. No. 145, A bill for an act relating to game and fish; imposing a minimum length requirement on walleyed pike; proposing coding for new law in Minnesota Statutes, chapter 97C.

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

Stanius, Osthoff, Scheid, Sarna and Bennett introduced:

H. F. No. 146, A bill for an act relating to game and fish; removing restrictions on the commissioner's power to close lakes to spearing and reduce limits on the number of fish taken by spearing; repealing Minnesota Statutes 1986, section 97C.385, subdivisions 1 and 2.

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

Kelly, McKasy, Bishop, Brown and Welle introduced:

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

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

Blatz, Valento, Tjornhom, Swenson and Anderson, R., introduced:

H. F. No. 148, A bill for an act relating to motor vehicles; providing that personalized license plates originally issued before July 1, 1985, are issued for the life of the holder; appropriating money;

amending Minnesota Statutes 1986, section 168.12, subdivisions 1 and 2a.

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

O'Connor, Dorn, Orenstein and Milbert introduced:

H. F. No. 149, A bill for an act relating to retirement; extending for two years the rule of 85; amending Minnesota Statutes 1986, section 356.70, subdivision 1.

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

Neuenschwander, Sparby, Solberg, Battaglia and Tunheim introduced:

H. F. No. 150, A bill for an act relating to wild animals; liability of state officials for damage caused by beaver dams; amending Minnesota Statutes 1986, section 97B.665, subdivision 2.

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

Kelly, Vellenga, Rest, Blatz and McKasy introduced:

H. F. No. 151, A bill for an act relating to crime victims; permitting the crime victims reparation board to file a claim for reparations; altering the manner of determining reparations claims; requiring law enforcement agencies to aid the board; permitting an offender's dependents to receive some proceeds of a commercial enactment of a crime; providing for the classification of various data; providing penalties; amending Minnesota Statutes 1986, sections 611A.04, by adding a subdivision; 611A.52, subdivision 8; 611A.53, subdivision 2; 611A.57; 611A.66; 611A.68, subdivisions 1, 2, 8, and by adding subdivisions; repealing Minnesota Statutes 1986, section 611A.59.

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

Begich introduced:

H. F. No. 152, A bill for an act relating to utilities; providing that utilities provide location for customers to pay utility bills; amending

Minnesota Statutes 1986, section 325E.025, by adding a subdivision.

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

Krueger, Rice, Omann, Bertram and Bauerly introduced:

H. F. No. 153, A bill for an act relating to education; establishing a program to require school districts to provide milk to all elementary and secondary pupils in public and nonpublic schools; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 124.

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

McEachern and Bauerly introduced:

H. F. No. 154, A bill for an act relating to education; eliminating declining pupil unit aid and levy; amending Minnesota Statutes 1986, section 124A.01; repealing Minnesota Statutes 1986, section 124A.20.

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

Begich introduced:

H. F. No. 155, A bill for an act relating to highways; ensuring that costs of road relocation for mining purposes are paid for by owner; amending Minnesota Statutes 1986, section 160.10, subdivisions 1, 2, 4, 5, 6, and 7.

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

Krueger introduced:

H. F. No. 156, A bill for an act relating to traffic regulations; requiring rumble strips before signs reducing speed on trunk highways approaching cities and towns; amending Minnesota Statutes 1986, section 169.14, by adding a subdivision.

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

Krueger and Winter introduced:

H. F. No. 157, A resolution memorializing the United States Congress to propose an amendment to the Constitution to abolish the electoral college and replace it with direct popular election of the President.

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

Ozment introduced:

H. F. No. 158, A bill for an act relating to state historic sites; appropriating money for the William G. LeDuc House.

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

Olsen, S.; Jacobs; Osthoff; Scheid and Tjornhom introduced:

H. F. No. 159, A bill for an act relating to utilities; trade practices; restricting automatic telephone dialing-announcing devices; proposing coding for new law in Minnesota Statutes, chapter 325E.

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

## CONSENT CALENDAR

H. F. No. 66, A resolution memorializing the Congress of the United States to enact an extension of the federal highway program at the earliest possible date.

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

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

Those who voted in the affirmative were:

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

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

The bill was passed and its title agreed to.

### GENERAL ORDERS

Pursuant to Rules of the House, the House resolved itself into the Committee of the Whole with Norton in the Chair for consideration of bills pending on General Orders of the day. After some time spent therein the Committee arose.

#### REPORT OF THE COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following recommendations of the Committee were reported to the House:

H. F. Nos. 34 and 45 were recommended to pass.

On the motion of Vanasek the report of the Committee of the Whole was adopted.

### MOTIONS AND RESOLUTIONS

Neuenschwander moved that the name of Solberg be added as an author on H. F. No. 100. The motion prevailed.

Tunheim moved that the name of Welle be added as an author on H. F. No. 109. The motion prevailed.

Nelson, D., moved that the name of Pappas be added as an author on H. F. No. 110. The motion prevailed.

Sviggum moved that the name of Valento be added as an author on H. F. No. 113. The motion prevailed.

Hugoson moved that the name of Richter be added as an author on H. F. No. 117. The motion prevailed.

Begich moved that the names of Minne and Solberg be added as authors on H. F. No. 118. The motion prevailed.

Riveness moved that the name of Valento be added as an author on H. F. No. 121. The motion prevailed.

Forsythe and Pauly introduced:

House Resolution No. 9, A House resolution congratulating the girls' soccer team from Edina High School for winning the 1986 Minnesota state high school soccer championship.

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

Forsythe and Pauly introduced:

House Resolution No. 10, A House resolution congratulating the girls' tennis team from Edina High School for being the 1986 Minnesota state high school tennis champions.

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

Forsythe and Pauly introduced:

House Resolution No. 11, A House resolution congratulating the girls' swimming team from Edina High School for winning the 1986 Minnesota state high school swimming championship.

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

#### ADJOURNMENT

Vanasek moved that when the House adjourns today it adjourn until 2:00 p.m., Thursday, January 29, 1987. The motion prevailed.

Vanasek moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:00 p.m., Thursday, January 29, 1987.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

## STATE OF MINNESOTA

## SEVENTY-FIFTH SESSION — 1987

## EIGHTH DAY

SAINT PAUL, MINNESOTA, THURSDAY, JANUARY 29, 1987

The House of Representatives convened at 2:00 p.m. and was called to order by Fred C. Norton, Speaker of the House.

Prayer was offered by the Reverend Delton Krueger, House Chaplain.

The roll was called and the following members were present:

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

A quorum was present.

Simoneau was excused.

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

## REPORTS OF STANDING COMMITTEES

### SUSPENSION OF RULES

Vanasek moved that the rules be so far suspended that the Committee Reports on H. F. Nos. 1 and 144 be now acted upon. The motion prevailed.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 1, A bill for an act relating to agriculture; extending and financing the mediation and interest rate buy-down programs; appropriating money; amending Laws 1986, chapter 398, article 23, section 1, subdivisions 5 and 6.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Laws 1986, chapter 398, article 23, section 1, subdivision 5, is amended to read:

Subd. 5. [ELIGIBLE BORROWER.] “Eligible borrower” means a farmer who applies to a lender for a farm operating loan between the dates January 1, 1986, and December 30, 1986, and who meets all qualifications established in section 2 and any further qualifications that may be established in the program year guidelines adopted by the commissioner under section 4, subdivision 1. Controlling dates for the definition of “eligible borrower” during each interest buy-down program year include the following:

<u>For</u> <u>Program Year</u>	<u>Earliest Loan</u> <u>Application Date</u>	<u>Latest Loan</u> <u>Application Date</u>	<u>Latest Maturity</u> <u>Date</u>
<u>1985</u>	<u>March 5, 1985</u>	<u>December 31, 1985</u>	<u>March 1, 1986</u>
<u>1986</u>	<u>January 1, 1986</u>	<u>December 31, 1986</u>	<u>June 30, 1987</u>
<u>1987</u>	<u>January 1, 1987</u>	<u>December 31, 1987</u>	<u>June 30, 1988</u>

Sec. 2. Laws 1986, chapter 398, article 23, section 1, subdivision 6, is amended to read:

Subd. 6. [FARM OPERATING LOAN.] “Farm operating loan” means an original, extended, or renegotiated loan or line of credit obtained by a farmer from a lender for the purpose of financing the operations of a farm. A farm operating loan includes an open line of credit even though the maximum principal amount of the line of credit may not be drawn at any one time. A farm operating loan eligible for interest rate buy-down must ~~have a meet application and maturity date of June 30, 1987, or earlier dates specified in~~ subdivision 5.

Sec. 3. Laws 1986, chapter 398, article 23, section 1, is amended by adding a subdivision to read:

Subd. 11. [PROGRAM YEAR.] "Program year" means the calendar year or other time period as specified in subdivision 5 within which a farmer may make application to a lender for a farm operating loan eligible for interest buy-down.

Sec. 4. [LIFETIME LIMIT ON INTEREST BUY-DOWN PAYMENTS.]

The commissioner shall not make farm operating loan interest buy-down payments on behalf of an eligible borrower that total more than \$12,500 for program years 1985, 1986, 1987, and any future program years. In any program year in which an eligible borrower would exceed the lifetime limit on interest buy-down payments, the commissioner shall make buy-down payments only to the limit regardless of interest rates specified in the program year guidelines.

Sec. 5. [APPROPRIATIONS.]

Subdivision 1. [INTEREST RATE BUY-DOWN.] Notwithstanding any law to the contrary, the following amounts are appropriated from the general fund to the commissioner of commerce for purposes of the interest rate buy-down program established in Laws 1986, chapter 398, article 23:

<u>(1) for deficits incurred during program year 1986</u>	<u>\$14,000,000</u>
<u>(2) for interest buy-down payments in program year 1987</u>	<u>\$20,000,000</u>
<u>(3) for costs of administering the interest buy-down program in program year 1987</u>	<u>\$60,000</u>

These amounts shall not cancel but remain available until expended.

Sec. 6. [EFFECTIVE DATE.]

Sections 1 to 5 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to agriculture; extending and financing the interest rate buy-down program; establishing benefit limits; appropriating money; amending Laws 1986, chapter 398, article 23, section 1, subdivisions 5 and 6, and by adding a subdivision."

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

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 41, A bill for an act relating to data privacy; providing for the classification of data in certain adoption reports; amending Minnesota Statutes 1986, section 259.27, by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 259.21, subdivision 7, is amended to read:

Subd. 7. [PETITIONER.] "Petitioner" means a person with spouse, if there be one, petitioning for the adoption of any person or persons pursuant to sections 259.21 to 259.32. In the case of adoption by a stepparent, the parent who is the stepparent's spouse shall not be required to join the petition.

Sec. 2. Minnesota Statutes 1986, section 259.24, subdivision 5, is amended to read:

Subd. 5. [EXECUTION.] All consents to an adoption, except those by the commissioner, the commissioner's agent, a licensed child-placing agency, an adult adoptee, or the child's parent when that parent is either a copetitioner in the adoption proceeding or does not have custody of the child in a petition for adoption by a stepparent, shall be executed before a representative of the commissioner, the commissioner's agent or a licensed child-placing agency. In addition all consents to an adoption shall be in writing and shall contain notice to the parent of the substance of subdivision 6a, providing for the right to withdraw consent. Consents shall be executed before two competent witnesses and acknowledged by the consenting party. Consents shall be filed in the adoption proceedings at any time before the matter is heard provided, however, that a consent executed and acknowledged outside of this state, either in accordance with the law of this state or in accordance with the law of the place where executed, is valid.

Sec. 3. Minnesota Statutes 1986, section 259.27, subdivision 3, is amended to read:

Subd. 3. [REPORTS AND RECORDS; CONFIDENTIAL.] All reports and records of the commissioner of human services, county

welfare board, or child placing agency bearing on the suitability of the proposed adoptive home and the child to each other shall be confidential, and the contents thereof shall not be disclosed either directly or indirectly to any person other than the commissioner of human services or a judge of the court having jurisdiction of the matter, provided, however, that except as otherwise provided in this subdivision. A judge of the court having jurisdiction of the matter may shall upon request disclose to a party to the proceedings or the party's counsel any portion of such report or record to a party to the proceedings or the party's counsel when such report or record disapproves the granting of the adoption petition which relates only to the suitability of the proposed adoptive parents. The judge may withhold the identity of individuals providing information in any such report or record. When the judge is considering whether or not to disclose the identity of individuals providing information, the agency with custody of the report or record shall be permitted to present reasons for or against such disclosure.

Sec. 4. Minnesota Statutes 1986, section 259.27, is amended by adding a subdivision to read:

Subd. 3a. [REPORT TO PROSPECTIVE ADOPTIVE PARENTS.] Prospective adoptive parents may request and may receive a summary report on their suitability as adoptive parents from any authorized adoption agency at the conclusion of the adoptive study by that agency. The summary report shall not identify sources of information outside of the adoption agency or information about any child to be adopted. This summary report shall be used only for purposes mutually agreed upon by the adoption agency and the prospective adoptive parents. Such purposes and the date of the summary report shall be clearly noted on the report.

Sec. 5. [EFFECTIVE DATE.]

Sections 1 to 4 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to adoption; providing that proposed adoptive parents may obtain certain reports or records; providing that a child's parent need not join as co-petitioner in a stepparent adoption; changing the manner of executing certain consents; amending Minnesota Statutes 1986, sections 259.21, subdivision 7; 259.24, subdivision 5; and 259.27, subdivision 3, and by adding a subdivision."

With the recommendation that when so amended the bill pass.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 83, A resolution memorializing Congress to immediately adopt the "Save the Family Farm Act" or similar legislation to meet the catastrophe striking American farmers and the farm economy.

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

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 144, A bill for an act relating to crime victims; creating a fund to be used by local law enforcement agencies for the purpose of meeting certain emergency needs of crime victims; providing for administration of the fund by the crime victims reparations board; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 611A.

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

The report was adopted.

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

House Resolution No. 7, A House resolution stating the sense of the House that the governments of the United States and the Socialist Republic of Vietnam take all possible action to determine the fate of persons missing in action and/or held as prisoners of war in Asian nations.

Reported the same back with the recommendation that the resolution be adopted.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 41 and 83 were read for the second time.

## PENDING POINT OF ORDER

The pending point of order relating to the Committee Report on H. F. No. 64, raised by Schreiber on Monday, January 26, 1987, pursuant to rule 5.10 and deferred by the Speaker, was reported to the House. The Speaker ruled the point of order well taken.

## SUSPENSION OF RULES

Kostohryz moved that the rules be so far suspended that H. F. No. 64 be now considered. The motion prevailed.

**SECOND READING OF HOUSE BILLS, Continued**

H. F. No. 64 was read for the second time.

Pursuant to rule 5.9 H. F. No. 64 was re-referred to the Committee on Taxes.

**INTRODUCTION AND FIRST READING  
OF HOUSE BILLS**

The following House Files were introduced:

Morrison and Valento introduced:

H. F. No. 160, A bill for an act relating to the city of Burnsville; providing for refund of a bond application deposit paid by the city; appropriating money.

The bill was read for the first time and referred to the Committee on Economic Development and Housing.

Vellenga, Segal, Wynia, Gruenes and Sviggum introduced:

H. F. No. 161, A bill for an act relating to human services; requiring the court to consider involuntary outpatient treatment before ordering commitment; defining involuntary outpatient treatment; establishing court procedures for treatment of people with chronic mental illness; establishing standard of proof for treatment order; determining length of treatment and procedures for further treatment orders; amending guardianship and conservatorship law to define necessary care of a person with mental illness; amending Minnesota Statutes 1986, sections 253B.09, subdivision 1; 525.54,

subdivision 2; 525.551, subdivision 5; and 525.56, subdivision 3; proposing coding for new law as Minnesota Statutes, chapter 252B.

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

**Kludd; Johnson, R.; Gruenes; Pelowski and Dorn introduced:**

H. F. No. 162, A bill for an act relating to education; restoring earlier cuts in appropriations to post-secondary education systems; appropriating money.

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

**Schoenfeld; Long; Anderson, R.; and Norton introduced:**

H. F. No. 163, A bill for an act relating to children; regulating paternity determinations; regulating support and maintenance obligations; providing for withholding of support; amending Minnesota Statutes 1986, sections 144.219; 257.34, subdivision 1; 257.57, subdivision 2; 257.60; 257.62, by adding a subdivision; 257.63, subdivision 2; 510.07; 518.171, subdivision 1; 518.24; 518.551, subdivision 1; 518.611, subdivisions 1, 2, 3, 4, 6, and 8; repealing Minnesota Statutes 1986, section 257.34, subdivision 2.

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

**Wenzel; Uphus; Anderson, G.; Hartle and Bertram introduced:**

H. F. No. 164, A bill for an act relating to local government; broadening the joint self-insurance pool regulation exemption; amending Minnesota Statutes 1986, section 471.982, subdivision 3.

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

**Clark, McLaughlin and Norton introduced:**

H. F. No. 165, A bill for an act relating to insurance; establishing rates for cooperative housing and neighborhood real estate trust insurance within the Minnesota FAIR plan; proposing coding for new law in Minnesota Statutes, chapter 65A.

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

Battaglia and Begich introduced:

H. F. No. 166, A bill for an act relating to real property; authorizing conveyance of state interest in certain land in St. Louis county.

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

Orenstein, Kelly, Vellenga and Swenson introduced:

H. F. No. 167, A bill for an act relating to crimes; eliminating vicarious criminal liability for the employer of an individual who violates a liquor law; amending Minnesota Statutes 1986, section 340A.501.

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

Peterson, O'Connor and Bauerly introduced:

H. F. No. 168, A bill for an act relating to motor vehicles; taxation; providing for taxation of pickup trucks with a carrying capacity of 2,000 pounds or less; amending Minnesota Statutes 1986, section 168.011, subdivision 7.

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

Reding, Kostohryz and Boo introduced:

H. F. No. 169, A bill for an act relating to lawful gambling; increasing the percentage of profits that may be used for necessary expenses; regulating distributor licenses; authorizing the board to determine distributor licensee fees, manufacturer certificate fees, and the price of the gambling equipment registration stamp; regulating the warehousing of gambling equipment within the state; regulating the leasing of premises for lawful gambling; authorizing the board to adopt rules restricting the amount of rent charged; prohibiting lessors from any involvement in lawful gambling; removing the board's authority to adopt a schedule of compensation; making various technical changes; amending Minnesota Statutes 1986, sections 349.12, subdivisions 12 and 15; 349.14; 349.15; 349.161, subdivisions 3, 4, 5, and 7; 349.162, subdivision 1, and by

adding a subdivision; 349.163, subdivision 2; 349.18, subdivision 1, and by adding a subdivision; 349.19, subdivision 3; and 349.21.

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

Blatz, Solberg, Sparby, Dille and Kelly introduced:

H. F. No. 170, A bill for an act relating to firearms; permitting certain licensed dealers and manufacturers to own or possess machine guns and short-barreled shotguns for certain purposes; amending Minnesota Statutes 1986, section 609.67, subdivisions 3 and 4.

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

Reding and Boo introduced:

H. F. No. 171, A bill for an act relating to lawful gambling; repealing the special tax on pull-tabs and providing for the taxation of pull-tabs in the same manner as other lawful gambling; amending Minnesota Statutes 1986, section 349.212, subdivision 1; repealing Minnesota Statutes 1986, sections 349.212, subdivision 4; and 349.2121.

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

Bishop, Kelly, McEachern, Forsythe and Schoenfeld introduced:

H. F. No. 172, A bill for an act relating to traffic regulations; requiring motorcycle passengers to wear protective headgear; amending Minnesota Statutes 1986, section 169.974, subdivision 4.

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

Thiede; Schafer; Miller; Olson, E., and Lieder introduced:

H. F. No. 173, A bill for an act relating to the English language; making it the official language of the state; proposing coding for new law in Minnesota Statutes, chapter 1.

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

Kalis; Lieder; Johnson, V.; Carlson, D., and McEachern introduced:

H. F. No. 174, A bill for an act relating to the state transportation system; authorizing the issuance and sale of Minnesota state transportation bonds; authorizing the expenditure of the proceeds for grants for construction and reconstruction of certain bridges and for certain preliminary studies; appropriating money.

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

Bertram; Uphus; Hartle; Anderson, G., and Wenzel introduced:

H. F. No. 175, A bill for an act relating to sureties; providing conditions for corporations to act as sureties or guarantors; amending Minnesota Statutes 1986, section 574.15.

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

Clark; Carlson, L., and Jaros introduced:

H. F. No. 176, A bill for an act relating to education; providing for model programs in adult vocational occupational literacy training; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 136C.

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

Clark, Trimble, Boo and Greenfield introduced:

H. F. No. 177, A bill for an act relating to human services; reducing state aid for general assistance to counties that fail to provide literacy training; requiring certain recipients of general assistance to attend adult literacy training; amending Minnesota Statutes 1986, sections 256D.03, subdivision 2; and 256D.05, subdivision 1.

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

Clark, Forsythe, Wynia and Segal introduced:

H. F. No. 178, A bill for an act relating to health; providing for special grants to conduct community-wide pilot programs to reduce

the prevalence of risk conditions or behaviors related to osteoporosis; appropriating money; amending Minnesota Statutes 1986, section 145.922, by adding a subdivision.

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

Waltman introduced:

H. F. No. 179, A bill for an act relating to education; providing equity revenue to raise foundation and tier revenue in all school districts to state average; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 124A.

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

Rukavina and Ogren introduced:

H. F. No. 180, A bill for an act relating to natural resources; protecting the environment; prohibiting below grade deposition of hazardous waste or radioactive waste; amending Minnesota Statutes 1986, section 115.067.

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

Ogren, Sparby, McEachern, Price and Bishop introduced:

H. F. No. 181, A bill for an act relating to liens; personal property; establishing a lien on personal property held in self-service storage facilities; providing for the enforcement of these liens; regulating rental agreements and advertising; proposing coding for new law in Minnesota Statutes, chapter 514.

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

Jaros, Munger, Boo, Schoenfeld and Lieder introduced:

H. F. No. 182, A bill for an act relating to education; requiring that income from some of the permanent university fund be used for scholarships; amending Minnesota Statutes 1986, section 137.022, subdivision 3, and by adding a subdivision.

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

Haukoos; Waltman; Kalis; Carlson, L., and Wynia introduced:

H. F. No. 183, A bill for an act relating to education; restoring to school districts the authority to decide when to start the school year; repealing Minnesota Statutes 1986, section 126.12, subdivision 1.

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

Kostohryz, Quinn, Price and Johnson, A., introduced:

H. F. No. 184, A bill for an act relating to education; increasing the mill levy for secondary vocational education in certain intermediate school districts; recognizing in the statutes that districts 12 and 16 of Anoka county are members of district 916; amending Minnesota Statutes 1986, sections 136D.71; 136D.74, subdivision 2; and 136D.87.

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

McLaughlin, Rest and Ogren introduced:

H. F. No. 185, A bill for an act relating to individual income taxation; modifying the computation of the alternative minimum tax; adopting new federal definitions; amending Minnesota Statutes 1986, section 290.091, subdivision 2.

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

Simoneau; Knickerbocker; Johnson, R.; Reding and Clark introduced:

H. F. No. 186, A bill for an act relating to state investments; requiring the state board of investments to adopt an investment policy statement; authorizing state funds to be invested in certain securities; providing conditions of investment; amending Minnesota Statutes 1986, sections 11A.04; 11A.24, subdivisions 2, 3, 4, 5, and 6; and 11A.25.

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

Otis; Vellenga; Nelson, K.; Olsen, S., and McEachern introduced:

H. F. No. 187, A bill for an act relating to education; providing for a school site responsibility option; proposing coding for new law in Minnesota Statutes, chapter 123.

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

Ogren; Munger; Nelson, D.; Long and Rose introduced:

H. F. No. 188, A bill for an act relating to health; requiring a study and report to the legislature on the effects of exposure to low-level ionizing radiation.

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

Jacobs, Scheid, Redalen, Ogren and Quinn introduced:

H. F. No. 189, A bill for an act relating to utilities; deregulating certain telecommunication services; proposing coding for new law as Minnesota Statutes, chapter 237A.

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

Onnen, Valento, Ogren, Kelly and Dempsey introduced:

H. F. No. 190, A bill for an act relating to taxation; income; imposing a tax for individuals, estates, and trusts computed as a percentage of federal income tax liability; proposing an amendment to the Minnesota Constitution, article X, by adding a section permitting state tax laws to adopt future federal tax law amendments by reference; proposing coding for new law in Minnesota Statutes, chapter 289A.

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

Omann, Wenzel, Gruenes, Bertram and Uphus introduced:

H. F. No. 191, A bill for an act relating to the city of St. Stephen; authorizing the issuance of bonds for the construction of a city civic building.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Johnson, V.; Carlson, D.; Jennings; Omann and Hugoson introduced:

H. F. No. 192, A bill for an act proposing an amendment to the Minnesota Constitution, article XIV; dedicating motor vehicle excise tax proceeds to highway and transit purposes.

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

Krueger and Brown introduced:

H. F. No. 193, A bill for an act relating to taxation; sales and use; providing an exemption for certain sales by certain nonprofit organizations; amending Minnesota Statutes 1986, section 297A.25, by adding a subdivision.

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

Peterson, Welle, Lasley and Bauerly introduced:

H. F. No. 194, A bill for an act relating to taxation; income; abating penalty for late filing in certain cases; amending Minnesota Statutes 1986, section 290.53, subdivision 2.

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

Peterson, O'Connor, Welle, Lasley and Bauerly introduced:

H. F. No. 195, A bill for an act relating to taxation; eliminating the penalty on delinquent income tax refund returns; amending Minnesota Statutes 1986, section 290.53, subdivision 2.

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

O'Connor, McEachern, Peterson and Jensen introduced:

H. F. No. 196, A bill for an act relating to public safety; manufactured homes; requiring manufactured home park owners to provide underground shelter for residents during severe weather; amending Minnesota Statutes 1986, section 327.20, subdivision 1.

The bill was read for the first time and referred to the Committee on Economic Development and Housing.

Frederick, Kelly, Bennett, Sarna and Sparby introduced:

H. F. No. 197, A bill for an act relating to real property; providing for transfer of owner's duplicate certificate of title to owner; amending Minnesota Statutes 1986, section 386.375, subdivisions 2 and 3.

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

Battaglia and Begich introduced:

H. F. No. 198, A bill for an act relating to liquor; authorizing the city of Grand Marais to issue three additional on-sale licenses.

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

Welle; Brown; Seaberg; Johnson, V., and Steensma introduced:

H. F. No. 199, A bill for an act proposing an amendment to the Minnesota Constitution, article XIV; dedicating motor vehicle excise tax proceeds to highway and transit purposes.

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

Vellenga and Blatz introduced:

H. F. No. 200, A bill for an act relating to the child abuse reporting act; providing a standard for the disclosure of the reporter's name; amending Minnesota Statutes 1986, section 626.556, subdivision 11.

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

Orenstein, Kelly and Swenson introduced:

H. F. No. 201, A bill for an act relating to marriage; setting out the requirements and effect of premarital agreements; enacting the uniform premarital agreement act; amending Minnesota Statutes 1986, section 524.2-204; proposing coding for new law in Minnesota Statutes, chapter 519; repealing Minnesota Statutes 1986, section 519.11.

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

Carruthers, Seaberg, Sarna, Kelly and Vanasek introduced:

H. F. No. 202, A bill for an act relating to corporations; providing for modification of the personal liability of directors; amending Minnesota Statutes 1986, sections 300.45; and 300.64, by adding a subdivision.

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

Johnson, A.; Nelson, K.; Blatz and Kelly introduced:

H. F. No. 203, A bill for an act relating to education; raising the age for compulsory school attendance to 18; making conforming changes; amending Minnesota Statutes 1986, sections 120.10, subdivisions 1 and 3; 123.35, subdivision 8; 124.26, subdivision 1; and 260.015, subdivision 19.

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

Greenfield, Bishop, Wynia, Segal and Minne introduced:

H. F. No. 204, A bill for an act relating to health; prohibiting deceptive pregnancy counseling practices; providing a penalty; amending Minnesota Statutes 1986, section 145.45; proposing coding for new law in Minnesota Statutes, chapter 145.

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

Carlson, D., introduced:

H. F. No. 205, A bill for an act relating to local government; permitting the establishment of fire protection districts by cities and towns; proposing coding for new law in Minnesota Statutes, chapter 465.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Orenstein, Kelly and Swenson introduced:

H. F. No. 206, A bill for an act relating to probate; providing for the disposition of certain community property; enacting the uniform

disposition of community property rights at death act; proposing coding for new law in Minnesota Statutes, chapter 525.

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

Begich introduced:

H. F. No. 207, A bill for an act relating to traffic regulations; mandating that state patrol vehicles used in traffic regulation must be clearly marked and not concealed to the traveling public; amending Minnesota Statutes 1986, section 169.98, subdivision 2.

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

#### HOUSE ADVISORIES

The following House Advisory was introduced:

Johnson, V.; Pauly and Battaglia introduced:

H. A. No. 1, A proposal to study home rule charters for counties.

The advisory was referred to the Committee on Local and Urban Affairs.

#### CALENDAR

H. F. No. 34, A bill for an act relating to corporations; providing for modification of liability of directors; amending Minnesota Statutes 1986, sections 302A.111, subdivision 4; and 302A.251, by adding a subdivision.

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 124 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

Frederick	Knuth	Neuenschwander	Reding	Sviggum
Greenfield	Krueger	O'Connor	Rest	Swenson
Gruenes	Larsen	Ogren	Richter	Thiede
Gutknecht	Lasley	Olsen, S.	Riveness	Tjornhom
Haukoos	Lieder	Olson, E.	Rodosovich	Tompkins
Heap	Long	Olson, K.	Rose	Trimble
Himle	Marsh	Omann	Rukavina	Tunheim
Hugoson	McDonald	Onnen	Sarna	Uphus
Jacobs	McEachern	Orenstein	Schafer	Valento
Jefferson	McKasy	Osthoff	Scheid	Vanasek
Jennings	McLaughlin	Otis	Schoenfeld	Vellenga
Jensen	McPherson	Pappas	Schreiber	Voss
Johnson, A.	Milbert	Pauly	Seaberg	Wagenius
Johnson, R.	Miller	Pelowski	Segal	Waltman
Johnson, V.	Minne	Peterson	Shaver	Welle
Kahn	Morrison	Poppenhagen	Skoglund	Wenzel
Kelly	Murphy	Price	Solberg	Winter
Kinkel	Nelson, C.	Quinn	Sparby	Wynia
Kludt	Nelson, D.	Quist	Stanius	Spk. Norton
Knickerbocker	Nelson, K.	Redalen	Stensma	

The bill was passed and its title agreed to.

H. F. No. 45, A bill for an act relating to commerce; revising the Uniform Trade Secret Act; clarifying remedies; amending Minnesota Statutes 1986, sections 325C.02; 325C.03; and 325C.07.

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 124 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

### MOTIONS AND RESOLUTIONS

Osthoff moved that the name of Olsen, S., be added as an author on H. F. No. 4. The motion prevailed.

Ogren moved that the name of Trimble be added as an author on H. F. No. 53. The motion prevailed.

Lasley moved that the name of Johnson, A., be added as an author on H. F. No. 65. The motion prevailed.

Hugoson moved that the names of Poppenhagen and Frederick be added as authors on H. F. No. 117. The motion prevailed.

Lieder moved that the names of Carlson, D., and Steensma be added as authors on H. F. No. 131. The motion prevailed.

McLaughlin moved that the name of Long be added as an author on H. F. No. 135. The motion prevailed.

Sarna moved that the name of Rest be added as an author on H. F. No. 140. The motion prevailed.

O'Connor moved that the name of Knickerbocker be added as an author on H. F. No. 149. The motion prevailed.

Begich moved that the names of Battaglia and Rukavina be added as authors on H. F. No. 152. The motion prevailed.

House Resolution No. 7 was reported to the House.

Kostohryz moved that House Resolution No. 7 be now adopted.

#### HOUSE RESOLUTION NO. 7

A House resolution stating the sense of the House that the governments of the United States and the Socialist Republic of Vietnam take all possible action to determine the fate of persons missing in action and/or held as prisoners of war in Asian nations.

*Whereas*, on the 27th of January 1987, 14 years will have elapsed since the agreement to end American involvement in the war in Southeast Asia; and

*Whereas*, one of the conditions of that agreement was a provision for a return or an accounting of those persons who were missing in action and those persons who were prisoners of war; and

*Whereas*, the government of Vietnam has only provided information on a limited number of those still carried as unaccounted for, and this only through the pressure of determined families, concerned citizens, and very dedicated elected officials; and

*Whereas*, 2,421 Americans, including 44 Minnesotans, remain unaccounted for, with investigation of their status arrested by failure of the Socialist Republic of Vietnam and its allied governments to cooperate and assist; and

*Whereas*, there have been and continue to be live sightings and reports that some of these missing men are still alive in Southeast Asia; and

*Whereas*, the sorrow, anxiety, and frustration of the families and the citizens of the State of Minnesota for these men cannot be dispelled by either delay or neglect; and

*Whereas*, it is America's duty to ensure, through an authentic, comprehensive investigation, the return of Americans still within Southeast Asia and to account for Americans who have perished there; and

*Whereas*, Congress has established several task forces on American Prisoners and Missing in Southeast Asia that have held hearings to consider evidence relating to the status of the missing in Southeast Asia; and

*Whereas*, through these many hearings over the years, it has been resolved to not rule out the possibility that Americans remain alive in Asian nations; and

*Whereas*, many of those who have served on those committees and have knowledge resulting from the hearings have attempted to express their beliefs that there are Americans possibly still detained; and

*Whereas*, it is absolutely essential that the governments of the United States and the Socialist Republic of Vietnam act NOW to address this question of those missing Americans; *Now, Therefore,*

*Be It Resolved* by the House of Representatives of the State of Minnesota that the government of the United States should do all it can to answer the questions surrounding the status of the missing men, to secure the return of any living prisoners or missing men, and to secure the return of the remains of those that have died.

*Be It Further Resolved* that the Socialist Republic of Vietnam should immediately yield all information it has on the status of the missing especially since there is no reason for them to refuse to give this information other than a calculated effort to protract the agony of the families of the missing.

The motion prevailed and House Resolution No. 7 was adopted.

Haukoos moved that H. F. No. 90 be recalled from the Committee on Health and Human Services and be re-referred to the Committee on Judiciary. The motion prevailed.

Kelly moved that H. F. No. 142 be recalled from the Committee on Judiciary and be re-referred to the Committee on Transportation. The motion prevailed.

#### ADJOURNMENT

Vanasek moved that when the House adjourns today it adjourn until 2:00 p.m., Monday, February 2, 1987. The motion prevailed.

Vanasek moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:00 p.m., Monday, February 2, 1987.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

## STATE OF MINNESOTA

## SEVENTY-FIFTH SESSION—1987

## NINTH DAY

SAINT PAUL, MINNESOTA, MONDAY, FEBRUARY 2, 1987

The House of Representatives convened at 2:00 p.m. and was called to order by Fred C. Norton, Speaker of the House.

Prayer was offered by Father Jim Maurer, St. Patrick's Catholic Church, St. Paul, Minnesota.

The roll was called and the following members were present:

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

A quorum was present.

Jensen and Seaberg were excused.

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

## REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 83 and 41 have been placed in the members' files.

**INTRODUCTION AND FIRST READING  
OF HOUSE BILLS**

The following House Files were introduced:

Minne, Long, Rest, Solberg and Bishop introduced:

H. F. No. 208, A bill for an act relating to human rights; defining marital status discrimination to include actions against an individual because of the spouse's political status; amending Minnesota Statutes 1986, section 363.01, by adding a subdivision.

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

Sparby; Neuenschwander; Johnson, V.; Kinkel and Johnson, R., introduced:

H. F. No. 209, A bill for an act relating to game and fish; allowing one deer to be taken by each method of hunting in any year; amending Minnesota Statutes 1986, section 97B.301, subdivision 2.

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

Schoenfeld, by request, introduced:

H. F. No. 210, A bill for an act relating to agriculture; clarifying and amending the farmer-lender mediation act; amending Minnesota Statutes 1986, sections 336.9-501; 550.365; 559.209; 581.015; 583.22, subdivisions 2 and 8; 583.23, subdivision 1; 583.24, subdivisions 1, 3, and by adding a subdivision; 583.26, subdivisions 1, 2, 3, 4, 5, 6, 8, 9, and by adding a subdivision; 583.27, subdivisions 1 and 3; and 583.28; proposing coding for new law in Minnesota Statutes, chapter 583.

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

Wenzel, Sviggum, Schafer and Rose introduced:

H. F. No. 211, A bill for an act relating to retirement; including compensation paid for managing extracurricular activities in benefit computation; amending Minnesota Statutes 1986, sections 354.44, subdivision 6; and 354A.31, subdivision 4.

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

Wenzel introduced:

H. F. No. 212, A bill for an act relating to transportation; traffic; providing for a ten mile per hour reduction in the speed limit for construction zones; amending Minnesota Statutes 1986, section 169.14, by adding a subdivision.

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

Bauerly introduced:

H. F. No. 213, A bill for an act relating to taxation; income; modifying the exclusion for pension income; amending Minnesota Statutes 1986, section 290.08, subdivision 26.

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

Begich introduced:

H. F. No. 214, A bill for an act relating to commerce; modifying the maximum periodic rate of finance charge on open-end loan account arrangements and consumer credit sales; amending Minnesota Statutes 1986, sections 48.185, subdivisions 3 and 4; 52.04, subdivision 1; and 334.16, subdivision 1.

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

O'Connor and Peterson introduced:

H. F. No. 215, A bill for an act relating to game and fish; authorizing agreements with other states for reciprocal resident

angling license fees; amending Minnesota Statutes 1986, section 97A.045, by adding a subdivision.

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

O'Connor and Peterson introduced:

H. F. No. 216, A bill for an act relating to highway traffic regulations; requiring a driver involved in an accident resulting in death to submit to chemical testing; amending Minnesota Statutes 1986, section 169.123, by adding a subdivision.

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

Bennett and Kalis introduced:

H. F. No. 217, A bill for an act relating to traffic regulations; providing for the operation by certain police departments and sheriff's offices of specially marked vehicles for highway traffic law enforcement; amending Minnesota Statutes 1986, section 169.98, subdivision 1, and by adding a subdivision.

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

Johnson, R.; Rukavina; Johnson, A., and Nelson, C., introduced:

H. F. No. 218, A bill for an act proposing an amendment to the Minnesota Constitution, article XIII, section 5; allowing the legislature to authorize lotteries operated by the state if the net revenues are dedicated to education and lotteries operated by nonprofit organizations for charitable purposes.

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

Bishop, Carruthers, Vanasek, Long and Milbert introduced:

H. F. No. 219, A bill for an act relating to statutes; providing that selected statutes shall be subject to judicial modification in limited circumstances; proposing coding for new law in Minnesota Statutes, chapter 645.

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

Bishop, Jacobs, Long and Scheid introduced:

H. F. No. 220, A bill for an act relating to law enforcement; providing for management of records relating to certain liquor law violations; amending Minnesota Statutes 1986, section 340A.503, subdivision 7.

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

Bishop, Long, Vellenga, Scheid and Dempsey introduced:

H. F. No. 221, A bill for an act relating to human rights; providing that human rights investigative data in an open file case is accessible to certain persons; amending Minnesota Statutes 1986, section 363.061, subdivision 2.

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

Bishop introduced:

H. F. No. 222, A bill for an act relating to human rights; clarifying certain provisions relating to discrimination in the extension of credit because of sex or marital status; amending Minnesota Statutes 1986, section 363.03, subdivision 8.

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

Beard, Blatz, Knuth, Scheid and Riveness introduced:

H. F. No. 223, A bill for an act relating to veterans; appropriating money for use by the Military Order of the Purple Heart in assisting veterans to make claims against the United States government.

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

Sparby and Tunheim introduced:

H. F. No. 224, A bill for an act relating to health; changing eligibility requirements for catastrophic health expense protection; including insurance premiums; appropriating money; amending

Minnesota Statutes 1986, sections 62E.52, subdivisions 2 and 3; 62E.53, subdivisions 1 and 2; and 62E.531, subdivision 2.

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

Dauner, Redalen, Brown, Neuenschwander and Dempsey introduced:

H. F. No. 225, A bill for an act relating to taxation; changing the distribution of property tax interest and penalties; amending Minnesota Statutes 1986, sections 276.13; and 279.37, subdivision 7; repealing Minnesota Statutes 1986, section 276.14.

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

Battaglia, Jennings, Richter, Winter and Onnen introduced:

H. F. No. 226, A bill for an act relating to towns; providing for powers of town boards and board members; providing for elections; providing conditions for ownership of town cemetery lots; amending Minnesota Statutes 1986, sections 365.10; 365.27; 365.37; 365.51; 367.03; 471.705, by adding a subdivision; and 471.96.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Nelson, D., introduced:

H. F. No. 227, A bill for an act relating to education; requiring districts receiving tobacco use prevention aid to have smoke-free buildings by the 1989-1990 school year; amending Minnesota Statutes 1986, section 124.252, subdivision 2.

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

Rodosovich and Begich introduced:

H. F. No. 228, A bill for an act relating to firearms safety; increasing the age under which a firearms safety course and certificate are required; amending Minnesota Statutes 1986, section 97B.021, subdivision 1.

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

Milbert, Osthoff, Scheid, Steensma and Orenstein introduced:

H. F. No. 229, A bill for an act relating to motor vehicles; providing for special license plates for Vietnam era veterans; amending Minnesota Statutes 1986, section 168.12, by adding a subdivision.

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

Tunheim; Nelson, C.; Battaglia and Uphus introduced:

H. F. No. 230, A bill for an act relating to elections; authorizing combination of certain municipalities for election purposes; amending Minnesota Statutes 1986, sections 204B.14, subdivisions 2, 4, 5, and by adding a subdivision; 204B.16, subdivision 1; and 204B.21, subdivision 2.

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

Rodosovich, Quinn, Sviggum and Knuth introduced:

H. F. No. 231, A bill for an act relating to taxation; sales and use; exempting sales of United States and Minnesota flags; amending Minnesota Statutes 1986, section 297A.25, by adding a subdivision.

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

Rodosovich, Vellenga, Dorn and Ozment introduced:

H. F. No. 232, A bill for an act relating to health; requiring a hospital administrator to request an organ or tissue donation for purposes of the uniform anatomical gift act; proposing coding for new law in Minnesota Statutes, chapter 525.

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

Valento, Stanius, McPherson, Swenson and Pauly introduced:

H. F. No. 233, A bill for an act relating to utilities; trade practices; restricting automatic telephone dialing-announcing devices; proposing coding for new law in Minnesota Statutes, chapter 325E.

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

McLaughlin, Rest, Begich and Johnson, A., introduced:

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

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

Hartle, Rodosovich, Vanasek, Sviggum and Schoenfeld introduced:

H. F. No. 235, A bill for an act relating to independent school district No. 763; permitting the district to mail certain information instead of publishing it.

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

Scheid, Kostohryz, Osthoff, Knickerbocker and Shaver introduced:

H. F. No. 236, A bill for an act relating to elections; requiring fair campaign practices; imposing penalties; amending Minnesota Statutes 1986, sections 123.015; 200.015; 201.275; 204C.04; proposing coding for new law as Minnesota Statutes, chapters 211A and 211B; repealing Minnesota Statutes 1986, chapter 210A.

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

Uphus; Johnson, V.; Tunheim; Sparby and Nelson, C., introduced:

H. F. No. 237, A bill for an act relating to natural resources; appropriating funds for control and removal of beaver.

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

Bennett, Knickerbocker, Kostohryz and Reding introduced:

H. F. No. 238, A bill for an act relating to retirement; removing age limits on commencement of membership in firefighters relief associations; amending Minnesota Statutes 1986, section 424.04.

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

Minne, Scheid, Brown, Kostohryz and Gutknecht introduced:

H. F. No. 239, A bill for an act relating to elections; requiring school district elections to comply with the Minnesota election laws; amending Minnesota Statutes 1986, sections 123.11; and 123.32, subdivision 1; repealing Minnesota Statutes 1986, sections 123.32, subdivisions 2, 3, 4, 5, 6, 8, 8a, 24, and 25; and 200.015.

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

Sarna, McKasy, Beard, Price and Milbert introduced:

H. F. No. 240, A bill for an act relating to commerce; prohibiting surcharges on credit card sales; prescribing a penalty; proposing coding for new law in Minnesota Statutes, chapter 325G.

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

Sarna; O'Connor; Bertram; Johnson, V., and Rice introduced:

H. F. No. 241, A bill for an act relating to state employees; permitting certain employees to donate vacation time to a union representative; amending Minnesota Statutes 1986, section 43A.04, subdivision 8.

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

O'Connor, Ogren and Sarna introduced:

H. F. No. 242, A bill for an act relating to commerce; modifying the maximum finance charge on certain open end credit sales; authorizing additional charges; amending Minnesota Statutes 1986, section 334.16, subdivision 1, and by adding a subdivision.

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

Wynia; Boo; Anderson, R.; Greenfield and Clark introduced:

H. F. No. 243, A bill for an act relating to human services; authorizing a change in license fees that fund educational programs for resident and family advisory councils; appropriating money;

amending Minnesota Statutes 1986, section 144A.33, subdivision 3, and by adding a subdivision.

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

### MESSAGES FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker:

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

S. F. No. 95.

PATRICK E. FLAHAVEN, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 95, A resolution memorializing Congress to immediately adopt the "Save the Family Farm Act" or similar legislation to meet the catastrophe striking American farmers and the farm economy.

The bill was read for the first time.

### SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Vanasek moved that the rule therein be suspended and an urgency be declared so that S. F. No. 95 be given its second and third readings and be placed upon its final passage. The motion prevailed.

Vanasek moved that the Rules of the House be so far suspended that S. F. No. 95 be given its second and third readings and be placed upon its final passage. The motion prevailed.

S. F. No. 95 was read for the second time.

Redalen, Sviggum and Richter moved to amend S. F. No. 95, as follows:

Page 2, line 19, after "pass" insert "legislation sponsored by Senator Harkin and Congressman Gephardt that is sometimes referred to as"

Page 2, line 20, delete "or similar legislation that will" and insert "to"

A roll call was requested and properly seconded.

The question was taken on the Redalen et al amendment and the roll was called. There were 49 yeas and 82 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

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

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

McDonald moved to amend S. F. No. 95, as follows:

Page 2, line 19, after "pass" delete balance of the line

Page 2, line 20, delete "Act," or similar"

Amend the title as follows:

Page 1, line 2, after "adopt" delete "the "Save"

Page 1, line 3, delete "the Family Farm Act" or similar"

A roll call was requested and properly seconded.

The question was taken on the McDonald amendment and the roll was called. There were 45 yeas and 80 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Frerichs	Knickerbocker	Onnen	Schreiber
Bennett	Gruenes	Marsh	Ozment	Shaver
Burger	Gutknecht	McDonald	Pauly	Stanius
Carlson, D.	Hartle	McKasy	Poppenhagen	Sviggum
Clausnitzer	Haukoos	McPherson	Quist	Thiede
Dempsey	Heap	Miller	Redalen	Tjornhom
Dille	Himle	Morrison	Richter	Tompkins
Forsythe	Hugoson	Olsen, S.	Rose	Valento
Frederick	Johnson, V.	Omann	Schafer	Waltman

Those who voted in the negative were:

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

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

Dille moved to amend S. F. No. 95, as follows:

Page 2, line 20, delete "similar" and insert "alternate"

Amend the title as follows:

Page 1, line 3, delete "similar" and insert "alternate"

A roll call was requested and properly seconded.

The question was taken on the Dille amendment and the roll was called. There were 51 yeas and 75 nays as follows:

## Those who voted in the affirmative were:

Anderson, R.	Frerichs	Knickerbocker	Pauly	Thiede
Bennett	Gruenes	Marsh	Poppenhagen	Tjornhom
Bishop	Gutknecht	McDonald	Quist	Tompkins
Blatz	Hartle	McKasy	Redalen	Uphus
Burger	Haukoos	McPherson	Richter	Valento
Carlson, D.	Heap	Miller	Rose	Waltman
Clausnitzer	Himle	Morrison	Schafer	Welle
Dempsey	Hugoson	Olsen, S.	Schreiber	
Dille	Jennings	Omann	Stanius	
Forsythe	Johnson, V.	Onnen	Sviggum	
Frederick	Kahn	Ozment	Swenson	

## Those who voted in the negative were:

Anderson, G.	Jacobs	Lieder	Orenstein	Segal
Battaglia	Jaros	McEachern	Otis	Simoneau
Bauerly	Jefferson	McLaughlin	Pappas	Skoglund
Beard	Johnson, A.	Milbert	Pelowski	Solberg
Begich	Johnson, R.	Minne	Peterson	Sparby
Bertram	Kalis	Munger	Price	Steensma
Brown	Kelly	Murphy	Quinn	Trimble
Carlson, L.	Kelso	Nelson, C.	Reding	Tunheim
Carruthers	Kinkel	Nelson, D.	Rest	Vanasek
Clark	Kludt	Nelson, K.	Rice	Voss
Cooper	Knuth	Neuenschwander	Riveness	Wagenius
Dauner	Kostohryz	O'Connor	Rodosovich	Wenzel
DeBlicek	Krueger	Ogren	Sarna	Winter
Dorn	Larsen	Olson, E.	Scheid	Wynia
Greenfield	Lasley	Olson, K.	Schoenfeld	Spk. Norton

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

S. F. No. 95, A resolution memorializing Congress to immediately adopt the "Save the Family Farm Act" or similar legislation to meet the catastrophe striking American farmers and the farm economy.

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 38 nays as follows:

## Those who voted in the affirmative were:

Anderson, G.	Dauner	Kelly	Minne	Osthoff
Anderson, R.	DeBlicek	Kelso	Munger	Otis
Battaglia	Dille	Kinkel	Murphy	Ozment
Bauerly	Dorn	Kludt	Nelson, C.	Pappas
Beard	Greenfield	Knuth	Nelson, D.	Pelowski
Begich	Gruenes	Kostohryz	Nelson, K.	Peterson
Bennett	Jacobs	Krueger	Neuenschwander	Price
Bertram	Jaros	Larsen	O'Connor	Quinn
Brown	Jefferson	Lasley	Ogren	Reding
Carlson, D.	Jennings	Lieder	Olsen, S.	Rest
Carlson, L.	Johnson, A.	Long	Olson, E.	Rice
Carruthers	Johnson, R.	McEachern	Olson, K.	Riveness
Clark	Johnson, V.	McLaughlin	Omann	Rodosovich
Cooper	Kalis	Milbert	Orenstein	Rose

Rukavina	Simoneau	Trimble	Voss	Wynia
Sarna	Skoglund	Tunheim	Wagenius	Spk. Norton
Scheid	Solberg	Uphus	Welle	
Schoenfeld	Sparby	Vanasek	Wenzel	
Segal	Steenasma	Vellenga	Winter	

Those who voted in the negative were:

Blatz	Gutknecht	McDonald	Quist	Swenson
Boo	Hartle	McKasy	Redalen	Thiede
Burger	Haukoos	McPherson	Richter	Tjornhom
Clausnitzer	Heap	Miller	Schafer	Tompkins
Dempsey	Himle	Morrison	Schreiber	Valento
Forsythe	Hugoson	Onnen	Shaver	Waltman
Frederick	Knickerbocker	Pauly	Stanius	
Frerichs	Marsh	Poppenhagen	Swiggum	

The bill was passed and its title agreed to.

### GENERAL ORDERS

Pursuant to Rules of the House, the House resolved itself into the Committee of the Whole with Norton in the Chair for consideration of bills pending on General Orders of the day. Long presided during a portion of the meeting of the Committee of the Whole. After some time spent therein the Committee arose.

#### REPORT OF THE COMMITTEE OF THE WHOLE

The following recommendations of the Committee were reported to the House:

H. F. No. 41 was recommended to pass.

H. F. No. 83 was recommended to be returned to its author.

On the motion of Vanasek the report of the Committee of the Whole was adopted.

### MOTIONS AND RESOLUTIONS

Johnson, V., moved that the name of Jennings be added as an author on House Advisory No. 1. The motion prevailed.

Schoenfeld moved that the name of Quist be added as an author on H. F. No. 163. The motion prevailed.

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

Orenstein moved that the name of Olsen, S., be added as an author on H. F. No. 167. The motion prevailed.

Reding moved that the names of Olsen, S., and Riveness be added as authors on H. F. No. 169. The motion prevailed.

Clark moved that the names of Nelson, K., and Trimble be added as authors on H. F. No. 176. The motion prevailed.

Clark moved that the name of Murphy be added as an author on H. F. No. 178. The motion prevailed.

Waltman moved that the names of Johnson, V., and Haukoos be added as authors on H. F. No. 179. The motion prevailed.

McLaughlin moved that the names of Rukavina and Clark be added as authors on H. F. No. 185. The motion prevailed.

O'Connor moved that the name of Milbert be added as an author on H. F. No. 196. The motion prevailed.

Carlson, D., moved that the names of Johnson, V., and Miller be added as authors on H. F. No. 205. The motion prevailed.

Begich moved that the names of Jennings and Osthoff be added as authors on H. F. No. 207. The motion prevailed.

Vellenga moved that H. F. No. 161 be recalled from the Committee on Judiciary and be re-referred to the Committee on Health and Human Services. The motion prevailed.

Peterson moved that H. F. No. 168 be recalled from the Committee on Taxes and be re-referred to the Committee on Transportation. The motion prevailed.

The Speaker resumed the Chair.

#### ADJOURNMENT

Vanasek moved that when the House adjourns today it adjourn until 2:00 p.m., Thursday, February 5, 1987. The motion prevailed.

Vanasek moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:00 p.m., Thursday, February 5, 1987.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

## STATE OF MINNESOTA

## SEVENTY-FIFTH SESSION—1987

## TENTH DAY

SAINT PAUL, MINNESOTA, THURSDAY, FEBRUARY 5, 1987

The House of Representatives convened at 2:00 p.m. and was called to order by Fred C. Norton, Speaker of the House.

Prayer was offered by Associate Pastor Nancy Brown, Diamond Lake Lutheran Church, Minneapolis, Minnesota.

The roll was called and the following members were present:

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

A quorum was present.

Jensen, Kahn and Shaver were excused.

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

## REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of S. F. No. 95 have been placed in the members' files.

**REPORTS OF STANDING COMMITTEES**

## SUSPENSION OF RULES

Vanasek moved that the rules be so far suspended that the Committee Reports on H. F. Nos. 1 and 91 be now acted upon. The motion prevailed.

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

H. F. No. 1, A bill for an act relating to agriculture; extending and financing the interest rate buy-down program; establishing benefit limits; appropriating money; amending Laws 1986, chapter 398, article 23, section 1, subdivisions 5 and 6, and by adding a subdivision.

Reported the same back with the following amendments:

Page 2, after line 15, insert:

"Sec. 4. Laws 1986, chapter 398, article 23, section 3, subdivision 5, is amended to read:

Subd. 5. [REVIEW OF APPLICATIONS FOR BUY-DOWN PAYMENT.] The commissioner must review within five working days of submission by a participating lender a properly completed application for interest rate buy-down payments on a farm operating loan made to a farmer. ~~If a qualified lender does not receive written notice that the commissioner has denied interest rate buy-down payments within seven working days, the farmer is an eligible borrower and interest rate buy-down payments on the farm operating loan are approved by the commissioner. All applications received by the commissioner after appropriated interest rate buy-down program funds have been encumbered must be returned immediately to the lender with an explanation that interest buy-down payments are denied due to prior commitment of available program funds.~~

Page 2, line 28, after "fund" insert "for fiscal year 1987"

Page 3, line 5, delete "5" and insert "6"

Amend the title as follows:

Page 1, line 6, before the period insert “; and section 3, subdivision 5”

With the recommendation that when so amended the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 91, A bill for an act relating to utilities; enacting the Minnesota pipeline safety act; creating the office of pipeline safety and providing for its powers and duties; granting rulemaking authority to the environmental quality board; authorizing rulemaking for purposes of delegation of federal authority; creating the pipeline safety advisory commission; regulating the operation of certain pipelines; regulating excavations in the area of buried utilities; providing for a pipeline inspection fee; establishing the pipeline safety fund; requiring a study; providing penalties; appropriating money; amending Minnesota Statutes 1986, section 116I.02, subdivisions 2 and 3; proposing coding for new law in Minnesota Statutes, chapter 116I; proposing coding for new law as Minnesota Statutes, chapters 216C and 299J.

Reported the same back with the following amendments:

Page 3, line 27, reinstate the stricken language and delete the new language

Page 3, after line 35, insert:

“Sec. 4. Minnesota Statutes 1986, section 216B.16, is amended by adding a subdivision to read:

Subd. 9a. [PIPELINE SAFETY PROGRAMS.] All investments and expenses of a public utility that are necessary to comply with state pipeline safety programs shall be recognized and included by the commission in the determination of just and reasonable rates as if the investments and expenses were directly made or incurred by the utility in furnishing utility service.”

Page 4, line 21, after the second “or” insert “machine-powered”

Page 4, line 22, after “kind” insert a comma

Page 4, line 24, delete “It also includes mining and quarrying operations.”

Page 5, delete line 12 and insert "a person shall not be considered an operator solely because the person or public agency is the"

Page 6, line 16, after the period insert "An excavation begins for purposes of this requirement the first time excavation occurs in an area that was not identified by the excavator in a previous call to the center."

Page 6, line 22, delete the paragraph coding

Page 8, line 28, delete everything after the comma

Page 8, line 29, delete everything before "provide" and insert "or (2)"

Page 8, line 30, before "negligence" insert "the excavator's"

Page 10, after line 11, insert:

"Subd. 6. [GAS.] "Gas" has the meaning given it in United States Code, title 49, section 1671.

Subd. 7. [HAZARDOUS LIQUID.] "Hazardous liquid" means "hazardous liquid" and "highly volatile liquid" as defined in Code of Federal Regulations, title 49, part 195.2."

Page 10, delete lines 13 to 18 and insert "means hazardous liquid and gas."

Page 10, line 26, after "means" insert "(1)" and delete "an inside" and insert "a nominal"

Page 10, line 27, delete "two" and insert "six" and delete "is"

Page 10, delete line 28

Page 10, line 29, delete "substances" and insert "liquids"

Page 10, line 30, delete "(1)" and delete "substance" and insert "liquid"

Page 10, line 31, delete "(2)" and delete "substance" and insert "liquid"

Page 10, line 32, after "facility" insert "; and (2) pipe operated at a pressure of more than 275 pounds per square inch that carries gas"

Renumber the subdivisions in sequence

Page 12, line 14, after "a" insert "comprehensive" and after "base" insert "as to the underlying cause"

Page 14, line 31, delete "is" and insert "are"

Page 15, line 14, delete "and" and insert ", to the pollution control agency if the notice of the release is required by section 115.061, and to"

Page 15, after line 17, insert:

"A pipeline operator's report of a release to the commissioner satisfies the notification requirements of section 115.061."

Page 15, line 22, delete "those sections" and insert "rules adopted under this section"

Page 18, line 2, before "Every" insert "Subdivision 1. [RESPONSE PLAN REQUIREMENTS.]"

Page 18, after line 15, insert:

"Subd. 2. [ASSESSMENT FOR PLAN.] The cost of the plan required by subdivision 1 shall be assessed by a county and collected from every pipeline operator that has pipeline within the county's borders. Methods for collection and calculation of the fee assessed on an operator must be included in the rules of the office required under section 15."

Page 20, lines 3 and 7, delete "2" and insert "1"

Page 21, line 32, delete "his"

Page 22, line 24, before "fund" insert "pipeline safety"

Page 24, after line 4, insert:

"Sec. 33. [EFFECTIVE DATE.]

Sections 1 to 3 are effective July 1, 1988.

Sections 18 and 26 are effective August 1, 1987, and apply to crimes committed on or after that date."

Renumber the sections in sequence

Correct internal references

Amend the title as follows:

Page 1, line 13, delete "section" and insert "sections"

Page 1, line 14, after "3;" insert "and 216B.16, by adding a subdivision;"

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

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. No. 1 was read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Jennings, Munger, Begich, Schafer and Carlson, D., introduced:

H. F. No. 244, A bill for an act relating to state lands; providing that notice of sale of state lands state whether ingress and egress is publicly or privately owned; amending Minnesota Statutes 1986, section 92.14, subdivision 1.

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

Simoneau, Clausnitzer and Jacobs introduced:

H. F. No. 245, A bill for an act relating to occupations and professions; architects, engineers, land surveyors, and landscape architects; making certain technical changes related to certain licensing exceptions; amending Minnesota Statutes 1986, sections 326.03, subdivision 2; and 326.06.

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

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

H. F. No. 246, A bill for an act relating to education; establishing chemical abuse pre-assessment teams and community advisory teams; requiring teachers to report possession, use, and transfer of chemical substances by students; providing penalties; amending Minnesota Statutes 1986, sections 127.41, subdivision 3; and 260.161, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 126.

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

Ogren introduced:

H. F. No. 247, A bill for an act relating to crimes; prohibiting placing docks on public waters adjacent to dedicated public accesses; prescribing penalties; amending Minnesota Statutes 1986, section 609.74.

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

Rodosovich, Wynia, Gruenes, Vanasek and Blatz introduced:

H. F. No. 248, A bill for an act relating to health; appropriating money for the WIC program.

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

McDonald, Omann, Dille, Waltman and Dempsey introduced:

H. F. No. 249, A bill for an act relating to the legislature; extending the provisions of the Minnesota open meeting law to the legislature; exempting the legislature from certain provisions of the open meeting law where constitutional provisions prevail; amending Minnesota Statutes 1986, section 471.705, subdivisions 1, and 2, and by adding a subdivision.

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

Kludt and Dauner introduced:

H. F. No. 250, A bill for an act relating to intoxicating liquor; authorizing the city of Moorhead to issue an on-sale intoxicating

liquor license to the Red River Valley Center-Hjemkomst Heritage Interpretive Center.

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

Olsen, S.; Anderson, R.; Gruenes; Swenson and Dille introduced:

H. F. No. 251, A bill for an act relating to health; changing eligibility requirements for catastrophic health expense protection program; authorizing the commissioner of commerce to regulate the program; appropriating money; amending Minnesota Statutes 1986, sections 62E.52, subdivisions 2, 3, 7, and by adding a subdivision; 62E.53, subdivisions 1, 2, 3, and 4; and 62E.531, subdivisions 1 and 3.

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

Olsen, S.; Stanius; Dille; Morrison and Forsythe introduced:

H. F. No. 252, A bill for an act relating to health; requiring licensure of home care agencies; providing a home care bill of rights; providing a complaint procedure for home care clients; appropriating money; amending Minnesota Statutes 1986, sections 144.335, subdivision 1; 144.699, subdivision 2; 144A.51, subdivision 6, and by adding a subdivision; 144A.52, subdivision 3; 144A.53, subdivisions 1, 2, 3, and 4; 144A.54, subdivision 1; 256B.04, by adding a subdivision; 364.09; and 626.557, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 144A.

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

Bishop; Nelson, K.; Begich; Norton and DeBlieck introduced:

H. F. No. 253, A bill for an act relating to traffic regulations; requiring motorcycle riders born after July 31, 1969 to wear protective headgear; amending Minnesota Statutes 1986, section 169.974, subdivision 4.

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

Wenzel introduced:

H. F. No. 254, A bill for an act relating to local government; granting the city of Brainerd the authority to establish a port authority; authorizing the port authority to exercise the power of a municipal housing and redevelopment authority; authorizing the city to impose restrictions and limitations upon the powers and procedures of the port authority; permitting the city to choose the name of the port authority; providing for removal of port authority commissioners; requiring local approval.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Jacobs, Bennett, Minne, Jennings and Stanius introduced:

H. F. No. 255, A bill for an act relating to alcoholic beverages; premises which may be issued on-sale licenses; amending Minnesota Statutes 1986, sections 340A.404, subdivisions 1 and 6; 340A.411, subdivision 1; and 340A.504, subdivision 3.

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

McDonald introduced:

H. F. No. 256, A bill for an act relating to horse racing; authorizing the commission to issue more than one class A license in the seven-county metropolitan area; amending Minnesota Statutes 1986, section 240.06, subdivision 5.

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

Simoneau; Johnson, R.; Rukavina; DeBlicek and Jefferson introduced:

H. F. No. 257, A bill for an act relating to state employees; providing that certain state employees who are eligible to retire are eligible for state-paid life insurance and other benefits; amending Minnesota Statutes 1986, section 43A.24, subdivision 2.

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

Bauerly and Marsh introduced:

H. F. No. 258, A bill for an act relating to retirement; increasing the retirement formula for covered correctional service; amending Minnesota Statutes 1986, section 352.93, subdivision 2.

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

Bishop, McEachern, Hartle, Vellenga and Nelson, K., introduced:

H. F. No. 259, A bill for an act relating to missing children; requiring schools to develop policies on notifying parents whose children are absent from school; requiring that certain documents be provided to schools when new students enroll; proposing coding for new law in Minnesota Statutes, chapter 123.

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

Schafer and Uphus introduced:

H. F. No. 260, A bill for an act relating to education; establishing a program to require school districts to provide milk to all elementary and secondary pupils in public and nonpublic schools; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 124.

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

Stanius and Forsythe introduced:

H. F. No. 261, A bill for an act relating to education; removing the second tier levy fund balance ceiling of \$500; repealing Minnesota Statutes 1986, section 124A.08, subdivision 5.

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

Haukoos, Morrison and Frerichs introduced:

H. F. No. 262, A bill for an act relating to taxation; income; providing an exclusion for income of persons over 65; limiting the

pension exclusion; amending Minnesota Statutes 1986, sections 290.01, subdivision 20b; and 290.08, subdivision 26.

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

Greenfield, Wynia, Clark and Rodosovich introduced:

H. F. No. 263, A bill for an act relating to human services; extending eligibility of all work readiness registrants to a maximum of six months during any consecutive 12-month period; amending Minnesota Statutes 1986, section 256D.051, subdivisions 1 and 6; and repealing Minnesota Statutes 1986, section 256D.051, subdivisions 4, 5, and 12.

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

Bertram, Rukavina, Dille, Gutknecht and Cooper introduced:

H. F. No. 264, A bill for an act relating to state government; regulating the salary of constitutional officers.

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

Bertram, Rukavina, Dille, Gutknecht and Cooper introduced:

H. F. No. 265, A bill for an act relating to state government; regulating salaries of judges.

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

Ogren, Bennett, Jacobs, Osthoff and Minne introduced:

H. F. No. 266, A bill for an act relating to intoxicating liquor; prohibiting discrimination in sales; amending Minnesota Statutes 1986, section 340A.307, subdivision 1.

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

Onnen, McDonald, Valento and Sviggum introduced:

H. F. No. 267, A bill for an act proposing an amendment to the Minnesota Constitution, changing article IV, sections 1, 2, 3, 4, 5, 6, 7, 9, 10, 11, 12, 13, 14, 15, 18, 19, 20, 21, 22, 23, 24, 25, and 26; article V, sections 3 and 5; article VIII, section 1; article IX, sections 1 and 2, and article XI, section 5; providing for a unicameral legislature of 101 to 135 members.

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

Kinkel; Johnson, R.; Solberg; Carlson, D., and Sparby introduced:

H. F. No. 268, A bill for an act relating to snowmobiles; authorizing certain operators possessing a motor vehicle operator's license to cross a highway; amending Minnesota Statutes 1986, section 84.872.

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

Kahn; Johnson, A.; Carlson, D., and Segal introduced:

H. F. No. 269, A bill for an act relating to traffic regulations; extending prohibition against wearing headphones while operating motor vehicle to include bicycles; amending Minnesota Statutes 1986, section 169.471, subdivision 2.

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

Vellenga, Blatz, Krueger and Rest introduced:

H. F. No. 270, A bill for an act relating to adoption; providing for notice of an adopted child or genetic parent's death; proposing coding for new law in Minnesota Statutes, chapter 259.

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

Welle, Pelowski, Rodosovich, Bertram and Brown introduced:

H. F. No. 271, A bill for an act relating to game and fish; setting a staggered opening date for the pike season; amending Minnesota Statutes 1986, section 97C.395, by adding a subdivision.

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

Forsythe, Hugoson, Stanius and Olsen, S., introduced:

H. F. No. 272, A bill for an act relating to education; increasing the foundation aid second tier levy fund balance ceiling for certain districts; amending Minnesota Statutes 1986, section 124A.08, subdivision 5.

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

Segal introduced:

H. F. No. 273, A bill for an act relating to motor vehicles; establishing system of lifetime motor vehicle license plates; refunding certain license plate fees; providing that personalized license plates be reissued to previous holders under certain circumstances; appropriating money; amending Minnesota Statutes 1986, section 168.12, subdivisions 1 and 5.

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

Otis, Voss, Norton, Blatz and Sviggum introduced:

H. F. No. 274, A bill for an act relating to financial institutions; providing for acquisition through merger of banks for operation as detached facilities; amending Minnesota Statutes 1986, section 49.34, subdivision 2.

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

Brown; Uphus; Krueger; Anderson, G., and Carlson, D., introduced:

H. F. No. 275, A bill for an act relating to agriculture; establishing a commercial fish raising program; proposing coding for new law in Minnesota Statutes, chapter 17.

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

Olsen, S.; Rest and Long introduced:

H. F. No. 276, A bill for an act relating to marriage; adopting the uniform marital property act; providing conforming amendments to existing state law; amending Minnesota Statutes 1986, sections

197.49; 507.02; 507.03; 518.54, subdivision 5; 518.58; 519.11, subdivisions 1 and 7; 525.15; proposing coding for new law as Minnesota Statutes, chapter 519A; repealing Minnesota Statutes 1986, sections 519.02; 519.03; 519.04; 519.05; and 519.06.

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

Solberg, Vellenga, Forsythe, Blatz and Johnson, R., introduced:

H. F. No. 277, A bill for an act relating to child abuse reporting; requiring mandated reporters to report certain past occurrences of child abuse or neglect; amending Minnesota Statutes 1986, section 626.556, subdivisions 3 and 6.

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

Forsythe, Rose, Solberg, Johnson, R., and Kelly introduced:

H. F. No. 278, A bill for an act relating to civil liability; granting volunteer managers, coaches, umpires and referees, and the non-profit associations for whom they provide services, immunity from liability for negligent acts or omissions; proposing coding for new law in Minnesota Statutes, chapter 604.

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

Osthoff introduced:

H. F. No. 279, A bill for an act relating to local government; providing for leave of absences for county employees when elected to the office of county commissioner; amending Minnesota Statutes 1986, section 375.09; proposing coding for new law in Minnesota Statutes, chapter 375.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Osthoff introduced:

H. F. No. 280, A bill for an act relating to the city of St. Paul; repealing bonding authority and a sunset provision relating to the

port authority; amending Laws 1983, chapter 110, section 4; repealing Minnesota Statutes 1986, section 458.773.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Steensma, Kostohryz, Scheid, Dille and DeBlicek introduced:

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

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

Bauerly, Kinkel, Ozment, McEachern and Kelso introduced:

H. F. No. 282, A bill for an act relating to education; increasing the capital expenditure revenue allowance; decreasing the capital expenditure levy; amending Minnesota Statutes 1986, sections 124.245, subdivision 1; and 275.125, subdivision 11a.

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

Johnson, A.; Osthoff and Knickerbocker introduced:

H. F. No. 283, A bill for an act relating to elections; requiring confidentiality of certain matters before the ethical practices board; raising certain campaign contribution disclosure limits; changing the method of calculating certain campaign expenditure limits; amending Minnesota Statutes 1986, sections 10A.02, subdivision 11; 10A.12, subdivision 5; 10A.20, subdivisions 3 and 5; 10A.25, subdivisions 2 and 7; and 10A.255.

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

Welle, Krueger, Brown and Knuth introduced:

H. F. No. 284, A bill for an act relating to unemployment compensation; regulating benefits and contribution rates; providing for the administration of the unemployment compensation law; providing penalties; amending Minnesota Statutes 1986, sections 268.04, subdivisions 2, 4, 24, 25, and by adding subdivisions; 268.06, subdivisions 2, 8, and by adding a subdivision; 268.07, subdivisions 2, 2a, and 3; 268.071, subdivision 1; 268.08, subdivision 1; 268.09,

subdivisions 1 and 2; 268.10, subdivisions 1 and 2; 268.12, subdivision 8; 268.121; 268.16, subdivision 2, and by adding a subdivision; repealing Minnesota Statutes 1986, sections 268.04, subdivisions 29 and 30; and 268.06, subdivision 24.

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

O'Connor, Kelly, Poppenhagen, Milbert and McKasy introduced:

H. F. No. 285, A bill for an act relating to statutes; reenacting certain amendments to the dram shop act.

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

Vellenga, Wagenius, Bishop and Dempsey introduced:

H. F. No. 286, A bill for an act relating to witnesses; removing the presumption against the competency of certain witnesses; amending Minnesota Statutes 1986, section 595.02, subdivision 1.

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

Olsen, S.; Nelson, K.; McEachern; Kostohryz and Gruenes introduced:

H. F. No. 287, A bill for an act relating to education; clarifying that arts education aid may be used only for arts education programs; amending Minnesota Statutes 1986, section 124.275, subdivision 2.

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

Dempsey introduced:

H. F. No. 288, A bill for an act relating to the state; designating an official state beer; proposing coding for new law in Minnesota Statutes, chapter 1.

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

Kelly, Vellenga, Orenstein, Trimble and Norton introduced:

H. F. No. 289, A bill for an act relating to the city of St. Paul; setting the maximum amounts and other conditions for the issuance of capital improvement bonds; amending Laws 1971, chapter 773, section 1, subdivision 2, as amended; and section 2, as amended.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

## CALENDAR

H. F. No. 41, A bill for an act relating to adoption; providing that proposed adoptive parents may obtain certain reports or records; providing that a child's parent need not join as co-petitioner in a stepparent adoption; changing the manner of executing certain consents; amending Minnesota Statutes 1986, sections 259.21, subdivision 7; 259.24, subdivision 5; and 259.27, subdivision 3, and by adding a subdivision.

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

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

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

REPORT FROM THE COMMITTEE ON RULES AND  
LEGISLATIVE ADMINISTRATION

Vanasek, for the Committee on Rules and Legislative Administration, offered the following report and moved its adoption:

Resolved that the Permanent Rules of the House in effect at the conclusion of the Seventy-Fourth Session are adopted as the Permanent Rules of the Seventy-Fifth Session with the following amendments:

(1) Rule 1.6 is amended to read:

1.6 RULES TO APPLY TO COMMITTEE OF THE WHOLE. The Rules of the House shall be observed in the Committee of the Whole so far as may be applicable except that the previous question shall not be forced or speaking limited.

Upon demand of 15 members, the ~~ayes~~ yeas and nays shall be called, the question voted on, and the ~~ayes~~ yeas and nays recorded in the Journal of the House.

In the Committee of the Whole no amendment increasing the amount of any appropriation shall be passed without the ~~ayes~~ yeas and nays recorded in the Journal of the House.

A motion that the Committee arise shall always be in order and shall be decided without debate.

Upon the request of any member, a bill shall be excepted from the report of the Committee of the Whole. Only a motion to strike an amendment to the bill adopted in the Committee of the Whole or to amend the recommendation of the Committee of the Whole concerning the disposition of the bill shall be in order.

(2) Rule 1.9 is amended to read:

1.9 SPECIAL ORDERS. A bill may be made the Order of the Day for a special time and be placed upon a separate list known as "Special Orders."

The Committee on Rules and Legislative Administration may by committee report designate as a Special Order any bill which has had its second reading.

Any member may move to make a bill a Special Order by giving notice at least two legislative days in advance of and specifying the day on which he will so move. The notice shall include the number and title of the bill and the day and time certain for the Special Order. Only the member giving such notice, or another member

designated by him in writing to the Speaker, may make the motion for the Special Order. A two-thirds vote of the whole House on such motion is required to make a bill a Special Order.

The time set for the motion may not be extended, and failure to make the motion on the specified day forfeits the right to make the motion.

A motion to make a bill a Special Order, when made according to the procedures herein prescribed, shall be a privileged motion, shall take precedence over all other motions except a motion to adjourn or to set the time to adjourn and questions of personal privilege, and may be made at any time on the day designated in the notice. A three-fourths vote of the whole House is required to suspend the motion.

Any Special Order, or any part of it, may be continued or postponed by two-thirds vote of the whole House at the time of such Special Order; however, a Special Order designated by the Committee on Rules and Legislative Administration may be continued or postponed by a majority vote of the whole House at the time of such Special Order.

When the time arrives for the consideration of any Special Order, the House shall consider each bill upon the Special Order in the order in which it is listed. After consideration it shall immediately be read the third time and placed upon final passage.

(3) Rule 1.10 is amended to read:

**1.10 TAX AND APPROPRIATION BILLS GIVEN PRECEDENCE.** After adoption by the House of a budget resolution pursuant to Rule 5.10, any bill relating to taxes or raising revenue shall be acted upon whenever requested by the Chairman of the Committee on Taxes, and any appropriation bill shall be acted upon whenever requested by the Chairman of the Committee on Appropriations.

(4) Rule 1.16 is amended to read:

**1.16 TIME LIMIT FOR CONSIDERATION OF BILLS.** If 20 legislative days after a bill has been referred to committee (other than a bill in Appropriations) no report has been made upon it by the committee, its chief author may request that it be returned to the House and the request shall be entered in the Journal for the day. The committee shall have ten calendar days thereafter in which to vote upon the bill requested. If the Committee fails to vote upon it within the ten days, the chief author may, at any time within five calendar days thereafter, present a written demand to the Speaker for its immediate return to the House. The demand shall be entered in the Journal for that day and shall constitute the demand of the House. The bill shall

then be considered to be in the possession of the House, given its second reading and placed at the foot of General Orders.

Such bill is subject to re-reference by a majority vote of the whole House. If the motion to re-refer is made on the day of the demand or within one legislative day thereafter, the motion shall take precedence over all other motions except privileged motions and shall be in order at any time.

After Friday, May 10, 1985 ~~8, 1987~~, the House shall not act on bills other than those recommended by conference committee reports or the Committee on Rules and Legislative Administration, and those bills contained in messages from the Senate or from the Governor.

(5) Rule 3.4 is amended to read:

**3.4 MOTION FOR RECONSIDERATION.** When a question has been decided either in the affirmative or negative, it shall be in order for any member who voted with the prevailing side to move its reconsideration, provided that such motion is made either on the same day the vote was taken or within the following two days of actual session of the House. A motion for reconsideration can be made at any time in the Order of Business and shall take precedence over all other questions except the motion to adjourn and the notice of intention to move reconsideration. Such motion or notice shall not be in order if the document, bill, resolution, message, report or other official action on which the vote was taken shall have left the possession of the House.

When a member gives notice of intention to move reconsideration of the final action of the House on any bill, resolution, message, report or other official action, the Chief Clerk shall retain the same until after the matter is disposed of or the time has expired during which the motion for reconsideration can be made.

On the last day allowed for the motion to reconsider, it shall be in order for any member who voted on the prevailing side to make the motion, unless the matter has been already disposed of.

A motion for reconsideration having been voted upon and lost shall not be renewed.

In an odd-numbered year, notice of intention to move reconsideration shall not be in order after Monday, April 22 20.

(6) Rule 3.10 is amended to read:

**3.10 AMENDMENT NOT TO ANNEX ANOTHER BILL.** Except in a standing committee, no bill or resolution shall at any time be amended by annexing or incorporating any other another bill or

resolution, whether or not it is still pending before the House, unless the House has passed the bill or resolution during the current legislative session.

(7) Rule 3.12 is amended to read:

**3.12 AMENDMENTS TO APPROPRIATION AND TAX BILLS.** No amendment increasing the amount or amounts carried by any an appropriation bill and no amendment increasing a tax shall be declared passed until voted for by a majority of the whole House determined by a roll call vote.

(8) Rule 3.13 is adopted to read:

**3.13 MOTION TO LAY ON THE TABLE.** A motion to lay on the table shall not be in order on a motion to amend, except that a motion to amend the Rules may be tabled.

(9) Renumber the remaining Rules in Article III.

(10) Rule 5.1 is amended to read:

**5.1 BILL AND RESOLUTION FORM.** No bill or resolution shall be introduced until it has been examined and approved by the Revisor of Statutes as to form and compliance with the Joint Rules of the House and Senate and the Rules of the House. Approval as to form shall be endorsed on the bill or resolution by the Revisor of Statutes.

(11) Rule 5.2 is amended to read:

**5.2 INTRODUCTION OF BILLS AND RESOLUTIONS.** A bill, advisory bill or resolution offered for introduction shall be placed in the hands of the Speaker at least 24 hours prior to the convening of the daily session. Every bill, advisory bill and resolution shall be introduced in quadruplicate and each copy shall contain the signature of the member or name of the committee introducing it. No bill, advisory bill, memorial or resolution shall have more than five authors. ~~Any memorial~~ ( A statement of facts being forwarded for action to a governmental official, agency, or body) or other similar proposal is a memorial and shall be introduced in the same form as a bill and take the same course as a bill. No resolution shall authorize the expenditure of monies from any source other than the legislative expense fund.

(12) Rule 5.4 is amended to read:

**5.4 FIRST READING AND REFERENCE OF BILLS.** Each bill, advisory bill and resolution shall be reported and given its first reading upon

its introduction. No bill, advisory bill or resolution shall be objected to upon its introduction.

Except as provided in Rule 1.17 and Rule 5.5 each bill, advisory bill or resolution shall, after first reading, be referred by the Speaker to the appropriate standing committee.

Congratulatory resolutions are exempt from this rule and may be adopted by the Committee on Rules and Legislative Administration without further consideration by the House.

Except as otherwise provided in these Rules, after a bill, advisory bill or resolution has been referred by the Speaker, a majority vote of the whole House shall be required for a re-referral or recommittal of the bill, advisory bill or resolution by the House.

(13) Rule 5.8 is amended to read:

5.8 BILLS AFFECTING STATE GOVERNMENT POWERS AND STRUCTURE. Any bill, whether originating in the House or the Senate, which creates any new department, agency, commission, board or bureau, or which substantially changes or alters the organization of or delegates emergency rulemaking authority to or exempts from rulemaking any department or agency thereof of state government, or substantially changes, alters, vests or divests official rights, powers, or duties of any official, department or agency of the state government or any institution under its control, after being reported to the House, shall be referred, or re-referred, as the case may be, to the Committee on Governmental Operations for action by that committee. Any committee other than the Committee on Governmental Operations to which such bill is referred shall, in its report, recommend re-referral to the Committee on Governmental Operations.

(14) Rule 5.10 is amended to read:

5.10 BUDGET WAYS AND MEANS COMMITTEE RESOLUTIONS; RESOLUTION; EFFECT ON APPROPRIATION EXPENDITURES AND TAX BILLS. The House may neither receive a committee report nor take other action, other than introduction and referral to committee, on any bill described in rule 5.7 or 5.9 until a budget resolution is adopted by the House as provided in this rule.

The Committee on Budget shall hold any hearings necessary to determine a limitation on state taxes and appropriations for the coming fiscal biennium. The Committee shall then introduce budget resolutions that set, as a single amount, the maximum limitation on taxes and appropriations for the fiscal biennium. The resolutions must be in the form of a House resolution and a House concurrent resolution. The limitation in the House resolution is effective, if adopted, until the House adopts a different limitation in a later

House resolution or until the House and Senate adopt a limitation in a concurrent resolution.

No bill or amendment, other than a conference committee report, may be considered by the House if, upon a point of order being raised, the speaker determines that its approval would raise taxes or appropriations above the limitation adopted in the budget resolution. To make this determination, the speaker may consider:

(a) whether the bill or amendment increases and decreases taxes or appropriations equally;

(b) the total amount of taxes or appropriations already law or in bills already passed by the legislature;

(c) whether the bill or amendment provides that costs incurred will be entirely offset by fees or other revenue; or

(d) other information reasonably related to the level of taxes or appropriations.

The current estimate of taxes and appropriations must be provided by the Chairman of the Committee on Taxes or the Committee on Appropriations.

The Committee on Ways and Means shall hold hearings as necessary to determine state expenditures and taxes for the coming fiscal biennium. Not later than seven days after the Governor presents the last state revenue forecast during the regular legislative session, but in no case later than March 31, 1987, the Committee on Ways and Means shall report a budget resolution to the House for consideration. The budget resolution shall take the form of a House resolution that sets the maximum limitation on expenditures and taxes for the coming fiscal biennium for the general fund and an amount to be set aside as a budget reserve. The limitation is effective, if adopted, unless the House adopts a different limitation in a subsequent budget resolution.

No bill described in Rule 5.7 or 5.9 shall be given its second reading until the House has received a statement from the Committee on Ways and Means certifying that the major expenditure and tax bills are reconciled and do not exceed the limitation specified in the budget resolution for the general fund. Major expenditure and tax bills are: the education appropriation bill; the health and human services appropriation bill; the state departments appropriation bill; the agriculture, transportation, and semi-state appropriation bill; the education finance bill; the agriculture finance bill; and the omnibus tax bill. However, a bill may be given its second reading by special authorization of the Committee on Ways and Means or by majority vote of the whole House. A special authorization may be reported by an oral notice to the House from the Chairman of the

Committee on Ways and Means or his designee stating that the fiscal impact of a bill will be accounted for in the reconciliation statement.

The Committee on Appropriations and the Committee on Taxes, upon recommending passage of any bill described in Rule 5.7 or 5.9, shall provide to the Committee on Ways and Means a fiscal statement on the bill.

After the House has received a reconciliation statement from the Committee on Ways and Means, the House shall not give a second reading to any bill described in Rule 5.7 or 5.9 other than the major expenditure and tax bills. However, a bill may be given its second reading after the House has received from the Committee on Ways and Means a statement certifying that the fiscal impact of the bill is within the guidelines of the budget resolution, or after authorization by majority vote of the whole House. The statement of the Committee on Ways and Means may be reported orally by the Chairman of the Committee on Ways and Means or his designee.

(15) Rule 5.11 is adopted to read:

5.11 RECESS BILL INTRODUCTIONS. During the period between the last day of the session in any odd-numbered year and the first day of the session in the following year, any bill filed with the Speaker for introduction shall be given a file number and may be unofficially referred to an appropriate standing committee of the House of Representatives.

(16) Rule 6.1 is amended to read:

6.1 COMMITTEES. Standing committees of the House shall be appointed by the Speaker as follows:

Agriculture

Division: Agriculture Finance

Appropriations

Divisions: Agriculture, Transportation, and  
Semi-State

Education

Health and Human Services

State Departments

Budget

Commerce and Economic Development

Crime and Family Law

Economic Development and Housing

Education

Divisions Division: Education Finance  
Higher Education

Environment and Natural Resources

Financial Institutions and Insurance

Future and Technology

General Legislation and,  
Veterans Affairs and Gaming

Governmental Operations

Health and Human Services

Higher Education

Judiciary

Division: Crime and Family Law

Labor-Management Relations

Division: Unemployment Insurance Compensation  
and Workers' Compensation

Local and Urban Affairs

Metropolitan Affairs

Regulated Industries and Energy

Rules and Legislative Administration

Taxes

Division Divisions: Local Government Finance  
Property Tax  
Tax Laws

Transportation

Ways and Means

(17) Rule 6.6 is amended to read:

6.6 COMMITTEE RECORDS. The chairman or acting chairman of each standing committee shall cause a record to be kept, in the form prescribed by the Committee on Rules and Legislative Administration, which shall include the record of each bill referred to the committee and the minutes of the committee. The minutes shall include:

- a. The time and place of each hearing or meeting of the committee;
- b. Committee members present;
- c. The name and address of each person appearing before the committee, together with the name and address of the person, association, firm or corporation in whose behalf the appearance is made;
- d. The language of each motion, the name of the committee member making the motion, and the result of any vote taken upon the motion, including the ~~eyes~~ yeas and nays whenever a roll call is demanded;
- e. The date on which any subcommittee is created, the names of its members and the bills referred to it;

f. The record of each subcommittee meeting, including the time and place of the meeting; members present; the name of each person appearing before the subcommittee, together with the name of the person, association, firm or corporation in whose behalf the appearance is made; and the language of each motion, together with the name of the member making the motion, and the result of any vote taken upon the motion, including the ayes yeas and nays whenever a roll call is demanded;

g. Other important matters related to the work of the committee.

The minutes shall be approved at the next regular meeting of the committee.

Copies of the minutes, after approval by the committee, shall be filed with the Chief Clerk and shall be open to public inspection in the Chief Clerk's office. At the end of the biennium they shall be delivered, together with the other committee records, to the Director of the Legislative Reference Library, where they shall remain open for public inspection during regular office hours. A copy of any page of any committee minutes may be obtained upon payment of a fee determined by the Chief Clerk to be adequate to cover the cost of preparing the copy.

The magnetic tape recording of any committee meetings shall be retained by the chairman until the minutes of that meeting have been approved by the committee. The recording or a copy of the recording shall then be filed with the Director of the Legislative Reference Library, where it shall be maintained for a period of two years from the date of filing for use by any person in accordance with the rules of the Legislative Reference Library. After expiration of the two-year period the recording may be erased and the tape may be reused.

Any person may obtain a copy of such tape during the period in which it is maintained in the Legislative Reference Library upon payment of a fee determined by the Chief Clerk to be sufficient to cover the cost of the copy. Testimony and discussion preserved under this rule is not intended to be admissible in any court or administrative proceeding on an issue of legislative intent.

(18) Rule 6.11 is amended to read:

6.11 CONFERENCE COMMITTEES. A conference committee may report at any time. No committee except a conference committee or the Committee on Rules and Legislative Administration shall sit during any daily session of the House without leave.

A conference committee report shall include only subject matter contained in the House or Senate versions of the bill for which that conference committee was appointed, or like subject matter con-

tained in a bill passed by the House. The member presenting the Conference Committee report to the House shall disclose any subject matter new to the House version of the bill.

In an odd-numbered year except after Monday, May 13 11, a written copy of a report of a conference committee shall be placed on the desk of each member of the House ~~twelve~~ 24 hours before action on the report by the House. If the report has been reprinted in the Journal of the House for a preceding day and is available to the members, the Journal copy shall serve as the written report.

(19) Rule 6.13 is adopted to read:

6.13 PUBLIC TESTIMONY. Public testimony from proponents and opponents shall be allowed on every bill or resolution before either a standing committee, division or subcommittee of the House.

(20) Rule 7.3 is amended to read:

7.3 DUTIES OF CHIEF CLERK. The Chief Clerk shall have general supervision of all clerical duties pertaining to the business of the House. He shall perform under the direction of the Speaker all the duties pertaining to his office and shall keep records showing the situation and progress of all bills, memorials and resolutions.

Neither the Chief Clerk nor any of his assistants or employees shall permit any records or papers belonging to the House to be removed from their custody other than in the regular course of business. The Chief Clerk shall report any missing records or papers to the Speaker.

During a temporary absence of the Chief Clerk, the First Assistant Chief Clerk shall be delegated all the usual responsibilities of the Chief Clerk and is authorized to sign the daily journal, enrollments, abstracts and other legislative documents. A temporary absence shall be defined by agreement of the Speaker and the Chairman of the Committee on Rules and Legislative Administration.

(21) Rule 7.5 is amended to read:

7.5 BUDGET AND PURCHASING. The Director of the Office of Legislative Management House administrative services shall prepare a biennial budget for the House which must be approved by the Committee on Rules and Legislative Administration before it is submitted to the Committee on Appropriations.

The Director shall be the agent of the House of Representatives for the purchase of supplies. The Director shall seek the lowest possible

prices and shall file timely reports of expenditures made with the Committee on Rules and Legislative Administration.

(22) Rule 9.3 is amended to read:

9.3 DEADLINES. In odd-numbered years, committee reports on bills favorably acted upon by a committee in the house of origin after ~~Thursday, April 4~~ Friday, April 10, and committee reports on bills originating in the other house favorably acted upon by a committee after ~~Friday, April 19~~ Tuesday, April 28, shall be referred in the House of Representatives to the Committee on Rules and Legislative Administration for disposition. However, referral is not required after the first deadline when, by the second deadline, a committee acts on a bill that is a companion to a bill that has then been acted upon by the first deadline in the Senate. This rule does not apply in the House Committees on Appropriations and on Taxes and to the education finance bill in the Committee on Education.

(23) Rule 9.5 is deleted.

(24) Rule 9.6 is renumbered 9.5.

Vanasek moved that the report of the Committee on Rules and Legislative Administration on the proposed Permanent Rules of the House for the Seventy-Fifth Session be printed in the Journal for today and be laid over until Monday, February 9, 1987. The motion prevailed.

## MOTIONS AND RESOLUTIONS

Rose moved that the name of Kalis be added as an author on H. F. No. 138. The motion prevailed.

Morrison moved that the name of Milbert be added as an author on H. F. No. 160. The motion prevailed.

Kostohryz moved that the name of Stanius be added as an author on H. F. No. 184. The motion prevailed.

Vellenga moved that the names of Wynia and Swenson be added as authors on H. F. No. 200. The motion prevailed.

Bauerly moved that the name of Segal be added as an author on H. F. No. 213. The motion prevailed.

Begich moved that the name of Nelson, D., be added as an author on H. F. No. 214. The motion prevailed.

O'Connor moved that the names of Jennings, Haukoos and Blatz be added as authors on H. F. No. 215. The motion prevailed.

O'Connor moved that the name of Nelson, D., be added as an author on H. F. No. 216. The motion prevailed.

Bishop moved that the names of Kelly, Skoglund, Long and Morrison be added as authors on H. F. No. 222. The motion prevailed.

Sparby moved that the name of Jennings be added as an author on H. F. No. 224. The motion prevailed.

Nelson, D., moved that the names of Segal, Long, Haukoos and Kahn be added as authors on H. F. No. 227. The motion prevailed.

Bennett moved that the name of Simoneau be added as an author on H. F. No. 238. The motion prevailed.

O'Connor moved that the names of McEachern and Beard be added as authors on H. F. No. 242. The motion prevailed.

Schreiber introduced:

House Resolution No. 12, A House resolution setting limits for revenue, expenditures, and budget reserve for fiscal years 1988 and 1989.

#### SUSPENSION OF RULES

Schreiber moved that the rules be so far suspended that House Resolution No. 12 be now considered and be placed upon its adoption.

A roll call was requested and properly seconded.

The Speaker called Long to the Chair.

#### CALL OF THE HOUSE

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

Anderson, G.	Bishop	Carruthers	Dempsey	Greenfield
Battaglia	Blatz	Clark	Dille	Gruenes
Beard	Boo	Clausnitzer	Dorn	Gutknecht
Begich	Brown	Cooper	Forsythe	Hartle
Bennett	Burger	Dauner	Frederick	Haukoos
Bertram	Carlson, L.	DeBlicek	Frerichs	Himle

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

Vanasek 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.

The question recurred on the Schreiber motion and the roll was called.

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

There were 51 yeas and 77 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Anderson, G.	DeBlieck	Kludt	Murphy	Peterson
Battaglia	Dorn	Knuth	Nelson, C.	Price
Bauerly	Greenfield	Kostohryz	Nelson, D.	Quinn
Beard	Jacobs	Krueger	Nelson, K.	Reding
Begich	Jefferson	Larsen	Neuenschwander	Rest
Bertram	Jennings	Lasley	O'Connor	Rice
Brown	Johnson, A.	Lieder	Ogren	Riveness
Carlson, L.	Johnson, R.	Long	Olson, E.	Rodosovich
Carruthers	Kalis	McEachern	Olson, K.	Rukavina
Clark	Kelly	McLaughlin	Orenstein	Sarna
Cooper	Kelso	Milbert	Otis	Scheid
Dauner	Kinkel	Minne	Pappas	Schoenfeld

Segal  
Simoneau  
Skoglund  
Solberg

Sparby  
Steensma  
Trimble  
Tunheim

Vanasek  
Vellenga  
Voss  
Wagenius

Welle  
Wenzel  
Winter  
Wynia

Spk. Norton

The motion did not prevail.

House Resolution No. 12 was referred to the Committee on Ways and Means.

Pelowski introduced:

House Resolution No. 13, A House resolution congratulating the girls and boys cross country teams from Winona High School for taking first and second place in the 1986 Class AA state high school cross country championship.

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

Rice, Knuth, Lieder, Steensma and Seaberg introduced:

House Resolution No. 14, A House resolution congratulating the Disabled American Veterans, Department of Minnesota, for their outstanding service, and willingness to continue this service without financial aid from the State of Minnesota during this biennium.

The Speaker resumed the Chair.

#### SUSPENSION OF RULES

Rice moved that the rules be so far suspended that House Resolution No. 14 be now considered and be placed upon its adoption. The motion prevailed.

#### HOUSE RESOLUTION NO. 14

A House resolution congratulating the Disabled American Veterans, Department of Minnesota, for their outstanding service, and willingness to continue this service without financial aid from the State of Minnesota during this biennium.

*Whereas*, the Disabled American Veterans of Minnesota have served our veterans through programs of advocacy, counseling, and referral; and

*Whereas*, the Disabled American Veterans of Minnesota have improved living conditions for veterans by giving them clothing and household items, by giving them personal and benefits counseling, and by providing disabled veterans with disaster funds; and

*Whereas*, the Disabled American Veterans of Minnesota have improved the social conditions for veterans by the purchase of a bus for the Minnesota Veterans Home, and a television and pictures for the Minneapolis Veterans Administration Hospital; and

*Whereas*, the Disabled American Veterans of Minnesota have through the years been a vital lifeline to the outside world through hospital visitation to veterans temporarily or permanently hospitalized; and

*Whereas*, the Disabled American Veterans of Minnesota have also contributed time and money to aid worthwhile community projects and charities; area and Iron Range foodshelves, Alzheimers Disease research, and physically handicapped young people, to name just a few; and

*Whereas*, the Disabled American Veterans of Minnesota through their own initiative have established Thrift Stores, open to the public, the profits from which go back into the organization; and

*Whereas*, these stores have been so popular and well managed that the Department does not need funding from the state at this time, and wishes to help the State of Minnesota in meeting its pressing financial needs by not requesting funding for this biennium; *Now, Therefore,*

*Be It Resolved* by the House of Representatives of the State of Minnesota that the Disabled American Veterans, Department of Minnesota be congratulated for their service, their sacrifice, and their dedication to our state.

Rice moved that House Resolution No. 14 be now adopted. The motion prevailed and House Resolution No. 14 was adopted.

#### ADJOURNMENT

Vanasek moved that when the House adjourns today it adjourn until 2:00 p.m., Monday, February 9, 1987. The motion prevailed.

Vanasek moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:00 p.m., Monday, February 9, 1987.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

## STATE OF MINNESOTA

## SEVENTY-FIFTH SESSION—1987

## ELEVENTH DAY

SAINT PAUL, MINNESOTA, MONDAY, FEBRUARY 9, 1987

The House of Representatives convened at 2:00 p.m. and was called to order by Fred C. Norton, Speaker of the House.

Prayer was offered by the Reverend John F. Rebstock, Pastor of the Zion United Methodist Church, Buffalo Lake, Minnesota.

The roll was called and the following members were present:

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

A quorum was present.

Beard was excused.

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

## REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. No. 1 have been placed in the members' files.

## REPORTS OF STANDING COMMITTEES

## SUSPENSION OF RULES

Vanasek moved that the rules be so far suspended that the Committee Report on H. F. No. 92 be now acted upon. The motion prevailed.

Voss from the Committee on Taxes to which was referred:

H. F. No. 92, A bill for an act relating to taxation; providing for expenditure of proceeds of the taconite production tax; amending Minnesota Statutes 1986, section 298.293; repealing Laws 1986, chapter 441, section 14.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 298.292, is amended to read:

298.292 [POLICY.]

Subdivision 1. [PURPOSES.] The legislature is cognizant of the severe economic dislocations and widespread unemployment that result when a single industry on which an area is largely dependent, experiences a drastic reduction in activity. The northeast Minnesota economic protection trust fund is hereby created to be devoted to economic rehabilitation and diversification of industrial enterprises where these conditions ensue as the result of the decline of such a single industry. Priority shall be given to using the northeast Minnesota economic protection trust fund for the following purposes:

(a) (1) projects and programs that are designed to create and maintain productive, permanent, skilled employment, including employment in technologically innovative businesses;

(b) (2) projects and programs to encourage diversification of the economy and to promote the development of minerals, alternative

energy sources utilizing indigenous fuels, forestry, small business, and tourism; and

(e) (3) projects and programs for which technological and economic feasibility have been demonstrated;

(d) Subd. 2. [USE OF FUNDS.] Money in the northeast Minnesota economic protection trust fund may be used for the following purposes:

(1) to provide loans, loan guarantees, interest buy-downs and other forms of participation with private sources of financing, but a loan to a private enterprise shall be for a principal amount not to exceed one-half of the cost of the project for which financing is sought, and the rate of interest on a loan shall be no less than eight percent;

(e) ~~funding~~ (2) to fund reserve accounts established to secure the payment when due of the principal of and interest on bonds issued pursuant to section 298.2211; and

(f) (3) to pay in periodic payments or in a lump sum payment any or all of the interest on bonds issued pursuant to chapter 474 for the purpose of constructing, converting, or retrofitting heating facilities in connection with district heating systems or systems utilizing alternative energy sources; and

(4) to acquire or invest in securities of, or take an equity position in, public or private corporations or other entities that are engaging in, or that will engage in, projects or programs that have the purposes set forth in subdivision 1, provided that the board may exercise any rights with respect to the corporation or entity which accrue to the board as a result of the acquisition, investment, or other transaction.

Money from the trust fund shall be expended only in or for the benefit of the tax relief area defined in section 273.134.

Sec. 2. Minnesota Statutes 1986, section 298.293, is amended to read:

#### 298.293 [EXPENDING FUNDS.]

The funds provided by section 298.28, subdivision 11, relating to the northeast Minnesota economic protection trust fund, except money expended pursuant to Laws 1982, Second Special Session, chapter 2, sections 8 to 14, shall be expended only in an amount that does not exceed the sum of the net interest, dividends, and earnings arising from the investment of the trust for the preceding 12 calendar months from the date of the authorization plus, for fiscal

year 1983, ~~\$10,000,000~~ 1987, and until June 30, 1988, as provided in section 298.294, ~~\$24,000,000~~ from the corpus of the fund. The funds may be spent only in or for the benefit of those areas that are tax relief areas as defined in section 273.134. If during any year the taconite property tax account under sections 273.134 to 273.136 does not contain sufficient funds to pay the property tax relief specified in Laws 1977, chapter 423, article X, section 4, there is appropriated from this trust fund to the relief account sufficient funds to pay the relief specified in Laws 1977, chapter 423, article X, section 4.

Sec. 3. Minnesota Statutes 1986, section 298.294, is amended to read:

298.294 [INVESTMENT OF FUND.]

The trust fund established by section 298.292 shall be invested pursuant to law by the state board of investment and the net interest, dividends, and other earnings arising from the investments shall be transferred on the first day of each month to the trust and shall be included and become part of the trust fund. The amounts transferred, including the interest, dividends, and other earnings earned prior to July 13, 1982, together with the additional amount of ~~\$10,000,000~~ ~~\$24,000,000~~ for fiscal year 1983 1987, ~~which is appropriated April 21, 1983,~~ are appropriated from the trust fund to the commissioner of iron range resources and rehabilitation for deposit in a separate account for expenditure for the purposes set forth in section 298.292. Amounts appropriated pursuant to this section shall not cancel but shall remain available unless expended, except that any part of the \$24,000,000 appropriated pursuant to this act that has not been expended before June 30, 1988, shall be transferred to the trust fund on that date.

Sec. 4. Minnesota Statutes 1986, section 298.296, subdivision 2, is amended to read:

Subd. 2. [EXPENDITURE OF FUNDS.] Before January 1, 2002, funds may be expended on projects and for administration of the trust fund only from the net interest, earnings, and dividends arising from the investment of the trust at any time, including net interest, earnings, and dividends that have arisen prior to July 13, 1982, plus ~~\$10,000,000~~ ~~\$24,000,000~~ made available for use in fiscal year 1983 1987 and until June 30, 1988, as provided in section 298.294, except that any amount required to be paid out of the trust fund to provide the property tax relief specified in Laws 1977, chapter 423, article X, section 4, and to make school bond payments and payments to recipients of taconite production tax proceeds pursuant to section 298.225, may be taken from the corpus of the trust. On and after January 1, 2002, funds may be expended on projects and for administration from any assets of the trust. Annual administrative costs, not including detailed engineering expenses for the projects, shall not exceed five percent of the net interest,

dividends, and earnings arising from the trust in the preceding fiscal year.

Principal and interest received in repayment of loans made pursuant to this section shall be deposited in the state treasury and credited to the trust; provided that payments of royalties or other forms of income on property acquired or earnings on investments made with the money appropriated by this act shall be deposited in the state treasury and credited to the trust. These receipts are appropriated to the board for the purposes of sections 298.291 to 298.298.

Sec. 5. [REPEALER.]

Laws 1986, chapter 441, section 14, is repealed.

Sec. 6. [EFFECTIVE DATE.]

Sections 1 to 5 are effective the day after final enactment."

Amend the title as follows:

Page 1, line 4, delete "section" and insert "sections 298.292;" and after "298.293;" insert "298.294; and 298.296, subdivision 2;"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 186, A bill for an act relating to state investments; requiring the state board of investments to adopt an investment policy statement; authorizing state funds to be invested in certain securities; providing conditions of investment; amending Minnesota Statutes 1986, sections 11A.04; 11A.24, subdivisions 2, 3, 4, 5, and 6; and 11A.25.

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

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 92 and 186 were read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Greenfield, Vellenga, Stanius, Simoneau and Anderson, G., introduced:

H. F. No. 290, A bill for an act relating to human services; establishing a board of social work examiners; licensing and regulating social workers; providing penalties; appropriating money; amending Minnesota Statutes 1986, section 214.01, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 148A.

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

Winter and Skoglund introduced:

H. F. No. 291, A bill for an act relating to financial institutions; regulating incorporations and operations of banks; requiring approval of certain insider agreements; regulating acquisitions by bank holding companies; authorizing the commissioner to borrow money to satisfy obligations of certain closed institutions; regulating claims against liquidated institutions; providing for the organization of credit unions; regulating interest and dividends paid on deposits; regulating industrial loan and thrifts; providing for the submission of certain reports; requiring the periodic examination of collection agencies; regulating consumer deficiency judgments; modifying the examination requirement for safe deposit companies and insurance premium finance companies; regulating motor vehicle installment sales; regulating bank applications; amending Minnesota Statutes 1986, sections 46.041; 46.042; 46.07, subdivision 2; 46.131, subdivision 9; 47.10, by adding a subdivision; 47.205, subdivision 2; 48.055, subdivision 5; 48.15, subdivision 2; 48.51; 48.92, subdivision 10; 48.97, subdivision 2; 48.98, subdivision 1; 48.99, subdivisions 1 and 2; 49.04, subdivision 1; 49.05, by adding a subdivision; 49.24, subdivision 5; 52.01; 52.02, subdivision 3; 52.09, subdivision 2; 52.18; 53.04, subdivision 5; 53.09, subdivision 2; 55.095; 55.15; 59A.06, subdivision 3; 168.66, subdivisions 5 and 9; 168.705; 168.71; 168.72, subdivision 1; 168.73; 168.74; 332.29, subdivision 1; 325G.22, subdivision 1; repealing Minnesota Statutes 1986, sections 48.60 and 55.13.

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

Jaros, Rukavina, Kludt, Bertram and Bauerly introduced:

H. F. No. 292, A bill for an act relating to taxation; extending the pension income exclusion to persons aged less than 65; amending Minnesota Statutes 1986, section 290.08, subdivision 26.

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

Jaros, Battaglia, Boo, Munger and Murphy introduced:

H. F. No. 293, A bill for an act relating to retirement; membership of firefighters employed by the department of military affairs in the public employees police and fire fund; amending Minnesota Statutes 1986, section 353.64, by adding a subdivision.

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

Bishop, Jacobs and O'Connor introduced:

H. F. No. 294, A bill for an act relating to intoxicating liquor; authorizing counties to issue temporary on-sale licenses; amending Minnesota Statutes 1986, section 340A.404, subdivision 10.

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

Bishop, Sarna, Begich, Quinn and Carlson, D., introduced:

H. F. No. 295, A bill for an act relating to traffic regulations; repealing authorization of emergency speed limit by executive order; repealing Minnesota Statutes 1986, section 169.141.

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

Schafer introduced:

H. F. No. 296, A bill for an act relating to financial institutions; detached facilities; requiring the commissioner to determine the population of municipalities for the purpose of authorizing the establishment and maintenance of these facilities; amending Minnesota Statutes 1986, section 47.52.

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

Long, Munger, Pauly, Knuth and Nelson, D., introduced:

H. F. No. 297, A bill for an act relating to real property; creating a lien against real property for expenses incurred by agencies or political subdivisions in taking action to protect public health, safety, or the environment with respect to the release of substances; providing for filing, enforcement, and appeal of the lien; proposing coding for new law in Minnesota Statutes, chapter 514.

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

Long, Munger, Rose, Wagenius and Johnson, R., introduced:

H. F. No. 298, A bill for an act relating to hazardous waste; requiring a license for the transportation of hazardous waste; providing for license administration suspension, and revocation; requiring rulemaking; providing penalties; amending Minnesota Statutes 1986, sections 221.011, subdivision 31; 221.033, by adding a subdivision; 221.291, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 221.

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

Beard, Price and Sparby introduced:

H. F. No. 299, A bill for an act relating to health; allowing parents access to medical records of certain minors who have consented to health care for drug or alcohol abuse; amending Minnesota Statutes 1986, section 144.335, subdivision 1.

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

Beard, Price, Sparby and Lasley introduced:

H. F. No. 300, A bill for an act relating to lawful gambling; requiring the governor to appoint charitable gambling control board members from certain fraternal, veteran's, and religious organizations; amending Minnesota Statutes 1986, section 349.151, subdivision 2.

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

Segal and Forsythe introduced:

H. F. No. 301, A bill for an act relating to traffic regulations; school buses; requiring passenger seat belts on new school buses purchased after January 1, 1988; amending Minnesota Statutes 1986, section 169.44, subdivision 9.

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

Nelson, D.; Sarna; Munger; Long and Carlson, D., introduced:

H. F. No. 302, A bill for an act relating to health and environment; providing for asbestos regulation; directing the commissioner of health to regulate and license persons or entities enclosing, removing, or encapsulating asbestos; providing penalties; proposing coding for new law as Minnesota Statutes, chapter 160.

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

Nelson, C.; Lieder; Waltman; Redalen and Wenzel introduced:

H. F. No. 303, A bill for an act relating to agriculture; changing the shade tree disease control program; imposing certain penalties; eliminating certain audit requirements and an insurance limitation; changing the cooperative associations law; amending Minnesota Statutes 1986, sections 18.023, subdivisions 1, 1a, and 9; 28A.08; 40.071; 308.58, subdivision 2; 308.62; 308.77; 308.83; and 308.85; repealing Minnesota Statutes 1986, sections 38.02, subdivision 2; 38.13; 308.71; 308.82; 308.84; and 308.901 to 308.92.

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

Sparby, Jacobs, Wenzel, Quist and Blatz introduced:

H. F. No. 304, A bill for an act relating to health; establishing a patient's rights act; providing standards for medical treatment; providing penalties; proposing coding for new law in Minnesota Statutes, chapter 145.

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

Dorn introduced:

H. F. No. 305, A bill for an act relating to the city of Mankato; authorizing location of certain polling places more than 3,000 feet outside precinct boundaries.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Gruenes, Pappas, Welle, Bishop and Marsh introduced:

H. F. No. 306, A bill for an act relating to the juvenile court; providing for the setting aside of juvenile adjudications; amending Minnesota Statutes 1986, section 260.161, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 260.

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

Segal, Pappas, Vellenga, Blatz and Kelly introduced:

H. F. No. 307, A bill for an act relating to crimes; authorizing filing of felony charges before the 14-day requirement when the crime charged is depriving another of parental rights; amending Minnesota Statutes 1986, section 609.26, subdivisions 2 and 5.

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

Pappas, Marsh, McLaughlin, Norton and Kelly introduced:

H. F. No. 308, A bill for an act relating to crimes; including live performances in the statute regulating exposure of minors to sexually provocative material; amending Minnesota Statutes 1986, sections 617.291, subdivision 2; and 617.294.

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

Rest, Carruthers, Neuenschwander and Schreiber introduced:

H. F. No. 309, A bill for an act relating to taxation; corporate income; providing quick refunds of overpayments of estimated tax;

amending Minnesota Statutes 1986, section 290.936; proposing coding for new law in Minnesota Statutes, chapter 290.

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

Jaros, Rukavina, Kludt, Bauerly and Peterson introduced:

H. F. No. 310, A bill for an act relating to retirement; extending the time for termination of service to qualify for early retirement without reduction of annuities; amending Minnesota Statutes 1986, section 356.70, subdivision 1.

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

Jaros introduced:

H. F. No. 311, A bill for an act relating to game and fish; eliminating the fishing license requirement for certain disabled federal employees; amending Minnesota Statutes 1986, section 97A.445, subdivision 3.

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

Scheid, Minne, Kostohryz, Segal and Morrison introduced:

H. F. No. 312, A bill for an act relating to elections; changing what name may be used on ballots, nominating petitions, and affidavits of candidacy; repealing Minnesota Statutes 1986, section 204B.05.

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

Scheid, Rest, Uphus, DeBlicck and Milbert introduced:

H. F. No. 313, A bill for an act relating to unemployment compensation; exempting certain volunteer firefighter pay from earnings; amending Minnesota Statutes 1986, section 268.07, subdivision 2.

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

Wenzel and Johnson, A., introduced:

H. F. No. 314, A bill for an act relating to retirement; directing payment of certain disability benefits withheld from a member of the public employees police and fire fund.

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

Rukavina; Larsen; Johnson, A.; Trimble and Munger introduced:

H. F. No. 315, A bill for an act relating to natural resources; authorizing the commissioner to set the date for "Take a Kid Fishing Weekend"; amending Minnesota Statutes 1986, section 97A.445, subdivision 1.

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

Pappas; Kelly; Johnson, A., and Trimble introduced:

H. F. No. 316, A bill for an act relating to criminal law; abolishing the crime of criminal syndicalism; repealing Minnesota Statutes 1986, section 609.405.

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

Segal; Nelson, K.; Olsen, S.; McEachern and Kostohryz introduced:

H. F. No. 317, A bill for an act relating to education; establishing a comprehensive health and wellness education program in public elementary and secondary schools; appropriating money; amending Minnesota Statutes 1986, section 126.025, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 124; and 126.

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

Orenstein, Greenfield, Blatz, Kelly and Vellenga introduced:

H. F. No. 318, A bill for an act relating to crimes; creating the crime of criminal sexual conduct by impersonating a health care

professional; amending Minnesota Statutes 1986, sections 609.344, subdivision 1; and 609.345, subdivision 1.

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

Kelly; Schoenfeld; Kludt; Nelson, D., and Forsythe introduced:

H. F. No. 319, A bill for an act relating to courts; abolishing the county and probate court; transferring the jurisdiction, cases, records, and employees of that court to the district court; merging the municipal and conciliation courts with the district court in the second and fourth judicial districts; transferring the jurisdiction, cases, records, and employees of those courts to the district court; providing that municipal and probate and county judges are district judges; providing transitional retirement benefits; amending Minnesota Statutes 1986, sections 484.01; 484.69, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 487, 488A, and 490; repealing Minnesota Statutes 1986, section 487.191.

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

Scheid, Kostohryz, Segal, Minne and Morrison introduced:

H. F. No. 320, A bill for an act relating to statutes; removing certain gender references; amending Minnesota Statutes 1986, section 459.16.

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

Clark, Greenfield and Trimble introduced:

H. F. No. 321, A bill for an act relating to human services; raising income standards for medical assistance; amending Minnesota Statutes 1986, section 256B.06, subdivision 1.

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

Clark, Simoneau, Knickerbocker, Reding and Johnson, R., introduced:

H. F. No. 322, A bill for an act relating to retirement; highway patrol formula; amending Minnesota Statutes 1986, section 352B.08, subdivision 2.

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

Lieder and Steensma introduced:

H. F. No. 323, A bill for an act relating to transportation; providing for reduced speeds in work zones; providing for payment of administrative, filing, and plate fees; restricting unauthorized use of motor vehicles on public airport property; describing prohibited acts against aircraft; defining peace officer; describing qualifications for aircraft dealers license; amending Minnesota Statutes 1986, sections 168.012, subdivision 1c; 169.14, by adding a subdivision; 360.018, subdivision 6, and by adding a subdivision; 360.075, subdivision 1; 360.0751, subdivision 1; and 360.63, subdivision 1.

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

Osthoff introduced:

H. F. No. 324, A bill for an act relating to alcoholic beverages; allowing retail price advertising; amending Minnesota Statutes 1986, section 340A.507, by adding a subdivision.

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

Osthoff introduced:

H. F. No. 325, A bill for an act relating to alcoholic beverages; repealing restrictions on hours when sales and consumption are permitted; amending Minnesota Statutes 1986, section 340A.504.

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

Osthoff introduced:

H. F. No. 326, A bill for an act relating to intoxicating liquor; repealing restrictions on ownership of more than one off-sale license in a municipality; repealing Minnesota Statutes 1986, section 340A.412, subdivision 3.

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

Haukoos, Boo, Jaros, Rose and Solberg introduced:

H. F. No. 327, A bill for an act relating to state revenue; clarifying the circumstances for restoring appropriation reductions; amending Laws 1986, First Special Session chapter 1, article 5, section 8.

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

Greenfield, Kelly, Rice, Begich and Ogren introduced:

H. F. No. 328, A bill for an act relating to crimes; repealing the crime of criminal syndicalism; repealing Minnesota Statutes 1986, section 609.405.

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

Minne; Nelson, C.; Solberg and Murphy introduced:

H. F. No. 329, A bill for an act relating to real estate; regulating storage of abstracts of title; amending Minnesota Statutes 1986, section 386.375, subdivision 2.

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

Trimble; Nelson, K.; Pelowski; Swenson and Vellenga introduced:

H. F. No. 330, A bill for an act relating to education; authorizing a school district to designate a day care site or the home of a relative as the home of a pupil for transportation aid purposes; amending Minnesota Statutes 1986, section 124.223.

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

Haukoos; Boo; Carlson, L.; Rose and Munger introduced:

H. F. No. 331, A bill for an act relating to education; establishing a scholarship for excellence program; providing for funding by checkoff; appropriating money; proposing coding for new law in Minnesota Statutes, chapters 136A; and 290.

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

Nelson, D.; Munger; Long; Pappas and Rose introduced:

H. F. No. 332, A bill for an act relating to environment; authorizing the pollution control agency to issue administrative orders assessing penalties; establishing a hearing procedure; providing for the distribution and expenditure of monetary penalties; amending Minnesota Statutes 1986, section 115B.20, subdivisions 2, 3, and 4; proposing coding for new law in Minnesota Statutes, chapter 116.

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

Lasley, Sarna, O'Connor, Price and Milbert introduced:

H. F. No. 333, A bill for an act relating to commerce; regulating collection agencies and those acting under the authority of a collection agency; providing cash deposits in lieu of the required bond; establishing prohibited practices; prescribing the enforcement powers of the commissioner; amending Minnesota Statutes 1986, sections 332.31, by adding a subdivision; 332.33; 332.34; 332.37; and 332.40, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 332.

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

Orenstein, Kostohryz, Scheid, Kludt and Sviggum introduced:

H. F. No. 334, A bill for an act relating to elections; changing registration, absentee ballot, filing, training, administrative, electronic voting, ballot preparation, canvassing, and election contest provisions; amending Minnesota Statutes 1986, sections 201.071, subdivision 4; 201.091, subdivision 4; 203B.03, subdivision 1; 203B.06, subdivision 3; 204B.11, subdivision 1; 204B.25, subdivision 1; 204B.27, subdivision 1; 204B.40; 204C.24, subdivision 1; 204C.27; 204C.31, subdivision 1; 204D.04, subdivision 2; 204D.11, subdivision 6; 206.61, subdivision 5; 206.82, subdivision 2; 206.90, subdivision 3; and 209.021, subdivision 3.

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

Frerichs, Burger, Price and Bishop introduced:

H. F. No. 335, A bill for an act relating to education; moving up the possible first day of school from Labor Day to September 1; amending Minnesota Statutes 1986, section 126.12, subdivision 1.

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

Seaberg, Vellenga, McKasy and Kelly introduced:

H. F. No. 336, A bill for an act relating to crimes; making certain victims rights provisions applicable to victims of certain ordinance violations; providing for plea agreement notification to a larger group of victims; permitting victims to submit an impact statement to the court; providing the data classification of a request for notice of prisoner release; amending Minnesota Statutes 1986, sections 611A.01; 611A.03, subdivision 3; 611A.06; proposing coding for new law in Minnesota Statutes, chapter 611A.

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

Gruenes, Osthoff, Schafer, McEachern and Kostohryz introduced:

H. F. No. 337, A bill for an act relating to education; extending shared time foundation aid to cover pupils enrolling at eligible institutions under the post-secondary enrollment options act; amending Minnesota Statutes 1986, section 124A.034, subdivisions 1 and 2.

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

Gruenes, Bauerly and Peterson introduced:

H. F. No. 338, A bill for an act relating to retirement; authorizing a certain Stearns county historical society employee to retain membership in the public employees retirement association.

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

Gruenes, Begich and Jennings introduced:

H. F. No. 339, A bill for an act relating to public safety; state government; creating state board of examiners for fire protection systems; proposing coding for new law as Minnesota Statutes, chapter 299J.

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

Schafer, Neuenschwander, Dille, Munger and Thiede introduced:

H. F. No. 340, A bill for an act relating to natural resources; allowing elk to be bred on game and fur farms; amending Minnesota Statutes 1986, section 97A.105, subdivision 1.

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

Bauerly, Tunheim, Bertram, McEachern and Peterson introduced:

H. F. No. 341, A bill for an act relating to veterans; restoring the tuition exemption at AVTT's for Vietnam-era veterans; amending Minnesota Statutes 1986, section 136C.13, subdivision 3; repealing Minnesota Statutes 1986, section 136C.13, subdivision 4.

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

Solberg; Johnson, V.; Johnson, R.; Bertram and Nelson, C., introduced:

H. F. No. 342, A bill for an act relating to insurance; providing for premium reductions for automobile insurance for senior insureds who complete an approved accident prevention course; lowering the minimum age of eligibility; amending Minnesota Statutes 1986, section 65B.28.

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

Wenzel; Carlson, D.; Krueger; Bertram and Nelson, C., introduced:

H. F. No. 343, A bill for an act relating to game and fish; establishing a program to compensate landowners and lessees for damages done by wild animals; appropriating money.

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

Wenzel; Frederick; Johnson, V.; Jennings and Krueger introduced:

H. F. No. 344, A bill for an act relating to taxation; sales and use; changing the definition of capital equipment; exempting capital equipment and special tooling; amending Minnesota Statutes 1986, sections 297A.01, subdivision 16; 297A.02, subdivision 2; 297A.14;

297A.15, subdivision 5; and 297A.25, by adding a subdivision; repealing Minnesota Statutes 1986, section 297A.257, subdivision 2.

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

Wenzel, Brown, Kalis, Omann and Krueger introduced:

H. F. No. 345, A bill for an act relating to local government; allowing certain cities to appropriate money for advertising; amending Minnesota Statutes 1986, section 465.56, subdivision 1.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Wenzel, Krueger, Uphus, McEachern and Begich introduced:

H. F. No. 346, A bill for an act relating to elections; providing for a presidential primary election; amending Minnesota Statutes 1986, sections 204D.03, by adding a subdivision; 204D.06; and 204D.08, by adding a subdivision.

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

Schafer, Hugoson, Tunheim, McEachern and Uphus introduced:

H. F. No. 347, A bill for an act relating to education; authorizing revenue for certain full-day kindergarten programs; amending Minnesota Statutes 1986, section 124.17, subdivision 1.

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

Battaglia and Rukavina introduced:

H. F. No. 348, A bill for an act relating to Cook county; permitting the sale of certain land.

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

Krueger and Wenzel introduced:

H. F. No. 349, A bill for an act relating to agriculture; providing for research on the problem of stray voltage; appropriating money.

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

Bishop, Swenson, Greenfield, Vellenga and Kelly introduced:

H. F. No. 350, A bill for an act relating to crime; extending the crimes of murder in the second degree and manslaughter in the first degree to deaths caused by the sale or distribution of controlled substances; imposing penalties; amending Minnesota Statutes 1986, sections 609.19; and 609.20; proposing coding for new law in Minnesota Statutes, chapter 152.

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

Jacobs introduced:

H. F. No. 351, A bill for an act relating to motor vehicles; providing that license plates be issued six years after licensee received previous license plates; amending Minnesota Statutes 1986, section 168.12, subdivisions 1 and 5.

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

Jacobs introduced:

H. F. No. 352, A bill for an act relating to traffic regulations; prescribing penalty for violation of designated maximum speed limit on interstate highway when excessive speed is no greater than ten miles per hour; amending Minnesota Statutes 1986, section 169.141, subdivision 2, and by adding a subdivision.

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

Kludt, Jaros, Dorn, Pelowski and Johnson, R., introduced:

H. F. No. 353, A bill for an act relating to retirement; making permanent the rule of 85; amending Minnesota Statutes 1986, section 356.70, subdivision 1.

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

Jefferson, O'Connor, Bertram, Jensen and Ozment introduced:

H. F. No. 354, A bill for an act relating to state government; providing for chiropractic positions in state government civil service; providing for the provision of chiropractic services; proposing coding for new law in Minnesota Statutes, chapters 43A and 148.

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

Schoenfeld, Sparby, Kahn and Nelson, K., introduced:

H. F. No. 355, A bill for an act relating to education; raising the age for compulsory school attendance to 18; making conforming changes; amending Minnesota Statutes 1986, sections 120.10, subdivisions 1 and 3; 123.35, subdivision 8; 124.26, subdivision 1; and 260.015, subdivision 19.

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

Rukavina, Munger, Ogren, Kludt and Battaglia introduced:

H. F. No. 356, A bill for an act relating to game and fish; restricting the firearm taking of wild animals near occupied buildings; amending Minnesota Statutes 1986, section 97B.001, subdivision 7.

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

Orenstein, O'Connor, Pappas, Wynia and Norton introduced:

H. F. No. 357, A bill for an act relating to the city of Saint Paul; permitting the city to adopt certain regulations for smoke detection devices; amending Minnesota Statutes 1986, section 299F.362, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Segal, Clark, Knuth and Greenfield introduced:

H. F. No. 358, A bill for an act relating to health; establishing a statewide cancer surveillance system; providing for rule authority to administer the system and collect and distribute data; appropriating money; amending Minnesota Statutes 1986, sections 144.68; and

144.69; proposing coding for new law in Minnesota Statutes, chapter 144; repealing Minnesota Statutes 1986, sections 144.66 and 144.67.

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

O'Connor and Sarna introduced:

H. F. No. 359, A bill for an act relating to labor; regulating dismissal of employees; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 181.

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

Nelson, D.; Skoglund; Shaver; Riveness and Wagenius introduced:

H. F. No. 360, A bill for an act relating to Hennepin county; authorizing coordinated erosion and sediment control programs by water management organizations and the Hennepin county soil and water conservation district; providing penalties.

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

Vanasek; Schreiber; Ogren; Carlson, D., and Simoneau introduced:

H. F. No. 361, A bill for an act proposing an amendment to the Minnesota Constitution, article IV, sections 2 and 4; providing for a senate of 36 members elected for staggered six-year terms and a house of representatives of 108 members elected for staggered four-year terms.

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

Jefferson; Voss; Carlson, L.; Tjornhom and Otis introduced:

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

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Clark; Olson, K., and Sparby introduced:

H. F. No. 363, A bill for an act relating to employment; providing for retraining of dislocated workers; requiring the commissioner of jobs and training to coordinate services to dislocated workers; requiring notification of employment termination; providing for the monitoring of dislocated workers and plant closings; providing a state match for federal dislocated worker funding; appropriating money; amending Minnesota Statutes 1986, sections 267.02, subdivision 3; 268.0111, subdivision 4; 268.0122, subdivision 3; and 268.89, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 268.

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

#### HOUSE ADVISORIES

The following House Advisory was introduced:

Nelson, K., introduced:

H. A. No. 2, A proposal to study residential real estate closing procedures.

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

#### SUSPENSION OF RULES

Vanasek moved that the rules be so far suspended that H. F. No. 1 be acted upon today on General Orders. The motion prevailed.

McKasy was excused at 3:00 p.m.

#### GENERAL ORDERS

Pursuant to Rules of the House, the House resolved itself into the Committee of the Whole with Norton in the Chair for consideration of bills pending on General Orders of the day. Long presided during a portion of the meeting of the Committee of the Whole. After some time spent therein the Committee arose.

## REPORT OF THE COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following recommendations of the Committee were reported to the House:

H. F. No. 1 which it recommended to pass with the following amendment offered by Dille, Cooper, Steensma and Olson, K.:

Page 3, after line 13, insert the following:

"Any portion of this amount that remains unexpended on August 1, 1987, is added to the amount appropriated for interest buy-down payments in program year 1987"

On the motion of Vanasek the report of the Committee of the Whole was adopted.

## ROLL CALLS IN COMMITTEE OF THE WHOLE

Pursuant to rule 1.6, the following roll calls were taken in the Committee of the Whole:

Dempsey moved to amend H. F. No. 1, the second engrossment, as amended, as follows:

Page 2, after line 16, insert:

"Sec. 4. Laws 1986, chapter 398, article 23, section 3, subdivision 5, is amended to read:

Subd. 5. [REVIEW OF APPLICATIONS FOR BUY-DOWN PAYMENT.] The commissioner must review within five working days of submission by a participating lender a properly completed application for interest rate buy-down payments on a farm operating loan made to a farmer. If a qualified lender does not receive written notice that the commissioner has denied interest rate buy-down payments within seven working days, the farmer is an eligible borrower and interest rate buy-down payments on the operating loan are approved by the commissioner. Applications submitted to the commissioner after appropriated funds for the program are exhausted must be returned to the lender within seven working days following submission along with a statement indicating the status of the application. Applications approved by the commissioner after funds appropriated for the program are exhausted must be returned to the lender along with a statement indicating that interest buy-down benefits are not an obligation of the state, and are contingent upon future funding by the legislature. The commissioner shall approve no applications after the total amount of state funds encumbered and otherwise

offered as buy-down benefits exceeds 150 percent of the appropriated amount."

Page 2, delete lines 17 to 32

The question was taken on the Dempsey amendment and the roll was called. There were 51 yeas and 78 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

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

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

McDonald and Hugoson moved to amend H. F. No. 1, the second engrossment, as amended, as follows:

Page 1, after line 25, insert:

"1988    January 1, 1988    December 31, 1988    June 30, 1989"

Page 3, after line 5, insert:

"Sec. 6. [SUSPENSION OF PROGRAM.]"

The commissioner may, at the direction of the governor, suspend all activities relating to the interest buy-down during program year

1988. The governor may direct suspension of the program only upon finding a reduced need for the program and the agricultural sector of the state that has improved sufficiently to warrant suspension of the program."

Page 3, after line 15, insert:

"(3) For interest buy-down  
payments in program year 1988 \$20,000,000"

Page 3, line 16, delete "(3)" and insert "(4)"

Page 3, after line 18, insert:

"(5) For costs of administering  
the interest buy-down program  
in program year 1988 \$ 60,000"

Re-number subsequent sections accordingly

Correct internal section references accordingly

Amend the title accordingly

The question was taken on the McDonald and Hugoson amendment and the roll was called. There were 50 yeas and 82 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

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

Segal  
Simoneau  
Skoglund  
Solberg

Sparby  
Steensma  
Trimble  
Tunheim

Vanasek  
Vellenga  
Voss  
Wagenius

Welle  
Wenzel  
Winter  
Wynia

Spk. Norton

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

Quist moved to amend H. F. No. 1, the second engrossment, as amended, as follows:

Page 2, delete lines 33 to 36

Page 3, delete lines 1 to 5

ReNUMBER subsequent sections accordingly

Correct internal section references accordingly

Amend the title accordingly

The question was taken on the Quist amendment and the roll was called. There were 44 yeas and 81 nays as follows:

Those who voted in the affirmative were:

Anderson, R.  
Bennett  
Bishop  
Blatz  
Burger  
Clausnitzer  
Dempsey  
Dille  
Forsythe

Frederick  
Gruenes  
Gutknecht  
Hartle  
Haukoos  
Heap  
Himle  
Hugoson  
Johnson, V.

Marsh  
McDonald  
McPherson  
Miller  
Morrison  
Olsen, S.  
Omann  
Onnen  
Ozment

Pauly  
Poppenhagen  
Quist  
Richter  
Schafer  
Schreiber  
Seaberg  
Shaver  
Stanius

Sviggum  
Swenson  
Thiede  
Tjornhom  
Tompkins  
Uphus  
Valento  
Waltman

Those who voted in the negative were:

Anderson, G.  
Battaglia  
Bauerly  
Begich  
Bertram  
Brown  
Carlson, D.  
Carlson, L.  
Carruthers  
Clark  
Cooper  
Dauner  
DeBlicke  
Dorn  
Greenfield  
Jacobs

Jaros  
Jefferson  
Jennings  
Jensen  
Johnson, A.  
Johnson, R.  
Kahn  
Kalis  
Kelly  
Kelso  
Kinkel  
Kludd  
Knuth  
Kostohryz  
Krueger  
Larsen

Lasley  
Lieder  
Long  
McEachern  
McLaughlin  
Milbert  
Minne  
Murphy  
Nelson, C.  
Nelson, D.  
Neuenschwander  
O'Connor  
Ogren  
Olson, E.  
Olson, K.  
Orenstein

Otis  
Pappas  
Pelowski  
Peterson  
Price  
Quinn  
Reding  
Rest  
Rice  
Riveness  
Rodosovich  
Rose  
Rukavina  
Sarna  
Scheid  
Schoenfeld

Segal  
Simoneau  
Skoglund  
Solberg  
Sparby  
Steensma  
Trimble  
Tunheim  
Vanasek  
Vellenga  
Voss  
Wagenius  
Welle  
Wenzel  
Winter  
Wynia  
Spk. Norton

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

The question was taken on the motion to recommend passage of H. F. No. 1, as amended, and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The motion prevailed.

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

Vanasek moved that the report of the Committee on Rules and Legislative Administration and the proposed Permanent Rules of the House for the 75th Session which were reported in the Journal of the House on Thursday, February 5, 1987, and which were laid over until today be now adopted.

#### CALL OF THE HOUSE

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

Anderson, G.	Boo	Cooper	Frerichs	Himle
Anderson, R.	Brown	DeBlieck	Greenfield	Hugoson
Battaglia	Burger	Dempsey	Gruenes	Jacobs
Begich	Carlson, L.	Dille	Gutknecht	Jaros
Bennett	Carruthers	Dorn	Hartle	Jefferson
Bertram	Clark	Forsythe	Haukoos	Jennings
Blatz	Clausnitzer	Frederick	Heap	Johnson, A.

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

Vanasek 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.

Schreiber moved to amend the proposed Permanent Rules of the House as printed in the Journal of the House for Thursday, February 5, 1987, as follows:

Delete page 6, line 25, to page 8, line 29, and insert:

"5.10 BUDGET WAYS AND MEANS COMMITTEE RESOLUTIONS; EFFECT ON APPROPRIATION AND TAX BILLS APPROPRIATIONS, TAXES, AND STATE DEBT.

(a) The House may neither receive a committee report nor take other action, other than introduction and referral to committee pursuant to Rule 5.4, on any bill described in rule 5.7 or 5.9 until a budget resolution is adopted by the House as provided in this rule. No bill described in Rule 5.7 shall be passed until a bill described in Rule 5.9 has passed providing sufficient revenue to cover any appropriations contained in the bill described in Rule 5.7.

(b) The Committee on Budget Ways and Means shall hold any hearings necessary to determine a limitation the limits on state taxes and revenue, appropriations, and debt for the coming fiscal biennium. The Committee shall then introduce budget resolutions that set, as a single amount, the maximum limitation on taxes and appropriations the following limits for the fiscal biennium:

(1) a maximum aggregate limit on taxes and other revenue raised by the state including dedicated revenues and fees;

(2) specific individual limits each for individual income taxes, sales taxes, corporate income taxes, other nondedicated revenues and fees, and dedicated revenues and fees;

(3) a maximum aggregate limit on appropriations and dedicated fund spending;

(4) specific individual limits on the total amount to be appropriated in bills under the jurisdiction of each division of the committee on appropriations and the committee on education, and specific individual limits on the total amount to be appropriated for property tax relief, other aids and credits, and spent by all dedicated funds; and

(5) a maximum aggregate limit on debt financed by the state through the issuance of bonds and certificates of indebtedness.

(c) The resolutions must be in the form of a House resolution and a House concurrent resolution. The limitation limits in the House resolution is are effective, if adopted, until the House adopts a different limitation limits in a later House resolution or until the House and Senate adopt a limitation limits in a concurrent resolution. In odd-numbered years, the Committee shall report its budget resolutions to the House for its adoption no later than 14 calendar days after the release of the Governor's budget.

(d) No bill or amendment, other than a conference committee report, may be considered by the House if, upon a point of order being raised, the speaker determines that its approval would raise taxes revenue or appropriations spending above any of the limitation limits adopted in the budget resolution. To make this determination, the speaker may consider:

(a) (1) whether the bill or amendment increases and decreases taxes revenue or appropriations spending equally;

(b) (2) the total amount of taxes revenue or appropriations spending already law or in bills already passed by the legislature;

(c) (3) whether the bill or amendment provides that costs incurred will be entirely offset by fees or other revenue; or

(d) (4) other information reasonably related to the level of taxes revenue or appropriations spending.

The current estimate of taxes revenue and appropriations spending must be provided by the Chairman of the Committee on Taxes or the Committee on Appropriations."

A roll call was requested and properly seconded.

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

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

There were 48 yeas and 80 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

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

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

Haukoos; Johnson, V.; McDonald; Quinn; Gutknecht; Shaver; Miller; Clausnitzer; Waltman; Frerichs and Nelson, C., moved to amend the proposed Permanent Rules of the House as printed in the Journal of the House for Thursday, February 5, 1987, as follows:

Page 5, line 20, strike "No bill, advisory bill, memorial or resolution shall have more than five authors."

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

Valento moved to amend the proposed Permanent Rules of the House as printed in the Journal of the House for Thursday, February 5, 1987, as follows:

Page 8, after line 14, insert:

"Notwithstanding any provision of this rule to the contrary, no bill described in Rule 5.7 (an appropriation bill) shall be passed until a

bill described in Rule 5.9 (a tax bill) has passed providing sufficient revenue to cover any appropriations contained in the bill described in Rule 5.7."

A roll call was requested and properly seconded.

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

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

There were 47 yeas and 79 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

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

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

Thiede moved to amend the proposed Permanent Rules of the House as printed in the Journal of the House for Thursday, February 5, 1987, as follows:

Page 7, line 24, delete "seven" and insert "fourteen"

Page 7, line 24, delete "presents" and insert "releases"

Page 7, delete line 25

Page 7, delete line 26, and insert "his budget in the odd-numbered year, the Committee"

A roll call was requested and properly seconded.

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

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

There were 48 yeas and 81 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

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

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

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

Blatz moved to amend the proposed Permanent Rules of the House as printed in the Journal of the House for Thursday, February 5, 1987, as follows:

Page 11, delete lines 30 to 35 and insert:

"A conference committee report shall include only subject matter contained in the House or Senate versions of the bill for which that conference committee was appointed, or like subject matter contained in a bill passed by the House on any bill may affect only matters directly relating to the remaining substantive differences between the houses on that bill at the time each house originally passed it. A member presenting a conference committee report to the House shall disclose all substantive changes in the conference committee report from the bill as adopted originally by the House."

A roll call was requested and properly seconded.

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

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

There were 49 yeas and 77 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

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

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

Himle moved to amend the proposed Permanent Rules of the House as printed in the Journal of the House for Thursday, February 5, 1987, as follows:

Page 11, after line 35, insert:

"All proceedings of a conference committee, public or private, shall be recorded on magnetic tape or similar device. Two copies of each tape shall be delivered to the Director of the Legislative Reference Library and there maintained on file for use by any member of the public in accordance with the rules of the Legislative Reference Library."

A roll call was requested and properly seconded.

Vanasek moved that the Himle amendment to the proposed rules be referred to the Committee on Rules and Legislative Administration.

A roll call was requested and properly seconded.

The question was taken on the Vanasek motion and the roll was called.

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

There were 71 yeas and 55 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Jefferson	Lieder	Osthoff	Skoglund
Battaglia	Jensen	Long	Pappas	Solberg
Bauerly	Johnson, A.	McEachern	Pelowski	Sparby
Begich	Johnson, R.	McLaughlin	Peterson	Steensma
Brown	Kahn	Minne	Price	Trimble
Carlson, L.	Kalis	Munger	Quinn	Tunheim
Carruthers	Kelly	Nelson, C.	Reding	Vanasek
Clark	Kelso	Nelson, D.	Rice	Vellenga
Cooper	Kinkel	Nelson, K.	Riveness	Voss
Dauner	Knuth	Neuenschwander	Sarna	Wagenius
DeBlicek	Kostohryz	O'Connor	Scheid	Welle
Dorn	Krueger	Ogren	Schoenfeld	Wenzel
Greenfield	Larsen	Olson, E.	Segal	Winter
Jacobs	Lasley	Olson, K.	Simoneau	Wynia
				Spk. Norton

Those who voted in the negative were:

Anderson, R.	Carlson, D.	Frerichs	Himle	McDonald
Bennett	Clausnitzer	Gruenes	Hugoson	McPherson
Bertram	Dempsey	Gutknecht	Johnson, V.	Milbert
Blatz	Dille	Hartle	Kludt	Miller
Boo	Forsythe	Haukoos	Knickerbocker	Morrison
Burger	Frederick	Heap	Marsh	Murphy

Olsen, S.  
Omman  
Onnen  
Orenstein  
Ozment

Pauly  
Poppenhagen  
Quist  
Redalen  
Rest

Richter  
Rodosovich  
Rose  
Schafer  
Schreiber

Seaberg  
Shaver  
Stanius  
Sviggum  
Thiede

Tjornhom  
Tompkins  
Uphus  
Valento  
Waltman

The motion prevailed and the Himle amendment to the proposed rules was referred to the Committee on Rules and Legislative Administration.

Vanasek moved that the report of the Committee on Rules and Legislative Administration and the proposed Permanent Rules of the House for the 75th Session be continued until Wednesday, February 11, 1987. The motion prevailed.

#### ADJOURNMENT

Vanasek moved that when the House adjourns today it adjourn until 2:00 p.m., Wednesday, February 11, 1987. The motion prevailed.

Vanasek moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:00 p.m., Wednesday, February 11, 1987.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

## STATE OF MINNESOTA

## SEVENTY-FIFTH SESSION—1987

## TWELFTH DAY

SAINT PAUL, MINNESOTA, WEDNESDAY, FEBRUARY 11, 1987

The House of Representatives convened at 2:00 p.m. and was called to order by Fred C. Norton, Speaker of the House.

Prayer was offered by the Reverend Delton Krueger, House Chaplain.

The roll was called and the following members were present:

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

A quorum was present.

Anderson, R., and Quist were excused.

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

## REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 186, 1 and 92 have been placed in the members' files.

**REPORTS OF STANDING COMMITTEES**

Sarna from the Committee on Commerce to which was referred:

H. F. No. 127, A bill for an act relating to nonprofit corporations; adoption services corporations; providing that pledges to make contributions to reimburse the corporation for expenses shall be voidable at the option of the person making the pledge and payment of expenses shall not be a prerequisite to providing adoption services; amending Minnesota Statutes 1986, section 317.65, subdivision 7.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

**SECOND READING OF HOUSE BILLS**

H. F. No. 127 was read for the second time.

**INTRODUCTION AND FIRST READING  
OF HOUSE BILLS**

The following House Files were introduced:

McPherson; Battaglia; Jennings; Carlson, D., and Sviggum introduced:

H. F. No. 364, A bill for an act relating to public cemeteries; increasing the limit on the permanent care and improvement fund; amending Minnesota Statutes 1986, section 306.41.

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

Sviggum; Rodosovich; Pelowski; Johnson, V.; and Waltman introduced:

H. F. No. 365, A bill for an act relating to libraries; permitting regional library system boards and multicounty, multitype library system boards to hold joint meetings; amending Minnesota Statutes 1986, section 134.351, subdivision 4.

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

McLaughlin and Riveness introduced:

H. F. No. 366, A bill for an act relating to corrections; allowing chiropractors to practice in institutions under the control of the commissioner of corrections; amending Minnesota Statutes 1986, section 241.021, subdivision 4.

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

Sparby, Begich and Carlson, D., introduced:

H. F. No. 367, A bill for an act relating to game and fish; transportation of firearms in a motor vehicle; amending Minnesota Statutes 1986, section 97B.045.

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

Trimble; Riveness; Johnson, A.; Munger and Rose introduced:

H. F. No. 368, A bill for an act relating to consumer protection; providing for the retention and collection of spent lead-acid batteries; providing enforcement; proposing coding for new law in Minnesota Statutes, chapter 325E.

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

Greenfield, Norton, Wagenius, Quist and Orenstein introduced:

H. F. No. 369, A bill for an act relating to human rights; changing certain requirements related to disabled persons; amending Minne-

sota Statutes 1986, sections 363.01, subdivisions 25 and 25a; 363.02, subdivisions 3 and 5; and 363.03, subdivision 5.

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

Knickerbocker and Greenfield introduced:

H. F. No. 370, A bill for an act relating to health; prohibiting indoor smoking in government public places; proposing coding for new law in Minnesota Statutes, chapter 144.

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

Jefferson and Otis introduced:

H. F. No. 371, A bill for an act relating to eminent domain; regulating relocation benefits for displaced persons; amending Minnesota Statutes 1986, section 117.52, subdivision 1.

The bill was read for the first time and referred to the Committee on Economic Development and Housing.

Rest, Wagenius, Marsh, Orenstein and Milbert introduced:

H. F. No. 372, A bill for an act relating to eminent domain; increasing appraisal fees awarded by commissioners; amending Minnesota Statutes 1986, section 117.085.

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

Nelson, D.; Rest; Pauly and Long introduced:

H. F. No. 373, A bill for an act relating to Hennepin county; establishing a county-wide program for the conservation and protection of ground water resources of the county.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Blatz, Kelly, Vellenga, Pappas and Swenson introduced:

H. F. No. 374, A bill for an act relating to children; regulating the trust fund for prevention of child abuse; continuing an advisory

council; appropriating money; amending Minnesota Statutes 1986, sections 299A.23, subdivision 2; 299A.25, subdivisions 3 and 6.

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

Kludt, Bauerly, Milbert, Bertram and Kelly introduced:

H. F. No. 375, A bill for an act relating to corrections; clarifying the commissioner of corrections authority in licensing and supervising institutions and facilities; providing for restitution by inmates for destruction of state property; clarifying terminology; authorizing the commissioner to adopt rules relating to payment of restitution by inmates; authorizing the forfeiture of contraband money or property; clarifying provisions relating to county probation reimbursement; providing a penalty for assaults on correctional employees; amending Minnesota Statutes 1986, sections 241.021, subdivision 1; 241.08, subdivision 1; 241.26, subdivision 5; 241.69, subdivision 2; 243.23, subdivision 3; 243.24, subdivision 1, and by adding a subdivision; 260.311, subdivision 4; and 609.2231, by adding a subdivision.

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

Price, Kostohryz, Scheid, Kludt and Shaver introduced:

H. F. No. 376, A bill for an act relating to elections; ensuring the availability of absentee ballots for statewide elections; amending Minnesota Statutes 1986, sections 40.05, subdivision 3; 203B.05, subdivision 2; 204B.09, subdivision 2; 204B.35, subdivision 4; 205.065, subdivisions 2 and 3; and 205.13, subdivision 1.

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

Brown, Vanasek, DeBlieck, Steensma and Schoenfeld introduced:

H. F. No. 377, A bill for an act relating to agriculture; providing for the prevention of economic waste in the marketing of certain agricultural crops produced in Minnesota by establishing minimum prices; providing for supply management and orderly marketing, administration, and enforcement; imposing a penalty; proposing coding for new law in Minnesota Statutes, chapter 17.

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

Riveness, Brown and Bertram introduced:

H. F. No. 378, A bill for an act relating to publicly funded farm programs; limiting eligibility by establishing minimum qualifications; proposing coding for new law in Minnesota Statutes, chapter 17.

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

Neuenschwander; Johnson, R.; Solberg; Battaglia and Kinkel introduced:

H. F. No. 379, A bill for an act relating to appropriations; appropriating money to the commissioner of natural resources to replace income lost to state trust funds when certain timber permits were canceled.

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

Vellenga introduced:

H. F. No. 380, A bill for an act relating to vocational technical education; requiring the state board to establish a two-year pilot program at a vocational technical institute for vocational generalist; appropriating money; amending Minnesota Statutes 1986, section 136C.04, by adding a subdivision.

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

Simoneau; Larsen; Johnson, A., and Jacobs introduced:

H. F. No. 381, A bill for an act relating to Anoka county; directing the department of energy and economic development to refund a bond deposit; appropriating money.

The bill was read for the first time and referred to the Committee on Economic Development and Housing.

Welle, Cooper, Rodosovich, Clark and Segal introduced:

H. F. No. 382, A bill for an act relating to human services; providing for programs that promote family economic self-sufficiency; appropriating money.

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

Reding and Kostohryz introduced:

H. F. No. 383, A bill for an act relating to charitable gambling; clarifying the definition of profit; permitting certain small organizations to utilize more of their profits for expenses; increasing the membership of the charitable gambling control board and requiring that members of certain groups be appointed to the board; requiring winning and unsold pull-tabs to be retained for one year; transferring the collection of the pull-tab tax from the department of revenue to the charitable gambling control board; amending Minnesota Statutes 1986, sections 349.12, subdivision 13, and by adding subdivisions; 349.15; 349.151, subdivision 2; 349.19, subdivision 6; 349.21; 349.212, subdivision 1; repealing Minnesota Statutes 1986, sections 349.212, subdivision 4; and 349.2121.

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

Greenfield, Pauly, Forsythe and Carruthers introduced:

H. F. No. 384, A bill for an act relating to crimes; reclassifying the crimes of damage to property into degrees, including creating a new gross misdemeanor crime of damage to property; reclassifying the crimes relating to forgery into degrees, including creating the crime of uttering a forged check; increasing the maximum fine for petty misdemeanor violations; increasing the maximum bail allowable for designated misdemeanor and gross misdemeanor violations; prescribing penalties; amending Minnesota Statutes 1986, sections 609.02, subdivision 4a; 609.224, subdivision 2; 609.52, subdivision 3; 609.595; 609.625; 609.63; 629.47; proposing coding for new law in Minnesota Statutes, chapters 609 and 629.

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

Tunheim; Ogren; Sparby; Johnson, V., and Schoenfeld introduced:

H. F. No. 385, A bill for an act relating to natural resources; establishing a board of regents for the department of natural resources; amending Minnesota Statutes 1986, section 84.01, subdivision 2.

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

Waltman; Haukoos; Lieder; Johnson, V., and Schafer introduced:

H. F. No. 386, A bill for an act relating to taxation; sales and use; providing that the proceeds of the tax derived from sales of automo-

bile accessories be credited to the highway user tax distribution fund; amending Minnesota Statutes 1986, sections 297A.01, by adding a subdivision; and 297A.44, subdivision 1, and by adding a subdivision.

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

Welle, Peterson, Kalis, Cooper and Nelson, D., introduced:

H. F. No. 387, A bill for an act relating to retirement; extending for two years the rule of 85; amending Minnesota Statutes 1986, section 356.70, subdivision 1.

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

Riveness, Carruthers, Seaberg, Kludt and Rest introduced:

H. F. No. 388, A bill for an act relating to crimes; providing for attachment of financial assets of persons charged with committing a felony; enhancing penalties for using a false name to get a credit card; updating the wiretap law; prohibiting persons from defrauding insurers by concealing or removing property for the purpose of making a fraudulent insurance claim; amending Minnesota Statutes 1986, sections 609.611; 609.821, subdivisions 2 and 3; and 626A.05, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 609.

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

Simoneau, Reding, Clark, Knickerbocker and Johnson, R., introduced:

H. F. No. 389, A bill for an act relating to retirement; local police and firefighters relief associations; authorized administrative expenses; amending Minnesota Statutes 1986, section 69.80.

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

Blatz, Skoglund, Hartle, Voss and Otis introduced:

H. F. No. 390, A bill for an act relating to insurance; prohibiting the return of excess money in the reserve fund to policyholders under the joint underwriting association; amending Minnesota

Statutes 1986, sections 62F.09, subdivision 4; and 62I.16, subdivision 3.

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

Marsh, Clausnitzer, Kelly, Pappas and Solberg introduced:

H. F. No. 391, A bill for an act relating to crimes; defining measurement and purity requirements of controlled substances for criminal and tax law purposes; amending Minnesota Statutes 1986, sections 152.15, subdivision 1; 297D.01, subdivision 3; and 297D.07.

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

Skoglund; Carruthers; Anderson, G.; Rodosovich and Simoneau introduced:

H. F. No. 392, A bill for an act relating to insurance; requiring notification of group life or health coverage changes; imposing certain bond or securities requirements on workers' compensation self-insurers; eliminating mandatory temporary insurance agent licenses; requiring those who solicit insurance to act as agent for the insured; regulating surplus lines insurance; regulating rates and forms; regulating insurance plan administrators; regulating the renewal, nonrenewal, and cancellation of commercial liability and property insurance policies; providing continued group life coverage upon termination or layoff; requiring an assignment of reinsurance rights upon insolvency; providing for the establishment and operation of the insurance guaranty association and the life and health guaranty association; regulating accident and health insurance; providing for the extraterritorial application of coverages; prohibiting duplicate coverages; requiring the treatment of pregnancy-related conditions in the same manner as other illnesses; mandating certain coverages; clarifying coverage for handicapped dependents; providing continued group accident and health coverage upon termination or layoff; requiring coverage of current spouse and children; imposing surety bond requirements on certain health benefit plans; regulating Medicare supplement plan premium refunds; authorizing the renewal of certain long-term health policies; providing for the establishment and operation of the comprehensive health association and the joint underwriting association; providing comprehensive health insurance coverage for certain employees not eligible for Medicare; regulating fraternal benefit associations; regulating automobile insurance; limiting the cancellation of fire insurance binders and policies; providing for administration of the FAIR plan; requiring accident prevention course premium reductions; limiting the grounds for cancellation or reduction in limits

during the policy period; extending basic economic loss benefit protection; requiring coverages for former spouses; regulating collision damage waiver fees; specifying membership on the assigned claims bureau; extending no-fault benefits to pedestrians who are struck by motorcycles; regulating township mutual insurance companies; authorizing investments in certain insurers; regulating trade practices; requiring life and health insurers to substantiate the underwriting standards they use; providing assigned risk plan coverage for certain vehicles used by the handicapped; regulating motor vehicle repairs; granting immunity from liability for volunteer coaches, managers, and officials; prescribing penalties; amending Minnesota Statutes 1986, sections 45.024, subdivision 2; 60A.17, subdivisions 2c, 11, and 13; 60A.196; 60A.197; 60A.198, subdivision 3; 60A.23, subdivision 8; 60A.30; 60B.44, subdivisions 1, 4, 5, and 9; 60C.03, subdivision 8; 60C.08, subdivision 1; 60C.09; 60C.10, by adding a subdivision; 61B.05, subdivision 1; 62A.01; 62A.02, subdivision 2; 62A.03, by adding a subdivision; 62A.041; 62A.043, by adding a subdivision; 62A.141; 62A.146; 62A.17; 62A.21; 62A.43, subdivision 2; 62A.48, by adding a subdivision; 62E.10, subdivision 2; 62E.14, by adding a subdivision; 62H.04; 62I.02, by adding a subdivision; 62I.03, subdivision 5; 62I.04; 62I.16, subdivisions 3 and 4; 64B.11, subdivision 4; 64B.27; 65A.01, subdivision 3a; 65A.03, subdivision 1; 65A.10; 65A.29, by adding a subdivision; 65A.35, subdivision 5; 65B.03, subdivision 1; 65B.1311; 65B.15, subdivision 1; 65B.16; 65B.21, subdivision 2; 65B.28; 65B.46; 65B.63, subdivision 1; 67A.05, subdivision 2; 67A.06; 67A.231; 70A.04, subdivision 2; 70A.08, subdivision 3; 72A.20, subdivisions 11, 12a, and by adding a subdivision; 72A.51, subdivision 2; and 169.045, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 60A; 61A; 62A; 62E; 65B; and 604; repealing Minnesota Statutes 1986, sections 62F.04, subdivision 1a; 62I.02, subdivision 3; 67A.43, subdivision 3; and 466.07, subdivision 4; and Minnesota Rules, parts 2700.2400 to 2700.2440.

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

Johnson, A.; Simoneau; Frerichs; Skoglund and Lieder introduced:

H. F. No. 393, A bill for an act relating to public safety; traffic regulations; requiring commercial bus to have driver seat belt; proposing coding for new law in Minnesota Statutes, chapter 169.

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

Frerichs, Sparby, Omann, Schoenfeld and Wenzel introduced:

H. F. No. 394, A bill for an act relating to agriculture; reactivating the agricultural data collection task force; appropriating money;

amending Laws 1985, chapter 19, section 6, subdivision 6, as amended.

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

**Sviggum, Hugoson, Waltman and Rodosovich introduced:**

H. F. No. 395, A bill for an act relating to traffic regulations; providing for mandatory term of imprisonment for certain aggravated violations; amending Minnesota Statutes 1986, section 169.129.

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

**Olsen, S.; Seaberg; Carruthers; Pappas and Clausnitzer introduced:**

H. F. No. 396, A bill for an act relating to housing; landlord and tenant; requiring heating standards; requiring notice by landlords before entering leased premises; amending Minnesota Statutes 1986, section 504.18, subdivisions 1 and 6; proposing coding for new law in Minnesota Statutes, chapter 504.

The bill was read for the first time and referred to the Committee on Economic Development and Housing.

**Kahn; Ogren; Anderson, R., and Greenfield introduced:**

H. F. No. 397, A bill for an act relating to alcoholic beverages; extending permissible hours for sale at on-sale; amending Minnesota Statutes 1986, section 340A.504, subdivisions 1, 2, 3, and 6.

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

**Redalen; Reding; Munger; Anderson, G., and Kahn introduced:**

H. F. No. 398, A bill for an act relating to Forestville state park; adding property comprising Mystery Cave to Forestville state park; authorizing acquisition of lands and interests in lands therefor; appropriating money.

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

Long, Kelly, Rest and Wagenius introduced:

H. F. No. 399, A bill for an act relating to highway traffic regulations; requiring a driver involved in an accident resulting in injury or death to submit to chemical testing; amending Minnesota Statutes 1986, section 169.123, by adding a subdivision.

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

Nelson, D.; Carlson, D.; Johnson, R.; Larsen and Rukavina introduced:

H. F. No. 400, A bill for an act relating to game and fish; authorizing commissioner to allow a person to take two deer; amending Minnesota Statutes 1986, section 97B.301, subdivision 4.

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

Nelson, D.; Larsen; Munger and Johnson, R., introduced:

H. F. No. 401, A bill for an act relating to environment; providing criminal penalties for violation of laws and rules relating to hazardous waste; providing for the distribution and expenditure of monetary penalties; amending Minnesota Statutes 1986, sections 115.071, subdivision 2; 115B.20, subdivisions 2, 3, and 4; and 609.531; proposing coding for new law in Minnesota Statutes, chapter 115; repealing Minnesota Statutes 1986, section 115.071, subdivisions 2a and 2b.

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

## MESSAGES FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker:

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

S. F. No. 85.

PATRICK E. FLAHAVEN, Secretary of the Senate

## FIRST READING OF SENATE BILLS

S. F. No. 85, A bill for an act relating to real estate; providing for clearing title defects in adjacent land; amending Minnesota Statutes 1986, section 508.08.

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

## CALENDAR

Vanasek moved that the bill on the Calendar for today be continued one day. The motion prevailed.

## GENERAL ORDERS

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

## REPORT FROM THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION

Vanasek moved that the report of the Committee on Rules and Legislative Administration and the proposed Permanent Rules of the House for the 75th Session which were reported in the Journal of the House on Thursday, February 5, 1987, and which were laid over until Monday, February 9, 1987, and continued until today be now adopted.

## CALL OF THE HOUSE

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

Anderson, G.	Clark	Hartle	Kelso	Milbert
Battaglia	Clausnitzer	Haukoos	Kinkel	Miller
Bauerly	Cooper	Heap	Kludt	Minne
Beard	Dauner	Himle	Knickerbocker	Murphy
Bennett	DeBlieck	Hugoson	Knuth	Nelson, C.
Bertram	Dempsey	Jacobs	Krueger	Nelson, K.
Bishop	Dille	Jaros	Larsen	O'Connor
Blatz	Dorn	Jefferson	Lasley	Ogren
Boo	Forsythe	Jennings	Lieder	Olsen, S.
Brown	Frederick	Jensen	Marsh	Olson, E.
Burger	Frerichs	Johnson, A.	McDonald	Olson, K.
Carlson, D.	Greenfield	Johnson, R.	McEachern	Omann
Carlson, L.	Gruenes	Kalis	McKasy	Onnen
Carruthers	Gutknecht	Kelly	McLaughlin	Orenstein

Osthoff	Reding	Scheid	Stanius	Valento
Otis	Rest	Schoenfeld	Steensma	Vanasek
Pauly	Rice	Schreiber	Sviggum	Wagenius
Pelowski	Riveness	Seaberg	Swenson	Waltman
Peterson	Rodosovich	Segal	Thiede	Wenzel
Poppenhagen	Rose	Simoneau	Tjornhom	Winter
Price	Rukavina	Skoglund	Tompkins	Wynia
Quinn	Sarna	Solberg	Tunheim	Spk. Norton
Redalen	Schafer	Sparby	Uphus	

Vanasek 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.

Redalen, Dempsey and Vanasek moved to amend the proposed Permanent Rules of the House as printed in the Journal of the House for Thursday, February 5, 1987, as follows:

Page 4, delete lines 24 to 30

Renumber the remaining paragraphs

The motion prevailed and the amendment was adopted.

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

Valento moved to amend the proposed Permanent Rules of the House as printed in the Journal of the House for Thursday, February 5, 1987, as amended, as follows:

Page 11, delete lines 30 to 35 and insert:

"A conference committee report shall include only subject matter contained in the House or Senate versions of the bill for which that conference committee was appointed, or like subject matter contained in a bill passed by the House. The member presenting the conference committee report to the House shall disclose any subject matter new to the House version of the bill."

A roll call was requested and properly seconded.

The question was taken on the Valento amendment to the proposed rules, as amended, and the roll was called.

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

There were 49 yeas and 75 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

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

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

Blatz moved to amend the proposed Permanent Rules of the House as printed in the Journal of the House for Thursday, February 5, 1987, as amended, as follows:

Page 11, line 35, delete “any subject matter new to” and insert “all substantive changes from”

The motion prevailed and the amendment was adopted.

Thiede and Gruenes moved to amend the proposed Permanent Rules of the House as printed in the Journal of the House for Thursday, February 5, 1987, as amended, as follows:

Page 12, after line 11, insert:

“(20) the title of Article VII is amended to read:

ARTICLE VII: OFFICERS AND MEMBERS OF THE HOUSE

(21) Rule 7.3 is adopted to read:

7.3 DUTIES OF MEMBERS. A member of the House of Representatives may not solicit funds from a lobbyist registered under Minnesota Statutes, section 10A.03, from the time the House convenes in regular or special session until it either adjourns to the next year or adjourns sine die. This rule does not prohibit fundraising efforts during legislative sessions by either of the two political party caucuses of the House.

(22) Renumber the remaining rules in Article VII.”

Renumber the remaining paragraphs

A roll call was requested and properly seconded.

Vanasek moved that the Thiede and Gruenes amendment to the proposed rules be referred, as amended, to the Committee on Rules and Legislative Administration.

A roll call was requested and properly seconded.

The question was taken on the Vanasek motion and the roll was called.

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

There were 72 yeas and 57 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Jefferson	Lieder	Otis	Solberg
Battaglia	Jennings	Long	Pappas	Sparby
Bauerly	Jensen	McEachern	Peterson	Steensma
Beard	Johnson, A.	McLaughlin	Price	Trimble
Begich	Johnson, R.	Milbert	Quinn	Tunheim
Bertram	Kahn	Minne	Reding	Vanasek
Brown	Kalis	Munger	Rice	Voss
Carruthers	Kelly	Murphy	Rodosovich	Welle
Clark	Kinkel	Nelson, C.	Rukavina	Wenzel
Dauner	Kludt	Nelson, D.	Sarna	Winter
DeBlicck	Knuth	Nelson, K.	Scheid	Wynia
Dorn	Kostohryz	Neuenschwander	Schoenfeld	Spk. Norton
Greenfield	Krueger	O'Connor	Segal	
Jacobs	Larsen	Olson, E.	Simoneau	
Jaros	Lasley	Olson, K.	Skoglund	

Those who voted in the negative were:

Bennett	Carlson, L.	Forsythe	Hartle	Johnson, V.
Bishop	Clausnitzer	Frederick	Haukoos	Kelso
Blatz	Cooper	Frerichs	Heap	Knickerbocker
Boo	Dempsey	Gruenes	Himle	Marsh
Burger	Dille	Gutknecht	Hugoson	McDonald

McKasy	Orenstein	Rest	Stanius	Valento
McPherson	Osthoff	Richter	Sviggum	Vellenga
Miller	Ozment	Rose	Swenson	Wagenius
Morrison	Pauly	Schafer	Thiede	Waltman
Olsen, S.	Pelowski	Schreiber	Tjornhom	
Omann	Poppenhagen	Seaberg	Tompkins	
Onnen	Redalen	Shaver	Uphus	

The motion prevailed and the Thiede and Gruenes amendment to the proposed rules, as amended, was referred to the Committee on Rules and Legislative Administration.

Thiede and Gruenes moved to amend the proposed Permanent Rules of the House as printed in the Journal of the House for Thursday, February 5, 1987, as amended, as follows:

Page 12, after line 11, insert:

“(20) the title of Article VII is amended to read:

ARTICLE VII: OFFICERS AND MEMBERS OF THE HOUSE

(21) Rule 7.3 is adopted to read:

7.3 DUTIES OF MEMBERS. A member of the House of Representatives may not solicit or accept funds from a lobbyist or political action committee registered under Minnesota Statutes, chapter 10A, from the time the House convenes in regular or special session until it either adjourns to the next year or adjourns sine die. This rule does not prohibit fundraising efforts during legislative sessions by either of the two political party caucuses of the House or where a member seeks office in a special election.

(22) Renumber the remaining rules in Article VII.”

Renumber the remaining paragraphs

A roll call was requested and properly seconded.

Vanasek moved to refer the Thiede and Gruenes amendment to the proposed rules, as amended, to the Committee on Rules and Legislative Administration.

A roll call was requested and properly seconded.

The question was taken on the Vanasek motion and the roll was called.

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

There were 73 yeas and 51 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Jefferson	Lieder	Otis	Solberg
Battaglia	Jennings	Long	Pappas	Sparby
Bauerly	Jensen	McEachern	Pelowski	Steensma
Beard	Johnson, A.	McLaughlin	Peterson	Trimble
Begich	Johnson, R.	Milbert	Price	Tunheim
Bertram	Kahn	Minne	Quinn	Vanasek
Brown	Kalis	Munger	Rice	Vellenga
Carruthers	Kelly	Murphy	Rodosovich	Voss
Clark	Kelso	Nelson, C.	Rukavina	Welle
Dauner	Kludt	Neuenschwander	Sarna	Wenzel
DeBlicek	Knuth	O'Connor	Scheid	Winter
Dorn	Kostohryz	Ogren	Schoenfeld	Wynia
Greenfield	Krueger	Olson, E.	Segal	Spk. Norton
Jacobs	Larsen	Olson, K.	Simoneau	
Jaros	Lasley	Osthoff	Skoglund	

Those who voted in the negative were:

Bennett	Gruenes	McDonald	Poppenhagen	Swenson
Blatz	Gutknecht	McKasy	Redalen	Thiede
Boo	Hartle	McPherson	Rest	Tjornhom
Burger	Haukoos	Miller	Richter	Uphus
Carlson, L.	Heap	Morrison	Rose	Valento
Clausnitzer	Himle	Olsen, S.	Schafer	Wagenius
Cooper	Hugoson	Omann	Schreiber	Waltman
Dempsey	Johnson, V.	Onnen	Seaberg	
Dille	Kinkel	Orenstein	Shaver	
Forsythe	Knickerbocker	Ozment	Stanius	
Frederick	Marsh	Pauly	Sviggum	

The motion prevailed and the Thiede and Gruenes amendment to the proposed rules, as amended, was referred to the Committee on Rules and Legislative Administration.

The question recurred on the Vanasek motion that the report of the Committee on Rules and Legislative Administration, as amended, and the proposed Permanent Rules of the House for the 75th Session be now adopted.

Schreiber requested a division on the adoption of the report of the Committee on Rules and Legislative Administration on the proposed Permanent Rules of the House, as amended, for the 75th Session as follows:

The first portion of the Schreiber division included proposed changes to rules 5.10 and 6.11.

A roll call was requested and properly seconded.

The question was taken on the first portion of the Schreiber division and the roll was called.

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

There were 85 yeas and 44 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Blatz	Frerichs	Marsh	Pauly	Sviggum
Boo	Gruenes	McDonald	Poppenhagen	Swenson
Burger	Gutknecht	McKasy	Redalen	Thiede
Clausnitzer	Haukoos	McPherson	Richter	Tjornhom
Cooper	Heap	Miller	Rose	Tompkins
Dempsey	Himle	Morrison	Schafer	Uphus
Dille	Hugoson	Olsen, S.	Schreiber	Valento
Forsythe	Johnson, V.	Omman	Seaberg	Waltman
Frederick	Knickerbocker	Ommen	Shaver	

The motion prevailed and rules 5.10 and 6.11, as amended, were adopted.

The second portion of the Schreiber division included the remaining proposed rules, as amended.

A roll call was requested and properly seconded.

The question was taken on the second portion of the Schreiber division and the roll was called.

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

There were 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Beard	Bertram	Brown	Carruthers
Battaglia	Begich	Blatz	Burger	Clark
Bauerly	Bennett	Boo	Carlson, L.	Clausnitzer

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

The motion prevailed and the remaining proposed rules, as amended, were adopted.

So the report of the Committee on Rules and Legislative Administration and the Permanent Rules of the House for the 75th Session were adopted as follows:

## PERMANENT RULES OF THE HOUSE

### ARTICLE I - DAILY BUSINESS

1.1 CONVENING OF THE HOUSE. Unless otherwise ordered, regular sessions of the House shall convene at two o'clock p.m. The Speaker shall take the chair at the hour at which the House convenes and the House shall then be called to order. After prayer by the Chaplain or a brief meditation, a roll of members shall be called and the names of members present and members excused shall be entered in the Journal of the House.

1.2 READING OF THE JOURNAL. A quorum being present, the Journal of the preceding day shall be read by the Chief Clerk unless otherwise ordered. The House may correct any errors in the Journal of the preceding day.

1.3 ORDER OF BUSINESS. After the reading of the Journal, the order of business of the day shall be:

- (1) Presentation of petitions or other communications.
- (2) Reports of standing committees.
- (3) Second reading of House bills.

- (4) Second reading of Senate bills.
- (5) Reports of select committees.
- (6) Introduction and first reading of House bills.
- (7) Consideration of messages from the Senate.
- (8) First reading of Senate bills.
- (9) Consent Calendar.
- (10) Calendar for the day.
- (11) General Orders.
- (12) Motions and resolutions.

Conference committees and the Committee on Rules and Legislative Administration may report at any time.

1.4 SECOND READING OF BILLS. Every bill shall require a second reading.

Except as otherwise ordered, every bill requiring the approval of the Governor shall, after a second reading, be considered in a Committee of the Whole before it shall be finally acted upon by the House.

1.5 COMMITTEE OF THE WHOLE. The Committee of the Whole is a committee of the entire membership of the House. The Speaker may appoint another member as chairman to preside over the Committee of the Whole.

When the House arrives at the General Orders of the Day, it shall resolve itself into a Committee of the Whole to consider bills on General Orders.

A bill considered in the Committee of the Whole shall be reported and then debated by sections, with the title considered last. All amendments shall be typewritten and five copies shall be submitted to the Chairman who shall report them to the House.

1.6 RULES TO APPLY TO COMMITTEE OF THE WHOLE. The Rules of the House shall be observed in the Committee of the Whole so far as may be applicable except that the previous question shall not be forced or speaking limited.

Upon demand of 15 members, the yeas and nays shall be called, the question voted on, and the yeas and nays recorded in the Journal of the House.

In the Committee of the Whole no amendment increasing the amount of any appropriation shall be passed without the yeas and nays recorded in the Journal of the House.

A motion that the Committee arise shall always be in order and shall be decided without debate.

Upon the request of any member, a bill shall be excepted from the report of the Committee of the Whole. Only a motion to strike an amendment to the bill adopted in the Committee of the Whole or to amend the recommendation of the Committee of the Whole concerning the disposition of the bill shall be in order.

**1.7 GENERAL ORDERS OF THE DAY.** The Chief Clerk at the direction of the Speaker shall prepare the General Orders of the Day, which is a list of all bills which have not been made Special Orders or placed on the Consent Calendar, numbered according to their order at second reading. Unless otherwise ordered by a majority of the Committee, items on General Orders shall be taken up in numerical order.

The Chief Clerk shall see that a copy of each bill printed under the Rules or Orders of the House is placed in each member's file, which is to be kept at his desk in the chamber, at least 24 hours before the bill shall be considered in the Committee of the Whole. Under the first order of business each day, the Chief Clerk shall report to the House which bills he has placed in the files.

If a bill is progressed three times it shall be placed at the end of General Orders unless otherwise ordered by majority vote.

Except during the last five days in any year on which a bill may be passed, a bill amended in the Committee of the Whole shall not be given its third reading until it is engrossed and reproduced as amended.

**1.8 THIRD READING OF BILLS.** No amendment shall be received after the third reading without the unanimous consent of the House, except to fill blanks or to amend titles.

At any time prior to its passage any bill or resolution may be committed or recommitted by a majority vote of the whole House. If the committee, other than the Committee of the Whole, to which it was committed or recommitted reports an amendment on it, it shall again be given its second reading, considered in Committee of the Whole, given its third reading and placed upon its final passage.

**1.9 SPECIAL ORDERS.** A bill may be made the Order of the Day for a special time and be placed upon a separate list known as "Special Orders."

The Committee on Rules and Legislative Administration may by committee report designate as a Special Order any bill which has had its second reading.

Any member may move to make a bill a Special Order by giving notice at least two legislative days in advance of and specifying the

day on which he will so move. The notice shall include the number and title of the bill and the day and time certain for the Special Order. Only the member giving such notice, or another member designated by him in writing to the Speaker, may make the motion for the Special Order. A two-thirds vote of the whole House on such motion is required to make a bill a Special Order.

The time set for the motion may not be extended, and failure to make the motion on the specified day forfeits the right to make the motion.

A motion to make a bill a Special Order, when made according to the procedures herein prescribed, shall be a privileged motion, shall take precedence over all other motions except a motion to adjourn or to set the time to adjourn and questions of personal privilege, and may be made at any time on the day designated in the notice. A three-fourths vote of the whole House is required to suspend the motion.

Any Special Order, or any part of it, may be continued or postponed by two-thirds vote of the whole House at the time of such Special Order; however, a Special Order designated by the Committee on Rules and Legislative Administration may be continued or postponed by a majority vote of the whole House at the time of such Special Order.

When the time arrives for the consideration of any Special Order, the House shall consider each bill upon the Special Order in the order in which it is listed. After consideration it shall immediately be read the third time and placed upon final passage.

**1.10 TAX AND APPROPRIATION BILLS GIVEN PRECEDENCE.** After adoption by the House of a budget resolution pursuant to Rule 5.10, any bill relating to taxes or raising revenue shall be acted upon whenever requested by the Chairman of the Committee on Taxes, and any appropriation bill shall be acted upon whenever requested by the Chairman of the Committee on Appropriations.

**1.11 CONSENT CALENDAR.** Any bill of a non-controversial nature for which the committee report recommends placement upon the Consent Calendar shall be given its second reading after the report is adopted and placed upon the Consent Calendar. The bill shall be printed and placed in the members' files at least one day before it can be considered. The bill shall be placed upon the Consent Calendar in the order in which it is given its second reading.

The Consent Calendar shall immediately precede the order of business known as "Calendar for the Day." Every bill on the Consent Calendar shall be debated, given its third reading and voted upon, provided, however, that at any time prior to third reading, ten members may object to any bill as being controversial. Any bill so

objected to shall be stricken from the Consent Calendar and be immediately returned to General Orders, taking its place in the usual order.

1.12 SUSPENSION OF RULES TO ADVANCE A BILL. Every bill shall be reported on three different days, except that in case of urgency, a two-thirds majority of the whole House may suspend this Rule. A motion for suspension of the Rules to advance a bill for consideration out of its regular order is in order under the order of business "Motions and Resolutions" or at any time the bill is before the House. The motion must be presented to the Speaker in writing and must state the present position of the bill.

1.13 MINORITY REPORTS. Any minority report shall be made separately from the majority report and shall be considered before the majority report. If the minority report is adopted the majority report shall not be considered. If the minority report is not adopted the majority report shall then be considered.

1.14 COMMITTEE REPORT LAID OVER. The report of any committee may be laid over one day and printed in the Journal, if so ordered by the House.

1.15 RECALLING BILL FROM COMMITTEE. Except after the deadline for committee reports on bills originating in the House, any bill or resolution may be recalled from any committee at any time by majority vote of the whole House, be given a second reading and be advanced to General Orders. A motion to recall a bill or resolution shall be in order only under the order of business "Motions and Resolutions."

1.16 TIME LIMIT FOR CONSIDERATION OF BILLS. If 20 legislative days after a bill has been referred to committee (other than a bill in Appropriations) no report has been made upon it by the committee, its chief author may request that it be returned to the House and the request shall be entered in the Journal for the day. The committee shall have ten calendar days thereafter in which to vote upon the bill requested. If the Committee fails to vote upon it within the ten days, the chief author may, at any time within five calendar days thereafter, present a written demand to the Speaker for its immediate return to the House. The demand shall be entered in the Journal for that day and shall constitute the demand of the House. The bill shall then be considered to be in the possession of the House, given its second reading and placed at the foot of General Orders.

Such bill is subject to re-reference by a majority vote of the whole House. If the motion to re-refer is made on the day of the demand or within one legislative day thereafter, the motion shall take precedence over all other motions except privileged motions and shall be in order at any time.

After Friday, May 8, 1987, the House shall not act on bills other than those recommended by conference committee reports or the Committee on Rules and Legislative Administration, and those bills contained in messages from the Senate or from the Governor.

1.17 DISPOSITION OF SENATE BILLS. Any Senate File received by the House, accompanied by a message announcing its passage by the Senate, shall be referred to the appropriate standing committee in accordance with Rule 5.4. However, if a Senate File is received which is stated by a member to be identical to a House File already reported by a standing committee of the House and placed on General Orders, Calendar, Consent Calendar, or Special Orders, the Senate File shall be referred to the Chief Clerk for comparison. If the Chief Clerk reports that the Senate File is identical with the House File, the Senate File may by majority vote be substituted for the House File and take its place. The fact that the bills are identical shall be entered in the Journal and the House File is then considered withdrawn.

Any Senate File which has been amended on the floor of the House, except at time of final passage, and any Senate File which has been reported to the House with amendments by a House standing committee, shall be unofficially engrossed and reprinted by the Chief Clerk. Amendments to unofficial engrossments of a Senate File may be offered by members on the floor of the House but shall not be offered in standing committees.

1.18 RECORDED FLOOR PROCEEDINGS. All proceedings on the floor of the House shall be recorded on magnetic tape or similar recording device under the direction of the Chief Clerk. Two copies of each tape shall be delivered to the Director of the Legislative Reference Library and there maintained on file for use by any member of the public in accordance with the rules of the Legislative Reference Library. At the end of each biennium, the Director of the Legislative Reference Library shall deliver one copy of each tape to the Director of the Minnesota Historical Society.

Any person may obtain a copy of any such tape during the biennium in which it is recorded upon payment of a fee determined by the Chief Clerk to be adequate to cover the cost of preparing the copy.

Discussion preserved under this rule is not intended to be admissible in any court or administrative proceeding on an issue of legislative intent.

## ARTICLE II - VOTING

2.1 AUTHORIZING ELECTRIC VOTING SYSTEM. Except for a vote upon elections or the overriding of a Governor's veto, any vote may

be taken by means of the electric voting system which shall be under the control of the Speaker of the House.

**2.2 CALL OF THE HOUSE.** Ten members may demand a call of the House at any time except after voting has commenced. When such call is demanded, the doors shall be closed, the roll shall be called, the absent members shall be sent for, and no member may be permitted to leave until the roll call is suspended or completed. During the roll call, no motion shall be in order except a motion pertaining to matters incidental to the call. Proceedings under the roll call may be suspended by a majority vote of the whole House. After the roll call is suspended or completed the Sergeant at Arms shall not permit any member to leave the Chamber unless excused by the Speaker. A call of the House may be lifted by a majority vote of the whole House.

**2.3 DEMANDING YEAS AND NAYS.** Yeas and nays shall be ordered without demand upon final passage of bills and upon adoption of resolutions or motions directing the payment of money. In all other cases the yeas and nays shall be ordered only upon demand of 15 members.

**2.4 EXPLAINING OR CHANGING VOTE.** No member shall be allowed to explain his vote or discuss the question while the yeas and nays are being taken, nor be allowed to change his vote after the yeas and nays have been announced from the chair by the Speaker.

**2.5 EVERY UNEXCUSED MEMBER TO VOTE.** Any member who is immediately interested in the question being voted on shall not vote.

Every other member present before a vote is declared from the chair shall vote for or against the matter before the House, unless the House excuses him from voting.

When a member declines to vote on a call of his name, he shall be required to state his reasons for so declining. After the vote has been taken but before the chair has announced the vote, he shall submit to the House the question, "Shall the member, for the reasons stated, be excused from voting?" which shall be decided without debate. Any other proceedings in reference thereto shall take place after announcement of the vote.

### ARTICLE III - MOTIONS AND AMENDMENTS

**3.1 MOTIONS.** No motion shall be debated until after it is stated by the Speaker.

After a motion has been stated by the Speaker it is in possession of the House, but the mover may withdraw it at any time before amendment or decision. Unless a motion, resolution or amendment

is withdrawn on the day it is made, it shall be entered in the Journal, together with the name of the member offering it.

The Speaker may require any motion to be written.

**3.2 PRECEDENCE OF MOTIONS.** When a question is under consideration, no motion shall be received except the following, the first four of which shall be decided without debate:

- (1) To fix the time of adjournment.
- (2) To adjourn.
- (3) To lay on the table.
- (4) For the previous question.
- (5) To refer.
- (6) To postpone to a day certain.
- (7) To amend.
- (8) To postpone indefinitely.
- (9) To pass.

The motions shall have precedence in the order listed. However, if the motion for the previous question has been seconded and the main question ordered, the motion to lay on the table shall not be in order.

**3.3 MOTION TO ADJOURN.** A motion to adjourn shall always be in order except during roll call.

When a motion to adjourn is made it shall be in order for the Speaker, before putting the question, to permit any member to state reasons which would seem to render adjournment improper at that time. Such a statement shall not be debatable and shall be limited to not over two minutes.

**3.4 MOTION FOR RECONSIDERATION.** When a question has been decided either in the affirmative or negative, it shall be in order for any member who voted with the prevailing side to move its reconsideration, provided that such motion is made either on the same day the vote was taken or within the following two days of actual session of the House. A motion for reconsideration can be made at any time in the Order of Business and shall take precedence over all other questions except the motion to adjourn and the notice of intention to move reconsideration. Such motion or notice shall not be in order if the document, bill, resolution, message, report or other official action on which the vote was taken shall have left the possession of the House.

When a member gives notice of intention to move reconsideration of the final action of the House on any bill, resolution, message, report or other official action, the Chief Clerk shall retain the same until after the matter is disposed of or the time has expired during which the motion for reconsideration can be made.

On the last day allowed for the motion to reconsider, it shall be in order for any member who voted on the prevailing side to make the motion, unless the matter has been already disposed of.

A motion for reconsideration having been voted upon and lost shall not be renewed.

In an odd-numbered year, notice of intention to move reconsideration shall not be in order after Monday, April 20.

**3.5 ORDER OF PUTTING QUESTION.** Except in the case of privileged questions, all questions, whether in committee or in the House, shall be put in the order in which they are moved. When filling blanks, a motion for the largest sum or the longest time shall be put first.

**3.6 DIVISION OF A QUESTION.** Any member may request the division of a question which contains several points. A motion to strike out and insert shall not be divisible. If a motion to strike out is lost it shall not preclude another motion to amend or to strike out and insert.

**3.7 THE PREVIOUS QUESTION.** The motion calling for the previous question must be seconded by 15 members. If the motion for the previous question is ordered by a majority of members present, it shall have the effect of cutting off all debate and bringing the House to direct vote upon the question or questions.

The previous question may be moved and ordered upon a single motion, a series of motions allowable under the Rules, or an amendment or amendments; or it may include all authorized motions or amendments, including a vote on final passage of a bill.

On a motion for the previous question, but prior to its being ordered, a call of the House shall be in order. After a majority has ordered the previous question, no call shall be in order prior to the decision on the main question.

When the previous question is decided in the negative, the main question remains under debate until disposed of by taking a vote either on the question or in some other manner.

All incidental questions of order arising after a motion is made for the previous question and prior to the vote on the main question shall be decided without debate.

**3.8 UNANIMOUS CONSENT TO MAKE A MOTION.** Whenever unanimous consent to make a motion is requested by a member, the member as a part of such request shall state briefly the purpose of such motion and the subject matter involved.

3.9 MOTIONS AND PROPOSITIONS TO BE GERMANE. No motion or proposition on a subject different from that under consideration shall be admitted under guise of its being an amendment.

3.10 AMENDMENT NOT TO ANNEX ANOTHER BILL. Except in a standing committee no bill or resolution shall at any time be amended by annexing or incorporating any other bill or resolution.

3.11 RESOLUTIONS AND MOTIONS INVOLVING EXPENDITURE OF MONEY. Any resolution or motion involving the expenditure of money out of the legislative expense fund shall be referred to the Committee on Rules and Legislative Administration before being acted upon by the House. A majority vote of the whole House, determined by a roll call, is required to pass any such resolution or motion.

3.12 AMENDMENTS TO APPROPRIATION AND TAX BILLS. No amendment increasing an appropriation and no amendment increasing a tax shall be declared passed until voted for by a majority of the whole House determined by a roll call vote.

3.13 MOTION TO LAY ON THE TABLE. A motion to lay on the table shall not be in order on a motion to amend, except that a motion to amend the Rules may be tabled.

3.14 MOTION TO RESCIND. The motion to rescind shall not be in order at any time in any proceeding in the House or in any committee of the House.

3.15 SUSPENSION OR AMENDMENT OF THE RULES. The concurrence of two-thirds of the whole House is required to suspend, alter, or amend any Rule of the House, except that any amendment to the Rules reported by the Committee on Rules and Legislative Administration may be adopted by a majority of the whole House.

Except as provided in Rule 1.12, a motion to suspend, alter, or amend any Rule of the House must be made under the order of business "Motions and Resolutions." If the motion is made at any other time, unanimous consent is required before the Speaker can entertain the motion.

A motion to suspend the Rules, together with the subject matter to which it pertains, is debatable, but the previous question may be applied to the motion.

#### ARTICLE IV - DEBATE AND DECORUM

4.1 ABSENCE OF MEMBERS AND OFFICERS. Unless illness or other sufficient cause prevents attendance, no member or officer of the

House shall absent himself from any session of the House without first having obtained from the Speaker permission to be absent.

4.2 DUTIES OF MEMBERS. Members shall keep their seats until the Speaker announces adjournment.

Every member, before speaking, shall rise from his seat and respectfully address the Speaker and shall not speak further until recognized by the Speaker. When two or more members rise at the same time, the Speaker shall designate the member to speak first.

4.3 QUESTIONS OF ORDER. If any member of the House transgresses the Rules, either in speaking or in any other way, the Speaker shall, or any member may, call him to order. A member so called to order shall immediately sit down unless another member moves to permit him to explain. In either case, the House, if appealed to, shall decide without debate. Only if the decision is in favor of the member called to order shall he be at liberty to proceed. A member called to order shall be liable to censure or such other punishment as the House may deem proper.

4.4 ORDER IN DEBATE. No member shall speak more than twice on the same subject without leave of the House, nor more than once until every other member wishing to speak on the pending question has had an opportunity to do so.

4.5 NOTICE OF INTENTION TO DEBATE A RESOLUTION. Any member may give notice of his intention to debate a resolution. Such notice may be given at any time before the vote is taken on the resolution. If such notice is given, the resolution shall be laid over one day without debate or any other action.

4.6 OFFENSIVE WORDS IN DEBATE. If any member is called to order for offensive words in debate, the member calling him to order shall report the words to which exception is taken and the Clerk shall record them. No member shall be held to answer or be subject to censure of the House for any language used in debate if exception is not taken before any other member has spoken or any other business has taken place.

4.7 ORDER DURING SESSION. No member shall walk out of or across the Chamber when the Speaker is putting the question. No member shall engage in private conversation while another member is speaking or pass between the speaking member and the Chair.

4.8 NO ONE TO REMAIN BY THE CHIEF CLERK'S DESK. No member or other person shall remain by the Chief Clerk's desk while the yeas and nays are being called.

4.9 WHO MAY BE ADMITTED TO THE FLOOR. No person shall be admitted within the House Chamber, except members themselves, properly authorized employees, the Chief Executive and ex-governors of the State of Minnesota, members of the Senate, heads of departments of the state government, judges of the Supreme and District Courts, members of Congress, properly accredited representatives of radio and television stations, newspapers and press associations, as herein provided for, and none other. When a former member of Congress or the Minnesota Legislature or any other person is issued a permit by the Speaker good for the day he shall be provided with a seat near the Speaker's rostrum, and at no time shall a conversation be carried on so as to disturb the business of the House. Before issuing the permit, the Speaker shall satisfy himself that the person does not seek the floor of the House for the purpose of influencing decisions of the House.

The alcoves shall be kept for the use of members only, and the Sergeant at Arms shall keep them cleared.

It shall not be in order for the Speaker to entertain a request for the suspension of this Rule, or to present from the Chair the request of any member for unanimous consent unless an extraordinary condition exists, in which event he may consent to entertain a motion for its suspension.

During the period extending from one hour prior to the time the House is scheduled to convene until one hour after the House adjourns for the day, the retiring room shall be reserved for the exclusive use of the members and employees of the House or Senators specifically authorized to be present by a House member. No committee meetings shall be held therein except for emergency meetings authorized by the Speaker of the House. The Sergeant at Arms is charged with the duty of strict enforcement of this provision.

4.10 PRESENTATION OF PETITIONS. Any petition, memorial or other paper presented to the House shall include the name of the member introducing it and a brief description of its contents and shall be presented by the Speaker, who shall state briefly its contents.

4.11 NO SMOKING IN HOUSE CHAMBER. No member of the House of Representatives or officer of the House, or other person, shall be permitted to smoke in the House Chamber except in designated smoking areas, confined only to the front desk and the legislative retiring room. There shall be no smoking in the visitors' section of the galleries.

#### ARTICLE V - BILLS

5.1 BILL AND RESOLUTION FORM. No bill or resolution shall be introduced until it has been examined and approved by the Revisor

of Statutes as to form and compliance with the Joint Rules of the House and Senate and the Rules of the House. Approval as to form shall be endorsed on the bill or resolution by the Revisor of Statutes.

**5.2 INTRODUCTION OF BILLS AND RESOLUTIONS.** A bill, advisory bill or resolution offered for introduction shall be placed in the hands of the Speaker at least 24 hours prior to the convening of the daily session. Every bill, advisory bill and resolution shall be introduced in quadruplicate and each copy shall contain the signature of the member or name of the committee introducing it. No bill, advisory bill, memorial or resolution shall have more than five authors. A statement of facts being forwarded for action to a governmental official, agency, or body or other similar proposal is a memorial and shall be introduced in the same form as a bill and take the same course as a bill. No resolution shall authorize the expenditure of monies from any source other than the legislative expense fund.

**5.3 ADVISORY BILLS.** An advisory bill may be introduced by any member in the same manner as a bill except that the requirements of Rule 5.1 shall not apply.

Each advisory bill shall be typewritten on a form provided by the Chief Clerk. It shall have a title not exceeding 12 words in length and shall contain a specific proposal for the initiation, termination or alteration of a law or program of the state or any of its subdivisions. It need not be drafted in a form appropriate for enactment into law.

An advisory bill may be considered only in committee and shall not be given a second reading or be otherwise considered by the House, except that the committee may report its recommendation for re-referral to another committee.

**5.4 FIRST READING AND REFERENCE OF BILLS.** Each bill, advisory bill and resolution shall be reported and given its first reading upon its introduction. No bill, advisory bill or resolution shall be objected to upon its introduction.

Except as provided in Rule 1.17 and Rule 5.5 each bill, advisory bill or resolution shall, after first reading, be referred by the Speaker to the appropriate standing committee.

Congratulatory resolutions are exempt from this rule and may be adopted by the Committee on Rules and Legislative Administration without further consideration by the House.

Except as otherwise provided in these Rules, after a bill, advisory bill or resolution has been referred by the Speaker, a majority vote of the whole House shall be required for a re-referral or recommittal of the bill, advisory bill or resolution by the House.

5.5 COMMITTEE BILLS. A committee bill shall be read for the first time and may be referred by the Speaker to any standing committee. If it is not so referred, it shall be laid over one day. It shall then be read for the second time and placed upon General Orders, or, if recommended by the Committee, upon the Consent Calendar.

5.6 PRINTING OF BILLS. Every bill shall be printed after it has been given its second reading. A bill may be printed at any other time a majority of the House so orders.

5.7 BILLS CARRYING AN APPROPRIATION. Any bill, whether originating in the House or Senate, carrying an appropriation, or which may involve any present or future financial obligation on the part of the State, after being reported to the House, shall be referred, or re-referred, as the case may be, to the Committee on Appropriations for action by that committee. Any committee, other than the Committee on Appropriations, to which such bill has been referred shall note in its report that the bill carries an appropriation.

5.8 BILLS AFFECTING STATE GOVERNMENT POWERS AND STRUCTURE. Any bill, whether originating in the House or the Senate, which creates any new department, agency, commission, board or bureau, or which substantially changes or alters the organization of or delegates emergency rulemaking authority to or exempts from rulemaking any department or agency thereof of state government, or substantially changes, alters, vests or divests official rights, powers, or duties of any official, department or agency of the state government or any institution under its control, after being reported to the House, shall be referred, or re-referred, as the case may be, to the Committee on Governmental Operations for action by that committee. Any committee other than the Committee on Governmental Operations to which such bill is referred shall, in its report, recommend re-referral to the Committee on Governmental Operations.

5.9 BILLS AFFECTING TAXES. Any bill whether originating in the House or Senate, which substantially affects state tax policy or the administration of state tax policy, after being reported to the House, shall be referred, or re-referred, as the case may be, to the Committee on Taxes for action by that committee. Any standing committee other than the Committee on Taxes to which such a bill is referred shall, in its report, recommend re-referral to the Committee on Taxes. The provisions of this rule, however, shall not apply to the Education Finance Bill.

5.10 WAYS AND MEANS COMMITTEE; RESOLUTION; EFFECT ON EXPENDITURES AND TAX BILLS. The Committee on Ways and Means shall hold hearings as necessary to determine state expenditures and taxes for the coming fiscal biennium. Not later than seven days after the Governor presents the last state revenue forecast during

the regular legislative session, but in no case later than March 31, 1987, the Committee on Ways and Means shall report a budget resolution to the House for consideration. The budget resolution shall take the form of a House resolution that sets the maximum limitation on expenditures and taxes for the coming fiscal biennium for the general fund and an amount to be set aside as a budget reserve. The limitation is effective, if adopted, unless the House adopts a different limitation in a subsequent budget resolution.

No bill described in Rule 5.7 or 5.9 shall be given its second reading until the House has received a statement from the Committee on Ways and Means certifying that the major expenditure and tax bills are reconciled and do not exceed the limitation specified in the budget resolution for the general fund. Major expenditure and tax bills are: the education appropriation bill; the health and human services appropriation bill; the state departments appropriation bill; the agriculture, transportation and semi-state appropriation bill; the education finance bill; the agriculture finance bill; and the omnibus tax bill. However, a bill may be given its second reading by special authorization of the Committee on Ways and Means or by majority vote of the whole House. A special authorization may be reported by an oral notice to the House from the Chairman of the Committee on Ways and Means or his designee stating that the fiscal impact of a bill will be accounted for in the reconciliation statement.

The Committee on Appropriations and the Committee on Taxes, upon recommending passage of any bill described in Rule 5.7 or 5.9, shall provide to the Committee on Ways and Means a fiscal statement on the bill.

After the House has received a reconciliation statement from the Committee on Ways and Means, the House shall not give a second reading to any bill described in Rule 5.7 or 5.9 other than the major expenditure and tax bills. However, a bill may be given its second reading after the House has received from the Committee on Ways and Means a statement certifying that the fiscal impact of the bill is within the guidelines of the budget resolution, or after authorization by majority vote of the whole House. The statement of the Committee on Ways and Means may be reported orally by the Chairman of the Committee on Ways and Means or his designee.

5.11 RECESS BILL INTRODUCTIONS. During the period between the last day of the session in any odd-numbered year and the first day of the session in the following year, any bill filed with the Speaker for introduction shall be given a file number and may be unofficially referred to an appropriate standing committee of the House of Representatives.

#### ARTICLE VI - COMMITTEES - POWERS AND DUTIES

6.1 COMMITTEES. Standing committees of the House shall be appointed by the Speaker as follows:

## Agriculture

Division: Agriculture Finance

## Appropriations

Divisions: Agriculture, Transportation and Semi-State  
Education  
Health and Human Services  
State Departments

## Commerce

Economic Development and Housing

## Education

Division: Education Finance

Environment and Natural Resources

Financial Institutions and Insurance

Future and Technology

General Legislation, Veterans Affairs and Gaming

Governmental Operations

Health and Human Services

Higher Education

## Judiciary

Division: Crime and Family Law

Labor-Management Relations

Division: Unemployment Compensation  
and Workers' Compensation

Local and Urban Affairs

Metropolitan Affairs

Regulated Industries

Rules and Legislative Administration

## Taxes

Divisions: Property Tax  
Tax Laws

## Transportation

Ways and Means

6.2 COMMITTEE MEMBERSHIP. No less than 30 days prior to the opening of a regular session of the Legislature, the Speaker-designate shall provide the minority group with a list of the standing committees proposed for the session. He shall also designate the number of minority members to be appointed to each committee and may require general membership guidelines to be followed in the selection of committee members.

If the minority leader submits to the Speaker-designate, at least 15 days prior to the opening of the session, a list of proposed committee assignments for the minority group, which complies with the numbers and guidelines provided, the Speaker shall make such proposed assignments with the purpose of attaining proportionate representation on the committees for the minority group.

No committee of the House shall have exclusive membership from any one profession, occupation or vocation.

6.3 COMMITTEE MEETING SCHEDULE. The Speaker shall prepare a schedule of committee meetings, fixing as far as practicable the day of the week and the hour for the regular meeting time of each committee. The schedule of committee meetings shall officially be made available to the news media. The chairman of any committee holding a special meeting or making a change in the regular schedule of meetings shall give written notice which may be announced from the desk and shall be posted on the bulletin board at least one day in advance of the change.

The chairman of each committee or subcommittee shall as far as practicable give three days notice of any meeting. The notice shall include the date, time, place and agenda for the meeting.-----

6.4 COMMITTEE PROCEDURES. Meetings of all committees of the House shall be open to the public.

A majority of members of any committee shall constitute a quorum.

The Rules of the House shall be observed in all committees wherever they are applicable.

Any member of any committee may demand a roll call on any bill, resolution, report, motion or amendment before the committee. Only upon such demand being made shall the roll be called and the vote of each member on the bill, resolution, report, motion or amendment be recorded in the committee minutes, together with the name of the member demanding the roll call.

A committee may reconsider any action so long as the matter remains in the possession of the committee. A committee member need not have voted with the prevailing side in order to move reconsideration.

6.5 SUBCOMMITTEES. The chairman of a committee shall appoint the chairman and members of each subcommittee. The chairman or the committee may refer bills to subcommittee. Any subcommittee may make such investigation or exercise such authority as is delegated to it by the chairman or the committee.

6.6 COMMITTEE RECORDS. The chairman or acting chairman of each standing committee shall cause a record to be kept, in the form prescribed by the Committee on Rules and Legislative Administration, which shall include the record of each bill referred to the committee and the minutes of the committee. The minutes shall include:

- a. The time and place of each hearing or meeting of the committee;

b. Committee members present;

c. The name and address of each person appearing before the committee, together with the name and address of the person, association, firm or corporation in whose behalf the appearance is made;

d. The language of each motion, the name of the committee member making the motion, and the result of any vote taken upon the motion, including the yeas and nays whenever a roll call is demanded;

e. The date on which any subcommittee is created, the names of its members and the bills referred to it;

f. The record of each subcommittee meeting, including the time and place of the meeting; members present; the name of each person appearing before the subcommittee, together with the name of the person, association, firm or corporation in whose behalf the appearance is made; and the language of each motion, together with the name of the member making the motion, and the result of any vote taken upon the motion, including the yeas and nays whenever a roll call is demanded;

g. Other important matters related to the work of the committee.

The minutes shall be approved at the next regular meeting of the committee.

Copies of the minutes, after approval by the committee, shall be filed with the Chief Clerk and shall be open to public inspection in the Chief Clerk's office. At the end of the biennium they shall be delivered, together with the other committee records, to the Director of the Legislative Reference Library, where they shall remain open for public inspection during regular office hours. A copy of any page of any committee minutes may be obtained upon payment of a fee determined by the Chief Clerk to be adequate to cover the cost of preparing the copy.

The magnetic tape recording of any committee meetings shall be retained by the chairman until the minutes of that meeting have been approved by the committee. The recording or a copy of the recording shall then be filed with the Director of the Legislative Reference Library, where it shall be maintained for a period of two years from the date of filing for use by any person in accordance with the rules of the Legislative Reference Library. After expiration of the two-year period the recording may be erased and the tape may be reused.

Any person may obtain a copy of such tape during the period in which it is maintained in the Legislative Reference Library upon payment of a fee determined by the Chief Clerk to be sufficient to cover the cost of the copy. Testimony and discussion preserved under this rule is not intended to be admissible in any court or administrative proceeding on an issue of legislative intent.

**6.7 COMMITTEE REPORTS.** The chairman of a standing committee reporting to the House the action taken by his committee upon any bill or resolution referred to it shall do so upon the form provided for such reports. Each bill or resolution shall be reported separately and the report shall be adopted or rejected without amendment.

The report shall contain the action taken by the committee and the date of such action and shall be authenticated by the signature of the chairman.

Before a committee reports favorably upon a bill or resolution, the chairman shall see that the form of the bill or resolution conforms to the Joint Rules of the House and Senate and these Rules.

Except during the last seven legislative days in any year, the committee report and any minority report shall be placed in the hands of the Chief Clerk at least four hours prior to the convening of the daily session.

The Committee on Rules and Legislative Administration may report at any time.

If a majority of the members of a standing committee finds a bill referred to the committee to be of a non-controversial nature, the report to the House may recommend that the bill be placed upon a separate calendar to be known as the Consent Calendar.

**6.8 COMMITTEE BILLS.** Any standing or special committee of the House may introduce a bill as a committee bill on any subject within its purview.

**6.9 SUBSTITUTION OF BILLS.** No standing or special committee nor any of its members shall report a substitute for any bill referred to the committee if the substitute relates to a different subject, is intended to accomplish a different purpose, or would require a title essentially different from that of the original bill. Whenever the House is advised that a substitute bill reported to the House is in violation of this rule, the report shall not be adopted.

**6.10 SPECIAL COMMITTEES.** Any special committee to which a matter has been referred shall in all cases report to the House a statement of facts and its opinions and conclusions thereon.

6.11 CONFERENCE COMMITTEES. A conference committee may report at any time. No committee except a conference committee or the Committee on Rules and Legislative Administration shall sit during any daily session of the House without leave.

A conference committee report shall include only subject matter contained in the House or Senate versions of the bill for which that conference committee was appointed, or like subject matter contained in a bill passed by the House. The member presenting the conference committee report to the House shall disclose all substantive changes from the House version of the bill.

In an odd-numbered year except after Monday, May 11, a written copy of a report of a conference committee shall be placed on the desk of each member of the House 24 hours before action on the report by the House. If the report has been reprinted in the Journal of the House for a preceding day and is available to the members, the Journal copy shall serve as the written report.

6.12 COMMITTEE BUDGETS AND EXPENSES. The Committee on Rules and Legislative Administration shall establish a budget for each standing committee of the House for expenses incurred by the committee, its members, or its staff in conducting its legislative business. Per diem expense allowances paid to members during sessions or at times set by the Speaker shall not be charged against the budget. No committee shall incur expenses in excess of its authorized budget.

Employees shall be reimbursed for actual expenses in the same manner as state employees.

During sessions, for travel away from the Capitol, members shall be reimbursed for actual expenses in the same manner as state employees in addition to per diem expense allowances.

All charges against the committee budget must be approved by the chairman before payment is made.

6.13 PUBLIC TESTIMONY. Public testimony from proponents and opponents shall be allowed on every bill or resolution before either a standing committee, division or subcommittee of the House.

#### ARTICLE VII - OFFICERS OF THE HOUSE

7.1 DUTIES AND PRIVILEGES OF THE SPEAKER. The Speaker shall preside over the House and shall have all the powers and be charged with all the duties of the presiding officer.

He shall preserve order and decorum and he or the chairman of the Committee of the Whole may order the lobby or galleries cleared in the case of disorderly conduct or other disturbance.

Except as provided by rule or law, he shall have general control of the Chamber of the House and of the corridors, passages and rooms assigned to the use of the House.

He shall sign all acts, addresses, joint resolutions, writs, warrants and subpoenas of the House or issued by order of the House. He shall sign all abstracts for the payment of money out of the legislative expense fund of the House; but no money shall be paid out of said fund unless the abstract is also signed by the Chief Clerk of the House.

He shall appoint the Chief Sergeant at Arms or shall designate him from among the Sergeants at Arms elected by the House or appointed by the Committee on Rules and Legislative Administration.

7.2 SPEAKER PRO TEMPORE. The Speaker shall appoint a member to preside, whenever the Speaker is absent, as Speaker pro tempore. In the absence of the Speaker and Speaker pro tempore, the Committee on Rules and Legislative Administration shall select a member to preside until the return of the Speaker or speaker pro tempore.

7.3 DUTIES OF CHIEF CLERK. The Chief Clerk shall have general supervision of all clerical duties pertaining to the business of the House. He shall perform under the direction of the Speaker all the duties pertaining to his office and shall keep records showing the situation and progress of all bills, memorials and resolutions.

Neither the Chief Clerk nor any of his assistants or employees shall permit any records or papers belonging to the House to be removed from their custody other than in the regular course of business. The Chief Clerk shall report any missing records or papers to the Speaker.

During a temporary absence of the Chief Clerk, the First Assistant Chief Clerk shall be delegated all the usual responsibilities of the Chief Clerk and is authorized to sign the daily journal, enrollments, abstracts and other legislative documents.

7.4 ENGROSSMENT AND ENROLLMENT. The Chief Clerk of the House shall have supervision over the engrossment and enrollment of bills. He shall cause to be kept a record by file number of the bills introduced in the House which have passed both houses and been enrolled.

**7.5 BUDGET AND PURCHASING.** The Director of House administrative services shall prepare a biennial budget for the House which must be approved by the Committee on Rules and Legislative Administration before it is submitted to the Committee on Appropriations.

The Director shall be the agent of the House of Representatives for the purchase of supplies. The Director shall seek the lowest possible prices and shall file timely reports of expenditures made with the Committee on Rules and Legislative Administration.

**7.6 BULLETIN BOARD.** The Chief Clerk shall prepare a bulletin board upon which shall be posted a list of committee and subcommittee meetings and any other announcements or notices the House may require.

**7.7 INDEX.** The Index Clerk, under the supervision of the Chief Clerk, shall prepare an index in which bills may be indexed by topic, number, author, subject, section of the code amended, committees, and any other subject that will make it a complete and comprehensive index. The index shall be open for public inspection at all times during the session and shall be printed in the permanent Journal of the House.

**7.8 DUTIES OF THE SERGEANT AT ARMS.** It shall be the duty of the Sergeant at Arms to carry out all orders of the House or the Speaker and to perform all other services pertaining to the office of Sergeant at Arms, including maintaining order in the Chamber and supervising entering and exiting from the Chamber and the prompt delivery of messages.

#### ARTICLE VIII – EMPLOYEES OF THE HOUSE

**8.1 APPOINTMENT OF EMPLOYEES.** The Committee on Rules and Legislative Administration shall designate the position of and appoint each employee of the House and set the compensation of each officer and employee. A record of all such appointments, including positions and compensation, shall be kept in the office of the Chief Clerk and shall be open for inspection by the public.

The Committee on Rules and Legislative Administration, by resolution, shall establish the procedure for filling vacancies when the Legislature is not in session.

Any employee of the House may be assigned to other duties, suspended or discharged at any time by the Committee on Rules and Legislative Administration.

No employee of the House shall receive any pay, compensation, gratuity or reward over and above the salary named for the position except upon approval of a three-fourths vote of the whole House.

8.2 DUTIES OF EMPLOYEES. No employee shall make or permit to be made any copy or copies of any journal, bill, paper, file, record, or document in his possession or custody or to which he has access except on request of a member of the House. No person other than a member of the House shall furnish or deliver any journal, bill, paper, file, record, document, or copy thereof to any person other than a member of the House except by or through the Chief Clerk with the approval or under the direction of the Committee on Rules and Legislative Administration, in accordance with these Rules, and upon such terms as such committee shall prescribe.

Any violation of this rule shall be cause for removal or discharge of the offender.

#### ARTICLE IX - GENERAL PROVISIONS

9.1 RULE AS TO CONSTRUCTION. As used in these Rules the terms "majority vote" and "vote of the House" shall mean a majority of members present at the particular time. The term "vote of the whole House" shall mean a majority vote of all the members elected to the House for that particular session of the Legislature.

Singular words used in these Rules shall include the plural, unless the context indicates a contrary intention.

The words "he", "his" and "him" shall be construed to include "she", "hers" and "her" whenever the latter are appropriate.

9.2 MEDIA NEWS REPORTERS. Accredited representatives of the press, press associations, and radio and television stations shall be accorded equal press privileges by the House. Any person wishing to report proceedings of the House may apply to the Committee on Rules and Legislative Administration for a press pass and assignment to suitable available space.

Television stations shall be permitted to televise sessions of the House.

9.3 DEADLINES. In odd-numbered years, committee reports on bills favorably acted upon by a committee in the house of origin after Friday, April 10, and committee reports on bills originating in the other house favorably acted upon by a committee after Tuesday, April 28, shall be referred in the House of Representatives to the Committee on Rules and Legislative Administration for disposition. However, referral is not required after the first deadline when, by the second deadline, a committee acts on a bill that is a companion to a

bill that has then been acted upon by the first deadline in the Senate. This rule does not apply in the House Committees on Appropriations and on Taxes and to the education finance bill in the Committee on Education.

9.4 DISPOSITION OF BILLS. Adjournment of the regular session in any odd-numbered year to a day certain in the following year shall be equivalent to daily adjournment except that any bill on the Consent Calendar, Calendar, Special Orders or General Orders shall be returned to the standing committee last acting on the bill.

9.5 AUTHORIZED MANUAL OF PARLIAMENTARY PROCEDURE. The rules of parliamentary procedure contained in "Mason's Manual of Legislative Procedure" shall govern the House in all applicable cases in which they are not inconsistent with these Rules, the Joint Rules of the Senate and House of Representatives, or established custom and usage.

## MOTIONS AND RESOLUTIONS

Quist moved that his name be stricken as an author on H. F. No. 163. The motion prevailed.

Rukavina moved that the name of Neuenschwander be added as an author on H. F. No. 180. The motion prevailed.

Sparby moved that the name of Segal be added as an author on H. F. No. 224. The motion prevailed.

Simoneau moved that the name of Bennett be added as an author on H. F. No. 245. The motion prevailed.

Schafer moved that the names of Richter and Waltman be added as authors on H. F. No. 260. The motion prevailed.

Stanius moved that the name of Swenson be added as an author on H. F. No. 261. The motion prevailed.

Onnen moved that the name of Olsen, S., be added as an author on H. F. No. 267. The motion prevailed.

Segal moved that the names of Wynia and Solberg be added as authors on H. F. No. 273. The motion prevailed.

Olsen, S., moved that the name of Segal be added as an author on H. F. No. 276. The motion prevailed.

Welle moved that the name of Peterson be added as an author on H. F. No. 284. The motion prevailed.

Vellenga moved that the name of Kelly be added as an author on H. F. No. 286. The motion prevailed.

Segal moved that the names of Olsen, S.; Otis and Trimble be added as authors on H. F. No. 301. The motion prevailed.

Dorn moved that the name of Frederick be added as an author on H. F. No. 305. The motion prevailed.

Pappas moved that the name of Quinn be added as an author on H. F. No. 316. The motion prevailed.

Minne moved that the name of Stanius be added as an author on H. F. No. 329. The motion prevailed.

Schoenfeld moved that the name of Kludt be added as an author on H. F. No. 355. The motion prevailed.

Segal moved that the name of Stanius be added as an author on H. F. No. 358. The motion prevailed.

O'Connor moved that the name of Begich be added as an author on H. F. No. 359. The motion prevailed.

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

Kostohryz moved that H. F. No. 43 be recalled from the Committee on Transportation and be re-referred to the Committee on General Legislation, Veterans Affairs and Gaming. The motion prevailed.

Kostohryz moved that H. F. No. 229 be recalled from the Committee on Transportation and be re-referred to the Committee on General Legislation, Veterans Affairs and Gaming. The motion prevailed.

Clark moved that H. F. No. 363 be recalled from the Committee on Labor-Management Relations and be re-referred to the Committee on Economic Development and Housing. The motion prevailed.

McPherson moved that H. F. No. 364 be recalled from the Committee on Governmental Operations and be re-referred to the Committee on Local and Urban Affairs. The motion prevailed.

Kludt, Bertram, Carruthers, Cooper and O'Connor introduced:

House Resolution No. 15, A House resolution extending congratulations to Todd Paulson of Moorhead, Minnesota, on attaining scouting's Eagle Award.

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

ADJOURNMENT

Vanasek moved that when the House adjourns today it adjourn until 2:00 p.m., Thursday, February 12, 1987. The motion prevailed.

Vanasek moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:00 p.m., Thursday, February 12, 1987.

EDWARD A. BURDICK, Chief Clerk, House of Representatives



## STATE OF MINNESOTA

## SEVENTY-FIFTH SESSION—1987

## THIRTEENTH DAY

SAINT PAUL, MINNESOTA, THURSDAY, FEBRUARY 12, 1987

The House of Representatives convened at 2:00 p.m. and was called to order by Dee Long, Speaker pro tempore of the House.

Prayer was offered by Dr. Joseph Everson, Pastor, Hope Lutheran Church, St. Paul, Minnesota.

The roll was called and the following members were present:

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

A quorum was present.

Anderson, R.; Begich; Johnson, R.; Norton and Solberg were excused.

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

## REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. No. 127 and S. F. No. 85 have been placed in the members' files.

## PETITIONS AND COMMUNICATIONS

The following communication was received:

STATE OF MINNESOTA  
OFFICE OF THE SECRETARY OF STATE  
St. Paul 55155

February 4, 1987

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

The Honorable Jerome M. Hughes  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1987 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1987</i>	<i>Date Filed 1987</i>
95		Resolution No. 1	February 4, 1987	February 4, 1987

Sincerely,

JOAN ANDERSON GROWE  
Secretary of State

## REPORTS OF STANDING COMMITTEES

Kalis from the Committee on Transportation to which was referred:

H. F. No. 91, A bill for an act relating to utilities; enacting the Minnesota pipeline safety act; creating the office of pipeline safety and providing for its powers and duties; granting rulemaking authority to the environmental quality board; authorizing rulemaking for purposes of delegation of federal authority; creating the

pipeline safety advisory commission; regulating the operation of certain pipelines; regulating excavations in the area of buried utilities; providing for a pipeline inspection fee; establishing the pipeline safety fund; requiring a study; providing penalties; appropriating money; amending Minnesota Statutes 1986, sections 116I.02, subdivisions 2 and 3; and 216B.16, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 116I; proposing coding for new law as Minnesota Statutes, chapters 216C and 299J.

Reported the same back with the following amendments:

Page 1, line 23, delete "13" and insert "14"

Page 1, line 28, after the first "under" insert "this section or"

Page 1, line 30, delete "construction" and insert "routing"

Page 1, line 31, delete everything after "and" and insert "shall not set safety standards for the construction of pipelines"

Page 2, line 1, delete "standards"

Page 2, line 1, after the period insert "The board's routing authority does not apply to temporary use of a route for purposes other than installation of a pipeline, to securing survey or geological data, to repair or replacement of an existing pipeline within the existing right-of-way, or to minor relocation of less than three-quarters of a mile of an existing pipeline."

Page 2, line 18, delete "and"

Page 2, line 22, delete the period and insert "; and"

Page 2, after line 22, insert:

"(8) requirements that a person who has constructed a pipeline, to the extent possible, restore the area affected by the pipeline to the natural conditions that existed immediately before construction of the pipeline.

Subd. 4. [EFFECT ON OTHER LAWS.] To assure the paramount and controlling effect of the provisions of this section over other state agencies, regional, county and local governments, and special purpose government districts, the issuance of a pipeline construction permit under this section is the sole site approval required to be obtained for construction of a pipeline. This permit supersedes and preempts all zoning, building, or local land use rules, regulations, or ordinances promulgated by regional, county, local, and special purpose governments."

Page 9, after line 16, insert:

“Sec. 12. Minnesota Statutes 1986, section 299F.56, is amended by adding a subdivision to read:

Subd. 7. “Commissioner” means the commissioner of public safety, acting through the office of pipeline safety.”

Page 9, line 29, delete “12 to 29” and insert “13 to 30”

Page 10, line 9, delete “12 to 29” and insert “13 to 30”

Page 10, line 11, after “safety” insert “acting through the office of pipeline safety except as provided in section 27, subdivision 1”

Page 11, delete lines 13 to 18 and insert:

“Subdivision 1. [OFFICE CREATED.] There is created in the department of public safety a division to be known as the office of pipeline safety. The office of pipeline safety is under the supervision and control of a director, who is appointed by the commissioner and who serves at the commissioner’s pleasure in the unclassified service. The commissioner shall employ in the office of pipeline safety inspectors and other professional and clerical staff who serve in the classified service.”

Page 11, line 31, delete “director of the”

Page 11, line 32, delete “office of pipeline safety” and insert “commissioner”

Page 11, line 36, delete “22” and insert “23”

Page 12, line 2, delete “office” and insert “commissioner”

Page 12, line 4, delete “22” and insert “23”

Page 12, line 5, delete “office” and insert “commissioner”

Page 12, line 6, delete “23” and insert “24”

Page 12, line 30, delete “12 to 29” and insert “13 to 30”

Page 12, line 34, delete “12” and insert “13”

Page 12, line 35, delete “29” and insert “30”

Page 12, line 35, after the period insert "The rules must treat separately and distinguish between hazardous liquid and gas pipelines."

Page 13, line 1, delete "adopt" and insert "consider adoption of"

Page 13, lines 13 and 14, delete "The rules must include provisions for" and insert "The commissioner must consider requiring"

Page 13, line 18, delete "The rules must provide for" and insert "The commissioner must consider requiring"

Page 13, after line 30, insert:

"The rules must treat separately and distinguish between hazardous liquid and gas pipelines."

Page 14, line 6, delete "office of pipeline safety" and insert "commissioner"

Page 14, line 16, delete "director" and insert "commissioner"

Page 14, line 27, delete "seven" and insert "nine"

Page 14, line 29, delete "Two" and insert "Four" after "industry," insert "two each from hazardous liquid and gas pipeline operators," and after "two" insert "members"

Page 14, line 35, delete "director of the office" and insert "commissioner"

Page 15, line 2, delete "director" and insert "commissioner"

Page 15, line 3, delete "12 to 29" and insert "1 to 3, 5 to 11, and 13 to 30"

Page 15, line 4, delete "director" and insert "commissioner"

Page 15, line 29, delete "office" and insert "commissioner" and delete "director" and insert "commissioner"

Page 16, line 2, delete "12 to 29" and insert "13 to 30"

Page 16, line 4, delete "director, the"

Page 16, line 12, delete "12 to 29" and insert "13 to 30"

Page 17, line 2, delete "office" and insert "commissioner"

Page 17, line 10, delete "12 to 29" and insert "13 to 30" and delete "office" in both places and insert "commissioner"

Page 17, line 24, delete "office" and insert "commissioner"

Page 17, line 36, delete "office" and insert "commissioner"

Page 18, line 2, delete "12" and insert "13"

Page 18, line 3, delete "29" and insert "30"

Page 18, line 12, delete "office" and insert "commissioner"

Page 18, line 14, delete "27" and insert "28"

Page 18, line 15, delete "office" and insert "commissioner"

Page 18, line 17, delete "27" and insert "28"

Page 18, line 25, delete "office" and insert "commissioner"

Page 18, line 27, delete "office's" and insert "commissioner's"

Page 18, line 32, delete "office" and insert "commissioner"

Page 19, line 3, delete "office" and insert "commissioner" and delete "15" and insert "16"

Page 19, line 21, delete "director of"

Page 19, line 22, delete everything before "shall" and insert "commissioner"

Page 19, line 25, delete "director" and insert "commissioner"

Page 19, line 29, delete "director" and insert "commissioner"

Page 19, line 30, delete "29" and insert "30"

Page 19, line 32, delete "director" and insert "commissioner"

Page 20, line 4, delete "director" and insert "commissioner"

Page 20, line 17, delete "office" and insert "commissioner"

Page 20, line 18, delete "office" and insert "commissioner"

Page 20, line 19, delete "it" and insert "the commissioner"

Page 20, line 22, delete "office" and insert "commissioner"

Page 20, line 23, delete "it" and insert "the commissioner"

Page 20, line 29, delete "12 to 29" and insert "13 to 30"

Page 21, line 4, delete "director" and insert "commissioner"

Page 21, line 7, delete "12 to 29" and insert "13 to 30"

Page 21, line 8, delete "12 to 29" and insert "13 to 30"

Page 21, line 10, delete "office or director" and insert "commissioner"

Page 21, line 13, delete "27" and insert "28"

Page 21, line 14, delete "office's" and insert "commissioner's"

Page 21, line 17, delete "27" and insert "28"

Page 22, line 26, delete "office" and insert "commissioner"

Page 22, line 27, delete "director" and insert "commissioner" and delete "director's" and insert "commissioner's"

Page 22, line 32, delete "office" and insert "commissioner"

Page 22, line 34, delete "office" and insert "commissioner"

Page 22, line 35, delete "27" and insert "28"

Page 23, line 2, delete "20 or 26" and insert "21 or 27"

Page 23, line 9, delete "24" and insert "25" and delete "office" and insert "commissioner"

Page 23, line 16, delete "20, 24, or 26" and insert "21, 25, or 27"

Page 23, line 20, delete "12 to 29" and insert "13 to 30"

Page 23, line 29, delete "20" and insert "21"

Page 23, line 30, delete "23, 25, 26, and 27" and insert "24, 26, 27, and 28"

Page 23, line 35, delete "office" and insert "commissioner"

Page 24, line 2, delete "12 to 29" and insert "13 to 30" and delete "office" and insert "commissioner"

Page 24, line 5, delete "23" and insert "24"

Page 24, line 7, delete "12 to 29" and insert "13 to 30"

Page 24, line 11, delete "director" and insert "commissioner"

Page 24, line 16, delete "and are" and delete "12 to 29" and insert "13 to 30"

Page 24, line 17, delete everything before the period

Page 24, line 24, delete "13" and insert "14"

Page 24, line 28, delete "12 to 29" and insert "13 to 30" and delete "office" and insert "commissioner of public safety"

Page 24, line 32, delete "18 and 26" and insert "19 and 27"

Renumber the sections in sequence

Correct the internal references

Amend the title as follows:

Page 1, line 14, delete the second "and"

Page 1, line 15, after the semicolon insert "and 299F.56, by adding a subdivision;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Regulated Industries.

The report was adopted.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Reding, Swenson, Forsythe, Kalis and Vellenga introduced:

H. F. No. 402, A bill for an act relating to obscenity; prohibiting the distribution and exhibition of obscene materials and perfor-

mances; prescribing penalties; amending Minnesota Statutes 1986, section 617.241.

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

Kinkel; Johnson, R.; Rukavina; Neuenschwander and Munger introduced:

H. F. No. 403, A bill for an act relating to natural resources; changing certain provisions relating to the sale of state timber; eliminating laws relating to white pine blister rust control and cutting notices; amending Minnesota Statutes 1986, sections 90.101, subdivision 1; 90.121; 90.14; 90.151, subdivisions 1 and 13; 90.161, subdivision 1; 90.173; and 97A.205; repealing Minnesota Statutes 1986, sections 18.431 to 18.436 and 88.13.

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

Wenzel and McEachern introduced:

H. F. No. 404, A bill for an act relating to railroads; requiring stop signs at railroad crossings; amending Minnesota Statutes 1986, sections 219.17; and 219.20.

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

Orenstein, Greenfield, Boo, Onnen and Wynia introduced:

H. F. No. 405, A bill for an act relating to human services; increasing personal needs allowance for residents of certain facilities; amending Minnesota Statutes 1986, section 256B.35, subdivision 1.

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

Clark introduced:

H. F. No. 406, A bill for an act relating to human services; providing standards for investigations of the maltreatment of vulnerable adults; requiring minimum qualifications for complaint investigators; establishing an appeals process; amending Minnesota

Statutes 1986, sections 626.557, subdivisions 2, 3a, 10a, 12, and by adding a subdivision; and 626.559, subdivisions 1, 2, and 3.

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

Milbert introduced:

H. F. No. 407, A bill for an act relating to education; requiring a grant for the all-day kindergarten program in Inver Grove Heights school district; appropriating money.

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

Jacobs introduced:

H. F. No. 408, A bill for an act relating to public safety; clarifying the evidentiary use of partial alcohol concentration breath tests; expanding the crimes of driving a motor vehicle or a motorboat while under the influence of alcohol or certain substances; amending Minnesota Statutes 1986, sections 169.121, subdivisions 1, 2, and 6; 169.123, subdivisions 2, 2a, 3, 4, and 6; 361.12, subdivisions 1, 3, and 4; and 361.121, subdivisions 1, 3, 4, and 7.

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

Segal; Carlson, D.; Greenfield; Vellenga and Gutknecht introduced:

H. F. No. 409, A bill for an act relating to animals; prohibiting theft of dogs or cats for research purposes; regulating dog and cat dealers; prescribing a penalty; amending Minnesota Statutes 1986, sections 347.31; 347.32; 347.33; 347.34; 347.35; 347.37; 347.38; 347.39; and 347.40; proposing coding for new law in Minnesota Statutes, chapter 346.

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

McEachern introduced:

H. F. No. 410, A bill for an act proposing an amendment to the Minnesota Constitution, article X, section 8; permitting the legislature to authorize on-track parimutuel betting on dog racing.

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

McEachern and O'Connor introduced:

H. F. No. 411, A bill for an act relating to usury; reducing allowable interest charges on credit cards and consumer loans; raising the dollar level of the usury law; amending Minnesota Statutes 1986, sections 48.185, subdivision 3; 52.04, subdivision 1; 334.01, subdivision 2; 334.011, subdivision 1; and 334.16, subdivision 1.

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

#### HOUSE ADVISORIES

The following House Advisory was introduced:

Krueger, Skoglund, Kludt, Bishop and Dempsey introduced:

H. A. No. 3, A proposal to study adoption in Minnesota.

The advisory was referred to the Committee on Judiciary.

#### CALENDAR

H. F. No. 1, A bill for an act relating to agriculture; extending and financing the interest rate buy-down program; establishing benefit limits; appropriating money; amending Laws 1986, chapter 398, article 23, section 1, subdivisions 5 and 6, and by adding a subdivision; and section 3, subdivision 5.

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 124 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Clausnitzer	Hartle	Kalis	Marsh
Bauerly	Cooper	Haukoos	Kelly	McDonald
Beard	Dauner	Heap	Kelso	McEachern
Bennett	DeBlicke	Himle	Kinkel	McKasy
Bertram	Dempsey	Hugoson	Kludt	McLaughlin
Blatz	Dille	Jacobs	Knickerbocker	McPherson
Boo	Dorn	Jaros	Knuth	Milbert
Brown	Forsythe	Jefferson	Kostohryz	Miller
Burger	Frederick	Jennings	Krueger	Minne
Carlson, D.	Frerichs	Jensen	Larsen	Morrison
Carlson, L.	Greenfield	Johnson, A.	Lasley	Munger
Carruthers	Gruenes	Johnson, V.	Lieder	Nelson, C.
Clark	Gutknecht	Kahn	Long	Nelson, D.

O'Connor	Pauly	Riveness	Simoneau	Uphus
Ogren	Pelowski	Rodosovich	Skoglund	Valento
Olsen, S.	Peterson	Rose	Sparby	Vanasek
Olson, E.	Poppenhagen	Rukavina	Stanius	Vellenga
Olson, K.	Price	Sarna	Steensma	Voss
Omänn	Quinn	Schafer	Sviggun	Wagenius
Onnen	Quist	Scheid	Swenson	Waltman
Orenstein	Redalen	Schoenfeld	Thiede	Welle
Osthoff	Reding	Schreiber	Tjornhom	Wenzel
Otis	Rest	Seaberg	Tompkins	Winter
Ozment	Rice	Segal	Trimble	Wynia
Pappas	Richter	Shaver	Tunheim	

The bill was passed and its title agreed to.

Pauly was excused at 3:00 p.m.

### GENERAL ORDERS

Pursuant to Rules of the House, the House resolved itself into the Committee of the Whole with Long in the Chair for consideration of bills pending on General Orders of the day. After some time spent therein the Committee arose.

#### REPORT OF THE COMMITTEE OF THE WHOLE

Speaker pro tempore Long resumed the Chair, whereupon the following recommendations of the Committee were reported to the House:

H. F. No. 92 was recommended for progress.

H. F. No. 186 was recommended for re-referral to the Committee on Governmental Operations with the following amendment offered by Marsh:

Pages 3 and 4, delete section 3

Page 7, line 9, after the semicolon insert "and"

Page 7, delete line 10

Page 7, line 11, delete "(6)" and insert "(5)"

Page 8, line 1, delete "7" and insert "6"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 7, delete "3,"

On the motion of Vanasek the report of the Committee of the Whole was adopted.

ROLL CALLS IN COMMITTEE OF THE WHOLE

Pursuant to rule 1.6, the following roll calls were taken in the Committee of the Whole:

Marsh moved to amend H. F. No. 186, as follows:

Pages 3 and 4, delete section 3

Page 7, line 9, after the semicolon insert "and"

Page 7, delete line 10

Page 7, line 11, delete "(6)" and insert "(5)"

Page 8, line 1, delete "7" and insert "6"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 7, delete "3,"

The question was taken on the Marsh amendment and the roll was called. There were 71 yeas and 46 nays as follows:

Those who voted in the affirmative were:

Battaglia	Frederick	McDonald	Omann	Rose
Bauerly	Frerichs	McEachern	Onnen	Sarna
Bennett	Gruenes	McKasy	Orenstein	Schafer
Bertram	Gutknecht	McLaughlin	Osthoff	Schreiber
Bishop	Hartle	McPherson	Ozment	Seaberg
Blatz	Haukoos	Milbert	Pauly	Skoglund
Brown	Heap	Miller	Pelowski	Sparby
Carlson, L.	Himle	Minne	Poppenhagen	Stanius
Clausnitzer	Hugoson	Murphy	Quist	Sviggum
Dauner	Jennings	Nelson, D.	Redalen	Swenson
DeBlieck	Johnson, V.	Nelson, K.	Rest	Thiede
Dempsey	Kelso	O'Connor	Richter	Tjornhom
Dille	Kludt	Olsen, S.	Riveness	Tompkins
Forsythe	Marsh	Olson, E.	Rodosovich	Valento
				Waltman

Those who voted in the negative were:

Anderson, G.	Jefferson	Larsen	Price	Uphus
Beard	Jensen	Lasley	Quinn	Vanasek
Boo	Johnson, A.	Lieder	Reding	Voss
Burger	Kalis	Morrison	Rukavina	Wagenius
Carruthers	Kelly	Nelson, C.	Schoenfeld	Wenzel
Clark	Kinkel	Neuenschwander	Segal	Winter
Cooper	Knickerbocker	Olson, K.	Simoneau	
Dorn	Knuth	Otis	Steensma	
Greenfield	Kostohryz	Pappas	Trimble	
Jacobs	Krueger	Peterson	Tunheim	

The motion prevailed and the amendment was adopted.

Gutknecht moved to amend H. F. No. 186, as amended, as follows:

Page 7, line 7, reinstate the stricken language

Page 7, line 9, delete the semicolon

Page 7, line 11, delete new language

The question was taken on the Gutknecht amendment and the roll was called. There were 62 yeas and 63 nays as follows:

Those who voted in the affirmative were:

Beard	Haukoos	McKasy	Pauly	Swenson
Bennett	Heap	McLaughlin	Peterson	Thiede
Boo	Himle	McPherson	Poppenhagen	Tjornhom
Carlson, L.	Hugoson	Milbert	Quist	Tompkins
Clark	Jacobs	Miller	Rice	Trimble
Clausmitzer	Johnson, V.	Murphy	Richter	Valento
Cooper	Kahn	Nelson, K.	Rodosovich	Voss
DeBlieck	Kinkel	O'Connor	Rose	Waltman
Dempsey	Knickerbocker	Ogren	Schafer	Welle
Dille	Knuth	Olsen, S.	Scheid	Winter
Frederick	Marsh	Onnen	Schreiber	
Frerichs	McDonald	Orenstein	Stanius	
Gutknecht	McEachern	Osthoff	Steensma	

Those who voted in the negative were:

Battaglia	Hartle	Lieder	Pelowski	Simoneau
Bauerly	Jaros	Long	Price	Skoglund
Bertram	Jefferson	Minne	Quinn	Sparby
Bishop	Jensen	Morrison	Redalen	Sviggum
Brown	Johnson, A.	Munger	Reding	Tunheim
Burger	Kalis	Nelson, C.	Rest	Uphus
Carlson, D.	Kelly	Nelson, D.	Riveness	Vanasek
Carruthers	Kelso	Olson, E.	Rukavina	Vellenga
Dauner	Kludt	Olson, K.	Sarna	Wagenius
Dorn	Kostohryz	Omann	Schoenfeld	Wenzel
Forsythe	Krueger	Otis	Seaberg	Wynia
Greenfield	Larsen	Ozment	Segal	
Gruenes	Lasley	Pappas	Shaver	

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

The question was taken on the Marsh motion to re-refer H. F. No. 186, as amended, to the Committee on Governmental Operations and the roll was called. There were 80 yeas and 40 nays as follows:

Those who voted in the affirmative were:

Battaglia	Frerichs	McDonald	Osthoff	Scheid
Beard	Gruenes	McEachern	Ozment	Schreiber
Bennett	Gutknecht	McKasy	Pelowski	Seaberg
Bishop	Hartle	McPherson	Peterson	Shaver
Blatz	Haukoos	Milbert	Poppenhagen	Sparby
Boo	Heap	Miller	Price	Stanius
Carlson, D.	Himle	Minne	Quinn	Steensma
Carlson, L.	Hugoson	Morrison	Quist	Sviggum
Clausnitzer	Jennings	Murphy	Redalen	Swenson
Cooper	Kalis	Nelson, C.	Rest	Thiede
Dauner	Kelso	Nelson, K.	Rice	Tjornhom
DeBlieck	Kinkel	Ogren	Richter	Tompkins
Dempsey	Knuth	Olsen, S.	Rodosovich	Tunheim
Dille	Kostohryz	Omann	Rukavina	Valento
Dorn	Lasley	Onnen	Sarna	Waltman
Frederick	Marsh	Orenstein	Schafer	Winter

Those who voted in the negative were:

Bauerly	Jacobs	Larsen	Reding	Uphus
Bertram	Jefferson	Lieder	Riveness	Vanasek
Brown	Jensen	Long	Rose	Vellenga
Burger	Johnson, A.	McLaughlin	Schoenfeld	Voss
Carruthers	Kelly	Nelson, D.	Segal	Wagenius
Clark	Kludt	O'Connor	Simoneau	Welle
Forsythe	Knickerbocker	Otis	Skoglund	Wenzel
Greenfield	Krueger	Pappas	Trimble	Wynia

The motion prevailed and H. F. No. 186, as amended, was re-referred to the Committee on Governmental Operations.

## MOTIONS AND RESOLUTIONS

Schoenfeld moved that the name of Redalen be added as an author on H. F. No. 210. The motion prevailed.

Rest moved that the name of Stanius be added as an author on H. F. No. 309. The motion prevailed.

Sparby moved that the name of Olson, E., be added as an author on H. F. No. 367. The motion prevailed.

Jefferson moved that the name of Clark be added as an author on H. F. No. 371. The motion prevailed.

Nelson, D., moved that the name of Segal be added as an author on H. F. No. 373. The motion prevailed.

Reding moved that the names of Valento, Price and Jacobs be added as authors on H. F. No. 383. The motion prevailed.

Sviggum moved that the name of Onnen be added as an author on H. F. No. 395. The motion prevailed.

Long moved that the name of Sparby be added as an author on H. F. No. 399. The motion prevailed.

#### ADJOURNMENT

Vanasek moved that when the House adjourns today it adjourn until 2:00 p.m., Monday, February 16, 1987. The motion prevailed.

Vanasek moved that the House adjourn. The motion prevailed, and Speaker pro tempore Long declared the House stands adjourned until 2:00 p.m., Monday, February 16, 1987.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

## STATE OF MINNESOTA

## SEVENTY-FIFTH SESSION—1987

## FOURTEENTH DAY

SAINT PAUL, MINNESOTA, MONDAY, FEBRUARY 16, 1987

The House of Representatives convened at 2:00 p.m. and was called to order by Fred C. Norton, Speaker of the House.

Prayer was offered by the Reverend Delton Krueger, House Chaplain.

The roll was called and the following members were present:

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

A quorum was present.

Kinkel, Swenson and Voss were excused.

Orenstein was excused until 2:45 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Knickerbocker 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.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Segal, Norton, Skoglund, Clausnitzer and Wynia introduced:

H. F. No. 412, A bill for an act relating to insurance; accident and health; providing group coverage for ambulatory mental health services; amending Minnesota Statutes 1986, sections 62A.152; and 62E.06, subdivision 1.

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

Jensen, Kalis, DeBlicke, Seaberg and Johnson, R., introduced:

H. F. No. 413, A bill for an act relating to public safety; increasing taxable gross weight of vehicles at which proof of payment of use tax is required; providing for permits for new vehicles used in events for promotion purposes; changing trip permit conditions; increasing fine for unlawful use of registration plates or certificates; allowing police to give age of parties in traffic accident to media; providing for service of notice of driver's license revocation by court; providing for chemical tests to determine presence of alcohol or controlled substance; prescribing contents of petition for judicial review of driver's license revocation; subjecting alcohol problem assessment rules to administrative procedure act; prescribing actions by drivers on one-way road when emergency vehicle approaching; requiring school buses on one-way, separated roads with shoulders to load and unload without flashing lights; allowing peace officers to weigh pickup towing trailer or semitrailer; providing for \$10 fee for class A classified provisional driver's license; allowing inspection of school buses for approved wheelchair devices; amending Minnesota Statutes 1986, sections 168.013, subdivision 20; 168.187, subdivision 17; 168.36, subdivision 2; 169.09, subdivision 13; 169.121, subdivision 7; 169.123, subdivision 5c; 169.124, subdivision 2; 169.20, subdivision 5; 169.44, subdivision 2; 169.85; 171.06, subdivision 2; and 299A.11; proposing coding for new law in Minnesota Statutes, chapter 168.

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

Frederick, Dorn and Quist introduced:

H. F. No. 414, A bill for an act relating to education; appropriating money to the department of education for the KIDS technology demonstration site at Mankato-St. Peter.

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

Johnson, A.; Reding; Morrison; Simoneau and Jefferson introduced:

H. F. No. 415, A bill for an act relating to state government; regulating the state council for the handicapped; extending the time for appeals by the council from state building code decisions affecting the interests of handicapped persons; changing the name of the council; amending the duties and responsibilities of the council; authorizing the council to initiate or intervene in proceedings affecting handicapped persons; amending Minnesota Statutes 1986, sections 16B.67; and 256.482.

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

Nelson, K.; Segal; Olsen, S., and Kalis introduced:

H. F. No. 416, A bill for an act relating to metropolitan government; permitting regional railroad authorities to engage in certain activities; amending Minnesota Statutes 1986, section 473.398.

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

McLaughlin introduced:

H. F. No. 417, A bill for an act relating to insurance; providing flexibility in the amount of coverages other than for the dwelling under a homeowner's policy; proposing coding for new law in Minnesota Statutes, chapter 65A.

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

Minne, Neuenschwander, Larsen and Brown introduced:

H. F. No. 418, A bill for an act relating to veterans; requiring the commissioner to establish a certification process for veterans service officers; amending Minnesota Statutes 1986, section 197.605, by adding a subdivision.

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

Krueger; Uphus; Bauerly; Nelson, K., and Redalen introduced:

H. F. No. 419, A bill for an act relating to agriculture; clarifying the exceptions to prohibition against manufacture of food from adulterated milk or cream; amending Minnesota Statutes 1986, section 32.21, subdivision 2.

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

Jacobs, Quinn, McLaughlin, Jennings and Scheid introduced:

H. F. No. 420, A bill for an act relating to utilities; regulating certain intrastate gas pipelines; amending Minnesota Statutes 1986, section 216B.08.

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

Ogren introduced:

H. F. No. 421, A bill for an act relating to health; authorizing the commissioner of health to issue subpoenas in certain instances; proposing coding for new law in Minnesota Statutes, chapter 144.

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

Clark, Vellenga and Stanius introduced:

H. F. No. 422, A bill for an act relating to health; health maintenance organizations; requiring disclosure of certain exclusions and limitations on coverage; amending Minnesota Statutes 1986, sections 62D.05, subdivision 2; 62D.07, subdivision 3; and 62D.12, subdivision 1.

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

Brown, Cooper, Wenzel, Sparby and Anderson, G., introduced:

H. F. No. 423, A resolution commending Minnesota's sugar beet growers for their outstanding contributions to the economy and quality of life in Minnesota; memorializing Congress and the United

States Department of Agriculture to continue the current United States Sugar Program.

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

DeBlieck, Simoneau, Kostohryz, Beard and Redalen introduced:

H. F. No. 424, A bill for an act relating to the military; authorizing the adjutant general to delegate certain duties to subordinates; amending Minnesota Statutes 1986, section 190.16, by adding a subdivision.

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

Dempsey introduced:

H. F. No. 425, A bill for an act relating to health; creating an exception to the nursing home moratorium; amending Minnesota Statutes 1986, section 144A.01, subdivision 3.

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

Heap, Jaros and Nelson, K., introduced:

H. F. No. 426, A bill for an act relating to education; making admission to the community college system admission to the AVTI system and vice versa; proposing coding for new law in Minnesota Statutes, chapters 136 and 136C.

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

Rest, Vellenga, Clausnitzer, Dempsey and Kelly introduced:

H. F. No. 427, A bill for an act relating to public safety; providing that violation of local DWI ordinance is counted for purposes of driver's license revocation; providing that courts must report juvenile traffic violations to the department of public safety; amending Minnesota Statutes 1986, sections 169.121, subdivision 4; 171.16, subdivision 5; 171.17; and 260.161, by adding a subdivision; repealing Minnesota Statutes 1986, section 260.193, subdivision 9.

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

Welle; Johnson, A.; Munger; Carlson, D., and Neuenschwander introduced:

H. F. No. 428, A bill for an act relating to transportation; railroads; requiring occupied caboose car on certain trains; requiring caboose car to be equipped with shortwave radio; imposing a penalty; amending Minnesota Statutes 1986, section 219.56; proposing coding for new law in Minnesota Statutes, chapter 219.

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

Marsh, Clausnitzer and Rest introduced:

H. F. No. 429, A bill for an act relating to crimes; allowing the court to sentence defendants up to, and including, the maximum sentence provided by law for the offense of conviction if one or more aggravating factors are present; amending Minnesota Statutes 1986, section 244.10, by adding a subdivision.

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

Milbert, Osthoff, Otis, McKasy and Skoglund introduced:

H. F. No. 430, A bill for an act relating to insurance; regulating terminations of certain agency contracts; requiring companies to attempt to rehabilitate agents before terminating their appointment; regulating these rehabilitation agreements; amending Minnesota Statutes 1986, section 60A.171, subdivisions 1, 3, and by adding a subdivision.

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

Johnson, V.; Schoenfeld; Pelowski and Frederick introduced:

H. F. No. 431, A bill for an act relating to human services; extending the community work experience pilot program; amending Minnesota Statutes 1986, section 256.737, subdivision 1.

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

McEachern; Nelson, K.; Olsen, S.; Kostohryz and Kelso introduced:

H. F. No. 432, A bill for an act relating to education; modifying certain provisions of the compulsory attendance laws; establishing new compulsory attendance requirements; amending Minnesota Statutes 1986, sections 121.11, subdivision 7; 123.935, subdivision 7; 127.19; and 127.20; proposing coding for new law in Minnesota Statutes, chapter 120; repealing Minnesota Statutes 1986, sections 120.10, subdivisions 1, 2, 2a, and 2b; and 120.12.

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

Price, Knuth, McEachern, Wynia and Otis introduced:

H. F. No. 433, A bill for an act relating to education; providing a work curfew for high school students; providing a fine; amending Minnesota Statutes 1986, sections 181A.04, by adding a subdivision; and 181A.12, subdivision 1.

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

Sarna, Ogren, O'Connor, Osthoff and Bishop introduced:

H. F. No. 434, A bill for an act relating to employment; prohibiting employers from restricting the legal off-the-job activities of employees; proposing coding for new law in Minnesota Statutes, chapter 181.

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

Sviggum, Simoneau and McPherson introduced:

H. F. No. 435, A bill for an act relating to workers' compensation; prohibiting benefits for injuries caused by employees use of drugs; amending Minnesota Statutes 1986, section 176.021, subdivision 1.

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

Lieder, Haukoos and Olson, E., introduced:

H. F. No. 436, A bill for an act relating to agriculture; providing minimum standards for seed potatoes; proposing coding for new law in Minnesota Statutes, chapter 21.

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

Pelowski, Bennett, Quinn, McEachern and Olsen, S., introduced:

H. F. No. 437, A bill for an act relating to education; establishing a pilot program to reduce class sizes in kindergarten through third grade; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 124.

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

Segal, Rodosovich, Rose, Shaver and Kelso introduced:

H. F. No. 438, A bill for an act relating to human services; authorizing the commissioner of human services to establish a study committee on problems of elderly persons with mental retardation or related conditions.

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

Wagenius; Kelly; Johnson, A.; Blatz and Bishop introduced:

H. F. No. 439, A bill for an act relating to real estate; providing for clearing title defects in adjacent land; amending Minnesota Statutes 1986, section 508.08.

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

Kelly, Vellenga, Greenfield and Trimble introduced:

H. F. No. 440, A bill for an act relating to probate; enacting the succession without administration provisions of the uniform probate code; proposing coding for new law in Minnesota Statutes, chapter 524.

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

Ozment, Gruenes, Omann, Clausnitzer and Dille introduced:

H. F. No. 441, A bill for an act relating to post-secondary vocational education; removing the date for phasing out the Vietnam veteran's exemption; changing the eligibility requirements; amending Minnesota Statutes 1986, section 136C.13, subdivision 4.

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

Steensma; Nelson, C.; Dille; Winter and DeBlieck introduced:

H. F. No. 442, A bill for an act relating to agriculture; establishing an interest rate buy-down program for agriculture-related small business; appropriating money.

The bill was read for the first time and referred to the Committee on Economic Development and Housing.

Osthoff, Sviggum, Quinn, Kostohryz and Milbert introduced:

H. F. No. 443, A bill for an act relating to taxation; sales and use; exempting state fair admissions; amending Minnesota Statutes 1986, section 297A.25, by adding a subdivision.

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

Sparby, Sarna, Kinkel, Bennett and Price introduced:

H. F. No. 444, A bill for an act relating to insurance; regulating funeral and burial expenses; allowing persons to select funeral or burial services and supplies of their choice; amending Minnesota Statutes 1986, section 72A.325.

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

Neuenschwander; McKasy; Kelly; Anderson, G., and Voss introduced:

H. F. No. 445, A bill for an act relating to commerce; permitting certain charitable trusts to dispose of certain bank assets; proposing coding for new law in Minnesota Statutes, chapter 501.

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

Morrison; Bennett; Frerichs; Johnson, A., and Stanius introduced:

H. F. No. 446, A bill for an act relating to marriage; requiring certain blood tests before marriage; amending Minnesota Statutes 1986, section 517.08, subdivision 1a.

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

Jaros, Heap, Jennings, Jensen and Gruenes introduced:

H. F. No. 447, A bill for an act relating to liquor; authorizing municipalities to permit holders of both on-sale wine and nonintoxicating malt liquor licenses to sell intoxicating malt liquors; amending Minnesota Statutes 1986, section 340A.404, subdivision 5; repealing Laws 1979, chapter 200.

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

Jaros introduced:

H. F. No. 448, A bill for an act relating to automobile insurance; limiting the grounds for cancellation or reduction in limits during the policy period; amending Minnesota Statutes 1986, section 65B.15, subdivision 1.

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

Beard, Riveness, Price, Quinn and Lasley introduced:

H. F. No. 449, A bill for an act relating to economic development; authorizing economic development authorities to construct and furnish buildings; providing for a referendum on an economic development authority's issuance of general obligation bonds; amending Minnesota Statutes 1986, section 458C.14, by adding a subdivision; and section 458C.15, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Economic Development and Housing.

Bertram, Skoglund, Carruthers and Bauerly introduced:

H. F. No. 450, A bill for an act relating to commerce; regulating the advertisement of interest rates of investment products; prescribing the powers and duties of the commissioner; providing for uniformity

in the enforcement powers of the commissioner; prescribing penalties; providing remedies; amending Minnesota Statutes 1986, section 60A.17, subdivision 6c; proposing coding for new law in Minnesota Statutes, chapter 45; repealing Minnesota Statutes 1986, sections 72A.23; 72A.24; 72A.28; 80A.20; 80A.21; 80C.15; 80C.16, subdivision 1; 82.25; 82.26; 83.34; and 83.35, subdivision 3.

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

Neuenschwander introduced:

H. F. No. 451, A bill for an act relating to taxation; individual income; eliminating restrictions on the pension income exclusion; modifying the income offset; amending Minnesota Statutes 1986, section 290.08, subdivision 26.

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

Heap, Poppenhagen, Dille, Tjornhom and Sviggum introduced:

H. F. No. 452, A bill for an act relating to workers' compensation; changing basis of calculating minimum weekly temporary total disability benefits; amending Minnesota Statutes 1986, section 176.101, subdivision 1.

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

O'Connor, Rice, McKasy, Reding and Greenfield introduced:

H. F. No. 453, A bill for an act relating to state investments; limiting investments in companies doing business in Northern Ireland; proposing coding for new law in Minnesota Statutes, chapter 11A.

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

Skoglund, Bishop, Carruthers, Voss and Rodosovich introduced:

H. F. No. 454, A bill for an act relating to insurance; regulating unfair settlement practices of automobile insurers; requiring repairs with original equipment parts; providing an exception; regulating insurance appraisals; revising the truth-in-repairs act to require disclosure of whether new parts are original equipment parts;

amending Minnesota Statutes 1986, sections 72A.20, subdivision 12a; 72B.091, subdivision 2; 325F.56, subdivision 8; and 325F.60, subdivision 1.

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

Pappas, Knuth and Blatz introduced:

H. F. No. 455, A bill for an act relating to state government; providing reimbursement for certain child care expenses incurred in connection with service on state boards, councils, committees, and task forces; amending Minnesota Statutes 1986, sections 15.0575, subdivision 3; 15.059, subdivisions 3 and 6; and 214.09, subdivision 3.

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

Bauerly, Bertram, Kelso and Rukavina introduced:

H. F. No. 456, A bill for an act relating to public health; requiring an itemized billing for hearing aid repairs; amending Minnesota Statutes 1986, section 145.43, by adding a subdivision.

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

Johnson, R.; Simoneau and Knickerbocker introduced:

H. F. No. 457, A bill for an act relating to retirement; public employees retirement association administrative changes; privacy of certain membership data; amending Minnesota Statutes 1986, sections 353.01, subdivisions 2b and 20; 353.03, subdivision 3; 353.27, subdivisions 4, 10, and 12; 353.28, subdivision 5; 353.29, subdivision 8; 353.33, by adding a subdivision; 353.34, by adding a subdivision; 353.36, subdivision 2; 353.64, subdivisions 1 and 2; 353.651, by adding a subdivision; 353.656, subdivision 6, and by adding a subdivision; and 353.657; proposing coding for new law in Minnesota Statutes, chapter 13; repealing Minnesota Statutes 1986, section 353.64, subdivision 6.

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

Simoneau; Knickerbocker; Clark; Johnson, R., and Reding introduced:

H. F. No. 458, A bill for an act relating to retirement; providing that membership in a public pension plan is an enforceable contractual right; proposing coding for new law in Minnesota Statutes, chapter 356.

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

Sviggum, McPherson, Hugoson, Omann and Dille introduced:

H. F. No. 459, A bill for an act relating to workers' compensation; eliminating supplemental benefits for new claims; amending Minnesota Statutes 1986, section 176.132, subdivision 1.

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

Haukoos; Welle; Johnson, V.; McEachern and Price introduced:

H. F. No. 460, A bill for an act relating to motor vehicles; authorizing quarterly registration of trucks; amending Minnesota Statutes 1986, section 168.018.

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

Bennett and Morrison introduced:

H. F. No. 461, A bill for an act relating to education; requiring selective service registration as a prerequisite to enrollment in public post-secondary institutions; proposing coding for new law in Minnesota Statutes, chapter 135A.

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

Segal, Simoneau, Steensma, Winter and Dauner introduced:

H. F. No. 462, A resolution memorializing the United States Congress to maintain the Veteran's Administration system of health care facilities.

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

Simoneau, Knickerbocker, Clark, Larsen and Reding introduced:

H. F. No. 463, A bill for an act relating to retirement; public employees retirement association; lowering vesting standards; amending Minnesota Statutes 1986, sections 353.29, subdivision 1; 353.30, subdivision 1c; 353.32, subdivision 1a; 353.33, subdivision 1; 353.34, subdivision 3; 353.651, subdivision 1; 353.657, subdivision 2a; 353.71, subdivision 1; and 356.30, subdivision 1.

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

Carlson, L.; Skoglund; Greenfield; Carruthers and Haukoos introduced:

H. F. No. 464, A bill for an act relating to insurance; accident and health; increasing the maximum lifetime benefit for major medical coverage; amending Minnesota Statutes 1986, sections 62E.04, subdivision 4; and 62E.06, subdivision 1.

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

Kostohryz, Osthoff, Wynia, Orenstein and Rose introduced:

H. F. No. 465, A bill for an act relating to Ramsey county; providing for a charter commission to recommend a form of county government and providing for its adoption.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Sarna, Seaberg, Scheid, McEachern and Osthoff introduced:

H. F. No. 466, A bill for an act relating to commerce; clarifying unregulated sales of eyeglasses; amending Minnesota Statutes 1986, section 148.56, subdivision 3.

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

Bertram, Bauerly, Lieder, Dille and Redalen introduced:

H. F. No. 467, A bill for an act relating to liability; providing immunity from liability for volunteer fire chiefs; proposing coding for new law in Minnesota Statutes, chapter 604.

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

Swiggum and Onnen introduced:

H. F. No. 468, A bill for an act relating to state government; amending legislative action required to put recommendations of the state compensation council into effect; amending Minnesota Statutes 1986, section 15A.082, subdivision 3.

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

McEachern, Kostohryz, O'Connor, Jacobs and Bishop introduced:

H. F. No. 469, A bill for an act relating to food licenses; regulating certain vending machine inspection fees; amending Minnesota Statutes 1986, section 28A.09, subdivision 1.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Bishop, Jefferson, Orenstein, Greenfield and Krueger introduced:

H. F. No. 470, A bill for an act relating to family law; eliminating the requirement that a husband's consent to donor insemination be filed with the commissioner of health; amending Minnesota Statutes 1986, section 257.56, subdivision 1.

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

Tunheim; Lieder; Johnson, V.; Omann and DeBlieck introduced:

H. F. No. 471, A bill for an act relating to newspapers; providing that only qualified newspapers may accept legal notices for publication; amending Minnesota Statutes 1986, section 331A.02, subdivision 1.

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

Bishop; Vellenga; Anderson, G.; Boo and Long introduced:

H. F. No. 472, A bill for an act relating to health; providing for a declaration of preferences for receiving or refusing health care;

providing penalties; proposing coding for new law in Minnesota Statutes, chapter 145.

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

### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

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

H. F. No. 45, A bill for an act relating to commerce; revising the Uniform Trade Secret Act; clarifying remedies; amending Minnesota Statutes 1986, sections 325C.02; 325C.03; and 325C.07.

PATRICK E. FLAHAVER, Secretary of the Senate

Mr. Speaker:

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

S. F. Nos. 44, 97 and 136.

PATRICK E. FLAHAVER, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 44, A bill for an act relating to highways; abolishing restrictions on disposition of right-of-way of trunk highway No. 15 in St. Cloud; repealing Laws 1986, chapter 387, section 2.

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

S. F. No. 97, A bill for an act relating to frauds; fixing conditions for the legal determination of fraud in property transfers; enacting the uniform fraudulent transfer act; proposing coding for new law in Minnesota Statutes, chapter 513; repealing Minnesota Statutes 1986, sections 513.20; 513.21; 513.22; 513.23; 513.24; 513.25; 513.26; 513.27; 513.28; 513.29; 513.30; 513.31; and 513.32.

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

S. F. No. 136, A bill for an act relating to transportation; school bus safety; providing for amber proceed-with-caution signal for driver-activated student control warning systems; amending Minnesota Statutes 1986, section 169.44, subdivision 1d.

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

### CONSENT CALENDAR

H. F. No. 127, A bill for an act relating to nonprofit corporations; adoption services corporations; providing that pledges to make contributions to reimburse the corporation for expenses shall be voidable at the option of the person making the pledge and payment of expenses shall not be a prerequisite to providing adoption services; amending Minnesota Statutes 1986, section 317.65, subdivision 7.

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

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

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

Winter was excused at 3:00 p.m. Richter was excused at 3:30 p.m.

### GENERAL ORDERS

Pursuant to Rules of the House, the House resolved itself into the Committee of the Whole with Norton in the Chair for consideration of bills pending on General Orders of the day. After some time spent therein the Committee arose.

#### REPORT OF THE COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following recommendations of the Committee were reported to the House:

H. F. No. 92, the first engrossment, which it recommended to pass with the following amendments:

Offered by Schreiber and Minne:

Page 2, line 29, after the period, insert:

“The combined voting power or the value of the shares of stock and other equity positions held by the fund in an entity may not exceed 40 percent of total combined voting power or the total value of all the stock and other equity interests in the entity.”

Offered by Kahn:

Page 3, after line 36, insert:

“Sec. 4. [298.2945] [ADVISORY COMMITTEE REVIEW.]

If the financial viability of a project is dependent upon the production of a product utilizing a technology that must be approved by the Federal Food and Drug Administration, then the additional amount of \$24,000,000 under this act is available for expenditure only upon an affirmative recommendation by a technical advisory committee consisting of local and national scientific and financial experts appointed by the governor. In making this recommendation, the committee must examine factors affecting the financial viability of the proposed product including but not limited to

(1) a determination of the number of clients to be served nationwide;

(2) the overall business plan for expansion within the tax relief area as defined in section 273.134 and the effect this will have on the company's activity at its other locations;

(3) the scientific feasibility of the product and the likelihood that the product that is developed will meet the applicable federal and state standards;

(4) the long-term usefulness of the product;

(5) the likelihood of patent protection.

Members of the committee shall be compensated as provided in section 15.059, subdivision 3. The review under this section replaces the review required under section 298.297."

Page 4, line 33, delete "5" and insert "6"

Renumber remaining sections and change the title accordingly

On the motion of Vanasek the report of the Committee of the Whole was adopted.

#### ROLL CALLS IN COMMITTEE OF THE WHOLE

Pursuant to rule 1.6, the following roll calls were taken in the Committee of the Whole:

Frerichs moved to amend H. F. No. 92, the first engrossment, as amended, as follows:

Page 4, line 24, delete "payments of" and insert a colon

Page 4, after line 24, insert:

"(1) Principal and interest received on loans made pursuant to this section executed after the effective date of this act shall be deposited in the state treasury and credited to the trust until the debt has been satisfied or discharged, or until January 1, 2002.

(2) 50 percent of payments of royalties or other forms of income on property acquired or earnings on investments made after the effective date of this act or with funds appropriated by this act shall be deposited in the state treasury and credited to the trust. The remaining 50 percent of payments of royalties or other forms of

income on property acquired or earnings on investments made after the effective date of this act or with funds appropriated by this act shall be deposited in the state treasury and credited to the reinvest in Minnesota resources fund established under section 84.95.

(3) All principal and interest received, and payments of royalties or other forms of income on property acquired or earnings on investments made after the effective date of this act or with funds appropriated by this act which are due or subject to collection on or after January 1, 2002, shall be deposited in the state treasury and credited to the reinvest in Minnesota resources fund established under section 84.95."

Page 4, delete lines 25 to 27

Page 4, line 28, delete "trust"

The question was taken on the Frerichs amendment and the roll was called. There were 1 yea and 123 nays as follows:

Those who voted in the affirmative were:

Frerichs

Those who voted in the negative were:

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

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

Kahn moved to amend H.F. No. 92, the first engrossment, as amended, as follows:

Page 4, after line 29, insert:

"Of the \$24,000,000 appropriated under this act, \$2,400,000 is immediately available with approval of the technical advisory committee created in section 4 to the private entity that owns or operates the project. An additional \$6,000,000 is available to the private entity for expenditure only upon an affirmative recommendation by the technical advisory committee described in section 4 and only after January 1, 1988. The balance remaining is available to the private entity only upon an affirmative recommendation by the technical advisory committee described in section 4, only after January 1, 1988, and only for expenditure on project costs within the tax relief area defined in section 273.134. For purposes of this subdivision, "project costs" means expenditures for construction, installation, or acquisition of a plant and equipment located in the tax relief area defined in section 273.134, but does not include research or development costs incurred or expended for services in designing or developing the equipment used in the project. Prior to receiving any state contribution, the private entity must provide the commissioner of finance with either (1) a letter of credit from a bank with a credit rating of A or better, or (2) a bond from a licensed insurance company with a credit rating of A or better equal to the amount of the state contribution conveyed to the private entity under this act. The letter of credit or bond shall be forfeited to the state if the plant fails to begin operation by December 31, 1990, or the company declares bankruptcy prior to beginning plant operation. Should forfeiture occur, the amount guaranteed by the letter of credit or the bond shall be transferred by the commissioner of finance to the northeast Minnesota economic protection trust fund."

The question was taken on the Kahn amendment and the roll was called. There were 16 yeas and 102 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Kahn	Onnen	Rose
Forsythe	Knickerbocker	Osthoff	Scheid
Gruenes	Long	Otis	Sviggum
Heap	Olsen, S.	Quist	Vellenga

Those who voted in the negative were:

Anderson, G.	Carruthers	Himle	Kludt	Milbert
Battaglia	Clausnitzer	Hugoson	Knuth	Miller
Bauerly	Cooper	Jacobs	Kostohryz	Minne
Beard	Dauner	Jaros	Krueger	Morrison
Begich	DeBlieck	Jefferson	Larsen	Munger
Bennett	Dempsey	Jennings	Lasley	Murphy
Bertram	Dorn	Jensen	Lieder	Nelson, C.
Bishop	Frederick	Johnson, A.	Marsh	Nelson, D.
Blatz	Frerichs	Johnson, R.	McDonald	O'Connor
Boo	Greenfield	Johnson, V.	McEachern	Ogren
Brown	Gutknecht	Kalis	McKasy	Olson, E.
Burger	Hartle	Kelly	McLaughlin	Olson, K.
Carlson, L.	Haukoos	Kelso	McPherson	Omann

Orenstein	Reding	Schoenfeld	Thiede	Wagenius
Ozment	Rest	Schreiber	Tjornhom	Welle
Pauly	Rice	Seaberg	Tompkins	Wenzel
Pelowski	Riveness	Shaver	Trimble	Wynia
Peterson	Rodosovich	Skoglund	Tunheim	Spk. Norton
Price	Rukavina	Solberg	Uphus	
Quinn	Sarna	Sparby	Valento	
Redalen	Schafer	Stanius	Vanasek	

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

Thiede moved to amend H. F. No. 92, the first engrossment, as amended, as follows:

Page 3, after line 36, insert:

"Subd. 2. [DECLARATION OF TRUST.] Notwithstanding any law to the contrary, all funds however acquired by or whenever appropriated to the fund are declared to be held in an express trust for the public purposes stated in section 298.292. In addition to all other duties in this section, the commissioner and members of the board shall serve in the capacity of trustee, and shall administer the trust within the fiduciary limits of Minnesota Statutes, chapter 501, and all applicable case law relating to the administration of express trusts for charitable, educational, religious, and other public uses. Trust funds may be expended as provided in section 298.293 only to the extent that those expenditures are consistent with the obligations and responsibilities of the trustees.

Subd. 3. [BENEFICIARIES OF EXPRESS TRUST.] All residents of the tax relief area defined by section 273.71 are declared to be beneficiaries of the trust created in subdivision 2, and are jointly and severally granted a cause of action against the trustees to defend the trust against any breach of fiduciary responsibility. For the purposes of this section, "resident" means any person eligible to vote within the area of operation in the election preceding the initiation of an action against the trustees."

Renumber accordingly

Amend the title accordingly

Correct internal references accordingly

The question was taken on the Thiede amendment and the roll was called. There were 41 yeas and 81 nays as follows:

Those who voted in the affirmative were:

Bennett	Carlson, D.	Forsythe	Gruenes	Haukoos
Blatz	Clausnitzer	Frederick	Gutknecht	Heap
Burger	Dempsey	Frerichs	Hartle	Himle

Hugoson	Miller	Quist	Stanius	Valento
Johnson, V.	Morrison	Rose	Sviggun	Waltman
Knickerbocker	Olsen, S.	Schafer	Thiede	
McDonald	Omann	Schreiber	Tjornhom	
McKasy	Onnen	Seaberg	Tompkins	
McPherson	Poppenhagen	Shaver	Uphus	

Those who voted in the negative were:

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

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

Carlson, D., moved to amend H. F. No. 92, the first engrossment, as amended, as follows:

Page 1, after line 8, insert:

"Section 1. Minnesota Statutes 1986, section 298.28, subdivision 11, is amended to read:

Subd. 11. [REMAINDER.] (a) The proceeds of the tax imposed by section 298.24 which remain after the distributions and payments in subdivisions 2 to 10, as certified by the commissioner of revenue, and paragraphs (b) and (c) have been made, together with interest earned on all money distributed under this section prior to distribution, shall be divided between the taconite environmental protection fund created in section 298.223 and the northeast Minnesota economic protection trust fund created in section 298.292 as follows: Two thirds to the taconite environmental protection fund and one third to the northeast Minnesota economic protection trust fund. The proceeds shall be placed in the respective special accounts paid into a special taconite municipal aid account to be administered by the commissioner of revenue. The proceeds of this account (1) shall be paid to the commissioner in the amounts necessary to satisfy the outstanding legal obligations of the northeast Minnesota economic protection trust fund and the taconite environmental trust fund as provided by section 6; and (2) the remainder shall be paid annually on the dates provided in section 477A.015, to each municipality that satisfies the requirements of section 273.134, clause (1) or (2) on a

per capita basis. The amounts paid to municipalities under clause (2) shall be deducted in computing the municipality's property tax levy and levy limits.

(b) There shall be distributed to each city, town, school district, and county the amount that it received under section 294.26 in calendar year 1977; provided, however, that the amount distributed in 1981 to the unorganized territory number 2 of Lake county and the town of Beaver Bay based on the between-terminal trackage of Erie Mining Company will be distributed in 1982 and subsequent years to the unorganized territory number 2 of Lake county and the towns of Beaver Bay and Stony River based on the miles of track of Erie Mining Company in each taxing district.

(c) There shall be distributed to the iron range resources and rehabilitation board the amounts it received in 1977 under section 298.22. The amount distributed under this paragraph shall be expended within or for the benefit of the tax relief area defined in section 273.134."

Page 4, after line 29, insert:

**"Sec. 6. [TRANSITION; OBLIGATIONS OF THE TACONITE ENVIRONMENTAL PROTECTION AND ECONOMIC PROTECTION FUNDS.]**

Any legal binding contract requiring the taconite environmental protection and economic protection funds to pay moneys to a third party is effective and continues until satisfied, if the contract was entered into prior to July 1, 1988. The amounts necessary to satisfy these obligations must be paid by the commissioner of revenue out of the special taconite municipal aids account established under section 1 to the commissioner of iron range resources and rehabilitation. Upon repeal of the funds as provided in section 7, paragraph (b), the amounts remaining in the fund are transferred to the commissioner of revenue for deposit in the special taconite municipal aids account. The amounts transferred may not be distributed to municipalities under Minnesota Statutes, section 298.28, subdivision 11(a)(2) until the commissioner of iron range resources and rehabilitation certifies that the amounts are not needed to meet outstanding obligations of the funds.

**Sec. 7. [INSTRUCTION TO REVISOR.]**

In the 1988 edition of the Minnesota Statutes, the revisor of statutes shall replace all references, including statutory cross references, to the taconite environmental protection fund and the Minnesota northeast economic protection fund, with references to the special taconite municipal aid account created under section 1 and to the appropriate statutory section."

Renumber the sections

Page 4, line 31, before "Laws" insert "(a)"

Page 4, after line 31, insert:

"(b) Minnesota Statutes, sections 298.222; 298.223; 298.224; 298.225; 298.226; 298.28, subdivision 7; 298.291; 298.292; 298.293; 298.294; 298.296; 298.297; and 298.298 are repealed."

Page 4, line 33, after "1" insert "and 8, paragraph (b) are effective July 1, 1988. Sections 2"

Page 4, line 33, after "5" insert "and 8, paragraph (a)"

Further amend the title:

Page 1, line 3, after the semicolon, insert "eliminating the taconite environmental protection fund and the northeast Minnesota economic protection fund; providing for distribution of the production tax revenues as municipal aids;"

Page 1, line 4, after "sections" insert "298.28, subdivision 11;"

Page 1, line 5, after "repealing" insert "Minnesota Statutes, sections 298.222; 298.223; 298.224; 298.225; 298.226; 298.28, subdivision 7; 298.291; 298.292; 298.293; 298.294; 298.296; 298.297; and 298.298; and"

The question was taken on the Carlson, D., amendment and the roll was called. There were 43 yeas and 77 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Forsythe	Hugoson	Omann	Stanius
Bennett	Frederick	Knickerbocker	Onnen	Svigggum
Bishop	Frerichs	Marsh	Pauly	Thiede
Blatz	Gruenes	McDonald	Quist	Tjornhom
Burger	Gutknecht	McKasy	Rose	Uphus
Carlson, D.	Hartle	McPherson	Schafer	Valento
Clausnitzer	Haukoos	Miller	Schreiber	Waltman
Dempsey	Heap	Morrison	Seaberg	
Dille	Himle	Olsen, S.	Shaver	

Those who voted in the negative were:

Anderson, G.	Carruthers	Jaros	Kelly	Lieder
Battaglia	Clark	Jefferson	Kelso	Long
Bauerly	Cooper	Jennings	Kludt	McEachern
Beard	Dauner	Jensen	Knuth	McLaughlin
Begich	DeBlicck	Johnson, A.	Kostohryz	Milbert
Bertram	Dorn	Johnson, R.	Krueger	Minne
Brown	Greenfield	Kahn	Larsen	Munger
Carlson, L.	Jacobs	Kalis	Lasley	Murphy

Nelson, C.	Osthoff	Rest	Solberg	Wagenius
Nelson, D.	Otis	Riveness	Sparby	Welle
Nelson, K.	Pappas	Rodosovich	Steensma	Wenzel
O'Connor	Pelowski	Rukavina	Tompkins	Wynia
Ogren	Peterson	Sarna	Trimble	Spk. Norton
Olson, E.	Price	Scheid	Tunheim	
Olson, K.	Quinn	Schoenfeld	Vanasek	
Orenstein	Reding	Skoglund	Vellenga	

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

#### ADJOURNMENT

Vanasek moved that when the House adjourns today it adjourn until 2:00 p.m., Thursday, February 19, 1987. The motion prevailed.

Vanasek moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:00 p.m., Thursday, February 19, 1987.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

## STATE OF MINNESOTA

## SEVENTY-FIFTH SESSION—1987

## FIFTEENTH DAY

SAINT PAUL, MINNESOTA, THURSDAY, FEBRUARY 19, 1987

The House of Representatives convened at 2:00 p.m. and was called to order by Fred C. Norton, Speaker of the House.

Prayer was offered by the Reverend Steven McKinley, Grace Lutheran Church, Andover, Minnesota.

The roll was called and the following members were present:

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

A quorum was present.

Knickerbocker, Schoenfeld and Solberg were excused.

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

## REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. No. 92 and S. F. Nos. 44, 136 and 97 have been placed in the members' files.

## REPORTS OF STANDING COMMITTEES

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 19, A bill for an act relating to probate; including certain agencies as successors who may collect personal property by affidavit; amending Minnesota Statutes 1986, section 524.3-1201.

Reported the same back with the following amendments:

Page 1, lines 18 to 20, delete the new language and insert "including a county agency with a claim authorized by section 256B.15."

Page 2, after line 9, insert:

"Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment."

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

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

H. F. No. 68, A bill for an act relating to state government; rejecting salary adjustments for legislators recommended by the compensation council.

Reported the same back with the following amendments:

Page 1, line 10, after "legislators" insert "and constitutional officers"

Page 1, after line 11, insert:

"Sec. 2. [LIMIT ON SALARY ADJUSTMENTS.]

Salary adjustments, if any, for legislators and constitutional officers to take effect on January 1, 1989, and January 1, 1990, shall

not be more than the lowest comparable rate of increase in an approved negotiated agreement or arbitration award covering state employees, as determined by the commissioner of employee relations."

Amend the title as follows:

Page 1, line 3, after "legislators" insert "and constitutional officers"

Page 1, line 4, after "council" insert "; limiting salary adjustments for legislators and constitutional officers"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 94, A bill for an act relating to Anoka county; authorizing a certain loan agreement with the commissioner of transportation for the development of new highway No. 10; appropriating money.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [DEFINITIONS.]

Subdivision 1. For the purpose of this act, the following terms have the meanings given them in this section.

Subd. 2. "County board" means the Anoka county board of commissioners.

Subd. 3. "New highway No. 10" means the route approved by the state commissioner of transportation for the relocation of existing trunk highway No. 10 from the boundary between the counties of Ramsey and Anoka to the interchange of state trunk highways Nos. 10 and 610 in the city of Coon Rapids.

Subd. 4. "Highway improvement program" means the commissioner of transportation's highway construction plan which is published biennially in two volumes titled Highway Improvement Program and Highway Improvement Work Plan.

Sec. 2. [LOAN AUTHORIZATION.]

Subdivision 1. [LOAN FOR PRECONSTRUCTION ACTIVITIES.] Upon a majority vote of the county board, Anoka county and the commissioner of transportation may enter into an agreement under which the county agrees to loan, without interest, and to advance money to the commissioner for deposit in the state treasury to the credit of the trunk highway fund. The funds which may be loaned and advanced by the county to the commissioner under such an agreement may be applied as the commissioner deems necessary to the costs of design and engineering activities that precede or include the preparation of a complete set of construction plans for new highway No. 10 that will be issued to prospective bidders.

Subd. 2. [LOAN FOR CONSTRUCTION.] At a time after the commissioner has included the construction of new highway No. 10 in the highway improvement program, and upon a majority vote of the county board, Anoka county and the commissioner may enter into a second agreement under which the county agrees to loan and to advance money to the commissioner. The funds, which will be loaned without interest, will be deposited in the state treasury to the credit of the trunk highway fund. The funds which may be loaned and advanced by the county to the commissioner under such agreement may be applied by the commissioner to the costs of constructing new highway No. 10 as the commissioner deems necessary.

Subd. 3. [SOURCE OF FUNDS.] The funds which may be loaned and advanced by the county to the commissioner under this section may be obtained from the issuance and sale of county bonds authorized by statute in 1987, from any other source of revenue available to the county, or from any municipality or political subdivision which has entered into a joint powers agreement with the county for the purpose authorized in this section.

Subd. 4. [REPAYMENT.] The commissioner shall repay the loaned funds to Anoka county from the trunk highway fund in ten equal annual installments commencing after all contracts for the construction of new highway No. 10 have been awarded by the commissioner. No interest, inflation index, or costs incurred in issuing bonds shall be paid to the county by the commissioner. A sum sufficient for the payments is annually appropriated from the trunk highway fund to the commissioner of transportation.

### Sec. 3. [EFFECTIVE DATE.]

This act takes effect the day after a certificate of local approval is filed by the Anoka county board in compliance with Minnesota Statutes, section 645.021, subdivision 3."

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

The report was adopted.

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

H. F. No. 95, A bill for an act relating to Anoka county; authorizing the issuance of county bonds for capital improvements.

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

The report was adopted.

Otis from the Committee on Economic Development and Housing to which was referred:

H. F. No. 133, A bill for an act relating to economic development; creating an enterprise zone to be designated by the city of Austin.

Reported the same back with the following amendments:

Page 1, delete lines 22 and 23 and insert "The funding limitations contained in Minnesota Statutes, section 273.1314, subdivisions 8 and 8a are increased by \$1,200,000 to provide tax reductions for activities or property located in an enterprise zone designated pursuant to this act. Any other funding limitations contained in Minnesota Statutes, section 273.1314, subdivision 8 do not apply to an enterprise zone designated pursuant to this act. The amount necessary to pay approved tax reductions for an enterprise zone designated pursuant to this act is appropriated to the commissioner of revenue."

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

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 137, A bill for an act relating to criminal procedure; providing a presumption favoring joinder of multiple felony defendants in a single prosecution; permitting the prosecution to offer a rebuttal closing argument; allowing the prosecution and the defense an equal number of peremptory challenges when the offense charged is not punishable by life imprisonment; amending Minnesota Stat-

utes 1986, section 631.07; proposing coding for new law in Minnesota Statutes, chapter 631.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [631.035] [JOINTLY CHARGED DEFENDANTS; SEPARATE OR JOINT TRIALS.]

Subdivision 1. [DETERMINATION BY COURT.] When two or more defendants are jointly charged with a felony, they may be tried separately or jointly in the discretion of the court. In making its determination on whether to order joinder or separate trials, the court shall consider the nature of the offense charged, the impact on the victim, the potential prejudice to the defendant, and the interests of fairness.

Subd. 2. [EFFECT OF STATUTE ON RULES.] Any rule of the Rules of Criminal Procedure conflicting with this section is superseded to the extent of its conflict.

Sec. 2. Minnesota Statutes 1986, section 631.07, is amended to read:

#### 631.07 [ORDER OF FINAL ARGUMENT]

When the giving of evidence is concluded in a criminal trial, unless the case is submitted on either or both sides without argument, the plaintiff shall begin and the defendant conclude the argument to the jury. The prosecution may make a closing argument to the jury. The defense may then make its closing argument to the jury. The prosecution shall then be permitted to reply in rebuttal for up to five minutes, limited to argument which is responsive to the defendant's closing argument and which raises no new issues of law or fact.

#### Sec. 3. [631.221] [PEREMPTORY CHALLENGES.]

If the offense charged is punishable by life imprisonment, the defendant is entitled to 15 and the prosecution to nine peremptory challenges. For any other offense, the defendant and the prosecution are each entitled to five peremptory challenges.

When two or more defendants are tried jointly for an offense, they are entitled collectively to the same number of peremptory challenges as a single defendant who is tried separately. The peremptory challenges shall be exercised jointly by the defendants or shall be apportioned among them in the manner the court directs. However, upon request of the defendants, the court has the discretion to allow

each defendant an equal number of additional peremptory challenges not to exceed two a piece, as it deems necessary to further the interests of justice.

Any rule of the Rules of Criminal Procedure conflicting with this section is superseded to the extent of its conflict.

Sec. 4. [EFFECTIVE DATE.]

Sections 1 to 3 are effective August 1, 1987, and apply to prosecutions commenced on or after that date.

Amend the title as follows:

Page 1, delete line 3 and insert "procedure for ordering joint or separate trials for jointly charged defendants"

Page 1, line 4, delete "defendants in a single prosecution"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 191, A bill for an act relating to the city of St. Stephen; authorizing the issuance of bonds for the construction of a city civic building.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 222, A bill for an act relating to human rights; clarifying certain provisions relating to discrimination in the extension of credit because of sex or marital status; amending Minnesota Statutes 1986, section 363.03, subdivision 8.

Reported the same back with the following amendments:

Page 1, line 21, before the period insert "; or

(3) to require the signature of the spouse of an applicant, or of another person on an application for credit, if the applicant is

creditworthy, provided that the spouse's or other person's signature may be required on a document granting or perfecting a lien on real property or a security interest in personal property in which the spouse or other person has an interest."

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 19, 68, 95, 137, 191 and 222 were read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Quinn, Rodosovich, McEachern, Vanasek and Segal introduced:

H. F. No. 473, A bill for an act relating to education; establishing a pilot program to reduce class sizes in kindergarten through third grade; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 124.

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

Price; Nelson, K.; Nelson, D.; Knuth and Otis introduced:

H. F. No. 474, A bill for an act relating to education; establishing a pilot program to reduce class sizes in kindergarten through third grade; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 124.

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

O'Connor, Clark, McLaughlin, Pappas and Norton introduced:

H. F. No. 475, A bill for an act relating to neighborhood revitalization; providing for the creation of urban revitalization action

programs for the cities of Minneapolis and Saint Paul; providing a low-income housing credit; providing for changes in certain special assessment payment procedures; appropriating money; amending Minnesota Statutes 1986, sections 290.06, by adding a subdivision; and 429.061, subdivision 2.

The bill was read for the first time and referred to the Committee on Economic Development and Housing.

Clark, Pappas and Jefferson introduced:

H. F. No. 476, A bill for an act relating to neighborhood revitalization; providing for the creation of urban revitalization action programs for the cities of Minneapolis and Saint Paul; providing a low-income housing credit; providing for changes in certain special assessment payment procedures; appropriating money; amending Minnesota Statutes 1986, sections 290.06, by adding a subdivision; and 429.061, subdivision 2.

The bill was read for the first time and referred to the Committee on Economic Development and Housing.

Larsen and Tunheim introduced:

H. F. No. 477, A bill for an act relating to education; establishing the state board for subbaccalaureate education; prescribing powers; transferring functions; requiring report; proposing coding for new law as Minnesota Statutes, chapter 136E.

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

Olsen, S.; Blatz; Carruthers; Morrison and Marsh introduced:

H. F. No. 478, A bill for an act relating to public safety; establishing state reimbursement program for purchases of soft body armor by and for peace officers; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 299A.

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

Olsen, S.; Heap; Hugoson; McPherson and Tompkins introduced:

H. F. No. 479, A bill for an act relating to education; providing an incentive to encourage school districts to reduce certain class sizes in

kindergarten through third grade; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 124.

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

Stanius introduced:

H. F. No. 480, A bill for an act relating to education; changing the second tier foundation aid component; revising the reduction to second tier revenue; amending Minnesota Statutes 1986, section 124A.08, subdivision 5.

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

Stanius introduced:

H. F. No. 481, A bill for an act relating to education; requiring students to pay for courses taken for secondary credit under the post-secondary enrollment options act; amending Minnesota Statutes 1986, sections 123.3514, subdivisions 4, 4a, 5, 6a, 10, and by adding a subdivision; and 124.195, subdivision 9; repealing Minnesota Statutes 1986, section 123.3514, subdivisions 6, 7, and 8.

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

Haukoos and Frerichs introduced:

H. F. No. 482, A bill for an act relating to education; establishing the state board of technical colleges; prescribing powers, transferring functions; requiring report; proposing coding for new law as Minnesota Statutes, chapter 136E.

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

Carlson, D., introduced:

H. F. No. 483, A bill for an act relating to the city of Brook Park; raising the city debt limit.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Kelly introduced:

H. F. No. 484, A bill for an act relating to taxation; property; expanding the eligibility of disabled property owners for the 1a property classification; amending Minnesota Statutes 1986, section 273.13, subdivision 22.

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

Kalis, Munger, Redalen and Rose introduced:

H. F. No. 485, A bill for an act relating to agriculture; strengthening the pesticide laws; imposing penalties; appropriating money; amending Minnesota Statutes 1986, sections 18A.21, subdivisions 1, 4, 5, 7, 8, 10, 12, 16, 19, 20, 21, 22, 23, 27, 29, 30, 31, 32, 33, 34, 35, 36, and by adding subdivisions; 18A.22, subdivisions 1, 2, 5, 7, and 8; 18A.23; 18A.24; 18A.25; 18A.27; 18A.28, subdivisions 1, 2, 3, 4, and by adding a subdivision; 18A.29, subdivisions 1, 3, and by adding subdivisions; 18A.30; 18A.31; 18A.32; 18A.33; 18A.34; 18A.35; 18A.37; 18A.39; 18A.41; 18A.42; 18A.43; 18A.44; and 18A.45; proposing coding for new law in Minnesota Statutes, chapter 18A; repealing Minnesota Statutes 1986, sections 18A.26; 18A.28, subdivisions 5 and 6; 18A.29, subdivision 2; and 18A.36.

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

Reding, Morrison, Long, Munger and Skoglund introduced:

H. F. No. 486, A bill for an act relating to taxation; income; requiring that the nongame wildlife checkoff appear on the short income tax return; amending Minnesota Statutes 1986, section 290.39, subdivision 3.

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

Peterson; O'Connor; Price; Nelson, C., and Kinkel introduced:

H. F. No. 487, A bill for an act relating to commerce; regulating membership camping practices; prohibiting certain advertising practices; establishing escrow requirements; regulating subdivided land sales practices; prohibiting certain advertising practices; amending Minnesota Statutes 1986, sections 82A.02, subdivisions 2, 10, and 19; 82A.04, subdivision 2; 82A.09, by adding a subdivision; 82A.11, subdivision 3; 82A.21; and 82A.24, subdivisions 3 and 6;

proposing coding for new law in Minnesota Statutes, chapters 82A and 83.

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

Long, Quinn, Boo and Reding introduced:

H. F. No. 488, A bill for an act relating to charitable gambling; requiring the board to pay a percentage of the gross receipts tax to local units of government for enforcement purposes; amending Minnesota Statutes 1986, section 349.212, subdivision 2.

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

Solberg introduced:

H. F. No. 489, A bill for an act relating to local government; authorizing annexation proceedings for certain land between the city of Nashwauk and the town of Nashwauk.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

McLaughlin, Long, Sarna and Clark introduced:

H. F. No. 490, A bill for an act relating to elections; increasing the size of the board of education of special school district No. 1 of the city of Minneapolis to nine members; providing for six members to be elected by districts; amending Laws 1959, chapter 462, section 3, subdivision 1, as amended and renumbered.

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

Price, Beard and Swenson introduced:

H. F. No. 491, A bill for an act relating to Washington county; authorizing the issuance of county bonds for capital improvements.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Sparby, Sarna, Kinkel, O'Connor and Bennett introduced:

H. F. No. 492, A bill for an act relating to commerce; regulating the distribution and sale of motor vehicles; limiting the granting or relocating of certain franchises; specifying the circumstances to be considered; removing certain regulations on nonrenewals; amending Minnesota Statutes 1986, section 80E.14, subdivision 2; repealing Minnesota Statutes 1986, section 80E.10.

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

Olson, K.; Segal; Voss; Dempsey and Pappas introduced:

H. F. No. 493, A bill for an act relating to transportation; commercial motor vehicles; mandating development of a testing and licensing program for commercial motor vehicle drivers; requiring a report to the legislature.

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

Wynia; Cooper; Kelso; Anderson, R., and Jennings introduced:

H. F. No. 494, A bill for an act relating to human services; providing for the establishment of a supported employment program in developmental achievement centers; appropriating money; amending Minnesota Statutes 1986, sections 252.021; 252.21; 252.23; and 252.24, subdivision 2.

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

Rodosovich; Cooper; Anderson, R.; Jennings and Gruenes introduced:

H. F. No. 495, A bill for an act relating to human services; providing for an increase in the number of days of developmental achievement center services reimbursed by medical assistance; providing for establishment of new payment rates; amending Minnesota Statutes 1986, section 256B.501, subdivision 5.

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

Jacobs introduced:

H. F. No. 496, A bill for an act relating to workers' compensation; providing for determination of permanent total disability compensation; amending Minnesota Statutes 1986, sections 176.101, subdivision 4; and 176.645, subdivision 1.

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

Johnson, R.; Sarna; Nelson, C., and Simoneau introduced:

H. F. No. 497, A bill for an act relating to retirement; giving employing units an option on the rule of 85; proposing coding for new law in Minnesota Statutes, chapter 356.

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

Solberg; Quinn; Johnson, R., and Minne introduced:

H. F. No. 498, A bill for an act relating to education; requiring the Minnesota state high school league to provide for television coverage of athletic events on a statewide basis; amending Minnesota Statutes 1986, section 129.121, by adding a subdivision.

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

Nelson, D.; Osthoff; Larsen; Knuth and Shaver introduced:

H. F. No. 499, A bill for an act relating to metropolitan government; changing the treatment of current value credits and modifying the cost allocation system of the metropolitan waste control commission; providing for a reserve fund for the commission; authorizing appointment of advisory committees by the commission; authorizing an implementation period for transition to a new cost allocation system; amending Minnesota Statutes 1986, sections 473.511, subdivision 4; and 473.517, subdivisions 1, 2, 3, and 9; repealing Minnesota Statutes 1986, section 473.517, subdivisions 4, 5, and 7.

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

Riveness, Kostohryz, Reding, Quinn and Olsen, S., introduced:

H. F. No. 500, A bill for an act relating to lawful gambling; regulating allowable expenses; authorizing certain liability insurance expenses attributable to the conduct of lawful gambling; requiring verification; amending Minnesota Statutes 1986, section 349.15.

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

Carlson, D., introduced:

H. F. No. 501, A bill for an act relating to game and fish; allowing raccoon dog field trials to tree raccoons during certain periods by permit; amending Minnesota Statutes 1986, section 97B.621, subdivision 2.

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

Jennings, Greenfield, Lieder, Bertram and Johnson, V., introduced:

H. F. No. 502, A bill for an act relating to counties; allowing counties to assign duties relating to vital statistics; allowing counties to charge fees for services; providing conditions for emergency contracts; amending Minnesota Statutes 1986, sections 144.214, subdivision 1; 375.21, subdivision 1; and 375.48, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 373; repealing Minnesota Statutes 1986, section 375A.07.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Olsen, S.; Stanius; Carlson, D.; Boo and Ozment introduced:

H. F. No. 503, A bill for an act relating to health; establishing a statewide cancer surveillance system; providing for rule authority to administer the system and collect and distribute data; appropriating money; amending Minnesota Statutes 1986, sections 144.68; and 144.69; proposing coding for new law in Minnesota Statutes, chapter 144; repealing Minnesota Statutes 1986, sections 144.66; and 144.67.

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

Solberg, Munger, Clark and Carlson, D., introduced:

H. F. No. 504, A bill for an act relating to taxation; cigarettes and tobacco products; increasing the tax; providing for apportionment of tax proceeds; amending Minnesota Statutes 1986, sections 297.02, subdivision 1; 297.13, subdivision 1; and 297.32, subdivisions 1, 2, and 9.

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

Rodosovich introduced:

H. F. No. 505, A bill for an act relating to state lands; authorizing conveyance of certain state easement.

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

Wynia, Greenfield, Kelso, Gruenes and Dorn introduced:

H. F. No. 506, A bill for an act relating to human services; providing reimbursement for costs of semi-independent living services for persons with mental retardation or related conditions; amending Minnesota Statutes 1986, section 252.275, subdivisions 1, 2, 4, and 7.

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

Rodosovich, Vellenga, Vanasek, Welle and Sviggum introduced:

H. F. No. 507, A bill for an act relating to unemployment compensation; regulating fraud; providing penalties; amending Minnesota Statutes 1986, section 268.18, subdivision 3.

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

Jefferson, Riveness and Knuth introduced:

H. F. No. 508, A bill for an act relating to housing; providing for administration of the state's low-income housing credit; authorizing the Minnesota housing finance agency to participate in certain housing construction projects and in certain nonprofit corporations; authorizing the sale or rental of certain housing property; providing definitions; providing for the issuance of certain bonds and notes;

amending Minnesota Statutes 1986, sections 462A.03, subdivision 14; 462A.05, subdivisions 14, 21, and by adding subdivisions; 462A.06, subdivisions 7 and 12; 462A.08, subdivisions 1 and 3; and 462A.18, subdivision 2.

The bill was read for the first time and referred to the Committee on Economic Development and Housing.

Peterson; O'Connor; Anderson, G.; Price and Rose introduced:

H. F. No. 509, A bill for an act relating to education; creating the Minnesota education trust; proposing coding for new law in Minnesota Statutes, chapter 135A.

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

Jensen, Morrison, Tompkins, Ozment and Milbert introduced:

H. F. No. 510, A bill for an act relating to Dakota county; providing for the creation, organization, powers, and duties of a personnel system; proposing coding for new law as Minnesota Statutes, chapter 383D.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Dorn, Frederick and Schoenfeld introduced:

H. F. No. 511, A bill for an act relating to appropriations; appropriating money for demonstration project involving production of butanol and ethanol from sweet sorghum.

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

Trimble, Pappas, Rukavina, Otis and Dille introduced:

H. F. No. 512, A bill for an act relating to energy conservation; appropriating certain funds to the department of jobs and training for low-income energy conservation programs; appropriating money.

The bill was read for the first time and referred to the Committee on Economic Development and Housing.

Kelly and Carruthers introduced:

H. F. No. 513, A bill for an act relating to search and seizure; requiring enforcement officers to have probable cause before entering certain buildings to determine whether wild animals are stored in compliance with the game and fish laws; amending Minnesota Statutes 1986, section 97A.215, subdivision 1.

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

Quinn, McEachern, Cooper, Norton and Carlson, D., introduced:

H. F. No. 514, A bill for an act relating to school districts; permitting school district employees to participate in the state insurance plan; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 43A.

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

Carruthers, Vellenga, Welle, Blatz and Clausnitzer introduced:

H. F. No. 515, A bill for an act relating to traffic regulations; removing exemptions regarding alcohol-or controlled substance-related activities of persons engaged in work upon the highway; amending Minnesota Statutes 1986, section 169.03, subdivision 6.

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

Wynia, Segal, Ozment, Simoneau and Dauner introduced:

H. F. No. 516, A bill for an act relating to human services; creating the office of ombudsman for mental health; defining terms; establishing the office of ombudsman; providing for the powers and duties of the ombudsman; creating the ombudsman committee; creating the mental health board; requiring reporting of abuse and neglect to the ombudsman for mental health; amending Minnesota Statutes 1986, sections 13.66; 626.556, subdivision 10, and by adding a subdivision; and 626.557, subdivision 11, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 245.

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

Kelly, McLaughlin, Blatz, Carruthers and Seaberg introduced:

H. F. No. 517, A bill for an act relating to crimes; authorizing the metropolitan transit commission to hire peace officers to police its routes and properties; amending Minnesota Statutes 1986, section 473.405, by adding a subdivision.

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

Simoneau, Battaglia, Long, McKasy and Schreiber introduced:

H. F. No. 518, A bill for an act relating to local government; regulating the development, imposition, and management of state mandates upon local political subdivisions; proposing coding for new law as Minnesota Statutes, chapter 468.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Orenstein, Kostohryz, Kelly and Valento introduced:

H. F. No. 519, A bill for an act relating to tort claims; including the state agricultural society in the definition of state; amending Minnesota Statutes 1986, section 3.732, subdivision 1.

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

Krueger; Bishop; Nelson, K.; Morrison and Dorn introduced:

H. F. No. 520, A bill for an act relating to education; appropriating money to the state university board for women's intercollegiate athletic programs.

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

Jennings; Anderson, R.; Johnson, R.; Munger and Battaglia introduced:

H. F. No. 521, A bill for an act relating to lake improvement districts; providing for notice of their annual meetings; amending Minnesota Statutes 1986, section 378.545, subdivision 2.

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

Nelson, D., introduced:

H. F. No. 522, A bill for an act relating to motor vehicles; abolishing authority to appoint corporations as deputy registrars; providing for transfer of appointments of corporations as deputy registrars to individuals under certain conditions; amending Minnesota Statutes 1986, section 168.33, subdivision 2.

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

Ogren, Norton, Scheid and Osthoff introduced:

H. F. No. 523, A bill for an act relating to elections; changing certain voter registration procedures to increase voter participation; providing for a computerized central registration system, voter registration forms in state income tax forms and booklets, and a combined voter registration, driver's license, and identification card form; appropriating money; amending Minnesota Statutes 1986, sections 201.021; 201.054, subdivision 1; 201.061, subdivision 1; 201.071, subdivision 4; 201.081; 201.121, subdivision 1; 201.13; 201.15; 201.161; 201.171; 201.221, subdivision 2; 290.39, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 201.

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

## CALENDAR

H. F. No. 92, A bill for an act relating to taxation; providing for expenditure of proceeds of the taconite production tax; amending Minnesota Statutes 1986, sections 298.292; 298.293; 298.294; and 298.296, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 298; repealing Laws 1986, chapter 441, section 14.

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 99 yeas and 24 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Bennett	Brown	Cooper	Frederick
Battaglia	Bertram	Carlson, D.	Dauner	Greenfield
Bauerly	Bishop	Carlson, L.	DeBlieck	Gruenes
Beard	Blatz	Carruthers	Dempsey	Hartle
Begich	Boo	Clark	Dorn	Himle

Jacobs	Krueger	O'Connor	Reding	Steensma
Jaros	Larsen	Ogren	Rest	Tompkins
Jefferson	Lasley	Olson, E.	Richter	Trimble
Jennings	Lieder	Olson, K.	Riveness	Tunheim
Jensen	Marsh	Omann	Rodosovich	Uphus
Johnson, A.	McEachern	Orenstein	Rose	Valento
Johnson, R.	McKasy	Osthoff	Rukavina	Vanasek
Johnson, V.	McLaughlin	Ozment	Sarna	Voss
Kalis	Milbert	Pauly	Scheid	Waltman
Kelly	Minne	Pelowski	Schreiber	Welle
Kelso	Munger	Peterson	Seaberg	Wenzel
Kinkel	Murphy	Poppenhagen	Segal	Winter
Kludt	Nelson, C.	Price	Shaver	Wynia
Knuth	Nelson, D.	Quinn	Skoglund	Spk. Norton
Kostohryz	Nelson, K.	Redalen	Sparby	

Those who voted in the negative were:

Burger	Hugoson	Miller	Quist	Thiede
Clausnitzer	Kahn	Morrison	Schafer	Tjornhom
Dille	Long	Olsen, S.	Stanius	Vellenga
Forsythe	McDonald	Onnen	Sviggum	Wagenius
Heap	McPherson	Otis	Swenson	

The bill was passed and its title agreed to.

## MOTIONS AND RESOLUTIONS

McKasy moved that his name be stricken as an author on H. F. No. 42. The motion prevailed.

Pelowski moved that the names of Vanasek, Reding and Frerichs be added as authors on H. F. No. 114. The motion prevailed.

Bishop moved that the name of Battaglia be added as an author on H. F. No. 294. The motion prevailed.

Beard moved that the name of Neuenschwander be added as an author on H. F. No. 300. The motion prevailed.

Tjornhom moved that his name be stricken as an author on H. F. No. 362. The motion prevailed.

McLaughlin moved that the name of Ogren be added as an author on H. F. No. 366. The motion prevailed.

Knickerbocker moved that the name of Skoglund be added as an author on H. F. No. 370. The motion prevailed.

Wenzel moved that the name of Omann be added as an author on H. F. No. 404. The motion prevailed.

Clark moved that the names of Segal and Greenfield be added as authors on H. F. No. 406. The motion prevailed.

McEachern moved that the name of Olsen, S., be added as an author on H. F. No. 411. The motion prevailed.

Johnson, V., moved that the name of Anderson, R., be added as an author on H. F. No. 431. The motion prevailed.

Morrison moved that the name of Frerichs be stricken and the name of Long be added as an author on H. F. No. 446. The motion prevailed.

Jaros moved that the name of O'Connor be added as an author on H. F. No. 448. The motion prevailed.

Neuenschwander moved that the name of Segal be added as an author on H. F. No. 451. The motion prevailed.

Pappas moved that the names of Clark and Trimble be added as authors on H. F. No. 455. The motion prevailed.

Bauerly moved that the name of Tjornhom be added as an author on H. F. No. 456. The motion prevailed.

Bennett moved that the name of Miller be added as an author on H. F. No. 461. The motion prevailed.

Simoneau moved that H. F. No. 95, now on Technical General Orders, be re-referred to the Committee on Taxes. The motion prevailed.

Kostohryz moved that H. F. No. 305 be recalled from the Committee on Local and Urban Affairs and be re-referred to the Committee on General Legislation, Veterans Affairs and Gaming. The motion prevailed.

Trimble moved that H. F. No. 368 be recalled from the Committee on Commerce and be re-referred to the Committee on Environment and Natural Resources. The motion prevailed.

McEachern moved that H. F. No. 331 be recalled from the Committee on Education and be re-referred to the Committee on Higher Education. The motion prevailed.

McEachern moved that H. F. No. 341 be recalled from the Committee on Education and be re-referred to the Committee on Higher Education. The motion prevailed.

Olsen, S., introduced:

House Resolution No. 16, A House resolution congratulating the city of Hopkins on its centennial.

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

Waltman introduced:

House Resolution No. 17, A House resolution congratulating the Watchmen boys cross country team from Elgin-Millville High School for winning the 1986 Minnesota Class A cross country meet title.

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

Segal; Johnson, A.; Nelson, C.; Bauerly and Hartle introduced:

House Resolution No. 18, A House resolution commending the Minnesota American Legion and American Legion Auxiliary on the establishment of a \$2 million Brain Science Chair project.

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

Morrison introduced:

House Resolution No. 19, A House resolution congratulating the Bravettes of Burnsville High School for winning first place in the 1987 State High School Class AAA Danceline Competition.

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

Krueger, Pappas, Wynia, Seaberg and Bishop introduced:

House Resolution No. 20, A House resolution creating a House Intern Program; providing for the duties, complement, assignment, and compensation of interns.

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

## ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the following change in committee assignments:

Future and Technology: Remove the name of Bauerly.

## ADJOURNMENT

Vanasek moved that when the House adjourns today it adjourn until 2:00 p.m., Monday, February 23, 1987. The motion prevailed.

Vanasek moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:00 p.m., Monday, February 23, 1987.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

## STATE OF MINNESOTA

## SEVENTY-FIFTH SESSION — 1987

## SIXTEENTH DAY

SAINT PAUL, MINNESOTA, MONDAY, FEBRUARY 23, 1987

The House of Representatives convened at 2:00 p.m. and was called to order by Fred C. Norton, Speaker of the House.

Prayer was offered by Pastor Dick Hegal, Good Shepherd Lutheran Church, Plainview, Minnesota.

The roll was called and the following members were present:

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

A quorum was present.

Jensen; Kelso; McDonald; Morrison; Munger; Murphy; Nelson, C.; Olson, E.; Quist and Rodosovich were excused.

Miller was excused until 2:15 p.m. Wenzel was excused until 2:20 p.m. Hugoson was excused until 2:50 p.m.

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

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

#### REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 191, 19, 68, 137 and 222 have been placed in the members' files.

#### REPORTS OF STANDING COMMITTEES

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

H. F. No. 81, A bill for an act relating to local government; providing for the use of certain city reserve funds; amending Minnesota Statutes 1986, section 471.572, subdivision 3.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

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

H. F. No. 82, A bill for an act relating to the city of White Bear Lake; permitting the establishment of special service districts in the city and providing taxing and other authority.

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

The report was adopted.

Voss from the Committee on Taxes to which was referred:

H. F. No. 135, A resolution memorializing the President and Congress to adopt legislation permitting state and local governments to require out-of-state sellers to collect sales and use taxes.

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

The report was adopted.

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

H. F. No. 289, A bill for an act relating to the city of St. Paul; setting the maximum amounts and other conditions for the issuance of capital improvement bonds; amending Laws 1971, chapter 773, section 1, subdivision 2, as amended; and section 2, as amended.

Reported the same back with the following amendments:

Page 2, line 15, after "exceed" insert "\$530,000 in 1988,"

Page 2, after line 31, insert:

"Sec. 3. [REPEALER.]

Laws 1963, chapter 881, as amended by Laws 1967, chapter 499, Laws 1969, chapter 923, Laws 1971, chapter 321, Laws 1973, chapter 395, and Laws 1975, chapter 260, is repealed."

Renumber the remaining section

Amend the title as follows:

Page 1, line 6, before the period insert "; repealing Laws 1963, chapter 881, as amended"

With the recommendation that when so amended the bill pass.

The report was adopted.

## **SECOND READING OF HOUSE BILLS**

H. F. Nos. 81, 135 and 289 were read for the second time.

## **INTRODUCTION AND FIRST READING OF HOUSE BILLS**

The following House Files were introduced:

Johnson, R.; Jefferson; Cooper; Kludt and Johnson, A., introduced:

H. F. No. 524, A bill for an act relating to health; requiring licensure of home care agencies; providing a home care bill of rights; providing a complaint procedure for home care clients; appropriating money; amending Minnesota Statutes 1986, sections 144.335,

subdivision 1; 144.699, subdivision 2; 144A.51, subdivision 6, and by adding a subdivision; 144A.52, subdivision 3; 144A.53, subdivisions 1, 2, 3, and 4; 144A.54, subdivision 1; 256B.04, by adding a subdivision; 364.09; and 626.557, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 144A.

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

Voss introduced:

H. F. No. 525, A bill for an act relating to taxation; changing sales and use tax definitions; changing and eliminating sales tax exemptions; exempting sales of products purchased with food stamps from sales tax; providing that motor vehicle excise tax proceeds are credited to the general fund; requiring proof of sales tax payment before license of watercraft; amending Minnesota Statutes 1986, sections 297A.01, subdivisions 3, 4, 8, 10, and 15; 297A.18; 297A.211, subdivision 2; 297A.25, subdivisions 7, 11, 12, and by adding a subdivision; 297A.256; 297B.01, subdivision 8; 297B.03; 297B.031; 297B.09, subdivision 1; 361.03, by adding a subdivision; repealing Minnesota Statutes 1986, sections 270.89; 297A.25, subdivisions 13, 16, and 19; and 360.654.

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

Welle, Rodosovich, Cooper, Kinkel and Lasley introduced:

H. F. No. 526, A bill for an act relating to human services; authorizing the department of human services to enter into shared service agreements; amending Minnesota Statutes 1986, section 246.57, subdivisions 1, 2, and by adding a subdivision; repealing Minnesota Statutes 1986, sections 246.57, subdivision 3; 246.61; 246.62; and 246.63.

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

Cooper, Greenfield, Wynia, Rodosovich and Kelso introduced:

H. F. No. 527, A bill for an act relating to human services; clarifying methods of determining cost of care at regional treatment centers; clarifying responsibility for setting rates and collecting payment for cost of care at state nursing homes; allowing commissioner of human services to collect insurance settlements; amending Minnesota Statutes 1986, sections 246.50, subdivisions 3, 4a, 5, 7, and by adding a subdivision; 246.51; 246.511; and 251.011, subdivi-

sion 6; proposing coding for new law in Minnesota Statutes, chapter 246.

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

Voss introduced:

H. F. No. 528, A bill for an act relating to taxation; increasing the minimum in lieu tax on aircraft; providing for the assessment and establishing the rate of tax on airline flight property; providing for a reduced assessment for quiet aircraft; providing for inspection and establishing specifications for petroleum products; imposing excise tax on railroad fuels; changing aviation fuel tax rates; changing the rate and limiting deed tax deductions and exemptions; abolishing mortgage registry tax; providing for the administration of deed tax and pull-tab tax; changing definitions relating to petroleum, cigarette, tobacco, and gross earnings taxes and unfair cigarette sales act; changing filing, refund, recordkeeping, liability, reporting, security, appeal, and payment requirements and dates for various taxes; granting powers to the commissioner of revenue; authorizing sales of pull-tabs to Indian tribes; delaying telephone gross earnings tax phase out; phasing out telegraph gross earnings tax; taxing long distance earnings; restricting use of rebates for cigarette sales; authorizing revocation of licenses; increasing age limit for importing liquor; authorizing county lodging taxes; authorizing method of shipment of cigarette stamps; taxing tobacco products sold to correctional institutions; increasing cigarette and tobacco tax rates; imposing interest; imposing penalties; appropriating money; amending Minnesota Statutes 1986, sections 40A.152, subdivision 1; 239.10; 270.074, subdivision 3; 270.075, subdivision 1; 270.10, subdivision 4; 287.21, subdivision 1; 287.22; 287.23; 287.25; 287.29, subdivision 1; 295.01, subdivision 10; 295.32; 295.34, subdivision 1; 295.39; 295.40; 295.41; 295.43; 296.02, subdivision 2, and by adding a subdivision; 296.025, by adding a subdivision; 296.17, subdivisions 3, 7, and 11; 297.01, subdivisions 2, 4, 7, and 10; 297.02, subdivisions 1 and 6; 297.03, subdivisions 1, 5, and 6; 297.04, subdivisions 4, 6, and 9; 297.07, subdivisions 1, 3, 4, and 5; 297.23, subdivision 1; 297.31, subdivisions 2, 3, and 7; 297.32, subdivisions 1, 2, and 8; 297.33, subdivisions 4 and 5; 297.35, subdivisions 1, 3, 5, and 8; 297.36; 297C.03, subdivision 1, and by adding a subdivision; 297C.04; 297C.05, subdivision 2; 297C.06; 297C.09; 325D.30; 325D.32, subdivisions 4, 10, 11, and 12; 325D.33, subdivisions 1, 2, and by adding subdivisions; 325D.38, subdivision 1; 325D.40, subdivision 1; 349.212, subdivision 4; 349.2121, subdivisions 4, 6, 7, and by adding subdivisions; 360.531, subdivision 2; 477A.018, subdivisions 1, 2, 3, 6, and by adding a subdivision; Laws 1985, First Special Session chapter 14, article 3, section 18; proposing coding for new law in Minnesota Statutes, chapters 239; 270; 294; 297; 297C; 349; repealing Minnesota Statutes 1986, sections 287.01; 287.02; 287.03;

287.04; 287.05; 287.06; 287.07; 287.08; 287.09; 287.10; 287.11; 287.12; 295.32; 295.33; 295.34; 295.36; 295.365; 295.366; 296.04, subdivisions 1, 2, 3, and 4; 296.05; 296.07; 296.13; 296.17, subdivision 12; 296.18, subdivisions 4, 5, 6, and 7; 296.22; 296.28; 297.07, subdivision 6; 297.23, subdivision 5; 297.35, subdivisions 4, 6, and 7; 297C.03, subdivisions 2 and 3; 297C.05, subdivision 4; 325D.41; and Laws 1985, First Special Session chapter 14, article 14.

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

Voss, Norton, Vanasek, Rest and McLaughlin introduced:

H. F. No. 529, A bill for an act relating to taxation; individual income, updating provisions to the Internal Revenue Code of 1986; eliminating or simplifying certain modifications, exclusions, deductions, credits, carryovers, and basis adjustments; reducing income tax rates; defining terms; making technical corrections and administrative changes; appropriating money; amending Minnesota Statutes 1986, sections 10A.31, subdivisions 1, 3, and by adding a subdivision; 16A.275; 290.01, subdivisions 7, 19, 20, and by adding subdivisions; 290.032, subdivisions 1 and 2; 290.06, subdivisions 2c and 2d; 290.067, subdivision 1; 290.077, subdivision 1; 290.081; 290.091, subdivisions 1 and 4; 290.095, subdivisions 9 and 11; 290.10; 290.12, by adding a subdivision; 290.131, by adding a subdivision; 290.134, by adding a subdivision; 290.14; 290.15; 290.16, subdivision 1a; 290.17, subdivision 2; 290.23, subdivisions 3 and 5; 290.31, subdivisions 2, 3, 5, and by adding a subdivision; 290.37, subdivisions 1 and 3; 290.38; 290.39, subdivision 3; 290.431; 290.45, subdivisions 1 and 2; 290.48, subdivision 10; 290.491; 290.92, subdivisions 2a, 4a, 5, 5a, and 6; 290.93, subdivision 10; 290.9726, subdivisions 1, 2, and 4; and 290.974; repealing Minnesota Statutes 1986, sections 290.01, subdivisions 20a, 20b, 20f, 21, and 24; 290.013; 290.06, subdivisions 3f, 3g, and 11; 290.067, subdivisions 2, 3, 4, and 5; 290.077, subdivision 3; 290.079; 290.08; 290.085; 290.088; 290.089; 290.09; 290.091, subdivisions 2 and 3; 290.12, subdivision 4; 290.139; 290.17, subdivision 1a; 290.18, subdivision 2; and 290.9726, subdivisions 3, 5, and 6.

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

Bauerly, Kinkel, Kelso, McLaughlin and Krueger introduced:

H. F. No. 530, A bill for an act relating to health; requiring licensure of home care agencies; providing a home care bill of rights; providing a complaint procedure for home care clients; appropriating money; amending Minnesota Statutes 1986, sections 144.335, subdivision 1; 144.699, subdivision 2; 144A.51, subdivision 6, and by

adding a subdivision; 144A.52, subdivision 3; 144A.53, subdivisions 1, 2, 3, and 4; 144A.54, subdivision 1; 256B.04, by adding a subdivision; 364.09; and 626.557, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 144A.

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

Rice, Battaglia, Scheid, Forsythe and Riveness introduced:

H. F. No. 531, A bill for an act relating to Hennepin county; authorizing the issuance of bonds for capital improvements and an annual levy for debt retirement; proposing coding for new law in Minnesota Statutes, chapter 383B.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Jensen; Sarna; Jacobs; Carlson, D., and Johnson, V., introduced:

H. F. No. 532, A bill for an act relating to public safety; motorized bicycles; establishing standards for the safe operation of motorized bicycles; amending Minnesota Statutes 1986, sections 65B.001, by adding a subdivision; 65B.43, subdivision 13; 168.011, subdivision 27; 169.01, subdivision 4a; 169.223; 171.01, subdivision 20; and 171.02, subdivision 3.

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

Bishop, Minne, Pauly, Pelowski and Scheid introduced:

H. F. No. 533, A bill for an act relating to taxation; imposing nondiscrimination requirements on private golf clubs qualifying for taxation under the open space property tax law; amending Minnesota Statutes 1986, section 273.112, subdivisions 3 and 7a.

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

Nelson, D.; Kelly; Welle; Carruthers and Dempsey introduced:

H. F. No. 534, A bill for an act relating to the collection and dissemination of data; classifying data; proposing classifications of data as private, nonpublic, and protected nonpublic; clarifying issues relating to the administration of data; amending Minnesota Statutes 1986, sections 13.03, subdivision 3; 13.04, subdivision 2;

13.38, by adding a subdivision; 13.39, subdivision 3; 13.43, by adding a subdivision; 13.46, subdivisions 1, 2, 7, and by adding a subdivision; and 13.76; proposing coding for new law in Minnesota Statutes, chapter 13; repealing Minnesota Statutes 1986, section 13.89.

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

Tunheim and Sparby introduced:

H. F. No. 535, A bill for an act relating to education; providing for partnerships in education grants; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 129B.

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

Dempsey, Orenstein and Welle introduced:

H. F. No. 536, A bill for an act relating to courts; setting uniform fees in probate proceedings; amending Minnesota Statutes 1986, section 525.033.

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

Murphy and Ogren introduced:

H. F. No. 537, A bill for an act relating to retirement; authorizing a deferred annuity for a certain former public employee.

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

Murphy and Begich introduced:

H. F. No. 538, A bill for an act relating to malt beverages; defining terms; requiring registration numbers and records; providing a penalty; proposing coding for new law in Minnesota Statutes, chapter 340A.

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

Vellenga, Greenfield, Sviggum and Wynia introduced:

H. F. No. 539, A bill for an act relating to human services; extending subsidized adoption program; amending Minnesota Statutes 1986, section 259.40, subdivisions 1, 2, and 3.

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

Miller; Battaglia; Carlson, D.; Sparby and Neuenschwander introduced:

H. F. No. 540, A bill for an act relating to game and fish; prohibiting harassment of hunters and anglers; providing penalties; proposing coding for new law in Minnesota Statutes, chapter 97A.

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

Orenstein introduced:

H. F. No. 541, A bill for an act relating to trusts; establishing the community trust for persons with severe chronic disabilities act; proposing coding for new law in Minnesota Statutes, chapter 501.

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

Welle; Johnson, V.; Kalis; Tunheim and Dempsey introduced:

H. F. No. 542, A bill for an act relating to transportation; providing an alternative procedure to record town roads; proposing coding for new law in Minnesota Statutes, chapter 164.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Simoneau, Kalis, Welle, DeBlieck and Olsen, S., introduced:

H. F. No. 543, A bill for an act relating to civil actions; providing for the reduction of awards because of payments from certain collateral sources; requiring a separate hearing on the issue; requiring the court to inform the jury of collateral sources; authorizing the periodic payment of judgments; removing the dollar limitation on recovery for intangible loss; amending Minnesota Statutes 1986, sections 548.36, subdivisions 1, 2, 3, and 5; proposing coding for new

law in Minnesota Statutes, chapter 548; repealing Minnesota Statutes 1986, section 549.23.

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

Dauner; DeBlieck; Johnson, R.; Scheid and Milbert introduced:

H. F. No. 544, A bill for an act relating to state government; regulating the salaries of constitutional officers and legislators.

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

Trimble, Begich, Jennings, Waltman and Reding introduced:

H. F. No. 545, A bill for an act relating to natural resources; revising qualifications for the office of director of the division of waters; amending Minnesota Statutes 1986, section 105.40, subdivision 1.

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

Ogren; Riveness; Tompkins; Anderson, G., and Tjornhom introduced:

H. F. No. 546, A bill for an act relating to insurance; health and accident; requiring health maintenance organizations to provide chiropractic care; amending Minnesota Statutes 1986, section 62D.02, subdivision 7.

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

Bishop; Norton; Anderson, G.; Simoneau and Schreiber introduced:

H. F. No. 547, A bill for an act relating to state government; creating a legislative commission on fiscal policy; appropriating money; 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.

Pelowski, Dorn, Kelso, Kludt and Omann introduced:

H. F. No. 548, A bill for an act relating to the legislature; creating a silver-haired legislature program assisted by the Minnesota board on aging; 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.

Minne, Rukavina, Begich and Battaglia introduced:

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

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

Kludt, Bishop, Orenstein and Quinn introduced:

H. F. No. 550, A bill for an act relating to real property; providing for prima facie effect of certain statements in an acknowledgment; authorizing owners to create tenancies in common by direct conveyances to themselves and others; permitting the severance of joint tenancies by direct conveyances between spouses; providing for time limits upon actions relating to certain estates in real property; providing for validation of certain conveyances executed by religious corporations; amending Minnesota Statutes 1986, sections 500.19, subdivision 4; 519.06; 519.09; and 519.101; Laws 1971, chapter 26; proposing coding for new law in Minnesota Statutes, chapter 358.

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

Kalis, Dempsey, Olson, K., and Quinn introduced:

H. F. No. 551, A bill for an act relating to courts; repealing the provision that allows the supreme court to determine whether a vacant judicial office is necessary or can be abolished; repealing Minnesota Statutes 1986, section 2.722, subdivision 4.

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

Kalis; Dempsey; Olson, K., and Quinn introduced:

H. F. No. 552, A bill for an act relating to courts; suspending operation for three years of the provision that allows the supreme court to determine whether a vacant judicial office is necessary or can be abolished; amending Minnesota Statutes 1986, section 2.722, by adding a subdivision.

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

Rodosovich and Vanasek introduced:

H. F. No. 553, A bill for an act relating to education; creating a revolving fund for receipts and expenditures for services, seminars, and conferences at the academies for the blind and deaf; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 128A.

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

Rukavina; Johnson, R.; Hugoson; Shaver and Ogren introduced:

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

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

Carruthers, Marsh, Orenstein, Milbert and Dempsey introduced:

H. F. No. 555, A bill for an act relating to crimes; prohibiting giving peace officers false names; prescribing penalties; proposing coding for new law in Minnesota Statutes, chapter 609.

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

Jefferson, Greenfield, Wynia, Gruenes and Swenson introduced:

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

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

Kelso, Wynia, Gruenes, Dorn and Jefferson introduced:

H. F. No. 557, A bill for an act relating to state departments and agencies; renaming the mental retardation division of the department of human services; amending Minnesota Statutes 1986, section 245.072.

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

Dauner, Jefferson, Rodosovich, Cooper and Gruenes introduced:

H. F. No. 558, A bill for an act relating to human services; regulating work activities of handicapped persons in state facilities; amending Minnesota Statutes 1986, section 246.56, subdivision 2.

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

Jacobs, Uphus and Bertram introduced:

H. F. No. 559, A bill for an act relating to taxation; reducing the sales tax on beer and liquor; amending Minnesota Statutes 1986, section 297A.02, subdivision 3; repealing Minnesota Statutes 1986, section 297A.02, subdivision 3.

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

Ogren, Voss, Vanasek, Sviggum and Dempsey introduced:

H. F. No. 560, A bill for an act relating to taxation; property; clarifying certain requirements on the homestead application; amending Minnesota Statutes 1986, section 273.124, subdivision 13.

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

Nelson, D.; Kelly and Dempsey introduced:

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

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

Kelso, Sviggum, Dorn, Segal and Orenstein introduced:

H. F. No. 562, A bill for an act relating to human services; creating a grant program of caregiver support services; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 245.

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

Minne introduced:

H. F. No. 563, A bill for an act relating to independent school district No. 701; authorizing a permanent fund transfer.

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

Long, Quinn, Clark, Kahn and Greenfield introduced:

H. F. No. 564, A resolution memorializing the Federal Energy Regulatory Commission; expressing the Legislature's opposition to Northern States Power Company's application to install additional hydropower generating facilities at the Falls of St. Anthony in Minneapolis, Minnesota.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Long, Otis, Skoglund, Kahn and Greenfield introduced:

H. F. No. 565, A bill for an act relating to municipal electric power; defining city within the meaning of the act; extending the power of eminent domain of municipal power agencies to include existing hydroelectric generating facilities to protect the natural, historical, ecological or aesthetic value of other waterways; amending Minnesota Statutes 1986, sections 453.52, subdivision 3; and 453.56.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Knuth introduced:

H. F. No. 566, A bill for an act relating to public safety; authorizing executive council, under federal law, to repair state property damaged by major disaster; dedicating receipts from criminal justice datacommunications network billings; appropriating video gaming license fees to commissioner of public safety for disbursement to munic-

ipalities; amending Minnesota Statutes 1986, sections 9.061, subdivision 1; 299C.48; and 349.52, subdivisions 2 and 3.

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

Knuth; Voss; Quinn; Johnson, R., and Bishop introduced:

H. F. No. 567, A resolution memorializing the President and Congress to give states more authority to regulate interstate pipelines and to improve federal regulation of pipelines.

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

Jefferson, Clark, DeBlieck and Cooper introduced:

H. F. No. 568, A bill for an act relating to the collection and dissemination of data; classifying data; proposing classifications of data as private, nonpublic, and protected nonpublic; amending Minnesota Statutes 1986, sections 13.43, by adding a subdivision; 13.46, by adding a subdivision; and 13.76; proposing coding for new law in Minnesota Statutes, chapter 13.

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

Rukavina, Neuenschwander, Battaglia, Kelso and Sparby introduced:

H. F. No. 569, A bill for an act relating to natural resources; authorizing additions to and deletions from certain state parks and waysides; abolishing Old Crossing Treaty State Wayside and Rice Lake State Wayside; amending Minnesota Statutes 1986, section 85.012, subdivision 57; repealing Minnesota Statutes 1986, sections 85.013, subdivisions 19 and 21a, and 138.55, subdivision 6.

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

Wagenius; Trimble; Johnson, A., and Larsen introduced:

H. F. No. 570, A bill for an act relating to natural resources; requiring written notice to the commissioner of natural resources of the vacation of roads, highways, streets, alleys, and similar public grounds that terminate at or abut upon any public water; amending

Minnesota Statutes 1986, sections 161.16, subdivision 6; 163.11, by adding a subdivision; 164.07, subdivision 2; 412.851; 440.13; 440.135, subdivision 2; and 505.14.

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

Pappas and Nelson, K., introduced:

H. F. No. 571, A bill for an act relating to education; requiring the state board of education to study its school desegregation rules and recommend changes.

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

Pappas introduced:

H. F. No. 572, A bill for an act relating to drivers' licenses; providing for administrative review of refusal or delay in issuing limited license; amending Minnesota Statutes 1986, section 171.30, by adding a subdivision.

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

Sparby, Tunheim and Lieder introduced:

H. F. No. 573, A bill for an act relating to finance; allowing remaining funds in Red River of the North dike appropriation to be used for planning and engineering.

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

Riveness, Voss, Lasley and Johnson, A., introduced:

H. F. No. 574, A bill for an act relating to manufactured homes; defining terms; prohibiting certain unilateral permanent physical improvements; clarifying the termination of a park lease for substantial annoyance to other residents; regulating park closings; requiring an impact report; providing for a public hearing; creating a right of first refusal; providing for a right to redeem possession for

failing to comply with a rule; clarifying remedies; amending Minnesota Statutes 1986, sections 327C.01, by adding subdivisions; 327C.03, subdivision 3; 327C.05, subdivision 2; 327C.09, subdivisions 1 and 5, and by adding a subdivision; 327C.11, subdivision 2, and by adding a subdivision; and 327C.15; proposing coding for new law in Minnesota Statutes, chapter 327C; repealing Minnesota Statutes 1986, section 327C.09, subdivision 9.

The bill was read for the first time and referred to the Committee on Economic Development and Housing.

Sparby, Steensma, Brown, Redalen and Wenzel introduced:

H. F. No. 575, A resolution memorializing the President and Congress to immediately direct the Farmers Home Administration to participate in and cooperate with the Farmer-Lender Mediation Program in the State of Minnesota.

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

Sparby, Sarna, Bennett and Frerichs introduced:

H. F. No. 576, A bill for an act relating to commerce; regulating securities; restricting certain charges made by investment advisors and broker dealers; providing for the denial, suspension, and revocation of licenses and the censure of licensees; exempting the sale of certain stock of a closely-held corporation; exempting certain industrial revenue bond transactions; regulating real estate brokers and salespersons; prohibiting commission-splitting and rebating on timeshare and other recreational lands; providing for continuing education of brokers; regulating licensees acting as principals; regulating business corporations; providing for the indemnification of certain persons against expenses and liabilities; regulating abandoned property; establishing a presumption of abandonment for certain profits or sums held by a cooperative; regulating the preparation and retention of abstracts of title to real property; transferring the powers and duties of the commissioner for the regulation of social and charitable organizations to the attorney general; amending Minnesota Statutes 1986, sections 80A.06, subdivision 5; 80A.07, subdivision 1; 80A.14, subdivision 18; 80A.15, subdivision 2; 82.17, subdivision 4; 82.19, subdivision 3; 82.21, subdivision 1; 82.22, subdivision 6; 82.24, subdivision 2; 82.34, subdivision 19; 302A.161, subdivision 22; 345.39; 386.375; and 302A.521, by adding a subdivision; repealing Minnesota Statutes 1986, section 309.55.

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

**MESSAGES FROM THE SENATE**

The following message was received from the Senate:

Mr. Speaker:

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

S. F. Nos. 62, 87 and 168.

PATRICK E. FLAHAVEN, Secretary of the Senate

**FIRST READING OF SENATE BILLS**

S. F. No. 62, A bill for an act relating to agriculture; appropriating money for a deficiency in the interest rate buy-down program.

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

S. F. No. 87, A bill for an act relating to tort claims; including the state agricultural society in the definition of state; amending Minnesota Statutes 1986, section 3.732, subdivision 1.

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

S. F. No. 168, A bill for an act relating to human rights; clarifying certain provisions relating to discrimination in the extension of credit because of sex or marital status; amending Minnesota Statutes 1986, section 363.03, subdivision 8.

The bill was read for the first time.

Bishop moved that S. F. No. 168 and H. F. No. 222, now on the Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

**CONSENT CALENDAR**

H. F. No. 19, A bill for an act relating to probate; including certain agencies as successors who may collect personal property by affidavit; amending Minnesota Statutes 1986, section 524.3-1201.

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

The question was taken on the passage of the bill and the roll was called. There were 113 yeas and 0 nays as follows:

Those who voted in the affirmative were:

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

The bill was passed and its title agreed to.

H. F. No. 191, A bill for an act relating to the city of St. Stephen; authorizing the issuance of bonds for the construction of a city civic building.

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 116 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Carruthers	Gutknecht	Kalis	McEachern
Anderson, R.	Clark	Hartle	Kelly	McKasy
Battaglia	Clausnitzer	Haukoos	Kinkel	McLaughlin
Bauerly	Cooper	Heap	Kludt	McPherson
Beard	Dauner	Himle	Knickerbocker	Milbert
Begich	DeBlicek	Jacobs	Knuth	Minne
Bennett	Dempsey	Jaros	Kostohryz	Nelson, D.
Bertram	Dille	Jefferson	Krueger	Neuenschwander
Bishop	Dorn	Jennings	Larsen	O'Connor
Blatz	Forsythe	Johnson, A.	Lasley	Ogren
Boo	Frederick	Johnson, R.	Lieder	Olsen, S.
Burger	Frerichs	Johnson, V.	Long	Olson, K.
Carlson, L.	Gruenes	Kahn	Marsh	Omann

Onnen	Redalen	Schoenfeld	Sviggunn	Voss
Orenstein	Reding	Schreiber	Swenson	Wagenius
Otis	Rest	Seaberg	Thiede	Waltman
Ozment	Rice	Segal	Tjornhom	Welle
Pappas	Richter	Shaver	Tompkins	Winter
Pauly	Riveness	Simoneau	Trimble	Wynia
Pelowski	Rose	Skoglund	Tunheim	Spk. Norton
Peterson	Rukavina	Solberg	Uphus	
Poppenhagen	Sarna	Sparby	Valento	
Price	Schafer	Stanisus	Vanasek	
Quinn	Scheid	Steensma	Vellenga	

The bill was passed and its title agreed to.

### GENERAL ORDERS

Pursuant to Rules of the House, the House resolved itself into the Committee of the Whole with Norton in the Chair for consideration of bills pending on General Orders of the day. After some time spent therein the Committee arose.

#### REPORT OF THE COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following recommendations of the Committee were reported to the House:

H. F. No. 137 was recommended for progress until Monday, March 2, 1987.

H. F. No. 68, the first engrossment, which it recommended to pass with the following amendments:

Offered by Richter; McPherson; Tjornhom; Waltman; Valento; Uphus; Burger; Olsen, S.; Clausnitzer and Onnen:

Page 1, delete lines 14 to 20 and insert:

“Sec. 2. [NO SALARY INCREASE FOR LEGISLATORS AND CONSTITUTIONAL OFFICERS.]

Notwithstanding any other law, there shall be no salary increase for legislators and constitutional officers that takes effect in calendar years 1989 and 1990. This provision prevails over any conflicting provision of law subsequently enacted.”

Amend the title as follows:

Page 1, delete line 5 and insert "prohibiting any salary adjustment for legislators and constitutional officers before January 1, 1991"

Page 1, line 6, delete everything before the period

Offered by Carlson, D.:

Page 1, line 12, after "legislators" insert ", judges"

Page 1, line 5 of the Richter amendment, after "legislators" insert ", judges"

Amend the title accordingly

On the motion of Vanasek the report of the Committee of the Whole was adopted.

#### ROLL CALLS IN COMMITTEE OF THE WHOLE

Pursuant to rule 1.6, the following roll calls were taken in the Committee of the Whole:

Richter; McPherson; Tjornhom; Waltman; Valento; Uphus; Burger; Olsen, S.; Clausnitzer and Onnen moved to amend H. F. No. 68, the first engrossment, as follows:

Page 1, delete lines 14 to 20 and insert:

"Sec. 2. [NO SALARY INCREASE FOR LEGISLATORS AND CONSTITUTIONAL OFFICERS.]

Notwithstanding any other law, there shall be no salary increase for legislators and constitutional officers that takes effect in calendar years 1989 and 1990. This provision prevails over any conflicting provision of law subsequently enacted."

Amend the title as follows:

Page 1, delete line 5 and insert "prohibiting any salary adjustment for legislators and constitutional officers before January 1, 1991"

Page 1, line 6, delete everything before the period

The question was taken on the Richter et al amendment and the roll was called. There were 67 yeas and 52 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Forsythe	Knuth	Pelowski	Sviggum
Bauerly	Frederick	Krueger	Poppenhagen	Swenson
Beard	Frerichs	Marsh	Price	Thiede
Bertram	Gruenes	McKasy	Redalen	Tjornhom
Blatz	Hartle	McPherson	Rest	Tompkins
Boo	Haukoos	Milbert	Richter	Uphus
Brown	Himle	Miller	Rose	Valento
Burger	Jennings	Olsen, S.	Schafer	Wagenius
Carlson, D.	Johnson, A.	Olson, K.	Schoenfeld	Waltman
Clausnitzer	Johnson, R.	Omann	Schreiber	Wenzel
Cooper	Johnson, V.	Onnen	Seaberg	Winter
Dauner	Kalis	Orenstein	Shaver	
DeBleeck	Kinkel	Ozment	Stanius	
Dempsey	Kludt	Pauly	Steensma	

Those who voted in the negative were:

Anderson, G.	Gutknecht	McEachern	Peterson	Sparby
Battaglia	Jacobs	McLaughlin	Quinn	Trimble
Begich	Jaros	Minne	Reding	Tunheim
Bennett	Jefferson	Nelson, D.	Rice	Vanasek
Bishop	Kahn	Nelson, K.	Riveness	Vellenga
Carlson, L.	Kelly	Neuenschwander	Rukavina	Voss
Carruthers	Kostohryz	O'Connor	Sarna	Wynia
Clark	Larsen	Ogren	Segal	Spk. Norton
Dille	Lasley	Osthoff	Simoneau	
Dorn	Lieder	Otis	Skoglund	
Greenfield	Long	Pappas	Solberg	

The motion prevailed and the amendment was adopted.

Carlson, D., moved to amend H. F. No. 68, the first engrossment, as amended, as follows:

Page 1, line 12, after "legislators" insert "2 judges"

Page 1, line 5 of the Richter amendment, after "legislators" insert "2 judges"

Amend the title accordingly

The question was taken on the Carlson, D., amendment and the roll was called. There were 67 yeas and 49 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Carlson, D.	Frederick	Haukoos	Johnson, V.
Bauerly	Clark	Frerichs	Heap	Kahn
Begich	Clausnitzer	Greenfield	Jaros	Kinkel
Bertram	Dauner	Gruenes	Jennings	Knuth
Brown	DeBleeck	Gutknecht	Johnson, A.	Kostohryz
Burger	Dille	Hartle	Johnson, R.	Krueger

Lasley	Olsen, S.	Rose	Stanius	Voss
Marsh	Omann	Rukavina	Steensma	Wagenius
McLaughlin	Pelowski	Schafer	Sviggum	Waltman
McPherson	Redalen	Schoenfeld	Swenson	Wenzel
Miller	Reding	Segal	Thiede	Winter
Minne	Rest	Skoglund	Tjornhom	
Nelson, D.	Richter	Solberg	Tunheim	
Nelson, K.	Riveness	Sparby	Uphus	

Those who voted in the negative were:

Anderson, G.	Jacobs	Milbert	Pappas	Seaberg
Beard	Jefferson	Neuenschwander	Pauly	Shaver
Bennett	Kalis	O'Connor	Peterson	Simoneau
Blatz	Kelly	Ogren	Poppenhagen	Trimble
Carlson, L.	Kludt	Olson, K.	Price	Valento
Carruthers	Knickerbocker	Onnen	Quinn	Vanasek
Cooper	Larsen	Orenstein	Rice	Vellenga
Dempsey	Lieder	Osthoff	Sarna	Welle
Dorn	Long	Otis	Scheid	Spk. Norton
Himle	McEachern	Ozment	Schreiber	

The motion prevailed and the amendment was adopted.

Sviggum, Waltman and Ozment moved to amend H. F. No. 68, the first engrossment, as amended, as follows:

Page 1, after line 20, insert:

"Sec. 3. Minnesota Statutes 1986, section 15A.082, subdivision 3, is amended to read:

Subd. 3. [SUBMISSION OF RECOMMENDATIONS.] By January 1 in each odd-numbered year, the compensation council shall submit to the speaker of the house of representatives and the president of the senate salary recommendations for constitutional officers, legislators, justices of the supreme court, and judges of the court of appeals, district court, county court, and county municipal court. The recommended salary for each office must be a fixed amount per year, recommended to take effect on the first Monday in January of the next odd-numbered year, with no more than one adjustment, recommended to take effect on January 1 of the year after that. The A salary recommendations increase for legislators, judges, and constitutional officers, whether it is recommended by the council or it is some other increase, may take effect only if a law is enacted that increases salaries and if an appropriation of money to pay the recommended salaries increase is enacted after the recommendations are submitted and before their effective date. Recommendations may be expressly modified or rejected by a bill enacted into law. The salary recommendations for legislators are subject to

additional terms that may be adopted according to section 3.099, subdivisions 1 and 3.”

Amend the title as follows:

Page 1, line 6, after “officers” insert “; requiring enactment of a law to adopt state compensation council recommendations; amending Minnesota Statutes 1986, section 15A.082, subdivision 3”

The question was taken on the Sviggum et al amendment and the roll was called. There were 47 yeas and 72 nays as follows:

Those who voted in the affirmative were:

Bennett	Frederick	Marsh	Poppenhagen	Swenson
Blatz	Frerichs	McKasy	Redalen	Thiede
Boo	Gruenes	McPherson	Richter	Tjornhom
Burger	Gutknecht	Miller	Schafer	Tompkins
Carruthers	Hartle	Olsen, S.	Schreiber	Uphus
Clausnitzer	Haukoos	Omann	Seaberg	Valento
DeBlieck	Heap	Onnen	Shaver	Waltman
Dempsey	Himle	Orenstein	Stanius	
Dille	Jennings	Ozment	Steensma	
Forsythe	Johnson, V.	Pauly	Sviggum	

Those who voted in the negative were:

Anderson, G.	Jacobs	Lieder	Price	Sparby
Anderson, R.	Jaros	Long	Quinn	Trimble
Battaglia	Jefferson	McEachern	Reding	Tunheim
Bauerly	Johnson, A.	McLaughlin	Rest	Vanasek
Beard	Johnson, R.	Milbert	Rice	Vellenga
Begich	Kahn	Minne	Riveness	Voss
Bertram	Kalis	Nelson, D.	Rose	Wagenius
Bishop	Kelly	Nelson, K.	Rukavina	Welle
Brown	Kinkel	Neuenschwander	Sarna	Wenzel
Carlson, D.	Kludt	O'Connor	Scheid	Winter
Carlson, L.	Knuth	Ogren	Schoenfeld	Wynia
Cooper	Kostohryz	Osthoff	Segal	Spk. Norton
Dauner	Krueger	Pappas	Simoneau	
Dorn	Larsen	Pelowski	Skoglund	
Greenfield	Lasley	Peterson	Solberg	

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

The question was taken on the motion to recommend passage of H. F. No. 68, the first engrossment, as amended, and the roll was called. There were 112 yeas and 9 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Bennett	Carlson, D.	Dauner	Gruenes
Anderson, R.	Bertram	Carlson, L.	DeBlieck	Gutknecht
Battaglia	Blatz	Carruthers	Dempsey	Hartle
Bauerly	Boo	Clark	Dille	Haukoos
Beard	Brown	Clausnitzer	Dorn	Heap
Begich	Burger	Cooper	Frerichs	Himle

Jefferson	McEachern	Osthoff	Sarna	Tompkins
Jennings	McKasy	Otis	Schafer	Trimble
Johnson, A.	McLaughlin	Ozment	Scheid	Tunheim
Johnson, R.	McPherson	Pappas	Schoenfeld	Uphus
Johnson, V.	Milbert	Pauly	Schreiber	Valento
Kalis	Miller	Pelowski	Seaberg	Vanasek
Kelly	Minne	Peterson	Segal	Vellenga
Kinkel	Nelson, D.	Poppenhagen	Shaver	Wagenius
Kludt	Nelson, K.	Price	Simoneau	Waltman
Knickerbocker	Neuenschwander	Quinn	Solberg	Welle
Knuth	O'Connor	Redalen	Sparby	Wenzel
Kostohryz	Ogren	Reding	Stanius	Winter
Krueger	Olsen, S.	Rest	Steensma	Wynia
Larsen	Olson, K.	Richter	Sviggum	Spk. Norton
Lasley	Omann	Riveness	Swenson	
Lieder	Onnen	Rose	Thiede	
Marsh	Orenstein	Rukavina	Tjornhom	

Those who voted in the negative were:

Bishop	Jacobs	Kahn	Rice	Voss
Greenfield	Jaros	Long	Skoglund	

The motion prevailed.

## MOTIONS AND RESOLUTIONS

Haukoos moved that his name be stricken as an author on H. F. No. 436. The motion prevailed.

Long moved that the name of Morrison be added as an author on H. F. No. 488. The motion prevailed.

Price moved that the name of McPherson be added as an author on H. F. No. 491. The motion prevailed.

Jefferson moved that the name of Clark be added as an author on H. F. No. 508. The motion prevailed.

Carruthers moved that H. F. No. 515 be recalled from the Committee on Transportation and be re-referred to the Committee on Judiciary. The motion prevailed.

Sviggum moved that H. F. No. 15 be recalled from the Committee on Local and Urban Affairs and be re-referred to the Committee on Economic Development and Housing. The motion prevailed.

Johnson, V., introduced:

House Resolution No. 21, A House resolution congratulating the Houston Drama Club for winning the Region I, Level A, Drama

Contest, and the "Starred Performance" Award in the State Level A competition.

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

Vanasek and Jaros introduced:

House Concurrent Resolution No. 3, A House concurrent resolution providing for a joint convention of the Senate and the House of Representatives to elect members of the Board of Regents of the University of Minnesota.

#### SUSPENSION OF RULES

Vanasek moved that the rules be so far suspended that House Concurrent Resolution No. 3 be now considered and be placed upon its adoption. The motion prevailed.

#### HOUSE CONCURRENT RESOLUTION NO. 3

A House concurrent resolution providing for a joint convention of the Senate and the House of Representatives to elect members of the Board of Regents of the University of Minnesota.

*Be It Resolved* by the House of Representatives of the State of Minnesota, the Senate concurring:

(1) The House of Representatives and the Senate shall meet in joint convention on Wednesday, April 15, 1987, at 1:00 p.m., in the Chamber of the House of Representatives to elect members to the Board of Regents of the University of Minnesota.

(2) The Education Committee of the Senate and the Higher Education Committee of the House of Representatives, in a joint meeting, are appointed to submit a slate of nominations and to report the slate at the meeting of the joint convention.

Vanasek moved that House Concurrent Resolution No. 3 be now adopted. The motion prevailed and House Concurrent Resolution No. 3 was adopted.

There being no objection, the order of business reverted to Messages from the Senate.

## MESSAGES FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker:

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

H. F. No. 34, A bill for an act relating to corporations; providing for modification of liability of directors; amending Minnesota Statutes 1986, sections 302A.111, subdivision 4; and 302A.251, by adding a subdivision.

PATRICK E. FLAHAVEN, Secretary of the Senate

### CONCURRENCE AND REPASSAGE

Carruthers moved that the House concur in the Senate amendments to H. F. No. 34 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 34, A bill for an act relating to corporations; providing for modification of liability of directors; amending Minnesota Statutes 1986, sections 302A.111, subdivision 4; and 302A.251, by adding a subdivision.

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

The question was taken on the repassage of the bill and the roll was called. There were 118 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Anderson, G.	DeBlicck	Jefferson	Marsh	Osthoff
Anderson, R.	Dempsey	Jennings	McKasy	Otis
Battaglia	Dille	Johnson, A.	McLaughlin	Ozment
Bauerly	Dorn	Johnson, R.	McPherson	Pappas
Beard	Forsythe	Johnson, V.	Milbert	Pauly
Begich	Frederick	Kahn	Miller	Pelowski
Bennett	Frerichs	Kalis	Minne	Peterson
Bertram	Greenfield	Kinkel	Nelson, D.	Poppenhagen
Bishop	Gruenes	Kludt	Nelson, K.	Price
Blatz	Gutknecht	Knickerbocker	Neuenschwander	Redalen
Burger	Hartle	Knuth	O'Connor	Reding
Carlson, D.	Haukoos	Kostohryz	Ogren	Rest
Carlson, L.	Heap	Krueger	Olsen, S.	Rice
Carruthers	Himle	Larsen	Olson, K.	Richter
Clausnitzer	Hugoson	Lasley	Omann	Rivness
Cooper	Jacobs	Lieder	Onnen	Rose
Dauner	Jaros	Long	Orenstein	Rukavina

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

Those who voted in the negative were:

Quinn

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

#### ADJOURNMENT

Vanasek moved that when the House adjourns today it adjourn until 2:00 p.m., Thursday, February 26, 1987. The motion prevailed.

Vanasek moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:00 p.m., Thursday, February 26, 1987.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

## STATE OF MINNESOTA

## SEVENTY-FIFTH SESSION—1987

## SEVENTEENTH DAY

SAINT PAUL, MINNESOTA, THURSDAY, FEBRUARY 26, 1987

The House of Representatives convened at 2:00 p.m. and was called to order by Fred C. Norton, Speaker of the House.

Prayer was offered by Father Donald Burns, Mary, Mother of the Church, Burnsville, Minnesota.

The roll was called and the following members were present:

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

A quorum was present.

Begich; Bishop; Carlson, D.; Hartle; Himle; Jefferson; Krueger; Murphy; Nelson, K.; Rose; Schreiber; Segal and Vanasek were excused.

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

## REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 81, 135, 289 and 68 and S. F. Nos. 97, 168, 62 and 87 have been placed in the members' files.

S. F. No. 168 and H. F. No. 222, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

## SUSPENSION OF RULES

Kelly moved that the rules be so far suspended that S. F. No. 168 be substituted for H. F. No. 222 and that the House File be indefinitely postponed. The motion prevailed.

## REPORTS OF STANDING COMMITTEES

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 18, A bill for an act relating to human services; allowing recovery of medical assistance payments upon death of recipient; amending Minnesota Statutes 1986, section 256B.15.

Reported the same back with the following amendments:

Page 1, line 18, after the period, insert "A claim against the estate of a surviving spouse who did not receive medical assistance, for medical assistance rendered for the predeceased spouse, is limited to the value of the assets of the estate that were marital property or jointly-owned property at any time during the marriage."

With the recommendation that when so amended the bill pass.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 23, A bill for an act relating to health; requiring a hospital administrator to request an organ or tissue donation for

purposes of the uniform anatomical gift act; proposing coding for new law in Minnesota Statutes, chapter 525.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [525.94] [ESTABLISHMENT OF PROTOCOL TO OBTAIN ORGANS FOR TRANSPLANTATION.]

Subdivision 1. [REQUIREMENT TO ESTABLISH ORGAN PROCUREMENT PROTOCOL.] A hospital licensed under the provisions of sections 144.50 to 144.58 must establish written protocols for the identification of potential organ donors for transplantation to:

(1) assure that families of potential organ donors are made aware of the option of organ and tissue donation and their option to decline;

(2) require that an organ procurement agency be notified of potential organ donors; and

(3) establish medical criteria and practical considerations concerning the suitability and feasibility of organ donation for transplantations.

For purposes of this subdivision, the term "organ" or "tissue" means a human kidney, liver, heart, lung, pancreas, skin, bone, ligament, tendon, eye, and cornea.

Subd. 2. [NOTIFICATION REQUIREMENT.] If an individual dies in a hospital or is identified by a hospital staff member as having a terminal condition and is further identified as a suitable candidate for organ or tissue donation based on medical criteria established in the written protocol, in accordance with the hospital's protocol, the hospital administrator or the administrator's designated representative shall notify any of the following persons listed below in order of priority, of the option of organ or tissue donation and their option to decline:

(1) the spouse;

(2) an adult child;

(3) either parent;

(4) an adult brother or sister; or

(5) a guardian of the decedent's person at the time of death.

The hospital administrator or the designated representative shall attempt to locate the person's drivers license, organ donation card, or other documentation of the person's desire to be an organ donor. If documentation of the person's desire to be a donor is located, it shall constitute consent if there is no objection from the relative or guardian in clauses (1) to (5) or if no relative or guardian can be located.

If a person listed in clauses (1) to (5) wishes to consent to the gift of all or part of the decedent's body for transplantation, consent may be obtained by either the hospital administrator's representative or the organ procurement agency's representative. Consent or refusal must be obtained only from the available person highest on the list in clauses (1) to (5).

Subd. 3. [DOCUMENTATION.] Notification under subdivision 1, as well as any identified contradiction to organ donation, shall be documented in the patient's medical record which shall include the name of the person notified and that person's relationship to the decedent.

Subd. 4. [FINANCIAL LIABILITY OF FAMILY.] The family of an individual whose organ is donated for transplantation shall not be financially liable for costs related to the evaluation of donor organ suitability or cost of retrieval of the organ.

Subd. 5. [COMPLIANCE WITH UNIFORM ANATOMICAL GIFT ACT.] A gift made pursuant to the request required under this section shall be executed according to the provisions of the uniform anatomical gift act.

Subd. 6. [TRAINING.] The commissioner of health shall work with hospital representatives and other interested persons to develop guidelines for training hospital employees who may notify persons of the option to make an anatomical gift and the procedure to be used in executing the gift and for ensuring that each tissue or organ is tested for possible disease prior to being made available for transplantation.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective on and applies to licensed hospitals as of October 1, 1987."

Delete the title and insert:

"A bill for an act relating to health; requiring hospitals to establish a protocol to obtain organs for transplantation; proposing coding for new law in Minnesota Statutes, chapter 525."

With the recommendation that when so amended the bill pass.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 27, A bill for an act relating to corporations; regulating control share acquisitions; delaying the effective date of certain amendments; amending Laws 1985, First Special Session chapter 5, section 21, as amended.

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

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 52, A bill for an act relating to labor; removing an exception from overtime and minimum wage laws for certain ski facility employees; amending Minnesota Statutes 1986, section 177.23, subdivision 7.

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

The report was adopted.

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

H. F. No. 62, A bill for an act relating to libraries; permitting the joint financing of their construction among government units; allowing cities and counties to levy above limits for library construction; amending Minnesota Statutes 1986, section 275.50, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 134.

Reported the same back with the following amendments:

Page 1, after line 11, insert:

"Subdivision 1. [LOCAL GOVERNMENT UNIT DEFINED.] For purposes of this section, the term "local government unit" means a home rule charter or statutory city, county, or town."

Page 1, line 12, before "A" insert "Subd. 2. [POWERS.]"

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

The report was adopted.

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

H. F. No. 86, A bill for an act relating to local government; permitting certain counties to levy a tax for the county historical society; imposing a reverse referendum requirement.

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

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 94, A bill for an act relating to Anoka county; authorizing a certain loan agreement with the commissioner of transportation for the development of new highway No. 10; appropriating money.

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

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 119, A bill for an act relating to employment; providing the option for certain employees at a state university to obtain state employee fringe benefits; amending Minnesota Statutes 1986, section 43A.27, by adding a subdivision.

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

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 123, A bill for an act relating to probate; changing the size of estates subject to collection by affidavit; amending Minnesota Statutes 1986, section 524.3-1201.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1986, section 181.58, is amended to read:

181.58 [SURVIVING SPOUSE PAID WAGES DUE.]

For the purposes of this section the word “employer” includes every person, firm, partnership, corporation, the state of Minnesota, all political subdivisions, and all municipal corporations.

If, at the time of the death of any person, an employer is indebted to the person for work, labor, or services performed, and no ~~executor or administrator~~ personal representative of the person's estate has been appointed, such employer shall, upon the request of the surviving spouse, forthwith pay this indebtedness, in such an amount as may be due, not exceeding the sum of ~~\$3,000~~ \$10,000, to the surviving spouse. The employer may in the same manner provide for payment to the surviving spouse of accumulated credits under the vacation or overtime plan or system maintained by the employer. The employer shall require proof of claimant's relationship to decedent by affidavit, and require claimant to acknowledge receipt of such payment in writing. Any payments made by the employer pursuant to the provisions of this section shall operate as a full and complete discharge of the employer's indebtedness to the extent of the payment, and no employer shall thereafter be liable therefor to the decedent's estate or the decedent's ~~executor or administrator~~ personal representative thereafter appointed. Any amounts so received by a spouse shall be considered in diminution of the allowance to the spouse under section 525.15.

Sec. 2. Minnesota Statutes 1986, section 524.3-805, is amended to read:

524.3-805 [CLASSIFICATION OF CLAIMS.]

(a) If the applicable assets of the estate are insufficient to pay all claims in full, the personal representative shall make payment in the following order:

- (1) costs and expenses of administration;
- (2) reasonable funeral expenses;

(3) debts and taxes with preference under federal law;

(4) reasonable and necessary medical ~~and~~, hospital, or nursing home expenses of the last illness of the decedent, including compensation of persons attending the decedent and including a claim filed pursuant to section 256B.15; provided, however, that in the case of a nursing home, expenses of last illness shall not include any expenses incurred earlier than six months prior to the date of the decedent's death;

(5) debts with preference under other laws of this state, and state taxes;

(6) all other claims.

(b) No preference shall be given in the payment of any claim over any other claim of the same class, and a claim due and payable shall not be entitled to a preference over claims not due, except that if claims for expenses of the last illness involve only claims filed under section 246.53 for costs of state hospital care and claims filed under section 256B.15, claims filed under section 246.53 have preference over claims filed under section 256B.15.

Sec. 3. Minnesota Statutes 1986, section 524.3-1201, is amended to read:

524.3-1201 [COLLECTION OF PERSONAL PROPERTY BY AFFIDAVIT.]

(a) Thirty days after the death of a decedent, any person indebted to the decedent or having possession of tangible personal property or an instrument evidencing a debt, obligation, stock or chose in action belonging to the decedent shall make payment of the indebtedness or deliver the tangible personal property or an instrument evidencing a debt, obligation, stock or chose in action to a person claiming to be the successor of the decedent upon being presented a certified death certificate of the decedent and an affidavit, in duplicate, made by or on behalf of the successor stating that:

(1) the value of the entire probate estate, wherever located, less liens and encumbrances, does not exceed ~~\$5,000~~ \$10,000;

(2) 30 days have elapsed since the death of the decedent;

(3) no application or petition for the appointment of a personal representative is pending or has been granted in any jurisdiction; and

(4) the claiming successor is entitled to payment or delivery of the property.

(b) A transfer agent of any security shall change the registered ownership on the books of a corporation from the decedent to the successor or successors upon the presentation of an affidavit as provided in subsection (a).

Sec. 4. [EFFECTIVE DATE.]

Section 2 is effective the day following final enactment for claims filed on or after the effective date of section 2."

Delete the title and insert:

"A bill for an act relating to probate; providing for an increased sum payable to a surviving spouse by affidavit; allowing nursing home care costs to be a claim of the same class as medical and hospital expenses; increasing the value of a probate estate allowed for purposes of collection by affidavit; amending Minnesota Statutes 1986, sections 181.58; 524.3-805; and 524.3-1201."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Health and Human Services.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 131, A bill for an act relating to transportation; increasing amount authorized for state transportation bonds for bridges; amending Laws 1979, chapter 280, sections 1 and 2, as amended.

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

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 134, A bill for an act relating to employment; requiring an employer to notify employees and job applicants of bankruptcy proceedings; providing a penalty; proposing coding for new law in Minnesota Statutes, chapter 181.

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

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

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

Reported the same back with the following amendments:

Page 1, line 16, strike "person, family," and insert "any person"

Page 1, line 19, delete "person,"

Page 1, line 20, delete "family," and insert "any person"

Page 1, line 23, strike "person,"

Page 1, line 24, strike "family," and insert "any person"

Page 2, line 6, strike "person, family," and insert "any person"

Page 2, line 8, delete "person,"

Page 2, line 9, delete "family," and insert "any person"

Page 2, line 12, strike "person,"

Page 2, line 13, strike "family," and insert "any person"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 151, A bill for an act relating to crime victims; permitting the crime victims reparation board to file a claim for reparations; altering the manner of determining reparations claims; requiring law enforcement agencies to aid the board; permitting an offender's dependents to receive some proceeds of a commercial enactment of a crime; providing for the classification of various data; providing penalties; amending Minnesota Statutes 1986, sections 611A.04, by adding a subdivision; 611A.52, subdivision 8; 611A.53, subdivision 2; 611A.57; 611A.66; 611A.68, subdivisions 1, 2, 8, and

by adding subdivisions; repealing Minnesota Statutes 1986, section 611A.59.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 609.101, is amended to read:

609.101 [SURCHARGE ON FINES, ASSESSMENTS.]

When a court sentences a person convicted of a felony, gross misdemeanor, or misdemeanor, other than a petty misdemeanor such as a traffic or parking violation, and if the sentence does not include payment of a fine, the court shall impose an assessment of not less than \$25 nor more than \$50. If the sentence for the felony, gross misdemeanor, or misdemeanor includes payment of a fine of any amount, including a fine of less than \$100, the court shall impose a surcharge on the fine of ten percent of the fine. This section applies whether or not the person is sentenced to imprisonment and when the sentence is suspended. The court may, ~~upon a showing of indigency or undue hardship upon the convicted person or the person's immediate family, not~~ waive payment or authorize payment of the assessment or surcharge in installments unless it makes written findings on the record that the convicted person is indigent or that the assessment or surcharge would create undue hardship for the convicted person or that person's immediate family; ~~however, if the court waives payment or authorizes payment in installments, it shall state in writing on the record the reasons for its action.~~

The court shall collect and forward to the commissioner of finance the total amount of the assessment or surcharge and the commissioner shall credit all money so forwarded to a crime victim and witness account, which is established as a special account in the state treasury.

Money credited to the crime victim and witness account may be appropriated for but is not limited to the following purposes:

(1) use for crime victim reparations under sections 611A.51 to 611A.68;

(2) use by the crime victim and witness advisory council established under section 611A.71; and

(3) to supplement the federally funded activities of the crime victim ombudsman under section 611A.74.

If the convicted person is sentenced to imprisonment, the chief executive officer of the correctional facility in which the convicted person is incarcerated may collect the assessment or surcharge from any earnings the inmate accrues for work performed in the correctional facility and forward the amount to the commissioner of finance.

Sec. 2. Minnesota Statutes 1986, section 611A.04, is amended by adding a subdivision to read:

Subd. 1a. [CRIME BOARD REQUEST.] The crime victims reparations board may request restitution on behalf of a victim by filing a copy of a claim for reparations submitted under sections 611A.52 to 611A.67, along with orders of the board, if any, which detail any amounts paid by the board to the victim. The filing of a claim for reparations with the court administrator shall also serve as a request for restitution by the victim. The restitution requested by the board may be considered to be both on its own behalf and on behalf of the victim. If the board has not paid reparations to the victim, restitution may be made directly to the victim. If the board has paid reparations to the victim, the court shall order restitution payments to be made directly to the board.

Sec. 3. Minnesota Statutes 1986, section 611A.52, subdivision 8, is amended to read:

Subd. 8. [ECONOMIC LOSS.] "Economic loss" means actual economic detriment incurred as a direct result of injury or death.

(a) In the case of injury the term is limited to:

(1) reasonable expenses incurred for necessary medical, chiropractic, hospital, rehabilitative, and dental products, services, or accommodations, including ambulance services, drugs, appliances and prosthetic devices;

(2) reasonable expenses incurred for psychological or psychiatric products, services or accommodations where the nature of the injury or the circumstances of the crime are such that the treatment is necessary to the rehabilitation of the victim, subject to the following limitations:

(i) if treatment is likely to continue longer than six months after the date the claim is filed and the cost of the additional treatment will exceed \$1,500, or if the total cost of treatment in any case will exceed \$4,000, the provider shall first submit to the board a plan which includes the measurable treatment goals, the estimated cost of the treatment, and the estimated date of completion of the treatment. Claims submitted for treatment that was provided more than 30 days after the estimated date of completion may be paid only

after advance approval by the board of an extension of treatment; and

(ii) the board may, in its discretion, elect to pay claims under this clause on a quarterly basis;

(3) loss of income greater than \$50 that the victim would have earned had the victim not been injured; and

(4) reasonable expenses incurred for substitute child care or household services to replace those the victim would have performed had the victim not been injured. As used in this clause, "child care services" means services provided by facilities licensed under and in compliance with either Minnesota Rules, parts 9502.0315 to 9502.0445, or parts 9545.0510 to 9545.0670, or exempted from licensing requirements pursuant to section 245.791. Licensed facilities must be paid at a rate not to exceed their standard rate of payment. Facilities exempted from licensing requirements must be paid at a rate not to exceed \$3 an hour per child for daytime child care or \$4 an hour per child for evening child care.

(b) In the case of death the term is limited to:

(1) reasonable expenses actually incurred for funeral, burial or cremation, not to exceed \$2,250;

(2) reasonable expenses for medical, chiropractic, hospital, rehabilitative, psychological and psychiatric services, products or accommodations which were incurred prior to the victim's death and for which the victim's survivors or estate are liable;

(3) loss of support, including contributions of money, products or goods, but excluding services which the victim would have supplied to dependents if the victim had lived; and

(4) reasonable expenses incurred for substitute child care and household services to replace those which the victim would have performed for the benefit of dependents if the victim had lived.

Claims for loss of support for minor children made under clause (3) must be paid for three years or until the child reaches 18 years old, whichever is the shorter period. After three years, if the child is less than 18 years old a claim for loss of support may be resubmitted to the board, and the board shall evaluate the claim giving consideration to the child's financial need and to the availability of funds to the board.

Claims for substitute child care services made under clause (4) must be limited to the actual care that the deceased victim would have provided to enable surviving family members to pursue eco-

conomic, educational, and other activities other than recreational activities.

Sec. 4. Minnesota Statutes 1986, section 611A.53, subdivision 2, is amended to read:

Subd. 2. No reparations shall be awarded to a claimant otherwise eligible if:

(a) the crime was not reported to the police within five days of its occurrence or, if it could not reasonably have been reported within that period, within five days of the time when a report could reasonably have been made. A victim of criminal sexual conduct in the first, second, third, or fourth degree who does not report the crime within five days of its occurrence is deemed to have been unable to have reported it within that period;

(b) the victim or claimant failed or refused to cooperate fully with the police and other law enforcement officials;

(c) the claimant was the offender or an accomplice of the offender or an award to the claimant would unjustly benefit the offender or an accomplice;

(d) the claimant was in the act of committing a crime at the time the injury occurred;

(e) no claim was filed with the board within one year of victim's injury or death; except that (1) if the claimant was unable to file a claim within that period, then the claim can be made within one year of the time when a claim could have been filed; and (2) if the victim's injury or death was not reasonably discoverable within one year of the injury or death, then the claim can be made within one year of the time when the injury or death is reasonably discoverable. The following circumstances do not render a claimant unable to file a claim for the purposes of this clause: (1) lack of knowledge of the existence of the Minnesota crime victims reparations act, (2) the failure of a law enforcement agency to provide information or assistance to a potential claimant under section 611A.66, or (3) the incompetency of the claimant if the claimant's affairs were being managed during that period by a guardian, guardian ad litem, conservator, authorized agent, or parent, or (4) the fact that the claimant is not of the age of majority; or

~~(e)~~ (f) the claim is less than \$100.

The limitations contained in clauses (a) and ~~(d)~~ (e) do not apply to victims of domestic child abuse as defined in section 260.015, subdivision 24. In those cases the one year limitation period commences running with the report of the crime to the police; provided

that no claim as a result of loss due to domestic child abuse may be paid when the claimant is 19 years of age or older at the time the claim is filed.

Sec. 5. Minnesota Statutes 1986, section 611A.57, is amended to read:

611A.57 [DETERMINATION OF CLAIMS.]

Subdivision 1. A claim, when accepted for filing, shall be assigned by the chair to the chair or to another a member of the board.

Subd. 2. The board member to whom the claim is assigned shall examine the papers filed in support of the claim and cause an investigation to be conducted into the validity of the claim to the extent that an investigation is necessary.

Subd. 3. The board member to whom a claim is assigned may decide the claim in favor of a claimant in the amount claimed on the basis of the papers filed in support of it and the report of the investigation of such claim. If unable to decide such the claim upon the basis of the papers and any report of investigation, the board member shall order a hearing discuss the matter with other members of the board present at a board meeting. After discussion the board shall vote on whether to grant or deny the claim or whether further investigation is necessary. A decision granting or denying the claim shall then be issued by the executive director or the board member to whom the claim was assigned.

Subd. 4. After examining the papers filed in support of the claim and the report of investigation, and after a hearing, if any, the board member to whom the claim was assigned shall make a decision either granting an award or deny the claim. The written decision granting or denying a claim shall be filed with the board, and a copy shall be provided to the claimant.

Subd. 5. The board member making a decision shall file with the board a written report setting forth such decision and reasons therefor. The board shall notify the claimant and furnish the claimant a copy of the report. The claimant may, within 30 days after receiving the decision of the board, apply for reconsideration before the entire board. Upon request for reconsideration, the board shall reexamine all information filed by the claimant, including any new information the claimant provides, and all information obtained by investigation. The board may also conduct additional examination into the validity of the claim. Upon reconsideration, the board may affirm, modify, or reverse its prior ruling. A claimant denied reparations upon reconsideration is entitled to a contested case hearing within the meaning of chapter 14.

Subd. 6. Claims for reparations and supporting documents and reports are investigative data and subject to the provisions of section 13.39 until the claim is paid, denied, withdrawn, or abandoned. Following the payment, denial, withdrawal, or abandonment of a claim, the claim and supporting documents and reports are private data on individuals as defined in section 13.02, subdivision 12.

Sec. 6. Minnesota Statutes 1986, section 611A.66, is amended to read:

**611A.66 [LAW ENFORCEMENT AGENCIES; DUTY TO INFORM VICTIMS OF RIGHT TO FILE CLAIM.]**

All law enforcement agencies investigating crimes shall provide forms to each person who may be eligible to file a claim pursuant to sections 611A.51 to 611A.67 and to inform them of their rights hereunder. All law enforcement agencies shall obtain from the board and maintain a supply of all forms necessary for the preparation and presentation of claims.

Law enforcement agencies shall assist the board in performing its duties under sections 611A.51 to 611A.67. Law enforcement agencies within ten days after receiving a request from the board shall supply the board with requested reports, notwithstanding any provisions to the contrary in chapter 13, and including reports otherwise maintained as confidential or not open to inspection under section 260.161. All data released to the board retains the data classification that it had in the possession of the law enforcement agency.

Sec. 7. Minnesota Statutes 1986, section 611A.74, subdivision 2, is amended to read:

Subd. 2. [DUTIES.] The crime victim ombudsman may investigate complaints concerning possible violation of the rights of crime victims or witnesses provided under this chapter, the delivery of victim services by victim assistance programs, the administration of the crime victims reparations act, and other complaints of mistreatment by elements of the criminal justice system or victim assistance programs. The ombudsman shall act as a liaison, when the ombudsman deems necessary, between agencies, either in the criminal justice system or in victim assistance programs, and victims and witnesses. The ombudsman must be made available through the use of a toll free telephone number and shall answer questions concerning the criminal justice system and victim services put to the ombudsman by victims and witnesses in accordance with the ombudsman's knowledge of the facts or law, unless the information is otherwise restricted. The ombudsman shall establish a procedure for referral to the crime victim crisis centers, the crime victims reparations board, and other victim assistance programs when

services are requested by crime victims or deemed necessary by the ombudsman.

The ombudsman's files are confidential data as defined in section 13.02, subdivision 3, during the course of an investigation or while the files are active. Upon completion of the investigation or when the files are placed on inactive status, they are private data on individuals as defined in section 13.02, subdivision 12.

Sec. 8. [REPEALER.]

Minnesota Statutes 1986, section 611A.59, is repealed.

Delete the title and insert:

"A bill for an act relating to crime victims; permitting the crime victims reparation board to file a claim for reparations; altering the manner of determining reparations claims; requiring law enforcement agencies to aid the board; providing for the classification of various data; clarifying ambiguous language; providing penalties; amending Minnesota Statutes 1986, sections 609.101; 611A.04, by adding a subdivision; 611A.52, subdivision 8; 611A.53, subdivision 2; 611A.57; 611A.66; and 611A.74, subdivision 2; repealing Minnesota Statutes 1986, section 611A.59."

With the recommendation that when so amended the bill pass.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 153, A bill for an act relating to education; establishing a program to require school districts to provide milk to all elementary and secondary pupils in public and nonpublic schools; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 124.

Reported the same back with the following amendments:

Page 1, line 9, delete "[124.648]"

Page 1, line 11, delete "critical" and insert "helpful"

Page 1, line 21, delete "agriculture" and insert "education"

Page 1, line 23, delete "agriculture" and insert "education"

Page 1, line 26, delete "\$....." and insert "\$5,000,000" and after "and" delete "\$....." and insert "\$5,000,000"

Page 2, line 2, delete "agriculture" and insert "education"

Amend the title as follows:

Page 1, line 5, delete "; proposing" and insert a period

Page 1, delete line 6

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

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 163, A bill for an act relating to children; regulating paternity determinations; regulating support and maintenance obligations; providing for withholding of support; amending Minnesota Statutes 1986, sections 144.219; 257.34, subdivision 1; 257.57; subdivision 2; 257.60; 257.62, by adding a subdivision; 257.63, subdivision 2; 510.07; 518.171, subdivision 1; 518.24; 518.551, subdivision 1; 518.611, subdivisions 1, 2, 3, 4, 6, and 8; repealing Minnesota Statutes 1986, section 257.34, subdivision 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 144.219, is amended to read:

144.219 [AMENDMENT OF VITAL RECORDS.]

Upon the order of a court of this state, upon the request of a court of another state, or upon the filing of an acknowledgment of paternity a declaration of parentage under section 257.34 with the state registrar or the appropriate court ~~which is not disputed by the mother named on the original birth certificate within a reasonable time after being informed of the filing,~~ a new birth certificate shall be registered consistent with the findings of the court or with the acknowledgment of paternity declaration of parentage.

Sec. 2. Minnesota Statutes 1986, section 257.34, subdivision 1, is amended to read:

Subdivision 1. [ACKNOWLEDGMENT BY PARENTS.] The mother and father of a child born to a mother who was not married to the child's father when the child was conceived nor when the child was born may, in a writing signed by both of them before a notary

public, declare and acknowledge under oath that they are the biological parents of the child. The declaration may provide that any such child born to the mother at any time before or up to ten months after the date of execution of the declaration is the biological child of the signatories. Execution of the declaration shall:

(a) have the same consequences as an acknowledgment by the signatories of parentage of the child for the purposes of sections 62A.041 and 62C.14, subdivision 5a;

(b) be conclusive evidence that the signatories are parents of the child for the purposes of sections 176.111 and 197.09 to 197.11;

(c) have create a presumption that the same consequences as an acknowledgment by signatory is the biological father of paternity of the child for the purposes of sections 257.57 and 257.66 257.51 to 257.74;

(d) when timely filed with the division of vital statistics of the Minnesota department of health as provided in section 259.261, qualify as an affidavit stating the intention of the signatories to retain parental rights as provided in section 259.261 if it contains the information required by section 259.261 or rules promulgated thereunder;

(e) have the same consequences as a writing declaring paternity of the child for the purposes of section 524.2-109; and

(f) be conclusive evidence that the signatories are parents of the child for the purposes of chapter 573.

Sec. 3. Minnesota Statutes 1986, section 257.57, subdivision 2, is amended to read:

Subd. 2. ~~An action to determine the existence or nonexistence of the father and child relationship presumed under section 257.55, subdivision 1, clause (d) or (e) may be brought at any time by The child, the mother or personal representative of the child, the public authority chargeable by law with the support of the child, the personal representative or a parent of the mother if the mother has died or is a minor, a man alleged or alleging himself to be the father, or the personal representative or a parent of the alleged father if the alleged father has died or is a minor may bring an action:~~

(a) at any time for the purpose of declaring the existence of the father and child relationship presumed under section 257.55, subdivision 1, clause (d) or (e), or the nonexistence of the father and child relationship presumed under clause (d) of that subdivision; or

(b) for the purpose of declaring the nonexistence of the father and child relationship presumed under section 257.55, subdivision 1, clause (e) only if the action is brought within three years after the date of the execution of the declaration.

Sec. 4. Minnesota Statutes 1986, section 257.60, is amended to read:

257.60 [PARTIES.]

The child may be made a party to the action. If the child is a minor and is made a party, a general guardian or a guardian ad litem shall be appointed by the court to represent the child. The child's mother or father may not represent the child as guardian or otherwise. ~~If the child is a minor and the case involves a compromise under section 257.64, subdivision 1 or a lump sum payment under section 257.66, subdivision 4, the child and the commissioner of human services shall each be made a party before the court approves a compromise or orders a lump sum payment.~~ The natural biological mother, each man presumed to be the father under section 257.55, and each man alleged to be the natural biological father, shall be made parties or, if not subject to the jurisdiction of the court, shall be given notice of the action in a manner prescribed by the court and shall be given an opportunity to be heard. The public agency responsible for support enforcement is joined as a party in each case in which rights are assigned under section 256.74, subdivision 5. A person who may bring an action under section 257.57 may be made a party to the action. The court may align the parties. The child shall be made a party whenever:

(a) the child is a minor and the case involves a compromise under section 257.64, subdivision 1, or a lump sum payment under section 257.66, subdivision 4, in which case the commissioner of human services shall also be made a party; or

(b) the child is a minor and the action is to declare the nonexistence of the father and child relationship; or

(c) an action to declare the existence of the father and child relationship is brought by a man presumed to be the father under section 257.55, or a man who alleges to be the father, and the mother of the child denies the existence of the father and child relationship.

Sec. 5. Minnesota Statutes 1986, section 257.62, is amended by adding a subdivision to read:

Subd. 6. [TESTS, EVIDENCE ADMISSIBLE.] In any hearing brought under subdivision 5, a certified report of the facts and results of a laboratory analysis or examination of blood or genetic tests that is prepared and attested by a qualified expert appointed by the court shall be admissible in evidence without proof of the seal,

signature, or official character of the person whose name is signed to it unless a demand is made by a party in a motion or responsive motion made within the time limit for making and filing a responsive motion that the matter be heard on oral testimony before the court.

Sec. 6. Minnesota Statutes 1986, section 257.63, subdivision 2, is amended to read:

Subd. 2. Upon refusal of a witness, including a party, to testify under oath or produce evidence, the court may order the party to testify under oath and produce evidence concerning all relevant facts. If the refusal is upon the grounds that the No testimony or evidence might tend to incriminate the party, the court may grant the party immunity from all criminal liability on account of the testimony or evidence the party is required to produce. An other information compelled under the order granting immunity bars prosecution of, or any information directly or indirectly derived from such testimony or other information, may be used against the witness for any offense shown, in whole or in part, by testimony or evidence which the party is required to produce any criminal case, except for perjury committed in the testimony. The refusal of a witness, who has been granted immunity, to obey an order to testify or produce evidence is subject to the sanctions within the jurisdiction of the court.

Sec. 7. Minnesota Statutes 1986, section 510.07, is amended to read:

510.07 [SALE OR REMOVAL PERMITTED; NOTICE.]

The owner may sell and convey the homestead without subjecting it, or the proceeds of such sale for the period of one year after sale, to any judgment or debt from which it was exempt in the owner's hands except that the proceeds of the sale shall not be exempt from a judgment or debt for a court ordered child support or maintenance obligation in arrears. The owner may remove therefrom without affecting such exemption, if the owner does not thereby abandon the same as the place of abode. If the owner shall cease to occupy such homestead for more than six consecutive months the owner shall be deemed to have abandoned the same unless, within such period, the owner shall file with the county recorder of the county in which it is situated a notice, executed, witnessed, and acknowledged as in the case of a deed, describing the premises and claiming the same as the owner's homestead. In no case shall the exemption continue more than five years after such filing, unless during some part of the term the premises shall have been occupied as the actual dwelling place of the debtor or the debtor's family.

Sec. 8. Minnesota Statutes 1986, section 518.171, subdivision 1, is amended to read:

Subdivision 1. [ORDER.] Unless the obligee has comparable or better group dependent health insurance coverage available at a

more reasonable cost, the court shall order the obligor to name the minor child as beneficiary on any health and dental insurance plan that is available to the obligor on a group basis or through an employer or union.

If the court finds that dependent health or dental insurance is not available to the obligor on a group basis or through an employer or union, or that the group insurer is not accessible to the obligee, the court may require the obligor to obtain dependent health or dental insurance, or to be liable for reasonable and necessary medical or dental expenses of the child.

If the court finds that the dependent health or dental insurance required to be obtained by the obligor does not pay all the reasonable and necessary medical or dental expenses of the child or that the dependent health or dental insurance available to the obligee does not pay all the reasonable and necessary medical or dental expenses of the child and the court finds that the obligor has the financial ability to contribute to the payment of these medical or dental expenses, the court shall require the obligor to be liable for all or a portion of the medical or dental expenses of the child not covered by the required health or dental plan.

Sec. 9. Minnesota Statutes 1986, section 518.24, is amended to read:

518.24 [SECURITY; SEQUESTRATION; CONTEMPT.]

In all cases when maintenance or support payments are ordered, the court may require sufficient security to be given for the payment of them according to the terms of the order. Upon neglect or refusal to give security, or upon failure to pay the maintenance or support, the court may sequester the obligor's personal estate and the rents and profits of real estate of the obligor, and appoint a receiver of them. The court may cause the personal estate and the rents and profits of the real estate to be applied according to the terms of the order. ~~If The obligor has shall be presumed to have an income from a source sufficient to pay the maintenance or support and the obligor fails to pay the same, the court shall order the obligor to pay it. A person or party who~~ If the obligor disobeys the order may be punished by the court as for, it shall be prima facie evidence of contempt.

Sec. 10. Minnesota Statutes 1986, section 518.551, subdivision 1, is amended to read:

Subdivision 1. [PAYMENT TO PUBLIC AGENCY.]

The court shall direct that all payments ordered for maintenance and support be made to the public agency responsible for child support enforcement so long as the obligee is receiving or has

applied for public assistance, or has applied for child support and maintenance collection services. Amounts received by the public agency responsible for child support enforcement greater than the amount granted to the obligee shall be remitted to the obligee.

Sec. 11. Minnesota Statutes 1986, section 518.611, subdivision 1, is amended to read:

Subdivision 1. [ORDER.] Whenever an obligation for support of a dependent child or maintenance of a spouse, or both, is determined and ordered by a court of this state, that court shall order the withholding of the amount of child support or maintenance as determined by court order, shall be withheld from the income, regardless of source, of the person obligated to pay the support or maintenance. When an order for withholding has not previously been secured, the obligee may or the public agency responsible for child support enforcement shall move the court, and the court shall grant the order. Every order for maintenance or support shall include the obligor's social security number and the name and address of the obligor's employer or other payor of funds.

Sec. 12. Minnesota Statutes 1986, section 518.611, subdivision 3, is amended to read:

Subd. 3. [WITHHOLDING HEARING.] Within 45 days from the date of the notice given under subdivision 2, the court shall hold the hearing on the motion under subdivision 2 and notify the parties of its decision. At the hearing to deny withholding, if the court finds that there was no mistake of fact, the court shall order income withholding to begin no later than the first pay period that occurs after 14 days following the date of the hearing. If the court finds that an arrearage of at least 30 days existed as of the date of the notice of income withholding, but finds a mistake in the amount of arrearage, the court shall order income withholding, but it shall correct the amount of arrearage to be withheld under subdivision 2, paragraph (b) (c).

Sec. 13. Minnesota Statutes 1986, section 518.611, subdivision 4, is amended to read:

Subd. 4. [EFFECT OF ORDER.] Notwithstanding any law to the contrary, the order is binding on the employer, trustee, or other payor of the funds when service under subdivision 2 has been made. Withholding must begin no later than the first pay period that occurs after 14 days following the date of the notice. An employer or other payor of funds in this state is required to withhold income according to court orders for withholding issued by other states or territories. The payor shall withhold from the income payable to the obligor the amount specified in the order and amounts required under subdivision 2, paragraph (b) and section 17 and shall remit, within ten days of the date the obligor is paid the remainder of the

income, the amounts withheld to the public authority. Employers may combine all amounts withheld from one pay period into one payment to each public authority, but shall separately identify each obligor making payment. Amounts received by the public authority which are in excess of public assistance expended for the party or for a child shall be remitted to the party. An employer shall not discharge, or refuse to hire, or otherwise discipline an employee as a result of a wage or salary withholding authorized by this section. The employer or other payor of funds shall be liable to the obligee for any amounts required to be withheld.

Sec. 14. Minnesota Statutes 1986, section 518.611, subdivision 6, is amended to read:

Subd. 6. [PRIORITY.] An order for withholding under this section or execution or garnishment upon a judgment for child support arrearages or preadjudicated expenses shall have priority over an attachment, execution, garnishment, or wage assignment and shall not be subject to the statutory limitations on amounts levied against the income of the obligor. Amounts withheld from an employee's income must not exceed the maximum permitted under the Consumer Credit Protection Act, United States Code, title 15, section 1673(b)(2). If there is more than one withholding order on a single employee, the employer shall put them into effect, giving priority first to amounts currently due and not in arrears and then to other amounts, in the sequence in which the withholding orders were received up to the maximum allowed in the Consumer Credit Protection Act. Notwithstanding any law to the contrary, no funds from income sources included in section 518.54, subdivision 6, whether periodic or lump sum, shall be exempt from attachment or execution upon a judgment for child support arrearages.

Sec. 15. Minnesota Statutes 1986, section 518.611, subdivision 8, is amended to read:

Subd. 8. [EMPLOYER OR PAYOR AND OBLIGOR NOTICE.] When an individual is hired for employment, the employer shall request that the individual disclose whether or not the individual has court-ordered child support obligations that are required by law to be withheld from income and the terms of the court order, if any. The individual shall disclose this information at the time of hiring. When an individual discloses that the individual owes child support that is required to be withheld, the employer shall begin withholding according to the terms of the order and under this section. When a withholding order is in effect and the obligor's employment is terminated or the periodic payment terminates, the obligor and the obligor's employer or the payor of funds shall notify the public agency responsible for child support enforcement of the termination within 30 ten days of the termination date. The notice shall include the obligor's home address and the name and address of the obligor's new employer or payor of funds, if known. Information disclosed

under this section shall not be divulged except to the extent necessary for the administration of the child support enforcement program or when otherwise authorized by law.

Sec. 17. [518.613] [AUTOMATIC WITHHOLDING.]

Notwithstanding any provisions of chapter 518 to the contrary, any county may, by resolution adopted by a majority vote of its county board, require the withholding of child support from an obligor's income pursuant to this section. On and after August 1, 1987, whenever an obligation for support of a dependent child or maintenance is initially determined and ordered or modified by the court in any county which has chosen to comply with this section, the amount of child support or maintenance ordered by the court shall be withheld from the income, regardless of source, of the person obligated to pay the support. For purposes of this section "modified" does not mean a cost-of-living adjustment without any other modification of the support order. Every order for child support shall include the obligor's social security number and the name and address of the obligor's employer or other payor of funds. Upon entry of the order for support or maintenance the court shall mail a copy of the court's order and the provisions of section 518.611 to the obligor's employer or other payor of funds and to the public agency responsible for child support enforcement. An obligee who is not a recipient of public assistance shall apply for the collection services of the public authority when an order for support is entered. The employer or other payor shall withhold and forward the child support or maintenance ordered in the manner and within the time limits provided in section 518.611, subdivisions 4, 6, 7, 8, and 10. Amounts received from employers or other payors pursuant to this section by the public agency responsible for child support enforcement which are in excess of any public assistance received by the obligee shall be remitted to the obligee. A county which chooses to comply with this section may contract for services to carry out the provisions of this section.

Sec. 18. [INSTRUCTION TO REVISOR.]

In the next edition of Minnesota Statutes, the revisor of statutes shall substitute in chapter 257 the term "biological" when referring to a parent, mother, or father for the term "natural."

Sec. 19. [REPORT TO LEGISLATURE.]

Counties which choose to be bound by the provisions of section 17 shall report to the chairs of the judiciary committees in the house of representatives and the senate on or before January 2, 1989, their experience in implementing the provisions of section 17 as of that date and shall make recommendations for any changes in the law that may be desirable.

**Sec. 20. [REPEALER.]**

Minnesota Statutes 1986, section 257.34, subdivision 2, is repealed."

Delete the title and insert:

"A bill for an act relating to children; regulating paternity determinations; regulating support and maintenance obligations; providing for withholding of support; amending Minnesota Statutes 1986, sections 144.219; 257.34, subdivision 1; 257.57, subdivision 2; 257.60; 257.62, by adding a subdivision; 257.63, subdivision 2; 510.07; 518.171, subdivision 1; 518.24; 518.551, subdivision 1; 518.611, subdivisions 1, 3, 4, 6, and 8; proposing coding for new law in Minnesota Statutes, chapter 518; repealing Minnesota Statutes 1986, section 257.34, subdivision 2."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Health and Human Services.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 197, A bill for an act relating to real property; providing for transfer of owner's duplicate certificate of title to owner; amending Minnesota Statutes 1986, section 386.375, subdivisions 2 and 3.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 199, A bill for an act proposing an amendment to the Minnesota Constitution, article XIV; dedicating motor vehicle excise tax proceeds to highway and transit purposes.

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

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 240, A bill for an act relating to commerce; prohibiting surcharges on credit card sales; prescribing a penalty; proposing coding for new law in Minnesota Statutes, chapter 325G.

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

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 255, A bill for an act relating to alcoholic beverages; premises which may be issued on-sale licenses; amending Minnesota Statutes 1986, sections 340A.404, subdivisions 1 and 6; 340A.411, subdivision 1; and 340A.504, subdivision 3.

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

The report was adopted.

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

H. F. No. 280, A bill for an act relating to the city of St. Paul; repealing bonding authority and a sunset provision relating to the port authority; amending Laws 1983, chapter 110, section 4; repealing Minnesota Statutes 1986, section 458.773.

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

The report was adopted.

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

H. F. No. 357, A bill for an act relating to the city of Saint Paul; permitting the city to adopt certain regulations for smoke detection

devices; amending Minnesota Statutes 1986, section 299F.362, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, line 16, delete "or similar inspection or" and insert a period

Page 1, delete line 17

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 398, A bill for an act relating to Forestville state park; adding property comprising Mystery Cave to Forestville state park; authorizing acquisition of lands and interests in lands therefor; appropriating money.

Reported the same back with the following amendments:

Page 3, after line 8, insert:

"Sec. 3. [NIAGARA CAVE FEASIBILITY STUDY.]

The legislature recognizes that caves are valuable natural resources to be used for educational purposes, scientific research, and promotion of economic development through tourism. It further recognizes that Niagara Cave of Harmony, Minnesota, the only other commercially operated cave in Minnesota, is a significant natural resource. In order to study, promote, and protect this privately owned resource, avoid unfair competition, and promote the educational and economic well-being of southeast Minnesota, the commissioner must enter into an agreement with the owner-operator of Niagara Cave that includes, but need not be limited to, cooperative fee setting, marketing, and interpretation. In addition, by June 30, 1989, the commissioner must complete a feasibility study to determine the best method of preserving, protecting, maintaining, and providing access to Niagara Cave, including:

(1) the scientific quality of the Niagara Cave resource;

(2) the need for protection of the Niagara Cave resource;

(3) the feasibility and desirability of adding Niagara Cave to the state outdoor recreation system;

(4) alternative public and private ownership options;

(5) the amount and availability of funding necessary to preserve and operate Niagara Cave under public and private ownership options; and

(6) other such related issues as determined necessary by the commissioner.

The feasibility study shall be accomplished using a citizens advisory committee which must include local citizens concerned for the welfare of Niagara Cave."

Renumber the remaining section in sequence

Amend the title as follows:

Page 1, line 5, before the period insert "; directing a feasibility study of the potentials of Niagara Cave"

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

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 420, A bill for an act relating to utilities; regulating certain intrastate gas pipelines; amending Minnesota Statutes 1986, section 216B.08.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [216B.045] [REGULATION OF INTRASTATE PIPELINES.]

Subdivision 1. [DEFINITION.] For purposes of this section, "intrastate pipeline" means a pipeline that is located wholly within the state and that transports or delivers natural gas received from another person at a point inside or at the border of the state to a point within the state to another, so long as all of the natural gas is consumed within the state. This section does not apply to a public utility that owns or operates intrastate pipeline facilities. Intrastate

pipeline facilities owned or operated by a public utility must be treated for regulatory purposes as part of the public utility's plant.

Subd. 2. [REASONABLE RATES.] Rates charged by and contracts relating to gas sales and transportation by intrastate pipelines must be just and reasonable. No intrastate pipeline shall provide its services in a manner that unreasonably discriminates among customers receiving like and contemporaneous services.

Subd. 3. [SERVICE.] An intrastate pipeline shall offer transportation services by contract on an open-access, nondiscriminatory basis. To the extent the intrastate pipeline has available capacity, the pipeline must provide both firm and interruptible transportation on behalf of any shipper. If physical facilities are needed to establish service to a customer, the customer may provide those facilities or the pipeline may provide the facilities for a reasonable and compensatory charge.

Subd. 4. [CONTRACTS; COMMISSION APPROVAL.] Contracts establishing the rates for, terms of, and conditions of service and facilities provided by intrastate pipelines must be filed with the commission. The commission is vested with the power to approve the contracts and to regulate the types and quality of services provided by intrastate pipelines. Approval of a contract for an intrastate pipeline to provide service to a public utility does not constitute a determination by the commission that the prices actually paid by the public utility under that contract are reasonable or prudent, nor does approval constitute a determination that purchases of gas made or deliveries of gas taken by the public utility under that contract are reasonable or prudent.

Subd. 5. [COMPLAINT.] (a) A customer of an intrastate pipeline, a person seeking to become a customer of an intrastate pipeline, the department of public service, or the commission on its own motion, may bring a complaint regarding the rates, contracts, terms, conditions, and types of service provided or proposed to be provided by an intrastate pipeline, including a complaint that an intrastate pipeline service that can reasonably be demanded is not offered by the intrastate pipeline.

(b) If a complaint is made that involves the question of whether an intrastate pipeline has capacity available, the commission shall make a determination, after a hearing, of the available capacity but shall not impair the intrastate pipeline's contractual obligations to provide firm transportation service.

(c) If a complaint is made concerning the use of available capacity by one or more new customers of an intrastate pipeline, the commission shall determine, after a hearing, the reasonable use of the available capacity by the new customers.

(d) The commission shall not require an intrastate pipeline to expand its available capacity, but may require the pipeline to maintain a reasonable quality of service. The commission may dismiss a complaint without a hearing if in its opinion a hearing is not in the public interest. Complaints brought under this subdivision are governed by section 216B.17, subdivisions 2 to 7.

Subd. 6. [APPLICABILITY.] This section and sections 216B.10, subdivisions 1 and 4; 216B.12; and 216B.13 apply to intrastate pipelines.

Subd. 7. [NATURAL GAS SUPPLY EMERGENCY.] The commission may declare a natural gas supply emergency if it finds that a severe natural gas shortage, endangering the health or safety of the citizens of the state, exists or is imminent in the state. If the commission declares that a natural gas supply emergency exists, it may by order suspend any sales and transportation contracts of an intrastate pipeline for the duration of the emergency, and may by order direct the intrastate pipeline to furnish the transportation services that are required by the public interest for the duration of the emergency. The intrastate pipeline must be compensated for its services furnished under an emergency order, and the commission shall determine the just and reasonable compensation for the intrastate pipeline's transportation services that are required to be provided during the emergency.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment."

Amend the title as follows:

Page 1, delete lines 3 and 4, and insert "gas pipelines; proposing coding for new law in Minnesota Statutes, chapter 216B."

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar:

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 18, 23, 27, 52, 94, 119, 134, 147, 151, 197, 240, 255, 280, 357 and 420 were read for the second time.

**SECOND READING OF SENATE BILLS**

S. F. No. 168 was read for the second time.

**INTRODUCTION AND FIRST READING  
OF HOUSE BILLS**

The following House Files were introduced:

Rest, Seaberg, Vellenga, Wagenius and Kludt introduced:

H. F. No. 577, A bill for an act relating to children; requiring that a notice be placed on a child's birth record when parental rights to the child are terminated; permitting the juvenile court to transfer legal custody of a dependent or neglected child to a relative or foster parent under certain circumstances; providing a procedure for the adoption of a child by a foster parent at the same time that parental rights to the child are voluntarily terminated; requiring custody investigations in family court when a person other than a parent seeks custody of the child; amending Minnesota Statutes 1986, sections 144.219; 259.22, subdivision 2; 259.40, subdivisions 1 and 4; 260.191, subdivisions 1 and 2; 260.241, by adding a subdivision; and 518.167, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 144 and 260.

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

Beard, Norton, Clausnitzer and O'Connor introduced:

H. F. No. 578, A bill for an act relating to state government; adding certain emergency personnel to the list of people eligible for benefits from the peace officers benefit fund; amending Minnesota Statutes 1986, section 176B.01, subdivision 2.

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

Stanius introduced:

H. F. No. 579, A bill for an act relating to corrections; requiring supervision of inmates by correctional officers of same sex; proposing coding for new law in Minnesota Statutes, chapter 243.

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

Greenfield, Bishop, Vellenga, Welle and Kelly introduced:

H. F. No. 580, A bill for an act relating to human rights; changing certain requirements relating to disabled persons; amending Minnesota Statutes 1986, sections 363.02, subdivisions 1 and 5; 363.03, subdivision 1; and 363.116.

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

Price and Stanius introduced:

H. F. No. 581, A bill for an act relating to the state building code; dedicating the proceeds of surcharge rebates; amending Minnesota Statutes 1986, section 16B.70, subdivision 1.

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

Rest, Pauly, Vellenga, Orenstein and Dempsey introduced:

H. F. No. 582, A bill for an act relating to taxation; income; providing a credit for gifts to certain post-secondary educational institutions; amending Minnesota Statutes 1986, sections 216B.16, subdivision 9; 237.075, subdivision 8; 290.06, by adding a subdivision; 290.089, subdivision 2; 290.09, subdivision 2; and 290.21, subdivision 3.

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

Ogren; Schoenfeld; Anderson, G., and DeBlicke introduced:

H. F. No. 583, A bill for an act relating to agriculture; providing funds to be added by private contributions to establish an endowed chair at the University of Minnesota for a sustainable agriculture program; appropriating money.

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

Olsen, S.; Voss; Poppenhagen and Neuenschwander introduced:

H. F. No. 584, A bill for an act relating to torts; providing a sliding fee scale for contingent legal fees; abolishing punitive damages; eliminating joint liability; abolishing the dram shop law; limiting awards for noneconomic damages; allowing jurors to be informed of

the existence of collateral sources; amending Minnesota Statutes 1986, sections 340A.409, subdivision 1; 471.981, subdivision 1; 548.36, subdivision 5; 549.20, subdivision 1; 549.23; 604.01, subdivision 1; and 604.02, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 481; repealing Minnesota Statutes 1986, sections 340A.801; 340A.802; 466.15; 549.191; 549.20, subdivisions 2 and 3; and 604.02, subdivisions 2 and 3.

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

Clark, Sviggum, Vellenga, Greenfield and Segal introduced:

H. F. No. 585, A bill for an act relating to human services; prohibiting the use of faradic shock in certain facilities; including certain aversive and deprivation procedures as abuse; amending Minnesota Statutes 1986, sections 245.825, subdivision 1; 626.556, subdivision 2; and 626.557, subdivision 2.

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

Brown, Kostohryz, Cooper, Sviggum and Redalen introduced:

H. F. No. 586, A bill for an act relating to the Minnesota zoological garden; requiring board appointments to be subject to the advice and consent of the senate; amending Minnesota Statutes 1986, section 85A.01, subdivision 1.

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

Simoneau, Johnson, V.; Voss; Sparby and Thiede introduced:

H. F. No. 587, A bill for an act relating to environment; repealing the authority for certain fees charged by the pollution control agency; amending Minnesota Statutes 1986, section 115B.20, subdivision 4; repealing Minnesota Statutes 1986, sections 116.07, subdivision 4d; and 116.12.

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

Simoneau; Reding; Johnson, R.; Clark and Knickerbocker introduced:

H. F. No. 588, A bill for an act relating to retirement; Minnesota state retirement system; increasing employee and employer contri-

butions to pay for an improved retirement formula and survivor benefits; amending Minnesota Statutes 1986, sections 352.04, subdivisions 2 and 3; 352.115, subdivision 3; and 352.12, subdivision 2.

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

Ogren, Rukavina, Neuenschwander, Thiede and Carlson, D., introduced:

H. F. No. 589, A bill for an act relating to agriculture; providing for selection, sale, and development of state land to produce wild rice; amending Minnesota Statutes 1986, section 92.501, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 30.

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

Rest, Vellenga, Riveness and Marsh introduced:

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

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

Wynia, Riveness, Tompkins, Boo and Pappas introduced:

H. F. No. 591, A bill for an act relating to human services; allowing facilities providing shelter services to women and children to appeal the denial of general assistance payments; amending Minnesota Statutes 1986, section 256.045, subdivisions 3, 4, and 5.

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

Bauerly, Bertram and McEachern introduced:

H. F. No. 592, A bill for an act relating to education; creating the Minnesota education trust; proposing coding for new law in Minnesota Statutes, chapter 135A.

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

Jefferson introduced:

H. F. No. 593, A bill for an act relating to crimes; prescribing higher penalties for major theft; providing that orders of restitution may be entered in favor of corporate victims; allowing the court to amend or issue orders of restitution when the defendant is on probation or supervised release; extending the statute of limitations for most crimes to five years; amending Minnesota Statutes 1986, sections 90.301, subdivision 6; 256.98; 256B.35, subdivision 5; 393.07, subdivision 10; 609.52, subdivision 3; 611A.01; 611A.04, subdivision 1; and 628.26.

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

Dauner, Greenfield, Vellenga, Ozment and Rodosovich introduced:

H. F. No. 594, A bill for an act relating to human services; allowing the use of certain professional standards for chemical dependency professionals; amending Minnesota Statutes 1986, section 254A.16, by adding a subdivision.

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

Ogren, Reding, Battaglia and Begich introduced:

H. F. No. 595, A bill for an act relating to game and fish; discharge of weapons on or over highways; amending Minnesota Statutes 1986, section 97B.055, subdivision 1.

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

Kelly introduced:

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

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

Shaver introduced:

H. F. No. 597, A bill for an act relating to highway traffic regulations; requiring mandatory jail sentences and surrender of license plates for persons convicted of aggravated DWI while driving after revocation; requiring successful completion of chemical dependency for repeat DWI offenders; requiring mandatory alcohol problem assessments for persons under the age of 18 convicted of DWI; amending Minnesota Statutes 1986, sections 168.041, subdivisions 1 and 6; 169.121, subdivision 4; 169.126, by adding a subdivision; and 169.129.

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

Beard and Price introduced:

H. F. No. 598, A bill for an act relating to highway traffic regulations; prescribing who shall prosecute persons who operate motorboats while under the influence of alcohol or a controlled substance; amending Minnesota Statutes 1986, section 361.12, by adding a subdivision.

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

Begich, Rukavina and Battaglia introduced:

H. F. No. 599, A bill for an act relating to insurance; no-fault auto; removing mandatory uninsured and underinsured motorist coverages; clarifying the law regarding these coverages; amending Minnesota Statutes 1986, section 65B.49, subdivision 3a; repealing Laws 1985, First Special Session chapter 13, section 191.

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

Johnson, A.; Minne; Jefferson; Ogren and McLaughlin introduced:

H. F. No. 600, A bill for an act relating to health insurance; providing for cancellation of coverage under a comprehensive health

insurance plan and refund of a pro-rata share of the premium paid; proposing coding for new law in Minnesota Statutes, chapter 62E.

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

Solberg, Neuenschwander, Thiede, Ogren and Johnson, R., introduced:

H. F. No. 601, A bill for an act relating to natural resources; providing that money recovered by the state for forest fire fighting expenses be restored to the fund of origination; increasing the amount that may be paid for tips related to forest fire crimes; amending Minnesota Statutes 1986, sections 88.75, subdivision 1; and 88.76.

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

Tunheim introduced:

H. F. No. 602, A bill for an act relating to health; creating an exception to the nursing home moratorium for a facility operated on the Red Lake Indian Reservation; amending Minnesota Statutes 1986, section 144A.071, subdivision 3.

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

Tunheim introduced:

H. F. No. 603, A bill for an act relating to intoxicating liquor; allowing counties to issue seasonal intoxicating liquor licenses subject to certain restrictions; amending Minnesota Statutes 1986, section 340A.404, subdivision 6.

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

Nelson, K.; Krueger; Bauerly; Olsen, S., and Pelowski introduced:

H. F. No. 604, A bill for an act relating to education; providing a grant program for teacher centers; appropriating money; amending

Minnesota Statutes 1986, section 124A.10, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 125.

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

Jennings introduced:

H. F. No. 605, A bill for an act relating to natural resources; providing for state administration of the federal permit program for discharging dredged and fill material into navigable water; consolidating authority to issue permits for work in public waters; providing procedures and requirements for drainage authorities and watershed districts to obtain required permits for initiating projects; providing penalties for violating permits; amending Minnesota Statutes 1986, sections 105.42, subdivisions 1 and 2, and by adding a subdivision; 106A.245, subdivision 4; 106A.251; 106A.341, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 105; 106A; and 112; repealing Minnesota Statutes 1986, section 105.42, subdivision 1a.

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

Knuth, Munger, Vanasek, Neuenschwander and Rose introduced:

H. F. No. 606, A bill for an act relating to environment; establishing a petroleum tank release cleanup program; authorizing state action to prevent or correct health and environmental damage resulting from releases from petroleum storage tanks; establishing a petroleum tank release cleanup fund; establishing a petroleum tank release compensation board; authorizing reimbursement from the fund; requiring rulemaking; providing for administration by the pollution control agency and the department of commerce; requiring certification of tank installers; appropriating money; amending Minnesota Statutes 1986, sections 116.48, subdivision 4; and 296.13; proposing coding for new law as Minnesota Statutes, chapter 115C.

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

Kahn; Skoglund; Nelson, D., and Olsen, S., introduced:

H. F. No. 607, A bill for an act relating to health; requiring the elimination of designated smoking areas in certain instances; protecting complainants of smoke-induced discomfort; amending Min-

nesota Statutes 1986, sections 144.412; and 144.415; proposing coding for new law in Minnesota Statutes, chapter 144.

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

Krueger, Brown, Cooper, Steensma and Kelso introduced:

H. F. No. 608, A bill for an act relating to agriculture; appropriating money for aid to county and district agricultural societies.

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

Kelso introduced:

H. F. No. 609, A bill for an act relating to government data practices; giving the department of energy and economic development access to certain employment data; amending Minnesota Statutes 1986, section 268.12, subdivision 12.

The bill was read for the first time and referred to the Committee on Economic Development and Housing.

Wagenius, Voss, Orenstein, Rest and Osthoff introduced:

H. F. No. 610, A bill for an act relating to metropolitan government; regulating conflicts of interest of the metropolitan airports commission; proposing coding for new law in Minnesota Statutes, chapter 473.

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

Voss introduced:

H. F. No. 611, A bill for an act relating to tax compliance; changing sales tax payment return and due dates; providing that date of mailing is date of filing or payment; making administrative changes and technical clarifications and corrections to increase tax compliance and promote efficient administration of tax laws; providing for assessment in case of an erroneous refund; providing for treatment of state tax liens in the same manner of federal liens; clarifying the weight of marijuana and controlled substances that is subject to tax; reducing the tax rate on marijuana and controlled substances; prohibiting resale of marijuana and controlled substances tax stamps; authorizing publication of statistics; changing and imposing

fees and criminal and civil penalties; appropriating money; amending Minnesota Statutes 1986, sections 270.066; 270.10, subdivision 1; 270.72, subdivisions 1 and 2; 270.77; 270A.07, subdivision 1; 272.479; 272.481; 272.482; 272.483; 272.484; 290.53, subdivisions 1, 2, 3a, 4, and by adding subdivisions; 290.56, subdivisions 3 and 4; 290.92, subdivisions 15 and 24; 290A.11, subdivision 2; 291.131, subdivisions 1, 2, 4, and by adding a subdivision; 296.18, subdivision 7; 297A.151; 297A.26, subdivision 1; 297A.27, subdivision 1; 297A.275; 297A.39, subdivisions 1, 2, 4, and by adding a subdivision; 297B.10; 297D.02; 297D.07; 297D.08; 297D.09; 297D.10; 297D.12, subdivision 1; 297D.13; 508.25; 508.35; and 508.63; proposing coding for new law in Minnesota Statutes, chapter 270; repealing Minnesota Statutes 1986, sections 270.75, subdivision 8; and 297A.26, subdivision 3.

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

McDonald, Redalen, Steensma, Sparby and Battaglia introduced:

H. F. No. 612, A resolution memorializing the President and the Congress of the United States to repeal the Federal Reserve Act.

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

McDonald, Redalen, Winter, Sparby and Dempsey introduced:

H. F. No. 613, A bill for an act relating to agriculture; extending certain benefits under the family farm security act; amending Minnesota Statutes 1986, section 41.57, subdivision 4.

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

Greenfield, Sarna, Jefferson, Otis and Clark introduced:

H. F. No. 614, A bill for an act relating to retirement; Minneapolis teachers retirement fund association; authorizing certain amendments to its articles of incorporation affecting benefits.

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

Voss, Neuenschwander and Minne introduced:

H. F. No. 615, A bill for an act relating to taxation; natural resources; imposing mining taxes; imposing a net proceeds tax on certain ores; abolishing royalty taxes and copper-nickel tax; providing for the taxation of taconite railroad property; providing income tax withholding on royalties; providing for administration of the tree growth tax law; amending Minnesota Statutes 1986, sections 16A.26; 121.904, subdivisions 11a and 11b; 124.195, subdivision 2; 124A.035, subdivision 5; 270.33, subdivisions 2, 13, and by adding subdivisions; 270.34; 270.36, subdivisions 1 and 2; 270.80, subdivision 2; 273.12; 275.125, subdivision 9; 287.09; 290.92, subdivisions 6, 7, 9, 11, 12, 13, 14, 18, 24, and 25; 298.01, subdivision 1, and by adding subdivisions; 298.026; 298.027; 298.028, subdivision 1; 298.03, subdivision 1; 298.031, subdivision 2; 298.08; 298.09, subdivision 1; 298.25; and 298.28, subdivisions 4 and 11; proposing coding for new law in Minnesota Statutes, chapters 270; 290; and 298; repealing Minnesota Statutes 1986, sections 270.37; 270.38; 290.082; 294.21; 294.22; 294.23; 294.24; 294.25; 294.26; 298.01, subdivision 1; 298.02; 298.026; 298.027; 298.03; 298.031; 298.04; 298.28, subdivision 14; 298.51; 298.52; 298.53; 298.54; 298.55; 298.61; 298.62; 298.63; 298.64; 298.65; 298.66; 298.67; 299.01; 299.012; 299.013; 299.02; 299.03; 299.04; 299.05; 299.06; 299.07; 299.08; 299.09; 299.10; 299.11; 299.12; 299.13; and 299.14.

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

Voss, Rest and Long introduced:

H. F. No. 616, A bill for an act relating to state government finance; providing for transfers to the budget and cash flow reserve account; providing for the reduction of allotments in certain instances; imposing the gross premium tax on certain companies; updating certain tax provisions relating to corporations to the federal income tax code; changing and clarifying the allocation and apportionment of income for purposes of the corporate franchise tax; imposing the corporate franchise tax on certain companies; changing the corporate income tax to a franchise tax imposed on net income; making technical corrections and clarifications; amending Minnesota Statutes 1986, sections 16A.15, subdivisions 1 and 6; 16A.1541; 60A.13, subdivision 1a; 60A.15, subdivisions 1, 1a, 1e, and 2a; 60A.199, subdivisions 1, 2, 3, 5, 7, 8, 9, 10, and 11; 60A.209, subdivisions 1 and 3; 60A.24; 62C.11, by adding a subdivision; 62D.08, by adding a subdivision; 62E.035; 67A.11, subdivision 3; 69.011, subdivisions 1 and 2; 69.021, subdivisions 1, 2, and 3; 69.54; 69.55; 79.34, subdivision 1; 273.1314, by adding subdivisions; 290.01, subdivisions 4 and 5, and by adding subdivisions; 290.02; 290.03; 290.05, subdivisions 1, 2, and 3; 290.06, subdivision 1; 290.068, subdivisions 1 and 3; 290.069, subdivisions 2a and 4b;

290.095, subdivisions 1, 2, 3, and 4; 290.12, subdivision 2; 290.131, subdivision 1; 290.132, subdivision 1; 290.133, subdivision 1; 290.134, subdivision 1; 290.135, subdivision 1; 290.136, subdivision 1; 290.138, subdivision 3; 290.14; 290.17, subdivisions 1, 2, and by adding a subdivision; 290.171; 290.18, subdivision 1; 290.20, subdivision 1, and by adding a subdivision; 290.21, subdivisions 4 and 6; 290.34, subdivision 2; 290.35; 290.36; 290.37, subdivision 1; 290.41, subdivisions 2 and 3; 290.42; 290.50, subdivision 1; 290.934, subdivision 2; and 299F.21, subdivisions 1, 2, and by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapters 60A and 290; repealing Minnesota Statutes 1986, sections 60A.15, subdivision 2; 61A.49; 64B.24; 69.021, subdivision 3a; 290.068, subdivisions 2, 5, and 6; 290.069, subdivisions 1, 2, 3, 5, 6, and 7; 290.07, subdivision 5; 290.071; 290.073; 290.075; 290.09; 290.095, subdivisions 8 and 10; 290.10; 290.13; 290.16; 290.17, subdivision 1a; 290.19; 290.21, subdivisions 3, 5, 6, and 8; 290.26, subdivision 2; 290.361; and Laws 1986, First Special Session chapter 1, article 5, section 8.

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

Clark, Stanius, Skoglund and Bertram introduced:

H. F. No. 617, A bill for an act relating to insurance; requiring coverage of dentist and podiatrist services by health maintenance organizations under certain circumstances; amending Minnesota Statutes 1986, section 62A.043.

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

Simoneau; Vellenga; Carlson, L.; Rukavina and Burger introduced:

H. F. No. 618, A bill for an act relating to occupations and professions; prohibiting optometrists from prescribing certain drugs without certification by the board of optometry; providing the requirements for certification; providing definitions; amending Minnesota Statutes 1986, sections 148.571, subdivisions 1 and 2; 148.572; 148.573; 148.574; 151.01, subdivision 23; 152.11, subdivision 2; and 152.12, subdivision 1.

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

Carlson, D., and Ogren introduced:

H. F. No. 619, A bill for an act relating to local government; permitting the establishment of a fire protection district for the city of Moose Lake and surrounding territory.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Carlson, D., and Ogren introduced:

H. F. No. 620, A bill for an act relating to education; changing the isolated school aid formula; amending Minnesota Statutes 1986, section 124A.21.

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

Carlson, D., introduced:

H. F. No. 621, A bill for an act relating to motor vehicles; allowing applications for tax-exempt license plates to be made in a county adjacent to the county of domicile; amending Minnesota Statutes 1986, section 168.012, subdivision 1c.

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

Nelson, K., and Dempsey introduced:

H. F. No. 622, A bill for an act relating to taxation; property; increasing the market value of commercial industrial property qualifying for a reduced assessment ratio; amending Minnesota Statutes 1986, section 273.13, subdivision 24.

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

Stanius, Bennett and Valento introduced:

H. F. No. 623, A bill for an act relating to unemployment compensation; regulating the receipt of benefits; providing that wages for volunteer firefighter services not be deducted for benefit

calculation purposes; amending Minnesota Statutes 1986, section 268.07, subdivision 2.

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

Kludt, Welle, Carruthers, Bishop and Dempsey introduced:

H. F. No. 624, A bill for an act relating to conciliation courts; providing for entry of judgment; providing for vacation of default judgment in certain circumstances; providing for time limitation and service by mail on removal to county court; allowing a party to proceed without payment of a filing fee; amending Minnesota Statutes 1986, section 487.30, by adding subdivisions.

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

McEachern; Vellenga; Nelson, K.; Bauerly and Kostohryz introduced:

H. F. No. 625, A bill for an act relating to education; providing for area learning centers; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 129B.

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

Nelson, D.; Anderson, G.; Brown; Redalen and Schoenfeld introduced:

H. F. No. 626, A bill for an act relating to natural resources; establishing a program for the management and enhancement of native prairie land; proposing coding for new law in Minnesota Statutes, chapter 84.

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

Krueger, Bertram and Nelson, C., introduced:

H. F. No. 627, A bill for an act relating to motor vehicles; establishing system of lifetime motor vehicle license plates; refunding certain license plate fees; providing that personalized license plates be reissued to previous holders under certain circumstances;

appropriating money; amending Minnesota Statutes 1986, section 168.12, subdivisions 1 and 5.

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

Wynia; Otis; Clark; Anderson, R., and Greenfield introduced:

H. F. No. 628, A bill for an act relating to human services; allowing residents of certain facilities to save up to \$1,000 of earned income; amending Minnesota Statutes 1986, section 256D.06, subdivision 1b.

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

Reding, Lasley, Segal, Kalis and Valento introduced:

H. F. No. 629, A bill for an act relating to traffic regulations; providing for handicapped license plate and handicapped parking certificate conferring certain parking privileges; establishing designated handicapped parking spaces; providing penalties; amending Minnesota Statutes 1986, sections 168.021, subdivisions 1, 1a, 3, and 5; 169.345; and 169.346, subdivisions 1 and 3; repealing Minnesota Statutes 1986, section 168.021, subdivision 7.

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

Welle, Greenfield, Wynia, Clausnitzer and Dorn introduced:

H. F. No. 630, A bill for an act relating to health; allowing health maintenance organizations to adjust premiums paid based on actual health services utilization; amending Minnesota Statutes 1986, section 62D.04, subdivision 1.

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

Onnen introduced:

H. F. No. 631, A bill for an act relating to human services; requiring commissioner of human services to request federal waiver

in program of aid to families with dependent children; proposing coding for new law in Minnesota Statutes, chapter 256.

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

Kinkel; Otis; Johnson, R.; Omann and Tjornhom introduced:

H. F. No. 632, A bill for an act relating to education; allowing the student council member of the higher education coordinating board to vote; amending Minnesota Statutes 1986, section 136A.02, subdivision 1.

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

Kostohryz, Redalen, Vanasek, Norton and Knickerbocker introduced:

H. F. No. 633, A bill for an act relating to lotteries; establishing a state lottery board; prescribing its powers and duties; authorizing the operation of a state lottery by an independent contractor; appropriating money; providing penalties; amending Minnesota Statutes 1986, sections 290.09, by adding a subdivision; and 609.761; proposing coding for new law as Minnesota Statutes, chapter 349A.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Stanius introduced:

H. F. No. 634, A bill for an act relating to education; changing the second tier foundation aid by removing the reduction for excess fund balances; repealing Minnesota Statutes 1986, sections 124A.08, subdivision 5; and 124A.16, subdivision 4.

The bill was read for the first time and referred to the Committee on Education.

Dauner; Kludt; McEachern; Nelson, K., and Anderson, R., introduced:

H. F. No. 635, A bill for an act relating to education; authorizing school districts to form education districts; providing for increased

interdistrict cooperation aid and levy for districts in education districts; authorizing intermediate districts to use current levies for education district purposes; appropriating money; amending Minnesota Statutes 1986, sections 124.272, subdivisions 1, 2, 3, 4, 6, 7, and by adding a subdivision; 136D.27; 136D.74, subdivision 2; 136D.87; and 275.125, subdivision 8a; proposing coding for new law in Minnesota Statutes, chapter 123.

The bill was read for the first time and referred to the Committee on Education.

Stanius; Carlson, D., and Gruenes introduced:

H. F. No. 636, A bill for an act relating to game and fish; removing the limitation on the height of deer stands; repealing Minnesota Statutes 1986, section 97B.325.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Stanius introduced:

H. F. No. 637, A bill for an act relating to education; altering the responsibility for textbook and material costs under the post-secondary enrollment options act; amending Minnesota Statutes 1986, section 123.3514, subdivision 6.

The bill was read for the first time and referred to the Committee on Education.

Minne, Osthoff and Scheid introduced:

H. F. No. 638, A bill for an act relating to elections; requiring election judges to inform voters of certain laws; providing for selection of a party in certain primary elections; requiring parties to have different colored ballot book pages; amending Minnesota Statutes 1986, sections 204C.13, subdivision 2; 206.80; and 206.84, subdivision 3.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Forsythe; Gruenes; Stanius; Anderson, R., and Tompkins introduced:

H. F. No. 639, A bill for an act relating to human services; requiring AFDC recipients to complete high school; increasing the county share of child support collections made on behalf of AFDC recipients; increasing the medical assistance income limit for families with children; appropriating money; amending Minnesota Statutes 1986, sections 256.736, by adding a subdivision; 256.863; and 256B.06, subdivision 1.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Carlson, L.; Price; Dorn; Haukoos and Rose introduced:

H. F. No. 640, A bill for an act relating to education; expanding the higher education coordinating board's career guidance program; changing membership on the career guidance advisory task force; appropriating money; amending Minnesota Statutes 1986, sections 136A.85; 136A.86, subdivision 1; and 136A.87.

The bill was read for the first time and referred to the Committee on Higher Education.

Solberg, Kinkel, Price and Osthoff introduced:

H. F. No. 641, A bill for an act relating to elections; providing for school district elections to be held at the same time as municipal elections; providing for municipal clerks to administer school district elections; providing for school district elections to be conducted according to the Minnesota election law changing terms of certain school board members; amending Minnesota Statutes 1986, sections 6.54; 122.22, subdivisions 2 and 4; 122.23, subdivisions 2, 9, and 10; 122.25, subdivisions 1 and 2; 123.11, subdivision 7; 123.32, subdivisions 9 and 23; 123.33, subdivision 4; 123.351, subdivisions 1 and 3; 123.51; 127.09; 127.11; 128.01; 200.015; 200.02, by adding a subdivision; 201.018, subdivision 2; 201.071, subdivision 1, and by adding a subdivision; 203B.05, subdivision 2; 203B.06, subdivision 3; 204B.02; 204B.14, by adding a subdivision; 204B.16, subdivision 1; 204B.18, subdivision 2; 204B.35, subdivision 1; 204B.40; 204C.02; 204C.19, subdivision 2; 204C.25; 204C.27; 204C.28, by adding a subdivision; 204C.36; 206.58, subdivision 2; 209.02; 209.021, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 206 and 210A; proposing coding for new law as Minnesota Statutes, chapter 205A; repealing Minnesota Statutes 1986, sections

123.015; 123.11, subdivisions 2, 3, and 4; 123.32, subdivisions 1, 1a, 2, 3, 4, 5, 6, 7, 8, 8a, 11, 22, 24, 25, 26, 27, and 28; and 201.095.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Greenfield, Kelso, Dauner, Gruenes and Ozment introduced:

H. F. No. 642, A bill for an act relating to human services; eliminating supportive living residences as residential care facilities for persons with mental illness; providing for the establishment of a third level of care for persons with mental illness; directing the commissioner of human services to review and alter rules relating to residential care facilities for persons with mental illness; amending Minnesota Statutes 1986, sections 245.782, subdivisions 2 and 6; and 245.802, by adding a subdivision; repealing Minnesota Statutes 1986, section 245.802, subdivision 1a.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Vellenga, Wagenius, Skoglund, McLaughlin and Blatz introduced:

H. F. No. 643, A bill for an act relating to domestic abuse; prohibiting modification or vacation of certain orders for protection in a marriage dissolution proceeding; providing that certain actions are not violations of an order for protection; requiring written notice to respondents of penalties for violation of an order; requiring notice to peace officers; amending Minnesota Statutes 1986, sections 518.131, subdivision 2; and 518B.01, subdivisions 4, 6, 14, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Judiciary.

Krueger, Osthoff, Bauerly, Brown and Kinkel introduced:

H. F. No. 644, A bill for an act relating to transportation; railroads; requiring occupied caboose car on certain trains; requiring caboose car to be equipped with shortwave radio; imposing a penalty; amending Minnesota Statutes 1986, section 219.56; proposing coding for new law in Minnesota Statutes, chapter 219.

The bill was read for the first time and referred to the Committee on Transportation.

Schoenfeld introduced:

H. F. No. 645, A bill for an act relating to education; eliminating the physical education requirement for teacher education programs; amending Minnesota Statutes 1986, section 126.02, subdivision 2.

The bill was read for the first time and referred to the Committee on Education.

Simoneau introduced:

H. F. No. 646, A bill for an act proposing an amendment to the Minnesota Constitution, article IV, section 12; eliminating references to "legislative days" and the restriction on the length of legislative sessions to 120 legislative days.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

Riveness, Stanius, Ozment and Dauner introduced:

H. F. No. 647, A bill for an act relating to human services; providing for the establishment of a mental illness information management system; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 245.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Nelson, K.; Otis; McEachern; Vellenga and Olsen, S., introduced:

H. F. No. 648, A bill for an act relating to education; proposing an excellence through opportunities and incentives program; providing school site opportunities; establishing a voluntary K-12 pilot choice program; expanding interdistrict cooperation aid; providing professional development funding through tier 3 of the foundation formula; establishing grants for teacher professional development centers; creating a teacher mentoring task force; developing a process for identifying a state core curriculum; providing for a comprehensive sampling program; establishing opportunities for learners at risk; authorizing state management assistance; providing for uses for new technology; appropriating money; amending Minnesota Statutes 1986, sections 121.609, subdivision 5; 121.918; 123.39, by adding a subdivision; 124.272; 124A.036, by adding a subdivision; 275.125, by adding subdivisions; proposing coding for

new law in Minnesota Statutes, chapters 123; 124; 126; and 129B; repealing Minnesota Statutes 1986, sections 129B.35 and 129B.37.

The bill was read for the first time and referred to the Committee on Education.

### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 66, A resolution memorializing the Congress of the United States to enact an extension of the federal highway program at the earliest possible date.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 137, 155, 161 and 211.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 38, 59 and 123.

PATRICK E. FLAHAVEN, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 137, A bill for an act relating to agriculture; clarifying the exceptions to prohibition against manufacture of food from adulterated milk or cream; amending Minnesota Statutes 1986, section 32.21, subdivision 2.

The bill was read for the first time and referred to the Committee on Agriculture.

S. F. No. 155, A resolution memorializing that the governments of the United States and the Socialist Republic of Vietnam take all possible action to determine the fate of persons missing in action and/or held as prisoners of war in Asian nations.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

S. F. No. 161, A bill for an act relating to veterans; requiring the commissioner to establish a certification process for veterans service officers; amending Minnesota Statutes 1986, section 197.605, by adding a subdivision.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

S. F. No. 211, A bill for an act relating to alcoholic beverages; premises which may be issued on-sale licenses; amending Minnesota Statutes 1986, sections 340A.404, subdivisions 1 and 6; 340A.411, subdivision 1; and 340A.504, subdivision 3.

The bill was read for the first time.

Jacobs moved that S. F. No. 211 and H. F. No. 255, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 38, A bill for an act relating to alcoholic beverages; permitting certain transactions by brewers and wholesalers; authorizing cities to issue temporary off-sale licenses for the sale of vintage wine at auctions; amending Minnesota Statutes 1986, sections 340A.308; and 340A.405, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Regulated Industries.

S. F. No. 59, A bill for an act relating to highway traffic regulations; prescribing who shall prosecute persons who operate motorboats while under the influence of alcohol or a controlled substance; amending Minnesota Statutes 1986, section 361.12, subdivision 5.

The bill was read for the first time and referred to the Committee on Judiciary.

S. F. No. 123, A bill for an act relating to local government; broadening the joint self-insurance pool regulation exemption; amending Minnesota Statutes 1986, section 471.982, subdivision 3.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

### CONSENT CALENDAR

H. F. No. 81 was reported to the House.

McEachern moved to amend H. F. No. 81, as follows:

Page 1, line 10, after "sidewalks," insert "trees,"

The motion prevailed and the amendment was adopted.

H. F. No. 81, A bill for an act relating to local government; providing for the use of certain city reserve funds; amending Minnesota Statutes 1986, section 471.572, subdivision 3.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 118 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Gruenes	Marsh	Pappas	Solberg
Anderson, R.	Gutknecht	McDonald	Pauly	Sparby
Battaglia	Heap	McEachern	Pelowski	Stanius
Bauerly	Hugoson	McKasy	Peterson	Steensma
Beard	Jacobs	McLaughlin	Poppenhagen	Sviggum
Bennett	Jaros	McPherson	Price	Swenson
Bertram	Jennings	Milbert	Quinn	Thiede
Blatz	Jensen	Miller	Quist	Tjornhom
Brown	Johnson, A.	Minne	Redalen	Tompkins
Burger	Johnson, R.	Morrison	Reding	Trimble
Carlson, L.	Johnson, V.	Munger	Rest	Tunheim
Carruthers	Kahn	Nelson, C.	Rice	Uphus
Clark	Kalis	Nelson, D.	Richter	Valento
Clausnitzer	Kelly	Neuenschwander	Riveness	Vellenga
Cooper	Kelso	O'Connor	Rodosovich	Voss
Dauner	Kinkel	Ogren	Rukavina	Wagenius
DeBlick	Kludt	Olsen, S.	Sarna	Waltman
Dempsey	Knickerbocker	Olson, K.	Schafer	Welle
Dille	Knuth	Omann	Scheid	Wenzel
Dorn	Kostohryz	Onnen	Schoenfeld	Winter
Forsythe	Larsen	Orenstein	Seaberg	Wynia
Frederick	Lasley	Osthoff	Shaver	Spk. Norton
Frerichs	Lieder	Otis	Simoneau	
Greenfield	Long	Ozment	Skoglund	

The bill was passed, as amended, and its title agreed to.

## CALENDAR

Otis moved that the bill on the Calendar for today be continued one day. The motion prevailed.

## GENERAL ORDERS

Pursuant to Rules of the House, the House resolved itself into the Committee of the Whole with Norton in the Chair for consideration of bills pending on General Orders of the day. After some time spent therein the Committee arose.

### REPORT OF THE COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following recommendations of the Committee were reported to the House:

H. F. Nos. 135 and 289 were recommended for progress.

On the motion of Otis the report of the Committee of the Whole was adopted.

## MOTIONS AND RESOLUTIONS

Lieder moved that the names of Waltman, Kalis and Seaberg be added as authors on H. F. No. 323. The motion prevailed.

Lasley moved that the name of Sarna be stricken and the name of Jefferson be added as an author on H. F. No. 333. The motion prevailed.

Lieder moved that the names of Wenzel and Tunheim be added as authors on H. F. No. 436. The motion prevailed.

Vellenga moved that the name of Tjornhom be added as an author on H. F. No. 539. The motion prevailed.

Pappas moved that the name of Trimble be added as an author on H. F. No. 571. The motion prevailed.

McPherson introduced:

House Resolution No. 22, A House resolution congratulating the boys and girls cross country teams from Stillwater High School for winning the 1987 State High School Boys and Girls Cross Country Skiing Championships.

The resolution was referred to the Committee on Rules and Legislative Administration.

McPherson introduced:

House Resolution No. 23, A House resolution honoring Raoul Robledo on his retirement as Mayor of Bayport, Minnesota.

The resolution was referred to the Committee on Rules and Legislative Administration.

Hartle introduced:

House Resolution No. 24, A House resolution extending congratulations to Kristin Flannery for being selected Minnesota's Junior Miss in 1987.

The resolution was referred to the Committee on Rules and Legislative Administration.

Solberg introduced:

House Resolution No. 25, A House resolution congratulating the Greenway Danceline Team for winning third place in the 1987 State High School Class B Danceline Competition.

The resolution was referred to the Committee on Rules and Legislative Administration.

Solberg introduced:

House Resolution No. 26, A House resolution congratulating the boys baseball team from Greenway High School for winning the 1986 Class A State High School Baseball Championship.

The resolution was referred to the Committee on Rules and Legislative Administration.

Solberg introduced:

House Resolution No. 27, A House resolution congratulating the girls volleyball team from Greenway High School for winning the 1985-1986 Class A State High School Volleyball Championship.

The resolution was referred to the Committee on Rules and Legislative Administration.

#### ADJOURNMENT

Otis moved that when the House adjourns today it adjourn until 2:00 p.m., Monday, March 2, 1987. The motion prevailed.

Otis moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:00 p.m., Monday, March 2, 1987.

EDWARD A. BURDICK, Chief Clerk, House of Representatives



## STATE OF MINNESOTA

## SEVENTY-FIFTH SESSION—1987

## EIGHTEENTH DAY

SAINT PAUL, MINNESOTA, MONDAY, MARCH 2, 1987

The House of Representatives convened at 2:00 p.m. and was called to order by Fred C. Norton, Speaker of the House.

Prayer was offered by Father Lawrence Keller, St. Charles Catholic Church, Bayport, Minnesota.

The roll was called and the following members were present:

Anderson, G.	Frerichs	Larsen	Osthoff	Shaver
Anderson, R.	Greenfield	Lasley	Otis	Simoneau
Battaglia	Gruenes	Lieder	Ozment	Skoglund
Bauerly	Gutknecht	Long	Pappas	Solberg
Beard	Haukoos	Marsh	Pauly	Sparby
Begich	Heap	McDonald	Pelowski	Stanius
Bennett	Himle	McEachern	Peterson	Steensma
Bertram	Hugoson	McLaughlin	Poppenhagen	Sviggum
Bishop	Jacobs	McPherson	Price	Thiede
Blatz	Jaros	Milbert	Quinn	Tjornhom
Boo	Jefferson	Miller	Quist	Tompkins
Brown	Jennings	Minne	Redalen	Trimble
Burger	Jensen	Morrison	Reding	Tunheim
Carlson, D.	Johnson, A.	Munger	Rest	Uphus
Carlson, L.	Johnson, R.	Murphy	Richter	Valento
Carruthers	Johnson, V.	Nelson, C.	Riveness	Vanasek
Clark	Kahn	Nelson, D.	Rodosovich	Vellenga
Clausnitzer	Kalis	Neuenschwander	Rose	Voss
Cooper	Kelly	O'Connor	Rukavina	Wagenius
Dauner	Kelso	Ogren	Sarna	Waltman
DeBlieck	Kinkel	Olsen, S.	Schafer	Weile
Dempsey	Kludt	Olson, E.	Scheid	Wenzel
Dille	Knickerbocker	Olson, K.	Schoenfeld	Winter
Dorn	Knuth	Omann	Schreiber	Wynia
Forsythe	Kostohryz	Omnen	Seaberg	Spk. Norton
Frederick	Krueger	Orenstein	Segal	

A quorum was present.

Hartle; McKasy; Nelson, K.; Rice and Swenson were excused.

The Chief Clerk proceeded to read the Journal of the preceding day. Kelly moved that further reading of the Journal be dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

## REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 27, 52, 94, 119, 134, 197, 240, 255, 280, 18, 147, 23, 357, 420, 151 and 81 and S. F. Nos. 38, 59, 123, 161, 155, 211 and 137 have been placed in the members' files.

S. F. No. 211 and H. F. No. 255, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Jacobs moved that S. F. No. 211 be substituted for H. F. No. 255 and that the House File be indefinitely postponed. The motion prevailed.

## REPORTS OF STANDING COMMITTEES

Skoglund from the Committee on Financial Institutions and Insurance to which was referred:

H. F. No. 28, A bill for an act relating to financial institutions; extending the EFT law to terminals located on the premises of a financial institution; amending Minnesota Statutes 1986, section 47.61, subdivision 3.

Reported the same back with the following amendments:

Page 1, after line 19, insert:

"Sec. 2. Minnesota Statutes 1986, section 47.64, subdivision 1, is amended to read:

Subdivision 1. (a) Any person establishing and maintaining an electronic financial terminal located separate and apart from a financial institution's principal office, branch, or detached facility for use by one type of financial institution shall, upon written request, make its services available to any requesting financial institution of similar type on a fair, equitable and nondiscriminatory basis approved by the commissioner. A financial institution requesting use of an electronic financial terminal shall be permitted its use only if the financial institution conforms to reasonable technical operation standards which have been established by the electronic financial terminal provider as approved by the commissioner. For purposes of this subdivision, the types of financial institutions are: ~~(a)~~ (1) commercial banks and mutual savings banks; ~~(b)~~ (2) credit unions, industrial loan and thrift companies, and regulated lenders under chapter 56; and ~~(c)~~ (3) savings and loan associations. The services of an electronic financial terminal may be made available to any type of financial institution. After March 1, 1979, or earlier if determined by the commissioner to be technically feasible, an

electronic financial terminal which is used by or made available to one type of financial institution shall be made available, upon request, to other types of financial institutions on a fair, equitable and nondiscriminatory basis as approved by the commissioner. The charges required to be paid to any person establishing and maintaining an electronic financial terminal shall be related to an equitable proportion of the direct costs of establishing, operating, and maintaining the terminal plus a reasonable return on those costs to the owner of the terminal. The charges may provide for amortization of development costs and capital expenditures over a reasonable period of time.

(b) Any person establishing and maintaining an electronic financial terminal located on and as a part of a financial institution's principal office, branch, or detached facility may, at the financial institution's option, (1) maintain the electronic financial terminal for the exclusive use of the financial institution's customers; (2) maintain the electronic financial terminal for the use of the financial institution's customers and make all of the electronic financial terminal's services available to any other requesting financial institution of similar type on a fair, equitable, and nondiscriminatory basis approved by the commissioner; or (3) make all of the electronic financial terminal's services available to any requesting financial institution as provided in subdivision 1, paragraph (a).

Sec. 3. Minnesota Statutes 1986, section 47.64, subdivision 3, is amended to read:

Subd. 3. Any agreement or charge between a person establishing an electronic financial terminal and the person at whose location the terminal is established shall be upon such commercially reasonable terms and conditions as are agreed to by the parties. A person at whose location an electronic financial terminal is established and maintained may limit the kind of financial transaction functions which the terminal may perform, but. If the electronic financial terminal is not located on the premises of a financial institution's principal office, branch, or detached facility, the person shall make available upon request every financial transaction function which the terminal does perform to all financial institutions, their affiliates, or agents on a nondiscriminatory basis. A function involving either a bank credit card authorized pursuant to section 48.185 or other credit card authorized under any other similar open end consumer credit sales plan need not be made so available.

Sec. 4. Minnesota Statutes 1986, section 47.67, is amended to read:

47.67 [ADVERTISING.]

No advertisement by a person which relates to an electronic financial terminal may be inaccurate or misleading with respect to

such a terminal. Except with respect to direct mailings by financial institutions to their customers, the advertising of rate of interest paid on accounts in connection with electronic financial terminals is prohibited. Any advertisement, either on or off the site of an electronic financial terminal, promoting the use or identifying the location of an electronic financial terminal, which identifies any financial institution, group or combination of financial institutions, or third parties as owning or providing for the use of its services is prohibited. The following shall be expressly permitted:

(a) A simple directory listing placed at the site of an electronic financial terminal identifying the particular financial institutions using its services;

(b) The use of a generic name, either on or off the site of an electronic financial terminal, which does not promote or identify any particular financial institution, group or combination of financial institutions, or any third parties; ~~and~~

(c) Media advertising or direct mailing of information by a financial institution or retailer identifying locations of electronic financial terminals and promoting their usage; and

(d) Any advertising, whether on or off the site, relating to electronic financial terminals, or the services performed at the electronic financial terminals located on the premises of the main office, or any office or detached facility of any financial institution."

Amend the title as follows:

Page 1, line 4, after the semicolon insert "providing options for a financial institution relating to the availability of an electronic financial terminal for other financial institutions; permitting certain advertising relating to an electronic financial terminal;"

Page 1, line 5, delete "section" and insert "sections"

Page 1, line 5, after "3" insert "; 47.64, subdivisions 1 and 3; and 47.67"

With the recommendation that when so amended the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 56, A bill for an act relating to health; requiring mosquito research and management activities to be ecologically

nondisruptive; amending Minnesota Statutes 1986, section 144.95, subdivisions 1, 2, 3, 7, 9, and 10.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 102, A bill for an act relating to game and fish; use of mechanical release bows during archery seasons; amending Minnesota Statutes 1986, section 97B.035, subdivision 1.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Jaros from the Committee on Higher Education to which was referred:

H. F. No. 114, A bill for an act relating to education; state universities; establishing a composites science and engineering program at Winona State University; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 136.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [COMPOSITES SCIENCE AND ENGINEERING PROGRAM AT WINONA STATE UNIVERSITY.]

\$873,500 is appropriated from the general fund to the state university board for an undergraduate baccalaureate degree program in composites science and engineering at Winona State University. Of this sum, \$83,500 is to plan and develop the program in fiscal year 1988. \$790,000 is to implement the program in fiscal year 1989.”

Amend the title as follows:

Page 1, line 2, delete everything after the first semicolon

Page 1, line 3, delete “establishing” and insert “appropriating money for”

Page 1, line 4, delete “; appropriating”

Page 1, delete line 5

Page 1, line 6, delete everything before the period

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 120, A bill for an act relating to health; requiring licensure of home care agencies; providing a home care bill of rights; providing a complaint procedure for home care clients; appropriating money; amending Minnesota Statutes 1986, sections 144.335, subdivision 1; 144.699, subdivision 2; 144A.51, subdivision 6, and by adding a subdivision; 144A.52, subdivision 3; 144A.53, subdivisions 1, 2, 3, and 4; 144A.54, subdivision 1; 256B.04, by adding a subdivision; 364.09; and 626.557, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 144A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1986, section 144.335, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] For the purposes of this section, the following terms have the meanings given them:

(a) “Patient” means a natural person who has received health care services from a provider for treatment of a medical, psychiatric or mental condition, or a person the patient designates in writing as a representative. Except for minors who have received health care services pursuant to sections 144.341 to 144.347, in the case of a minor, “patient” includes a parent or guardian, or a person acting as a parent or guardian in the absence of a parent or guardian.

(b) “Provider” means (1) any person who furnishes health care services and is licensed to furnish the services pursuant to chapters 147, 148, 150A, 151 or 153; (2) a home care provider licensed under section 6; and (2) (3) a health care facility licensed pursuant to this chapter or chapter 144A.

Sec. 2. Minnesota Statutes 1986, section 144.699, subdivision 2, is amended to read:

Subd. 2. [FOSTERING PRICE COMPETITION.] The commissioner of health shall:

(a) Encourage hospitals, outpatient surgical centers, home care providers, and professionals regulated by the health related licensing boards as defined in section 214.01, subdivision 2, and by the commissioner of health under section 214.13, to publish prices for procedures and services that are representative of the diagnoses and conditions for which citizens of this state seek treatment.

(b) Analyze and disseminate available price information and analyses so as to foster the development of price competition among hospitals, outpatient surgical centers, home care providers, and health professionals.

Sec. 3. [144A.43] [DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] The definitions in this section apply to sections 2 to 7.

Subd. 2. [COMMISSIONER.] "Commissioner" means the commissioner of health.

Subd. 3. [HOME CARE SERVICE.] "Home care service" means any of the following services when delivered in a place of residence to a person whose illness, disability, or physical condition creates a need for the service:

- (1) nursing services, including the services of a home health aide;
- (2) personal care services not included under sections 148.171 to 148.299;
- (3) physical therapy;
- (4) speech therapy;
- (5) respiratory therapy;
- (6) occupational therapy;
- (7) nutritional services;
- (8) homemaker services, meal preparation, and similar services when provided to a person whose illness, disability, or physical condition creates a need for the service;

(9) medical social services;

(10) the provision of medical supplies and equipment when accompanied by the provision of a home care service;

(11) the provision of hospice core services as specified in section 8; and

(12) other similar medical services and health-related support services identified by the commissioner in rule.

Subd. 4. [HOME CARE PROVIDER.] "Home care provider" means an individual, organization, association, corporation, unit of government, or other entity that is regularly engaged in the delivery, directly or by contractual arrangement, of home care services for a fee. "Home care provider" includes a hospice program defined in section 8. "Home care provider" does not include:

(1) any home care or nursing services conducted by and for the adherents of any recognized church or religious denomination for the purpose of providing care and services for those who depend upon spiritual means, through prayer alone, for healing;

(2) an individual who only provides services to a relative;

(3) an individual not connected with a home care provider who provides homemaking or personal care services to not more than one person or family, if the services are provided primarily as a contribution and not as a business, as employment, or for substantial compensation; and compensation received for providing services is not the individual's primary source of income;

(4) an individual not connected with a home care provider who shares housing with and provides primarily housekeeping or homemaking services to an elderly or disabled person in return for free or reduced-cost housing;

(5) an individual or agency providing home-delivered meal services;

(6) an agency providing senior companion services and other older American volunteer programs established under the Domestic Volunteer Service Act of 1973, Public Law Number 98-288;

(7) an individual or agency that only provides chore or housekeeping services which do not involve the provision of home care services;

(8) a member of a professional corporation organized under sections 319A.01 to 319A.22 that does not regularly offer or provide home care services as defined in subdivision 3;

(9) the following organizations established to provide medical or surgical services that do not regularly offer or provide home care services as defined in subdivision 3: a business trust organized under sections 318.01 to 318.04, a nonprofit corporation organized under chapter 317, a partnership organized under chapter 323, or any other entity determined by the commissioner; or

(10) an individual licensed under chapter 147.

#### Sec. 4. [144A.44] [HOME CARE BILL OF RIGHTS.]

Subdivision 1. [STATEMENT OF RIGHTS.] A person who receives home care services has these rights:

(1) the right to receive written information about rights, including what to do if rights are violated;

(2) the right to receive care and services according to a suitable and up-to-date plan, and subject to accepted medical or nursing standards, to take an active part in creating and changing the plan and evaluating care and services;

(3) the right to be told about the services that are being provided or suggested, about other choices that are available, and about the consequences of these choices including the consequences of refusing these services;

(4) the right to refuse services or treatment;

(5) the right to know, in advance, any limits to the services available from a provider, whether the services are covered by health insurance, medical assistance, or other health programs, and the provider's grounds for a termination of services;

(6) the right to know what the charges are for services, no matter who will be paying the bill;

(7) the right to know that there may be other services available in the community, including other home care services and providers, and to know where to go for information about these services;

(8) the right to choose freely among available providers and to change providers after services have begun, within the limits of health insurance, medical assistance, or other health programs;

(9) the right to have personal, financial, and medical information kept private;

(10) the right to be allowed access to records and written information from records in accordance with section 144.335;

(11) the right to be served by people who are properly trained and competent to perform their duties;

(12) the right to be treated with courtesy and respect;

(13) the right to be free from physical and verbal abuse;

(14) the right to reasonable notice of changes in services or charges;

(15) the right to a coordinated transfer when there will be a change in the provider of services;

(16) the right to know how to contact an individual associated with the provider who is responsible for handling problems and the name and address of the state or county agency to contact for additional information or assistance; and

(17) the right to assert these rights without retaliation.

Subd. 2. [INTERPRETATION AND ENFORCEMENT OF RIGHTS.] These rights are established for the benefit of persons who receive home care services. "Home care services" means home care services as defined in section 3, subdivision 3. A home care provider may not require a person to surrender these rights as a condition of receiving services. A guardian or conservator or, when there is no guardian or conservator, a designated person, may seek to enforce these rights. This statement of rights does not replace or diminish other rights and liberties that may exist relative to persons receiving home care services, persons providing home care services, or providers licensed under this act. A copy of these rights must be provided to an individual at the time home care services are initiated. The copy shall also contain the address and phone number of the office of health facility complaints and a brief statement describing how to file a complaint with that office.

Sec. 5. [144A.45] [REGULATION OF HOME CARE SERVICES.]

Subdivision 1. [PURPOSE.] The commissioner shall regulate and control the delivery of home care services in order to protect consumers, assure quality of care, improve access to services, and prevent fraud.

Subd. 2. [REGULATORY FUNCTIONS.] The commissioner shall:

(1) evaluate, monitor, and license home care providers in accordance with sections 5 to 8 and 14;

(2) inspect the office and records of a provider during regular business hours, provided that when conducting routine office visits

or inspections, the commissioner shall provide at least 48 hours' advance notice to the home care provider;

(3) with the consent of the consumer, visit the home where services are being provided;

(4) issue correction orders and assess civil penalties in accordance with section 144.653, subdivisions 5 to 8;

(5) take other action reasonably required to accomplish the purposes of sections 2 to 8 and 14; and

(6) adopt rules governing home care providers. The rules adopted by the commissioner may include the following:

(a) provisions to assure, to the extent possible, the health, safety and well-being, and appropriate treatment of persons who receive home care services;

(b) requirements that home care providers furnish the commissioner specified information necessary to implement sections 2 to 8 and 14;

(c) standards of training of home care provider personnel, which may vary according to the nature of the services provided or the health status of the consumer;

(d) standards of supervision by a registered nurse of personnel providing home care services, which may vary according to the nature of the services provided or the health status of the consumer;

(e) requirements for the involvement of a consumer's physician, the documentation of physicians' orders and the consumer's treatment plan, and the maintenance of accurate, current clinical records;

(f) the establishment of different classes of licenses for different types of providers and different standards and requirements for different kinds of home care services; and

(g) operating procedures required to implement the home care bill of rights.

In the exercise of the authority granted in sections 2 to 8 and 14, the commissioner shall comply with the applicable requirements of section 144.122, the government data practices act, and the administrative procedure act.

Subd. 3. [ADVISORY TASK FORCE.] The commissioner of health shall establish and appoint a home care advisory task force consist-

ing of 15 members representing the various kinds of home care providers, including a hospice program, health care professionals, community health services agencies, and consumers. The appointment, removal, and compensation of members is as provided in section 15.059, subdivision 6. The task force shall provide advice and recommendations to the commissioner regarding the development of rules required by subdivision 2.

Sec. 6. [144A.46] [LICENSURE.]

Subdivision 1. [LICENSE REQUIRED.] (a) A home care provider may not operate in the state without a current license issued by the commissioner of health.

(b) Within ten days after receiving an application for a license, the commissioner shall acknowledge receipt of the application in writing. The acknowledgement must indicate whether the application appears to be complete or whether additional information is required before the application will be considered complete. Within 90 days after receiving a complete application, the commissioner shall either grant or deny the license. If an applicant is not granted or denied a license within 90 days after submitting a complete application, the license must be deemed granted. An applicant whose license has been deemed granted must provide written notice to the commissioner before providing a home care service.

Subd. 2. [EXEMPTIONS.] The following individuals are exempt from the requirement to obtain a home care provider license:

(1) a person who is licensed under sections 148.171 to 148.285 and who independently provides nursing services in the home without any contractual or employment relationship to a home care provider or other organization;

(2) a personal care assistant who provides services under the medical assistance program as authorized under section 256B.02, subdivision 8, paragraph (17), and section 15;

(3) a person who is registered under sections 148.65 to 148.78 and who independently provides physical therapy services in the home without any contractual or employment relationship to a home care provider or other organization;

(4) a person who provides services to a person with mental retardation under a program of semi-independent living services regulated by Minnesota Rules, parts 9525.0500 to 9525.0660; or

(5) a person who provides services to a person with mental retardation under contract with a county to provide home and community-based services that are reimbursed under the medical

assistance program, chapter 256B, and regulated by Minnesota Rules, parts 9525.1800 to 9525.1930.

An exemption under this subdivision does not excuse the individual from complying with applicable provisions of the home care bill of rights.

Subd. 3. [ENFORCEMENT.] The commissioner may refuse to grant or renew a license, or may suspend or revoke a license, for violation of statutes or rules relating to home care services or for conduct detrimental to the welfare of the consumer. Prior to any suspension, revocation, or refusal to renew a license, the home care provider shall be entitled to notice and a hearing as provided by sections 14.57 to 14.70. In addition to any other remedy provided by law, the commissioner may, without a prior contested case hearing, temporarily suspend a license or prohibit delivery of services by a provider for not more than 60 days if the commissioner determines that the health or safety of a consumer is in imminent danger, provided (1) advance notice is given to the provider; (2) after notice, the provider fails to correct the problem; (3) the commissioner has reason to believe that other administrative remedies are not likely to be effective; and (4) there is an opportunity for a contested case hearing within the 60 days. The process of suspending or revoking a license must include a plan for transferring affected clients to other providers.

Subd. 4. [RELATION TO OTHER REGULATORY PROGRAMS.] In the exercise of the authority granted under sections 2 to 8 and 14, the commissioner shall not duplicate or replace standards and requirements imposed under another state regulatory program. The commissioner shall not impose additional training or education requirements upon members of a licensed or registered occupation or profession, except as necessary to address or prevent problems that are unique to the delivery of services in the home or to enforce and protect the rights of consumers listed in section 4. For home care providers certified under the Medicare program, the state standards must not be inconsistent with the Medicare standards for Medicare services.

Subd. 5. [PRIOR CRIMINAL CONVICTIONS.] An applicant for a home care provider license shall disclose to the commissioner all criminal convictions of persons involved in the management, operation, or control of the provider. A home care provider shall require employees of the provider and applicants for employment to disclose all criminal convictions. No person may be employed by a home care provider or involved in the management, operation, or control of a provider, if the person has been convicted of a crime that relates to the provision of home care services or to the position, duties, or responsibilities undertaken by that person in the operation of the home care provider, unless the person can provide sufficient evidence of rehabilitation. The commissioner shall adopt rules for determin-

ing whether a crime relates to home care services and what constitutes sufficient evidence of rehabilitation. The rules must require consideration of the nature and seriousness of the crime; the relationship of the crime to the purposes of home care licensure and regulation; the relationship of the crime to the ability, capacity, and fitness required to perform the duties and discharge the responsibilities of the person's position; mitigating circumstances or social conditions surrounding the commission of the crime; the length of time elapsed since the crime was committed; the seriousness of the risk to the home care client's person or property; and other factors the commissioner considers appropriate.

Sec. 7. [144A.47] [INFORMATION AND REFERRAL SERVICES.]

The commissioner shall ensure that information and referral services relating to home care are available in all regions of the state. The commissioner shall collect and make available information about available home care services, sources of payment, providers, and the rights of consumers. The commissioner may require home care providers to provide information requested for the purposes of this section, including price information, as a condition of registration or licensure. Specific price information furnished by providers under this section is not public data and must not be released without the written permission of the agency. The commissioner may publish and make available:

- (1) general information and a summary of the range of prices of home care services in the state;
- (2) limitations on hours, availability of services, and eligibility for third-party payments, applicable to individual providers; and
- (3) other information the commissioner determines to be appropriate.

Sec. 8. [144A.48] [HOSPICE PROGRAMS.]

Subdivision 1. [DEFINITIONS.] For the purposes of this section, the following terms have the meanings given to them:

- (1) "Hospice core services" means physician services, registered nursing services, medical social services, pastoral care or other counseling services, and volunteer services. Hospice core services may be provided either directly by the hospice program or through a service contract or other arrangement;
- (2) "Hospice patient" means an individual who has been diagnosed as terminally ill with a probable life expectancy of under one year, as documented by the individual's attending physician, and

who alone or, when unable, through the hospice patient's family has voluntarily consented to and received admission to a hospice program;

(3) "Hospice patient's family" means the immediate kin of the hospice patient and other relatives, the hospice patient's guardian, primary caregivers, or persons identified by the hospice patient as having significant personal ties;

(4) "Hospice program" means a centrally coordinated program that ensures continuity and consistency of home and inpatient care provided directly or through an agreement. Hospice core services are provided under the direction of an identifiable hospice administration. The hospice interdisciplinary team provides palliative care and supportive medical and other services to terminally ill hospice patients and patients' families to meet the physical, emotional, social, spiritual, and special needs experienced during the final stages of illness, dying, and bereavement;

(5) "Interdisciplinary team" means a group of qualified individuals with expertise in meeting the special needs of hospice patients and patients' families. The interdisciplinary team must, at a minimum, include individuals who are providers of the hospice core services;

(6) "Palliative care" means care directed at managing the symptoms experienced by the hospice patient, intended to enhance the quality of life for the hospice patient, and the patient's family, but not directed at curing the illness; and

(7) "Volunteer services" means services by volunteers who provide a personal presence that augments a variety of professional and nonprofessional services available to the hospice patient, the patient's family, and the hospice program. Volunteers must complete a hospice training program and must be qualified for any services they provide.

Subd. 2. [LICENSE REQUIREMENTS.] A hospice program may not operate in the state or use the words "hospice" or "hospice program" without a current license issued by the commissioner of health. The commissioner shall license hospice programs using the powers and authorities contained in sections 3 to 7 and 14. In addition a hospice program must provide:

(1) centrally coordinated hospice core services in the home and inpatient settings;

(2) that the medical components of the hospice program are under the direction of a licensed physician who serves as medical director;

(3) that the palliative medical care provided to a hospice patient is under the direction of the attending physician;

(4) an interdisciplinary team that meets regularly to develop, implement, and evaluate the hospice program's plan of care for each hospice patient and the patient's family;

(5) accessible hospice care, 24 hours a day, seven days a week;

(6) an ongoing system of quality assurance;

(7) a planned program of supportive services available to patients' families during the bereavement period; and

(8) that inpatient services are provided directly or by arrangement in a licensed hospital or nursing home.

Subd. 3. [REQUIRED INSPECTIONS.] The commissioner shall inspect the hospice program, the home care and the inpatient care provided by the hospice program, and the hospital or nursing home used by the hospice program to determine if the requirements of sections 5 to 8 are met.

Subd. 4. [RULE AUTHORITY.] The commissioner shall promulgate rules to implement the provisions of this section.

Subd. 5. [LICENSE DESIGNATION.] A license issued to a home care provider meeting the requirements contained in this section shall indicate that the provider is qualified to offer hospice care.

Sec. 9. Minnesota Statutes 1986, section 144A.51, subdivision 6, is amended to read:

Subd. 6. "Resident" means any resident or patient of a health facility or a consumer of services provided by a home care provider, or the guardian or conservator of a the resident or patient of a health facility, or consumer, if one has been appointed.

Sec. 10. Minnesota Statutes 1986, section 144A.51, is amended by adding a subdivision to read:

Subd. 7. "Home care provider" means a home care provider as defined in section 3, subdivision 4.

Sec. 11. Minnesota Statutes 1986, section 144A.52, subdivision 3, is amended to read:

Subd. 3. The director may delegate to members of the staff any of the authority or duties of the director except the duty of formally making recommendations to the legislature, administrative agen-

cies, health facilities, health care providers, home care providers, and the state commissioner of health.

Sec. 12. Minnesota Statutes 1986, section 144A.53, is amended to read:

**144A.53 [DIRECTOR; POWERS AND DUTIES.]**

**Subdivision 1. [POWERS.]** The director may:

(a) Promulgate by rule, pursuant to chapter 14, and within the limits set forth in subdivision 2, the methods by which complaints against health facilities, health care providers, home care providers, or administrative agencies are to be made, reviewed, investigated, and acted upon; provided, however, that a fee may not be charged for filing a complaint;

(b) Recommend legislation and changes in rules to the state commissioner of health, legislature, governor, administrative agencies or the federal government;

(c) Investigate, upon a complaint or upon initiative of the director, any action or failure to act by a health care provider, home care provider, or a health facility;

(d) Request and receive access to relevant information, records, or documents in the possession of an administrative agency, a health care provider, a home care provider, or a health facility which the director deems necessary for the discharge of responsibilities;

(e) Enter and inspect, at any time, a health facility; provided that the director shall not unduly interfere with or disturb the activities of a resident unless the resident consents;

(f) Issue a correction order pursuant to section 144.653 or any other law which provides for the issuance of correction orders to health care facilities or home care provider, or under section 5;

(g) Recommend the certification or decertification of health facilities pursuant to Title XVIII or Title XIX of the United States Social Security Act;

(h) Assist residents of health facilities in the enforcement of their rights under Minnesota law; and

(i) Work with administrative agencies, health facilities, home care providers, and health care providers and organizations representing consumers on programs designed to provide information about health facilities to the public and to health facility residents.

Subd. 2. [COMPLAINTS.] The director may receive a complaint from any source concerning an action of an administrative agency, a health care provider, a home care provider, or a health facility. The director may require a complainant to pursue other remedies or channels of complaint open to the complainant before accepting or investigating the complaint.

The director shall keep written records of all complaints and any action upon them. After completing an investigation of a complaint, the director shall inform the complainant, the administrative agency having jurisdiction over the subject matter, the health care provider, the home care provider, and the health facility of the action taken.

Subd. 3. [RECOMMENDATIONS.] If, after duly considering a complaint and whatever material the director deems pertinent, the director determines that the complaint is valid, the director may recommend that an administrative agency, a health care provider, a home care provider, or a health facility should:

- (a) Modify or cancel the actions which gave rise to the complaint;
  - (b) Alter the practice, rule or decision which gave rise to the complaint;
  - (c) Provide more information about the action under investigation;
- or
- (d) Take any other step which the director considers appropriate.

If the director requests, the administrative agency, a health care provider, a home care provider, or health facility shall, within the time specified, inform the director about the action taken on a recommendation.

Subd. 4. [REFERRAL OF COMPLAINTS.] If a complaint received by the director relates to a matter more properly within the jurisdiction of an occupational licensing board or other governmental agency, the director shall forward the complaint to that agency and shall inform the complaining party of the forwarding. The agency shall promptly act in respect to the complaint, and shall inform the complaining party and the director of its disposition. If a governmental agency receives a complaint which is more properly within the jurisdiction of the director, it shall promptly forward the complaint to the director, and shall inform the complaining party of the forwarding. If the director has reason to believe that an official or employee of an administrative agency, a home care provider, or health facility has acted in a manner warranting criminal or disciplinary proceedings, the director shall refer the matter to the state commissioner of health, the commissioner of human services, an appropriate prosecuting authority, or other appropriate agency.

Sec. 13. Minnesota Statutes 1986, section 144A.54, subdivision 1, is amended to read:

Subdivision 1. Except as otherwise provided by this section, the director may determine the form, frequency, and distribution of the conclusions and recommendations. The director shall transmit the conclusions and recommendations to the state commissioner of health and the legislature. Before announcing a conclusion or recommendation that expressly or by implication criticizes an administrative agency, a health care provider, a home care provider, or a health facility, the director shall consult with that agency, health care provider, home care provider, or facility. When publishing an opinion adverse to an administrative agency, a health care provider, a home care provider, or a health facility, the director shall include in the publication any statement of reasonable length made to the director by that agency, health care provider, home care provider, or health facility in defense or explanation of the action.

Sec. 14. [TEMPORARY PROCEDURES.]

For purposes of this section, "home care providers" shall mean the providers described in section 3, subdivision 4, including hospice programs described in section 8. Home care providers are exempt from the licensure requirement in section 6, subdivision 1, until 90 days after the effective date of the licensure rules. Beginning July 1, 1987, no home care provider, as defined in section 3, subdivision 4, except a provider exempt from licensure under section 6, subdivision 2, may provide home care services in this state without registering with the commissioner. A home care provider is registered with the commissioner when the commissioner has received in writing the provider's name; the name of its parent corporation or sponsoring organization, if any; the street address and telephone number of its principal place of business; the street address and telephone number of its principal place of business in Minnesota; the counties in Minnesota in which it may render services; the street address and telephone number of all other offices in Minnesota; and the name, educational background, and ten-year employment history of the person responsible for the management of the agency. A registration fee must be submitted with the application for registration. The fee must be established pursuant to section 144.122 and must be based on a consideration of the following factors: the number of clients served by the home care provider, the number of employees, the number of services offered, and annual revenues of the provider. The registration is effective until 90 days after licensure rules are effective. In order to maintain its registration and provide services in Minnesota, a home care provider must comply with section 4 and comply with requests for information under section 7. A registered home care provider is subject to sections 144A.51 to 144A.54. Registration under this section does not exempt a home care provider from the licensure and other requirements later adopted by the commissioner.

Within 90 days after the effective date of the licensure rules under section 5, the commissioner of health shall issue provisional licenses to all home care providers registered with the department as of that date. The provisional license shall be valid until superseded by a license issued under section 6 or for a period of one year, whichever is shorter. Applications for licensure as a home care provider received on or after the effective date of the home care licensure rules, shall be issued under section 6, subdivision 1.

Sec. 15. Minnesota Statutes 1986, section 256B.04, is amended by adding a subdivision to read:

Subd. 16. [PERSONAL CARE ASSISTANTS.] The commissioner shall adopt permanent rules to implement, administer, and operate the personal care assistant services program. The rules must incorporate the standards and requirements for personal care assistants adopted by the commissioner of health under section 5. The rules must provide, at a minimum:

(1) that agencies be selected to employ and train staff to provide and supervise the provision of personal care services;

(2) that agencies employ or contract with a qualified applicant that a qualified recipient proposes to the agency as the recipient's choice of assistant;

(3) that agencies bill the medical assistance program for a personal care service by a personal care assistant and visits by the registered nurse supervising the personal care assistant;

(4) that agencies establish a grievance mechanism; and

(5) that agencies have a quality assurance program.

Sec. 16. Minnesota Statutes 1986, section 364.09, is amended to read:

364.09 [LAW ENFORCEMENT; EXCEPTION EXCEPTIONS.]

This chapter shall not apply to the practice of law enforcement, to eligibility for a family day care license or, a family foster care license, a home care provider license, or to eligibility for school bus driver endorsements. Nothing in this section shall be construed to preclude the Minnesota police and peace officers training board from recommending policies set forth in this chapter to the attorney general for adoption in the attorney general's discretion to apply to law enforcement.

Sec. 17. Minnesota Statutes 1986, section 626.557, subdivision 2, is amended to read:

Subd. 2. [DEFINITIONS.] As used in this section, the following terms have the meanings given them unless the specific context indicates otherwise.

(a) "Facility" means a hospital or other entity required to be licensed pursuant to sections 144.50 to 144.58; a nursing home required to be licensed to serve adults pursuant to section 144A.02; an agency, day care facility, or residential facility required to be licensed to serve adults pursuant to sections 245.781 to 245.812; or a home health agency certified for participation in titles XVIII or XIX of the Social Security Act, United States Code, title 42, sections 1395 et seq care provider licensed under section 6.

(b) "Vulnerable adult" means any person 18 years of age or older:

(1) who is a resident or inpatient of a facility;

(2) who receives services at or from a facility required to be licensed to serve adults pursuant to sections 245.781 to 245.812, except a person receiving outpatient services for treatment of chemical dependency or mental illness;

(3) who receives services from a home health agency certified for participation under titles XVIII or XIX of the Social Security Act, United States Code, title 42, sections 1395 et seq and 1396 et seq care provider licensed under section 6; or

(4) who, regardless of residence or type of service received, is unable or unlikely to report abuse or neglect without assistance because of impairment of mental or physical function or emotional status.

(c) "Caretaker" means an individual or facility who has responsibility for the care of a vulnerable adult as a result of a family relationship, or who has assumed responsibility for all or a portion of the care of a vulnerable adult voluntarily, by contract, or by agreement.

(d) "Abuse" means:

(1) any act which constitutes a violation under sections 609.221 to 609.223, 609.23 to 609.235, 609.322, 609.342, 609.343, 609.344, or 609.345;

(2) nontherapeutic conduct which produces or could reasonably be expected to produce pain or injury and is not accidental, or any

repeated conduct which produces or could reasonably be expected to produce mental or emotional distress;

(3) any sexual contact between a facility staff person and a resident or client of that facility; or

(4) the illegal use of a vulnerable adult's person or property for another person's profit or advantage, or the breach of a fiduciary relationship through the use of a person or a person's property for any purpose not in the proper and lawful execution of a trust, including but not limited to situations where a person obtains money, property, or services from a vulnerable adult through the use of undue influence, harassment, duress, deception, or fraud.

(e) "Neglect" means:

(1) failure by a caretaker to supply a vulnerable adult with necessary food, clothing, shelter, health care or supervision;

(2) the absence or likelihood of absence of necessary food, clothing, shelter, health care, or supervision for a vulnerable adult; or

(3) the absence or likelihood of absence of necessary financial management to protect a vulnerable adult against abuse as defined in paragraph (d), clause (4). Nothing in this section shall be construed to require a health care facility to provide financial management or supervise financial management for a vulnerable adult except as otherwise required by law.

(f) "Report" means any report received by a local welfare agency, police department, county sheriff, or licensing agency pursuant to this section.

(g) "Licensing agency" means:

(1) the commissioner of health, for facilities as defined in clause (a) which are required to be licensed or certified by the department of health;

(2) the commissioner of human services, for facilities required by sections 245.781 to 245.813 to be licensed;

(3) any licensing board which regulates persons pursuant to section 214.01, subdivision 2; and

(4) any agency responsible for credentialing human services occupations.

Sec. 18. [APPROPRIATION.]

\$516,600 is appropriated from the general fund to the commissioner of health for the regulation of home care services to be available until June 30, 1989.

Sec. 19. [EFFECTIVE DATE.]

Sections 1 to 18 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to health; requiring licensure of home care providers and hospice programs; providing a home care bill of rights; providing a complaint procedure for home care clients; appropriating money; amending Minnesota Statutes 1986, sections 144.335, subdivision 1; 144.699, subdivision 2; 144A.51, subdivision 6, and by adding a subdivision; 144A.52, subdivision 3; 144A.53; 144A.54, subdivision 1; 256B.04, by adding a subdivision; 364.09; and 626.557, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 144A."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 130, A bill for an act relating to Ramsey county; authorizing the county to use certain land dedicated as open space for highway purposes; amending Minnesota Statutes 1986, section 383A.07, by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [RAMSEY COUNTY; SHOREVIEW; LAND TRANSFER.]

Notwithstanding any contrary provisions of Minnesota Statutes, section 383A.07 or other law, Ramsey county may convey to the city of Shoreview, for use by the city for any public purpose, the following described parcel of real property:

The south 220 feet of east 200 feet of the following described parcel: Unplatted Lands, subject to T.H. 10 and 393, Part of the SE 1/4 south of said T.H. west of Victoria Street and North of Railway Right-of-way in Section 26, Town 30, Range 23.

The conveyance may be on the terms and subject to the conditions or reversionary rights by Ramsey county.

Sec. 2. [HIGHWAY INTERSECTION.]

Notwithstanding any contrary provision of Minnesota Statutes, section 383A.07 or other law, Ramsey county may use the open space land described in this section for highway purposes.

That part of the west 360 feet of the Southeast Quarter of the Northwest Quarter of Section 3, Township 30 North, Range 23 West and that part of the Northwest Quarter of the Northwest Quarter of Section 3, Township 30 North, Range 23 West except the following described parcels.

That part of the Northwest Quarter of Section 3, Township 30 North, Range 23 West lying west of Lexington Avenue and northerly of the following described line:

Beginning at a point 1144.575 feet South of the northwest corner of said section; thence South 89 degrees 27 minutes 03.1 seconds East 191.685 feet; thence North 45 degrees 34 minutes 07.5 seconds East 468.32 feet; thence South 89 degrees 27 minutes 03.1 seconds East 236.54 feet to a point on west line of Lexington Avenue 813.31 feet south of the north line of said section and there terminating.

That part of the Northwest Quarter of the Northwest Quarter of said Section 3 described as follows:

Beginning at a point on the east line of said quarter quarter having an assumed bearing of South 0 degrees 05 minutes 08 seconds West, 1120 feet south at right angles to the north line of said quarter quarter; thence South 21 degrees 37 minutes 42 seconds West, 671.61 feet; thence South 40 degrees 13 minutes 18 seconds East, 257.55 feet; thence South 0 degrees 05 minutes 08 seconds West, 33 feet to the South line of said quarter quarter; thence easterly along said south line to the east line of said quarter quarter; thence northerly along said east line of said quarter quarter to the point of beginning and there terminating;

which lies within a 99 foot wide strip of land the center line of which is described as follows:

Beginning at the northeast corner of said Southeast Quarter of the Northwest Quarter of Section 3, Township 30 North, Range 23 West; thence westerly along the north line of said Southeast Quarter of the Northwest Quarter, having an assumed bearing of North 89 degrees 42 minutes 09 seconds West for 933.51 feet; thence along a tangential curve to the right having a radius of 954.93 feet and a central angle of 89 degrees 50 minutes 42 seconds for a distance of

1497.42 feet; thence North 0 degrees 08 minutes 33 seconds East for a distance of 691.02 feet; thence along a tangential curve to the right having a radius of 1145.92 feet for a distance of 348.41 feet to a point on the north line of said Northwest Quarter being 808.61 feet east of the northwest corner of said Section 3 and there terminating.

Except that part of the existing Lexington Avenue right of way, containing 2.4702 acres, more or less.

Sec. 3. [EFFECTIVE DATE.]

This act is effective the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the board of Ramsey county commissioners."

Delete the title and insert:

"A bill for an act relating to local government; authorizing Ramsey county to transfer land to the city of Shoreview; authorizing Ramsey county to use certain land dedicated as open space for highway purposes."

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 166, A bill for an act relating to real property; authorizing conveyance of state interest in certain land in St. Louis county.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 281, A bill for an act relating to elections; providing for experimental mail elections; proposing coding for new law in Minnesota Statutes, chapter 204B.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 312, A bill for an act relating to elections; changing what name may be used on ballots, nominating petitions, and affidavits of candidacy; repealing Minnesota Statutes 1986, section 204B.05.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 334, A bill for an act relating to elections; changing registration, absentee ballot, filing, training, administrative, electronic voting, ballot preparation, canvassing, and election contest provisions; amending Minnesota Statutes 1986, sections 201.071, subdivision 4; 201.091, subdivision 4; 203B.03, subdivision 1; 203B.06, subdivision 3; 204B.11, subdivision 1; 204B.25, subdivision 1; 204B.27, subdivision 1; 204B.40; 204C.24, subdivision 1; 204C.27; 204C.31, subdivision 1; 204D.04, subdivision 2; 204D.11, subdivision 6; 206.61, subdivision 5; 206.82, subdivision 2; 206.90, subdivision 3; and 209.021, subdivision 3.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1986, section 201.071, subdivision 4, is amended to read:

Subd. 4. [CHANGE OF REGISTRATION.] Any county auditor who receives a registration card indicating that an individual was previously registered in a different county in Minnesota shall notify the county auditor of that county on a form prescribed by the secretary of state. A county auditor receiving a registration card indicating that a voter was previously registered in a different precinct in the same county or receiving a notification form as provided in this subdivision or ~~section 204C.30, subdivision 2,~~ shall delete that individual's name from the registration lists and remove the duplicate voter registration card, if any, and the original voter registration cards from the files. Any county auditor who receives a registration card or notification requiring a change of registration records under this subdivision shall also check the duplicate registration card or file from the precinct of prior residence to determine

whether the individual voted in that precinct in the most recent election.

Sec. 2. Minnesota Statutes 1986, section 201.091, subdivision 4, is amended to read:

Subd. 4. [PUBLIC ACCESS TO REGISTRATION FILES.] The duplicate registration file shall be open to public inspection. The public official having custody of the voter registration files may adopt reasonable rules governing access to the files. No individual inspecting the duplicate registration file shall tamper with the cards or their arrangement. No individual who inspects a duplicate registration file or who acquires a list of registered voters prepared from the file may use any information contained in the file or list for purposes unrelated to elections, political activities, or law enforcement.

Before inspecting voter registration files or obtaining a list of voters or other information from the files, the individual shall provide identification to the public official having custody of the registration files.

Sec. 3. Minnesota Statutes 1986, section 203B.03, subdivision 1, is amended to read:

Subdivision 1. [VIOLATION.] No individual shall intentionally:

- (a) make or sign any false certificate required by this chapter;
- (b) make any false or untrue statement in any application for absentee ballots;
- (c) apply for absentee ballots more than once in any election with the intent to cast an illegal ballot;
- (d) exhibit a ballot marked by that individual to any other individual; ~~or~~
- (e) do any act in violation of the provisions of this chapter for the purpose of casting an illegal vote in any precinct or for the purpose of aiding another to cast an illegal vote; or
- (f) use information from absentee ballot materials or records for purposes unrelated to elections, political activities, or law enforcement.

Before inspecting information from absentee ballot materials or records, an individual shall provide identification to the public official having custody of the material or information.

Sec. 4. Minnesota Statutes 1986, section 203B.06, subdivision 3, is amended to read:

Subd. 3. [DELIVERY OF BALLOTS.] If an application for absentee ballots is accepted at a time when absentee ballots are not yet available for distribution, the county auditor or municipal clerk accepting the application shall file it and as soon as absentee ballots are available for distribution shall mail them to the address specified in the application. If an application for absentee ballots is accepted when absentee ballots are available for distribution, the county auditor or municipal clerk accepting the application shall promptly:

(a) Mail the ballots to the voter whose signature appears on the application if the application is submitted by mail; or

(b) Deliver the absentee ballots directly to the voter if the application is submitted in person.

If an application does not indicate the election for which absentee ballots are sought, the county auditor or municipal clerk shall mail or deliver only the ballots for the next election occurring after receipt of the application. Only one set of ballots may be mailed to an applicant for any election.

This subdivision does not apply to applications for absentee ballots received pursuant to section 203B.04, subdivision 2, and section 203B.11.

Sec. 5. Minnesota Statutes 1986, section 204B.11, subdivision 1, is amended to read:

Subdivision 1. [AMOUNT.] Except as provided by subdivision 2, a filing fee shall be paid by each candidate who files an affidavit of candidacy. The fee shall be paid at the time the affidavit is filed. The amount of the filing fee shall vary with the office sought as follows:

(a) for the office of governor, lieutenant governor, attorney general, state auditor, state treasurer, secretary of state, representative in congress, judge of the supreme court, judge of the court of appeals, judge of the district court, or judge of the county municipal court of Hennepin county, \$150;

(b) for the office of senator in congress, \$200;

(c) for office of senator or representative in the legislature, \$50;

(d) for a county office, \$50; and

(e) for the office of soil and water conservation district supervisor, \$20.

For the office of presidential elector, and for those offices for which no compensation is provided, no filing fee is required.

The filing fees received by the county auditor shall immediately be paid to the county treasurer. The filing fees received by the secretary of state shall immediately be paid to the state treasurer.

When an affidavit of candidacy has been filed with the appropriate filing officer and the requisite filing fee has been paid, the filing fee shall not be refunded. If a candidate's filing fee is paid with a check, draft, or similar negotiable instrument for which sufficient funds are not available or that is dishonored, notice to the candidate of the worthless instrument must be sent by the filing officer via registered mail no later than immediately upon the closing of the filing deadline with return receipt requested. The candidate will have five days from the time the filing officer receives proof of receipt to issue a check or other instrument for which sufficient funds are available. The candidate issuing the worthless instrument is liable for a service charge pursuant to section 332.50. If adequate payment is not made, the name of the candidate must not appear on any official ballot and the candidate is liable for all costs incurred by election officials in removing the name from the ballot.

Sec. 6. Minnesota Statutes 1986, section 204B.27, subdivision 1, is amended to read:

Subdivision 1. [BLANK FORMS.] At least 25 days before every state election the secretary of state shall transmit to each county auditor a sufficient number of blank county abstract forms, affidavits of challenged voters, and any other blank forms that the secretary of state deems necessary for the conduct of the election.

Sec. 7. Minnesota Statutes 1986, section 204B.40, is amended to read:

**204B.40 [BALLOTS; ELECTION RECORDS AND OTHER MATERIALS; DISPOSITION.]**

The county auditors and municipal clerks shall retain all election materials returned to them after any election for at least one year from the date of that election. All election materials involved in a contested election shall be retained for one year or until the contest has been finally determined, whichever is later. Abstracts filed by canvassing boards shall be retained permanently by any officer with whom those abstracts are filed. Election materials no longer required to be retained pursuant to this section shall be disposed of in accordance with sections 138.163 to 138.21. Sealed envelopes containing voted ballots must be retained unopened in a secure loca-

tion. The county auditor or municipal clerk shall not permit any voted ballots to be tampered with or defaced.

Sec. 8. Minnesota Statutes 1986, section 204C.24, subdivision 1, is amended to read:

Subdivision 1. [INFORMATION REQUIREMENTS.] Precinct summary statements shall be submitted by the election judges in every precinct. The election judges shall complete three or more copies of the summary statements, and each copy shall contain the following information for each kind of ballot:

(a) the number of votes each candidate received or the number of yes and no votes on each question, the number of undervotes or partially blank ballots, and the number of overvotes or partially defective ballots with respect to each office or question;

(b) the number of totally blank ballots, the number of totally defective ballots, the number of spoiled ballots, and the number of unused ballots;

(c) the number of individuals who voted at the election in the precinct;

(d) in counties with permanent registration, the number of voters registered before the polling place opened and the number of voters registering on election day in that precinct; and

(e) the signatures of the election judges who counted the ballots certifying that all of the ballots cast were properly piled, checked, and counted; and that the numbers entered by the election judges on the summary statements correctly show the number of votes cast for each candidate and for and against each question.

Sec. 9. Minnesota Statutes 1986, section 204C.27, is amended to read:

204C.27 [DELIVERY OF RETURNS TO COUNTY AUDITORS.]

One or more of the election judges in each precinct shall deliver two sets of summary statements; all unused and spoiled white, pink, ~~and~~ canary, and gray ballots; and the envelopes containing the white, pink, ~~and~~ canary, and gray ballots either directly to the municipal clerk for transmittal to the county auditor's office or directly to the county auditor's office within as soon as possible after the vote counting is completed but no later than 24 hours after the end of the hours for voting. One or more election judges shall deliver the remaining set of summary statements and returns, all unused and spoiled municipal ballots, the envelopes containing municipal ballots, and all other things furnished by the municipal clerk, to the

municipal clerk's office within 24 hours after the end of the hours for voting.

Sec. 10. Minnesota Statutes 1986, section 204C.31, subdivision 1, is amended to read:

Subdivision 1. [COUNTY CANVASSING BOARD.] The county canvassing board shall consist of the county auditor, the court administrator of the district court, the mayor or chair of the town board of the county's most populous municipality, and two members of the county board selected by the board from its members who are not candidates at the election. Any member of the canvassing board may appoint a designee to appear at the meeting of the board, except that no designee may be a candidate for public office. If one of these individuals fails to appear at the meeting of the canvassing board and in the absence of any selection by the county board from among its own members, the county auditor shall appoint an eligible voter of the county who is not a public official or a candidate for public office to fill the vacancy. Three members constitute a quorum.

Sec. 11. Minnesota Statutes 1986, section 204D.04, subdivision 2, is amended to read:

Subd. 2. [INSTRUCTIONS TO PRINTER; PRINTER'S BOND.] The official charged with the preparation and distribution of the ballots shall prepare instructions to the printer for rotation of the names of candidates, for layout of the ballot and for providing the ballots in groups of 50. The instructions shall be approved by the legal advisor of the official before delivery to the printer. Before a contract is awarded for printing ballots, the printer shall furnish a sufficient bond in an amount not less than \$1,000 ~~nor more than~~ \$5,000, conditioned on printing the ballots in conformity with the Minnesota election law and the instructions delivered. If the cost of the ballots exceeds \$1,000 the official responsible for printing the ballots shall set the amount of the bond in an amount no greater than the value of the purchase.

Sec. 12. Minnesota Statutes 1986, section 204D.11, subdivision 6, is amended to read:

Subd. 6. [GRAY BALLOT.] When the canary ballot would be longer than 30 inches, the following offices that should be placed on the canary ballot may be placed instead on a separate gray ballot:

- (a) ~~all soil and water conservation district supervisor offices; or~~
- (b) ~~all soil and water conservation district supervisor and all county or municipal judicial offices; or~~
- (c) ~~all soil and water conservation district supervisor,~~

(b) all county or municipal judicial offices, and all district judicial offices.

All soil and water conservation district supervisor offices may be placed on the gray ballot.

The gray ballot must be headed with the words: "District Nonpartisan General Election Ballot." Separate ballot boxes must be provided for these gray ballots.

Sec. 13. Minnesota Statutes 1986, section 206.61, subdivision 5, is amended to read:

Subd. 5. [ALTERNATION.] The provisions of the election laws requiring the alternation of names of candidates shall be observed as far as practicable by changing the order of the names on the lever voting machines or an electronic voting system in the various precincts so that each name appears on the machines or marking devices used in a municipality substantially an equal number of times in the first, last, and in each intermediate place in the list or group in which they belong. However, the arrangement of candidates' names shall be the same on all lever voting machines or marking devices used in the same precinct. When the number of names to be alternated exceeds the number of precincts, the election official responsible for providing the ballots, in accordance with subdivision 1, shall determine by lot the alternation of names.

Sec. 14. Minnesota Statutes 1986, section 206.82, subdivision 2, is amended to read:

Subd. 2. [PLAN.] The municipal clerk in a municipality where an electronic voting system is used and the county auditor of a county in which a counting center serving more than one municipality is located shall prepare a plan which indicates acquisition of sufficient facilities, computer time, and professional services and which describes the proposed manner of complying with section 206.80. The plan must be signed, notarized, and submitted to the secretary of state more than 60 days before the first election at which the municipality uses an electronic voting system ~~and~~. Prior to July 1 in every of each subsequent general election year the clerk or auditor shall submit to the secretary of state notification of any changes to the plan on file with the secretary of state. The secretary of state shall review each plan for its sufficiency and may request technical assistance from the department of administration or other agency which may be operating as the central computer authority. The secretary of state shall notify each reporting authority of the sufficiency or insufficiency of its plan within 20 days of receipt of the plan. The attorney general, upon request of the secretary of state, may seek a district court order requiring an election official to fulfill

duties imposed by this subdivision or by rules promulgated pursuant to this section.

Sec. 15. Minnesota Statutes 1986, section 206.90, subdivision 3, is amended to read:

Subd. 3. [AVAILABILITY OF PAPER BALLOTS.] For the purposes of section 206.63, "paper ballots" includes ballot cards which are voted by marking with a pencil or other writing instrument and on which are printed the names of candidates, office titles, party designation in a partisan primary or election, and a statement of any question accompanied by the words "Yes" and "No." At a state or county election where an optical scan voting system will be in use, the county auditor may provide ballot cards meeting the requirements of this section in lieu of paper ballots otherwise required to be prepared by the county auditor.

Sec. 16. Minnesota Statutes 1986, section 209.021, subdivision 3, is amended to read:

Subd. 3. [NOTICE SERVED ON PARTIES.] In all contests relating to the nomination or election of a candidate, the notice of contest must be served on the candidate who is the contestee, a copy of the notice must be sent to the contestee's last known address by certified mail, and a copy must be furnished to the official authorized to issue the certificate of election. If personal or substituted service on the contestee cannot be made, an affidavit of the attempt by the person attempting to make service and the affidavit of the person who sent a copy of the notice to the contestee by certified mail is sufficient to confer jurisdiction upon the court to decide the contest.

If the contest relates to a constitutional amendment or other question voted on statewide or voted on in more than one county, notice of contest must be served on the secretary of state, who is the contestee. If a contest relates to a question voted on within only one county or one municipality, a copy of the notice of contest must be served on the county auditor or municipal clerk, respectively, who is the contestee. ~~If the contest relates to an irregularity in the conduct of an election or canvass of votes, a copy of the notice of contest must be served on the county auditor of the county where the irregularity is said to have occurred.~~

Sec. 17. [351.055] [PREPARATIONS FOR SPECIAL ELECTIONS.]

If a future vacancy becomes certain to occur and the vacancy must be filled by a special election, the appropriate authorities may begin procedures leading to the special election so that a successor may be elected at the earliest possible time."

Delete the title and insert:

“A bill for an act relating to elections; changing registration, absentee ballot, filing, training, administrative, electronic voting, ballot preparation, canvassing, and election contest provisions; amending Minnesota Statutes 1986, sections 201.071, subdivision 4; 201.091, subdivision 4; 203B.03, subdivision 1; 203B.06, subdivision 3; 204B.11, subdivision 1; 204B.27, subdivision 1; 204B.40; 204C.24, subdivision 1; 204C.27; 204C.31, subdivision 1; 204D.04, subdivision 2; 204D.11, subdivision 6; 206.61, subdivision 5; 206.82, subdivision 2; 206.90, subdivision 3; and 209.021, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 351.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 340, A bill for an act relating to natural resources; allowing elk to be bred on game and fur farms; amending Minnesota Statutes 1986, section 97A.105, subdivision 1.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 348, A bill for an act relating to Cook county; permitting the sale of certain land.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [COOK COUNTY; LAND SALE.]

Notwithstanding any contrary provision of Minnesota Statutes, sections 92.45 and 282.018 or other law, Cook county may sell the property described in this section to Barney Peet.

The East 500 feet of the West 700 feet of Government Lot 2, south of Highway 61, Section 12, Township 59 North, Range 4 West.

The county and state shall provide a proper conveyance. The price shall be not less than the appraised value of the property. The sale shall be conducted, as far as possible, in accordance with Minnesota Statutes, chapter 282.

The sale is necessary to permit the efficient economic development of an existing commercial activity.

Sec. 2. [LOCAL APPROVAL.]

This act is effective the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the Cook county board of commissioners."

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 364, A bill for an act relating to public cemeteries; increasing the limit on the permanent care and improvement fund; amending Minnesota Statutes 1986, section 306.41.

Reported the same back with the following amendments:

Amend the title as follows:

Page 1, line 2, delete "public"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 400, A bill for an act relating to game and fish; authorizing commissioner to allow a person to take two deer; amending Minnesota Statutes 1986, section 97B.301, subdivision 4.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 505, A bill for an act relating to state lands; authorizing conveyance of certain state easement.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

## **SECOND READING OF HOUSE BILLS**

H. F. Nos. 28, 56, 102, 130, 166, 281, 312, 334, 340, 348, 364, 400 and 505 were read for the second time.

## **SECOND READING OF SENATE BILLS**

S. F. No. 211 was read for the second time.

## **INTRODUCTION AND FIRST READING OF HOUSE BILLS**

The following House Files were introduced:

Ogren, Beard, Begich, Quinn and Rukavina introduced:

H. F. No. 649, A bill for an act relating to employment; providing for severance pay and insurance coverage to certain terminated employees; requiring employers to provide notice of certain actions related to work force reductions; appropriating money; amending Minnesota Statutes 1986, section 268.07, subdivision 2; proposing coding for new law as Minnesota Statutes, chapter 268A.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Rest, Vellenga and Bishop introduced:

H. F. No. 650, A bill for an act relating to crime; permitting courts to sentence sex offenders to prison as well as to treatment as a

condition of probation; amending Minnesota Statutes 1986, section 609.135, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Judiciary.

Scheid, Osthoff, Long, Shaver and Knickerbocker introduced:

H. F. No. 651, A bill for an act relating to elections; setting times for changing election precincts and reapportioning certain election districts; amending Minnesota Statutes 1986, sections 204B.14, subdivision 3; and 375.025, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 204B.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Wenzel introduced:

H. F. No. 652, A bill for an act relating to the city of Little Falls; authorizing the issuance of general obligation bonds to refund certain tax increment bonds of the city; authorizing the city to use the unexpended proceeds of the refunded bonds for other municipal purposes.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Reding, Battaglia, Tunheim and Carlson, D., introduced:

H. F. No. 653, A bill for an act relating to wild animals; use of lights in taking or in tending traps; length of otter season; setting traps near water; amending Minnesota Statutes 1986, sections 97B.081; 97B.921; 97B.931; and 97B.945.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Wagenius; Riveness; Nelson, K.; Skoglund and Osthoff introduced:

H. F. No. 654, A bill for an act relating to metropolitan government; providing for the composition of the metropolitan airports commission; amending Minnesota Statutes 1986, section 473.604, subdivision 1.

The bill was read for the first time and referred to the Committee on Metropolitan Affairs.

Redalen, Dille, McDonald and Uphus introduced:

H. F. No. 655, A bill for an act relating to agriculture; clarifying and amending the farmer-lender mediation act; amending Minnesota Statutes 1986, sections 336.9-501; 550.365; 581.015; 583.21; 583.22, subdivisions 2, 4, and 8; 583.24, subdivisions 1, 3, and by adding a subdivision; 583.26, subdivisions 1, 2, 3, 4, 5, 6, 8, 9, and by adding a subdivision; 583.27, subdivision 3, and by adding a subdivision; and 583.28; proposing coding for new law in Minnesota Statutes, chapter 583; repealing Minnesota Statutes 1986, section 559.209.

The bill was read for the first time and referred to the Committee on Agriculture.

O'Connor; Beard; Begich; Johnson, A., and Sarna introduced:

H. F. No. 656, A bill for an act relating to public safety; regulating high pressure piping and pipefitters; providing penalties; amending Minnesota Statutes 1986, sections 326.461, subdivision 2; 326.47, subdivision 3; 326.48, subdivision 1; 326.50; 326.51; proposing coding for new law in Minnesota Statutes, chapter 326.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Bauerly and McEachern introduced:

H. F. No. 657, A bill for an act relating to education; requiring post-secondary institutions to reimburse school districts when post-secondary credit is granted for courses originally taken for secondary credit only; amending Minnesota Statutes 1986, section 123.3514, subdivision 5.

The bill was read for the first time and referred to the Committee on Education.

Bauerly and McEachern introduced:

H. F. No. 658, A bill for an act relating to tort liability; decreasing the tort liability limits for the state and its municipalities; amending Minnesota Statutes 1986, sections 3.736, subdivision 4; and 466.04, subdivisions 1 and 3.

The bill was read for the first time and referred to the Committee on Judiciary.

Ogren, Rukavina, Rodosovich, Krueger and Wenzel introduced:

H. F. No. 659, A bill for an act relating to public welfare; providing an exemption from statutory limits for certain levies for services to the aging; amending Minnesota Statutes 1986, section 256.01, subdivision 8.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Blatz, Kelly, Welle, Swenson and Brown introduced:

H. F. No. 660, A bill for an act relating to government data practices; providing an exception to the nondisclosure of welfare data to law enforcement or probation officers in certain cases; amending Minnesota Statutes 1986, section 13.46, subdivision 2.

The bill was read for the first time and referred to the Committee on Judiciary.

Solberg, Sparby, Sarna, Milbert and Bennett introduced:

H. F. No. 661, A bill for an act relating to commerce; granting motor fuel retailers the option to purchase from wholesalers other than the refiner; proposing coding for new law in Minnesota Statutes, chapter 80C.

The bill was read for the first time and referred to the Committee on Commerce.

Kalis, Schafer, Hugoson, Tunheim and Olson, E., introduced:

H. F. No. 662, A bill for an act relating to education; eliminating a restriction on interdistrict cooperation revenue based on the size of a school district; amending Minnesota Statutes 1986, sections 124.272, subdivision 4; and 275.125, subdivision 8a.

The bill was read for the first time and referred to the Committee on Education.

Wenzel, Quinn, Kelso, Blatz and Marsh introduced:

H. F. No. 663, A bill for an act relating to health; providing for disposition of the remains of human fetuses; providing a penalty; proposing coding for new law in Minnesota Statutes, chapter 145.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Winter; Kalis; Reding; Olson, K., and Dempsey introduced:

H. F. No. 664, A bill for an act relating to game and fish; beginning the open season for angling two weeks earlier in certain areas south of U.S. trunk highway No. 14 and in Lincoln, Lyon, Redwood, and Brown counties; amending Minnesota Statutes 1986, section 97C.395, subdivision 1.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Steensma, Kostohryz, Osthoff, Quinn and Quist introduced:

H. F. No. 665, A bill for an act relating to veterans; providing for special motor vehicle license plates for former prisoners of war free of charge; amending Minnesota Statutes 1986, section 168.125.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Nelson, K.; McEachern and Bauerly introduced:

H. F. No. 666, A bill for an act relating to education; providing for programs, aids, grants, and levies; changing formulas and authority for school transportation and capital expenditures; changing the PER process; providing for academic excellence awards; changing special, family, and safety program provisions; consolidating the school depository laws; changing some pupil residency requirements; providing for library board expenses; implementing teacher education program changes; establishing all day kindergarten demonstration sites; awarding grants for K-3 reduced class size programs; appropriating money; amending Minnesota Statutes 1986, sections 118.12; 118.13; 118.14; 120.06, subdivision 1; 120.075, by adding a subdivision; 120.17, subdivisions 1, 3a, 3b, 12, and by adding a subdivision; 122.541, subdivision 2; 123.36, subdivision 13; 123.937; 124.17, subdivision 1; 124.2138, by adding a subdivision; 124.2162, by adding a subdivision; 124.225, subdivisions 1, 4b, 7b, 8a, 8i, and 10; 124.245, subdivisions 1, 3, and by adding subdivisions; 124.2711, subdivisions 1 and 4; 124.274; 124.573; 124A.01; 124A.02, subdivisions 7, 8, 9, 16, and by adding a subdivision; 124A.03, subdivisions 1a, 3, 4, and by adding subdivisions; 124A.033, subdivision 2; 124A.06; 124A.08, subdivisions 1, 3a, and 5; 124A.10, subdivision 1, and by adding a subdivision; 124A.12, subdivision 1; 124A.14, subdivision 4; 125.03, subdivision 5; 125.05, subdivision 1; 126.48, by adding a subdivision; 126.65; 126.66; 126.67; 126.81, subdivisions 2 and 4; 134.10; 171.29, subdivision 2; 275.125, subdivisions 5, 9, 11a, 11c, and by adding a subdivision; 298.28, subdivision 4; 299F.11, by adding a subdivision; Laws 1985, First Special Session chapter 12, article 8, section 48; proposing

coding for new law in Minnesota Statutes, chapters 118; 121; 124; 124A; 125; and 129B; repealing Minnesota Statutes 1986, sections 124.05; 124.17, subdivision 1a; 124.2161; 124.2162; 124.2163; and 124A.20.

The bill was read for the first time and referred to the Committee on Education.

Gruenes and Marsh introduced:

H. F. No. 667, A bill for an act relating to retirement; public employees retirement association; permitting the purchase of prior service credits by certain employees; amending Minnesota Statutes 1986, section 353.36, subdivision 2b, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Gruenes, Greenfield, Wynia and Marsh introduced:

H. F. No. 668, A bill for an act relating to health; extending the moratorium on hospital capacity expansion; amending Laws 1984, chapter 654, article 5, section 57, subdivision 1.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Skoglund introduced:

H. F. No. 669, A bill for an act relating to insurance; accident and health; allowing certain assignments of benefits for alcoholics and drug dependents; amending Minnesota Statutes 1986, section 62A.149, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Bertram, O'Connor and Bauerly introduced:

H. F. No. 670, A bill for an act relating to retirement; refunds of contributions or deferred annuities to employees of the Albany community hospital.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Bertram, Bauerly and Omann introduced:

H. F. No. 671, A bill for an act relating to the state; designating an official state beer; proposing coding for new law in Minnesota Statutes, chapter 1.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Tunheim, Winter and Bertram introduced:

H. F. No. 672, A bill for an act relating to agriculture; changing certain bonding provisions of grain storage laws; authorizing a hearing and rulemaking; amending Minnesota Statutes 1986, sections 232.21, subdivision 11; 232.22, subdivisions 4 and 6; 236.01, by adding a subdivision; and 236.02; proposing coding for new law in Minnesota Statutes, chapter 223.

The bill was read for the first time and referred to the Committee on Agriculture.

Lasley, Ogren, Norton and Murphy introduced:

H. F. No. 673, A bill for an act relating to housing; creating advisory task force in the state pollution control agency to study and advise on moisture and air quality problems in single-family homes; requiring reports; appropriating money.

The bill was read for the first time and referred to the Committee on Economic Development and Housing.

Blatz, Greenfield, Solberg and Kelly introduced:

H. F. No. 674, A bill for an act relating to crimes; dictating circumstances in which the court may stay execution of sentence following conviction for a second or subsequent offense relating to criminal sexual conduct; providing that information regarding a sexual assault victim is private; amending Minnesota Statutes 1986, sections 609.346, subdivisions 2 and 3; and 611A.06.

The bill was read for the first time and referred to the Committee on Judiciary.

Bertram, Cooper, Bauerly, Tunheim and Nelson, C., introduced:

H. F. No. 675, A bill for an act relating to human services; establishing residency requirements for general assistance and

AFDC; proposing coding for new law in Minnesota Statutes, chapters 256 and 256D.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Skoglund; Peterson; Voss; Carlson, L., and Knickerbocker introduced:

H. F. No. 676, A bill for an act relating to commerce; requiring financial institutions to provide certain basic services to customers without charge; providing enforcement powers; proposing coding for new law in Minnesota Statutes, chapter 47.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Price, Quinn, Otis, Rice and Clark introduced:

H. F. No. 677, A bill for an act relating to education; requiring school districts to establish local literacy policies and standards for high school graduation; amending Minnesota Statutes 1986, section 126.66, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Education.

Scheid, Frerichs, McKasy and Redalen introduced:

H. F. No. 678, A bill for an act relating to taxation; property taxation; modifying the method of determining certain adjusted assessed value; modifying the method of determining agricultural market value for property tax purposes; amending Minnesota Statutes 1986, sections 124.2131, subdivision 1; and 273.11, subdivision 1, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Taxes.

Simoneau, Voss, Carruthers, Knickerbocker and Shaver introduced:

H. F. No. 679, A bill for an act relating to administrative procedure; clarifying provisions relating to emergency rules; amending Minnesota Statutes 1986, section 14.29, subdivisions 1 and 2.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Tunheim introduced:

H. F. No. 680, A bill for an act relating to retirement; teachers retirement association; extending retroactively a provision allowing accrual of benefits from the date teaching service terminated if applications for retirement are filed within 90 days of that date; amending Minnesota Statutes 1986, section 354.44, subdivision 4.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Skoglund, Wagenius, McLaughlin, Riveness and Orenstein introduced:

H. F. No. 681, A resolution memorializing the President, Congress, and the Federal Aviation Administration to accelerate the modernization of commercial aircraft fleets operating in and to the United States by requiring the use of quieter, Stage 3 aircraft.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Pappas, Simoneau, Gruenes, Uphus and Jaros introduced:

H. F. No. 682, A bill for an act relating to state departments and agencies; creating a commission for the quincentennial of the Hispanic presence in the western hemisphere.

The bill was read for the first time and referred to the Committee on Governmental Operations.

O'Connor, Simoneau, Wenzel, Knickerbocker and Quinn introduced:

H. F. No. 683, A bill for an act relating to the organization and operation of state government; adding members to the board of animal health; modifying and clarifying the powers of the board; regulating dealers; prescribing a civil penalty; amending Minnesota Statutes 1986, sections 35.02, subdivision 1; 347.31; 347.32; 347.33; 347.34; 347.35; 347.37; 347.38; 347.39; and 347.40; proposing coding for new law in Minnesota Statutes, chapter 346.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Lieder, Uphus, Waltman, Kalis and Battaglia introduced:

H. F. No. 684, A bill for an act relating to transportation; creating a state institutions town road account; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 162.

The bill was read for the first time and referred to the Committee on Transportation.

Schoenfeld, Ogren and Olson, E., introduced:

H. F. No. 685, A bill for an act relating to appropriations; removing requirements for the payment of certain costs.

The bill was read for the first time and referred to the Committee on Appropriations.

Voss introduced:

H. F. No. 686, A bill for an act relating to taxation; motor vehicle excise; changing the definition of purchase price for purposes of a transfer by gift; amending Minnesota Statutes 1986, section 297B.01, subdivision 8.

The bill was read for the first time and referred to the Committee on Taxes.

Poppenhagen; Nelson, D.; Kelly and Dempsey introduced:

H. F. No. 687, A bill for an act relating to collection and dissemination of data; allowing law enforcement agencies to release the date of birth of persons involved in traffic accidents; amending Minnesota Statutes 1986, section 169.09, subdivision 13.

The bill was read for the first time and referred to the Committee on Judiciary.

Kelly introduced:

H. F. No. 688, A bill for an act relating to controlled substances; classifying the substance alfentanil as a schedule II controlled substance; amending Minnesota Statutes 1986, section 152.02, subdivision 3.

The bill was read for the first time and referred to the Committee on Judiciary.

Swenson, Bauerly, McPherson, Pelowski and Kelso introduced:

H. F. No. 689, A bill for an act relating to education; modifying the tuition reimbursement provisions for the post-secondary enrollment options program; appropriating money; amending Minnesota Statutes 1986, section 123.3514, subdivision 6.

The bill was read for the first time and referred to the Committee on Education.

Swenson, Kelly, Blatz, Kludt and Carruthers introduced:

H. F. No. 690, A bill for an act relating to traffic regulations; requiring a blood or urine test when there is probable cause to believe there is impairment by a controlled substance; requiring alternative test to be offered under certain conditions; amending Minnesota Statutes 1986, section 169.123, subdivisions 2 and 2a.

The bill was read for the first time and referred to the Committee on Judiciary.

Seaberg, Tompkins, Morrison, McKasy and Milbert introduced:

H. F. No. 691, A bill for an act relating to health care; regulating prepayment demonstration projects; requiring demonstration providers to follow certain claims settlement practices when contracting with other health care and social service practitioners to provide services to enrollees; amending Minnesota Statutes 1986, section 256B.69, subdivision 6.

The bill was read for the first time and referred to the Committee on Health and Human Services.

McKasy, Milbert, Seaberg, Pappas and Kelly introduced:

H. F. No. 692, A bill for an act relating to public safety; providing for access to criminal justice datacommunications network and defining purposes for its use; amending Minnesota Statutes 1986, sections 299C.46, subdivision 3; and 299C.48.

The bill was read for the first time and referred to the Committee on Judiciary.

Olson, E.; Schafer; Redalen; Bauerly and Kinkel introduced:

H. F. No. 693, A bill for an act relating to education; excluding community education fund balances from calculations of second tier

levy fund balances; restoring aids and levies lost because of earlier inclusions; amending Minnesota Statutes 1986, section 124A.08, subdivision 5, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Education.

Trimble, Pauly, Long and Jaros introduced:

H. F. No. 694, A bill for an act relating to education; authorizing school districts to levy for day care programs; amending Minnesota Statutes 1986, section 275.125, subdivision 8.

The bill was read for the first time and referred to the Committee on Education.

Gruenes introduced:

H. F. No. 695, A bill for an act relating to lawful gambling; regulating distributor licenses; removing the prohibition against liquor wholesalers becoming licensed distributors of gambling equipment; repealing Minnesota Statutes 1986, section 349.161, subdivision 5.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Kostohryz, Kalis, Quinn, McEachern and Frerichs introduced:

H. F. No. 696, A bill for an act relating to education; setting the foundation aid formula allowance for the 1987-1988 and 1988-1989 school years; removing the metering of state-aid payments to school districts; amending Minnesota Statutes 1986, sections 124A.02, subdivision 9; and 273.1392; repealing Minnesota Statutes 1986, section 124.195.

The bill was read for the first time and referred to the Committee on Education.

Price, Kostohryz, Voss, McEachern and Simoneau introduced:

H. F. No. 697, A bill for an act relating to school districts; authorizing more capital outlay levying authority; amending Minnesota Statutes 1986, section 275.125, by adding subdivisions.

The bill was read for the first time and referred to the Committee on Education.

Nelson, D.; Johnson, A.; McEachern; Olson, K., and Nelson, K., introduced:

H. F. No. 698, A bill for an act relating to education; modifying the definitions of teachers and of supervisory and support personnel for the purpose of licensure; modifying the kinds of personnel licensed by the board of teaching and the state board of education; adding two post-secondary vocational teachers to the board of teaching; requiring the board of teaching to consider vocational education teacher licensure requirements adopted by the state board of vocational technical education; requiring that rules adopted by the board of teaching do not affect the validity of licenses of certain vocational personnel or the rights and privileges of the holders; amending Minnesota Statutes 1986, sections 125.03, subdivisions 1 and 4; 125.05, subdivisions 1 and 2; 125.08; 125.183, subdivision 3; 125.185, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 125.

The bill was read for the first time and referred to the Committee on Education.

Nelson, D.; Long; Kludt; Dempsey and Kelly introduced:

H. F. No. 699, A bill for an act relating to the collection and dissemination of data; providing for the destruction of certain data; amending Minnesota Statutes 1986, section 13.46, subdivision 4.

The bill was read for the first time and referred to the Committee on Judiciary.

Skoglund; Johnson, A.; Kalis and Bishop introduced:

H. F. No. 700, A bill for an act relating to state lands; transferring jurisdiction and responsibility for maintaining soldiers home bridge from department of veterans affairs to department of transportation.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Jacobs, Quinn, Ogren, Redalen and Minne introduced:

H. F. No. 701, A bill for an act relating to public utilities; authorizing the public utilities commission to deregulate competitive telecommunications services; requiring interexchange companies to pay reasonable access fees; requiring certain companies to post a bond; prohibiting telephone companies from subsidizing competitive services from noncompetitive services; requiring telephone companies to provide full disclosure of their services and

rates; authorizing the commission to require telephone companies to upgrade their services; providing that local telephone exchanges may not be sold without commission approval; requiring persons providing private shared tenant service to grant certain access; requiring the state planning agency to conduct a study on universal service assistance; amending Minnesota Statutes 1986, sections 237.01, subdivision 2, and by adding a subdivision; 237.081, subdivision 1a, and by adding a subdivision; 237.11; 237.12; 237.16, subdivision 1; 237.17; and 237.22; proposing coding for new law in Minnesota Statutes, chapter 237; repealing Minnesota Statutes 1986, sections 237.13; 237.41; 237.42; and 237.43.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Dempsey and Johnson, V., introduced:

H. F. No. 702, A bill for an act relating to the office of the secretary of state; providing for the preservation of land surveys; establishing time for the permanent microfilming of the surveys; appropriating money; amending Minnesota Statutes 1986, section 5.03.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Jacobs introduced:

H. F. No. 703, A bill for an act relating to taxation; sales and use; including machinery used for sod growing in the definition of farm machinery; amending Minnesota Statutes 1986, section 297A.01, subdivision 15.

The bill was read for the first time and referred to the Committee on Taxes.

Rest, Kelly, Welle, Blatz and Wagenius introduced:

H. F. No. 704, A bill for an act relating to public safety; providing for the mandatory surrender of registration plates and certificates of motor vehicles operated by repeat DWI offenders; providing for administrative and judicial review; amending Minnesota Statutes 1986, sections 168.041; 169.123, subdivisions 5b, 5c, and 6; 169.1261; and 171.29, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Judiciary.

Kelly, Rest and Orenstein introduced:

H. F. No. 705, A bill for an act relating to traffic regulations; requiring certain persons convicted of DWI or a DWI-related offense to undergo chemical use assessment; imposing an assessment on persons convicted of DWI for the purpose of financing these assessments; appropriating money; amending Minnesota Statutes 1986, sections 169.121, by adding a subdivision; 169.124; 169.125; and 169.126.

The bill was read for the first time and referred to the Committee on Judiciary.

Kelly introduced:

H. F. No. 706, A bill for an act relating to juveniles; clarifying certain recent changes to the juvenile court act; clarifying the hearing and records procedures of the juvenile court; providing for the enforcement of juvenile court restitution orders; permitting administrative docketing of certain unpaid county reimbursements; clarifying certain crime victim notification and protection laws; amending Minnesota Statutes 1986, sections 260.155, subdivisions 1 and 1a; 260.156; 260.161; 260.185, by adding a subdivision; 548.091, subdivision 1; 595.02, subdivision 4; 609.3471; 611A.031; and 611A.035; repealing Minnesota Statutes 1986, section 636.08.

The bill was read for the first time and referred to the Committee on Judiciary.

Voss, McKasy, Neuenschwander and Bennett introduced:

H. F. No. 707, A bill for an act relating to civil actions; allocating fault in certain civil actions; defining the term "damages"; abolishing joint liability; providing an exception; providing for contribution from other joint tortfeasors; amending Minnesota Statutes 1986, sections 604.01, subdivisions 1, 1a, and by adding a subdivision; 604.02, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 604; repealing Minnesota Statutes 1986, section 604.02, subdivisions 2 and 3.

The bill was read for the first time and referred to the Committee on Judiciary.

Wynia, Greenfield, Brown, Gruenes and Vanasek introduced:

H. F. No. 708, A bill for an act relating to human services; creating the right start sliding fee health care program for pregnant women

and children; proposing coding for new law in Minnesota Statutes, chapter 256.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Sviggum introduced:

H. F. No. 709, A bill for an act relating to crimes; providing a penalty for assaulting correctional officers; amending Minnesota Statutes 1986, section 609.2231, subdivision 1.

The bill was read for the first time and referred to the Committee on Judiciary.

DeBlicek, Lasley, Dauner, Beard and Steensma introduced:

H. F. No. 710, A bill for an act relating to human services; appropriating money to reimburse counties for the costs of administration and direct client services for the work readiness program.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Orenstein introduced:

H. F. No. 711, A bill for an act relating to frauds; fixing conditions for the legal determination of fraud in property transfers; enacting the uniform fraudulent transfer act; proposing coding for new law in Minnesota Statutes, chapter 513; repealing Minnesota Statutes 1986, sections 513.20; 513.21; 513.22; 513.23; 513.24; 513.25; 513.26; 513.27; 513.28; 513.29; 513.30; 513.31; and 513.32.

The bill was read for the first time and referred to the Committee on Judiciary.

Onnen and McDonald introduced:

H. F. No. 712, A bill for an act proposing an amendment to the Minnesota Constitution, changing article IV, sections 1, 2, 3, 4, 5, 6, 7, 9, 10, 11, 12, 13, 14, 15, 18, 19, 20, 21, 22, 23, 24, 25, and 26; article VIII, section 1; article IX, sections 1 and 2; and article XI, section 5; providing for a unicameral legislature.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Rest, Carruthers and Bishop introduced:

H. F. No. 713, A bill for an act relating to Minnesota Statutes; correcting erroneous, ambiguous, omitted, and obsolete references and text; eliminating certain redundant, conflicting, and superseded provisions; providing instructions to the revisor; amending Minnesota Statutes 1986, sections 1.135, subdivision 3; 8.31, subdivision 1; 13.43, subdivision 6; 14.02, subdivision 4; 15.61; 17.59, subdivision 5; 17A.04, subdivision 1; 28A.15, subdivision 4; 38.27, subdivision 3; 41A.05, subdivision 2; 48.13, subdivision 2; 48.26; 49.01, subdivision 3; 49.44; 60A.17, subdivision 12; 64B.18; 72A.41, subdivision 1; 79.38, subdivision 1; 84A.08; 97A.021, subdivision 2; 97A.065, subdivision 4; 97A.205; 97A.441, subdivision 5; 97A.445, subdivision 3; 97A.465, subdivision 4; 97A.501, subdivision 2; 97A.545, subdivision 4; 97B.315; 97B.921; 97B.925; 115A.07, subdivision 1; 115A.12, subdivision 1; 115A.14, subdivision 5; 115A.162; 116C.57, subdivision 3; 116E.03, subdivision 9; 116J.72; 120.17, subdivision 5a; 121.904, subdivisions 11a and 11b; 122.541, subdivision 2; 124.01, subdivision 1; 124.195, subdivisions 8 and 9; 124.2138, subdivisions 3 and 4; 124.32, subdivision 1c; 124.472; 126.39, subdivision 11; 136.44; 136A.04, subdivision 2; 136A.06; 136D.28, subdivision 2; 136D.89, subdivision 2; 147.09; 152.02, subdivision 12; 160.283, subdivision 1; 171.05, subdivision 3; 174.255, subdivisions 1 and 2; 174.29, subdivision 1; 176.83, subdivision 7; 177.24, subdivision 2; 179A.12, subdivision 1; 182.651, subdivision 18; 193.141, subdivision 2; 193.145, subdivision 2; 214.01, subdivision 3; 219.691; 219.692; 219.743; 219.755; 222.61; 241.31, subdivision 2; 243.24, subdivision 2; 246.51, subdivision 1; 246A.02; 246A.11, subdivision 1; 246A.12, subdivisions 1 and 7; 246A.13, subdivision 1; 250.05, subdivision 2; 256.12, subdivision 14; 256.462, subdivision 2; 256B.03, subdivision 2; 257.34, subdivision 1; 260.015, subdivision 3; 260.151, subdivision 1; 268.072, subdivision 6; 271.15; 273.13, subdivision 22; 275.125, subdivisions 6a, 8, and 11c; 278.06; 290.01, subdivision 20b; 295.34, subdivision 1; 296.14, subdivision 4; 297.03, subdivision 3; 297A.06; 297A.25, subdivision 10; 308.341; 317.03; 317.65, subdivision 6; 319A.03; 319A.05; 319A.12, subdivisions 1a and 2; 322A.70; 326.03, subdivision 2; 326.06; 327.18, subdivision 3; 327C.07, subdivision 3a; 349.2121, subdivision 3; 354.05, subdivision 2; 355.311, subdivision 1; 361.26, subdivision 2; 366.095, subdivision 1; 378.43, subdivision 1; 383A.404, subdivision 7; 383B.035, subdivision 1; 383B.237; 383C.76; 386.71; 393.13, subdivision 1; 412.381; 412.501; 447.42, subdivision 2; 453.53, subdivision 3; 458A.03, subdivision 8; 458C.17; 462.601; 462.605; 462A.04, subdivision 8; 462A.05, subdivision 18; 462A.20, subdivision 3; 462C.04, subdivision 2; 462C.12, subdivision 2; 471.467, subdivision 1; 471.74, subdivision 2; 471.993, subdivision 1; 471A.03, subdivision 2; 473.149, subdivision 4; 473.181, subdivision 3; 473.811, subdivisions 6, 7, 8, and 9; 473F.06; 473F.07, subdivision 1; 473F.09; 474A.09; 604.06; 609.53, subdivisions 1 and 1a; 609.687, subdivision 4; 611.14; 626A.05, subdivision 2; 645.02; amending Laws 1982, chapter 523, article 30, section 4, subdivision 1; and Laws 1986, chapter 399, article 1, section 17; repealing Minnesota

Statutes 1986, sections 193.145, subdivision 3; and 325D.69, subdivision 1; repealing Laws 1986, chapter 463, section 3; and Laws 1986, First Special Session chapter 3, article 1, section 84.

The bill was read for the first time and referred to the Committee on Judiciary.

Jaros introduced:

H. F. No. 714, A bill for an act relating to the Duluth airport authority; providing that authority employees hired after a certain date are not covered by any civil service system.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

#### HOUSE ADVISORIES

The following House Advisory was introduced:

Wenzel, Bertram, Bauerly, Tunheim and Redalen introduced:

H. A. No. 4, A proposal relating to agriculture; proposing an interim study of the problems of the rural emergency medical system in Minnesota.

The advisory was referred to the Committee on Health and Human Services.

#### MESSAGES FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate File, herewith transmitted:

S. F. No. 208.

PATRICK E. FLAHAVEN, Secretary of the Senate

## FIRST READING OF SENATE BILLS

S. F. No. 208, A bill for an act relating to occupations and professions; architects, engineers, land surveyors, and landscape architects; making certain technical changes related to certain licensing exceptions; amending Minnesota Statutes 1986, sections 326.03, subdivision 2; and 326.06.

The bill was read for the first time and referred to the Committee on Governmental Operations.

## CONSENT CALENDAR

S. F. No. 168 was reported to the House.

Bishop moved to amend S. F. No. 168, as follows:

Page 1, line 21, after "history" insert "; or

(3) to require the signature of the spouse of an applicant, or of another person on an application for credit, if the applicant is creditworthy, provided that the spouse's or other person's signature may be required on a document granting or perfecting a lien on real property or a security interest in personal property in which the spouse or other person has an interest"

The motion prevailed and the amendment was adopted.

S. F. No. 168, A bill for an act relating to human rights; clarifying certain provisions relating to discrimination in the extension of credit because of sex or marital status; amending Minnesota Statutes 1986, section 363.03, subdivision 8.

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 123 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Blatz	Cooper	Frerichs	Jacobs
Battaglia	Boo	Dauner	Greenfield	Jaros
Bauerly	Burger	DeBlieck	Gruenes	Jefferson
Beard	Carlson, D.	Dempsey	Gutknecht	Jennings
Begich	Carlson, L.	Dille	Haukoos	Jensen
Bennett	Carruthers	Dorn	Heap	Johnson, A.
Bertram	Clark	Forsythe	Himle	Johnson, R.
Bishop	Clausnitzer	Frederick	Hugoson	Johnson, V.

Kahn	McLaughlin	Orenstein	Rukavina	Tjornhom
Kalis	McPherson	Otis	Sarna	Tompkins
Kelly	Milbert	Ozment	Schafer	Trimble
Kelso	Miller	Pappas	Scheid	Uphus
Kinkel	Minne	Pauly	Schoenfeld	Valento
Kludt	Morrison	Pelowski	Schreiber	Vanasek
Knickerbocker	Munger	Peterson	Seaberg	Vellenga
Knuth	Murphy	Poppenhagen	Segal	Voss
Kostohryz	Nelson, C.	Price	Shaver	Wagenius
Krueger	Nelson, D.	Quinn	Simoneau	Waltman
Larsen	Neuenschwander	Quist	Skoglund	Welle
Lasley	O'Connor	Redalen	Solberg	Wenzel
Lieder	Ogren	Reding	Sparby	Winter
Long	Olsen, S.	Rest	Stanius	Wynia
Marsh	Olson, E.	Richter	Steensma	Spk. Norton
McDonald	Omann	Rodosovich	Sviggum	
McEachern	Onnen	Rose	Thiede	

The bill was passed, as amended, and its title agreed to.

H. F. No. 197, A bill for an act relating to real property; providing for transfer of owner's duplicate certificate of title to owner; amending Minnesota Statutes 1986, section 386.375, subdivisions 2 and 3.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 123 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Frerichs	Larsen	Orenstein	Simoneau
Anderson, R.	Greenfield	Lasley	Otis	Skoglund
Battaglia	Gutknecht	Lieder	Ozment	Solberg
Bauerly	Haukoos	Long	Pappas	Sparby
Beard	Heap	Marsh	Pauly	Stanius
Begich	Himle	McDonald	Pelowski	Steensma
Bennett	Hugoson	McEachern	Peterson	Sviggum
Bertram	Jacobs	McLaughlin	Poppenhagen	Thiede
Bishop	Jaros	McPherson	Price	Tjornhom
Blatz	Jefferson	Milbert	Quinn	Tompkins
Boo	Jennings	Miller	Quist	Tunheim
Burger	Jensen	Minne	Redalen	Uphus
Carlson, D.	Johnson, A.	Morrison	Reding	Valento
Carlson, L.	Johnson, R.	Munger	Rest	Vanasek
Carruthers	Johnson, V.	Murphy	Richter	Vellenga
Clark	Kahn	Nelson, C.	Riveness	Voss
Clausnitzer	Kalis	Nelson, D.	Rodosovich	Wagenius
Cooper	Kelly	Neuenschwander	Rose	Waltman
Dauner	Kelso	O'Connor	Rukavina	Welle
DeBlieck	Kinkel	Ogren	Sarna	Wenzel
Dempsey	Kludt	Olsen, S.	Schafer	Winter
Dille	Knickerbocker	Olson, E.	Schoenfeld	Wynia
Dorn	Knuth	Olson, K.	Schreiber	Spk. Norton
Forsythe	Kostohryz	Omann	Seaberg	
Frederick	Krueger	Onnen	Segal	

The bill was passed and its title agreed to.

H. F. No. 357, A bill for an act relating to the city of Saint Paul; permitting the city to adopt certain regulations for smoke detection devices; amending Minnesota Statutes 1986, section 299F.362, by adding a subdivision.

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:

Anderson, G.	Frerichs	Larsen	Osthoff	Simoneau
Anderson, R.	Greenfield	Lasley	Otis	Skoglund
Battaglia	Gruenes	Lieder	Ozment	Solberg
Bauerly	Gutknecht	Long	Pappas	Sparby
Beard	Haukoos	Marsh	Pauly	Stanisus
Begich	Heap	McDonald	Pelowski	Steensma
Bennett	Himle	McEachern	Peterson	Sviggum
Bertram	Hugoson	McLaughlin	Poppenhagen	Thiede
Bishop	Jacobs	McPherson	Price	Tjornhom
Blatz	Jaros	Milbert	Quinn	Tompkins
Boo	Jefferson	Miller	Quist	Trimble
Brown	Jennings	Minne	Redalen	Tunheim
Burger	Jensen	Morrison	Reding	Uphus
Carlson, D.	Johnson, A.	Munger	Rest	Valento
Carlson, L.	Johnson, R.	Murphy	Richter	Vanasek
Carruthers	Johnson, V.	Nelson, C.	Rodosovich	Vellenga
Clark	Kahn	Nelson, D.	Rose	Voss
Clausnitzer	Kalis	Neuenschwander	Rukavina	Wagenius
Cooper	Kelly	O'Connor	Sarna	Waltman
Dauner	Kelso	Ogren	Schafer	Welle
DeBlicke	Kinkel	Olsen, S.	Scheid	Wenzel
Dempsey	Kludt	Olson, E.	Schoenfeld	Wynia
Dille	Knickerbocker	Olson, K.	Schreiber	Spk. Norton
Dorn	Knuth	Omann	Seaberg	
Forsythe	Kostohryz	Onnen	Segal	
Frederick	Krueger	Orenstein	Shaver	

The bill was passed and its title agreed to.

H. F. No. 420 was reported to the House.

Jacobs moved that H. F. No. 420 be continued on the Consent Calendar for one day. The motion prevailed.

## CALENDAR

H. F. No. 68, A bill for an act relating to state government; rejecting salary adjustments for legislators, judges and constitutional officers recommended by the compensation council; prohibiting any salary adjustment for legislators, judges and constitutional officers before January 1, 1991.

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 116 yeas and 10 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Lieder	Pappas	Sparby
Anderson, R.	Gruenes	Marsh	Pauly	Stanius
Battaglia	Gutknecht	McDonald	Pelowski	Steensma
Bauerly	Haukoos	McEachern	Peterson	Svigum
Beard	Heap	McLaughlin	Poppenhagen	Thiede
Begich	Himle	McPherson	Price	Tjornhom
Bennett	Hugoson	Milbert	Quist	Tompkins
Bertram	Jaros	Miller	Redalen	Trimble
Blatz	Jefferson	Minne	Rest	Tunheim
Brown	Jennings	Morrison	Richter	Uphus
Burger	Jensen	Murphy	Riveness	Valento
Carlson, D.	Johnson, A.	Nelson, C.	Rodosovich	Vanasek
Carlson, L.	Johnson, R.	Nelson, D.	Rose	Vellenga
Carruthers	Johnson, V.	Neuenschwander	Rukavina	Wagenius
Clark	Kalis	O'Connor	Sarna	Waltman
Clausnitzer	Kelly	Olsen, S.	Schafer	Welle
Cooper	Kelso	Olson, E.	Scheid	Wenzel
Dauner	Kinkel	Olson, K.	Schoenfeld	Winter
DeBlicck	Kludt	Omann	Schreiber	Wynia
Dempsey	Knickerbocker	Onnen	Seaberg	Spk. Norton
Dille	Knuth	Orenstein	Segal	
Dorn	Krueger	Osthoff	Shaver	
Frederick	Larsen	Otis	Simoneau	
Frerichs	Lasley	Ozment	Solberg	

Those who voted in the negative were:

Bishop	Kahn	Long	Ogren	Skoglund
Jacobs	Kostohryz	Munger	Quinn	Voss

The bill was passed and its title agreed to.

There being no objection, the order of business reverted to Messages from the Senate.

## MESSAGES FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 41, A bill for an act relating to adoption; providing that proposed adoptive parents may obtain certain reports or records;

providing that a child's parent need not join as co-petitioner in a stepparent adoption; changing the manner of executing certain consents; amending Minnesota Statutes 1986, sections 259.21, subdivision 7; 259.24, subdivision 5; and 259.27, subdivision 3, and by adding a subdivision.

PATRICK E. FLAHAVER, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Milbert moved that the House concur in the Senate amendments to H. F. No. 41 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 41, A bill for an act relating to adoption; providing that proposed adoptive parents may obtain certain reports or records; providing that a child's parent need not join as co-petitioner in a stepparent adoption; changing the manner of executing certain consents; amending Minnesota Statutes 1986, sections 259.21, subdivision 7; 259.24, subdivision 5; and 259.27, subdivision 3, and by adding a subdivision.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 124 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Gruenes	Long	Ozment	Simoneau
Battaglia	Haukoos	Marsh	Pappas	Skoglund
Bauerly	Heap	McDonald	Pauly	Solberg
Beard	Himle	McEachern	Pelowski	Sparby
Begich	Hugoson	McLaughlin	Peterson	Stanius
Bennett	Jacobs	McPherson	Poppenhagen	Steensma
Bertram	Jaros	Milbert	Price	Sviggum
Blatz	Jefferson	Miller	Quinn	Thiede
Brown	Jennings	Minne	Quist	Tjornhom
Burger	Jensen	Morrison	Redalen	Tompkins
Carlson, D.	Johnson, A.	Munger	Reding	Trimble
Carlson, L.	Johnson, R.	Murphy	Rest	Tunheim
Carruthers	Johnson, V.	Nelson, C.	Richter	Uphus
Clark	Kalis	Nelson, D.	Riveness	Valento
Clausnitzer	Kelly	Neuenschwander	Rodosovich	Vanasek
Cooper	Kelso	O'Connor	Rose	Vellenga
Dauner	Kinkel	Ogren	Rukavina	Voss
DeBlieck	Kludt	Olsen, S.	Sarna	Wagenius
Dempsey	Knickerbocker	Olson, E.	Schafer	Waltman
Dille	Knuth	Olson, K.	Scheid	Welle
Dorn	Kostohryz	Omann	Schoenfeld	Wenzel
Forsythe	Krueger	Onnen	Schreiber	Winter
Frederick	Larsen	Orenstein	Seaberg	Wynia
Frerichs	Lasley	Osthoff	Segal	Spk. Norton
Greenfield	Lieder	Otis	Shaver	

The bill was repassed, as amended by the Senate, and its title agreed to.

Anderson, R., was excused at 3:40 p.m. Kelly was excused at 3:50 p.m.

## GENERAL ORDERS

Pursuant to Rules of the House, the House resolved itself into the Committee of the Whole with Norton in the Chair for consideration of bills pending on General Orders of the day. After some time spent therein the Committee arose.

### REPORT OF THE COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following recommendations of the Committee were reported to the House:

H. F. Nos. 135, 18, 23, 27 and 52 were recommended to pass.

H. F. Nos. 289 and 119 were recommended for progress.

H. F. No. 94 was recommended for re-referral to the Committee on Appropriations.

H. F. No. 137, the first engrossment, which it recommended for progress with the following amendment offered by Bishop, Brown, Quinn, Dempsey, Greenfield, Solberg, Vellenga, Seaberg, Long, Milbert, Orenstein and Quist:

Pages 1 to 2, delete section 2 and renumber the remaining sections

Page 2, line 27, delete "3" and insert "2"

Amend the title as follows:

Page 1, line 4, delete everything after the semicolon

Page 1, line 5, delete everything before "allowing"

Page 1, line 8, delete everything after the semicolon

Page 1, line 9, delete everything before "proposing"

On the motion of Vanasek the report of the Committee of the Whole was adopted.

ROLL CALLS IN COMMITTEE OF THE WHOLE

Pursuant to rule 1.6, the following roll calls were taken in the Committee of the Whole:

Bishop, Brown, Quinn, Dempsey, Greenfield, Solberg, Vellenga, Seaberg, Long, Milbert, Orenstein and Quist moved to amend H. F. No. 137, the first engrossment, as follows:

Pages 1 to 2, delete section 2 and renumber the remaining sections

Page 2, line 27, delete "3" and insert "2"

Amend the title as follows:

Page 1, line 4, delete everything after the semicolon

Page 1, line 5, delete everything before "allowing"

Page 1, line 8, delete everything after the semicolon

Page 1, line 9, delete everything before "proposing"

The question was taken on the Bishop et al amendment and the roll was called. There were 68 yeas and 57 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	McEachern	Ozment	Stanius
Anderson, R.	Gutknecht	McLaughlin	Peterson.	Sviggum
Beard	Himle	McPherson	Quinn	Thiede
Bishop	Jacobs	Milbert	Quist	Uphus
Brown	Jefferson	Munger	Redalen	Vanasek
Burger	Jensen	Murphy	Richter	Vellenga
Carlson, D.	Kahn	Nelson, C.	Riveness	Voss
Carlson, L.	Kelso	O'Connor	Rose	Waltman
Clark	Knuth	Ogren	Rukavina	Welle
Cooper	Kostohryz	Oisen, S.	Sarna	Winter
DeBlicek	Larsen	Olson, E.	Scheid	Wynia
Dempsey	Lieder	Onnen	Seaberg	Spk. Norton
Dorn	Long	Orenstein	Segal	
Frerichs	McDonald	Osthoff	Solberg	

Those who voted in the negative were:

Battaglia	Carruthers	Gruenes	Johnson, R.	Krueger
Bauerly	Clausnitzer	Haukoos	Kalis	Lasley
Begich	Dauner	Heap	Kelly	Marsh
Bertram	Dille	Hugoson	Kinkel	Miller
Blatz	Forsythe	Jennings	Kludt	Minne
Boo	Frederick	Johnson, A.	Knickerbocker	Morrison

Nelson, D.	Pauly	Rodosovich	Skoglund	Valento
Neuenschwander	Pelowski	Schafer	Sparby	Wagenius
Olson, K.	Poppenhagen	Schoenfeld	Steensma	Wenzel
Omnn	Price	Schreiber	Tjornhom	
Otis	Reding	Shaver	Tompkins	
Pappas	Rest	Simoneau	Trimble	

The motion prevailed and the amendment was adopted.

The question was taken on the Carlson, D., motion to re-refer H. F. No. 119 to the Committee on Appropriations and the roll was called. There were 48 yeas and 76 nays as follows:

Those who voted in the affirmative were:

Bennett	Dille	Johnson, V.	Pauly	Stanisus
Bishop	Forsythe	Knickerbocker	Poppenhagen	Sviggum
Blatz	Frederick	Marsh	Quist	Thiede
Boo	Frerichs	McDonald	Redalen	Tjornhom
Brown	Gutknecht	McPherson	Richter	Tompkins
Burger	Haukoos	Miller	Rose	Uphus
Carlson, D.	Heap	Morrison	Schafer	Valento
Clausnitzer	Himle	Olsen, S.	Schreiber	Waltman
Dauner	Hugoson	Onnen	Seaberg	
Dempsey	Jennings	Ozment	Shaver	

Those who voted in the negative were:

Anderson, G.	Jaros	Lasley	Orenstein	Schoenfeld
Battaglia	Jefferson	Lieder	Osthoff	Segal
Bauerly	Jensen	Long	Otis	Simoneau
Beard	Johnson, A.	McEachern	Pappas	Solberg
Begich	Johnson, R.	Milbert	Pelowski	Sparby
Bertram	Kahn	Minne	Peterson	Steensma
Carlson, L.	Kalis	Munger	Price	Trimble
Carruthers	Kelly	Murphy	Quinn	Tunheim
Clark	Kelso	Nelson, C.	Reding	Vanasek
Cooper	Kinkel	Nelson, D.	Rest	Vellenga
DeBlick	Kludt	Neuenschwander	Riveness	Voss
Dorn	Knuth	O'Connor	Rodosovich	Wagenius
Greenfield	Kostohryz	Ogren	Rukavina	Welle
Gruenes	Krueger	Olson, K.	Sarna	Wenzel
Jacobs	Larsen	Omnn	Scheid	Winter
				Spk. Norton

The motion did not prevail.

The question was taken on the Sviggum motion to re-refer H. F. No. 119 to the Committee on Governmental Operations and the roll was called. There were 53 yeas and 70 nays as follows:

Those who voted in the affirmative were:

Bauerly	Boo	Dempsey	Gutknecht	Jennings
Bennett	Burger	Forsythe	Haukoos	Johnson, V.
Bertram	Carlson, D.	Frederick	Heap	Knickerbocker
Bishop	Clausnitzer	Frerichs	Himle	Marsh
Blatz	Dauner	Gruenes	Hugoson	McDonald

McLaughlin	Onnen	Richter	Skoglund	Uphus
McPherson	Ozment	Rose	Stanius	Valento
Miller	Pauly	Schafer	Sviggum	Waltman
Morrison	Poppenhagen	Schreiber	Thiede	Welle
Olsen, S.	Quist	Seaberg	Tjornhom	
Omamn	Redalen	Shaver	Tompkins	

Those who voted in the negative were:

Anderson, G.	Jefferson	Lasley	Osthoff	Schoenfeld
Battaglia	Jensen	Lieder	Otis	Segal
Beard	Johnson, A.	Long	Pappas	Simoneau
Begich	Johnson, R.	McEachern	Pelowski	Solberg
Brown	Kahn	Milbert	Peterson	Sparby
Carlson, L.	Kalis	Minne	Price	Steensma
Carruthers	Kelly	Munger	Quinn	Trimble
Clark	Kelso	Murphy	Reding	Tunheim
Cooper	Kinkel	Nelson, C.	Rest	Vanasek
DeBlieck	Kludt	Nelson, D.	Riveness	Voss
Dorn	Knuth	O'Connor	Rodosovich	Wagenius
Greenfield	Kostohryz	Ogren	Rukavina	Wenzel
Jacobs	Krueger	Olson, K.	Sarna	Winter
Jaros	Larsen	Orenstein	Scheid	Spk. Norton

The motion did not prevail.

## MOTIONS AND RESOLUTIONS

Schoenfeld moved that the name of Jennings be added as an author on H. F. No. 163. The motion prevailed.

Nelson, K., moved that the name of Osthoff be added as an author on H. F. No. 416. The motion prevailed.

Carlson, D., moved that the name of Vanasek be added as an author on H. F. No. 501. The motion prevailed.

Kalis moved that the name of Hugoson be added as an author on H. F. No. 551. The motion prevailed.

Kalis moved that the name of Hugoson be added as an author on H. F. No. 552. The motion prevailed.

Beard moved that the name of Tjornhom be added as an author on H. F. No. 578. The motion prevailed.

Shaver moved that the name of Tjornhom be added as an author on H. F. No. 597. The motion prevailed.

Wenzel moved that H. F. No. 275 be recalled from the Committee on Agriculture and be re-referred to the Committee on Environment and Natural Resources. The motion prevailed.

Blatz moved that H. F. No. 170 be recalled from the Committee on General Legislation, Veterans Affairs and Gaming and be re-referred to the Committee on Judiciary. The motion prevailed.

Quinn moved that H. F. No. 514 be recalled from the Committee on Education and be re-referred to the Committee on Governmental Operations. The motion prevailed.

Larsen, Riveness and Heap introduced:

House Concurrent Resolution No. 4, A House concurrent resolution relating to the oversight of higher education.

The concurrent resolution was referred to the Committee on Higher Education.

Johnson, R.; Trimble; Johnson, V.; Rukavina and Kludt introduced:

House Concurrent Resolution No. 5, A House concurrent resolution relating to the funding and studying of higher education.

The concurrent resolution was referred to the Committee on Higher Education.

Olsen, S., introduced:

House Resolution No. 28, A House resolution extending congratulations to David Cauley of Hopkins, Minnesota, on attaining the rank of Eagle Scout.

The resolution was referred to the Committee on Rules and Legislative Administration.

Segal, Wagenius, Rest, Carruthers and Blatz introduced:

House Resolution No. 29, A House resolution commending the Volunteers of America human service organization, and designating the week of March 8 to 14, 1987, as Volunteers of America Week in Minnesota.

The resolution was referred to the Committee on Rules and Legislative Administration.

## ADJOURNMENT

Vanasek moved that when the House adjourns today it adjourn until 2:00 p.m., Thursday, March 5, 1987. The motion prevailed.

Vanasek moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:00 p.m., Thursday, March 5, 1987.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

## STATE OF MINNESOTA

## SEVENTY-FIFTH SESSION—1987

## NINETEENTH DAY

SAINT PAUL, MINNESOTA, THURSDAY, MARCH 5, 1987

The House of Representatives convened at 2:00 p.m. and was called to order by Fred C. Norton, Speaker of the House.

Prayer was offered by the Reverend Richard Scheerer, United Church of Christ, Elk River, Minnesota.

The roll was called and the following members were present:

Anderson, G.	Greenfield	Lasley	Osthoff	Segal
Anderson, R.	Gruenes	Lieder	Otis	Shaver
Battaglia	Gutknecht	Long	Ozment	Simoneau
Bauerly	Hartle	Marsh	Pappas	Skoglund
Beard	Haukoos	McDonald	Pauly	Solberg
Bennett	Heap	McKasy	Pelowski	Sparby
Bertram	Himle	McLaughlin	Peterson	Stanius
Bishop	Hugoson	McPherson	Poppenhagen	Steensma
Blatz	Jacobs	Milbert	Price	Sviggum
Boo	Jaros	Miller	Quinn	Thiede
Brown	Jefferson	Minne	Quist	Tjornhom
Burger	Jennings	Morrison	Redalen	Tompkins
Carlson, D.	Jensen	Munger	Reding	Trimble
Carlson, L.	Johnson, A.	Murphy	Rest	Tunheim
Carruthers	Johnson, R.	Nelson, C.	Rice	Uphus
Clark	Johnson, V.	Nelson, D.	Richter	Valento
Clausnitzer	Kahn	Nelson, K.	Riveness	Vanasek
Cooper	Kelly	Neuenschwander	Rodosovich	Vellenga
Dauner	Kelso	O'Connor	Rose	Voss
DeBlicke	Kinkel	Ogren	Rukavina	Wagenius
Dempsey	Kludt	Olsen, S.	Sarna	Waltman
Dille	Knickerbocker	Olsen, E.	Schafer	Welle
Dorn	Knuth	Olsen, K.	Scheid	Wenzel
Forsythe	Kostohryz	Omamm	Schoenfeld	Winter
Frederick	Krueger	Onnen	Schreiber	Wynia
Frerichs	Larsen	Orenstein	Seaberg	Spk. Norton

A quorum was present.

McEachern and Swenson were excused.

Begich and Kalis were excused until 2:50 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Kelly moved that further reading of the Journal be dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

#### REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 56, 102, 166, 281, 312, 340, 400, 505, 130, 334, 364, 28, 137 and 348 and S. F. No. 208 have been placed in the members' files.

#### PETITIONS AND COMMUNICATIONS

The following communications were received:

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
SAINT PAUL 55155

February 20, 1987

The Honorable Fred C. Norton  
Speaker of the House of Representatives  
The State of Minnesota

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State the following House File:

H. F. No. 45, relating to commerce; revising the Uniform Trade Secret Act; clarifying remedies; amending Minnesota Statutes 1986, sections 325C.02; 325C.03; and 325C.07.

Sincerely,

RUDY PERPICH  
Governor

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
SAINT PAUL 55155

February 25, 1987

The Honorable Fred C. Norton  
Speaker of the House of Representatives  
The State of Minnesota

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State the following House File:

H. F. No. 34, relating to corporations; providing for modification of liability of directors; amending Minnesota Statutes 1986, sections 302A.111, subdivision 4; and 302A.251, by adding a subdivision.

Sincerely,

RUDY PERPICH  
Governor

STATE OF MINNESOTA  
OFFICE OF THE SECRETARY OF STATE  
ST. PAUL 55155

February 20, 1987

The Honorable Fred C. Norton  
Speaker of the House of Representatives

The Honorable Jerome M. Hughes  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1987 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S.F. No.	H.F. No.	Session Laws Chapter No.	Date Approved 1987	Date Filed 1987
	45	1	February 20, 1987	February 20, 1987
	34	2	February 25, 1987	February 25, 1987

Sincerely,

JOAN ANDERSON GROWE  
Secretary of State

## REPORTS OF STANDING COMMITTEES

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 91, A bill for an act relating to utilities; enacting the Minnesota pipeline safety act; creating the office of pipeline safety and providing for its powers and duties; granting rulemaking authority to the environmental quality board; authorizing rulemaking for purposes of delegation of federal authority; creating the pipeline safety advisory commission; regulating the operation of certain pipelines; regulating excavations in the area of buried utilities; providing for a pipeline inspection fee; establishing the pipeline safety fund; requiring a study; providing penalties; appropriating money; amending Minnesota Statutes 1986, sections 116I.02, subdivisions 2 and 3; 216B.16, by adding a subdivision; and 299F.56, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 116I; proposing coding for new law as Minnesota Statutes, chapters 216C and 299J.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

### "PIPELINE ROUTING

Section 1. [116I.015] [ROUTING OF CERTAIN PIPELINES.]

Subdivision 1. [DEFINITION.] "Pipeline" for purposes of this section and notwithstanding section 116I.01, subdivision 3, has the meaning given it in section 23, subdivision 12.

Subd. 2. [PROHIBITION.] A person may not construct a pipeline without a pipeline routing permit issued by the environmental quality board unless the pipeline is exempted from the board's routing authority under this section or rules adopted under this

section. A pipeline requiring a permit may only be constructed on a route designated by the board.

Subd. 3. [RULES.] (a) The environmental quality board shall adopt rules governing the routing of pipelines. The rules shall apply only to the route of pipelines and may not set safety standards for the construction of pipelines.

(b) The rules must:

(1) require that a person proposing construction of a pipeline submit to the board one preferred route for the pipeline and evidence of consideration of alternatives;

(2) provide for notice of proposed pipeline routes to owners and lessees of property along the routes being considered;

(3) provide opportunity for public hearings on proposed pipeline routes;

(4) provide criteria that the board will use in determining pipeline routes, which must include the existence of populated areas, consideration of local government land use laws including ordinances adopted under section 26, and the impact of the proposed facility on the natural environment;

(5) provide a procedure that the board will follow in issuing pipeline routing permits and require the board to issue the permits within nine months after the permit application is received by the board, unless the board extends this deadline for cause;

(6) provide for the payment of fees by persons proposing to construct pipelines to cover the costs of the board in implementing this section;

(7) allow the board to provide exemptions from all or part of the pipeline routing permit application process in emergencies or if the board determines that the proposed pipeline will not have a significant impact on humans or the environment, and requiring exemption determinations to be made within 90 days after an application; and

(8) require that a person who has constructed a pipeline, to the extent possible, restore the area affected by the pipeline to the natural conditions that existed immediately before construction of the pipeline, provided that this restoration is compatible with the safe operation, maintenance, and inspection of the pipeline.

(c) The board's routing authority does not apply to temporary use of a route for purposes other than installation of a pipeline, to

securing survey or geological data, to repair or replacement of an existing pipeline within the existing right-of-way, or to minor relocation of less than three-quarters of a mile of an existing pipeline. The board's routing authority does not apply to construction of new pipeline in a right-of-way in which pipeline has been constructed before the effective date of this section or in a right-of-way that has been approved by the board after the effective date of this section, except when the board determines that there is a significant chance of an adverse effect on the environment or that there has been a significant change in land use or population density in or near the right-of-way since the first construction of pipeline in the right-of-way, or since the board first approved the right-of-way.

Subd. 4. [PRIMARY RESPONSIBILITY AND REGULATION OF ROUTE DESIGNATION, IMPROVEMENT AND USE.] The issuance of a pipeline routing permit under this section and subsequent purchase and use of the route locations is the only site approval required to be obtained by the person owning, constructing, or operating the pipeline. The pipeline routing permit supersedes and preempts all zoning, building, or land use rules, regulations, or ordinances promulgated by regional, county, local, and special purpose governments.

Sec. 2. Minnesota Statutes 1986, section 116I.02, subdivision 2, is amended to read:

Subd. 2. Any person proposing to construct or operate a pipeline for which a pipeline routing permit is not required under section 1, shall so notify the environmental quality board and the county board of each county through which the pipeline will be constructed. The notice shall include a description of the route on which the pipeline is proposed to be located, the size and type of pipeline to be constructed, the types of commodities to be carried and the construction and operational characteristics of the pipeline. The proposed route shall be described in sufficient detail so that the owners or lessees of property on which the route is located can be identified. Notice to the environmental quality board shall be accompanied by a fee of \$25,000 for preparation of an information book as provided in section 116I.03 and for expenses incurred by state agencies to participate in public meetings as provided in section 116I.04. All fees received are appropriated to the environmental quality board for its own use and for distribution to state agencies for these purposes. The environmental quality board shall refund any amount that exceeds the actual cost to the board of preparing the information book, including necessary revisions, and to state agencies for participating in the public meetings.

If the pipeline route described in the notice is changed to the extent that, in any county, 20 percent or more of the owners or lessees of property on which the new route is located were not owners or lessees of property on which the other route was located, the

person proposing to construct and operate the pipeline shall notify the environmental quality board and the county board of that county of the change in the proposed route. No additional fee shall be required for a notice of change of a proposed route.

Sec. 3. Minnesota Statutes 1986, section 116I.02, subdivision 3, is amended to read:

Subd. 3. ~~No~~ (a) If a pipeline routing permit is not required for construction of a pipeline under section 1, a person shall may not negotiate or acquire an easement or right-of-way agreement for the purpose of constructing and operating a pipeline until 30 days after:

(a) A (1) public meeting has been held as provided in section 116I.04 in the county in which the right-of-way in question is located; and

(b) (2) that person has provided to the owner or lessee from whom the easement or agreement is acquired a copy of the information book prepared pursuant to section 116I.03.

(b) If the original information book is revised pursuant to section 116I.03, each owner or lessee of property which the original route did not affect shall be provided with a copy of the revised book.

Sec. 4. Minnesota Statutes 1986, section 117.48, is amended to read:

117.48 [CRUDE OIL PIPELINE COMPANIES, EMINENT DOMAIN.]

The business of transporting crude petroleum, oil, their related products and derivatives including liquefied hydrocarbons, or natural gas by pipeline as a common carrier, is declared to be in the public interest and necessary to the public welfare, and the taking of private property therefor is declared to be for a public use and purpose. Any corporation or association qualified to do business in the state of Minnesota engaged in or preparing to engage in the business of transporting crude petroleum, oil, their related products and derivatives including liquefied hydrocarbons, or natural gas by pipeline as a common carrier, is authorized to acquire, for the purpose of such business, easements or rights of way, over, through, under or across any lands, not owned by the state or devoted to a public purpose for the construction, erection, laying, maintaining, operating, altering, repairing, renewing and removing in whole or in part, a pipeline for the transportation of crude petroleum, oil, their related products and derivatives including liquefied hydrocarbons, or natural gas. To such end it shall have and enjoy the right of eminent domain to be exercised in accordance with this chapter, and acts amendatory thereof, all of which provisions shall govern insofar as they may be applicable hereto. Nothing herein shall be construed

as authorizing the taking of any property owned by the state, or any municipal subdivision thereof, or the acquisition of any rights in public waters except after permit, lease, license or authorization issued pursuant to law.

Sec. 5. Minnesota Statutes 1986, section 117.49, is amended to read:

**117.49 [APPROVAL OF PROCEEDINGS BY COMMISSIONER OF NATURAL RESOURCES.]**

In the event that the right to exercise the power of eminent domain in accordance with this chapter, is granted by law to any person, corporation or association qualified to do business in the state of Minnesota engaged in or preparing to engage in the business of transporting crude petroleum, oil, their related products and derivatives including liquefied hydrocarbons, or natural gas by pipeline as a common carrier, the right shall not be exercised by such person, corporation, or association until the plans of the project for which the exercise of the power of eminent domain is proposed shall have first been submitted to and approved by the commissioner of natural resources. The plans shall be submitted in sufficient detail so that the commissioner can make a determination as to the impact that the proposed project will have on the environment. The commissioner of natural resources shall make a comprehensive review of such plans and make detailed comments on the effect that such project, if pursued, would have on the environment, including recommendations for changes or alterations, if any, that would be required before such project would be approved by the commissioner. Failure of the commissioner to approve or disapprove the plans so submitted within 90 days after submission shall be deemed approval of the plans and the power of eminent domain may thereupon be exercised for such project. This section does not apply to use of eminent domain in regard to a pipeline for which a routing permit is required by section 1.

Sec. 6. Minnesota Statutes 1986, section 216B.16, is amended by adding a subdivision to read:

Subd. 9a. [PIPELINE COSTS.] All costs of a public utility that are necessary to comply with state pipeline safety programs and pipeline routing requirements must be recognized and included by the commission in the determination of just and reasonable rates as if the costs were directly incurred by the utility in furnishing utility service.

**ONE CALL EXCAVATION NOTICE SYSTEM**

Sec. 7. [216C.01] [DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] The definitions in this section apply to sections 7 to 13.

Subd. 2. [DAMAGE.] "Damage" means:

(1) the substantial weakening of structural or lateral support of an underground facility;

(2) penetration, impairment, or destruction of any underground protective coating, housing, or other protective device; or

(3) impact with or the partial or complete severance of any underground facility to the extent that the facility operator determines that repairs are required.

Subd. 3. [EMERGENCY.] "Emergency" means a condition that poses a clear and immediate danger to life or health, or a significant loss of property.

Subd. 4. [EMERGENCY RESPONDER.] "Emergency responder" means a fire department or company, a law enforcement official or office, an ambulance or other emergency rescue service, or the division of emergency services created by section 12.04, subdivision 1.

Subd. 5. [EXCAVATION.] "Excavation" means any operation by which rock, earth, or other material in or on the ground is moved, removed, compressed, or otherwise displaced by use of a motor, engine, hydraulic or pneumatically-powered tool, or machine-powered equipment of any kind, or by explosives. It includes demolition in the case of a structure with a foundation depth of two feet or more. It includes terracing, post hole digging, using a subsoiler or ripper, and similar farming operations, except as provided in this subdivision.

Excavation does not include plowing, cultivating, planting, harvesting, and similar operations in connection with growing crops, landscaping, or gardening, unless any of these activities disturbs the soil to a depth of 18 inches or more. It does not include the repair or installation of agricultural drainage tile, for which notice has been given as provided by section 1161.07, subdivision 2. It does not include the extraction of minerals, the opening of a grave in a cemetery, or normal maintenance of roads and streets if the maintenance does not change the original grade and does not involve the ditch.

Subd. 6. [EXCAVATOR.] "Excavator" means a person that conducts excavation in the state.

Subd. 7. [LOCAL GOVERNMENTAL UNIT.] “Local governmental unit” means a county, town, or statutory or home rule charter city.

Subd. 8. [NOTIFICATION CENTER.] “Notification center” means a single statewide center that receives notice from excavators of planned excavation and transmits this notice to participating operators.

Subd. 9. [OPERATOR.] “Operator” means a person who owns or operates an underground facility. However, operator does not include a person who is an owner or tenant of real property where underground facilities are located if the underground facilities are used exclusively to furnish services or commodities on that property.

Subd. 10. [PERSON.] “Person” means the state, a public agency, an individual, corporation, partnership, association, or other business or public entity or a trustee, receiver, assignee, or personal representative of any of them.

Subd. 11. [UNDERGROUND FACILITY.] “Underground facility” means an underground line, facility, system, and its appurtenances used to produce, store, convey, transmit, or distribute communication, data, electricity, power, heat, gas, oil, petroleum products, water including storm water, steam, sewage, and other similar substances.

**Sec. 8. [216C.02] [NOTICE TO EXCAVATORS AND UNDERGROUND FACILITY OPERATORS.]**

Subdivision 1. [DISPLAY AND DISTRIBUTION.] Local governmental units that issue permits for an activity involving excavation must continuously display an excavator’s and operator’s notice at the location where permits are applied for and obtained. A copy of the notice and a copy of sections 9 to 13 must be furnished to each person obtaining a permit for excavation.

Subd. 2. [FORM.] The notification center must prescribe an excavator’s and operator’s notice. The notice must inform excavators and operators of their obligations to comply with sections 9 to 13. The center must furnish to local governmental units:

(1) a copy of the notice and sections 9 to 13 in a form suitable for photocopying;

(2) a copy of the display and distribution requirements under subdivision 1; and

(3) the telephone number and mailing address of the notification center.

Sec. 9. [216C.03] [NOTIFICATION CENTER.]

Subdivision 1. [PARTICIPATION.] An operator must participate in and share in the costs of one statewide notification center operated by a vendor selected under subdivision 2.

Subd. 2. [ESTABLISHMENT OF NOTIFICATION CENTER.] The center shall be organized as a nonprofit corporation governed by a board of directors consisting of 20 members. Nineteen of the members must represent and be elected by operators, excavators, and other persons who participate in the notification center. The remaining member must be the director of the office of pipeline safety. By January 1, 1988, the board shall, with input from all interested parties, determine the operating procedures and technology needed for a single statewide notification center. The board shall select a vendor to provide the statewide notification service for all operators. The vendor must be selected through a competitive bidding process similar to the process described in section 16B.09, subdivision 1, after advertising in a manner similar to that provided in section 16B.07, subdivision 3. An operator may submit a bid and may be selected as the vendor. The notification center must begin operating by June 1, 1988.

Subd. 3. [NOTICE TO LOCAL GOVERNMENTAL UNITS.] The notification center must provide local governmental units with a master list, by county, of the operators in the county who are participants in the notification center, and the telephone number and mailing address of the notification center.

Sec. 10. [216C.04] [EXCAVATION.]

Subdivision 1. [NOTICE OF EXCAVATION REQUIRED; CONTENTS.] (a) Except in an emergency, an excavator must contact the notification center and provide an excavation notice at least 48 hours before beginning any excavation, excluding Saturdays, Sundays, and holidays. An excavation begins, for purposes of this requirement, the first time excavation occurs in an area that was not previously identified by the excavators in an excavation notice.

(b) The excavation notice may be oral or written, and must contain the following information:

- (1) the name of the individual providing the excavation notice;
- (2) the precise location of the proposed area of excavation;
- (3) the name, address, and telephone number of the excavator or excavator's company;
- (4) the excavator's field telephone number, if one is available;

- (5) the type and the extent of the proposed excavation work;
- (6) whether or not the discharging of explosives is anticipated; and
- (7) the date and time when excavation is to commence.

Subd. 2. [DUTIES OF NOTIFICATION CENTER.] The notification center must assign an inquiry identification number to each excavation notice and retain a record of all excavation notices received for at least six years. The center must immediately transmit the information contained in an excavation notice to every operator that has an underground facility in the area of the proposed excavation.

Subd. 3. [LOCATING UNDERGROUND FACILITIES.] (a) An operator must, within 48 hours after receiving an excavation notice from the center, excluding Saturdays, Sundays, and holidays, unless otherwise agreed to between the excavator and operator, locate and mark or otherwise provide the approximate horizontal location of the underground facilities of the operator, without cost to the excavator. The excavator must determine the precise location of the underground facility, without damage, before excavating within two feet of the marked location of the underground facility.

(b) For the purpose of this section, the approximate horizontal location of the underground facilities is a strip of land two feet on either side of the underground facilities.

(c) Markers used to designate the approximate location of underground facilities must follow the color code standard used by the American Public Works Association.

(d) If the operator cannot complete marking of the excavation area before the excavation commencement time stated in the excavation notice, the operator must promptly contact the excavator. If the excavator postpones the excavation commencement time stated in the excavation notice by more than 48 hours, or cancels the excavation, the excavator must notify the notification center.

Sec. 11. [216C.05] [PRECAUTIONS TO AVOID DAMAGE.]

An excavator must:

(1) plan the excavation to avoid damage to and minimize interference with underground facilities in and near the construction area;

(2) maintain a clearance between an underground facility and the cutting edge or point of any mechanized equipment, considering the known limit of control of the cutting edge or point to avoid damage to the facility;

(3) provide support for underground facilities in and near the construction area, including during backfill operations, to protect the facilities; and

(4) conduct the excavation in a careful and prudent manner.

Sec. 12. [216C.06] [DAMAGE TO FACILITIES.]

Subdivision 1. [NOTICE; REPAIRS.] (a) If any damage occurs to an underground facility or its protective covering, the excavator must notify the operator as soon as reasonably possible. When the operator receives a damage notice, the operator must promptly dispatch personnel to the damage area to investigate. If the damage endangers life, health, or property, the excavator responsible for the work must take immediate action to protect the public and property and to minimize the hazard until arrival of the operator's personnel or until emergency responders have arrived and taken charge of the damaged area.

(b) An excavator must delay backfilling in the immediate area of the damaged underground facilities until the damage has been investigated by the operator, unless the operator authorizes otherwise. The repair of damage must be performed by the operator or by qualified personnel authorized by the operator.

(c) An excavator who knowingly damages an underground facility, and who does not notify the operator as soon as reasonably possible or who backfills in violation of paragraph (b), is guilty of a misdemeanor.

Subd. 2. [COST REIMBURSEMENT.] (a) If an excavator damages an underground facility, the excavator must reimburse the operator for all costs of necessary repairs, including lost product costs.

(b) Reimbursement is not required if the damage to the underground facility was caused by the sole negligence of the operator or the operator failed to comply with section 10, subdivision 3.

Subd. 3. [PRIMA FACIE EVIDENCE OF NEGLIGENCE.] It is prima facie evidence of the excavator's negligence in a civil court action if damage to the underground facilities of an operator resulted from excavation, and the excavator failed to give an excavation notice under section 10 or provide support as required by section 11.

Sec. 13. [216C.07] [EFFECT ON LOCAL ORDINANCES.]

(a) Sections 7 to 13 do not affect or impair local ordinances, charters, or other provisions of law requiring permits to be obtained before excavating.

(b) A person with a permit for excavation from the state or a public agency is subject to sections 7 to 13. The state or public agency that issued a permit for excavation is not liable for the actions of an excavator who fails to comply with sections 7 to 13.

### INTRASTATE GAS PIPELINE SAFETY

Sec. 14. Minnesota Statutes 1986, section 299F.56, is amended by adding a subdivision to read:

Subd. 7. "Commissioner" means the commissioner of public safety, acting through the office of pipeline safety.

Sec. 15. Minnesota Statutes 1986, section 299F.57, is amended to read:

#### 299F.57 [MINIMUM SAFETY STANDARDS.]

Subdivision 1. The state fire marshal commissioner shall, by order, establish minimum safety standards for the transportation of gas and pipeline facilities. Such standards may apply to the design, installation, inspection, testing, construction, extension, operation, replacement and maintenance of pipeline facilities. Standards affecting the design, installation, construction, initial inspection and initial testing shall not be applicable to pipeline facilities in existence on the date such standards are adopted. Such safety standards shall be practicable and designed to meet the need for pipeline safety. In prescribing such standards, the state fire marshal commissioner shall consider:

- (a) relevant available pipeline safety data;
- (b) whether such standards are appropriate for the particular type of pipeline transportation;
- (c) the reasonableness of any proposed standards;
- (d) the extent to which any such standards will contribute to public safety; and
- (e) the existing standards established by the Secretary of Transportation of the United States pursuant to the Natural Gas Pipeline Safety Act of 1968 of the United States.

Provided, however, that the state fire marshal commissioner shall not be empowered to adopt any such standards as to the transportation of gas or to pipeline facilities which are subject to the jurisdiction of the Federal Power Commission under the Natural Gas Act of the United States, except as provided in sections 22 to 39.

Subd. 2. Any standards prescribed under this section, and amendments thereto, shall become effective 30 days after the date of issuance of such standards unless the state fire marshal commissioner, for good cause recited, determines an earlier or later effective date is required as the result of the period reasonably necessary for compliance.

Subd. 3. The rulemaking, contested case and judicial review provisions of chapter 14, shall apply to all orders establishing, amending, revoking, or waiving compliance with, any standard established under sections 299F.56 to 299F.64 ~~or any penalty imposed under sections 299F.56 to 299F.64~~. The state fire marshal commissioner shall afford interested persons an opportunity to participate fully in the establishment of such safety standards through submission of written data, views or arguments, with opportunity to present oral testimony and argument.

Subd. 4. The state fire marshal commissioner, on finding a particular facility to be hazardous to life or property, shall be empowered to require the person operating such facility to take such steps necessary to remove such hazards.

Subd. 5. Upon application by any person engaged in the transportation of gas or the operation of pipeline facilities, the state fire marshal commissioner may, after notice and opportunity for hearing and under such terms and conditions and to such extent as the state fire marshal commissioner deems appropriate, waive in whole or in part compliance with any standards established under sections 299F.56 to 299F.64, on determining that a waiver of compliance with such standard is not inconsistent with gas pipeline safety. The state fire marshal commissioner shall state the reasons for any such waiver.

Sec. 16. Minnesota Statutes 1986, section 299F.58, is amended to read:

#### 299F.58 [CERTIFICATIONS AND REPORTS.]

The state fire marshal commissioner is authorized to make such certifications and reports to the United States Secretary of Transportation as may be required from time to time under the Natural Gas Pipeline Safety Act of 1968 of the United States.

Sec. 17. Minnesota Statutes 1986, section 299F.60, is amended to read:

#### 299F.60 [CIVIL PENALTIES.]

Subdivision 1. Any person who violates any provision of sections 299F.56 to 299F.64, or any rule issued thereunder, shall be subject to

a civil penalty in an amount to be imposed determined by the state fire marshal court not to exceed ~~\$1,000~~ \$10,000 for each such violation for each day that such the violation persists, except that the maximum civil penalty shall not exceed \$200,000 for any related series of violations.

Subd. 2. The ~~state fire marshal~~ commissioner may negotiate a compromise settlement of a civil penalty. In determining the amount of ~~such the~~ penalty, or the amount of the compromise settlement, the ~~state fire marshal commissioner or the court~~ shall consider the appropriateness of ~~such the~~ penalty to the size of the business of the person charged, the gravity of the violation, and the good faith of the person charged in attempting to achieve compliance, after notification of a violation. The contested case and judicial review provisions of chapter 14 shall apply to all orders of the state fire marshal imposing any penalty under sections 299F.56 to 299F.64 or under any rule promulgated thereunder. The penalty may be recovered by an action brought in the district court of Ramsey county or in the county of the defendant's residence. The amount of such the penalty, when finally determined, may be deducted from any sums owing by the state of Minnesota to the person charged.

Subd. 3. No person shall be subjected to civil penalties under both sections 299F.56 to 299F.64 and under Public Law Number 90-481, Statutes at Large, volume 82, page 720, 90th Congress, S. 1166, approved August 12, 1968, for conduct which may give rise to a violation of both acts.

Subd. 4. All penalties collected under sections 299F.56 to 299F.64 shall be ~~paid over to the state treasurer for deposit~~ deposited in the state treasury to the credit of the general fund pipeline safety account.

Sec. 18. Minnesota Statutes 1986, section 299F.61, is amended to read:

#### 299F.61 [INJUNCTIVE RELIEF]

Subdivision 1. The district courts of the state of Minnesota shall have jurisdiction, subject to the provisions of the statutes and the rules of practice and procedure of the state of Minnesota relative to civil actions in the district courts, to restrain violations of sections 299F.56 to 299F.64, including the restraint of transportation of gas or the operation of a pipeline facility, or to enforce standards established hereunder upon petition by the attorney general on behalf of the state of Minnesota. Whenever practicable, the ~~state fire marshal~~ commissioner shall give notice to any person against whom an action for injunctive relief is contemplated and afford the person an opportunity to present views, and, except in the case of a knowing and willful violation, shall afford the person reasonable opportunity to achieve compliance. However, the failure to give such notice and

afford such opportunity shall not preclude the granting of appropriate relief.

Subd. 2. Actions under sections 299F.56 to 299F.64 shall ~~may~~ be brought in the any district court in the state of Minnesota wherein the defendant's principal place of business is located, and process in such cases may be served in any other district in the state of Minnesota where the defendant may be found or of which the defendant is an inhabitant or transacts business.

Sec. 19. Minnesota Statutes 1986, section 299F.62, is amended to read:

299F.62 [PLAN FOR INSPECTION AND MAINTENANCE.]

Each person who engages in the transportation of gas or who owns or operates pipeline facilities subject to sections 299F.56 to 299F.64 shall file with the ~~state fire marshal~~ commissioner a plan for inspection and maintenance of each such pipeline facility owned or operated by such person, and any changes in such plan, in accordance with the rules prescribed by the ~~state fire marshal~~ commissioner. On finding that such plan is inadequate to achieve safe operation, the ~~state fire marshal~~ commissioner shall, after notice and opportunity for a hearing, require such plan to be revised. The plan required by the ~~state fire marshal~~ commissioner shall be practicable and designed to meet the need for pipeline safety. In determining the adequacy of any such plan, the ~~state fire marshal~~ commissioner shall consider the following:

- (a) relevant available pipeline safety data;
- (b) whether the plan is appropriate for the particular type of pipeline transportation;
- (c) the reasonableness of the plan; and
- (d) the extent to which such plan will contribute to public safety.

Sec. 20. Minnesota Statutes 1986, section 299F.63, is amended to read:

299F.63 [RECORDS AND REPORTS; INSPECTIONS; TRADE SECRETS.]

Subdivision 1. Each person who engages in the transportation of gas or who owns or operates pipeline facilities shall establish and maintain such records, make such reports, and provide such information as the ~~state fire marshal~~ commissioner may reasonably require to determine whether such person has acted or is acting in compliance with sections 299F.56 to 299F.64 and the standards

established under sections 299F.56 to 299F.64. Each such person shall, upon request of an officer, employee, or agent authorized by the state fire marshal commissioner, permit such officer, employee, or agent to inspect books, papers, records and documents relevant to determining whether such person has acted or is acting in compliance with sections 299F.56 to 299F.64 and the standards established pursuant to sections 299F.56 to 299F.64. For purposes of enforcement of sections 299F.56 to 299F.64, officers, employees, or agents authorized by the state fire marshal commissioner, upon presenting appropriate credentials to the individual in charge, are authorized to enter upon, at reasonable times, pipeline facilities, and to inspect, at reasonable times and within reasonable limits and in a reasonable manner, such facilities. Each such inspection shall be commenced and completed with reasonable promptness.

Subd. 2. In the course of the exercise of duties and responsibilities under sections 299F.56 to 299F.64, the state fire marshal commissioner shall wherever practicable employ a practice of spot checking and issuance of certificates of compliance, with respect to persons subject to sections 299F.56 to 299F.64, to limit costs of enforcement of the safety standards established pursuant to sections 299F.56 to 299F.64.

Subd. 3. All information reported to or otherwise obtained by the state fire marshal commissioner or a representative, which contains or relates to a trade secret, as referred to in section 1905 of title 18 of the United States Code, or otherwise constitutes a trade secret under law, shall be considered confidential for the purpose of such laws, except that such information and is private or nonpublic data as defined in section 13.02. This data may be disclosed to other officers or employees concerned with carrying out sections 299F.56 to 299F.64 or when relevant in any proceeding under sections 299F.56 to 299F.64.

Subd. 4. [COST OF INSPECTION AND REVIEW.] The state fire marshal commissioner shall establish, by rule under section 16A.128, a fee to recover the state share of all costs related to field inspections, investigations of pipeline facilities, plan review, and other duties as provided by sections 299F.56 to 299F.63. Fees collected under this subdivision shall be credited to the general fund pipeline safety account.

Sec. 21. Minnesota Statutes 1986, section 299F.64, is amended to read:

#### 299F.64 [FEDERAL MONEYS.]

The state fire marshal commissioner may accept any and all moneys provided for or made available to this state by the United States of America or any department or agency thereof with respect to prescribing, setting, and enforcing rules and safety standards for

the transportation of natural and other gas by pipelines in accordance with the provisions of federal law and any rules or regulations promulgated thereunder and the state fire marshal commissioner is further authorized to do any and all things, not contrary to the laws of this state, required of this state by such federal law and the rules and regulations promulgated thereunder in order to obtain such federal moneys.

## OFFICE OF PIPELINE SAFETY

### Sec. 22. [299J.01] [LEGISLATIVE FINDINGS AND PURPOSE.]

The legislature finds that the pipelines in the state carrying hazardous liquids and gas present a hidden danger in that they are used to carry highly explosive material but are subject to only minimal safety regulation by the state. The legislature further finds that the regulation of these pipelines by the United States has proved inadequate to prevent injury and death to state residents.

The legislature therefore finds that a broad range of regulatory measures is necessary to protect the health and safety of Minnesotans living near pipelines carrying hazardous liquids and gas. It is the intent of the legislature in enacting sections 22 to 39 to create a comprehensive regulatory program to the extent allowed by federal law. The commissioner of public safety through the office of pipeline safety, shall exercise safety regulatory and enforcement authority over intrastate pipelines carrying hazardous liquids and gas. The commissioner shall, to the extent authorized by agreement between the office of pipeline safety and the United States Secretary of Transportation, act as agent for the United States Secretary of Transportation to implement the federal Hazardous Liquid Pipeline Safety Act (United States Code, title 49, section 2001 et seq.) the federal Natural Gas Pipeline Safety Act (United States Code, title 49, section 1671 et seq.) and federal pipeline safety regulations with respect to interstate pipelines located within this state, as necessary to obtain annual federal certification.

### Sec. 23. [299J.02] [DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] The definitions in this section apply to sections 22 to 39.

Subd. 2. [COMMISSIONER.] "Commissioner" means the commissioner of public safety acting through the office of pipeline safety except as provided in section 36, subdivision 1.

Subd. 3. [DIRECTOR.] "Director" means the director of the office of pipeline safety.

Subd. 4. [EMERGENCY.] "Emergency" means a condition that poses a clear and immediate danger to life or health or that threatens a significant loss of property.

Subd. 5. [EMERGENCY RELEASE.] "Emergency release" means a release that poses a clear and immediate danger to life or health or that threatens a significant loss of property.

Subd. 6. [EMERGENCY RESPONDER.] "Emergency responder" means a fire department or company, a law enforcement official or office, an ambulance or other emergency rescue service, or the division of emergency services created by section 12.04, subdivision 1.

Subd. 7. [GAS.] "Gas" has the meaning given it in Code of Federal Regulations, title 49, section 192.3.

Subd. 8. [HAZARDOUS LIQUID.] "Hazardous liquid" means "hazardous liquid" and "highly volatile liquid" as defined in Code of Federal Regulations, title 49, section 195.2.

Subd. 9. [LOCAL GOVERNMENTAL UNIT.] "Local governmental unit" means a county, town, or statutory or home rule charter city.

Subd. 10. [PERSON.] "Person" means an individual, corporation, partnership, association, or other business entity or a trustee, receiver, assignee, or personal representative of any of them.

Subd. 11. [OPERATOR.] "Operator" means a person who owns or operates a pipeline.

Subd. 12. [PIPELINE.] "Pipeline" means:

(1) pipe with a nominal diameter of six inches or more, located in the state, that is used to transport hazardous liquids, but does not include pipe used to transport a hazardous liquid by gravity, and pipe used to transport or store a hazardous liquid within a refining, storage, or manufacturing facility; or

(2) pipe operated at a pressure of more than 275 pounds per square inch that carries gas.

Subd. 13. [RELEASE.] "Release" means a spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, leaching, dumping, disposing, flowing, or any other uncontrolled escape of a hazardous liquid or gas from a pipeline.

Sec. 24. [299J.03] [OFFICE OF PIPELINE SAFETY.]

Subdivision 1. [ESTABLISHMENT.] The office of pipeline safety is a division of the department of public safety under the control of a director. The director shall be appointed by the commissioner and serve at the commissioner's pleasure in the unclassified service. The commissioner shall employ in the office of pipeline safety inspectors and other professional and clerical staff who serve in the classified service.

Subd. 2. [QUALIFICATIONS.] (a) The director of the office must be interested and knowledgeable in the operation and safety aspects of pipelines.

(b) Inspectors must:

(1) be graduates of accredited engineering schools and be licensed as professional engineers under section 326.02 with at least three years of experience in the pipeline industry; or

(2) have more than ten years of employment experience that demonstrates in-depth knowledge of pipeline engineering technology and pipeline safety.

(c) Inspectors must complete courses at the transportation safety institute and be certified by the institute as soon as possible following appointment.

Sec. 25. [299J.04] [DUTIES OF THE OFFICE OF PIPELINE SAFETY.]

Subdivision 1. [GENERAL DUTIES.] The commissioner shall:

(1) promote the use of the 911 emergency telephone system as an appropriate method for the public to notify emergency responders of an emergency release;

(2) provide training on a regular basis to all potentially affected local governmental units in pipeline incident contingency planning and emergency response by itself or in cooperation with pipeline operators, other state offices, or local governmental units;

(3) require local governmental units to work with pipeline operators to provide a program of continuing public education on the subject of pipeline operation and safety;

(4) monitor and gather information on the development of reliable pipeline technologies capable of detecting and geographically locating pipeline releases, use the information gathered in the development of rules as provided in this section, and report to the legislature every two years in the manner provided by section 3.195 on the activities of the office under this clause;

(5) maintain a comprehensive data base on the underlying causes of all pipeline releases, which must be based on annual reports from all pipeline operators;

(6) inspect, as necessary, any record, map, or written procedure required by sections 22 to 39 to be kept by a pipeline operator concerning the reporting of releases, and the design, construction, testing, or operation and maintenance of pipelines; and

(7) adopt rules to implement sections 22 to 39. The rules must treat separately and distinguish between hazardous liquid and gas pipelines.

Subd. 2. [DELEGATED DUTIES.] The commissioner shall seek and accept federal designation of the office's pipeline inspectors as federal agents for the purposes of enforcement of the federal Hazardous Liquid Pipeline Safety Act, United States Code, title 49, section 2001, et seq., the federal Natural Gas Pipeline Safety Act, United States Code, title 49, section 1671, et seq., and federal rules adopted to implement those acts. If the federal department of transportation delegates inspection authority to the state as provided in this subdivision, the commissioner shall do the following to carry out the delegated federal authority:

(i) inspect pipelines periodically at times determined by rules of the commissioner;

(ii) collect inspection fees; and

(iii) order and oversee the testing of pipelines as provided in rules adopted under this section to the extent permitted by the federal delegation.

Subd. 3. [RULEMAKING CONTINGENT ON FEDERAL AUTHORITY.] (a) The commissioner shall consider adoption of rules on subjects in this subdivision if federal law authorizes the state regulation. The rules must treat separately and distinguish between hazardous liquid and gas pipelines.

(b) The commissioner shall consider higher safety margin requirements for operating pressures on pipelines located in populated or environmentally sensitive areas.

(c) The commissioner shall consider having pipeline operators periodically submit comprehensive reports to the office on the condition of their pipelines, and requiring appropriate pipeline testing based on concerns identified in these reports. The testing requirements must apply more strictly to pipelines in populated or environmentally sensitive areas.

(d) The commissioner shall consider methods for pipeline operators to improve their ability to rapidly locate and isolate releases. The methods considered must include:

(1) remote control shutoff valves on all new pipelines, with the distance between the valves dependent on the type and density of development, the presence of environmentally sensitive areas, and the application of appropriate engineering standards;

(2) remotely monitored pressure gauges and flow meters installed at each pump station and remote valve location;

(3) specific emergency response procedures and training requirements for shutting down pumps; and

(4) use of reliable technology for detecting and geographically locating releases, and for shutting appropriate valves as rapidly as possible.

(e) The commissioner must consider standards for the manufacture of pipe used in pipelines, pipeline construction, and pipeline operation. Best available technology in pipe manufacture, pipeline construction, and pipeline reconstruction must be required and developed in consultation with the commissioner of labor and industry.

Subd. 4. [RELATION TO OTHER LAW.] Rules adopted to implement sections 22 to 39 must be consistent with sections 299F.56 to 299F.64 to the extent that the rules deal with pipelines governed by those sections.

Sec. 26. [299J.05] [PIPELINE SETBACK ORDINANCE.]

(a) The commissioner shall adopt a model ordinance under chapter 14 requiring a setback from pipelines in areas where residential or other development is allowed. The model ordinance must apply only to new development and not to development that has occurred, or for which development permits have been issued, before the ordinance becomes effective.

(b) If a county or other local governmental unit fails to adopt a pipeline setback ordinance within two years after the effective date of the rules adopting the model ordinance, or if the commissioner finds, at any time after that date, after opportunity for a contested case hearing under chapter 14, that a county or other local governmental unit has adopted a pipeline setback ordinance that fails to meet the minimum standards established under subdivision 1, the commissioner shall adapt the model ordinance to the part of the county that does not have an ordinance that meets minimum standards. The commissioner must hold at least one public hearing

on the proposed ordinance in the manner provided in section 394.26, after giving notice as provided in that section. This ordinance is effective for the parts of the county on the date and in accordance with the rules relating to compliance that the commissioner prescribes. The ordinance must be enforced as provided in section 394.37, and the penalties provided in section 394.37 apply to violations of the ordinance adopted by the commissioner.

Sec. 27. [299J.06] [PIPELINE SAFETY ADVISORY COMMISSION.]

Subdivision 1. [COMMISSION CREATED.] The pipeline safety advisory commission is created and is attached for administrative purposes to the department of public safety. The commissioner shall provide offices and administrative assistance necessary for the performance of the commission's duties.

Subd. 2. [MEMBERSHIP.] The commission consists of 11 members to be appointed by the commissioner. Four members shall be chosen from the pipeline industry, two each from hazardous liquid and gas pipeline operators. Three members must be associated with state or local government. Four members must be state residents unaffiliated with state or local government or the pipeline or utility industries.

Subd. 3. [POWERS AND DUTIES.] The members of the commission shall serve on a part-time basis and shall advise the commissioner and other appropriate federal, state, and local government agencies and officials on matters relating to pipeline safety and operation. The commission shall advise the environmental quality board on implementation of sections 1 to 3, and the commissioner on the implementation of sections 7 to 13, and 14 to 39. The commission shall review and comment on proposed rules and on the operation of the office of pipeline safety.

Subd. 4. [TERMS; COMPENSATION; REMOVAL.] The terms, compensation, and removal of members are governed by section 15.059.

Sec. 28. [299J.07] [PENALTY FOR OPERATOR WHO FAILS TO GIVE NOTICE OF RELEASE.]

(a) A pipeline operator is guilty of a felony for an emergency release from the operator's pipeline that causes the death or serious bodily injury of any person if the pipeline operator:

- (1) knows or should have known of an emergency release;

(2) knows or should have known that the emergency release was likely to cause the death or serious bodily injury of an individual; and

(3) fails to immediately report the emergency release to the department of public safety.

(b) A person convicted under this section may be sentenced to imprisonment for not more than seven years or to payment of a fine of not more than \$14,000, or both.

**Sec. 29. [299J.08] [COMMISSIONER TO REPORT RELEASE; ADVICE AND COORDINATION.]**

Upon receiving notice of an emergency release the commissioner or a designee shall immediately report the emergency release to the emergency responder of the appropriate local government unit, to the pollution control agency if the notice of the release is required by section 115.061, and to any other person or office, as provided by the rules or procedures of the office. A pipeline operator's report of an emergency release to the commissioner satisfies the notification requirements of section 115.061. The commissioner shall advise the emergency responder concerning appropriate emergency procedures and coordinate the procedures.

**Sec. 30. [299J.09] [PIPELINE OPERATORS TO FILE INFORMATION AND GIVE NOTICE.]**

Subdivision 1. [MAP REQUIRED.] (a) The operator of every pipeline in operation must file a detailed pipeline map in the scale required by the rules:

(1) with the commissioner and the commissioner of transportation, showing the location of the pipelines and appurtenances operated by that operator within the state; and

(2) with the recorder and with the director of emergency services or the sheriff of every county traversed by the pipeline, showing the location of the pipelines and appurtenances operated by that operator within the county.

(b) The maps required under paragraph (a) must be filed by the operator of a newly constructed pipeline before it is operational, and by the operator of a pipeline for which the route has been changed after the original filing of a map under this section. The maps required by this paragraph must be filed at least 30 days before a hazardous liquid or gas is first pumped into the pipeline.

Subd. 2. [EMERGENCY RESPONSE PLAN.] (a) At least 30 days before a hazardous liquid or gas is pumped into a pipeline, the

pipeline operator must file an emergency response plan with the commissioner and with the director of emergency services or the sheriff of every county traversed by the pipeline. The emergency response plan must describe the operator's procedures for responding to and containing releases, including:

(1) an identification of specific actions that will be taken by the operator on discovery of a release;

(2) the operator's liaison procedure with emergency responders;

(3) the operator's means of communication with the responders; and

(4) the operator's means of preventing ignition of vapors resulting from a release.

(b) An operator must file significant changes made to an emergency response plan in the same manner as the original response plan within ten days of the effective date of the change.

Subd. 3. [PROCEDURAL MANUAL.] At least 30 days before a hazardous liquid or gas is pumped into a pipeline, the pipeline operator must file with the commissioner its procedural manual as required under Code of Federal Regulations, title 49, part 192, subparts L and M, and part 195, subpart F.

Subd. 4. [NOTICE OF TESTING AND TEST RESULTS.] (a) At least 48 hours before conducting a hydrostatic test, whether or not the test is required by sections 22 to 39 or the rules of the commissioner, a pipeline operator must give notice of the test to the commissioner and the local governmental units traversed by the portion of pipeline to be tested. This notice must include:

(1) the name, address, and telephone numbers of the pipeline operator;

(2) the specific location of the pipeline or pipeline section to be tested, including a suitable map of the route of the pipeline, and the location of the test equipment;

(3) the date and time the test is to be conducted;

(4) the method by which the test will be accomplished and the type of test medium to be used; and

(5) the name and telephone number of any independent testing firm or other person responsible for certification of results.

(b) Authorized representatives of the commissioner and any affected local governmental unit may observe the test.

(c) The results of a hydrostatic test conducted by the operator or by an independent testing company must be sent to the commissioner and to every local governmental unit traversed by the tested portion of the pipeline within ten days of completion of the test. The test results must include:

- (1) the date of the test;
- (2) the specific location of the pipeline or pipeline section tested, including a suitable map of the route of the pipeline;
- (3) the results of the test; and
- (4) other information required by rule.

Subd. 5. [NOTICE OF PRODUCT.] (a) Within ten days after the effective date of this section or within ten days of beginning operation of the pipeline, whichever is later, a pipeline operator must file information with the commissioner and the sheriff of every county traversed by a pipeline of the types of products that will be carried in the pipeline. The operator must include in its filing to sheriffs a material safety data sheet for each product that the operator expects to carry in the pipeline. The sheriff must transmit copies of the material safety data sheets to the appropriate emergency responders.

(b) After filing the information required by paragraph (a), the pipeline operator must file information in the same manner of any additional types of substances that will be carried in the pipeline at least three days before the change.

Subd. 6. [PENALTY.] A pipeline operator that does not comply with the requirements of this section or rules of the commissioner implementing this section is subject to the civil penalty provided in section 37.

Subd. 7. [ENFORCEMENT.] The commissioner may bring an action to enforce the requirements of this section, as provided in section 37.

Sec. 31. [299J.10] [LOCAL GOVERNMENT EMERGENCY RESPONSE PLAN.]

(a) A local governmental unit having a pipeline within its jurisdiction must prepare a pipeline release emergency response plan. The local governmental unit must consult with the pipeline owner or operator when preparing the plan. Preparation of the plan must be

coordinated by the county traversed by the pipeline for the other local governmental units within that county. The commissioner shall prescribe rules for the content of the plan. The plan must be completed and adopted by local governmental units within six months after the effective date of the rules prescribing the contents of the plan.

(b) A local governmental unit must review its plan annually and amend it to reflect changes in the operation of the local governmental unit, in the operation of the pipeline, or other matters relating to pipeline safety. The commissioner may at any reasonable time examine a response plan required by this section.

(c) The cost of the plan required by paragraph (a) shall be assessed by a county and collected from every pipeline operator that has pipeline within the county's borders. Methods for collection and calculation of the fee assessed on an operator must be included in the rules of the commissioner required under section 25.

**Sec. 32. [299J.11] [ADOPTION OF FEDERAL PIPELINE INSPECTION RULES.]**

To enable the state to qualify for annual federal certification to enforce the federal pipeline inspection program authorized by the Hazardous Liquid Pipeline Safety Act, United States Code, title 49, section 2001, et seq., the federal Natural Gas Pipeline Safety Act, United States Code, title 49, section 1671, et seq., and the rules implementing those acts, the federal pipeline inspection rules and safety standards are adopted.

**Sec. 33. [299J.12] [PIPELINE INSPECTION FEE.]**

Subdivision 1. [ASSESSMENT AND DEPOSIT OF FEE.] For each year following the delegation to the state of the inspection authority described in section 25, the commissioner shall assess and collect from every pipeline operator an inspection fee in an amount calculated under subdivision 2. If an operator does not pay the fee within 60 days after the assessment was mailed, the commissioner may impose a delinquency fee of ten percent of the annual inspection fee and interest at the rate of 15 percent per year on the portion of the annual fee not paid. Fees collected by the commissioner under this section shall be deposited in the pipeline safety account.

Subd. 2. [CALCULATION OF FEE.] Fees for pipelines governed by section 299F.63, subdivision 4, must be established as provided in the rules adopted under that section. For other pipelines, in each calendar year that an inspection fee is to be assessed, the commissioner shall calculate the total number of miles of other pipeline to be inspected, the total cost of inspection, and the percentage of the total miles to be inspected that are or will be operated by each pipeline operator. Each pipeline operator shall be assessed a portion

of the total inspection costs equal to the percentage of the total miles of pipeline in the state to be operated by the pipeline operator, but the total fee may not exceed five dollars for each mile of the operator's pipeline.

Sec. 34. [299J.13] [ACCESS TO INFORMATION; CLASSIFICATION OF DATA.]

Subdivision 1. [DUTY TO PROVIDE INFORMATION.] A person who the commissioner has reason to believe is responsible for an emergency release shall, when requested by the commissioner or an authorized agent of the commissioner, furnish to the commissioner any information that the person may have or may reasonably obtain that is relevant to the emergency release.

Subd. 2. [ACCESS TO INFORMATION AND PROPERTY.] The commissioner or an authorized agent, upon presentation of credentials, may:

(1) examine and copy any books, papers, records, memoranda, or data of any person who has a duty to provide information under subdivision 1; and

(2) enter upon any property, public or private, for the purpose of taking any action authorized by sections 22 to 39 including obtaining information from any person who has a duty to provide the information under subdivision 1, and conducting surveys or investigations.

Subd. 3. [CLASSIFICATION OF DATA.] Except as otherwise provided in this subdivision, data obtained from any person pursuant to sections 22 to 39 is public data as defined in section 13.02. Upon certification by the subject of the data that the data relates to sales figures, processes or methods of production unique to that person, or information which would tend to affect adversely the competitive position of that person, the commissioner shall classify the data as private or nonpublic data as defined in section 13.02. Information reported to or otherwise obtained by the commissioner under sections 22 to 39 that contains or relates to a trade secret as referred to in United States Code, title 18, section 1905 is private or nonpublic data, as defined in section 13.02. Data classified as private or nonpublic data under this subdivision may be disclosed when relevant in any proceeding concerning an emergency release, or to other public agencies directly involved with the emergency release.

Subd. 4. [RECOVERY OF EXPENSES.] Reasonable and necessary expenses incurred by the commissioner under this section, including administrative and legal expenses, may be recovered in an action brought by the attorney general against a person who has been found liable under section 36 or 37. The commissioner's

certification of expenses is prima facie evidence that the expenses are reasonable and necessary.

Sec. 35. [299J.14] [LINE MARKERS REQUIRED; VANDALISM PROHIBITED; PENALTY.]

Subdivision 1. [LINE MARKERS REQUIRED.] A pipeline operator must place and maintain line markers over each pipeline as required by Code of Federal Regulations, title 49, parts 192.707 and 195.410.

Subd. 2. [VANDALISM PROHIBITED; PENALTY.] A person may not deface, mar, damage, remove, injure, displace, destroy, or tamper with any sign or line marker marking the location of a pipeline. A person violating the provisions of this subdivision is guilty of a misdemeanor.

Sec. 36. [299J.15] [PRESERVATION OF PIPELINE; PENALTY; ENFORCEMENT.]

Subdivision 1. [PRESERVATION MANDATED.] (a) After an emergency release has occurred, a pipeline operator must preserve the pipeline or part of the pipeline that was involved in the emergency release until the commissioner grants approval for disposal, destruction, or alteration. The authority of the commissioner to grant approval may not be delegated.

(b) This subdivision does not prevent:

(1) excavation and removal from the ground of a pipeline or part of a pipeline; or

(2) repair of a pipeline in the ground without approval of the commissioner if the pipeline is not excavated, removed, or altered with the intent to prevent or hinder a determination of the cause of the emergency release.

Subd. 2. [CRIMINAL PENALTY.] A pipeline operator who violates subdivision 1, or the rules of the commissioner implementing subdivision 1, or who denies the commissioner or the commissioner's designee access to the pipeline for the purposes of inspection, is guilty of a felony and may be sentenced to imprisonment for not more than five years or to payment of a fine of not more than \$10,000, or both.

Subd. 3. [ENFORCEMENT.] The commissioner may bring an action to enforce the requirements of subdivision 1, or the rules of the commissioner implementing that subdivision, in the manner provided by section 37.

## Sec. 37. [299J.16] [CIVIL PENALTY; INJUNCTIVE RELIEF.]

Subdivision 1. [CIVIL PENALTY.] (a) A pipeline operator who violates section 30 or 36 shall forfeit and pay to the state a civil penalty in an amount to be determined by the court of not more than \$10,000 per day for each day that the operator remains in violation of the provision.

(b) The penalty provided under this subdivision may be recovered by an action brought by the attorney general in the name of the state in connection with an action to recover expenses of the commissioner under section 34, subdivision 4, or by a separate action in the district court of Ramsey county or in the county of the defendant's residence.

Subd. 2. [ACTION TO COMPEL PERFORMANCE; INJUNCTIVE RELIEF.] A person who fails to perform an act required by section 30, 34, or 36 may be compelled to do so by an action in district court brought by the attorney general in the name of the state.

## Sec. 38. [299J.17] [OTHER REMEDIES PRESERVED.]

Nothing in sections 22 to 39 shall be construed to abolish or diminish the right of any person to bring a legal action or use any remedy available under any other provision of state or federal law, including common law, to recover for personal injury, disease, economic loss, or other costs arising out of a release.

## Sec. 39. [299J.18] [PIPELINE SAFETY ACCOUNT.]

Subdivision 1. [ESTABLISHMENT.] (a) The pipeline safety account is established as an account in the state treasury. All fees and penalties collected under sections 22 to 39 shall be deposited in the state treasury and credited to the pipeline safety account.

Money received by the office in the form of gifts, grants, reimbursements, or appropriations from any source shall be credited to the pipeline safety account.

(b) The money in the pipeline safety account is continually appropriated to the commissioner to administer sections 22 to 39.

Subd. 2. [PURPOSE OF FUND.] In establishing the pipeline safety account and imposing the inspection fee provided in section 33, it is the purpose of the legislature to protect the public health, safety, and welfare, and provide funding necessary to implement sections 22 to 39.

## Sec. 40. [STUDY.]

The office of pipeline safety and the department of labor and industry, in cooperation with the board of architecture, engineering, land surveying, and landscape architecture, shall study the need for additional registration, licensing and certification requirements for personnel who design and construct pipelines, as defined in section 23. The office and department must report their findings to the legislature by January 15, 1988.

Sec. 41. [TRAINING FOR PIPELINE INSPECTORS.]

Persons holding positions as inspectors with the state fire marshal on January 1, 1987, may be transferred or appointed to positions as inspectors with the office of pipeline safety without complying with the training requirements of section 24, subdivision 2, paragraph (b).

Sec. 42. [APPROPRIATION.]

\$...... is appropriated from the general fund to the office for the purposes provided in sections 22 to 39, to be available until June 30, 1989.

Sec. 43. [EFFECTIVE DATE.]

Section 1, subdivisions 1 and 3 are effective the day following final enactment. Section 1, subdivision 2, and sections 2 and 3 are effective July 1, 1988. Sections 7 and 9, subdivision 2, are effective the day after final enactment. Sections 8; 9, subdivisions 1 and 3; 10; 11; 12; and 13 are effective June 1, 1988. Sections 28, 29, and 36 are effective August 1, 1987, and apply to crimes committed on or after that date."

Delete the title and insert:

"A bill for an act relating to public safety; pipelines and underground facilities; enacting the Minnesota pipeline safety act; requiring a routing permit to construct a new pipeline; creating the office of pipeline safety and providing for its powers and duties; authorizing rulemaking for purposes of delegation of federal authority; creating the pipeline safety advisory commission; regulating the operation of certain pipelines; requiring the adoption of pipeline setback ordinances; providing for notification of excavation in the area of underground facilities; providing for a pipeline inspection fee; establishing the pipeline safety fund; requiring a study; providing penalties; appropriating money; amending Minnesota Statutes 1986, sections 116I.02, subdivisions 2 and 3; 117.48; 117.49; 216B.16, by adding a subdivision; 299F.56, by adding a subdivision; 299F.57; 299F.58; 299F.60; 299F.61; 299F.62; 299F.63; and 299F.64; proposing coding for new law in Minnesota Statutes, chapter 116I;

proposing coding for new law as Minnesota Statutes, chapters 216C and 299J.”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Judiciary.

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 110, A bill for an act relating to employment; limiting the employment hours of certain minors during the school year; amending Minnesota Statutes 1986, sections 181A.04, by adding a subdivision; and 181A.12, subdivision 1.

Reported the same back with the following amendments:

Page 1, line 12, delete “or before 7:00 a.m. on a school day”

Page 2, line 16, delete “or before 7:00 a.m. on a”

Page 2, line 17, delete “school day”

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 141, A bill for an act relating to commerce; exempting certain directors, members, and agents of certain commercial bodies from civil liability; amending Minnesota Statutes 1986, section 317.201.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [308.111] [ELIMINATION OR LIMITATION OF LIABILITY.]

Except as otherwise provided in this section, a director's personal liability to the cooperative association or its members for monetary damages for breach of fiduciary duty as a director may be eliminated or limited in the articles. The articles shall not eliminate or limit the liability of a director:

(1) for a breach of the director's duty of loyalty to the cooperative association or its members;

(2) for acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law;

(3) for a transaction from which the director derived an improper personal benefit; or

(4) for an act or omission occurring prior to the date when the provision in the articles eliminating or limiting liability becomes effective.

Sec. 2. Minnesota Statutes 1986, section 317.201, is amended to read:

317.201 [UNPAID DIRECTORS OR TRUSTEES; LIABILITY FOR DAMAGES.]

~~A director or trustee of a nonprofit corporation or association who is not paid for services to the corporation or association is not individually liable for damages occasioned solely by reason of membership on or participation in board activities.~~

Subdivision 1. [GENERALLY.] Except as provided in subdivision 2, no person who serves without compensation as a director, officer, trustee, member, or agent of an organization exempt from state income taxation under section 290.05, subdivision 2, shall be held civilly liable for an act or omission by that person if the act or omission was in good faith, was within the scope of the person's responsibilities as a director, officer, trustee, member, or agent of the organization, and did not constitute willful or reckless misconduct.

Subd. 2. [EXCEPTIONS.] Subdivision 1 does not apply to:

(1) an action or proceeding brought by a governmental entity;

(2) an action brought by or on behalf of the organization of which the person is a director, officer, trustee, member, or agent;

(3) a cause of action to the extent it is based on federal law; or

(4) a cause of action based on the person's express contractual obligation.

Nothing in subdivision 1 shall be construed to limit an individual's liability for physical injury to the person of another or for wrongful death which is personally and directly caused by that individual.

Subd. 3. [DEFINITION.] For purposes of this section, the term "compensation" means any thing of value received for services rendered, except:

(1) reimbursement for expenses actually incurred;

(2) a per diem in an amount not to exceed the per diem authorized for state advisory councils and committees pursuant to section 15.059, subdivision 3; or

(3) payment by an organization of insurance premiums on behalf of a person who is or was a director, officer, trustee, member, or agent of an organization, or who, while a director, officer, trustee, member, or agent of the organization, is or was serving at the request of the organization as a director, officer, partner, trustee, employee, or agent of another organization or employee benefit plan against any liability asserted against and incurred by the person in or arising from that capacity.

Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective August 1, 1987, and apply to claims arising from incidents occurring after that date."

Delete the title and insert the following:

"A bill for an act relating to corporations; authorizing the elimination or limitation of a director's personal liability to a cooperative association or its members; exempting certain directors, members, and agents of nonprofit corporations from civil liability; amending Minnesota Statutes 1986, section 317.201; and proposing coding for new law in Minnesota Statutes, chapter 308."

With the recommendation that when so amended the bill pass.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 152, A bill for an act relating to utilities; providing that utilities provide location for customers to pay utility bills; amending Minnesota Statutes 1986, section 325E.025, by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [325E.026] [TELEPHONE COMPANY PAYMENT LOCATION.]

A telephone company or independent telephone company, as defined in section 237.01, shall provide a location in any city or town

with a population of 1,000 or more in which the company provides telephone service and whose governing body requests such a location, where a customer may deposit payment or pay for billed telephone service."

Delete the title and insert:

"A bill for an act relating to utilities; providing that telephone companies provide location for customers to pay telephone service bills; proposing coding for new law in Minnesota Statutes, chapter 325E."

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 202, A bill for an act relating to corporations; providing for modification of the personal liability of directors; amending Minnesota Statutes 1986, sections 300.45; and 300.64, by adding a subdivision.

Reported the same back with the following amendments:

Page 2, line 20, delete "shareholders" and insert "stockholders"

Page 2, line 25, delete "shareholders" and insert "stockholders"

Page 2, line 28, after "(c)" insert "for acts prohibited"

Page 2, line 29, delete "subdivision 2" and insert "this section"

With the recommendation that when so amended the bill pass.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 227, A bill for an act relating to education; requiring districts receiving tobacco use prevention aid to have smoke-free

buildings by the 1989-1990 school year; amending Minnesota Statutes 1986, section 124.252, subdivision 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [124.253] [DISTRICT-WIDE POLICY.]

By September 1, 1989, each school board shall adopt a district-wide policy prohibiting the use of tobacco products on the school premises by all persons, or, in the alternative, submit a report to the commissioner of education explaining why such a policy would be inappropriate for that particular district.”

Delete the title and insert:

“A bill for an act relating to education; requiring all school districts to adopt a policy prohibiting use of tobacco products on school premises by September 1, 1989, or submit a report to the commissioner of education; proposing coding for new law in chapter 124.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 270, A bill for an act relating to adoption; providing for notice of an adopted child or genetic parent's death; proposing coding for new law in Minnesota Statutes, chapter 259.

Reported the same back with the following amendments:

Page 1, line 10, delete the second “the”

Page 1, line 11, after “parents” insert “who apply to adopt a child on or after August 1, 1987,”

Page 1, line 12, after “parents” insert “who are placing a child for adoption on or after August 1, 1987, and are”

Page 1, line 14, after “death” insert “and the cause of death, if known”

Page 1, line 19, delete “such” and after “information” insert “of the genetic parent's death”

Page 1, line 20, delete "child" and insert "adult"

Page 1, line 21, after "information" insert "and maintains a current address on file with the agency"

Page 1, after line 25, insert:

"Adoptive parents residing in this state whose child was adopted through an agency in another state shall, if the child dies, notify the agency of the child's death."

Page 2, delete lines 1 and 2

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 316, A bill for an act relating to criminal law; abolishing the crime of criminal syndicalism; repealing Minnesota Statutes 1986, section 609.405.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 320, A bill for an act relating to statutes; removing certain gender references; amending Minnesota Statutes 1986, section 459.16.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 369, A bill for an act relating to human rights; changing certain requirements related to disabled persons; amending Minne-

sota Statutes 1986, sections 363.01, subdivisions 25 and 25a; 363.02, subdivisions 3 and 5; and 363.03, subdivision 5.

Reported the same back with the following amendments:

Page 1, line 16, after the period, insert “For purposes of this subdivision, “sensory impairment” means an auditory or visual impairment.”

Pages 1 and 2, delete section 2

Page 2, line 23, delete “a criterion” and insert “criteria”

Page 3, delete section 4

Page 3, line 30, after the period, insert “To provide program access, an educational institution may provide auxiliary aids or services including taped texts, interpreters, or other effective methods of making orally delivered materials available to students with hearing impairments, readers in libraries for students with visual impairments, classroom equipment adapted for use by students with manual impairments, and other similar services and actions. This paragraph does not require an educational institution to provide attendants, individually prescribed devices, readers for personal use or study, or other devices or services of a personal nature.”

Renumber the sections in sequence

Amend the title as follows:

Page 1, lines 4 and 5, delete “subdivisions” and insert “subdivision”

Page 1, line 5, delete “and 25a” and delete “and 5”

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 372, A bill for an act relating to eminent domain; increasing appraisal fees awarded by commissioners; amending Minnesota Statutes 1986, section 117.085.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 397, A bill for an act relating to alcoholic beverages; extending permissible hours for sale at on-sale; amending Minnesota Statutes 1986, section 340A.504, subdivisions 1, 2, 3, and 6.

Reported the same back with the following amendments:

Page 3, delete section 4

Amend the title as follows:

Page 1, line 4, delete "3, and 6" and insert "and 3"

With the recommendation that when so amended the bill pass.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 436, A bill for an act relating to agriculture; providing minimum standards for seed potatoes; proposing coding for new law in Minnesota Statutes, chapter 21.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [21.1195] [MINIMUM STANDARDS FOR PLANTING.]

No seed potato, the product of which is intended for sale, may be planted in the state in lots of ten or more acres unless that seed meets the minimum disease standards prescribed by the commissioner. Seed potatoes may meet those standards by being certified in accordance with this chapter and rules adopted by the commissioner, or under the certification program of another state or province which, in the judgment of the commissioner, provides equivalent assurances of seed potato quality. Seed potatoes may also be used whether or not they have completed the certification process if they have been inspected in the field as required for certified seed potatoes, have passed the field inspection standards of disease tolerance, and are free from ring rot. A person, firm, or corporation that plants potatoes in violation of this section is subject to a civil penalty of \$20 per acre for each acre or part of an acre planted in violation of this section. Failure to maintain complete and accurate records in accordance with this section or rules adopted by the commissioner is an additional violation resulting in a separate civil

penalty of \$200 for each failure. Civil penalties collected under this section must be credited to the seed potato inspection fund established in section 21.115.

If there is not available to be planted in Minnesota, in any year, a sufficient volume of Minnesota potato seed meeting Minnesota certified seed potato disease standards, in any or all varieties, the commissioner may, upon application by one or more growers, permit seed of a higher disease content to be planted for that growing season.

Each grower shall keep records of each lot of seed planted. For each growing season, the records must include, by field, the variety and source of the seed potatoes. Each grower shall file an affidavit of compliance as prescribed by the commissioner. All records must be made available for inspection by the commissioner or the commissioner's agents during normal business hours.

In addition to the enforcement powers and penalties in this section, the commissioner may issue a subpoena to an individual in order to compel delivery of reports or records which are required under this section. These subpoenas are enforceable by any court of competent jurisdiction.

## Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective for potatoes planted after January 1, 1988."

With the recommendation that when so amended the bill pass.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 491, A bill for an act relating to Washington county; authorizing the issuance of county bonds for capital improvements.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 493, A bill for an act relating to transportation; commercial motor vehicles; mandating development of a testing and

licensing program for commercial motor vehicle drivers; requiring a report to the legislature.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 502, A bill for an act relating to counties; allowing counties to assign duties relating to vital statistics; allowing counties to charge fees for services; providing conditions for emergency contracts; amending Minnesota Statutes 1986, sections 144.214, subdivision 1; 375.21, subdivision 1; and 375.48, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 373; repealing Minnesota Statutes 1986, section 375A.07.

Reported the same back with the following amendments:

Page 1, delete section 1

Renumber remaining sections in sequence

Amend the title as follows:

Page 1, lines 2 and 3, delete "allowing counties to assign duties relating to vital statistics;"

Page 1, line 6, delete "144.214, subdivision 1;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 536, A bill for an act relating to courts; setting uniform fees in probate proceedings; amending Minnesota Statutes 1986, section 525.033.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 567, A resolution memorializing the President and Congress to give states more authority to regulate interstate pipelines and to improve federal regulation of pipelines.

Reported the same back with the following amendments:

Page 3, delete lines 1 to 3

Page 3, line 4, delete "(7)" and insert "(6)"

Page 3, line 6, delete "(8)" and insert "(7)"

Page 3, line 8, delete "(9)" and insert "(8)"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 688, A bill for an act relating to controlled substances; classifying the substance alfentanil as a schedule II controlled substance; amending Minnesota Statutes 1986, section 152.02, subdivision 3.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

S. F. No. 85, A bill for an act relating to real estate; providing for clearing title defects in adjacent land; amending Minnesota Statutes 1986, section 508.08.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

**SECOND READING OF HOUSE BILLS**

H. F. Nos. 110, 141, 152, 202, 227, 270, 316, 320, 369, 397, 436, 493, 502, 536, 567 and 688 were read for the second time.

**SECOND READING OF SENATE BILLS**

S. F. No. 85 was read for the second time.

**INTRODUCTION AND FIRST READING  
OF HOUSE BILLS**

The following House Files were introduced:

Riveness, Murphy, Begich, Norton and Vanasek introduced:

H. F. No. 715, A bill for an act relating to unemployment compensation; regulating administration of unemployment compensation; providing for benefits and contribution rates; amending Minnesota Statutes 1986, sections 268.04, subdivisions 2, 4, 24, and by adding subdivisions; 268.06, subdivisions 2, 3a, 8, and by adding a subdivision; 268.07, subdivisions 2, 2a, and 3; 268.071, subdivision 1; 268.08, subdivision 1; 268.10, subdivisions 1 and 2; 268.12, subdivision 8; 268.121; 268.15, subdivision 3; 268.16, subdivision 2; repealing Minnesota Statutes 1986, section 268.04, subdivisions 29 and 30.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Johnson, R.; Simoneau; Dille; Knickerbocker and O'Connor introduced:

H. F. No. 716, A bill for an act relating to education; state university board; allowing a choice from among three low bidders in capital projects; proposing coding for new law in Minnesota Statutes, chapter 136.

The bill was read for the first time and referred to the Committee on Higher Education.

Vellenga, Rodosovich, Murphy and Gruenes introduced:

H. F. No. 717, A bill for an act relating to human services; providing for changes to the property-related payment rate for nursing homes; amending Minnesota Statutes 1986, section 256B.431, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Solberg, Knickerbocker, Rukavina, Reding and Dauner introduced:

H. F. No. 718, A bill for an act relating to public employees; defining terms and conditions of public employment; allowing expanded payment of certain accumulated sick leave; amending Minnesota Statutes 1986, sections 179A.03, subdivision 19; and 465.72, subdivision 2.

The bill was read for the first time and referred to the Committee on Governmental Operations.

McLaughlin and Pappas introduced:

H. F. No. 719, A bill for an act relating to utilities; trade practices; restricting use and connection of automatic dialing-announcing devices to telephone lines; proposing coding for new law in Minnesota Statutes, chapter 325E.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Simoneau and Knickerbocker introduced:

H. F. No. 720, A bill for an act relating to retirement; providing for payment of an amount equal to the costs of Medicare Plan B supplemental medical coverage for retirees of the Minnesota state retirement system; appropriating money.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Greenfield, Onnen, Wynia and Rodosovich introduced:

H. F. No. 721, A bill for an act relating to human services; providing for the recovery of medical assistance overpayments;

amending Minnesota Statutes 1986, section 256B.0641, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Greenfield, Onnen, Wynia, Rodosovich and Kelso introduced:

H. F. No. 722, A bill for an act relating to health; creating exceptions to the nursing home moratorium; establishing a review process for approval of additional exceptions to the moratorium; prohibiting renewal of licenses for nursing home and boarding care home beds in rooms with more than four beds; appropriating money; amending Minnesota Statutes 1986, sections 144.55, subdivision 6; 144A.05; and 144A.071, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 144A.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Olsen, S.; Jacobs; Osthoff; Tjornhom and Dempsey introduced:

H. F. No. 723, A bill for an act relating to taxation; property; providing for assessment of homesteads of certain persons age 60 and older; amending Minnesota Statutes 1986, section 273.11, subdivision 1, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Taxes.

Waltman; Johnson, V., and Haukoos introduced:

H. F. No. 724, A bill for an act relating to commerce; real estate salespersons and brokers; regulating continuing education requirement; allowing home study; requiring rules; amending Minnesota Statutes 1986, section 82.22, subdivision 13.

The bill was read for the first time and referred to the Committee on Commerce.

Clark and Greenfield introduced:

H. F. No. 725, A bill for an act relating to human services; authorizing earned income savings accounts for general assistance recipients in residential chemical dependency treatment programs;

amending Minnesota Statutes 1986, section 256D.06, subdivision 1b.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Reding, Redalen, Kalis, Munger and Lieder introduced:

H. F. No. 726, A bill for an act relating to agriculture; establishing a windbreak management program; exempting certain windbreaks from property taxes; providing a state-paid windbreak credit; appropriating money; amending Minnesota Statutes 1986, section 272.02, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 40 and 273.

The bill was read for the first time and referred to the Committee on Agriculture.

Simoneau introduced:

H. F. No. 727, A bill for an act relating to public employees; setting salaries and salary ranges for certain employees; amending Minnesota Statutes 1986, sections 15A.081, subdivisions 1, 6, 7, 7b, and by adding a subdivision; 15A.083, subdivisions 1 and 4; and 298.22, subdivision 1.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Bauerly, Kelso, McEachern, Schafer and Ozment introduced:

H. F. No. 728, A bill for an act relating to education; adding an equity allowance to the cost differential tier; increasing the capital expenditure revenue allowance; decreasing the capital expenditure levy; amending Minnesota Statutes 1986, sections 124.245, subdivision 1; 124A.02, by adding subdivisions; 124A.06, subdivision 1, and by adding a subdivision; and 275.125, subdivision 11a.

The bill was read for the first time and referred to the Committee on Education.

Schreiber and Clausnitzer introduced:

H. F. No. 729, A bill for an act relating to local government; permitting compensation for members of statutory city park boards; amending Minnesota Statutes 1986, section 412.501.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Wagenius, Swenson, Solberg, Kludt and Bishop introduced:

H. F. No. 730, A bill for an act relating to witnesses; expanding the exception to the husband-wife privilege applicable to crimes committed against children; amending Minnesota Statutes 1986, section 595.02, subdivision 1.

The bill was read for the first time and referred to the Committee on Judiciary.

O'Connor, Peterson and Sarna introduced:

H. F. No. 731, A bill for an act relating to transportation; providing for the use of recycled waste tires for highway construction; requiring certain construction bidding practices; requiring the commissioner of transportation to use or encourage the use of waste tires in highway construction; prohibiting disposal of waste tires; requiring the pollution control agency to conduct planning; providing for an advisory task force; amending Minnesota Statutes 1986, sections 115A.904; 115A.912; and 161.32, subdivision 1, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Transportation.

O'Connor introduced:

H. F. No. 732, A bill for an act relating to civil actions; limitations on commencement of actions; providing for the limitation of actions before administrative agencies; amending Minnesota Statutes 1986, section 541.01.

The bill was read for the first time and referred to the Committee on Judiciary.

McEachern; Frerichs; Anderson, G.; Tunheim and Brown introduced:

H. F. No. 733, A bill for an act relating to transportation; authorizing special permits for 110-foot vehicle combinations to operate outside the metropolitan area on interstate highways; setting a fee for the permit; providing for the modification of certain interchanges, streets, and highways; amending Minnesota Statutes 1986, sections 169.81, subdivision 2; and 169.86, subdivision 5, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Transportation.

Shaver introduced:

H. F. No. 734, A bill for an act relating to the Minnehaha Creek watershed district; providing for the establishment of a district project maintenance fund; authorizing a tax levy for repair and maintenance of existing district projects.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Peterson; O'Connor; Lasley; Carlson, D., and Jennings introduced:

H. F. No. 735, A bill for an act relating to liquor; removing a restriction on issuance of off-sale licenses in Kanabec county; amending Minnesota Statutes 1986, section 340A.405, subdivision 2.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Blatz, Scheid, Carruthers, Rest and Bishop introduced:

H. F. No. 736, A bill for an act relating to probate; changing the intestate descent of cemetery lots; amending Minnesota Statutes 1986, section 525.14.

The bill was read for the first time and referred to the Committee on Judiciary.

McLaughlin, Vanasek, Skoglund, Norton and Anderson, R., introduced:

H. F. No. 737, A resolution memorializing the President and Congress to prevent from taking effect the proposed Internal Revenue Service regulations that limit the lobbying activities by non-profit organizations.

The bill was read for the first time and referred to the Committee on Taxes.

Reding introduced:

H. F. No. 738, A bill for an act relating to game and fish; providing for cooperative management of wildlife resources; appropriating

money; proposing coding for new law in Minnesota Statutes, chapter 97A.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Johnson, V.; Lieder and Carlson, D., introduced:

H. F. No. 739, A bill for an act relating to transportation; providing for the deposit of motor vehicle excise tax revenues in fiscal year 1987; amending Minnesota Statutes 1986, section 297B.09, subdivision 2.

The bill was read for the first time and referred to the Committee on Transportation.

Kostohryz, Redalen, Jacobs, Schreiber and Osthoff introduced:

H. F. No. 740, A bill for an act relating to horse racing; modifying the purse structure; providing for the representation of horsemen contracting with a licensee; modifying taxes; eliminating the payment of a percentage of the breakage to the commission; amending Minnesota Statutes 1986, sections 240.13, subdivision 5; 240.15, subdivisions 1 and 2.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Pappas; Johnson, A.; Olsen, S.; Segal and Trimble introduced:

H. F. No. 741, A bill for an act relating to education; providing for expanded offerings at Metropolitan State University; appropriating money.

The bill was read for the first time and referred to the Committee on Higher Education.

Rest and Quist introduced:

H. F. No. 742, A bill for an act relating to statutes; removing certain substantive gender references in Minnesota Statutes; amending Minnesota Statutes 1986, sections 13.83, subdivision 2; 88.11, subdivision 1; 176.111, subdivisions 3, 15, and 21; 204B.05; 218.021, subdivision 2; 252.07; 260.094; 315.44; 315.48; 353.01, subdivision 2b; 358.14; 382.17; 387.15; 387.16; 459.16; 540.05; 548.06; 593.01, subdivision 1; 593.02; 631.412; 641.06; 641.14; and

642.08; repealing Minnesota Statutes 1986, sections 176.011, subdivision 13; and 315.49.

The bill was read for the first time and referred to the Committee on Judiciary.

Skoglund, Greenfield, McLaughlin, Wagenius and Nelson, K., introduced:

H. F. No. 743, A bill for an act relating to metropolitan government; providing for the appointment of members of the metropolitan airports commission; requiring adoption and review of an implementation plan and budget; amending Minnesota Statutes 1986, sections 473.604, subdivision 1, and by adding a subdivision; 473.611, by adding a subdivision; and 473.661, subdivision 1; repealing Minnesota Statutes 1986, section 473.621, subdivision 7.

The bill was read for the first time and referred to the Committee on Metropolitan Affairs.

McLaughlin and Osthoff introduced:

H. F. No. 744, A bill for an act relating to metropolitan government; adding the chair of the transit commission to membership on the metropolitan financial reporting and management advisory committee; amending Minnesota Statutes 1986, section 473.1623, subdivision 2.

The bill was read for the first time and referred to the Committee on Metropolitan Affairs.

Welle; Anderson, G.; Cooper; Johnson, R., and Brown introduced:

H. F. No. 745, A bill for an act relating to human services; allowing certain facilities to choose higher payment limits; requiring a study of geographic groups; amending Minnesota Statutes 1986, section 256B.431, subdivision 2b.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Riveness, Clausnitzer, O'Connor, Krueger and Milbert introduced:

H. F. No. 746, A bill for an act relating to occupations and professions; requiring health maintenance organizations to offer chiropractic services and specifying the conditions of those services; amending Minnesota Statutes 1986, sections 62D.02, subdivision 7;

62D.12, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 62D.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Rest, Jaros, Marsh, Jacobs and Osthoff introduced:

H. F. No. 747, A bill for an act relating to taxation; sales and use; exempting manufacturing equipment; amending Minnesota Statutes 1986, sections 297A.01, subdivision 16; 297A.02, subdivision 2; 297A.14; 297A.15, subdivision 5; 297A.25, subdivision 9, and by adding a subdivision; repealing Minnesota Statutes 1986, sections 297A.01, subdivision 17; and 297A.257, subdivision 2.

The bill was read for the first time and referred to the Committee on Taxes.

Jefferson, Greenfield, Clausnitzer, Clark and Kelso introduced:

H. F. No. 748, A bill for an act relating to human services; clarifying rulemaking authority concerning occupancy rates in intermediate care facilities for persons with mental retardation or related conditions; amending Minnesota Statutes 1986, section 256B.501, subdivision 10.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Lieder; Johnson, V., and Pelowski introduced:

H. F. No. 749, A bill for an act relating to local government; permitting counties to withdraw from regional development commissions; amending Minnesota Statutes 1986, section 462.398, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Lieder introduced:

H. F. No. 750, A bill for an act relating to state lands; authorizing sale of certain tax-forfeited lands that border public water in East Grand Forks, Polk county.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Lieder and Kalis introduced:

H. F. No. 751, A bill for an act relating to traffic regulations; establishing certain weight limits; amending Minnesota Statutes 1986, section 169.825, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Transportation.

Rest, Dauner, Marsh, Jacobs and Jaros introduced:

H. F. No. 752, A bill for an act relating to taxation; sales and use; defining manufacturing equipment and providing a four percent rate; abolishing the exemption for sales of capital equipment in distressed counties; amending Minnesota Statutes 1986, sections 297A.01, subdivision 16; 297A.02, subdivision 2; 297A.14; 297A.15, subdivision 5; and 297A.25, subdivision 9; repealing Minnesota Statutes 1986, sections 297A.01, subdivision 17; and 297A.257, subdivision 2.

The bill was read for the first time and referred to the Committee on Taxes.

Nelson, K.; Bauerly; McEachern; Schafer and Kostohryz introduced:

H. F. No. 753, A bill for an act relating to education; removing references to repealed statutes; removing obsolete language; amending Minnesota Statutes 1986, sections 122.541, subdivision 2; 125.611, subdivisions 10, 11, 12, and 13; 136D.27; 136D.74, subdivision 2; and 136D.87; repealing Minnesota Statutes 1986, section 125.611, subdivisions 8 and 9.

The bill was read for the first time and referred to the Committee on Education.

Rest, Voss, Long, Battaglia and Schreiber introduced:

H. F. No. 754, A bill for an act relating to local and state government debt financing; allocating bonding authority subject to a volume cap under federal tax law; amending Minnesota Statutes 1986, sections 474A.02, subdivisions 1, 2, 3, 6, 7, 8, 12, 14, 16, 18, 19, 21, 26, and by adding subdivisions; 474A.03, subdivision 1, and by adding a subdivision; 474A.04, subdivisions 5, 6, and by adding a subdivision; 474A.13, subdivisions 1, 4, and 5; 474A.14; 474A.15; 474A.16; 474A.17; 474A.18; 474A.20; and 474A.21; proposing coding for new law in Minnesota Statutes, chapter 474A; repealing Minnesota Statutes 1986, sections 474A.02, subdivisions 5, 9, 10, 11,

13, 15, 17, 20, 22, 23, 24, and 25; 474A.03, subdivisions 2 and 3; 474A.04, subdivisions 1, 2, 3, and 4; 474A.05; 474A.06; 474A.07; 474A.08; 474A.09; 474A.10; 474A.11; 474A.12; 474A.13, subdivisions 2 and 3; 474A.19; and Laws 1981, chapters 222, section 6; and 223, section 6, subdivision 3.

The bill was read for the first time and referred to the Committee on Economic Development and Housing.

Seaberg, Osthoff and Milbert introduced:

H. F. No. 755, A bill for an act relating to the metropolitan government; authorizing municipalities in the metropolitan area to adopt ordinances related to aircraft noise; proposing coding for new law in Minnesota Statutes, chapter 473.

The bill was read for the first time and referred to the Committee on Metropolitan Affairs.

Sarna, McLaughlin, Kahn, Clark and Skoglund introduced:

H. F. No. 756, A bill for an act relating to elections; prohibiting cities<sup>o</sup> of the first class from changing their voting systems without demonstrating the effectiveness of a proposed new system; proposing coding for new law in Minnesota Statutes, chapter 204B.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Segal, Orenstein, Kahn, Norton and Schreiber introduced:

H. F. No. 757, A resolution memorializing the Union of Soviet Socialist Republics to grant exit visas to Jewish prisoners of conscience.

The bill was read for the first time and referred to the Committee on Judiciary.

Welle, Greenfield, Vellenga, Dempsey and Rodosovich introduced:

H. F. No. 758, A bill for an act relating to occupations and professions; establishing a board of marriage and family therapy; licensing and regulating marriage and family therapists; providing penalties; appropriating money; amending Minnesota Statutes

1986, section 214.01, subdivision 2; proposing coding for new law as Minnesota Statutes, chapter 148B.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Munger, Jaros, Boo, Battaglia and Murphy introduced:

H. F. No. 759, A bill for an act relating to improvement of the Lake Superior Zoological Gardens; appropriating funds from the state building fund for its improvement.

The bill was read for the first time and referred to the Committee on Appropriations.

Skoglund introduced:

H. F. No. 760, A bill for an act relating to metropolitan government; setting the maximum tax for the mosquito control district; amending Minnesota Statutes 1986, section 473.711, subdivision 2.

The bill was read for the first time and referred to the Committee on Metropolitan Affairs.

Sviggum introduced:

H. F. No. 761, A bill for an act relating to unemployment compensation; defining the term agricultural labor; amending Minnesota Statutes 1986, section 268.04, subdivision 12.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Vellenga, McEachern, Otis and Segal introduced:

H. F. No. 762, A bill for an act relating to education; requiring school nurses in schools; describing their responsibilities; providing for dispensing medication in schools; authorizing a grant program; appropriating money; amending Minnesota Statutes 1986, section 123.35, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 126 and 129B.

The bill was read for the first time and referred to the Committee on Education.

Dorn, Vellenga, Cooper, Dauner and Kelso introduced:

H. F. No. 763, A bill for an act relating to human services; creating the office of ombudsman for older Minnesotans; proposing coding for new law in Minnesota Statutes, chapter 256.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Clark, Kelso, Winter, Dorn and Cooper introduced:

H. F. No. 764, A bill for an act relating to human services; providing for a statewide interpreter service for hearing impaired persons; altering membership on Minnesota council for the hearing impaired; amending Minnesota Statutes 1986, sections 256C.24, subdivisions 2 and 3; 256C.25, subdivisions 1 and 2; and 256C.28, subdivision 1.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Segal, Greenfield, Gruenes, Wynia and Rodosovich introduced:

H. F. No. 765, A bill for an act relating to human services; mandating a comprehensive system of mental health services; amending Minnesota Statutes 1986, sections 245.713, subdivision 2; 256B.19, subdivision 1, and by adding a subdivision; 256D.03, subdivision 4; 256D.06, subdivisions 3 and 6; 256D.37, subdivision 1; 256E.03, subdivision 2; 256E.06, by adding a subdivision; 256E.07, by adding a subdivision; and 256E.12, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 245; repealing Minnesota Statutes 1986, sections 245.69, subdivision 1a; 245.713, subdivisions 1 and 3; 245.73; and 256E.12.

The bill was read for the first time and referred to the Committee on Health and Human Services.

McDonald, McPherson, Tunheim and Jennings introduced:

H. F. No. 766, A bill for an act relating to agriculture; requiring that local weed inspectors be qualified as commercial pesticide applicators; amending Minnesota Statutes 1986, section 18.231, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Agriculture.

Welle; Anderson, G.; Clausnitzer; Dauner and Wynia introduced:

H. F. No. 767, A bill for an act relating to human services; providing for a limit on resolution of nursing home appeals; amending Minnesota Statutes 1986, section 256B.50, subdivision 1.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Gruenes, McLaughlin, Marsh, Boo and Scheid introduced:

H. F. No. 768, A bill for an act relating to housing; extending housing and redevelopment authority interest reduction program; amending Minnesota Statutes 1986, section 462.445, subdivision 13.

The bill was read for the first time and referred to the Committee on Economic Development and Housing.

Anderson, G., introduced:

H. F. No. 769, A bill for an act relating to retirement; refunds of contributions to employees of the Canby community hospital district.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Schreiber, Vanasek, Valento, Kalis and Dempsey introduced:

H. F. No. 770, A bill for an act relating to drivers' licenses; increasing age from 19 to 21 for provisional driver's license; imposing fees; amending Minnesota Statutes 1986, sections 171.02, subdivision 3; 171.06, subdivision 2; 171.07, subdivision 1; and 171.27.

The bill was read for the first time and referred to the Committee on Transportation.

Forsythe; Olsen, S.; Riveness; Orenstein and Trimble introduced:

H. F. No. 771, A bill for an act relating to school districts; authorizing a capital expenditure levy for surplus school buildings used for community purposes; amending Minnesota Statutes 1986, section 275.125, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Education.

Kinkel; Simoneau; Anderson, R.; Rukavina and Johnson, R., introduced:

H. F. No. 772, A bill for an act relating to retirement; establishing a voluntary retirement plan for certain qualified employees of public and private ambulance services; proposing coding for new law as Minnesota Statutes, chapter 353A.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Solberg; Johnson, A.; Gruenes; Beard and Bauerly introduced:

H. F. No. 773, A bill for an act relating to education; establishing a pilot program to reduce class sizes in kindergarten through third grade; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 124.

The bill was read for the first time and referred to the Committee on Education.

Murphy, Battaglia, Sviggum, Dille and Begich introduced:

H. F. No. 774, A bill for an act relating to workers' compensation; regulating insurance premium computations for certain public employees; amending Minnesota Statutes 1986, section 79.211, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

McDonald, by request, introduced:

H. F. No. 775, A bill for an act relating to state departments and agencies; repealing the requirement for older members of certain boards, commissions, and councils; repealing Minnesota Statutes 1986, section 15.0591.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Schoenfeld; Anderson, G.; Uphus and Dille introduced:

H. F. No. 776, A bill for an act relating to agriculture; regulating the family farm security program; providing for eligibility; permitting the sale of loans; amending Minnesota Statutes 1986, sections

41.52, by adding a subdivision; 41.55; proposing coding for new law in Minnesota Statutes, chapter 41.

The bill was read for the first time and referred to the Committee on Agriculture.

Anderson, G.; Cooper; Brown; Johnson, V., and Uphus introduced:

H. F. No. 777, A bill for an act relating to motor fuels; providing that unleaded gasoline sold in Minnesota after June 30, 1987, must be blended with ethanol; amending Minnesota Statutes 1986, section 296.05, subdivision 1, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Commerce.

Carlson, L.; Orenstein; Dorn; Boo and Rest introduced:

H. F. No. 778, A bill for an act relating to education; authorizing a study of a state savings incentive program to provide money for post-secondary education; appropriating money.

The bill was read for the first time and referred to the Committee on Higher Education.

Kelly, Kelso, Vellenga, Wynia and Greenfield introduced:

H. F. No. 779, A bill for an act relating to education; establishing a pilot program to reduce class sizes in kindergarten through third grade; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 124.

The bill was read for the first time and referred to the Committee on Education.

Rodosovich, Blatz, Knickerbocker and Knuth introduced:

H. F. No. 780, A bill for an act relating to administrative procedure; defining certain terms; requiring agencies to solicit outside information before publishing proposed rules; limiting instances in which agencies are required to consider the impact of proposed rules on small businesses; providing for regulatory analyses of proposed rules in certain instances; empowering agencies to adopt emergency rules in certain circumstances; providing a procedure for the commissioner of human services to adopt rules required by federal directive; abolishing the power of the legislative commission for review of administrative rules to suspend rules; requiring

the commission to review exemptions from the administrative procedure act; permitting the commission to review federally mandated rules; amending Minnesota Statutes 1986, sections 14.02; 14.05, subdivisions 2 and 4; 14.07, subdivision 2; 14.08; 14.10; 14.115, subdivision 7, and by adding a subdivision; 14.131; 14.15, subdivision 3; 14.23; 14.26; 14.29; 14.30; 14.31; 14.32, subdivision 1; 14.33; 14.35; 14.36; 14.365; 14.37, subdivision 1; 14.40; 14.57; and 14.62, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 14; repealing Minnesota Statutes 1986, sections 14.115, subdivision 1; 14.42; and 14.43.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Rodosovich, Welle, Lasley and Greenfield introduced:

H. F. No. 781, A bill for an act relating to human services; establishing a system of state-operated, community-based residential programs for persons with mental retardation; prohibiting layoffs of employees in regional treatment centers and state nursing homes; stating the policy of the state relating to services to persons with mental retardation or related conditions; creating an exception to the intermediate care facility for persons with mental retardation or related conditions moratorium; establishing requirements for determining waived service rates; appropriating money; amending Minnesota Statutes 1986, sections 16B.08, subdivision 7; 246.023, subdivision 1; 252.291, subdivision 2; and 256B.501, subdivision 4; proposing coding for new law in Minnesota Statutes, chapters 179A and 252; repealing Minnesota Statutes 1986, section 246.023, subdivisions 2 to 5.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Clark, Quinn, Wenzel, Winter and Burger introduced:

H. F. No. 782, A bill for an act relating to human services; providing that medical certification for general assistance benefits may be made by a licensed chiropractor; amending Minnesota Statutes 1986, section 256D.02, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Vellenga, Welle, Greenfield, Forsythe and Gruenes introduced:

H. F. No. 783, A bill for an act relating to data practices; permitting certain employers to request criminal history records of

prospective employees from the bureau of criminal apprehension; amending Minnesota Statutes 1986, section 13.87, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 299C.

The bill was read for the first time and referred to the Committee on Judiciary.

McEachern; Olsen, S.; Wenzel; Schafer and Beard introduced:

H. F. No. 784, A bill for an act relating to education; establishing a school district reorganization task force.

The bill was read for the first time and referred to the Committee on Education.

Gruenes, Marsh, Rodosovich and Omann introduced:

H. F. No. 785, A bill for an act relating to human services; removing the sunset on certain day care exclusions; repealing Laws 1986, chapter 395, section 17.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Lasley, Kinkel, Rukavina, Steensma and Winter introduced:

H. F. No. 786, A bill for an act relating to taxation; property; providing a state paid small business property tax credit; appropriating money; amending Minnesota Statutes 1986, sections 273.13, subdivision 15a; 273.1392; and 276.04; proposing coding for new law in Minnesota Statutes, chapter 273.

The bill was read for the first time and referred to the Committee on Taxes.

Cooper, Bauerly, Bertram, Kludt and Olson, K., introduced:

H. F. No. 787, A bill for an act relating to taxation; property; providing a state paid small business property tax credit; appropriating money; amending Minnesota Statutes 1986, sections 273.13, subdivision 15a; 273.1392; and 276.04; proposing coding for new law in Minnesota Statutes, chapter 273.

The bill was read for the first time and referred to the Committee on Taxes.

Dauner; Johnson, R.; DeBlieck; Dorn and Pelowski introduced:

H. F. No. 788, A bill for an act relating to taxation; property; providing a state paid small business property tax credit; appropriating money; amending Minnesota Statutes 1986, sections 273.13, subdivision 15a; 273.1392; and 276.04; proposing coding for new law in Minnesota Statutes, chapter 273.

The bill was read for the first time and referred to the Committee on Taxes.

Pappas, Otis, Jaros and Jefferson introduced:

H. F. No. 789, A bill for an act relating to housing; authorizing the Minnesota housing finance agency to make grants to municipalities for the provision of housing for very low income persons; proposing coding for new law in Minnesota Statutes, chapter 462A.

The bill was read for the first time and referred to the Committee on Economic Development and Housing.

Skoglund, Wynia, Greenfield, Kelso and Redalen introduced:

H. F. No. 790, A bill for an act relating to human services; continuing funding for autopsies on deceased medical assistance recipients who were victims of Alzheimer's disease; appropriating money.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Wynia, Skoglund, Wenzel, Frederick and Rodosovich introduced:

H. F. No. 791, A bill for an act relating to financial institutions; permitting additional detached facilities; amending Minnesota Statutes 1986, sections 47.52; and 49.34, subdivision 2.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Voss; McKasy; Neuenschwander; Carlson, L., and Boo introduced:

H. F. No. 792, A bill for an act relating to credit unions; permitting certain groups to join existing credit unions; amending Minnesota Statutes 1986, section 52.05.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Rukavina, Knickerbocker, Norton, Kludt and Trimble introduced:

H. F. No. 793, A bill for an act relating to public meetings; requiring certain notice for all meetings; permitting certain remedies for violations; providing penalties; amending Minnesota Statutes 1986, section 471.705, subdivisions 1b, 2, and by adding subdivisions.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Long; Munger; Anderson, R.; Nelson, D., and Ozment introduced:

H. F. No. 794, A bill for an act relating to waste management; regulating disposal of wastes; providing for a solid waste management policy; providing for recycling policy and marketing; managing household hazardous wastes; regulating the sale and disposal of motor oil and lead acid batteries; providing for waste pesticide collection; appropriating money; amending Minnesota Statutes 1986, sections 115A.03, subdivisions 9 and 21; 115A.06, subdivision 14; 115A.11, subdivision 2; 115A.42; 115A.45; 115A.49; 115A.51; 115A.52; 115A.53; 115A.54, subdivision 2a; 115A.81, subdivision 2; 115A.921; 115A.95; 116.07, subdivision 4b; 116.41, subdivision 2; 116M.07, by adding a subdivision; 176.011, subdivision 9; 325E.11; 473.149, subdivisions 2d and 6; 473.803, by adding a subdivision; 473.834, subdivision 2; 473.842, subdivision 2; 473.844, subdivisions 1 and 4; and 473.846; proposing coding for new law in Minnesota Statutes, chapters 115A; 239; 325E; and 473; repealing Minnesota Statutes 1986, sections 115A.13; 115A.43; 115A.44; 473.834, subdivision 3; and 473.844, subdivisions 2 and 5.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Rest, Voss, Long and Schreiber introduced:

H. F. No. 795, A bill for an act relating to economic development; recodifying provisions governing housing and redevelopment authorities, port authorities, economic development authorities, area redevelopment, municipal development districts, mined underground space development, rural development finance authorities, public development debt, enterprise zones, tax increment financing, and other local economic development tools; extending duration of bond allocation act; amending Minnesota Statutes 1986, sections 16B.61, subdivision 3; 41A.05, subdivision 2; 41A.06, subdivision 5; 115A.69, subdivision 9; 116J.27, subdivision 4; 116M.03, subdivisions 11, 19, and 28; 116M.06, subdivision 3; 116M.07, subdivision

11; 124.214, subdivision 3; 216B.49, subdivision 7; 268.38, subdivision 3; 272.02, subdivision 5; 272.026; 272.68, subdivision 4; 273.13, subdivisions 9 and 24; 273.1393; 282.01, subdivision 1; 290.61; 298.2211, subdivisions 1 and 3; 353.01, subdivision 6; 355.11, subdivision 5; 355.16; 462.455; 462.461; 462.465; 462.466; 462.471; 462.475; 462.481; 462.485; 462.491; 462.495; 462.501; 462.505; 462.511; 462.515; 462.521; 462.525; 462.531; 462.535; 462.541; 462.545; 462.551; 462.555; 462.556; 462.561; 462.565; 462.571; 462.575; 462.581; 462.585; 462.591; 462.595; 462.601; 462.605; 462.611; 462.615; 462.621; 462.625; 462.631; 462.635; 462.641; 462.645; 462.651; 462.655; 462.661; 462.665; 462.671; 462.675; 462.681; 462.685; 462.691; 462.695; 462.701; 462.705; 462.712; 462.713; 462.714; 462.715; 462.716; 465.026; 465.53; 465.55; 465.56; 472.01; 472.02; 472.03; 472.04; 472.05; 472.06; 472.07; 472.08; 472.09; 472.10; 472.11; 472.12; 472.125; 472.13; 472.14; 472.15; 472.16; 472A.01; 472A.02; 472A.03; 472A.04; 472A.05; 472A.06; 472A.07; 472A.09; 472A.10; 472A.11; 472A.12; 472A.13; 472B.01; 472B.02; 472B.03; 472B.04; 472B.05; 472B.06; 472B.07; 472B.08; 474.01; 474.02; 474.03; 474.04; 474.05; 474.06; 474.07; 474.08; 474.09; 474.10; 474.11; 474.13; 474.15; 477A.018; and 477A.019; and Laws 1985, chapters 173; 177; 188; 189; 199; 205; 206, sections 2 and 3; and 301, sections 3 and 4; proposing coding for new law as Minnesota Statutes, chapter 469.

The bill was read for the first time and referred to the Committee on Economic Development and Housing.

## MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the adoption by the Senate of the following House Concurrent Resolution, herewith returned:

House Concurrent Resolution No. 3, A House concurrent resolution providing for a joint convention of the Senate and the House of Representatives to elect members of the Board of Regents of the University of Minnesota.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate File, herewith transmitted:

S. F. No. 258.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 25, 94, 117 and 139.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate File, herewith transmitted:

S. F. No. 402.

PATRICK E. FLAHAVEN, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 258, A bill for an act relating to utilities; regulating certain intrastate gas pipelines; proposing coding for new law in Minnesota Statutes, chapter 216B.

The bill was read for the first time.

Jacobs moved that S. F. No. 258 and H. F. No. 420, now on the Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 25, A bill for an act relating to traffic regulations; requiring additional reflective devices for persons using alternate slow moving vehicle emblems; amending Minnesota Statutes 1986, section 169.522, subdivision 1.

The bill was read for the first time and referred to the Committee on Transportation.

S. F. No. 94, A bill for an act relating to public health; requiring an itemized billing for hearing aid repairs; amending Minnesota Statutes 1986, section 145.43, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Commerce.

S. F. No. 117, A bill for an act relating to liquor; authorizing St. Louis county to issue one off-sale liquor license.

The bill was read for the first time and referred to the Committee on Regulated Industries.

S. F. No. 139, A bill for an act relating to alcoholic beverages; authorizing St. Louis county to issue one off-sale liquor license.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

S. F. No. 402, A bill for an act relating to courts; setting uniform fees in probate proceedings; amending Minnesota Statutes 1986, section 525.033.

The bill was read for the first time.

Dempsey moved that S. F. No. 402 and H. F. No. 536, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

### CONSENT CALENDAR

H. F. No. 102 was reported to the House.

Upon objection of ten members, H. F. No. 102 was stricken from the Consent Calendar and returned to General Orders.

H. F. No. 130, A bill for an act relating to local government; authorizing Ramsey county to transfer land to the city of Shoreview; authorizing Ramsey county to use certain land dedicated as open space for highway purposes.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 113 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Larsen	Pappas	Simoneau
Anderson, R.	Gruenes	Lasley	Pauly	Skoglund
Battaglia	Gutknecht	Lieder	Pelowski	Solberg
Bauerly	Hartle	Marsh	Peterson	Stanius
Beard	Haukoos	McKasy	Poppenhagen	Steenasma
Bennett	Heap	McPherson	Price	Svigium
Bertram	Himle	Milbert	Quinn	Tjornhom
Bishop	Hugoson	Minne	Redalen	Tompkins
Blatz	Jacobs	Morrison	Reding	Trumble
Boo	Jefferson	Nelson, C.	Rest	Tunheim
Burger	Jennings	Nelson, D.	Rice	Uphus
Carlson, L.	Jensen	Nelson, K.	Richter	Valento
Carruthers	Johnson, A.	Neuenschwander	Riveness	Vellenga
Clark	Johnson, R.	O'Connor	Rodosovich	Voss
Clausnitzer	Johnson, V.	Ogren	Rose	Wagenius
Cooper	Kelly	Olsen, S.	Sarna	Waitman
Dauner	Kelso	Olson, E.	Schafer	Welle
DeBlicek	Kinkel	Olson, K.	Scheid	Wenzel
Dempsey	Kludt	Omann	Schoenfeld	Winter
Dille	Knickerbocker	Onnen	Schreiber	Wynia
Dorn	Knuth	Orenstein	Seaberg	Spk. Norton
Forsythe	Kostohryz	Osthoff	Segal	
Frederick	Krueger	Ozment	Shaver	

The bill was passed and its title agreed to.

H. F. No. 166, A bill for an act relating to real property; authorizing conveyance of state interest in certain land in St. Louis county.

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 124 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Carruthers	Gruenes	Johnson, A.	Larsen
Anderson, R.	Clark	Gutknecht	Johnson, R.	Lasley
Battaglia	Clausnitzer	Hartle	Johnson, V.	Lieder
Bauerly	Cooper	Haukoos	Kahn	Long
Beard	Dauner	Heap	Kelly	Marsh
Bennett	DeBlicek	Himle	Kelso	McDonald
Bertram	Dempsey	Hugoson	Kinkel	McKasy
Bishop	Dille	Jacobs	Kludt	McLaughlin
Blatz	Dorn	Jaros	Knickerbocker	McPherson
Boo	Forsythe	Jefferson	Knuth	Milbert
Burger	Frederick	Jennings	Kostohryz	Minne
Carlson, L.	Greenfield	Jensen	Krueger	Morrison

Munger	Orenstein	Rest	Segal	Uphus
Murphy	Osthoff	Rice	Shaver	Valento
Nelson, C.	Otis	Richter	Simoneau	Vanasek
Nelson, D.	Ozment	Riveness	Skoglund	Vellenga
Nelson, K.	Pappas	Rodosovich	Sparby	Voss
Neuenschwander	Pauly	Rose	Stanius	Wagenius
O'Connor	Pelowski	Rukavina	Steenma	Waltman
Ogren	Peterson	Sarna	Sviggum	Welle
Olsen, S.	Poppenhagen	Schafer	Thiede	Wenzel
Olson, E.	Price	Scheid	Tjornhom	Winter
Olson, K.	Quinn	Schoenfeld	Tompkins	Wynia
Omman	Redalen	Schreiber	Trimble	Spk. Norton
Onnen	Reding	Seaberg	Tunheim	

The bill was passed and its title agreed to.

H. F. No. 340, A bill for an act relating to natural resources; allowing elk to be bred on game and fur farms; amending Minnesota Statutes 1986, section 97A.105, 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 120 yeas and 4 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Lasley	Ozment	Shaver
Anderson, R.	Gruenes	Lieder	Pappas	Simoneau
Battaglia	Hartle	Long	Pauly	Skoglund
Bauerly	Haukoos	Marsh	Pelowski	Solberg
Beard	Heap	McKasy	Peterson	Sparby
Bennett	Himle	McLaughlin	Poppenhagen	Stanius
Bertram	Hugoson	McPherson	Price	Steenma
Bishop	Jacobs	Milbert	Quinn	Sviggum
Blatz	Jaros	Miller	Quist	Thiede
Boo	Jefferson	Minne	Redalen	Tjornhom
Brown	Jennings	Morrison	Reding	Tompkins
Burger	Jensen	Munger	Rest	Trimble
Carlson, L.	Johnson, A.	Nelson, C.	Rice	Tunheim
Carruthers	Johnson, R.	Nelson, D.	Richter	Uphus
Clark	Johnson, V.	Neuenschwander	Riveness	Valento
Clausnitzer	Kahn	O'Connor	Rodosovich	Vanasek
Cooper	Kelly	Ogren	Rose	Vellenga
Dauner	Kelso	Olsen, S.	Rukavina	Voss
DeBlicke	Kinkel	Olson, E.	Sarna	Wagenius
Dempsey	Kludt	Olson, K.	Schafer	Waltman
Dille	Knickerbocker	Omman	Schoenfeld	Welle
Dorn	Knuth	Onnen	Schreiber	Wenzel
Forsythe	Krueger	Orenstein	Seaberg	Winter
Frederick	Larsen	Otis	Segal	Spk. Norton

Those who voted in the negative were:

Gutknecht	Kostohryz	Murphy	Osthoff
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The bill was passed and its title agreed to.

H. F. No. 348, A bill for an act relating to Cook county; permitting the sale of certain land.

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 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Gruenes	Lasley	Otis	Segal
Anderson, R.	Gutknecht	Lieder	Ozment	Shaver
Battaglia	Hartle	Long	Pappas	Simoneau
Bauerly	Haukoos	Marsh	Pauly	Skoglund
Beard	Heap	McKasy	Pelowski	Solberg
Bennett	Himle	McLaughlin	Peterson	Sparby
Bertram	Hugoson	McPherson	Poppenhagen	Stanius
Bishop	Jacobs	Milbert	Price	Steensma
Blatz	Jaros	Miller	Quinn	Sviggum
Boo	Jefferson	Minne	Quist	Thiede
Brown	Jennings	Morrison	Redalen	Tjornhom
Burger	Jensen	Murphy	Reding	Tompkins
Carlson, L.	Johnson, A.	Nelson, C.	Rest	Trimble
Carruthers	Johnson, R.	Nelson, D.	Rice	Tunheim
Clark	Johnson, V.	Nelson, K.	Richter	Uphus
Clausnitzer	Kahn	Neuenschwander	Riveness	Valento
Cooper	Kelly	O'Connor	Rodosovich	Vanasek
Dauner	Kelso	Ogren	Rose	Vellenga
DeBlieck	Kinkel	Olsen, S.	Rukavina	Voss
Dempsey	Kludt	Olson, E.	Sarna	Wagenius
Dille	Knickerbocker	Olson, K.	Schafer	Waltman
Dorn	Knuth	Omann	Scheid	Welle
Forsythe	Kostohryz	Onnen	Schoenfeld	Wenzel
Frederick	Krueger	Orenstein	Schreiber	Winter
Greenfield	Larsen	Osthoff	Seaberg	Wynia
				Spk. Norton

The bill was passed and its title agreed to.

H. F. No. 364, A bill for an act relating to cemeteries; increasing the limit on the permanent care and improvement fund; amending Minnesota Statutes 1986, section 306.41.

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 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Bennett	Brown	Clausnitzer	Dille
Anderson, R.	Bertram	Burger	Cooper	Dorn
Battaglia	Bishop	Carlson, L.	Dauner	Forsythe
Bauerly	Blatz	Carruthers	DeBlieck	Frederick
Beard	Boo	Clark	Dempsey	Greenfield

Gruenes	Kostohryz	Ogren	Rice	Thiede
Hartle	Krueger	Olsen, S.	Richter	Tjornhom
Haukoos	Larsen	Olson, E.	Riveness	Tompkins
Heap	Lasley	Olson, K.	Rodosovich	Trimble
Himle	Lieder	Omann	Rose	Tunheim
Hugoson	Long	Onnen	Rukavina	Uphus
Jacobs	Marsh	Orenstein	Sarna	Valento
Jaros	McDonald	Osthoff	Schafer	Vanasek
Jefferson	McKasy	Otis	Scheid	Vanasek
Jennings	McLaughlin	Ozment	Schoenfeld	Vellenga
Jensen	McPherson	Pappas	Schreiber	Voss
Johnson, A.	Milbert	Pauly	Seaberg	Wagenius
Johnson, R.	Miller	Pelowski	Segal	Waltman
Johnson, V.	Minne	Peterson	Shaver	Welle
Kahn	Morrison	Poppenhagen	Simoneau	Wenzel
Kelly	Munger	Price	Skoglund	Winter
Kelso	Murphy	Quinn	Solberg	Wynia
Kinkel	Nelson, C.	Quist	Sparby	Spk. Norton
Kludt	Nelson, D.	Redalen	Stanius	
Knickerbocker	Nelson, K.	Reding	Steenasma	
Knuth	Neuenschwander	Rest	Swiggum	

The bill was passed and its title agreed to.

H. F. No. 505, A bill for an act relating to state lands; authorizing conveyance of certain state easement.

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 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Gruenes	Lasley	Otis	Shaver
Anderson, R.	Gutknecht	Lieder	Ozment	Simoneau
Battaglia	Hartle	Long	Pappas	Skoglund
Bauerly	Haukoos	Marsh	Pauly	Solberg
Beard	Heap	McDonald	Pelowski	Sparby
Bennett	Himle	McKasy	Peterson	Stanius
Bertram	Hugoson	McLaughlin	Poppenhagen	Steenasma
Bishop	Jacobs	McPherson	Price	Swiggum
Blatz	Jaros	Milbert	Quinn	Thiede
Boo	Jefferson	Miller	Quist	Tjornhom
Brown	Jennings	Minne	Redalen	Tompkins
Burger	Jensen	Murphy	Reding	Trimble
Carlson, D.	Johnson, A.	Nelson, C.	Rest	Tunheim
Carlson, L.	Johnson, R.	Nelson, D.	Rice	Uphus
Clark	Johnson, V.	Nelson, K.	Richter	Valento
Clausnitzer	Kahn	Neuenschwander	Riveness	Vanasek
Cooper	Kelly	O'Connor	Rodosovich	Vellenga
Dauner	Kelso	Ogren	Rose	Voss
DeBlicck	Kinkel	Olsen, S.	Rukavina	Wagenius
Dempsey	Kludt	Olson, E.	Sarna	Waltman
Dille	Knickerbocker	Olson, K.	Scheid	Welle
Dorn	Knuth	Omann	Schoenfeld	Wenzel
Forsythe	Kostohryz	Onnen	Schreiber	Winter
Frederick	Krueger	Orenstein	Seaberg	Wynia
Greenfield	Larsen	Osthoff	Segal	Spk. Norton

The bill was passed and its title agreed to.

### CALENDAR

H. F. No. 135, A resolution memorializing the President and Congress to adopt legislation permitting state and local governments to require out-of-state sellers to collect sales and use taxes.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 109 yeas and 14 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Lieder	Pappas	Simoneau
Anderson, R.	Hartle	Long	Pelowski	Skoglund
Battaglia	Heap	McKasy	Peterson	Solberg
Bauerly	Himle	McLaughlin	Price	Sparby
Beard	Hugoson	McPherson	Quinn	Stanius
Bennett	Jacobs	Milbert	Redalen	Steensma
Bertram	Jaros	Minne	Reding	Tompkins
Blatz	Jefferson	Morrison	Rest	Trimble
Boo	Jensen	Murphy	Rice	Tunheim
Brown	Johnson, A.	Nelson, C.	Richter	Uphus
Burger	Johnson, R.	Nelson, D.	Riveness	Valento
Carlson, D.	Johnson, V.	Nelson, K.	Rodosovich	Vanasek
Carlson, L.	Kahn	Neuenschwander	Rose	Vellenga
Carruthers	Kelly	O'Connor	Rukavina	Voss
Clark	Kelso	Ogren	Sarna	Wagenius
Cooper	Kinkel	Olson, E.	Schafer	Waltman
Dauner	Kludt	Olson, K.	Scheid	Welle
DeBlicck	Knuth	Omann	Schoenfeld	Wenzel
Dempsey	Kostohryz	Onnen	Schreiber	Winter
Dille	Krueger	Orenstein	Seaberg	Wynia
Dorn	Larsen	Osthoff	Segal	Spk. Norton
Forsythe	Lasley	Otis	Shaver	

Those who voted in the negative were:

Bishop	Gutknecht	Knickerbocker	Miller	Sviggum
Clausnitzer	Haukoos	Marsh	Olsen, S.	Tjornhom
Gruenes	Jennings	McDonald	Pauly	

The bill was passed and its title agreed to.

H. F. No. 18, A bill for an act relating to human services; allowing recovery of medical assistance payments upon death of recipient; amending Minnesota Statutes 1986, section 256B.15.

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 119 yeas and 3 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Lieder	Osthoff	Skoglund
Anderson, R.	Gruenes	Long	Otis	Solberg
Battaglia	Gutknecht	Marsh	Ozment	Sparby
Bauerly	Haukoos	McDonald	Pappas	Stanius
Beard	Heap	McKasy	Pauly	Steenma
Bennett	Himle	McLaughlin	Pelowski	Svigum
Bertram	Hugoson	McPherson	Peterson	Thiede
Blatz	Jacobs	Milbert	Poppenhagen	Tjornhom
Brown	Jaros	Miller	Price	Tompkins
Burger	Jefferson	Minne	Quinn	Trimble
Carlson, D.	Jennings	Morrison	Redalen	Tunheim
Carlson, L.	Jensen	Munger	Reding	Uphus
Carruthers	Johnson, R.	Murphy	Rest	Valento
Clark	Johnson, V.	Nelson, C.	Richter	Vanasek
Clausnitzer	Kahn	Nelson, D.	Rodosovich	Vellenga
Cooper	Kelly	Nelson, K.	Rose	Voss
Dauner	Kelso	Neuenschwander	Rukavina	Wagenius
DeBlicek	Kinkel	O'Connor	Schafer	Waltman
Dempsey	Knickerbocker	Ogren	Scheid	Welle
Dille	Knuth	Olsen, S.	Schoenfeld	Wenzel
Dorn	Kostohryz	Olson, E.	Schreiber	Winter
Forsythe	Krueger	Omann	Seaberg	Wynia
Frederick	Larsen	Onnen	Shaver	Spk. Norton
Frerichs	Lasley	Orenstein	Simoneau	

Those who voted in the negative were:

Rice	Sarna	Segal
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The bill was passed and its title agreed to.

H. F. No. 23, A bill for an act relating to health; requiring hospitals to establish a protocol to obtain organs for transplantation; proposing coding for new law in Minnesota Statutes, chapter 525.

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 123 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Brown	Dempsey	Heap	Johnson, V.
Anderson, R.	Burger	Dille	Himle	Kahn
Battaglia	Carlson, D.	Dorn	Hugoson	Kelly
Bauerly	Carlson, L.	Forsythe	Jacobs	Kelso
Beard	Carruthers	Frederick	Jaros	Kinkel
Bennett	Clark	Frerichs	Jefferson	Kludt
Bertram	Clausnitzer	Greenfield	Jennings	Knickerbocker
Bishop	Cooper	Gruenes	Jensen	Knuth
Blatz	Dauner	Gutknecht	Johnson, A.	Kostohryz
Boo	DeBlicek	Haukoos	Johnson, R.	Krueger

Larsen	Nelson, C.	Pappas	Schafer	Tompkins
Lasley	Nelson, D.	Pauly	Scheid	Trimble
Lieder	Nelson, K.	Pelowski	Schoenfeld	Tunheim
Long	Neuenschwander	Peterson	Schreiber	Uphem
Marsh	O'Connor	Poppenhagen	Seaberg	Valento
McDonald	Ogren	Price	Segal	Vanasek
McKasy	Olsen, S.	Quinn	Shaver	Vellenga
McLaughlin	Olson, E.	Redalen	Simoneau	Wagenius
McPherson	Olson, K.	Reding	Solberg	Waltman
Milbert	Omann	Rest	Sparby	Wenzel
Miller	Onnen	Rice	Stanius	Winter
Minne	Orenstein	Rodosovich	Steensma	Wynia
Morrison	Osthoff	Rose	Sviggum	Spk. Norton
Munger	Otis	Rukavina	Thiede	
Murphy	Ozment	Sarna	Tjornhom	

The bill was passed and its title agreed to.

H. F. No. 27, A bill for an act relating to corporations; regulating control share acquisitions; delaying the effective date of certain amendments; amending Laws 1985, First Special Session chapter 5, section 21, 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 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Lasley	Orenstein	Shaver
Anderson, R.	Gruenes	Lieder	Osthoff	Simoneau
Battaglia	Gutknecht	Long	Otis	Skoglund
Bauerly	Hartle	Marsh	Ozment	Solberg
Beard	Haukoos	McDonald	Pappas	Sparby
Bennett	Heap	McKasy	Pauly	Stanius
Bertram	Himle	McLaughlin	Pelowski	Steensma
Blatz	Hugoson	McPherson	Peterson	Sviggum
Boo	Jacobs	Milbert	Poppenhagen	Thiede
Brown	Jaros	Miller	Price	Tjornhom
Burger	Jefferson	Minne	Quinn	Tompkins
Carlson, D.	Jennings	Morrison	Redalen	Trimble
Carlson, L.	Jensen	Munger	Reding	Tunheim
Carruthers	Johnson, A.	Murphy	Rest	Uphem
Clark	Johnson, R.	Nelson, C.	Rice	Valento
Clausnitzer	Johnson, V.	Nelson, D.	Richter	Vanasek
Cooper	Kahn	Nelson, K.	Rodosovich	Vellenga
Dauner	Kelly	Neuenschwander	Rose	Voss
DeBlicke	Kelso	O'Connor	Rukavina	Wagenius
Dempsey	Kinkel	Ogren	Schafer	Waltman
Dille	Kludt	Olsen, S.	Scheid	Welle
Dorn	Knickerbocker	Olson, E.	Schoenfeld	Wenzel
Forsythe	Knuth	Olson, K.	Schreiber	Winter
Frederick	Kostohryz	Omann	Seaberg	Wynia
Frerichs	Krueger	Onnen	Segal	Spk. Norton

The bill was passed and its title agreed to.

H. F. No. 52, A bill for an act relating to labor; removing an exception from overtime and minimum wage laws for certain ski facility employees; amending Minnesota Statutes 1986, section 177.23, subdivision 7.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Larsen	Orenstein	Segal
Anderson, R.	Gruenes	Lasley	Osthoff	Shaver
Battaglia	Gutknecht	Lieder	Otis	Simoneau
Bauerly	Hartle	Long	Ozment	Skoglund
Beard	Haukoos	Marsh	Pappas	Solberg
Bennett	Heap	McDonald	Pauly	Sparby
Bertram	Himle	McKasy	Pelowski	Stanius
Bishop	Hugoson	McPherson	Peterson	Steenasma
Blatz	Jacobs	Milbert	Poppenhagen	Sviggum
Boo	Jaros	Miller	Price	Thiede
Brown	Jefferson	Minne	Quinn	Tjornhom
Burger	Jennings	Morrison	Redalen	Tompkins
Carlson, D.	Jensen	Munger	Reding	Trimble
Carlson, L.	Johnson, A.	Murphy	Rest	Tunheim
Carruthers	Johnson, R.	Nelson, C.	Rice	Uphus
Clark	Johnson, V.	Nelson, D.	Richter	Valento
Clausnitzer	Kahn	Nelson, K.	Rodosovich	Vanasek
Cooper	Kelly	Neuenschwander	Rose	Vellenga
Dauner	Kelso	O'Connor	Rukavina	Voss
DeBlicek	Kinkel	Ogren	Sarna	Wagenius
Dempsey	Kludt	Olsen, S.	Schafer	Waltman
Dorn	Knickerbocker	Olson, E.	Scheid	Welle
Forsythe	Knuth	Olson, K.	Schoenfeld	Wenzel
Frederick	Kostohryz	Omam	Schreiber	Winter
Frerichs	Krueger	Onnen	Seaberg	Wynia
				Spk. Norton

The bill was passed and its title agreed to.

Pappas was excused at 4:10 p.m.

### GENERAL ORDERS

Pursuant to Rules of the House, the House resolved itself into the Committee of the Whole with Norton in the Chair for consideration of bills pending on General Orders of the day. Long presided during a portion of the meeting of the Committee of the Whole. After some time spent therein the Committee arose.

## REPORT OF THE COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following recommendations of the Committee were reported to the House:

H. F. Nos. 289, 147, 151, 240, 280, 56 and 281 were recommended to pass.

S. F. No. 211 was recommended to pass.

H. F. Nos. 119, 134, 28 and 102 were recommended for progress.

H. F. No. 137 was recommended for progress retaining its place on General Orders.

On the motion of Vanasek the report of the Committee of the Whole was adopted.

## ROLL CALLS IN COMMITTEE OF THE WHOLE

Pursuant to rule 1.6, the following roll calls were taken in the Committee of the Whole:

McDonald moved to amend H. F. No. 281, as follows:

Page 1, line 23, delete "as authorized by the secretary of state"

The question was taken on the McDonald amendment and the roll was called. There were 38 yeas and 85 nays as follows:

Those who voted in the affirmative were:

Bennett	Gutknecht	McDonald	Quist	Thiede
Burger	Hartle	McKasy	Redalen	Tjornhom
Carlson, D.	Haukoos	Miller	Richter	Tompkins
Clausnitzer	Heap	Morrison	Schafer	Uppus
Dempsey	Himle	Olsen, S.	Schreiber	Valento
Forsythe	Hugoson	Onnen	Seaberg	Waitman
Frederick	Johnson, V.	Pauly	Shaver	
Gruenes	Marsh	Poppenhagen	Stanisus	

Those who voted in the negative were:

Anderson, G.	Cooper	Johnson, A.	Krueger	Nelson, D.
Battaglia	Dauner	Johnson, R.	Larsen	Nelson, K.
Bauerly	DeBlicck	Kahn	Lasley	O'Connor
Beard	Dille	Kalis	Lieder	Ogren
Begich	Dorn	Kelly	Long	Olson, E.
Bertram	Greenfield	Kelso	McLaughlin	Olson, K.
Blatz	Jacobs	Kinkel	Milbert	Omann
Brown	Jaros	Kludt	Minne	Orenstein
Carlson, L.	Jefferson	Knickerbocker	Munger	Osthoff
Carruthers	Jennings	Knuth	Murphy	Otis
Clark	Jensen	Kostohryz	Nelson, C.	Pappas

Pelowski	Riveness	Schoenfeld	Steensma	Wagenius
Peterson	Rodosovich	Segal	Trimble	Welle
Price	Rose	Simoneau	Tunheim	Wenzel
Quinn	Rukavina	Skoglund	Vanasek	Winter
Reding	Sarna	Solberg	Vellenga	Wynia
Rest	Scheid	Sparby	Voss	Spk. Norton

The motion did not prevail and the amendment was not adopted.

Schreiber moved to amend H. F. No. 281, as follows:

Page 1, line 9, after "elections" insert: "in counties or municipalities with populations of 20,000 or fewer residents"

The question was taken on the Schreiber amendment and the roll was called. There were 43 yeas and 84 nays as follows:

Those who voted in the affirmative were:

Bennett	Gruenes	McDonald	Quist	Svigum
Bishop	Gutknecht	McKasy	Redalen	Thiede
Blatz	Haukoos	McPherson	Richter	Tjornhom
Burger	Heap	Miller	Rose	Tompkins
Clausnitzer	Himle	Morrison	Schafer	Uphus
Dempsey	Hugoson	Olsen, S.	Schreiber	Valento
Forsythe	Johnson, V.	Onnen	Seaberg	Waltman
Frederick	Kludt	Pauly	Shaver	
Frerichs	Marsh	Poppenhagen	Stanius	

Those who voted in the negative were:

Anderson, G.	Hartle	Lasley	Orenstein	Simoneau
Battaglia	Jacobs	Lieder	Osthoff	Skoglund
Bauerly	Jaros	Long	Otis	Solberg
Beard	Jefferson	McLaughlin	Ozment	Sparby
Begich	Jensen	Milbert	Pelowski	Steensma
Bertram	Johnson, A.	Minne	Peterson	Trimble
Brown	Johnson, R.	Munger	Price	Tunheim
Carlson, D.	Kahn	Murphy	Quinn	Vanasek
Carlson, L.	Kahis	Nelson, C.	Reding	Vellenga
Carruthers	Kelly	Nelson, D.	Rest	Voss
Clark	Kelso	Nelson, K.	Riveness	Wagenius
Cooper	Kinkel	Neuenschwander	Rodosovich	Welle
Dauner	Knickerbocker	O'Connor	Rukavina	Wenzel
DeBlicke	Knuth	Ogren	Sarna	Winter
Dille	Kostohryz	Olson, E.	Scheid	Wynia
Dorn	Krueger	Olson, K.	Schoenfeld	Spk. Norton
Greenfield	Larsen	Omam	Segal	

The motion did not prevail and the amendment was not adopted.

The question was taken on the motion to recommend passage of H. F. No. 281 and the roll was called. There were 107 yeas and 18 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Lasley	Osthoff	Skoglund
Anderson, R.	Gutknecht	Lieder	Otis	Solberg
Battaglia	Hartle	Long	Ozment	Sparby
Bauerly	Heap	Marsh	Pelowski	Stanius
Beard	Jacobs	McDonald	Peterson	Steensma
Begich	Jaros	McKasy	Price	Sviggum
Bennett	Jennings	McPherson	Quinn	Tjornbom
Bertram	Jensen	Milbert	Redalen	Tompkins
Bishop	Johnson, A.	Minne	Reding	Trimble
Brown	Johnson, R.	Morrison	Rest	Tunheim
Burger	Johnson, V.	Munger	Riveness	Uphus
Carlson, D.	Kahn	Murphy	Rodosovich	Vanasek
Carlson, L.	Kalis	Nelson, C.	Rose	Voss
Carruthers	Kelly	Nelson, K.	Rukavina	Wagenius
Clark	Kelso	Neuenschwander	Sarna	Waltman
Clausnitzer	Kinkel	O'Connor	Schafer	Welle
Cooper	Kludt	Ogren	Scheid	Wenzel
Dauner	Knickerbocker	Olsen, S.	Schoenfeld	Winter
DeBlicke	Knuth	Olson, E.	Seaberg	Spk. Norton
Dille	Kostohryz	Olson, K.	Segal	
Dorn	Krueger	Omann	Shaver	
Frerichs	Larsen	Orenstein	Simoneau	

Those who voted in the negative were:

Blatz	Gruenes	Jefferson	Pauly	Thiede
Dempsey	Haukoos	Miller	Quist	Valento
Forsythe	Himle	Nelson, D.	Richter	
Frederick	Hugoson	Onnen	Schreiber	

The motion prevailed.

## MOTIONS AND RESOLUTIONS

Kludt moved that the name of Milbert be stricken and the name of Marsh be added as an author on H. F. No. 375. The motion prevailed.

Rest moved that the name of Segal be added as an author on H. F. No. 650. The motion prevailed.

Redalen moved that the name of Waltman be added as an author on H. F. No. 655. The motion prevailed.

Lasley moved that the name of Carlson, D., be added as an author on H. F. No. 673. The motion prevailed.

Pappas moved that the name of Jaros be stricken and the name of Clark be added as an author on H. F. No. 682. The motion prevailed.

Trimble moved that the name of Clark be added as an author on H. F. No. 694. The motion prevailed.

Kelly moved that the name of Clark be added as an author on H. F. No. 706. The motion prevailed.

Sviggum moved that the name of Tjornhom be added as an author on H. F. No. 709. The motion prevailed.

Rest moved that H. F. No. 582 be recalled from the Committee on Higher Education and be re-referred to the Committee on Taxes. The motion prevailed.

Olsen, S., and Segal introduced:

House Resolution No. 30, A House resolution congratulating the St. Louis Park Senior High School Drama Club for winning the highest rating in the State One Act Play Competition.

The resolution was referred to the Committee on Rules and Legislative Administration.

Thiede introduced:

House Resolution No. 31, A House resolution congratulating the Brainerd High School Kixters Dance Team for winning the 1987 National Dance Team High-kick Championship.

The resolution was referred to the Committee on Rules and Legislative Administration.

#### ADJOURNMENT

Vanasek moved that when the House adjourns today it adjourn until 2:00 p.m., Monday, March 9, 1987. The motion prevailed.

Vanasek moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:00 p.m., Monday, March 9, 1987.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

## STATE OF MINNESOTA

## SEVENTY-FIFTH SESSION—1987

## TWENTIETH DAY

SAINT PAUL, MINNESOTA, MONDAY, MARCH 9, 1987

The House of Representatives convened at 2:00 p.m. and was called to order by Fred C. Norton, Speaker of the House.

Prayer was offered by Pastor Phil Gotsch, First Lutheran Church-Trimont and Kansas Lake Lutheran Church of Butterfield, Trimont, Minnesota.

The roll was called and the following members were present:

Anderson, G.	Frerichs	Krueger	Onnen	Seaberg
Anderson, R.	Greenfield	Larsen	Orenstein	Segal
Battaglia	Graenes	Lasley	Osthoff	Shaver
Bauerly	Gutknecht	Lieder	Otis	Simoneau
Beard	Hartle	Long	Ozment	Skoglund
Begich	Haukoos	Marsh	Pappas	Solberg
Bennett	Heap	McDonald	Pauly	Sparby
Bertram	Himie	McKasy	Pelowski	Stanisus
Bishop	Hugoson	McLaughlin	Peterson	Steenasma
Blatz	Jacobs	McPherson	Poppenhagen	Sviggum
Boo	Jaros	Milbert	Quinn	Swenson
Brown	Jefferson	Miller	Quist	Thiede
Burger	Jennings	Minne	Redalen	Tjornhom
Carlson, D.	Jensen	Morrison	Reding	Tompkins
Carlson, L.	Johnson, A.	Munger	Rest	Trimble
Carruthers	Johnson, R.	Murphy	Rice	Tunheim
Clark	Johnson, V.	Nelson, C.	Richter	Uphus
Clausnitzer	Kahn	Nelson, D.	Riveness	Valento
Cooper	Kalis	Nelson, K.	Rodosovich	Vanasek
Dauner	Kelly	Neuenschwander	Rose	Voss
DeBlicke	Kelso	O'Connor	Rukavina	Wagenius
Dempsey	Kinkel	Ogren	Sarna	Waltman
Dille	Kludt	Olsen, S.	Schafer	Welle
Dorn	Knickerbocker	Olson, E.	Scheid	Wenzel
Forsythe	Knuth	Olson, K.	Schoenfeld	Winter
Frederick	Kostohryz	Omam	Schreiber	Wynia
				Spk. Norton

A quorum was present.

McEachern and Vellenga were excused.

Price was excused until 3:30 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Kelly moved that further reading of the Journal be dispensed

with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

#### REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 316, 320, 493, 536, 688, 110, 141, 152, 202, 227, 270, 369, 397, 436, 502 and 567 and S. F. Nos. 25, 139, 117, 94, 402 and 258 have been placed in the members' files.

S. F. No. 402 and H. F. No. 536, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Dempsey moved that S. F. No. 402 be substituted for H. F. No. 536 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 258 and H. F. No. 420, 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. 258 be substituted for H. F. No. 420 and that the House File be indefinitely postponed. The motion prevailed.

#### PETITIONS AND COMMUNICATIONS

The following communications were received:

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
SAINT PAUL 55155

March 4, 1987

The Honorable Fred C. Norton  
Speaker of the House of Representatives  
The State of Minnesota

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State the following House File:

H. F. No. 66, A resolution memorializing the Congress of the United States to enact an extension of the federal highway program at the earliest possible date.

Sincerely,

RUDY PERPICH  
Governor

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
SAINT PAUL 55155

March 4, 1987

The Honorable Fred C. Norton  
Speaker of the House of Representatives  
The State of Minnesota

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State the following House File:

H. F. No. 41, relating to adoption; providing that proposed adoptive parents may obtain certain reports or records; providing that a child's parent need not join as co-petitioner in a stepparent adoption; changing the manner of executing certain consents; amending Minnesota Statutes 1986, sections 259.21, subdivision 7; 259.24, subdivision 5; and 259.27, subdivision 3, and by adding a subdivision.

Sincerely,

RUDY PERPICH  
Governor

STATE OF MINNESOTA  
OFFICE OF THE SECRETARY OF STATE  
ST. PAUL, 55155

March 5, 1987

The Honorable Fred C. Norton  
Speaker of the House of Representatives

The Honorable Jerome M. Hughes  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1987 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1987</i>	<i>Date Filed 1987</i>
	66	Resolution No. 2	March 4, 1987	March 5, 1987
	41	3	March 4, 1987	March 5, 1987

Sincerely,

JOAN ANDERSON GROWE  
Secretary of State

## REPORTS OF STANDING COMMITTEES

Simoneau from the Committee on Governmental Operations to which was referred:

H.F. No. 112, A bill for an act relating to retirement; providing lump sum payments to certain retired or disabled public employees or their surviving spouses; appropriating money.

Reported the same back with the following amendments:

Page 1, line 15, delete "subdivision" and insert "subdivision"

Page 3, line 1, after "appropriated" insert "from the general fund"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 362, A bill for an act relating to Hennepin county; creating a county housing and redevelopment authority; applying the municipal housing and redevelopment act to Hennepin county; providing for local approval of projects; proposing coding for new law in Minnesota Statutes, chapter 383B.

Reported the same back with the following amendments:

Page 1, line 11, delete "A public body corporate and"

Page 1, line 12, delete "politic to be known as"

Page 1, line 26, after the period insert "For purposes of this subdivision, "municipal housing and redevelopment authority" means any municipal department, agency, or authority of the city of Minneapolis which exercises the powers of a municipal housing and redevelopment authority pursuant to section 462.425 or other law."

Page 2, line 3, after "462.425" insert ", except as provided in this subdivision"

Page 2, line 5, after "to" insert "exercise any power or"

With the recommendation that when so amended the bill pass.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 483, A bill for an act relating to the city of Brook Park; raising the city debt limit.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 489, A bill for an act relating to local government; authorizing annexation proceedings for certain land between the city of Nashwauk and the town of Nashwauk.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred;

H. F. No. 510, A bill for an act relating to Dakota county; providing for the creation, organization, powers, and duties of a personnel system; proposing coding for new law as Minnesota Statutes, chapter 383D.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

S. F. No. 208, A bill for an act relating to occupations and professions; architects, engineers, land surveyors, and landscape architects; making certain technical changes related to certain licensing exceptions; amending Minnesota Statutes 1986, sections 326.03, subdivision 2; and 326.06.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

## **SECOND READING OF HOUSE BILLS**

H. F. Nos. 362, 483, 489 and 510 were read for the second time.

## **SECOND READING OF SENATE BILLS**

S. F. Nos. 402, 258 and 208 were read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Begich and Carlson, D., introduced:

H. F. No. 796, A bill for an act relating to wild animals; use of dogs in taking bear; amending Minnesota Statutes 1986, section 97B.205.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Solberg, Rukavina and Minne introduced:

H. F. No. 797, A bill for an act relating to public safety; transferring duties and powers relating to emergency medical services from the department of health to the department of public safety; instructing the revisor; amending Minnesota Statutes 1986, sections 144.801, subdivisions 3 and 8; 144.802, subdivision 1; 144.804, subdivisions 1 and 5; and 144.8093, subdivisions 2 and 4.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Begich, Battaglia and Rukavina introduced:

H. F. No. 798, A bill for an act relating to taxation; providing for allocation among governmental units of increases in the assessed valuation of commercial-industrial property within the taconite tax relief area; providing a formula for the distribution of additional revenues to municipalities within the taconite tax relief area; proposing coding for new law as Minnesota Statutes, chapter 276A.

The bill was read for the first time and referred to the Committee on Taxes.

Neuenschwander introduced:

H. F. No. 799, A bill for an act relating to Koochiching county; permitting the county to establish a bidstead development authority.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

**Clark introduced:**

**H. F. No. 800, A bill for an act relating to human services; creating an exception to the supplemental and negotiated rate cap; amending Minnesota Statutes 1986, section 256D.37, subdivision 1.**

**The bill was read for the first time and referred to the Committee on Health and Human Services.**

**Clark introduced:**

**H. F. No. 801, A bill for an act relating to human services; mandating a comprehensive system of mental health services; amending Minnesota Statutes 1986, sections 245.713, subdivision 2; 256B.19, subdivision 1, and by adding a subdivision; 256D.03, subdivision 4; 256D.06, subdivisions 3 and 6; 256D.37, subdivision 1; 256E.03, subdivision 2; 256E.06, by adding a subdivision; 256E.07, by adding a subdivision; and 256E.12, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 245; repealing Minnesota Statutes 1986, sections 245.69, subdivision 1a; 245.713, subdivisions 1 and 3; 245.73; and 256E.12.**

**The bill was read for the first time and referred to the Committee on Health and Human Services.**

**Ogren, McLaughlin, Tjornhom, Bertram and Brown introduced:**

**H. F. No. 802, A bill for an act relating to occupations and professions; requiring the department of health to employ a chiropractic physician; authorizing loans to chiropractic students; authorizing certain certificates to be issued by chiropractic physicians; defining violations and providing penalties; defining unprofessional conduct by a chiropractor to include certain methods of business solicitation; amending Minnesota Statutes 1986, sections 148.10, subdivision 1; and 148.101; proposing coding for new law in Minnesota Statutes, chapters 144, 147, and 148.**

**The bill was read for the first time and referred to the Committee on Health and Human Services.**

**Sparby, Sarna, Schreiber and Burger introduced:**

**H. F. No. 803, A bill for an act relating to commerce; creating a legislative commission to study government and business competition; prescribing its duties.**

**The bill was read for the first time and referred to the Committee on Commerce.**

Battaglia and Carlson, D., introduced:

H. F. No. 804, A bill for an act relating to peace officers; providing money to train conservation officers employed by the commissioner of natural resources; amending Minnesota Statutes 1986, section 609.101.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Gruenes, Pelowski, Dorn and Marsh introduced:

H. F. No. 805, A bill for an act relating to education; adjusting funding for post-secondary enrollment changes of more than three percent one year rather than two years after the change; amending Minnesota Statutes 1986, section 135A.03, subdivisions 2, 3, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Higher Education.

Vellenga, Dauner, Kelso, Gruenes and Jefferson introduced:

H. F. No. 806, A bill for an act relating to human services; requiring certain written reports of abuse within 72 hours; requiring county attorneys to be on child protection teams; requiring specific investigations of certain abuse cases; amending Minnesota Statutes 1986, sections 626.556, subdivisions 7, 10, and 10a; and 626.558, subdivision 1.

The bill was read for the first time and referred to the Committee on Judiciary.

Riveness, Blatz and Himle introduced:

H. F. No. 807, A bill for an act relating to independent school district No. 271, Bloomington; authorizing excess capital outlay levies in 1987 and 1988 to replace deteriorating roofs.

The bill was read for the first time and referred to the Committee on Education.

Price, Sarna, Kinkel, Beard and Norton introduced;

H. F. No. 808, A bill for an act relating to the state; authorizing competition for an official state song; appropriating money.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Johnson, A.; Sparby; Stanius; Neuenschwander and Milbert introduced:

H.F. No. 809, A bill for an act relating to natural resources; changing requirements for arrowheads used for big game hunting; amending Minnesota Statutes 1986, section 97B.211, subdivision 2.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Schreiber introduced:

H. F. No. 810, A bill for an act relating to occupations and professions; requiring the board of boxing to license karate schools; changing the name of the board of boxing to the board of boxing and karate; providing definitions; authorizing fees; requiring rulemaking; appropriating money; providing penalties; amending Minnesota Statutes 1986, sections 341.01; 341.04; 341.045; 341.05; and 341.10; proposing coding for new law in Minnesota Statutes, chapter 341.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Rukavina, Schafer, Steensma and Nelson, K., introduced:

H.F. No. 811, A bill for an act relating to education; providing aid to school districts that consolidate; appropriating money.

The bill was read for the first time and referred to the Committee on Education.

Welle; Carlson, L.; Battaglia; Vallenga and Stanius introduced:

H. F. No. 812, A bill for an act relating to occupations and professions; amending the laws regulating the practice of pharmacy; providing definitions; providing for registration of pharmacies, drug manufacturers, and others; providing for licensing of pharmacists; providing remedies for violations; amending Minnesota Statutes 1986, sections 151.01; 151.04; 151.06, subdivision 1; 151.101; 151.15; 151.19; 151.211; 151.212, subdivision 1, and by adding a subdivision; 151.25; 151.26, subdivision 1; 151.32; 151.34; and 151.37; proposing coding for new law in Minnesota Statutes, chapter

151; repealing Minnesota Statutes 1986, sections 151.06, subdivision 2a; 151.11; 151.28; and 151.31.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Seaberg, Kahn, Morrison, Jensen and Milbert introduced:

H. F. No. 813, A bill for an act relating to bicycles; requiring bicycles using a shoulder of a roadway to ride in the same direction as adjacent vehicular traffic; redefining the term roadway; defining the term shoulder; allowing designation of bikeways by resolution or ordinance; adopting additional definitions of bicycle terms; amending Minnesota Statutes 1986, sections 85.016; 160.02, by adding a subdivision; 160.263, subdivisions 2, 3, and 4; 160.264; 160.265; 169.01, subdivisions 31 and 62, and by adding subdivisions; and 169.222, subdivision 4.

The bill was read for the first time and referred to the Committee on Transportation.

Carlson, L., and Rest introduced:

H. F. No. 814, A bill for an act relating to taxation; clarifying the effective date of the time limitation for filing a property tax refund claim; amending Laws 1985, First Special Session chapter 14, article 5, section 8.

The bill was read for the first time and referred to the Committee on Taxes.

Kalis, Reding, Begich, Rose and Hugoson introduced:

H. F. No. 815, A bill for an act relating to game and fish; affording protection to crows and authorizing a season on crows; amending Minnesota Statutes 1986, sections 97A.015, subdivision 52; and 97B.731, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Schreiber, Clausnitzer, Carruthers, Quinn and Dempsey introduced:

H. F. No. 816, A bill for an act relating to drivers' licenses; traffic regulations; requiring courts to furnish information relating to previous convictions without charge in gross misdemeanor prosecu-

tions of the driving while under the influence law; imposing a penalty on person who violates conditions attached to limited driver's license; amending Minnesota Statutes 1986, sections 169.121, subdivision 3; 171.17; and 171.30, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Judiciary.

Wynia and Greenfield introduced:

H. F. No. 817, A bill for an act relating to human services; limiting reimbursement for certain general assistance medical care providers and medical assistance providers; authorizing publication of a list, and criteria for the list, for selecting health services requiring prior authorization; and authorizing second medical opinion for outpatient surgery; amending Minnesota Statutes 1986, sections 256.969, subdivision 2; 256B.02, subdivision 8; 256B.03, subdivision 1; and 256D.03, subdivision 4.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Greenfield and Wynia introduced:

H. F. No. 818, A bill for an act relating to human services; establishing prepaid health plans under medical assistance; appropriating money; amending Minnesota Statutes 1986, sections 256.045, subdivision 3; 256B.02, by adding a subdivision; 256B.19, subdivision 1; 256B.69, by adding subdivisions; 256D.03, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 256B; repealing Minnesota Statutes 1986, section 256.966.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Greenfield introduced:

H. F. No. 819, A bill for an act relating to human services; regulating medical assistance payments for therapies provided to nursing home residents; permitting sanctions for unnecessary services; providing for monitoring of therapy costs; setting payment criteria; setting recordkeeping and cost-allocation requirements; providing penalties; amending Minnesota Statutes 1986, sections 256.421, subdivision 1; 256.433; 256B.064, subdivision 1a; 256B.47,

subdivision 1, and by adding subdivisions; and 256B.48, subdivision 1.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Tompkins, Dorn, Carlson, L.; Gutknecht and Begich introduced:

H. F. No. 820, A bill for an act relating to consumer protection; extending express warranties on new motor vehicles under certain circumstances; amending Minnesota Statutes 1986, section 325F.665, subdivision 2.

The bill was read for the first time and referred to the Committee on Commerce.

Quist introduced:

H. F. No. 821, A bill for an act relating to taxation; sales; changing the requirements for designation of a distressed county for purposes of the capital equipment exemption; amending Minnesota Statutes 1986, section 297A.257, subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes.

O'Connor, Sarna, Carruthers, Milbert and Bishop introduced:

H. F. No. 822, A bill for an act relating to commerce; requiring that solicitations for new open-end credit contain specific disclosures respecting conditions and costs; prescribing penalties; providing remedies; proposing coding for new law in Minnesota Statutes, chapter 334.

The bill was read for the first time and referred to the Committee on Commerce.

Gutknecht, Wenzel, Heap, Scheid and Miller introduced:

H. F. No. 823, A bill for an act relating to labor; prohibiting certain terminations; requiring notice of reasons for terminations; proposing coding for new law in Minnesota Statutes, chapter 181.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Stanius, Valento, Jennings, Bennett and Rodosovich introduced:

H. F. No. 824, A bill for an act relating to health; requiring training for certain employees exposed to infectious agents; amending Minnesota Statutes 1986, section 144.802, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Trimble, Greenfield, Forsythe, Riveness and Wynia introduced:

H. F. No. 825, A bill for an act relating to human services; providing a grant program for on-site employer child care services; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 245.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Nelson, D.; Osthoff; Voss; Stanius and Larsen introduced:

H. F. No. 826, A bill for an act relating to metropolitan government; authorizing the acquisition and betterment of regional recreation open space lands by the metropolitan council and metropolitan area local government units; authorizing the issuance of state bonds; appropriating money.

The bill was read for the first time and referred to the Committee on Metropolitan Affairs.

Nelson, D.; Jacobs and Redalen introduced:

H. F. No. 827, A bill for an act relating to utilities; providing for initial and continuing education of public utilities commissioners; lengthening the time period for preparation for a hearing on territorial disputes; raising dollar limit on value of property that public utility may transfer without commission approval; amending Minnesota Statutes 1986, sections 216A.03, by adding subdivisions; 216B.43; and 216B.50, subdivision 1.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Stanis and Rodosovich introduced:

H. F. No. 828, A bill for an act relating to insurance; regulating trade practices; authorizing the payment of differing amounts of reimbursement to insured under individual policies; amending Minnesota Statutes 1986, section 72A.20, subdivision 15.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Segal, Dauner, Simoneau, Clark and Knickerbocker introduced:

H. F. No. 829, A bill for an act relating to human services; establishing the office of assistant commissioner of mental health; establishing a state advisory council on mental health; creating a mental health division in the department of human services; amending Minnesota Statutes 1986, section 245.69; proposing coding for new law in Minnesota Statutes, chapter 245.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Johnson, R.; Simoneau; Rukavina; Cooper and Bertram introduced:

H. F. No. 830, A bill for an act relating to state energy contracts; imposing additional requirements on bidders for state energy efficiency installment purchase contracts; amending Minnesota Statutes 1986, section 16B.16, subdivision 1.

The bill was read for the first time and referred to the Committee on Governmental Operations.

DeBlicek, Cooper, Rodosovich, Osthoff and Bishop introduced:

H. F. No. 831, A bill for an act relating to veterans; requiring the commissioner of veterans affairs to provide veterans grave markers; appropriating money; amending Minnesota Statutes 1986, section 197.23.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Sviggum introduced:

H. F. No. 832, A bill for an act relating to local government; granting the city of Cannon Falls the authority to establish a port

authority; authorizing the port authority to exercise the power of a municipal housing and redevelopment authority; authorizing the city to impose restrictions and limitations upon the powers and procedures of the port authority; permitting the city to choose the name of the port authority; providing for removal of port authority commissioners; requiring local approval.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Welle introduced:

H. F. No. 833, A bill for an act relating to retirement; authorizing certain members of the Minnesota state retirement system to purchase service credit for a period of authorized educational leave.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Solberg and Carlson, D., introduced:

H. F. No. 834, A bill for an act relating to natural resources; providing for the deposit of receipts from private forest management services into the forest management fund; appropriating money; amending Minnesota Statutes 1986, sections 88.79, subdivision 2; and 89.04.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Jennings; Sparby; Lieder; Johnson, V., and Dempsey introduced:

H. F. No. 835, A bill for an act relating to natural resources; establishing a state flood hazard mitigation grant program; authorizing grants-in-aid to local government units; appropriating money; amending Minnesota Statutes 1986, section 104.02; proposing coding for new law in Minnesota Statutes, chapter 104.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Tunheim introduced:

H. F. No. 836, A bill for an act relating to natural resources; revising the boundary of Lost River State Forest; amending Minnesota Statutes 1986, section 89.021, subdivision 59.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Nelson, D.; Munger; Simoneau; Johnson, V., and Valento introduced:

H. F. No. 837, A bill for an act relating to natural resources; creating the state board of water and soil resources and providing for its administration and powers and duties; abolishing the state soil and water conservation board and the water resources board; amending the duties of the environmental quality board; amending Minnesota Statutes 1986, sections 40.01, subdivision 4; 40.03, subdivision 4; 40.035, subdivision 2; 40.21, subdivisions 1 and 3; 40.43, subdivision 1; 105.73; 110B.02, subdivision 2; 112.35, subdivision 4; 116C.03, subdivision 2; 473.876, by adding a subdivision; 473.877, subdivision 2; 473.8771, subdivisions 1 and 2; and 473.878, subdivisions 7 and 8; proposing coding for new law in Minnesota Statutes, chapter 110B; repealing Minnesota Statutes 1986, sections 40.03, subdivisions 1, 1a, 2, and 3; 105.71; 116C.40, subdivision 3; and 116C.41, subdivision 2.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Minne, Battaglia, Boo and Jaros introduced:

H. F. No. 838, A bill for an act relating to St. Louis county; providing for a clerk in the unclassified civil service; amending Minnesota Statutes 1986, section 383C.035.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Rukavina, Battaglia, Boo and Jaros introduced:

H. F. No. 839, A bill for an act relating to public safety; local emergency telephone service; requiring automatic location identification for public safety answering points serving 50,000 telephones or more; increasing fee to cover service cost; amending Minnesota Statutes 1986, sections 403.02, subdivision 6, and by adding a subdivision; and 403.11, subdivision 1.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Rukavina, Minne, Solberg, Ogren and Battaglia introduced:

H. F. No. 840, A bill for an act relating to human services; increasing the state share of costs for certain assistance programs;

amending Minnesota Statutes 1986, sections 256.82, subdivision 1; 256B.19, subdivision 1; and 256D.03, subdivisions 2 and 6.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Carruthers, Kalis, Vellenga, Seaberg and Kelly introduced:

H. F. No. 841, A bill for an act relating to utilities; providing for prevention of unlawful meter bypass, tampering, and use; providing remedies; proposing coding for new law in Minnesota Statutes, chapter 216B.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Clark, Begich and Pappas introduced:

H. F. No. 842, A bill for an act relating to commerce; requiring financial institutions to provide certain basic services to customers without charge; providing enforcement powers; proposing coding for new law in Minnesota Statutes, chapter 47.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Kostohryz; McEachern; Nelson, K.; Olsen, S., and Rose introduced:

H. F. No. 843, A bill for an act relating to education; changing the name of the school of the arts; increasing the powers of its board; permitting its staff and certain students to be in the unclassified service; appropriating money; amending Minnesota Statutes 1986, sections 43A.08, subdivisions 1 and 1a; 43A.18, subdivision 4; 129C.10, subdivisions 1, 3, 4, 5, 6, and by adding subdivisions.

The bill was read for the first time and referred to the Committee on Education.

Nelson, D., introduced:

H. F. No. 844, A bill for an act relating to environment; prohibiting the use of certain pesticides; proposing coding for new law in Minnesota Statutes, chapter 18A.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Begich, Sarna and Jaros introduced:

H. F. No. 845, A bill for an act relating to commerce; consumer protection; requiring the repair, refund, or replacement of new motor vehicles under certain circumstances; prescribing certain arbitration procedures for all automobile manufacturers doing business and offering express warranties on their vehicles sold in Minnesota; amending Minnesota Statutes 1986, section 325F.665.

The bill was read for the first time and referred to the Committee on Commerce.

Begich introduced:

H. F. No. 846, A bill for an act relating to education; providing options for swimming classes in public schools; proposing coding for new law in Minnesota Statutes, chapter 126.

The bill was read for the first time and referred to the Committee on Education.

Ogren, Neuenschwander, Schoenfeld and Brown introduced:

H. F. No. 847, A bill for an act relating to taxation; property; providing a tax base equalization credit for certain property; providing a small business property tax refund; providing a distressed region industrial property tax refund; providing for the valuation adjustment of agricultural land for purposes of school aids; imposing penalties; appropriating money; amending Minnesota Statutes 1986, sections 124.2137, subdivision 1; 273.1393; and 276.04; proposing coding for new law in Minnesota Statutes, chapters 124 and 273.

The bill was read for the first time and referred to the Committee on Taxes.

Clark and Pappas introduced:

H. F. No. 848, A bill for an act relating to health; requiring licensure of home care agencies; providing a home care bill of rights; providing a complaint procedure for home care clients; appropriating money; amending Minnesota Statutes 1986, sections 144.335, subdivision 1; 144.699, subdivision 2; 144A.51, subdivision 6, and by adding a subdivision; 144A.52, subdivision 3; 144A.53, subdivisions 1, 2, 3, and 4; 144A.54, subdivision 1; 256B.04, by adding a

subdivision; 364.09; and 626.557, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 144A.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Clark, Greenfield and Lieder introduced:

**H. F. No. 849, A bill for an act relating to Indian child welfare; establishing direct grants to tribal governments, Indian social service organizations, and local social service agencies to fund Indian child welfare programs; establishing an Indian child welfare advisory council; amending Minnesota Statutes 1986, sections 257.35; and 257.351, subdivision 15, and by adding subdivisions; 257.354, subdivision 4, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 257; repealing Minnesota Statutes 1986, section 245.76.**

The bill was read for the first time and referred to the Committee on Health and Human Services.

Jennings, Redalen, Jacobs, Scheid and Jensen introduced:

**H. F. No. 850, A bill for an act relating to utilities; allowing telephone companies and independent telephone companies to elect alternative regulation; proposing coding for new law as Minnesota Statutes, chapter 237A.**

The bill was read for the first time and referred to the Committee on Regulated Industries.

Vellenga; McEachern; Nelson, K.; Kostohryz and Schafer introduced:

**H. F. No. 851, A bill for an act relating to education; allowing school districts to provide transportation for certain elementary students; altering the definition of transportation category; permitting a levy for transportation for desegregation; amending Minnesota Statutes 1986, sections 123.39, subdivision 8d; and 124.225, subdivision 1.**

The bill was read for the first time and referred to the Committee on Education.

Krueger, Wenzel, Redalen, Kalis and Quist introduced:

H. F. No. 852, A bill for an act relating to agriculture; establishing liens and security interests that are subject to federal notice and registration provisions and provisions prescribing when buyers of farm products purchase subject to or free of security interests; proposing coding for new law in Minnesota Statutes, chapter 223A.

The bill was read for the first time and referred to the Committee on Agriculture.

McEachern and Vellenga introduced:

H. F. No. 853, A bill for an act relating to education; clarifying the authority of contracting school districts to select an individual to provide services as a superintendent; amending Minnesota Statutes 1986, section 123.34, subdivision 9.

The bill was read for the first time and referred to the Committee on Education.

Orenstein introduced:

H. F. No. 854, A bill for an act relating to judgments; clarifying the procedure and cost for filing foreign judgments; clarifying the procedure to be used in securing a judgment and execution; amending Minnesota Statutes 1986, sections 548.27; 548.30; 549.09; and 550.04.

The bill was read for the first time and referred to the Committee on Judiciary.

Nelson, K.; Anderson, G.; Blatz; Kelly and Rodosovich introduced:

H. F. No. 855, A bill for an act relating to education and employment; providing for educational skills, employability, and community service opportunities for Minnesota's 18 to 22 year old young adults; establishing a Minnesota youth service; describing program components and service projects; defining compensation, benefits, coverages, and educational tuition credits; prescribing organizational structure, administration, and duties of certain departments, governmental bodies, and community service organizations; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 267A.

The bill was read for the first time and referred to the Committee on Higher Education.

Bishop, Reding, Segal, Kalis and Haukoos introduced:

H. F. No. 856, A bill for an act relating to local government; allocating community service block grant discretionary funds; designating certain counties eligible entities for community action funds; amending Minnesota Statutes 1986, sections 268.52, subdivision 2; and 268.53, subdivision 1.

The bill was read for the first time and referred to the Committee on Health and Human Services.

McLaughlin; Riveness; Anderson, R.; Schoenfeld and Wynia introduced:

H. F. No. 857, A bill for an act relating to employment; allowing commissioner of jobs and training to contract with service providers to deliver wage subsidies; requiring that 90 percent of wage subsidy money be allocated to priority groups; allowing eligible local service units to retain 75 percent of money repaid by employers receiving wage subsidies; appropriating money; amending Minnesota Statutes 1986, sections 268.673, subdivision 5, and by adding a subdivision; 268.676, subdivision 1; 268.678, subdivision 4; and 268.681, subdivision 3.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Kalis, Vellenga, Blatz, Haukoos and Schoenfeld introduced:

H. F. No. 858, A bill for an act relating to collection and dissemination of public safety data; classifying as private data the identities of individuals who serve on the medical review and alcohol review panels; amending Minnesota Statutes 1986, section 13.69, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Transportation.

Long, Steensma, Cooper, Dorn and Kludt introduced:

H. F. No. 859, A bill for an act relating to the department of finance; clarifying and correcting miscellaneous provisions to improve the administration of the department and of state government; appropriating money; amending Minnesota Statutes 1986, sections 3C.12, subdivision 2; 16A.06, by adding a subdivision; 16A.126, subdivision 2; 16A.127, subdivision 3; 16A.275; 16A.36, subdivision

2; 16A.41, subdivision 1; 16A.85, by adding a subdivision; and 116J.36, subdivision 6.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Schreiber, by request, introduced:

H. F. No. 860, A bill for an act relating to real estate; eliminating the requirement that governmental units pay recording or filing fees; amending Minnesota Statutes 1986, section 386.77.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Simoneau, Segal, Pappas, Rice and Trimble introduced:

H. F. No. 861, A bill for an act relating to human services; providing that interest earned by the revolving fund for vocational rehabilitation of the blind be credited to the fund by the state treasurer; amending Minnesota Statutes 1986, section 248.07, subdivision 8.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Rukavina, Munger, Rose, Battaglia and Long introduced:

H. F. No. 862, A bill for an act relating to commerce; creating a legislative commission to study proposed low-level military air training in northeastern Minnesota; prescribing its duties.

The bill was read for the first time and referred to the Committee on Economic Development and Housing.

Tompkins, Valento, Jensen and Ozment introduced:

H. F. No. 863, A bill for an act relating to waste control; appropriating money to reimburse Farmington for excess charges.

The bill was read for the first time and referred to the Committee on Metropolitan Affairs.

Tompkins, Battaglia, Jennings, Valento and Jensen introduced:

H. F. No. 864, A bill for an act relating to the environment; allowing local governments to utilize amounts attributable to inflow

of infiltration for rehabilitation of sewer systems; proposing coding for new law in Minnesota Statutes, chapter 473.

The bill was read for the first time and referred to the Committee on Metropolitan Affairs.

Bertram, O'Connor, Bauerly and Dille introduced:

H. F. No. 865, A bill for an act relating to civil liability; requiring dram shop insurance premiums to be based on the claims experience of the insured; providing for recovery of costs by certain licensees in dram shop actions; amending Minnesota Statutes 1986, sections 340A.409, by adding a subdivision; and 340A.802, subdivision 3.

The bill was read for the first time and referred to the Committee on Judiciary.

Skoglund, Kelly, Steensma, Winter and Bishop introduced:

H. F. No. 866, A bill for an act relating to public safety; establishing the "McGruff" symbol as the sign for a safe house for children; creating a safe house program; proposing coding for new law in Minnesota Statutes, chapter 299A.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Blatz, Himle, Riveness, Lieder and Battaglia introduced:

H. F. No. 867, A bill for an act relating to local improvements; authorizing the levy of special assessments for highway sound barriers; amending Minnesota Statutes 1986, sections 429.011, by adding a subdivision; and 429.021, subdivision 1.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Gruenes, Marsh and Solberg introduced:

H. F. No. 868, A bill for an act relating to municipalities; removing a certain restriction upon personnel policies; amending Minnesota Statutes 1986, section 465.72, subdivision 2.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Clark, Pappas and Tunheim introduced:

H. F. No. 869, A bill for an act relating to corrections; appropriating money for the American Indian counseling program.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Rodosovich; Dauner; Anderson, G.; Jennings and Sviggum introduced:

H. F. No. 870, A bill for an act relating to human services; mandating a comprehensive system of mental health services; appropriating money; amending Minnesota Statutes 1986, section 256E.05, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 256G.

The bill was read for the first time and referred to the Committee on Health and Human Services.

McEachern; Johnson, A.; Beard; Olson, K., and Kelso introduced:

H. F. No. 871, A bill for an act relating to education; requiring a public member and a representative of the association of secondary school principals on the state high school league board; amending Minnesota Statutes 1986, section 129.121, subdivision 1.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Long; Rose; Johnson, A.; Trimble and Wagenius introduced:

H. F. No. 872, A bill for an act relating to hazardous waste facilities; providing for financial responsibility when an owner or operator is bankrupt; proposing coding for new law in Minnesota Statutes, chapter 116.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

## MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate File, herewith transmitted:

S.F. No. 378.

PATRICK E. FLAHAVERN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S.F. Nos. 157, 245, 302 and 368.

PATRICK E. FLAHAVERN, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 378, A bill for an act relating to utilities; requiring owners of electric power lines to trim vegetation around lines; providing that failure to trim vegetation is a nuisance; proposing coding for new law in Minnesota Statutes, chapter 561.

The bill was read for the first time and referred to the Committee on Regulated Industries.

S. F. No. 157, A bill for an act relating to property interests; enacting the uniform statutory rule against perpetuities; amending Minnesota Statutes 1986, section 500.17, subdivision 2; proposing coding for new law as Minnesota Statutes, chapter 501A; repealing Minnesota Statutes 1986, section 500.13.

The bill was read for the first time and referred to the Committee on Judiciary.

S. F. No. 245, A bill for an act relating to intoxicating liquor; authorizing the city of Moorhead to issue an on-sale intoxicating liquor license to the Red River Valley Center-Hjemkomst Heritage Interpretive Center.

The bill was read for the first time and referred to the Committee on Regulated Industries.

S. F. No. 302, A bill for an act relating to crimes; repealing the crime of criminal syndicalism; repealing Minnesota Statutes 1986, section 609.405.

The bill was read for the first time.

Pappas moved that S. F. No. 302 and H. F. No. 316, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 368, A bill for an act relating to eminent domain; increasing appraisal fees awarded by commissioners; amending Minnesota Statutes 1986, section 117.085.

The bill was read for the first time and referred to the Committee on Appropriations.

### CONSENT CALENDAR

H. F. No. 320 was reported to the House.

There being no objection, H. F. No. 320 was temporarily laid over on the Consent Calendar.

H. F. No. 567, A resolution memorializing the President and Congress to give states more authority to regulate interstate pipelines and to improve federal regulation of pipelines.

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 124 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Clausnitzer	Hugoson	Larsen	Nelson, K.
Anderson, R.	Cooper	Jacobs	Lasley	Neuenschwander
Battaglia	Dauner	Jaros	Lieder	O'Connor
Bauerly	DeBlieck	Jefferson	Long	Olsen, S.
Beard	Dempsey	Jensen	Marsh	Olson, E.
Begich	Dille	Johnson, A.	McDonald	Olson, K.
Bennett	Dorn	Johnson, R.	McKasy	Omann
Bertram	Forsythe	Kahn	McLaughlin	Onnen
Bishop	Frederick	Kalis	McPherson	Orenstein
Blatz	Frerichs	Kelly	Milbert	Osthoff
Boo	Greenfield	Kelso	Miller	Otis
Brown	Gruenes	Kinkel	Minne	Ozment
Burger	Gutknecht	Kludt	Morrison	Pauly
Carlson, D.	Hartle	Knickerbocker	Munger	Pelowski
Carlson, L.	Haukoos	Knuth	Murphy	Peterson
Carruthers	Heap	Kostohryz	Nelson, C.	Poppenhagen
Clark	Himle	Krueger	Nelson, D.	Quinn

Quist	Rukavina	Shaver	Swenson	Voss
Redalen	Sarna	Simoneau	Tjornhom	Wagenius
Reding	Schafer	Skoglund	Tompkins	Welle
Rest	Scheid	Solberg	Trimble	Wenzel
Rice	Schoenfeld	Sparby	Tunheim	Winter
Richter	Schreiber	Stanius	Uphus	Wynia
Rodosovich	Seaberg	Steensma	Valento	Spk. Norton
Rose	Segal	Sviggum	Vanasek	

The bill was passed and its title agreed to.

H. F. No. 688, A bill for an act relating to controlled substances; classifying the substance alfentanil as a schedule II controlled substance; amending Minnesota Statutes 1986, section 152.02, subdivision 3.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Lasley	Otis	Skoglund
Anderson, R.	Gruenes	Lieder	Ozment	Solberg
Battaglia	Gutknecht	Long	Pauly	Sparby
Bauerly	Hartle	Marsh	Pelowski	Stanius
Beard	Haukoos	McDonald	Peterson	Steensma
Begich	Heap	McKasy	Poppenhagen	Sviggum
Bennett	Himle	McLaughlin	Quinn	Swenson
Bertram	Jacobs	McPherson	Quist	Thiede
Bishop	Jaros	Milbert	Redalen	Tjornhom
Blatz	Jefferson	Minne	Reding	Tompkins
Boo	Jennings	Morrison	Rest	Trimble
Brown	Jensen	Munger	Rice	Tunheim
Burger	Johnson, A.	Murphy	Richter	Uphus
Carlson, D.	Johnson, R.	Nelson, C.	Riveness	Valento
Carlson, L.	Johnson, V.	Nelson, D.	Rodosovich	Vanasek
Carruthers	Kahn	Nelson, K.	Rose	Voss
Clark	Kalis	Neuenschwander	Rukavina	Wagenius
Cooper	Kelly	O'Connor	Sarna	Waltman
Dauner	Kelso	Ogren	Schafer	Welle
DeBlicke	Kinkel	Olsen, S.	Scheid	Wenzel
Dempsey	Kludt	Olson, E.	Schoenfeld	Winter
Dille	Knickerbocker	Olson, K.	Schreiber	Wynia
Dorn	Knuth	Omman	Seaberg	Spk. Norton
Forsythe	Kostohryz	Onnen	Segal	
Frederick	Krueger	Orenstein	Shaver	
Frerichs	Larsen	Osthoff	Simoneau	

The bill was passed and its title agreed to.

H. F. No. 320 which was temporarily laid over earlier today was again reported to the House.

H. F. No. 320, A bill for an act relating to statutes; removing certain gender references; amending Minnesota Statutes 1986, section 459.16.

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:

Anderson, G.	Gruenes	Lasley	Osthoff	Simoneau
Anderson, R.	Gutknecht	Lieder	Otis	Skoglund
Battaglia	Hartle	Long	Ozment	Solberg
Bauerly	Haukoos	Marsh	Pauly	Sparby
Beard	Heap	McDonald	Pelowski	Stanius
Begich	Himle	McKasy	Peterson	Steensma
Bennett	Hugoson	McLaughlin	Poppenhagen	Sviggum
Bertram	Jacobs	McPherson	Quinn	Swenson
Bishop	Jaros	Milbert	Quist	Tjornhom
Blatz	Jefferson	Miller	Redalen	Tompkins
Boo	Jennings	Minne	Reding	Trimble
Brown	Jensen	Morrison	Rest	Tunheim
Burger	Johnson, A.	Munger	Rice	Uphus
Carlson, D.	Johnson, R.	Murphy	Richter	Valento
Carlson, L.	Johnson, V.	Nelson, C.	Riveness	Vanasek
Carruthers	Kahn	Nelson, D.	Rodosovich	Voss
Clark	Kalis	Nelson, K.	Rose	Wagenius
Cooper	Kelly	Neuenschwander	Rukavina	Waltman
DeBlieck	Kelso	O'Connor	Sarna	Welle
Dempsey	Kinkel	Ogren	Schafer	Wenzel
Dille	Kludt	Olsen, S.	Scheid	Winter
Dorn	Knickerbocker	Olson, E.	Schoenfeld	Wynia
Forsythe	Knuth	Olson, K.	Schreiber	Spk. Norton
Frederick	Kostohryz	Omann	Seaberg	
Frerichs	Krueger	Onnen	Segal	
Greenfield	Larsen	Orenstein	Shaver	

The bill was passed and its title agreed to.

S. F. No. 85, A bill for an act relating to real estate; providing for clearing title defects in adjacent land; amending Minnesota Statutes 1986, section 508.08.

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 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Boo	DeBlieck	Hartle	Johnson, A.
Anderson, R.	Brown	Dempsey	Haukoos	Johnson, R.
Battaglia	Burger	Dille	Heap	Johnson, V.
Bauerly	Carlson, D.	Dorn	Himle	Kahn
Beard	Carlson, L.	Forsythe	Hugoson	Kalis
Begich	Carruthers	Frederick	Jacobs	Kelly
Bennett	Clark	Frerichs	Jaros	Kelso
Bertram	Clausnitzer	Greenfield	Jefferson	Kinkel
Bishop	Cooper	Gruenes	Jennings	Kludt
Blatz	Dauner	Gutknecht	Jensen	Knickerbocker

Knuth	Nelson, C.	Pelowski	Scheid	Trimble
Kostohryz	Nelson, D.	Peterson	Schoenfeld	Tunheim
Krueger	Nelson, K.	Poppenhagen	Schreiber	Uphus
Larsen	Neuenschwander	Quinn	Seaberg	Valento
Lasley	O'Connor	Quist	Segal	Vanasek
Lieder	Ogren	Redalen	Shaver	Voss
Long	Olsen, S.	Reding	Simoneau	Wagenius
Marsh	Olson, K.	Rest	Skoglund	Waltman
McDonald	Omann	Rice	Solberg	Welle
McKasy	Onnen	Richter	Sparby	Wenzel
McLaughlin	Orenstein	Riveness	Stanius	Wynia
Milbert	Osthoff	Rodosovich	Swiggum	Spk. Norton
Minne	Otis	Rose	Swenson	
Morrison	Ozment	Rukavina	Thiede	
Munger	Pappas	Sarna	Tjornhom	
Murphy	Pauly	Schafer	Tompkins	

The bill was passed and its title agreed to.

### CALENDAR

H. F. No. 289, A bill for an act relating to the city of St. Paul; setting the maximum amounts and other conditions for the issuance of capital improvement bonds; amending Laws 1971, chapter 773, section 1, subdivision 2, as amended; and section 2, as amended; repealing Laws 1963, chapter 881, 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:

Anderson, G.	Frederick	Larsen	Orenstein	Seaberg
Anderson, R.	Frerichs	Lasley	Osthoff	Segal
Battaglia	Greenfield	Lieder	Otis	Shaver
Bauerly	Gruenes	Long	Ozment	Simoneau
Beard	Gutknecht	Marsh	Pappas	Skoglund
Begich	Hartle	McDonald	Pauly	Solberg
Bennett	Heap	McLaughlin	Pelowski	Sparby
Bertram	Himle	McPherson	Peterson	Stanius
Bishop	Hugoson	Milbert	Poppenhagen	Steenasma
Blatz	Jacobs	Miller	Quinn	Swiggum
Boo	Jaros	Minne	Quist	Swenson
Brown	Jennings	Morrison	Redalen	Thiede
Burger	Jensen	Munger	Reding	Tjornhom
Carlson, D.	Johnson, R.	Murphy	Rest	Tompkins
Carlson, L.	Johnson, V.	Nelson, C.	Rice	Trimble
Carruthers	Kahn	Nelson, D.	Richter	Tunheim
Clark	Kalis	Nelson, K.	Riveness	Uphus
Clausnitzer	Kelly	Neuenschwander	Rodosovich	Valento
Cooper	Kelso	O'Connor	Rose	Vanasek
Dauner	Kinkel	Ogren	Rukavina	Voss
DeBlicke	Kludt	Olsen, S.	Sarna	Wagenius
Dempsey	Knickerbocker	Olson, E.	Schafer	Waltman
Dille	Knuth	Olson, K.	Scheid	Welle
Dorn	Kostohryz	Omann	Schoenfeld	Wenzel
Forsythe	Krueger	Onnen	Schreiber	Winter
				Wynia
				Spk. Norton

The bill was passed and its title agreed to.

H. F. No. 147, A bill for an act relating to crimes; expanding the crime of witness tampering to include the act of intimidating a witness to make false statements; amending Minnesota Statutes 1986, section 609.498, subdivisions 1 and 2.

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 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Battaglia	Gutknecht	Lieder	Osthoff	Segal
Bauerly	Hartle	Long	Otis	Shaver
Beard	Haukoos	Marsh	Ozment	Simoneau
Begich	Heap	McDonald	Pappas	Skoglund
Bennett	Himle	McKasy	Pauly	Solberg
Bishop	Hugoson	McLaughlin	Pelowski	Sparby
Blatz	Jacobs	McPherson	Peterson	Stanius
Boo	Jaros	Milbert	Poppenhagen	Svigum
Brown	Jefferson	Miller	Quinn	Swenson
Burger	Jennings	Minne	Quist	Thiede
Carlson, D.	Jensen	Morrison	Redalen	Tjornhom
Carlson, L.	Johnson, A.	Munger	Reding	Tompkins
Carruthers	Johnson, R.	Murphy	Rest	Trimble
Clark	Johnson, V.	Nelson, C.	Rice	Tunheim
Clausnitzer	Kahn	Nelson, D.	Richter	Uphus
Cooper	Kalis	Nelson, K.	Riveness	Valento
DeBleek	Kelly	Neuenschwander	Rodosovich	Vanasek
Dempsey	Kelso	O'Connor	Rose	Voss
Dille	Kinkel	Ogren	Rukavina	Wagenius
Dorn	Knickerbocker	Olsen, S.	Sarna	Waltman
Forsythe	Knuth	Olson, E.	Schafer	Welle
Frederick	Kostohryz	Olson, K.	Scheid	Wenzel
Frerichs	Krueger	Omann	Schoenfeld	Winter
Greenfield	Larsen	Onnen	Schreiber	Wynia
Gruenes	Lasley	Orenstein	Seaberg	Spk. Norton

The bill was passed and its title agreed to.

H. F. No. 151, A bill for an act relating to crime victims; permitting the crime victims reparation board to file a claim for reparations; altering the manner of determining reparations claims; requiring law enforcement agencies to aid the board; providing for the classification of various data; clarifying ambiguous language; providing penalties; amending Minnesota Statutes 1986, sections 609.101; 611A.04, by adding a subdivision; 611A.52, subdivision 8; 611A.53, subdivision 2; 611A.57; 611A.66; and 611A.74, subdivision 2; repealing Minnesota Statutes 1986, section 611A.59.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Gruenes	Lasley	Osthoff	Shaver
Battaglia	Gutknecht	Lieder	Otis	Simoneau
Bauerly	Hartle	Long	Ozment	Skoglund
Beard	Haukoos	Marsh	Pappas	Solberg
Begich	Heap	McDonald	Pauly	Sparby
Bennett	Himle	McKasy	Pelowski	Steensma
Bertram	Hugoson	McLaughlin	Peterson	Sviggum
Bishop	Jacobs	McPherson	Poppenhagen	Swenson
Blatz	Jaros	Milbert	Quinn	Thiede
Boo	Jefferson	Miller	Quist	Tjornhom
Brown	Jennings	Minne	Redalen	Tompkins
Burger	Jensen	Morrison	Reding	Trimble
Carlson, D.	Johnson, A.	Munger	Rest	Tunheim
Carlson, L.	Johnson, R.	Murphy	Rice	Uphus
Carruthers	Johnson, V.	Nelson, C.	Richter	Valento
Clark	Kahn	Nelson, D.	Riveness	Vanasek
Clausnitzer	Kalis	Nelson, K.	Rodosovich	Voss
Cooper	Kelly	Neuenschwander	Rose	Wagenius
Dauner	Kelso	O'Connor	Rukavina	Waltman
DeBlieck	Kinkel	Ogren	Sarna	Welle
Dempsey	Kludt	Olsen, S.	Schafer	Wenzel
Dorn	Knickerbocker	Olsen, E.	Scheid	Winter
Forsythe	Knuth	Olson, K.	Schoenfeld	Wynia
Frederick	Kostohryz	Omann	Schreiber	Spk. Norton
Frerichs	Krueger	Onnen	Seaberg	
Greenfield	Larsen	Orenstein	Segal	

The bill was passed and its title agreed to.

H. F. No. 240, A bill for an act relating to commerce; prohibiting surcharges on credit card sales; prescribing a penalty; proposing coding for new law in Minnesota Statutes, chapter 325G.

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:

Anderson, G.	Clark	Hartle	Kalis	McDonald
Battaglia	Clausnitzer	Haukoos	Kelly	McKasy
Bauerly	Cooper	Heap	Kelso	McLaughlin
Beard	Dauner	Himle	Kinkel	McPherson
Begich	DeBlieck	Hugoson	Kludt	Milbert
Bertram	Dempsey	Jacobs	Knickerbocker	Miller
Bishop	Dille	Jaros	Knuth	Minne
Blatz	Dorn	Jefferson	Kostohryz	Morrison
Boo	Forsythe	Jennings	Krueger	Munger
Brown	Frederick	Jensen	Larsen	Murphy
Burger	Frerichs	Johnson, A.	Lasley	Nelson, C.
Carlson, D.	Greenfield	Johnson, R.	Lieder	Nelson, D.
Carlson, L.	Gruenes	Johnson, V.	Long	Nelson, K.
Carruthers	Gutknecht	Kahn	Marsh	Neuenschwander

O'Connor	Pelowski	Rukavina	Sparby	Voss
Ogren	Peterson	Sarna	Stanius	Wagenius
Olsen, S.	Poppenhagen	Schafer	Steenasma	Waltman
Olson, K.	Quinn	Scheid	Sviggum	Welle
Omann	Redalen	Schoenfeld	Swenson	Wenzel
Onnen	Reding	Schreiber	Tjornhom	Winter
Orenstein	Rest	Seaberg	Tompkins	Wynia
Osthoff	Rice	Segal	Trimble	Spk. Norton
Otis	Richter	Shaver	Tunheim	
Ozment	Riveness	Simoneau	Uphus	
Pappas	Rodosovich	Skoglund	Valento	
Pauly	Rose	Solberg	Vanasek	

Those who voted in the negative were:

Quist

The bill was passed and its title agreed to.

S. F. No. 211, A bill for an act relating to alcoholic beverages; premises which may be issued on-sale licenses; amending Minnesota Statutes 1986, sections 340A.404, subdivisions 1 and 6; 340A.411, subdivision 1; and 340A.504, subdivision 3.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Hartle	Marsh	Pappas	Solberg
Battaglia	Haukoos	McDonald	Pauly	Sparby
Bauerly	Heap	McKasy	Pelowski	Stanius
Beard	Himle	McLaughlin	Peterson	Steenasma
Begich	Hugoson	McPherson	Poppenhagen	Sviggum
Bennett	Jacobs	Milbert	Quinn	Swenson
Bertram	Jaros	Miller	Quist	Thiede
Bishop	Jefferson	Minne	Redalen	Tjornhom
Blatz	Jennings	Morrison	Reding	Tompkins
Boo	Jensen	Munger	Rest	Trimble
Brown	Johnson, A.	Murphy	Rice	Tunheim
Burger	Johnson, R.	Nelson, C.	Richter	Uphus
Carlson, D.	Johnson, V.	Nelson, D.	Riveness	Valento
Carlson, L.	Kalis	Nelson, K.	Rodosovich	Vanasek
Carruthers	Kelly	Neuenschwander	Rose	Voss
Clark	Kelso	O'Connor	Rukavina	Wagenius
Clausnitzer	Kinkel	Ogren	Sarna	Waltman
Cooper	Kludt	Olsen, S.	Schafer	Welle
DeBlicck	Knickerbocker	Olson, E.	Scheid	Wenzel
Dempsey	Knuth	Olson, K.	Schoenfeld	Winter
Dorn	Kostohryz	Omann	Schreiber	Spk. Norton
Forsythe	Krueger	Onnen	Seaberg	
Frederick	Larsen	Orenstein	Segal	
Frerichs	Lasley	Osthoff	Shaver	
Gruenes	Lieder	Otis	Simoneau	
Gutknecht	Long	Ozment	Skoglund	

The bill was passed and its title agreed to.

H. F. No. 280, A bill for an act relating to the city of St. Paul; repealing bonding authority and a sunset provision relating to the port authority; amending Laws 1983, chapter 110, section 4; repealing Minnesota Statutes 1986, section 458.773.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Larsen	Orenstein	Segal
Battaglia	Gruenes	Lasley	Osthoff	Shaver
Bauerly	Gutknecht	Lieder	Otis	Simoneau
Beard	Hartle	Long	Ozment	Skoglund
Begich	Haukoos	Marsh	Pappas	Solberg
Bennett	Heap	McDonald	Pauly	Sparby
Bertram	Himle	McKasy	Pelowski	Stanisus
Bishop	Hugoson	McLaughlin	Peterson	Steenasma
Blatz	Jacobs	McPherson	Poppenhagen	Svigum
Boo	Jaros	Milbert	Quinn	Thiede
Brown	Jefferson	Miller	Quist	Tjornhom
Burger	Jennings	Minne	Redalen	Tompkins
Carlson, D.	Jensen	Morrison	Reding	Trimble
Carlson, L.	Johnson, A.	Munger	Rest	Tunheim
Carruthers	Johnson, R.	Murphy	Rice	Uphus
Clark	Johnson, V.	Nelson, C.	Richter	Valento
Clausnitzer	Kahn	Nelson, D.	Riveness	Vanasek
Cooper	Kalis	Nelson, K.	Rodosovich	Voss
Dauner	Kelly	Neuenschwander	Rose	Wagenius
DeBlicck	Kelso	O'Connor	Rukavina	Waltman
Dempsey	Kinkel	Ogren	Sarna	Welle
Dille	Kludt	Olsen, S.	Schafer	Wenzel
Dorn	Knickerbocker	Olsen, E.	Scheid	Winter
Forsythe	Knuth	Olson, K.	Schoenfeld	Wynia
Frederick	Kostohryz	Omann	Schreiber	Spk. Norton
Frerichs	Krueger	Onnen	Seaberg	

The bill was passed and its title agreed to.

H. F. No. 56, A bill for an act relating to health; requiring mosquito research and management activities to be ecologically nondisruptive; amending Minnesota Statutes 1986, section 144.95, subdivisions 1, 2, 3, 7, 9, and 10.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Bauerly	Begich	Bertram	Blatz
Anderson, R.	Beard	Bennett	Bishop	Boo

Brown	Jacobs	McKasy	Pauly	Skoglund
Burger	Jaros	McLaughlin	Pelowski	Solberg
Carlson, D.	Jefferson	McPherson	Peterson	Sparby
Carlson, L.	Jennings	Milbert	Poppenhagen	Stanius
Carruthers	Jensen	Miller	Quinn	Steensma
Clark	Johnson, A.	Minne	Quist	Sviggum
Clausnitzer	Johnson, R.	Morrison	Redalen	Thiede
Cooper	Johnson, V.	Munger	Reding	Tjornhom
Dauner	Kahn	Murphy	Rest	Tompkins
DeBlieck	Kalis	Nelson, C.	Rice	Trimble
Dempsey	Kelly	Nelson, D.	Richter	Tunheim
Dille	Kelso	Nelson, K.	Riveness	Uphus
Dorn	Kinkel	Neuenschwander	Rodosovich	Valento
Forsythe	Kludt	O'Connor	Rose	Vanasek
Frederick	Knickerbocker	Ogren	Rukavina	Voss
Frerichs	Knuth	Olsen, S.	Sarna	Wagenius
Greenfield	Kostohryz	Olson, E.	Schafer	Waltman
Gruenes	Krueger	Olson, K.	Scheid	Welle
Gutknecht	Larsen	Omann	Schoenfeld	Wenzel
Hartle	Lasley	Onnen	Schreiber	Winter
Haukoos	Lieder	Orenstein	Seaberg	Wynia
Heap	Long	Osthoff	Segal	Spk. Norton
Himle	Marsh	Otis	Shaver	
Hugoson	McDonald	Ozment	Simoneau	

The bill was passed and its title agreed to.

H. F No. 281, A bill for an act relating to relating to elections; providing for experimental mail elections; proposing coding for new law in Minnesota Statutes, chapter 204B.

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 110 yeas and 14 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Frerichs	Krueger	Orenstein	Segal
Anderson, R.	Greenfield	Larsen	Osthoff	Shaver
Battaglia	Gutknecht	Lasley	Otis	Simoneau
Bauerly	Hartle	Lieder	Ozment	Skoglund
Beard	Heap	Long	Pappas	Solberg
Begich	Jacobs	Marsh	Pauly	Sparby
Bennett	Jaros	McKasy	Pelowski	Stanius
Bertram	Jefferson	McLaughlin	Peterson	Steensma
Bishop	Jennings	Milbert	Quinn	Tjornhom
Blatz	Jensen	Minne	Redalen	Tompkins
Brown	Johnson, A.	Morrison	Reding	Trimble
Burger	Johnson, R.	Munger	Rest	Tunheim
Carlson, D.	Johnson, V.	Murphy	Rice	Uphus
Carlson, L.	Kahn	Nelson, C.	Riveness	Vanasek
Carruthers	Kalis	Nelson, K.	Rodosovich	Voss
Clark	Kelly	Neuenschwander	Rose	Wagenius
Clausnitzer	Kelso	O'Connor	Rukavina	Waltman
Cooper	Kinkel	Ogren	Sarna	Welle
Dauner	Kludt	Olsen, S.	Schafer	Wenzel
DeBlieck	Knickerbocker	Olson, E.	Scheid	Winter
Dille	Knuth	Olson, K.	Schoenfeld	Wynia
Dorn	Kostohryz	Omann	Seaberg	Spk. Norton

Those who voted in the negative were:

Dempsey	Haukoos	McDonald	Poppenhagen	Schreiber
Forsythe	Himle	Miller	Quist	Valento
Gruenes	Hugoson	Onnen	Richter	

The bill was passed and its title agreed to.

### GENERAL ORDERS

Pursuant to Rules of the House, the House resolved itself into the Committee of the Whole with Norton in the Chair for consideration of bills pending on General Orders of the Day. Long presided during a portion of the meeting of the Committee of the Whole. After some time spent therein the Committee arose.

#### REPORT OF THE COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following recommendations of the Committee were reported to the House:

H. F. Nos. 312, 334, 400, 152, 202, 369, 493 and 502 were recommended to pass.

H. F. Nos. 134, 28, 102, 110, 141, 227 and 270 were recommended for progress.

S. F. No. 402 was recommended for progress.

H. F. No. 137 was recommended for progress retaining its place on General Orders.

H. F. No. 397 was recommended for progress until Monday, March 23, 1987.

H. F. No. 119 was recommended for re-referral to the Committee on Governmental Operations.

H. F. No. 436, the first engrossment, which it recommended for progress with the following amendment offered by Lieder:

Page 2, line 8, delete "of a higher disease content" and insert "that does not comply with this section"

Page 2, line 9, before the period insert "if the seed does not pose a serious disease threat"

On the motion of Vanasek the report of the Committee of the Whole was adopted.

## ROLL CALLS IN COMMITTEE OF THE WHOLE

Pursuant to rule 1.6, the following roll calls were taken in the Committee of the Whole:

The question was taken on the motion to recommend passage of H. F. No. 312 and the roll was called. There were 90 yeas and 33 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Gruenes	Kostohryz	Olson, K.	Shaver
Battaglia	Hartle	Krueger	Omann	Simoneau
Bauerly	Haukoos	Larsen	Orenstein	Skoglund
Beard	Heap	Lasley	Otis	Solberg
Begich	Jacobs	Long	Pappas	Sparby
Bertram	Jaros	McLaughlin	Pauly	Steensma
Bishop	Jefferson	Milbert	Peterson	Swenson
Blatz	Jensen	Minne	Quinn	Tjornhom
Carlson, L.	Johnson, A.	Morrison	Reding	Trimble
Carruthers	Johnson, R.	Munger	Rest	Tunheim
Clark	Kahn	Murphy	Rice	Valento
Cooper	Kalis	Nelson, C.	Riveness	Vanasek
Dauner	Kelly	Nelson, D.	Rukavina	Voss
DeBlicek	Kelso	Nelson, K.	Sarna	Wagenius
Dorn	Kinkel	O'Connor	Scheid	Welle
Forsythe	Kludt	Ogren	Schoenfeld	Wenzel
Frederick	Knickerbocker	Olsen, S.	Schreiber	Winter
Greenfield	Knuth	Olson, E.	Segal	Spk. Norton

Those who voted in the negative were:

Bennett	Dille	McDonald	Quist	Sviggum
Boo	Frerichs	McPherson	Redalen	Thiede
Brown	Gutknecht	Miller	Richter	Tompkins
Burger	Himle	Onnen	Rodosovich	Uphus
Carlson, D.	Hugoson	Osthoff	Rose	Waltman
Clausnitzer	Johnson, V.	Pelowski	Schafer	
Dempsey	Lieder	Poppenhagen	Seaberg	

The motion prevailed.

Redalen moved to amend H. F. No. 152, the first engrossment, as follows:

Page 1, line 11, after the comma insert “transacting business in St. Louis, Carlton, Aitkin, Koochiching, Itasca, Cook and Lake counties”

Amend the title:

Page 1, line 3, after “companies” insert “transacting business in St. Louis, Carlton, Aitkin, Koochiching, Itasca, Cook and Lake counties”

The question was taken on the Redalen amendment and the roll was called. There were 46 yeas and 78 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Gruenes	Marsh	Quist	Thiede
Bennett	Güt knecht	McDonald	Redalen	Tjornhom
Boo	Hartle	McKasy	Richter	Tompkins
Burger	Haukoos	McPherson	Schafer	Upphus
Clausnitzer	Heap	Miller	Scheid	Valento
Dempsey	Himle	Morrison	Schreiber	Waltman
Dille	Hugoson	Olsen, S.	Seaberg	
Porsythe	Jennings	Onnen	Shaver	
Frederick	Johnson, V.	Osthoff	Stanius	
Frerichs	Knickerbocker	Poppenhagen	Sviggum	

Those who voted in the negative were:

Anderson, G.	Jacobs	Lieder	Orenstein	Segal
Battaglia	Jaros	Long	Otis	Simoneau
Bauerly	Jefferson	McLaughlin	Ozment	Skoglund
Beard	Jensen	Milbert	Pappas	Sparby
Begich	Johnson, A.	Minne	Pelowski	Steensma
Bertram	Johnson, R.	Munger	Peterson	Swenson
Brown	Kahn	Murphy	Price	Trimble
Carlson, D.	Kalis	Nelson, C.	Quinn	Tunheim
Carlson, L.	Kelly	Nelson, D.	Reding	Vanasek
Carruthers	Kelso	Nelson, K.	Rest	Voss
Clark	Kinkel	Neuenschwander	Rice	Wagenius
Cooper	Kludt	O'Connor	Rodosovich	Weile
Dauner	Kostohryz	Ogren	Rose	Wenzel
DeBlick	Krueger	Olson, E.	Rukavina	Winter
Dorn	Larsen	Olson, K.	Sarna	
Greenfield	Lasley	Omam	Schoenfeld	

The motion did not prevail and the amendment was not adopted

## MOTIONS AND RESOLUTIONS

Schoenfeld moved that the name of Wenzel be added as an author on H. F. No. 210. The motion prevailed.

Wagenius moved that the name of Osthoff be stricken and the name of Tjornhom be added as an author of H. F. No. 654. The motion prevailed.

Tunheim moved that the names of Wenzel and Schoenfeld be added as authors on H. F. No. 672. The motion prevailed.

Solberg moved that the name of Rukavina be stricken and the name of Gruenes be added as an author on H. F. No. 718. The motion prevailed.

McLaughlin moved that the names of Trimble, Clark and Carruthers be added as authors on H. F. No. 719. The motion prevailed.

Simoneau moved that the names of Clark and Tjornhom be added as authors on H. F. No. 720. The motion prevailed.

Johnson, V., moved that the names of Osthoff and Valento be added as authors on H. F. No. 739. The motion prevailed.

Lieder moved that the names of Thiede and Schafer be added as authors on H. F. No. 749. The motion prevailed.

Vellenga moved that the name of Clark be added as an author on H. F. No. 762. The motion prevailed.

Rodosovich moved that the name of Anderson, R., be added as an author on H. F. No. 781. The motion prevailed.

Pappas moved that the name of Clark be added as an author on H. F. No. 789. The motion prevailed.

Nelson, D., moved that H. F. No. 110, now on General Orders, be re-referred to the Committee on Appropriations. The motion prevailed.

Simoneau moved that H. F. No. 522 be recalled from the Committee on Transportation and be re-referred to the Committee on Governmental Operations. The motion prevailed.

Greenfield moved that H. F. Nos. 546, 617, 630 and 746 be recalled from the Committee on Financial Institutions and Insurance and be re-referred to the Committee on Health and Human Services. The motion prevailed.

Long, Otis and Carlson, L., introduced:

House Resolution No. 32, A House resolution recognizing the week of March 8 to 14, 1987, as Volunteers of America Week in Minnesota.

The resolution was referred to the Committee on Rules and Legislative Administration.

McDonald, Ozment and Miller introduced:

House Resolution No. 33, A House resolution urging the Senate to take immediate action on legislation establishing a 1987 interest buy-down program.

#### SUSPENSION OF RULES

McDonald moved that the rules be so far suspended that House Resolution No. 33 be now considered and be placed upon its adoption.

A roll call was requested and properly seconded.

NOTICE OF INTENTION TO DEBATE A RESOLUTION

Pursuant to rule 4.5, Vanasek gave notice of his intention to debate House Resolution No. 33. The resolution was laid over one day.

Vanasek and Norton introduced:

House Concurrent Resolution No. 6, A House concurrent resolution adopting permanent joint rules of the Senate and House of Representatives.

The concurrent resolution was referred to the Committee on Rules and Legislative Administration.

ADJOURNMENT

Vanasek moved that when the House adjourns today it adjourn until 2:00 p.m., Thursday, March 12, 1987. The motion prevailed.

Vanasek moved that the House adjourn. The motion prevailed and the Speaker declared the House stands adjourned until 2:00 p.m., Thursday, March 12, 1987.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

## STATE OF MINNESOTA

## SEVENTY-FIFTH SESSION—1987

## TWENTY-FIRST DAY

SAINT PAUL, MINNESOTA, THURSDAY, MARCH 12, 1987

The House of Representatives convened at 2:00 p.m. and was called to order by Fred C. Norton, Speaker of the House.

Prayer was offered by Pastor David Stewart, Dayton Avenue Presbyterian Church, St. Paul, Minnesota.

The roll was called and the following members were present:

Anderson, G.	Greenfield	Marsh	Ozment	Simoneau
Anderson, R.	Gruenes	McDonald	Pappas	Skoglund
Battaglia	Gutknecht	McEachern	Pauly	Solberg
Bauerly	Hartle	McKasy	Pelowski	Sparby
Beard	Haukoos	McLaughlin	Peterson	Stanius
Begich	Heap	McPherson	Poppenhagen	Steensma
Bennett	Hugoson	Milbert	Price	Sviggum
Bertram	Jacobs	Miller	Quinn	Thiede
Bishop	Jaros	Minne	Quist	Tjornhom
Blatz	Jefferson	Morrison	Redalen	Tompkins
Boo	Jennings	Munger	Reding	Trimble
Brown	Johnson, R.	Murphy	Rest	Tunheim
Burger	Johnson, V.	Nelson, C.	Rice	Uphus
Carlson, L.	Kahn	Nelson, D.	Richter	Valento
Carruthers	Kelly	Nelson, K.	Riveness	Vanasek
Clark	Kelso	Neuenschwander	Rodosovich	Vellenga
Clausnitzer	Kinkel	O'Connor	Rose	Voss
Cooper	Kludt	Ogren	Rukavina	Wagenius
Dauner	Knuth	Olsen, S.	Sarna	Waltman
DeBlieck	Kostohryz	Olson, E.	Schafer	Welle
Dempsey	Krueger	Olson, K.	Schoenfeld	Wenzel
Dille	Larsen	Omann	Schreiber	Winter
Dorn	Lasley	Onnen	Seaberg	Wynia
Frederick	Lieder	Orenstein	Segal	Spk. Norton
Frerichs	Long	Otis	Shaver	

A quorum was present.

Carlson, D.; Forsythe; Jensen; Kalis; Knickerbocker; Osthoff; Scheid and Swenson were excused.

Himle was excused until 2:25 p.m. Johnson, A., was excused until 3:05 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Kelly moved that further reading of the Journal be dispensed

with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

#### REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 483, 489, 510, 362 and 436 and S. F. Nos. 157, 245, 302, 368 and 378 have been placed in the members' files.

S. F. No. 302 and H. F. No. 316, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Pappas moved that the rules be so far suspended that S. F. No. 302 be substituted for H. F. No. 316 and that the House File be indefinitely postponed. The motion prevailed.

#### REPORTS OF STANDING COMMITTEES

Beginch from the Committee on Labor-Management Relations to which was referred:

H. F. No. 3, A bill for an act relating to labor; changing the minimum wage; amending Minnesota Statutes 1986, section 177.24, subdivision 1.

Reported the same back with the following amendments:

Page 1, line 8, strike "Beginning" and delete "July 1,"

Page 1, line 9, delete "1987" and strike the first comma

Page 1, line 11, delete "\$4.25" and insert "\$3.75"

Page 1, line 11, after "hour" insert "beginning July 1, 1987, \$4.15 an hour beginning July 1, 1988, and \$4.35 an hour beginning July 1, 1989,"

Page 1, line 13, delete "\$3.83" and insert "\$3.38"

Page 1, line 13, after "hour" insert "beginning July 1, 1987, \$3.74 an hour beginning July 1, 1988, and \$3.92 an hour beginning July 1, 1989"

Page 1, after line 13, insert:

“The minimum wage for an employee who receives \$35 or more in gratuities per month shall be \$3.35 an hour for employees 18 years of age or older and \$3.02 an hour for employees under 18 until January 1, 1988.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 91, A bill for an act relating to public safety; pipelines and underground facilities; enacting the Minnesota pipeline safety act; requiring a routing permit to construct a new pipeline; creating the office of pipeline safety and providing for its powers and duties; authorizing rulemaking for purposes of delegation of federal authority; creating the pipeline safety advisory commission; regulating the operation of certain pipelines; requiring the adoption of pipeline setback ordinances; providing for notification of excavation in the area of underground facilities; providing for a pipeline inspection fee; establishing the pipeline safety fund; requiring a study; providing penalties; appropriating money; amending Minnesota Statutes 1986, sections 116I.02, subdivisions 2 and 3; 117.48; 117.49; 216B.16, by adding a subdivision; 299F.56, by adding a subdivision; 299F.57; 299F.58; 299F.60; 299F.61; 299F.62; 299F.63; and 299F.64; proposing coding for new law in Minnesota Statutes, chapter 116I; proposing coding for new law as Minnesota Statutes, chapters 216C and 299J.

Reported the same back with the following amendments:

Page 25, line 35, delete the second “the”

Page 25, line 36, delete “serious bodily injury of” and insert “great bodily harm, as defined in section 609.02, to”

Page 26, line 4, delete “the” and delete “serious bodily injury of” and insert “great bodily harm to”

Page 34, line 36, before the period insert “, and section 12, subdivision 1, paragraph (c) applies to crimes committed on or after that date” and delete “29” and insert “35”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 123, A bill for an act relating to probate; providing for an increased sum payable to a surviving spouse by affidavit; allowing nursing home care costs to be a claim of the same class as medical and hospital expenses; increasing the value of a probate estate allowed for purposes of collection by affidavit; amending Minnesota Statutes 1986, sections 181.58; 524.3-805; and 524.3-1201.

Reported the same back with the following amendments:

Page 2, line 23, delete “; provided,”

Page 2, delete lines 24 and 25

Page 2, line 26, delete everything before the semicolon

Page 2, after line 26, insert:

“(5) reasonable and necessary medical, hospital, and nursing home expenses for the care of the decedent during the year immediately preceding death;”

Page 2, line 27, strike “(5)” and insert “(6)”

Page 2, line 29, strike “(6)” and insert “(7)”

With the recommendation that when so amended the bill pass.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 178, A bill for an act relating to health; providing for special grants to conduct community-wide pilot programs to reduce the prevalence of risk conditions or behaviors related to osteoporosis; appropriating money; amending Minnesota Statutes 1986, section 145.922, by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [OSTEOPOROSIS SPECIAL GRANTS.]

The commissioner of health shall make available special grant awards to community agencies, local government entities, educa-

tional institutions, research organizations, or other interested organizations to conduct community-based pilot programs to reduce the prevalence of risk conditions or behaviors related to osteoporosis. The special grants must be used to support activities that include outreach, public and professional education, needs assessments, prevention and intervention programs for at-risk populations, coordination of existing programs, both public and private, and assistance for new programs.

The commissioner shall establish criteria for awarding these special grants. Priority for the special grants must be given to organizations and entities that have, or will receive, funding from other sources that will augment their proposed activities to reduce the prevalence of risk conditions or behaviors related to osteoporosis. The commissioner shall consider special grant requests that use a descriptive or exploratory approach, as well as a controlled or experimental approach.

The commissioner shall appoint an advisory group to serve without compensation and to assist the commissioner in establishing the criteria for awarding the special grants, to review the proposals, and to make recommendations for awarding the special grants. The advisory group must consist of seven people as follows: one person with osteoporosis, one representative of the Minnesota board on aging, one person from a senior advocacy organization, one representative of the food industry, two licensed health professionals involved in treating people with osteoporosis, and one person involved in health promotion or health education activities.

The commissioner shall solicit proposals from at least five organizations or entities geographically distributed around the state. The proposals must contain the following:

- (a) a description of activities to be pursued;
- (b) documentation of the involvement of affected groups in the community in the development of the proposal;
- (c) a description of the kinds of data or other information that would be collected to support recommendations to the commissioner to aid in future efforts to address health promotion activities related to osteoporosis; and
- (d) a plan and budget for the use of the special grant award in the form and detail specified by the commissioner.

The commissioner may solicit, receive, and disburse funds made available to reduce the prevalence of risk conditions or behaviors related to osteoporosis.

## Sec. 2. [APPROPRIATION.]

\$..... is appropriated from the general fund to the commissioner of health for the purpose of funding the special grants as specified in section 1. The sum is available until expended."

Delete the title and insert:

"A bill for an act relating to health; providing for special grants to conduct community-based pilot programs to reduce the prevalence of risk conditions or behaviors related to osteoporosis; appropriating money."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 188, A bill for an act relating to health; requiring a study and report to the legislature on the effects of exposure to low-level ionizing radiation.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [LOW-LEVEL IONIZING RADIATION STUDY AND REPORT.]

Subdivision 1. [STUDY AND REPORT REQUIRED.] The commissioner of health shall conduct a study and report to the governor and the legislature no later than July 1, 1988, on the human health effects of low-level ionizing radiation. The report shall include:

(1) data and risk coefficients currently available relating to ionizing radiation effects of occupational exposure, on human fetuses, and on the general public; and

(2) current research data on the worldwide effects to the public health of the radioactive emissions resulting from the Chernobyl accident in April 1986.

Subd. 2. [REVIEW.] The commissioner of health shall have the report reviewed by three persons or entities not affiliated with the state department of health or any other agency of the executive branch of Minnesota state government.

Sec. 2. [APPROPRIATION.]

\$..... is appropriated to the commissioner of health to conduct the study described in section 1.

Delete the title and insert:

“A bill for an act relating to health; requiring a study and report to the legislature on the effects of exposure to low-level ionizing radiation; appropriating money.”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 243, A bill for an act relating to human services; authorizing a change in license fees that fund educational programs for resident and family advisory councils; appropriating money; amending Minnesota Statutes 1986, section 144A.33, subdivision 3, and by adding a subdivision.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 248, A bill for an act relating to health; appropriating money for the WIC program.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [FOOD ACCESSIBILITY PROJECTS.]

The commissioner of jobs and training, with the advice and assistance of the commissioners of human services and health, shall establish food accessibility projects to demonstrate methods of maximizing participation in food assistance programs and providing a single-site access point for food assistance programs including food stamps, surplus commodities, the special supplemental food pro-

gram for women, infants, and children (WIC), and other public and private food assistance programs. The commissioner shall establish a minimum of ten projects throughout the state, including at least one project in each of the following regions: northeast, northwest, southeast, southwest, central, and the seven-county metropolitan area. The projects must be evaluated on the basis of their ability to do the following:

(1) increase participation in existing food assistance programs by eligible persons who need and desire food assistance;

(2) coordinate existing food assistance programs to minimize duplication of services and target resources to persons and areas with the greatest need; and

(3) improve access to food assistance programs by providing a single site where, to the extent possible, people desiring food assistance can receive specific information on all existing food assistance programs; apply for assistance when required; and receive on-site food, food stamps, WIC coupons, or a food voucher without the need for a referral to another agency or location. The single site selected for the project may be a county agency or community action agency.

The projects must be established by October 1, 1987. The commissioner of jobs and training shall provide an interim progress report to the legislature by February 1, 1988, and a final report and evaluation by February 1, 1989.

## Sec. 2. [APPROPRIATION.]

\$250,000 is appropriated from the general fund to the commissioner of jobs and training to conduct food accessibility demonstration projects; \$125,000 to be available until June 30, 1988, and \$125,000 to be available until June 30, 1989.

\$1,300,000 is appropriated from the general fund to the commissioner of jobs and training to provide for the local storage, transportation, processing, and distribution of United States Department of Agriculture surplus commodities; \$650,000 to be available until June 30, 1988, and \$650,000 to be available until June 30, 1989. \$250,000 of the biennial appropriation must be used each year to satisfy the state match required by the United States Department of Agriculture. The department of jobs and training shall report on the surplus commodities program to the state legislature by January 15 of each year.

\$10,000,000 is appropriated from the general fund to the commissioner of health to provide additional services to persons eligible for the special supplemental food program for women, infants, and children (WIC); \$5,000,000 to be available for the fiscal year ending

June 30, 1988, and \$5,000,000 to be available for the fiscal year ending June 30, 1989."

Delete the title and insert:

"A bill for an act relating to health; establishing demonstration projects for single-site access to food assistance; appropriating money for food accessibility projects, surplus commodities distribution, and the WIC program."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 298, A bill for an act relating to hazardous waste; requiring a license for the transportation of hazardous waste; providing for license administration suspension, and revocation; requiring rulemaking; providing penalties; amending Minnesota Statutes 1986, sections 221.011, subdivision 31; 221.033, by adding a subdivision; 221.291, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 221.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 221.011, subdivision 31, is amended to read:

Subd. 31. "Hazardous waste" has the meaning given it in Code of Federal Regulations, title 49, section 171.8. In addition, hazardous waste means any hazardous waste identified or listed under any provision of chapters 115 or 116 or any rule adopted in accordance with those chapters.

Sec. 2. Minnesota Statutes 1986, section 221.033, is amended by adding a subdivision to read:

Subd. 1a. [TRANSPORTATION OF HAZARDOUS WASTE.] No person may transport or have transported within the state a hazardous waste except in compliance with sections 3 to 7.

Sec. 3. [221.035] [HAZARDOUS WASTES TRANSPORTER LICENSES; RULES.]

Subdivision 1. [LICENSE REQUIREMENT.] A person who transports hazardous wastes in this state shall first obtain a license from the commissioner. The license is not transferable to another person.

Subd. 2. [VEHICLE REQUIREMENTS.] Every vehicle operated under a license issued under this section must be operated in compliance with the rules of the commissioner adopted under this chapter governing driver qualifications; safety of operation; equipment, parts, and accessories; inspection, repair, and maintenance; maximum hours of service; and must display the name and address of the licensee on both sides of the vehicle. A driver of a vehicle transporting hazardous wastes must be at least 25 years old.

Subd. 3. [LICENSE APPLICATION AND FEES.] An applicant for a license under this section who is not otherwise subject to section 221.141, shall cause a certificate of insurance to be filed with the commissioner as provided in section 221.141. The certificate must state that the insurer has issued to the applicant a policy that by endorsement provides public liability insurance in the amount required by the United States Department of Transportation, as provided by Code of Federal Regulations, title 49, part 387.

An applicant shall pay \$500 for a three-year license. The commissioner shall issue the license and shall issue a vehicle identification tag for each vehicle that the licensee will use to transport hazardous waste. The applicant shall pay a fee of \$25 for each vehicle identification tag. The license must be maintained at the licensee's principal place of business. The vehicle identification tag must be displayed on the vehicle to which it is assigned, as prescribed by the commissioner. The tag is effective only for the period during which the license is effective. The license and the vehicle identification tags must be renewed in the third year following the date of the issuance of the license.

Subd. 4. [COMMISSIONER'S RULEMAKING AUTHORITY.] Except as provided in section 5, subdivision 2, the commissioner shall adopt rules necessary to implement this section and rules requiring reports from licensees, as the commissioner determines necessary to monitor the transportation of hazardous wastes through this state.

Sec. 4. [221.036] [LICENSE SUSPENSION AND REVOCATION.]

Subdivision 1. [SUSPENSION AND REVOCATION.] (a) The commissioner may suspend or revoke a license and vehicle identification tags issued under section 3 if the commissioner determines that a licensee's actions constitute a serious or repeated violation of any provision of a statute or rule governing the transportation of hazardous wastes. Revocation and suspension shall be accomplished according to rules adopted by the commissioner. Factors to be

considered by the commissioner in determining whether to suspend or revoke a license shall include:

(1) the danger of exposure of the traveling public to toxic or hazardous substances;

(2) the condition of the vehicle;

(3) the number and kind of previous violations;

(4) repeated out-of-service violations;

(5) the willfulness of the violation;

(6) the history of any past violations; and

(7) other factors considered by the commissioner to be relevant to establishing the conditions of the suspension or revocation.

(b) In addition the commissioner shall revoke by order, without a hearing, the license and vehicle identification tags of a licensee who fails to renew a license or fails to maintain insurance as required by section 3, subdivision 3. Revocation under this paragraph shall continue until the licensee provides the commissioner with proof of a renewal and insurance.

Sec. 5. [221.037] [ADMINISTRATIVE PENALTIES.]

Subdivision 1. [PENALTY AUTHORIZED.] In addition or as an alternative to an order issued under section 4, the commissioner may issue an order requiring violations to be corrected and assessing administrative penalties for violations of any provision of sections 2 to 7 relating to the transportation of hazardous waste, or any rule, order, license, or term or conditions of a license issued or adopted by the commissioner under this section.

Subd. 2. [AMOUNT OF PENALTY; CONSIDERATIONS.] The commissioner may issue an order assessing an administrative penalty in an amount of not more than \$10,000 for violations identified during an inspection or audit. In determining the amount of a penalty to be assessed, the commissioner may consider:

(1) the willfulness of the violation;

(2) the gravity of the violation, including damage to humans, animals, air, water, land or other natural resources of the state;

(3) the cost to the state of enforcing the law;

(4) the economic benefit the violator gained from noncompliance;

- (5) the size of the business;
- (6) the history of any past violations;
- (7) the number of violations;
- (8) the economic impact of a penalty; and
- (9) the deterrent effect of a penalty.

Subd. 3. [FORM OF ORDER.] An order assessing an administrative penalty shall include the following:

- (1) a concise statement of the facts constituting the alleged violation;
- (2) a reference to the section of the statute, rule, order, license, or term or condition of a license that has been violated;
- (3) a statement of the amount of the administrative penalty to be imposed; and
- (4) a statement of the person's right to a hearing.

Subd. 4. [PROCEDURE FOR ORDER.] (a) The commissioner may issue an order requiring that the violations cited in the order to be corrected within 30 calendar days from the date the order is mailed.

(b) If the person to whom the order was issued fails to demonstrate to the satisfaction of the commissioner within 30 days of the date the order was mailed that the violation has been corrected or that appropriate steps have been taken toward correcting the violation, the penalty set forth in the order is then due and payable unless a hearing under subdivision 5 has been requested within the 30-day period.

(c) The commissioner may, in lieu of the procedure set out in paragraph (a), issue an order that immediately assesses a penalty if the commissioner determines that, considering the factors set out in subdivision 2, an immediate penalty is appropriate. The penalty shall be due and payable 30 days from the date the order was mailed unless a hearing under subdivision 5 has been requested.

(d) Interest at the rate established in section 549.09 begins to accrue on the 31st day after the order was originally mailed.

(e) Failure to pay a penalty owed under this section constitutes grounds for the commissioner to revoke or refuse to reissue or renew any license issued under section 3 by the department.

(f) Penalties collected under this section shall be paid to the trunk highway fund.

Subd. 5. [HEARING.] On request of the person to whom an order is issued under this section, the order shall be subject to an expedited hearing process. The procedure for the expedited hearing shall include the following:

(a) The hearing will be held within 30 days after a request for hearing has been filed with the commissioner unless the parties agree to a later date.

(b) The person to whom the order is directed and the commissioner shall be the parties to the hearing.

(c) The commissioner must notify the person to whom the order is directed of the time and place of the hearing at least 20 days before the hearing.

(d) The hearing will be limited to no more than six hours of hearing time, exclusive of any prehearing, unless the administrative law judge determines that there are circumstances requiring a longer hearing.

(e) The factual record shall close at the close of the hearing.

(f) Written arguments must be submitted within ten days following the close of the record.

(g) The administrative law judge shall issue a report making recommendations to the commissioner within 30 days following the close of the record.

(h) The administrative law judge shall not recommend a change in the amount of the proposed penalty unless the administrative law judge makes a determination based on the factors set out in subdivision 2 that the commissioner has committed an abuse of discretion in setting the amount of the penalty.

(i) The hearing shall be conducted under the conference contested case rules of the office of administrative hearings, as modified by this subdivision. The hearing examiner may, in consultation with the commissioner, adopt rules specifically applicable to cases under this section.

Subd. 6. [FINAL ORDERS.] (a) If a hearing has been held, the commissioner shall not issue a final order until at least five days after receipt of the report of the administrative law judge. The person to whom an order is issued may within those five days comment to the commissioner on the recommendations and the

commissioner shall consider the comments. The final order may be appealed in the manner provided in sections 14.63 to 14.69.

(b) If the administrative law judge makes a finding that the hearing was requested for purposes of delay or that there was no reasonable basis in law or fact for requesting a hearing, the commissioner may add to the amount of the penalty the costs paid by the commissioner to the offices of administrative hearings for the hearing.

(c) If a hearing has been held and a final order issued by the commissioner, the penalty shall be paid within 15 days from the date the final order is mailed, together with interest accruing at the rate established in section 549.09 from the 31st day following the day the original order was mailed.

#### Sec. 6. [221.038] [ENFORCEMENT.]

The attorney general may proceed on behalf of the state to enforce penalties imposed under section 5 in any manner provided by law for the collection of debts. This power shall include the following means of debt collection:

(a) The attorney general may petition the district court to file the administrative order as an order of the court. At any court hearing, the only issues parties may contest are procedural and notice issues. Once entered, the administrative order may be enforced in the manner as a final judgment of the district court.

(b) If any party liable to pay a penalty imposed under section 5 fails to pay the penalty, the amount of the penalty together with interest and costs shall be a lien in favor of the state on any real or personal property of the person, except the person's homestead. The lien is effective for real property after the attorney general files a notice of lien in the office of the county recorder or in the office of the registrar of titles of the county in which the property is situated.

(c) The lien created under this section is effective for personal property after the attorney general files a notice of lien describing the property to which the lien attaches in the office of the county recorder of the county where the attorney general believes the property is located when the lien is filed. The lien against personal property shall also be filed with the secretary of state. In the case of personal property belonging to an individual who is not a resident of this state or personal property belonging to a corporation, partnership, or other organization, the attorney general shall file the notice of lien in the office of the secretary of state.

(d) The notice of lien for real property shall be filed in the office of the county recorder or in the office of the registrar of titles of the county in which the property is located and shall contain the names

of the parties subject to the lien, the legal description of the land subject to the lien, the amount of the lien, the legal basis for the lien, and the name, address, and telephone number of the party filing the lien. No attestation, certification, or acknowledgment is required as a condition of filing.

(e) If any person fails to pay the penalty, the attorney general may bring a civil action in district court seeking payment of the penalties, injunctive, or other appropriate relief including monetary damages, attorney's fees, costs and interest.

(f) Failure to pay a penalty owed under this section constitutes grounds for the commissioner to revoke or refuse to renew a license issued by the department.

Sec. 7. [221.039] [CUMULATIVE REMEDY.]

The authority to issue an order assessing penalties under section 5 is in addition to all other remedies available under statutory or common law. The penalty imposed under that section does not preclude the use of any other enforcement provisions in connection with the violation for which the penalty was assessed.

Sec. 8. Minnesota Statutes 1986, section 221.291, subdivision 3, is amended to read:

Subd. 3. [TRANSPORTATION OF HAZARDOUS MATERIALS.]  
A person who ships, transports, or offers for transportation hazardous waste or, hazardous material or hazardous substances in violation of a provision of this chapter or a rule or order of the commissioner or board adopted or issued under this chapter which specifically applies to the transportation of hazardous material or, hazardous waste or hazardous substances is guilty of a misdemeanor and upon conviction may shall, except as provided in section 2 of revisor's bill draft number 87-0573, be fined up to the maximum fine which may be imposed for a misdemeanor for each violation.

Sec. 9. [COORDINATION INSTRUCTION.]

If neither the house file nor senate file version of revisor's bill draft number 87-0573 is enacted into law, the revisor of statutes shall delete the language in section 8 referring to that bill draft."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Transportation.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 303, A bill for an act relating to agriculture; changing the shade tree disease control program; imposing certain penalties; eliminating certain audit requirements and an insurance limitation; changing the cooperative associations law; amending Minnesota Statutes 1986, sections 18.023, subdivisions 1, 1a, and 9; 28A.08; 40.071; 308.58, subdivision 2; 308.62; 308.77; 308.83; and 308.85; repealing Minnesota Statutes 1986, sections 38.02, subdivision 2; 38.13; 308.71; 308.82; 308.84; and 308.901 to 308.92.

Reported the same back with the following amendments:

Page 3, line 29, delete "The late" and insert "A"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 318, A bill for an act relating to crimes; creating the crime of criminal sexual conduct by impersonating a health care professional; amending Minnesota Statutes 1986, sections 609.344, subdivision 1; and 609.345, subdivision 1.

Reported the same back with the following amendments:

Page 3, line 13, after the period insert "Consent by the complainant is not a defense."

Page 5, line 8, after the period insert "Consent by the complainant is not a defense."

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 336, A bill for an act relating to crimes; making certain victims rights provisions applicable to victims of certain ordinance violations; providing for plea agreement notification to a larger group of victims; permitting victims to submit an impact statement to the court; providing the data classification of a request for notice of prisoner release; amending Minnesota Statutes 1986, sections

611A.01; 611A.03, subdivision 3; 611A.06; proposing coding for new law in Minnesota Statutes, chapter 611A.

Reported the same back with the following amendments:

Page 1, line 19, delete "loss or" and insert "bodily"

Page 2, after line 2, insert:

"Sec. 2. Minnesota Statutes 1986, section 611A.03, subdivision 1, is amended to read:

Subdivision 1. [PLEA AGREEMENTS; NOTIFICATION OF VICTIM.] Prior to the entry of the factual basis for a plea pursuant to a plea agreement recommendation, a prosecuting attorney shall make a reasonable and good faith effort to inform the victim of:

(a) The contents of the plea agreement recommendation, including any recommendation made with respect to sentencing; and

(b) The right to be present at the sentencing hearing and to express in writing any objection to the agreement or to the proposed disposition. If the victim is not present when the court considers the recommendation, but has communicated objections to the prosecuting attorney, the prosecuting attorney shall make these objections known to the court."

Page 2, line 10, delete new language

Page 2, line 11, delete "vehicular operation," and delete "and"

Page 2, line 12, before the period insert ", and all felonies"

Page 2, line 15, delete "WRITTEN"

Page 2, line 16, delete "or" and insert "and/or"

Renumber the remaining sections

Amend the title as follows:

Page 1, line 9, delete "subdivision" and insert "subdivisions 1 and"

With the recommendation that when so amended the bill pass.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 358, A bill for an act relating to health; establishing a statewide cancer surveillance system; providing for rule authority to administer the system and collect and distribute data; appropriating money; amending Minnesota Statutes 1986, sections 144.68; and 144.69; proposing coding for new law in Minnesota Statutes, chapter 144; repealing Minnesota Statutes 1986, sections 144.66; and 144.67.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [144.671] [CANCER SURVEILLANCE SYSTEM; PURPOSE.]

The commissioner of health shall establish a statewide population-based cancer surveillance system. The purpose of this system is to:

(1) monitor incidence trends of cancer to detect potential public health problems, predict risks, and assist in investigating cancer clusters;

(2) more accurately target intervention resources for communities and patients and their families;

(3) inform health professionals and citizens about risks, early detection, and treatment of cancers known to be elevated in their communities; and

(4) promote high quality research to provide better information for cancer control and to address public concerns and questions about cancer.

Sec. 2. [144.672] [DUTIES OF COMMISSIONER; RULES.]

Subdivision 1. [RULE AUTHORITY.] The commissioner of health shall collect cancer incidence information, analyze the information, and conduct special studies designed to determine the potential public health significance of an increase in cancer incidence.

The commissioner shall adopt rules to administer the system, collect information, and distribute data. The rules must include, but not be limited to, the following:

(1) the type of data to be reported;

(2) standards for reporting specific types of data;

(3) payments allowed to hospitals, pathologists, and registry systems to defray their costs in providing information to the system;

(4) criteria relating to contracts made with outside entities to conduct studies using data collected by the system. The criteria may include requirements for a written protocol outlining the purpose and public benefit of the study, the description, methods, and projected results of the study, peer review by other scientists, the methods and facilities to protect the privacy of the data, and the qualifications of the researcher proposing to undertake the study;

(5) specification of fees to be charged under section 13.03, subdivision 3, for all out-of-pocket expenses for data summaries or specific analyses of data requested by public and private agencies, organizations, and individuals, and which are not otherwise included in the commissioner's annual summary reports. Fees collected are appropriated to the commissioner to offset the cost of providing the data; and

(6) establishment of a committee to assist the commissioner in the review of system activities.

Subd. 2. [BIANNUAL REPORT REQUIRED.] The commissioner of health shall prepare and transmit to the governor and to members of the legislature a biannual report on the incidence of cancer in Minnesota and a compilation of summaries and reports from special studies and investigations performed to determine the potential public health significance of an increase in cancer incidence, together with any findings and recommendations. The first report shall be delivered by February 1989, with subsequent reports due in February of each of the following odd-numbered years.

Sec. 3. Minnesota Statutes 1986, section 144.68, is amended to read:

**144.68 [RECORDS AND REPORTS REQUIRED.]**

Subdivision 1. [PERSON PRACTICING HEALING ARTS.] Every person licensed to practice the healing arts in any form, upon request of the state commissioner of health, shall prepare and forward to the commissioner, in the manner and at such times as the commissioner designates, a detailed record of each case of malignant disease cancer treated or seen by the person professionally.

Subd. 2. [HOSPITALS AND SIMILAR INSTITUTIONS.] Every hospital, sanatorium, nursing home medical clinic, medical labora-

tory, or other institution for the hospitalization, clinical or laboratory diagnosis, or care of human beings, upon request of the state commissioner of health, shall prepare and forward to the commissioner, in the manner and at the times designated by the commissioner, a detailed record of each case of malignant disease having been therein cancer.

Subd. 3. [INFORMATION REPORTING WITHOUT LIABILITY.]  
The furnishing of the information required under subdivisions 1 and 2 shall not subject the person, hospital, sanatorium, nursing home medical clinic, medical laboratory, or other place institution furnishing the information, to any action for damages or other relief.

Sec. 4. Minnesota Statutes 1986, section 144.69, is amended to read:

144.69 [INFORMATION NOT AVAILABLE TO THE PUBLIC CLASSIFICATION OF DATA ON INDIVIDUALS.]

No such report, or part thereof, nor any copy of the same or part thereof, shall be open to the public, nor shall any of the contents thereof be disclosed, in any manner, by any official or clerk or other employee or person having access thereto, but all such information Notwithstanding any law to the contrary, including section 13.05, subdivision 9, data collected on individuals by the cancer surveillance system, including the names and personal identifiers of persons required in section 144.68 to report, shall be confidential private and may only be used for the purposes set forth in sections 144.66 to 1 and 2 and 144.68 and 144.69. And any such disclosure other than is provided for in sections 144.66 to 1 and 2 and 144.68 and 144.69, is hereby declared to be a misdemeanor and punishable as such. No Except as provided by rule, and as part of an epidemiologic investigation, an officer or employee of the board shall commissioner of health may interview any patient patients named in any such report, nor a relative or relatives of any such patient, unless only after the consent of the attending physician and or surgeon is first obtained.

Sec. 5. [REPEALER.]

Minnesota Statutes 1986, sections 144.66 and 144.67, are repealed.

Sec. 6. [APPROPRIATION.]

\$1,520,000 is appropriated from the general fund to the commissioner of health to implement the provisions of sections 1 to 4, to establish a statewide cancer surveillance system, to develop and maintain a computerized record linkage system, to manage and analyze the data, and to conduct follow-up investigations on clusters

of disease and unusual case distributions identified by the system, to be available until June 30, 1989.

Sec. 7. [EFFECTIVE DATE.]

Sections 1 to 5 are effective the day following enactment. Section 6 is effective July 1, 1987."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 432, A bill for an act relating to education; modifying certain provisions of the compulsory attendance laws; establishing new compulsory attendance requirements; amending Minnesota Statutes 1986, sections 121.11, subdivision 7; 123.935, subdivision 7; 127.19; and 127.20; proposing coding for new law in Minnesota Statutes, chapter 120; repealing Minnesota Statutes 1986, sections 120.10, subdivisions 1, 2, 2a, and 2b; and 120.12.

Reported the same back with the following amendments:

Page 1, line 20, delete "4" and insert "5"

Page 1, line 23, delete "control" and insert "legal custody"

Page 1, after line 24, insert:

"Subd. 4. [SCHOOL DEFINED.] For the purpose of compulsory attendance, a "school" means a public school, as defined in section 120.05, or a nonpublic school, church or religious organization, or home-school in which a child is provided instruction in compliance with sections 1 and 2."

Page 1, line 25, delete "4" and insert "5"

Page 2, line 4, delete "5" and insert "6"

Page 2, delete lines 15 to 17

Page 3, line 2, after "standardized" insert "achievement"

Page 3, line 15, after "percentile" insert "on the total battery score"

Page 3, line 34, after "calendar" insert "showing that instruction will occur at least 170 days"

Page 4, line 1, after "report" insert "card"

Page 4, line 2, delete "5" and insert "6"

Page 4, line 6, delete "5" and insert "6"

Page 5, after line 34, insert:

"Sec. 4. [120.104] [REPORT TO LEGISLATURE.]

The commissioner of education shall report to the education committees of the legislature by February 1 of each even-numbered year on the implementation of the compulsory education requirements, including an assessment of the activities of the state board of education and the nonpublic education council relating to recognizing educational accrediting agencies."

Page 7, line 15, delete "4" and insert "5"

Page 7, lines 18 to 21, delete the new language and reinstate the stricken language

Page 7, line 31, before the period insert ", and make any necessary cross-reference corrections before the next edition of Minnesota Statutes is published"

Renumber sections accordingly

With the recommendation that when so amended the bill pass.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 470, A bill for an act relating to family law; eliminating the requirement that a husband's consent to donor insemination be filed with the commissioner of health; amending Minnesota Statutes 1986, section 257.56, subdivision 1.

Reported the same back with the following amendments:

Page 1, line 20, after the stricken period insert "Notwithstanding any law to the contrary, the consent shall be retained by the physician for at least four years after the confirmation of any

pregnancy which occurs during the process of artificial insemination."

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 526, A bill for an act relating to human services; authorizing the department of human services to enter into shared service agreements; amending Minnesota Statutes 1986, section 246.57, subdivisions 1, 2, and by adding a subdivision; repealing Minnesota Statutes 1986, sections 246.57, subdivision 3; 246.61; 246.62; and 246.63.

Reported the same back with the following amendments:

Page 2, line 22, delete "account" and insert "fund"

With the recommendation that when so amended the bill pass.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 527, A bill for an act relating to human services; clarifying methods of determining cost of care at regional treatment centers; clarifying responsibility for setting rates and collecting payment for cost of care at state nursing homes; allowing commissioner of human services to collect insurance settlements; amending Minnesota Statutes 1986, sections 246.50, subdivisions 3, 4a, 5, 7, and by adding a subdivision; 246.51; 246.511; and 251.011, subdivision 6; proposing coding for new law in Minnesota Statutes, chapter 246.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 531, A bill for an act relating to Hennepin county; authorizing the issuance of bonds for capital improvements and an annual levy for debt retirement; proposing coding for new law in Minnesota Statutes, chapter 383B.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 542, A bill for an act relating to transportation; providing an alternative procedure to record town roads; proposing coding for new law in Minnesota Statutes, chapter 164.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [164.071] [ALTERNATIVE RECORDING FOR TOWN ROADS.]

Subdivision 1. [DEFINITION.] “Recorded town road map” means the official map of maintained and minimum-maintenance town roads.

Subd. 2. [AUTHORIZATION.] A town board may adopt a recorded town road map under this section to record its town road easements.

Subd. 3. [MAP REQUIREMENTS.] The recorded town road map must:

(1) show maintained and minimum-maintenance town roads at the time the map is adopted;

(2) be prepared at a scale of at least four inches equals one mile;

(3) include a legend to differentiate between maintained and minimum-maintained roads;

(4) include section numbers;

(5) include a north point arrow;

(6) include the name of the town, county, and state;

(7) include a blank and a description under the blank for the date of public hearing and date of adoption; and

(8) include blanks for signatures and dates of signatures for the chair and clerk of the town board.

Subd. 4. [PROCEDURE TO ADOPT MAP.] (a) The town board shall pass a resolution of its intent to hold a public hearing to consider recording roads by adopting an official map.

(b) The town board must prepare an official map as provided in subdivision 3, and set a time, place, and date for a public hearing on adopting a recorded town road map to record roads.

(c) The hearing notice must state that the roads to be recorded will be as four rod roads with the official and permanent alignment being 33 feet on either side of the existing center line, except that (1) townline roads may be recorded for only the 33 feet located within the town holding that public hearing, and (2) a road previously recorded as less or greater than a 66-foot right-of-way may be recorded at its actual width and the width must be duly recorded on the map. The hearing notice must be published once a week for two successive weeks in a qualified newspaper of general circulation that serves the town, the last publication to be made at least ten days before the date of the public hearing. At least 30 days before the hearing, the hearing notice must be sent by mail to the property owners directly affected in the town at the addresses listed on tax assessment notices. The hearing notice may be sent with the tax assessment but all additional costs incurred may be billed to the town.

(d) After the public hearing is held, the town board may amend and adopt the recorded town road map. The recorded town road map must be adopted by resolution and the map must be dated and signed by the chair and clerk of the town board and must be recorded with the county recorder within 90 days after the map is adopted.

(e) The map of recorded town roads that is recorded with the county recorder must comply with the standards of the county recorder where the town is located.

(f) A recorded town road map that was prepared by using aerial photographs to establish road center lines and that has been duly recorded with the county recorder, is an adequate description for purposes of recording road easements and the map is the legally constituted description and prevails when a deed for a parcel abutting a road contains no reference to a road easement. Nothing prevents the town board from accepting a more definitive metes and bounds or survey description of a road easement for a road of record

in its jurisdiction providing the description of the easement is referenced to equal distance on both sides of the existing road center line.

Subd. 5. [APPEAL.] A person may appeal a decision to record a road being recorded under this section to the district court within 60 days after the date the town board adopts the recorded town road map.

Subd. 6. [UNRECORDED ROADS AND CARTWAYS NOT AFFECTED.] This section does not affect the legal status or town obligations of roads and cartways not shown on the recorded town road map, except that unrecorded roads must meet minimum town road standards as defined in section 165.04, subdivision 3 or provisions must be made to meet those standards before the town is required to accept the road as part of its recorded road system.

Sec. 2. [164.072] [TOWN AUTHORITY OVER RECORDED ROADS.]

The town board has authority within the 66-foot right-of-way to:

(1) maintain or reconstruct a recorded road used for vehicular travel;

(2) dispose of snow;

(3) plant trees and shrubs that it considers appropriate;

(4) remove trees and other woody vegetation as provided in section 160.22;

(5) allow the placement of highway directional and informational signs as provided in section 169.06, subdivision 3;

(6) allow the placement of electrical and telephone poles and electrical, telephone, or television cables;

(7) control weeds and regulate the cutting or complete removal of nonwoody vegetation; and

(8) regulate erosion, drainage, public nuisances, and matters of public interest."

With the recommendation that when so amended the bill pass.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 557, A bill for an act relating to state departments and agencies; renaming the mental retardation division of the department of human services; amending Minnesota Statutes 1986, section 245.072.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 619, A bill for an act relating to local government; permitting the establishment of a fire protection district for the city of Moose Lake and surrounding territory.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Jaros from the Committee on Higher Education to which was referred:

H. F. No. 632, A bill for an act relating to education; allowing the student council member of the higher education coordinating board to vote; amending Minnesota Statutes 1986, section 136A.02, subdivision 1.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 687, A bill for an act relating to collection and dissemination of data; allowing law enforcement agencies to release the date of birth of persons involved in traffic accidents; amending Minnesota Statutes 1986, section 169.09, subdivision 13.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

S. F. No. 87, A bill for an act relating to tort claims; including the state agricultural society in the definition of state; amending Minnesota Statutes 1986, section 3.732, subdivision 1.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

S. F. No. 137, A bill for an act relating to agriculture; clarifying the exceptions to prohibition against manufacture of food from adulterated milk or cream; amending Minnesota Statutes 1986, section 32.21, subdivision 2.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Vanasek from the Committee on Rules and Legislative Administration to which was referred:

House Resolution No. 32, A House resolution recognizing the week of March 8 to 14, 1987, as Volunteers of America Week in Minnesota.

Reported the same back with the recommendation that the resolution be adopted.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 3, 123, 318, 336, 432, 470, 526, 527, 542, 557 and 687 were read for the second time.

**SECOND READING OF SENATE BILLS**

S. F. Nos. 302, 87 and 137 were read for the second time.

**INTRODUCTION AND FIRST READING  
OF HOUSE BILLS**

The following House Files were introduced:

Long introduced:

H. F. No. 873, A bill for an act relating to motor carriers; providing for the issuance of operating authority to airport passenger carriers; amending Minnesota Statutes 1986, sections 221.011, by adding a subdivision; 221.021; 221.111; 221.121, subdivision 1; 221.161, subdivision 1; and 221.185; proposing coding for new law in Minnesota Statutes, chapter 221.

The bill was read for the first time and referred to the Committee on Transportation.

Carlson, D., and Ogren introduced:

H. F. No. 874, A bill for an act relating to natural resources; changing the conditions of appropriations for construction and facilities at certain conservation facilities; amending Laws 1984, chapter 597, section 5, subdivision 4.

The bill was read for the first time and referred to the Committee on Appropriations.

Carruthers, Rest, Brown, Seaberg and Forsythe introduced:

H. F. No. 875, A bill for an act relating to controlled substances; prescribing "small amount" of marijuana; clarifying certain Schedule II controlled substances; amending Minnesota Statutes 1986, sections 152.01, subdivision 16; and 152.02, subdivision 3.

The bill was read for the first time and referred to the Committee on Judiciary.

Frederick, Otis, Sparby, Dille and Jaros introduced:

H. F. No. 876, A bill for an act relating to economic development; authorizing counties to appropriate money for economic development; amending Minnesota Statutes 1986, section 375.83.

The bill was read for the first time and referred to the Committee on Economic Development and Housing.

Vanasek; Schreiber; Simoneau; Carlson, D., and Quinn introduced:

H. F. No. 877, A bill for an act proposing an amendment to the Minnesota Constitution, article IV, section 4; providing for a senate with six-year terms and a house of representatives with staggered four-year terms.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Wenzel, McDonald, Bauerly, Bertram and Redalen introduced:

H. F. No. 878, A bill for an act relating to the University of Minnesota; appropriating money to develop and study health care delivery systems for dairy herds.

The bill was read for the first time and referred to the Committee on Higher Education.

Tunheim introduced:

H. F. No. 879, A bill for an act relating to public improvements; appropriating money for a Red Lake tribal archives, library, and interpretive center.

The bill was read for the first time and referred to the Committee on Education.

O'Connor, Brown, Kelly, Solberg and Dempsey introduced:

H. F. No. 880, A bill for an act relating to highway traffic regulations; requiring a urine test under the implied consent law under certain circumstances even after a blood or breath test has

been administered; amending Minnesota Statutes 1986, section 169.123, subdivision 2a.

The bill was read for the first time and referred to the Committee on Judiciary.

Orenstein introduced:

H. F. No. 881, A bill for an act relating to elections; limiting transfer of certain funds from one candidate or committee to another; amending Minnesota Statutes 1986, section 210A.16.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Simoneau introduced:

H. F. No. 882, A bill for an act relating to human services; providing that interest earned by the revolving fund for vocational rehabilitation of the blind be credited to the fund by the state treasurer; amending Minnesota Statutes 1986, section 248.07, subdivision 8.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Scheid, Osthoff, Voss and Boo introduced:

H. F. No. 883, A bill for an act relating to commerce; regulating electronic financial terminals; providing for the liability of consumers; defining "unauthorized use" for purposes of financial transaction card regulation; amending Minnesota Statutes 1986, sections 47.69, subdivision 3; and 325G.04, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Scheid, Osthoff, Wynia, Voss and Boo introduced:

H. F. No. 884, A bill for an act relating to financial institutions; savings and loan associations; authorizing the deposit of trust funds received by real estate brokers or salespersons in savings and loan associations; amending Minnesota Statutes 1986, sections 51A.23, subdivision 1; 82.24, subdivisions 1, 2, and 6.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Wynia; Carlson, L.; Quinn; Otis and Sviggum introduced:

H. F. No. 885, A bill for an act relating to education; creating the Minnesota education trust; proposing coding for new law in Minnesota Statutes, chapter 135A.

The bill was read for the first time and referred to the Committee on Higher Education.

Munger; Anderson, G.; Neuenschwander; Rose and Redalen introduced:

H. F. No. 886, A bill for an act relating to natural resources; conservation reserve program; definitions, eligibility for inclusion, applications, agreements, payments, and other terms and conditions; appropriating funds; amending Minnesota Statutes 1986, sections 40.41; 40.42, subdivision 5, and by adding a subdivision; 40.43, subdivisions 2, 5, 6, and 7; 40.44, subdivisions 2 and 3; 40.45; 84.943, subdivision 1; 84.944, subdivision 1; 84.95, by adding a subdivision; 105.391, subdivision 3; and 105.392, subdivisions 1, 2, 3, 4, 5, and 6.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Knuth, Munger, Rose and Johnson, A., introduced:

H. F. No. 887, A bill for an act relating to environment; creating the clean water partnership program for the control of nonpoint source water pollution and providing for administration by the pollution control agency; requiring a state water quality assessment; authorizing technical and financial assistance to local governments; authorizing rulemaking; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 115.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Burger, Larsen, Reding, Bertram and McDonald introduced:

H. F. No. 888, A bill for an act relating to state government; providing incentives for certain state employees; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 15B.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Solberg; Carlson, D.; Johnson, V.; Bauerly and Kinkel introduced:

H. F. No. 889, A bill for an act relating to local government; providing notice conditions for town road contracts; amending Minnesota Statutes 1986, section 160.17, subdivision 2.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Tunheim, Dauner, Krueger, Kinkel and Dille introduced:

H. F. No. 890, A bill for an act relating to human services; allowing certain facilities to choose higher payment limits; requiring a study of geographic groups; amending Minnesota Statutes 1986, section 256B.431, subdivision 2b.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Carlson, L.; Nelson, K.; Jaros; Boo and Orenstein introduced:

H. F. No. 891, A bill for an act relating to education; providing quality assessment activities for post-secondary institutions; establishing a task force; developing pilot projects; appropriating money; amending Minnesota Statutes 1986, section 135A.06; proposing coding for new law in Minnesota Statutes, chapter 135A.

The bill was read for the first time and referred to the Committee on Higher Education.

Anderson, R.; Quinn; Minne and Kostohryz introduced:

H. F. No. 892, A bill for an act relating to veterans; requiring the housing and care of veterans in the Fergus Falls residential treatment center; proposing coding for new law in Minnesota Statutes, chapters 198 and 253.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

McPherson and Stanius introduced:

H. F. No. 893, A bill for an act relating to environmental protection; prohibiting the location of mixed municipal solid waste

disposal facilities in metropolitan regional parks; amending Minnesota Statutes 1986, section 473.803, subdivision 1a.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Welle, Gruenes, Clark, Jaros and Onnen introduced:

H. F. No. 894, A bill for an act relating to human services; creating a new chapter establishing a single, unitary process for the determination of residence and financial responsibility for all human service programs; amending Minnesota Statutes 1986, section 253B.23, subdivision 1; proposing coding for new law as Minnesota Statutes, chapter 256G; repealing Minnesota Statutes 1986, sections 256.73, subdivision 4; 256.76, subdivision 2; 256.79; 256B.02, subdivisions 1, 2, and 3; 256D.18; 256D.37, subdivision 3; and 256E.08, subdivision 7.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Jacobs, Osthoff, Schreiber, Scheid and Norton introduced:

H. F. No. 895, A bill for an act relating to liquor; repealing the law requiring filing and maintenance of lists of wholesale prices; repealing Minnesota Statutes 1986, section 340A.313.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Poppenhagen and Kalis introduced:

H. F. No. 896, A bill for an act relating to health; providing for liability of professional review organizations; amending Minnesota Statutes 1986, section 145.63.

The bill was read for the first time and referred to the Committee on Judiciary.

Osthoff, Gruenes, Vellenga, Dempsey and Wenzel introduced:

H. F. No. 897, A bill for an act relating to education; establishing a demonstration voucher program for pupils; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 129B.

The bill was read for the first time and referred to the Committee on Education.

Neuenschwander, Knickerbocker, Norton, Voss and Price introduced:

H. F. No. 898, A bill for an act relating to financial institutions; permitting interstate banking with additional reciprocating states; amending Minnesota Statutes 1986, section 48.92, subdivision 7.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Ogren; Carlson, D.; Murphy; Munger and Jaros introduced:

H. F. No. 899, A bill for an act relating to education; establishing the Fond du Lac Higher Education Center; appropriating money.

The bill was read for the first time and referred to the Committee on Higher Education.

Neuenschwander, Valento, Jennings, Welle and Marsh introduced:

H. F. No. 900, A bill for an act relating to taxation; sales; providing compensation to retailers for the cost of collection; amending Minnesota Statutes 1986, section 297A.27, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Taxes.

Neuenschwander, Valento, Jennings, Welle and Marsh introduced:

H. F. No. 901, A bill for an act relating to taxation; sales and use; eliminating accelerated payment of liability; amending Minnesota Statutes 1986, section 297A.27, subdivision 1; repealing Minnesota Statutes 1986, section 297A.275.

The bill was read for the first time and referred to the Committee on Taxes.

Onnen and Frerichs introduced:

H. F. No. 902, A bill for an act relating to human services; establishing requirements for rate appeals for intermediate care facilities for persons with mental retardation and related conditions;

amending Minnesota Statutes 1986, section 256B.501, subdivision 3, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Murphy introduced:

H. F. No. 903, A bill for an act relating to retirement; Clifton independent nonprofit firefighting corporation; Duluth township; providing for the transfer of assets and service credit upon the dissolution of the Clifton volunteer firefighters relief association.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Anderson, R.; Wynia and Greenfield introduced:

H. F. No. 904, A bill for an act relating to human services; requiring notification to spouse of nursing home resident; amending Minnesota Statutes 1986, section 256B.48, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Reding, Brown, Jensen, Kostohryz and Redalen introduced:

H. F. No. 905, A bill for an act relating to horse racing; requiring the assigning of suitable racing days for standard-bred racing; authorizing the racing commission to issue an additional license for a racetrack located within the seven-county metropolitan area under certain circumstances; amending Minnesota Statutes 1986, sections 240.06, subdivision 5; and 240.14, by adding a subdivision.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Omann, Simoneau, Knickerbocker, Wenzel and Marsh introduced:

H. F. No. 906, A bill for an act relating to retirement; directing a transfer of contributions and service credit for certain special teachers at adult correctional facilities.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Gruenes; Dorn; Kludt; Johnson, V., and Bishop introduced:

H. F. No. 907, A bill for an act relating to human services; providing that nursing home reimbursement rates for cities of the second class shall equal the rate for the metropolitan area; amending Minnesota Statutes 1986, section 256B.431, subdivision 2b.

The bill was read for the first time and referred to the Committee on Health and Human Services.

McDonald, Sviggum, Thiede, Ozment and Omann introduced:

H. F. No. 908, A bill for an act relating to elections; proposing an amendment to the Minnesota Constitution, article IV, by adding sections, to provide for initiative and referendum; implementing the initiative and referendum process, including the manner of petitioning and voting on initiative and referendum measures and judicial review; imposing duties on certain officials; appropriating money; providing penalties; amending Minnesota Statutes 1986, sections 10A.20, by adding a subdivision; 204B.32; 204C.19, subdivision 2; 204C.33, subdivisions 1 and 3; 204D.11, by adding a subdivision; 204D.15; 204D.16; 290.09, subdivision 2; 290.21, subdivision 3; and 645.02; proposing coding for new law as Minnesota Statutes, chapter 3D.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Welle; Brown; Olson, K.; Nelson, C., and Miller introduced:

H. F. No. 909, A bill for an act relating to waters; changing the posting and publication of notice requirements for aeration operations by a permittee of the commissioner of natural resources; providing an exclusion from government tort liability; amending Minnesota Statutes 1986, sections 3.736, subdivision 3; and 378.22, subdivisions 2 and 3.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

McDonald introduced:

H. F. No. 910, A bill for an act relating to elections; providing a means for voters to inform the legislature on certain policy issues; proposing coding for new law in Minnesota Statutes, chapter 204D.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Frerichs; Brown; Carlson, D.; Neuenschwander and Haukoos introduced:

H. F. No. 911, A bill for an act relating to drivers' licenses; providing that person in charge of visiting minor foreign student may verify written permission of the student's parents for purpose of applying for a driver's license or instruction permit; amending Minnesota Statutes 1986, section 171.04.

The bill was read for the first time and referred to the Committee on Transportation.

Wynia, Greenfield, Kelso, Stanius and Gruenes introduced:

H. F. No. 912, A bill for an act relating to human services; providing for eligibility requirements for receiving medical assistance and general assistance medical care; allowing recovery of benefits paid after death of recipient; requiring assignment of benefits; providing services for pregnant women; allowing certain agencies to collect personal property by affidavit; amending Minnesota Statutes 1986, sections 256B.02, subdivision 8; 256B.06, subdivision 1, and by adding a subdivision; 256B.15; 256B.17, subdivisions 4 and 5; 256B.35, subdivisions 1 and 2; 256D.03, subdivision 3, and by adding a subdivision; and 524.3-1201; repealing Minnesota Statutes 1986, sections 256B.07; and 256D.051, subdivision 12.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Simoneau, Murphy and Begich introduced:

H. F. No. 913, A bill for an act relating to workers' compensation; making technical changes in benefit levels; authorizing the commissioner of labor and industry to perform various tasks; providing for the determination of medical causation; imposing a filing fee for certain appeals; making various administrative changes; providing penalties; amending Minnesota Statutes 1986, sections 176.011, subdivisions 2 and 7a; 176.101, subdivisions 3a, 3b and 3j; 176.102, subdivisions 2, 3, and 3a; 176.103, subdivisions 2 and 3; 176.105, subdivision 4; 176.129, subdivisions 11 and 13; 176.131, subdivisions 1, 1a, and 8; 176.139; 176.179; 176.181, subdivision 3; 176.182; 176.191, subdivisions 1 and 2; 176.225, subdivision 2; 176.2421, subdivision 1; 176.511, subdivisions 1 and 3; repealing Minnesota Statutes 1986, section 176.243.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Dorn; Gruenes; Pelowski; Johnson, R., and Kludt introduced:

H. F. No. 914, A bill for an act relating to education; changing funding and construction of new facilities on state university campuses; giving the state university board greater flexibility to purchase and trade land; allowing the board to keep litigation proceeds; proposing coding for new law in Minnesota Statutes, chapter 136.

The bill was read for the first time and referred to the Committee on Higher Education.

Trimble, Rukavina, Munger and Johnson, R., introduced:

H. F. No. 915, A bill for an act relating to environment; authorizing an assessment against public utilities to finance the state costs of controlling acid deposition; amending Minnesota Statutes 1986, section 116C.69, subdivision 3.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Lasley, Simoneau, Larsen and Bertram introduced:

H. F. No. 916, A bill for an act relating to the department of administration; amending, creating, and deleting various duties of the commissioner of administration; creating the productivity loan fund; providing definitions; amending Minnesota Statutes 1986, sections 4.31, subdivisions 1 and 5; 14.04; 16B.08, subdivisions 3 and 7; 16B.09, subdivision 1; 16B.24, subdivision 6; 16B.29; 16B.51, subdivision 3; 138.17, subdivision 7; and 139.19; amending Laws 1979, chapter 333, section 18; proposing coding for new law in Minnesota Statutes, chapter 16B; repealing Minnesota Statutes 1986, section 138.22.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Rest, Carruthers, Blatz, McDonald and Miller introduced:

H. F. No. 917, A bill for an act relating to obscenity; prohibiting the distribution and exhibition of obscene materials and performances; prescribing penalties; amending Minnesota Statutes 1986, section 617.241.

The bill was read for the first time and referred to the Committee on Judiciary.

Rukavina, Battaglia and Jaros introduced:

H. F. No. 918, A bill for an act relating to human services; allowing local agencies to make additional payments to certain assistance recipients; amending Minnesota Statutes 1986, section 256D.03, subdivision 2.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Voss; Munger; Nelson, D.; Knickerbocker and Redalen introduced:

H. F. No. 919, A bill for an act relating to recreation and natural resources; authorizing grants to local government units for park acquisition and betterment; authorizing dam safety projects; authorizing the acquisition of natural habitat; authorizing acquisition and betterment of units of the outdoor recreation system including, but not limited to, state parks, trails, forests, fishing management lands, wildlife management areas, scientific and natural areas, wild, scenic, and recreational rivers, canoe and boating routes, and public water access; authorizing acquisition and development of amateur athletic training facilities; imposing the sales tax on certain clubs dues; providing for deposit and expenditures of certain sales tax revenues; authorizing the issuance of state bonds; appropriating money; amending Minnesota Statutes 1986, sections 297A.01, subdivision 3; and 297A.44, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 16A.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Simoneau, Reding, Clark, Knickerbocker and Johnson, R., introduced:

H. F. No. 920, A bill for an act relating to retirement; judges' retirement benefits; amending Minnesota Statutes 1986, sections 490.123, subdivision 1; and 490.129.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Ozment, Greenfield, Wynia, Swenson and Clausnitzer introduced:

H. F. No. 921, A bill for an act relating to human services; raising asset limit in medical assistance program; amending Minnesota Statutes 1986, section 256B.06, subdivision 1.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Redalen introduced:

H. F. No. 922, A bill for an act relating to education; authorizing a fund transfer in the Wykoff school district.

The bill was read for the first time and referred to the Committee on Education.

Dauner, Cooper, Greenfield, Rodosovich and Kelso introduced:

H. F. No. 923, A bill for an act relating to human services; regulating budgets and procedures of human services boards; amending Minnesota Statutes 1986, sections 402.02, subdivision 2; 402.05, subdivision 1a; and 402.062, subdivisions 1 and 2; repealing Minnesota Statutes 1986, section 402.095.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Simoneau, Knickerbocker, Kludt and Bertram introduced:

H. F. No. 924, A bill for an act relating to corrections; removing the Minnesota correctional industries from state competitive bidding requirements; amending Minnesota Statutes 1986, section 241.27, subdivision 2.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Carruthers, Blatz, Long and Forsythe introduced:

H. F. No. 925, A bill for an act relating to probate; requiring the court administrator to mail notice of certain claims to personal representatives; amending Minnesota Statutes 1986, section 524.3-804.

The bill was read for the first time and referred to the Committee on Judiciary.

Clark, Battaglia, McLaughlin, Redalen and Vellenga introduced:

H. F. No. 926, A bill for an act relating to occupations and professions; authorizing physical therapy treatment without referral by a physician; prohibiting certain business relationships in the

practice of physical therapy; amending Minnesota Statutes 1986, sections 148.75; and 148.76, subdivision 2.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Clark; Price; Nelson, K., and McEachern introduced:

H. F. No. 927, A bill for an act relating to education; requiring a school district to establish a consumer education advisory committee; proposing coding for new law in Minnesota Statutes, chapter 126.

The bill was read for the first time and referred to the Committee on Education.

Richter introduced:

H. F. No. 928, A bill for an act relating to economic development; creating an enterprise zone to be designated by the city of Wadena.

The bill was read for the first time and referred to the Committee on Economic Development and Housing.

Otis introduced:

H. F. No. 929, A bill for an act relating to economic development; authorizing the energy and economic development authority to make loans and grants and to guarantee loans to small business investment companies; authorizing the issuance of general obligation bonds of the state; appropriating money; amending Minnesota Statutes 1986, sections 116M.03, subdivisions 10, 11, and by adding subdivisions; 116M.06, subdivisions 1, 2, and 4; and 116M.07, subdivision 1, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Economic Development and Housing.

Otis introduced:

H. F. No. 930, A bill for an act relating to economic development; authorizing the energy and economic development authority to make grants for the creation of seed capital funds; appropriating

money; proposing coding for new law in Minnesota Statutes, chapter 116M.

The bill was read for the first time and referred to the Committee on Economic Development and Housing.

Long, Kelly, Greenfield, Forsythe and Vellenga introduced:

H. F. No. 931, A bill for an act relating to public guardianship; modifying standards and procedures for the appointment of public guardians for mentally retarded persons; providing for powers and duties of public guardians; amending Minnesota Statutes 1986, sections 252.291, subdivision 3; 252A.01; 252A.02, subdivisions 2, 4, 6, 7, 8, 11, 12, and by adding subdivisions; 252A.03, subdivisions 2 and 3; 252A.04, subdivisions 1 and 3; 252A.05; 252A.06; 252A.07, subdivisions 1 and 3; 252A.14; 252A.16; 252A.17; 252A.19, subdivisions 1, 2, and 3, and by adding a subdivision; 252A.20, subdivision 1; 252A.21, subdivision 2; 253B.03, subdivisions 1 and 6; and 525.56, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 252A; repealing Minnesota Statutes 1986, sections 252A.08; 252A.10; 252A.11; 252A.13; 252A.15; and 252A.18.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Olson, E.; Anderson, G.; Olson, K., and Brown introduced:

H. F. No. 932, A bill for an act relating to education; providing for disparity reduction aid and levies; amending Minnesota Statutes 1986, section 124A.01; proposing coding for new law in Minnesota Statutes, chapter 124A.

The bill was read for the first time and referred to the Committee on Education.

Knickerbocker introduced:

H. F. No. 933, A bill for an act relating to elections; changing precinct caucus date; changing the date of the state primary; amending Minnesota Statutes 1986, sections 202A.14, subdivision 1; 204B.21, subdivision 1; 204B.33; 204D.03, subdivision 1.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Scheid and Otis introduced:

H. F. No. 934, A bill for an act relating to housing and redevelopment; revising interest reduction programs; allowing authorities economic development powers; changing the allowable tax levy for authorities; amending Minnesota Statutes 1986, sections 462.445, subdivisions 10, 12, and by adding a subdivision; and 465.545, subdivision 6; repealing Minnesota Statutes 1986, section 462.445, subdivision 13.

The bill was read for the first time and referred to the Committee on Economic Development and Housing.

Kostohryz, Valento, Osthoff and Trimble introduced:

H. F. No. 935, A bill for an act relating to Ramsey county; authorizing the issuance of bonds for capital improvements and an annual levy for capital improvements and debt retirement; proposing coding for new law in Minnesota Statutes, chapter 383A.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Simoneau, Reding, Sarna, Gutknecht and Vanasek introduced:

H. F. No. 936, A bill for an act relating to public employees; creating a statewide public employees insurance plan; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 43A.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Simoneau introduced:

H. F. No. 937, A bill for an act relating to health; establishing a board of mental health practitioners; providing penalties; appropriating money; amending Minnesota Statutes 1986, sections 13.41, subdivision 1; 144.335, subdivision 1; 148.01, subdivision 5; 214.01, subdivision 2; and 609.341, subdivision 17; proposing coding for new law as Minnesota Statutes, chapter 148B.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Simoneau, Knickerbocker, Reding, Clark and Johnson, R., introduced:

H. F. No. 938, A bill for an act relating to retirement; regulating workers' compensation offsets to public employee retirement association benefits; amending Minnesota Statutes 1986, sections 353.29, subdivision 2; 353.33, subdivision 5, and by adding a subdivision; 353.651, subdivision 2; 353.656, subdivision 2, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Ogren; Greenfield; Anderson, G.; Clausnitzer and Rodosovich introduced:

H. F. No. 939, A bill for an act relating to occupations and professions; providing for the regulation of the practice of chiropractic; providing for peer review of services and fees; providing grounds for license revocation; prescribing penalties; appropriating money; amending Minnesota Statutes 1986, sections 148.06, subdivision 1; 148.07, subdivision 2; 148.08, subdivision 3; 148.10, subdivisions 1, 3, and by adding a subdivision; and 319A.02, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 148; repealing Minnesota Statutes 1986, section 148.101.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Clark, Rest, Kludt and Simoneau introduced:

H. F. No. 940, A bill for an act relating to retirement; various public employee pension plans; specifying that exemptions from legal process do not include marital property divisions; requiring the provision of certain public pension plan information in marriage dissolution actions; providing for court appointed actuaries in marriage dissolution actions; amending Minnesota Statutes 1986, sections 69.51; 352.15, subdivision 1; 352B.071; 353.15; 354.10; 354A.11; 422A.24; 423.39; 423.61; 423.813; 424.27; 518.54, subdivision 5, and by adding subdivisions; and 518.58; proposing coding for new law in Minnesota Statutes, chapters 356 and 518.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Carruthers, Rest, Seaberg, Bennett and Milbert introduced:

H. F. No. 941, A bill for an act relating to crimes; prohibiting killing or injuring a police dog involved in law enforcement inves-

tigation or apprehension; prescribing penalties; amending Minnesota Statutes 1986, section 609.595, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Judiciary.

Voss introduced:

H. F. No. 942, A bill for an act relating to taxation; changing certain property tax refund definitions; changing the eligibility for property tax refund claimant to only homeowners; providing new property tax refund benefit schedules; directing the commissioner to reduce certain renter's credit; changing and eliminating property tax classifications; eliminating homestead credit, local government aid, agricultural school credit, native prairie credit and reimbursement, wetlands credit and reimbursement, attached machinery aid, supplemental homestead credit, taconite aid reimbursement, and regional transit board reimbursement; providing a state education property tax credit; transferring duties to the commissioner of energy and economic development; abolishing certain levy limits; requiring a referendum on certain levy authorizations; abolishing the equalization aid review committee; transferring responsibilities to commissioner of revenue; eliminating the rental factor in determining adjusted assessed value of agricultural lands; imposing and increasing fees; making administrative, technical, and miscellaneous property tax changes; amending Minnesota Statutes 1986, sections 6.62, subdivision 1; 13.58; 16B.60, subdivision 5; 18.023, subdivision 8; 38.27, subdivision 3; 41.62, subdivision 6; 41B.19, subdivision 8; 47.58, subdivisions 2 and 3; 84.0895, subdivision 2; 88.49, subdivision 6; 110A.28, subdivisions 11 and 12; 110B.15, subdivision 4; 115.34, subdivision 1; 115A.191, subdivisions 2 and 4; 116C.63, subdivision 4; 124.155; 124.2131, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, and 11; 124.38, subdivision 8; 124A.02, subdivisions 3a, 8, 11, and 12; 124A.03, by adding a subdivision; 124A.035, subdivision 5; 124A.08, subdivision 5; 129A.06, subdivision 2; 134.33, subdivision 1; 134.34, subdivisions 1, 2, and 5; 164.041; 169.86, by adding a subdivision; 270.12, subdivision 3; 272.02, subdivision 1a; 272.115, subdivisions 2 and 4; 272.67, subdivision 7; 273.01; 273.1102; 273.1103; 273.1104, subdivision 1; 273.119, subdivision 1; 273.123, subdivisions 4, 5, and 7; 273.124, subdivision 11; 273.1311; 273.1313, subdivisions 1, 2, and 3; 273.133, subdivisions 1 and 3; 273.1392; 273.1393; 273.165, subdivision 2; 273.40; 273.42, subdivision 2; 275.125, subdivisions 9, 9b, and 15; 275.14; 275.15; 275.16; 275.51, subdivision 3i; 275.55; 276.04; 277.01; 278.01, subdivision 2; 278.05, subdivisions 4 and 5; 279.01; 279.06; 279.37, subdivision 1a; 282.01, subdivision 1; 282.014; 282.02; 282.241; 282.33, subdivision 1; 290A.02; 290A.03, subdivisions 3, 6, 8, and 14; 290A.04, subdivisions 1 and 2; 290A.05; 290A.06; 290A.07, subdivision 3; 290A.08; 290A.09; 290A.18; 297A.01, subdivision 14; 298.28, subdivision 12; 298.282, subdivisions 2 and 3; 298.39; 298.396; 360.037, subdivision

2; 375.167, subdivision 1; 383C.55; 412.251; 414.01, subdivision 15; 423.376, subdivision 3; 426.04; 444.075, subdivision 4; 447.34, subdivision 1; 447.35; 458C.22; 465.73; 471.1921; 471.572, subdivision 2; 471.74, subdivision 2; 471A.03, subdivision 4; 473.446, subdivision 1; 473.844, subdivision 5; 473.87; 473.882, subdivision 3; 473F.02, subdivisions 3, 4, and 12; 473F.08, subdivision 3a; 473H.04, subdivision 1; 473H.10, subdivision 3; 474A.04, subdivision 4; 474A.08, subdivision 1; 475.53, subdivision 4; 475.56; 475.74; 475.754; 514.03, subdivision 3; 583.02; proposing coding for new law in Minnesota Statutes, chapters 272; and 273; repealing Minnesota Statutes 1986, sections 121.904, subdivision 11c; 124.2137; 124.2139; 124.38, subdivision 10; 256E.06, subdivision 9; 273.115; 273.116; 273.13; 273.1315; 273.138; 273.1391; 275.11; 275.50; 275.51; 275.54; 275.55; 275.56; 275.561; 275.58; 282.021; 290A.03, subdivisions 11, 12, and 13; 290A.04, subdivisions 2e and 2g; 290A.07, subdivision 2a; 290A.19; 383C.552; 471A.04; 477A.011; 477A.012; 477A.013; 477A.014; 477A.015; 477A.017, subdivisions 1 and 3; 477A.03, subdivision 1; and 477A.15.

The bill was read for the first time and referred to the Committee on Taxes.

Milbert, Sarna, O'Connor, Ogren and Morrison introduced:

H. F. No. 943, A bill for an act relating to the attorney general; creating a consumer protection account; providing for its administration; amending Minnesota Statutes 1986, section 8.31, subdivisions 2b, 3, and by adding subdivisions.

The bill was read for the first time and referred to the Committee on Commerce.

Simoneau introduced:

H. F. No. 944, A bill for an act relating to retirement; Minnesota state retirement system; teachers retirement association; authorizing early unreduced retirement under the rule of 90; amending Minnesota Statutes 1986, sections 352.116, by adding a subdivision; and 354.44, subdivision 6.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Price introduced:

H. F. No. 945, A bill for an act relating to education; requiring a school district to consider consumer education periodically in formu-

lating its planning, evaluation and reporting policy; amending Minnesota Statutes 1986, section 126.66, subdivision 1.

The bill was read for the first time and referred to the Committee on Education.

Begich, Beard, O'Connor and Sarna introduced:

H. F. No. 946, A bill for an act relating to employment; prohibiting residency requirements for employees; proposing coding for new law in Minnesota Statutes, chapter 181.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

#### HOUSE ADVISORIES

The following House Advisories were introduced:

Reding introduced:

H. A. No. 5, A proposal to study the creation of a state department of waters.

The advisory was referred to the Committee on Environment and Natural Resources.

Rose, Beard, Valento and Kelly introduced:

H. A. No. 6, A proposal to study the competition nonprofit organizations provide for profit businesses.

The advisory was referred to the Committee on Commerce.

#### MESSAGES FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 53 and 184.

PATRICK E. FLAHAVEN, Secretary of the Senate

## FIRST READING OF SENATE BILLS

S. F. No. 53, A bill for an act relating to municipal liability; providing for indemnification of employees for punitive damages; amending Minnesota Statutes 1986, sections 466.06; and 466.07, subdivision 1; repealing Minnesota Statutes 1986, section 466.07, subdivisions 1a, 2, and 4.

The bill was read for the first time and referred to the Committee on Judiciary.

S. F. No. 184, A bill for an act relating to utilities; trade practices; restricting use and connection of automatic dialing-announcing devices to telephone lines; proposing coding for new law in Minnesota Statutes, chapter 325E.

The bill was read for the first time and referred to the Committee on Regulated Industries.

## CONSENT CALENDAR

S. F. No. 258, A bill for an act relating to utilities; regulating certain intrastate gas pipelines; proposing coding for new law in Minnesota Statutes, chapter 216B.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 121 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Anderson, G.	DeBlieck	Kahn	Miller	Pauly
Anderson, R.	Dempsey	Kelly	Minne	Pelowski
Battaglia	Dille	Kelso	Morrison	Peterson
Bauerly	Dorn	Kinkel	Munger	Poppenhagen
Beard	Frederick	Kludt	Murphy	Price
Begich	Frerichs	Knuth	Nelson, C.	Quinn
Bennett	Greenfield	Kostohryz	Nelson, D.	Quist
Bertram	Gruenes	Krueger	Nelson, K.	Redalen
Bishop	Gutknecht	Larsen	O'Connor	Reding
Blatz	Hartle	Lasley	Ogren	Rest
Boo	Haukoos	Lieder	Olsen, S.	Rice
Brown	Heap	Long	Olson, E.	Richter
Burger	Hugoson	Marsh	Olson, K.	Riveness
Carlson, L.	Jacobs	McDonald	Omann	Rose
Carruthers	Jaros	McEachern	Onnen	Rukavina
Clark	Jefferson	McKasy	Orenstein	Sarna
Clausnitzer	Jennings	McLaughlin	Otis	Schafer
Cooper	Johnson, R.	McPherson	Ozment	Schoenfeld
Dauner	Johnson, V.	Milbert	Pappas	Schreiber

Seaberg	Sparby	Tompkins	Vellenga	Winter
Segal	Stanius	Trimble	Voss	Spk. Norton
Shaver	Steensma	Tunheim	Wagenius	
Simoneau	Sviggum	Uphus	Waltman	
Skoglund	Thiede	Valento	Welle	
Solberg	Tjornhom	Vanasek	Wenzel	

Those who voted in the negative were:

Rodosovich

The bill was passed and its title agreed to.

H. F. No. 483 was reported to the House.

There being no objection, H. F. No. 483 was continued on the Consent Calendar for one day.

S. F. No. 208, A bill for an act relating to occupations and professions; architects, engineers, land surveyors, and landscape architects; making certain technical changes related to certain licensing exceptions; amending Minnesota Statutes 1986, sections 326.03, subdivision 2; and 326.06.

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 117 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Gruenes	McDonald	Pappas	Simoneau
Anderson, R.	Gutknecht	McEachern	Pauly	Skoglund
Battaglia	Hartle	McKasy	Pelowski	Sparby
Bauerly	Haukoos	McLaughlin	Peterson	Stanius
Begich	Heap	McPherson	Poppenhagen	Steensma
Bennett	Hugoson	Milbert	Price	Sviggum
Bertram	Jacobs	Miller	Quinn	Thiede
Bishop	Jaros	Minne	Quist	Tjornhom
Blatz	Jefferson	Morrison	Redalen	Tompkins
Brown	Jennings	Murphy	Reding	Trimble
Burger	Johnson, V.	Nelson, C.	Rest	Tunheim
Carlson, L.	Kahn	Nelson, D.	Rice	Uphus
Carruthers	Kelly	Nelson, K.	Richter	Valento
Clark	Kelso	Neuenschwander	Riveness	Vanasek
Clausnitzer	Kinkel	O'Connor	Rodosovich	Vellenga
Cooper	Kludt	Ogren	Rose	Wagenius
Dauner	Knuth	Olsen, S.	Rukavina	Waltman
DeBlieck	Kostohryz	Olson, E.	Sarna	Welle
Dempsey	Krueger	Olson, K.	Schafer	Wenzel
Dille	Larsen	Omann	Schoenfeld	Winter
Dorn	Lasley	Onnen	Schreiber	Spk. Norton
Frederick	Lieder	Orenstein	Seaberg	
Frerichs	Long	Otis	Segal	
Greenfield	Marsh	Ozment	Shaver	

The bill was passed and its title agreed to.

## CALENDAR

H. F. No. 312 was reported to the House.

There being no objection, H. F. No. 312 was continued on the Calendar for one day.

H. F. No. 334, A bill for an act relating to elections; changing registration, absentee ballot, filing, training, administrative, electronic voting, ballot preparation, canvassing, and election contest provisions; amending Minnesota Statutes 1986, sections 201.071, subdivision 4; 201.091, subdivision 4; 203B.03, subdivision 1; 203B.06, subdivision 3; 204B.11, subdivision 1; 204B.27, subdivision 1; 204B.40; 204C.24, subdivision 1; 204C.27; 204C.31, subdivision 1; 204D.04, subdivision 2; 204D.11, subdivision 6; 206.61, subdivision 5; 206.82, subdivision 2; 206.90, subdivision 3; and 209.021, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 351.

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 116 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Gruenes	Long	Onnen	Seaberg
Anderson, R.	Gutknecht	Marsh	Orenstein	Segal
Battaglia	Hartle	McDonald	Otis	Shaver
Bauerly	Haukoos	McEachern	Ozment	Simoneau
Beard	Heap	McKasy	Pappas	Skoglund
Begich	Hugoson	McLaughlin	Pauly	Solberg
Bennett	Jacobs	McPherson	Pelowski	Sparby
Bertram	Jaros	Milbert	Peterson	Stanius
Blatz	Jefferson	Miller	Poppenhagen	Steensma
Brown	Jennings	Minne	Price	Sviggum
Burger	Johnson, R.	Morrison	Quinn	Tjornhom
Carlson, L.	Johnson, V.	Munger	Quist	Tompkins
Carruthers	Kahn	Murphy	Redalen	Trimble
Clark	Kelly	Nelson, C.	Reding	Uphus
Clausnitzer	Kelso	Nelson, D.	Rest	Valento
Cooper	Kinkel	Nelson, K.	Rice	Vanasek
Dauner	Kludt	Neuenschwander	Richter	Vellenga
DeBlieck	Knuth	O'Connor	Riveness	Voss
Dempsey	Kostohryz	Ogren	Rodosovich	Wagenius
Dille	Krueger	Olsen, S.	Rose	Waltman
Dorn	Larsen	Olson, E.	Rukavina	Welle
Frederick	Lasley	Olson, K.	Sarna	Wenzel
Greenfield	Lieder	Omman	Schreiber	Winter
				Spk. Norton

The bill was passed and its title agreed to.

H. F. No. 400, A bill for an act relating to game and fish; authorizing commissioner to allow a person to take two deer; amending Minnesota Statutes 1986, section 97B.301, subdivision 4.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 113 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Gruenes	Marsh	Ozment	Solberg
Anderson, R.	Gutknecht	McEachern	Pappas	Sparby
Battaglia	Hartle	McKasy	Pelowski	Stanius
Bauerly	Haukoos	McLaughlin	Poppenhagen	Steensma
Beard	Heap	McPherson	Price	Sviggum
Bennett	Hugoson	Milbert	Quinn	Thiede
Bertram	Jacobs	Miller	Quist	Tjornhom
Blatz	Jaros	Minne	Redalen	Tompkins
Brown	Jefferson	Morrison	Rest	Trimble
Burger	Jennings	Munger	Rice	Tunheim
Carlson, L.	Johnson, R.	Murphy	Richter	Uphus
Carruthers	Johnson, V.	Nelson, C.	Riveness	Valento
Clark	Kahn	Nelson, D.	Rodosovich	Vanasek
Clausnitzer	Kelly	Nelson, K.	Rose	Vellenga
Cooper	Kelso	Neuenschwander	Rukavina	Voss
Dauner	Kinkel	O'Connor	Sarna	Wagenius
DeBlicke	Kluft	Ogren	Schafer	Waltman
Dempsey	Knuth	Olsen, S.	Schoenfeld	Welle
Dille	Krueger	Olson, E.	Schreiber	Wenzel
Dorn	Larsen	Omann	Seaberg	Winter
Frederick	Lasley	Onnen	Segal	Spk. Norton
Frerichs	Lieder	Orenstein	Simoneau	
Greenfield	Long	Otis	Skoglund	

The bill was passed and its title agreed to.

H. F. No. 152, A bill for an act relating to utilities; providing that telephone companies provide location for customers to pay telephone service bills; proposing coding for new law in Minnesota Statutes, chapter 325E.

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 93 yeas and 23 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Battaglia	Beard	Bertram	Brown
Anderson, R.	Bauerly	Begich	Boo	Carlson, L.

Carruthers	Kludt	Nelson, C.	Reding	Tjornhom
Clark	Knuth	Nelson, D.	Rest	Tompkins
Cooper	Kostohryz	Nelson, K.	Rice	Trimble
Dauner	Krueger	Neuenschwander	Richter	Tumheim
DeBlieck	Larsen	O'Connor	Riveness	Uphus
Dorn	Lieder	Ogren	Rodosovich	Valento
Greenfield	Long	Olsen, S.	Rukavina	Vellenga
Gutknecht	McDonald	Olson, K.	Sarna	Voss
Haukoos	McEachern	Omann	Schoenfeld	Wagenius
Jacobs	McKasy	Orenstein	Seaberg	Waltman
Jaros	McLaughlin	Ozment	Segal	Welle
Jefferson	McPherson	Pappas	Simoneau	Wenzel
Jennings	Milbert	Pauly	Skoglund	Winter
Johnson, R.	Minne	Pelowski	Solberg	Wynia
Kahn	Morrison	Peterson	Sparby	Spk. Norton
Kelso	Munger	Price	Stensma	
Kinkel	Murphy	Quinn	Sviggum	

Those who voted in the negative were:

Bennett	Frerichs	Marsh	Quist	Shaver
Burger	Gruenes	Miller	Redalen	Stanius
Clausnitzer	Hartle	Olson, E.	Rose	Thiede
Dempsey	Heap	Onnen	Schafer	
Dille	Hugoson	Poppenhagen	Schreiber	

The bill was passed and its title agreed to.

H. F. No. 202, A bill for an act relating to corporations; providing for modification of the personal liability of directors; amending Minnesota Statutes 1986, sections 300.45; and 300.64, by adding a subdivision.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 121 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Dempsey	Kelly	Minne	Pauly
Anderson, R.	Dille	Kelso	Morrison	Pelowski
Battaglia	Dorn	Kinkel	Munger	Peterson
Bauerly	Frerichs	Kludt	Murphy	Poppenhagen
Beard	Greenfield	Knuth	Nelson, C.	Price
Begich	Gruenes	Kostohryz	Nelson, D.	Quinn
Bennett	Gutknecht	Krueger	Nelson, K.	Quist
Bertram	Hartle	Larsen	Neuenschwander	Redalen
Blatz	Haukoos	Lasley	O'Connor	Reding
Boo	Heap	Lieder	Ogren	Rice
Brown	Himle	Long	Olsen, S.	Richter
Burger	Hugoson	Marsh	Olson, E.	Riveness
Carlson, L.	Jacobs	McDonald	Olson, K.	Rodosovich
Carruthers	Jaros	McEachern	Omann	Rose
Clark	Jefferson	McKasy	Onnen	Rukavina
Clausnitzer	Jennings	McLaughlin	Orenstein	Sarna
Cooper	Johnson, R.	McPherson	Otis	Schafer
Dauner	Johnson, V.	Milbert	Ozment	Schoenfeld
DeBlieck	Kahn	Miller	Pappas	Schreiber

Seaberg	Sparby	Tompkins	Vellenga	Wynia
Segal	Stanisus	Trimble	Voss	Spk. Norton
Shaver	Steensma	Tunheim	Waltman	
Simoneau	Sviggum	Uphus	Welle	
Skoglund	Thiede	Valento	Wenzel	
Solberg	Tjornhom	Vanasek	Winter	

The bill was passed and its title agreed to.

H. F. No. 369, A bill for an act relating to human rights; changing certain requirements related to disabled persons; amending Minnesota Statutes 1986, sections 363.01, subdivision 25; 363.02, subdivision 3; and 363.03, subdivision 5.

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 124 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Long	Ozment	Simoneau
Anderson, R.	Gruenes	Marsh	Pappas	Skoglund
Battaglia	Gutknecht	McDonald	Pauly	Solberg
Bauerly	Hartle	McEachern	Pelowski	Sparby
Beard	Haukoos	McKasy	Peterson	Stanisus
Begich	Heap	McLaughlin	Poppenhagen	Steensma
Bennett	Himle	McPherson	Price	Sviggum
Bertram	Hugoson	Milbert	Quinn	Thiede
Bishop	Jacobs	Miller	Quist	Tjornhom
Blatz	Jaros	Minne	Redalen	Tompkins
Boo	Jefferson	Munger	Reding	Trimble
Brown	Jennings	Murphy	Rest	Tunheim
Burger	Johnson, R.	Nelson, C.	Rice	Uphus
Carlson, L.	Johnson, V.	Nelson, D.	Richter	Valento
Carruthers	Kahn	Nelson, K.	Riveness	Vanasek
Clark	Kelly	Neuenschwander	Rodosovich	Vellenga
Clausnitzer	Kelso	O'Connor	Rose	Voss
Cooper	Kinkel	Ogren	Rukavina	Wagenius
Dauner	Kludt	Olsen, S.	Sarna	Waltman
DeBlieck	Knuth	Olson, E.	Schafer	Welle
Dempsey	Kostohryz	Olson, K.	Schoenfeld	Wenzel
Dille	Krueger	Omann	Schreiber	Winter
Dorn	Larsen	Onnen	Seaberg	Wynia
Frederick	Lasley	Orenstein	Segal	Spk. Norton
Frerichs	Lieder	Otis	Shaver	

The bill was passed and its title agreed to.

H. F. No. 493, A bill for an act relating to transportation; commercial motor vehicles; mandating development of a testing and licensing program for commercial motor vehicle drivers; requiring a report to the legislature.

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 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Long	Otis	Shaver
Anderson, R.	Gruenes	Marsh	Ozment	Simoneau
Battaglia	Gutknecht	McDonald	Pappas	Skoglund
Bauerly	Hartle	McEachern	Pauly	Solberg
Beard	Haukoos	McKasy	Pelowski	Sparby
Begich	Heap	McLaughlin	Peterson	Stanius
Bennett	Himle	McPherson	Poppenhagen	Steensma
Bertram	Hugoson	Milbert	Price	Sviggum
Bishop	Jacobs	Miller	Quinn	Thiede
Blatz	Jaros	Minne	Quist	Tjornhom
Boo	Jefferson	Morrison	Redalen	Tompkins
Brown	Jennings	Munger	Reding	Trimble
Burger	Johnson, R.	Murphy	Rest	Tunheim
Carlson, L.	Johnson, V.	Nelson, C.	Rice	Uphus
Carruthers	Kahn	Nelson, D.	Richter	Valento
Clark	Kelly	Nelson, K.	Riveness	Vanasek
Clausnitzer	Kelso	Neuenschwander	Rodosovich	Vellenga
Cooper	Kinkel	O'Connor	Rose	Voss
Dauner	Kludt	Ogren	Rukavina	Wagenius
DeBlieck	Knuth	Olsen, S.	Sarna	Waltman
Dempsey	Kostohryz	Olson, E.	Schafer	Welle
Dille	Krueger	Olson, K.	Schoenfeld	Wenzel
Dorn	Larsen	Omman	Schreiber	Winter
Frederick	Lasley	Onnen	Seaberg	Wynia
Frerichs	Lieder	Orenstein	Segal	Spk. Norton

The bill was passed and its title agreed to.

H. F. No. 502, A bill for an act relating to counties; allowing counties to charge fees for services; providing conditions for emergency contracts; amending Minnesota Statutes 1986, sections 375.21, subdivision 1; and 375.48, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 373; repealing Minnesota Statutes 1986, section 375A.07.

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 123 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Begich	Boo	Clark	Dille
Anderson, R.	Bennett	Brown	Clausnitzer	Dorn
Battaglia	Bertram	Burger	Cooper	Frederick
Bauerly	Bishop	Carlson, L.	DeBlieck	Frerichs
Beard	Blatz	Carruthers	Dempsey	Greenfield

Gruenes	Krueger	Neuenschwander	Reding	Sviggum
Gutknecht	Larsen	O'Connor	Rest	Thiede
Hartle	Lasley	Ogren	Rice	Tjornhom
Haukoos	Lieder	Olsen, S.	Richter	Tompkins
Heap	Long	Olson, E.	Riveness	Trimble
Himle	Marsh	Olson, K.	Rodosovich	Tunheim
Hugoson	McDonald	Omann	Rukavina	Uphus
Jacobs	McEachern	Onnen	Sarna	Valento
Jaros	McKasy	Orenstein	Schafer	Vanasek
Jefferson	McLaughlin	Otis	Schoenfeld	Vellenga
Jennings	McPherson	Ozment	Schreiber	Voss
Johnson, R.	Milbert	Pappas	Seaberg	Wagenius
Johnson, V.	Miller	Pauly	Segal	Waltman
Kahn	Minne	Pelowski	Shaver	Welle
Kelly	Morrison	Peterson	Simoneau	Wenzel
Kelso	Munger	Poppenhagen	Skoglund	Winter
Kinkel	Murphy	Price	Solberg	Wynia
Kludt	Nelson, C.	Quinn	Sparby	Spk. Norton
Knuth	Nelson, D.	Quist	Stanius	
Kostohryz	Nelson, K.	Redalen	Steensma	

The bill was passed and its title agreed to.

Kelly was excused at 3:50 p.m. Beard and Knuth were excused at 4:00 p.m. Olson, E., and Olson, K., were excused at 4:30 p.m. Minne and Skoglund were excused at 4:40 p.m.

### GENERAL ORDERS

Pursuant to Rules of the House, the House resolved itself into the Committee of the Whole with Norton in the Chair for consideration of bills pending on General Orders of the day. Long presided during a portion of the meeting of the Committee of the Whole. After some time spent therein the Committee arose.

#### REPORT OF THE COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following recommendations of the Committee were reported to the House:

H. F. Nos. 102, 270, 436, 362 and 489 were recommended to pass.

S. F. Nos. 302 and 402 were recommended to pass.

H. F. No. 510 was recommended for progress.

H. F. Nos. 137, 134 and 28 were recommended for progress retaining their places on General Orders.

H. F. No. 141, the first engrossment, which it recommended to pass with the following amendments:

Offered by Anderson, R., and Ogren:

Page 3, after line 12, insert:

"Sec. 3. Minnesota Statutes 1986, section 447.32, is amended by adding a subdivision to read:

Subd. 8a. [LIABILITY FOR DAMAGES.] Except as otherwise provided in this subdivision, no person who serves without compensation as a member of the board of a hospital district created or organized under sections 447.31 to 447.37 shall be held civilly liable for an act or omission by that person if the act or omission was in good faith, was within the scope of the person's responsibilities as a member of the board, and did not constitute willful or reckless misconduct. This subdivision does not apply to:

- (1) an action or proceeding brought by a governmental entity;
- (2) an action brought by or on behalf of the hospital district;
- (3) a cause of action to the extent it is based on federal law; or
- (4) a cause of action based on the board member's express contractual obligation.

Nothing in this subdivision shall be construed to limit the liability of a member of the board for physical injury to the person of another or for wrongful death which is personally and directly caused by the board member.

For purposes of this subdivision the term "compensation" means any thing of value received for services rendered, except:

- (1) reimbursement for expenses actually incurred;
- (2) a per diem in an amount not to exceed the per diem authorized for state advisory councils and committees pursuant to section 15.059, subdivision 3; or
- (3) payment by the hospital district of insurance premiums on behalf of a member of the board."

Renumber the remaining section

Page 3, line 14, delete "and 2" and insert "2, and 3"

Amend the title as follows:

Page 1, line 2, delete "corporations" and insert "liability"

Page 1, line 6, after the semicolon insert "exempting certain members of hospital district boards from certain civil liability;"

Page 1, line 7, delete "section" and insert "sections"

Page 1, line 7, after the semicolon insert "and 447.32 by adding a subdivision;"

Offered by Carruthers:

Page 2, line 26, delete "or"

Page 2, line 28, delete the period and insert "; or"

Page 2, after line 28, insert:

"(5) an action or proceeding based on a breach of public pension plan fiduciary responsibility."

H. F. No. 227, the first engrossment, which it recommended for progress with the following amendment offered by McDonald:

Page 1, after line 15, insert:

"Sec. 2. Minnesota Statutes 1986, section 15.50, is amended by adding a subdivision to read:

Subd. 9. Tobacco products must not be used on the premises of the Capitol or the State Office Building."

Amend the title as follows:

Page 1, line 2, after "education," insert "prohibiting use of tobacco products at the Capitol or the State Office Building;"

Page 1, line 5, before "proposing" insert "amending Minnesota Statutes 1986, section 15.50, by adding a subdivision;"

On the motion of Vanasek the report of the Committee of the Whole was adopted.

## ROLL CALLS IN COMMITTEE OF THE WHOLE

Pursuant to rule 1.6, the following roll calls were taken in the Committee of the Whole:

McDonald moved to amend H. F. No. 227, the first engrossment, as follows:

Page 1, after line 15, insert:

"Sec. 2. Minnesota Statutes 1986, section 15.50, is amended by adding a subdivision to read:

Subd. 9. Tobacco products must not be used on the premises of the Capitol or the State Office Building."

Amend the title as follows:

Page 1, line 2, after "education;" insert "prohibiting use of tobacco products at the Capitol or the State Office Building;"

Page 1, line 5, before "proposing" insert "amending Minnesota Statutes 1986, section 15.50, by adding a subdivision;"

The question was taken on the McDonald amendment and the roll was called. There were 63 yeas and 50 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Frederick	Lieder	Onnen	Skoglund
Battaglia	Frerichs	Marsh	Ozment	Sparby
Beard	Gutknecht	McDonald	Poppenhagen	Stanius
Bennett	Hartle	McEachern	Price	Sviggum
Bishop	Himle	McKasy	Quist	Thiede
Blatz	Hugoson	McPherson	Rice	Tjornhom
Burger	Jennings	Miller	Richter	Tompkins
Carlson, L.	Johnson, A.	Morrison	Rodosovich	Tunheim
Clark	Johnson, V.	Murphy	Rose	Uphus
Clausnitzer	Kahn	Nelson, K.	Sarna	Valento
Dauner	Kelso	Neuenschwander	Schafer	Waltman
Dempsey	Knuth	O'Connor	Seaberg	
Dille	Lasley	Olson, E.	Segal	

Those who voted in the negative were:

Bauerly	Gruenes	Long	Orenstein	Simoneau
Begich	Haukoos	McLaughlin	Pappas	Solberg
Bertram	Jefferson	Milbert	Pauly	Steensma
Boo	Johnson, R.	Minne	Pelowski	Trimble
Brown	Kelly	Munger	Peterson	Vellenga
Carruthers	Kinkel	Nelson, C.	Reding	Voss
Cooper	Kludt	Nelson, D.	Rest	Wagenius
DeBlicck	Kostohryz	Ogren	Riveness	Welle
Dorn	Krueger	Olson, K.	Schreiber	Wenzel
Greenfield	Larsen	Omann	Shaver	Winter

The motion prevailed and the amendment was adopted.

Schoenfeld moved to amend H. F. No. 436, the second engrossment, as follows:

Page 1, line 9, delete "the state" and insert "Minnesota potato research and promotion areas one, two, and four"

Further, amend the title as follows:

Page 1, line 3, before the semicolon insert "planted in certain areas of the state".

Schreiber moved to amend the Schoenfeld amendment to H. F. No. 436, the second engrossment, as follows:

In the Schoenfeld amendment, page 1, line 3, after "one" delete the comma and insert "and"

Page 1, line 3, after "two" delete ", and four"

The question was taken on the amendment to the amendment and the roll was called. There were 46 yeas and 72 nays as follows:

Those who voted in the affirmative were:

Bauerly	Frerichs	McDonald	Quist	Sviggum
Bennett	Gruenes	McKasy	Redalen	Thiede
Bishop	Gutknecht	McPherson	Richter	Tjornhom
Blatz	Hartle	Miller	Rose	Uphus
Boo	Haukoos	Morrison	Sarna	Valento
Burger	Heap	Olsen, S.	Schafer	Waltman
Dempsey	Himle	Omann	Schoenfeld	
Dille	Hugoson	Onnen	Schreiber	
Dorn	Johnson, V.	Pauly	Shaver	
Frederick	Marsh	Poppenhagen	Stanius	

Those who voted in the negative were:

Anderson, G.	Jaros	Long	Otis	Simoneau
Anderson, R.	Jefferson	McEachern	Pappas	Solberg
Battaglia	Jennings	McLaughlin	Pelowski	Sparby
Begich	Johnson, A.	Milbert	Peterson	Steensma
Bertram	Johnson, R.	Minne	Price	Tompkins
Brown	Kahn	Murphy	Quinn	Trimble
Carlson, L.	Kelso	Nelson, C.	Reding	Tunheim
Carruthers	Kinkel	Nelson, D.	Rest	Vanasek
Clark	Kludt	Neuenschwander	Rice	Vellenga
Cooper	Kostohryz	O'Connor	Riveness	Voss
Dauner	Krueger	Ogren	Rodosovich	Wagenius
DeBlieck	Larsen	Olson, E.	Rukavina	Welle
Greenfield	Lasley	Olson, K.	Seaberg	Wenzel
Jacobs	Lieder	Orenstein	Segal	Winter
				Wynia
				Spk. Norton

The motion did not prevail and the amendment to the amendment was not adopted.

The question recurred on the Schoenfeld amendment and the roll was called. There were 48 yeas and 72 nays as follows:

Those who voted in the affirmative were:

Bennett	Gutknecht	McKasy	Quist	Sviggum
Bishop	Hartle	McPherson	Reding	Thiede
Blatz	Haukoos	Miller	Richter	Tjornhom
Boo	Heap	Morrison	Rose	Trimble
Burger	Himle	Neuenschwander	Schafer	Uphus
Dempsey	Hugoson	Omann	Schoenfeld	Valento
Dorn	Jennings	Onnen	Schreiber	Waltman
Frederick	Johnson, V.	Pappas	Shaver	Winter
Frerichs	Marsh	Pauly	Stanius	
Gruenes	McDonald	Poppenhagen	Steenasma	

Those who voted in the negative were:

Anderson, G.	Jaros	McLaughlin	Pelowski	Solberg
Anderson, R.	Jefferson	Milbert	Peterson	Sparby
Battaglia	Johnson, A.	Mimne	Price	Tompkins
Bauerly	Johnson, R.	Munger	Quinn	Tunheim
Begich	Kahn	Murphy	Redalen	Vanasek
Bertram	Kelso	Nelson, C.	Rest	Vellenga
Brown	Kinkel	Nelson, D.	Rice	Voss
Carlson, L.	Kludt	Nelson, K.	Riveness	Wagenius
Carruthers	Kostohryz	O'Connor	Rodosovich	Welle
Clark	Krueger	Ogren	Rukavina	Wenzel
Cooper	Larsen	Olsen, S.	Sarna	Wynia
Dauner	Lasley	Olson, E.	Seaberg	Spk. Norton
DeBlicke	Lieder	Olson, K.	Segal	
Greenfield	Long	Orenstein	Simoneau	
Jacobs	McEachern	Otis	Skoglund	

The motion did not prevail and the amendment was not adopted.

The question was taken on the motion to recommend passage of H. F. No. 362 and the roll was called. There were 88 yeas and 23 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Dille	Kinkel	Nelson, C.	Peterson
Anderson, R.	Dorn	Kludt	Nelson, K.	Poppenhagen
Battaglia	Frederick	Kostohryz	Neuenschwander	Price
Bauerly	Greenfield	Krueger	O'Connor	Quinn
Begich	Gruenes	Larsen	Ogren	Reding
Bennett	Hugoson	Lasley	Olsen, S.	Rest
Bertram	Jacobs	Lieder	Omann	Rice
Brown	Jaros	Long	Onnen	Riveness
Carlson, L.	Jefferson	McEachern	Orenstein	Rodosovich
Carruthers	Johnson, A.	McLaughlin	Otis	Rose
Clark	Johnson, R.	Milbert	Ozment	Rukavina
Cooper	Johnson, V.	Morrison	Pappas	Sarna
Dauner	Kahn	Munger	Pauly	Schoenfeld
DeBlicke	Kelso	Murphy	Pelowski	Seaberg

Segal	Steensma	Uphus	Wagenius	Wynia
Simoneau	Tompkins	Vanasek	Welle	Spk. Norton
Solberg	Trimble	Vellenga	Wenzel	
Sparby	Tunheim	Voss	Winter	

Those who voted in the negative were:

Bishop	Frerichs	Himle	Schafer	Tjornhom
Blatz	Gutknecht	McPherson	Schreiber	Valento
Burger	Hartle	Miller	Shaver	Waltman
Clausnitzer	Haukoos	Quist	Stanius	
Dempsey	Heap	Richter	Thiede	

The motion prevailed.

There being no objection, the order of business reverted to Messages from the Senate.

### MESSAGES FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1, A bill for an act relating to agriculture; extending and financing the interest rate buy-down program; establishing benefit limits; appropriating money; amending Laws 1986, chapter 398, article 23, section 1, subdivisions 5 and 6, and by adding a subdivision; and section 3, subdivision 5.

PATRICK E. FLAHAVEN, Secretary of the Senate

Schoenfeld moved that the House refuse to concur in the Senate amendments to H. F. No. 1, that the Speaker appoint a Conference Committee of 5 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

## ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1:

Olson, K.; Anderson, G.; Wenzel; Schoenfeld and Johnson, V.

## MOTIONS AND RESOLUTIONS

Pappas moved that the name of Blatz be stricken and the name of Tjornhom be added as an author on H. F. No. 455. The motion prevailed.

Jefferson moved that the name of McLaughlin be added as an author on H. F. No. 508. The motion prevailed.

Stanisus moved that the name of Clark be added as an author on H. F. No. 579. The motion prevailed.

Bauerly moved that the names of Brown and Pelowski be added as authors on H. F. No. 592. The motion prevailed.

Nelson, K., moved that the name of Segal be added as an author on H. F. No. 666. The motion prevailed.

Begich moved that the name of Johnson, V., be added as an author on H. F. No. 796. The motion prevailed.

Battaglia moved that the name of Jennings be added as an author on H. F. No. 804. The motion prevailed.

Johnson, V., moved that his name be stricken as an author on H. F. No. 837. The motion prevailed.

Begich moved that the name of O'Connor be added as an author on H. F. No. 845. The motion prevailed.

Ogren moved that the name of Redalen be added as an author on H. F. No. 847. The motion prevailed.

Clark moved that the name of Trimble be added as an author on H. F. No. 849. The motion prevailed.

Orenstein moved that the names of Milbert and Dempsey be added as authors on H. F. No. 854. The motion prevailed.

Rodosovich moved that his name be stricken and the name of Anderson, G., be shown as chief author on H. F. No. 870. The motion prevailed.

Jacobs moved that S. F. No. 139 be recalled from the Committee on Local and Urban Affairs and be re-referred to the Committee on Regulated Industries. The motion prevailed.

House Resolution No. 33 was reported to the House.

#### SUSPENSION OF RULES

McDonald moved that the rules be so far suspended that House Resolution No. 33 be now considered and be placed upon its adoption.

#### POINT OF ORDER

Vanasek raised a point of order pursuant to rule 5.2 relating to the Introduction of Bills and Resolutions that House Resolution No. 33 was not in order. The Speaker ruled the point of order well taken and House Resolution No. 33 out of order.

#### ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the following change in committee assignment:

Local and Urban Affairs: Remove the name of Krueger.

#### ADJOURNMENT

Vanasek moved that when the House adjourns today it adjourn until 2:00 p.m., Monday, March 16, 1987. The motion prevailed.

Vanasek moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:00 p.m., Monday, March 16, 1987.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

## STATE OF MINNESOTA

## SEVENTY-FIFTH SESSION — 1987

## TWENTY-SECOND DAY

SAINT PAUL, MINNESOTA, MONDAY, MARCH 16, 1987

The House of Representatives convened at 2:00 p.m. and was called to order by Fred C. Norton, Speaker of the House.

Prayer was offered by Pastor Thomas Heyd, First Evangelical Lutheran Church, White Bear Lake, Minnesota.

The roll was called and the following members were present:

Anderson, G.	Gruenes	Lieder	Otis	Shaver
Anderson, R.	Gutknecht	Long	Ozment	Simoneau
Battaglia	Hartle	Marsh	Pappas	Skoglund
Bauerly	Haukoos	McDonald	Pauly	Solberg
Beard	Heap	McEachern	Pelowski	Sparby
Begich	Himle	McKasy	Peterson	Stanius
Bertram	Hugoson	McLaughlin	Poppenhagen	Steensma
Blatz	Jacobs	McPherson	Price	Sviggum
Boo	Jefferson	Milbert	Quinn	Swenson
Brown	Jennings	Miller	Quist	Thiede
Burger	Jensen	Minne	Redalen	Tjornhom
Carlson, D.	Johnson, A.	Morrison	Reding	Tompkins
Carlson, L.	Johnson, R.	Munger	Rest	Trimble
Carruthers	Johnson, V.	Nelson, C.	Rice	Tunheim
Clark	Kahn	Nelson, D.	Richter	Uphus
Clausnitzer	Kalis	Nelson, K.	Riveness	Valento
Cooper	Kelly	Neuenschwander	Rodosovich	Vanasek
Dauner	Kelso	O'Connor	Rose	Vellenga
DeBlieck	Kinkel	Ogren	Rukavina	Voss
Dempsey	Kludt	Olsen, S.	Sarna	Wagenius
Dille	Knickerbocker	Olson, E.	Schafer	Waltman
Dorn	Knuth	Olson, K.	Scheid	Welle
Forsythe	Kostohryz	Omann	Schoenfeld	Wenzel
Frederick	Krueger	Onnen	Schreiber	Winter
Frerichs	Larsen	Orenstein	Seaberg	Wynia
Greenfield	Lasley	Osthoff	Segal	Spk. Norton

A quorum was present.

Bennett, Jaros and Murphy were excused.

The Chief Clerk proceeded to read the Journal of the preceding day. Kelly moved that further reading of the Journal be dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

## REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 527, 557, 687, 3, 432, 470, 542, 123, 318, 336, 526, 141 and 227 and S. F. Nos. 53 and 184 have been placed in the members' files.

## REPORTS OF STANDING COMMITTEES

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 11, A bill for an act relating to tax forfeited land; providing for the sale of a certain tract.

Reported the same back with the following amendments:

Page 1, line 11, delete the second "The"

Page 1, delete line 12, and insert "St. Louis county may sell in accordance with Minnesota Statutes, chapter 282."

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 29, A bill for an act relating to traffic regulations; requiring motor vehicle operators to use child passenger restraint system when transporting child under age of four; assessing court costs to violator under certain conditions; imposing penalty; amending Minnesota Statutes 1986, section 169.685, subdivision 5.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 169.685, subdivision 5, is amended to read:

Subd. 5. (a) ~~Every parent or legal guardian of a child under the age of four years residing in this state~~ motor vehicle operator, when transporting the a child under the age of four on the streets and highways of this state in a motor vehicle ~~that is owned by the parent or guardian and~~ was equipped with factory-installed seat belts, shall

equip and install for use in the motor vehicle, according to the manufacturer's instructions, a child passenger restraint system meeting federal motor vehicle safety standards.

(b) ~~No parent or legal guardian of a child under the age of four years residing in this state motor vehicle operator who is operating a motor vehicle on the streets and highways of this state may transport the a child under the age of four in a seat of the a motor vehicle that was equipped with a factory-installed seat belt, unless the child is securely properly fastened in the child passenger restraint system. Any parent or legal guardian motor vehicle operator who violates the provisions of this subdivision is guilty of a petty misdemeanor. No penalty under clause (a) of this subdivision may be applied to a person who shows satisfactory evidence to the county court or violations bureau, in person or by mail, of having purchased or otherwise obtained the use of a child restraint system meeting federal motor vehicle safety standards, within 30 days of the violation. No fine may be imposed for a violation which is not a second or subsequent violation within a one year period. A fine for a violation of A person who violates this subdivision which is guilty of a petty misdemeanor may punishable by fine not to exceed \$25.~~

Sec. 2. Minnesota Statutes 1986, section 169.685, is amended by adding a subdivision to read:

Subd. 6. This section does not apply to:

(1) a person transporting a child who, because of a medical condition, body size, or physical disability, is incapable of being transported in a child passenger restraint system, providing the motor vehicle operator possesses a statement by a licensed physician, typewritten and dated not earlier than the previous six months on the physician's letterhead or on a paper containing the physician's typewritten name, address, and telephone number, and attesting that, in the physician's professional judgment, the child may not be safely transported in a child passenger restraint system;

(2) a person transporting a child in an emergency medical vehicle while in the performance of official duties and when the physical or medical needs of the child make the use of a child passenger restraint system unreasonable or when a child passenger restraint system is not available;

(3) a peace officer transporting a child while in the performance of official duties and when a child passenger restraint system is not available, provided that a seat belt must be substituted; and

(4) a person while operating a motor vehicle for hire, including a taxi, airport limousine, and bus, but excluding a rented, leased, or borrowed motor vehicle."

Amend the title as follows:

Page 1, line 7, before the period insert “, and by adding a subdivision”

With the recommendation that when so amended the bill pass.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 254, A bill for an act relating to local government; granting the city of Brainerd the authority to establish a port authority; authorizing the port authority to exercise the power of a municipal housing and redevelopment authority; authorizing the city to impose restrictions and limitations upon the powers and procedures of the port authority; permitting the city to choose the name of the port authority; providing for removal of port authority commissioners; requiring local approval.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 257, A bill for an act relating to state employees; providing that certain state employees who are eligible to retire are eligible for state-paid life insurance and other benefits; amending Minnesota Statutes 1986, section 43A.24, subdivision 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1986, section 11A.04, is amended to read:

**11A.04 [DUTIES AND POWERS.]**

The state board shall:

(1) Act as trustees for each fund for which it invests or manages money in accordance with the standard of care set forth in section 11A.09.

(2) Formulate policies and procedures deemed necessary and appropriate to carry out its functions. Procedures adopted by the

board shall allow fund beneficiaries and members of the public to become informed of proposed board actions. Procedures and policies of the board shall not be subject to the administrative procedure act.

(3) Employ an executive director as provided in section 11A.07.

(4) Employ investment advisors and consultants as it deems necessary.

(5) Prescribe policies concerning personal investments of all employees of the board to prevent conflicts of interest.

(6) Maintain a record of its proceedings.

(7) As it deems necessary, establish advisory committees subject to the provisions of section 15.059 to assist the board in carrying out its duties.

(8) Not permit state funds to be used for the underwriting or direct purchase of municipal securities from the issuer or the issuer's agent.

(9) Direct the state treasurer to sell property other than money which has escheated to the state when the board determines that sale of the property is in the best interest of the state. Escheated property shall be sold to the highest bidder in the manner and upon terms and conditions prescribed by the board.

(10) Undertake any other activities necessary to implement the duties and powers set forth in this section.

(11) Establish a formula or formulas to measure management performance and return on investment. All public pension funds in the state shall utilize the formula or formulas developed by the state board.

(12) Except as otherwise provided in article XI, section 8 of the constitution of the state of Minnesota, employ, at its discretion, qualified private firms to invest and manage the assets of funds over which the state board has investment management responsibility. There is annually appropriated to the state board, from the assets of the funds for which the state board utilizes a private investment manager, sums sufficient to pay the costs therefor. Each year, by January 15, the board shall report to the governor and legislature on the cost and the investment performance of each investment manager employed by the board.

(13) Adopt an investment policy statement that includes investment objectives, asset allocation, and the investment management structure for the retirement fund assets under its control. The

statement may be revised at the discretion of the state board. The state board shall seek the advice of the council regarding its investment policy statement. Adoption of the statement is not subject to chapter 14.

Sec. 2. Minnesota Statutes 1986, section 11A.24, subdivision 2, is amended to read:

Subd. 2. [GOVERNMENT OBLIGATIONS.] The state board may invest funds in governmental bonds, notes, bills, mortgages and other ~~fixed obligations, including evidences of indebtedness provided the issue is backed by the full faith and credit of the issuer or the issue is rated among the top four quality rating categories by a nationally recognized rating agency.~~ The obligations in which the board may invest under this subdivision include guaranteed or insured issues of (a) the United States, its agencies, its instrumentalities, or organizations created and regulated by an act of Congress; (b) Canada and its provinces, provided the principal and interest is payable in United States dollars; (c) the states and their municipalities, political subdivisions, agencies or instrumentalities, where backed by the state's full faith and credit or if the issuer has not been in default in payments of principal or interest within the past ten years or in the case of revenue bonds the obligor has been completely self-supporting for the five prior years; (d) the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, or any other United States Government sponsored organization of which the United States is a member, provided the principal and interest is payable in United States dollars and the issues are rated in the highest quality category by a nationally recognized rating agency.

Sec. 3. Minnesota Statutes 1986, section 11A.24, subdivision 4, is amended to read:

Subd. 4. [OTHER OBLIGATIONS.] The state board may invest funds in bankers acceptances, certificates of deposit, commercial paper, mortgage participation certificates and pools, repurchase agreements and reverse repurchase agreements, guaranteed investment contracts, and savings accounts if they conform to the following provisions:

(a) bankers acceptances of United States banks shall be limited to those eligible for purchase by the Federal Reserve System issued by banks rated in the highest four quality categories by a nationally recognized rating agency;

(b) certificates of deposit shall be limited to those issued by United States banks and savings institutions that meet the collateral requirements established in section 9.031, unless sufficient volume is unavailable at competitive interest rates. In that event,

noncollateralized certificates of deposit may be purchased from United States banks and savings institutions that are rated in the highest quality category by a nationally recognized rating agency are rated in the highest four quality categories by a nationally recognized rating agency or whose certificates of deposit are fully insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation. Sections 16A.58 and 16B.06 do not apply to certifications of deposit and collateralization agreements executed by the state board;

(c) commercial paper shall be limited to those issued by United States corporations or their Canadian subsidiaries; shall be of ~~the highest quality and mature in 270 days or less~~ rated in the highest two quality categories by a nationally recognized rating agency;

(d) mortgage participation or pass through certificates evidencing interests in pools of first mortgages or trust deeds on improved real estate located in the United States where the loan to value ratio for each loan as calculated in accordance with section 61A.28, subdivision 3 does not exceed 80 percent for fully amortizable residential properties and in all other respects meets the requirements of section 61A.28, subdivision 3. In addition the state board may purchase from the Minnesota housing finance agency all or any part of any pool of residential mortgages, not in default, which has previously been financed by the issuance of bonds or notes of the agency. The state board may also enter into a commitment with the agency, at the time of any issue of bonds or notes, to purchase at a specified future date, not exceeding 12 years from the date of the issue, the amount of mortgage loans then outstanding and not in default, which have been made or purchased from the proceeds of the bonds or notes. The state board may charge reasonable fees for any such commitment, and may agree to purchase the mortgage loans at a price such that the yield thereon to the state board will, in its judgment, be comparable to that available on similar mortgage loans at the date of the bonds or notes. The state board may also enter into agreements with the agency for the investment of any portion of the funds of the agency for such period, with such withdrawal privileges, and at such guaranteed rate of return, if any, as may be agreed between the state board and the agency.

(e) collateral for repurchase agreements and reverse repurchase agreements shall be limited to letters of credit and securities authorized in this section;

(f) guaranteed investment contracts shall be limited to those issued by insurance companies rated in the top four quality categories by a nationally recognized rating agency;

(g) savings accounts shall be limited to those fully insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation.

Sec. 4. Minnesota Statutes 1986, section 11A.24, subdivision 5, is amended to read:

Subd. 5. [CORPORATE STOCKS.] The state board may invest funds in stocks or convertible issues of any corporation organized under the laws of the United States or the states thereof, the Dominion of Canada or its provinces, or any corporation listed on the New York Stock Exchange or the American Stock Exchange, if they conform to the following provisions:

(a) The aggregate value of corporate stock investments, as adjusted for realized profits and losses, shall not exceed ~~75~~ 85 percent of the market or book value, whichever is less, of a fund, less the aggregate value of investments according to subdivision 6;

(b) Investments shall not exceed five percent of the total outstanding shares of any one corporation.

Sec. 5. Minnesota Statutes 1986, section 11A.24, subdivision 6, is amended to read:

Subd. 6. [OTHER INVESTMENTS.] (a) In addition to the investments authorized in subdivisions 1 to 5, and subject to the provisions in clause (b), the state board may invest funds in:

(1) Venture capital investment businesses through participation in limited partnerships and corporations;

(2) Real estate ownership interests or loans secured by mortgages or deeds of trust through investment in limited partnerships, bank sponsored collective funds, trusts, and insurance company commingled accounts, including separate accounts;

(3) Regional and mutual funds through bank sponsored collective funds and open-end investment companies registered under the Federal Investment Company Act of 1940; and

(4) Resource investments through limited partnerships, private placements and corporations.

(b) The investments authorized in clause (a) may only be made if they conform to the following provisions:

(1) The aggregate value of all investments made according to clause (a) shall not exceed ~~20~~ 35 percent of the market value of the fund for which the state board is investing;

(2) There shall be at least four unrelated owners of the investment other than the state board;

(3) State board participation in an investment vehicle shall be limited to 20 percent thereof; and

(4) State board participation in a limited partnership does not include a general partnership interest or other interest involving general liability. The state board shall not engage in any activity as a limited partner which creates general liability.

Sec. 6. Minnesota Statutes 1986, section 11A.25, is amended to read:

**11A.25 [ADDITIONAL INVESTMENT PROVISIONS.]**

When investing assets of any funds or accounts specifically made subject to this section or not otherwise referred to in sections 11A.01 to 11A.25, all securities shall be debt obligations ~~maturing within three years of the date of purchase~~ and shall conform to the applicable provisions of section 11A.24.

Sec. 7. Minnesota Statutes 1986, section 43A.24, subdivision 2, is amended to read:

Subd. 2. [OTHER ELIGIBLE PERSONS.] The following persons are eligible for state paid life insurance and hospital, medical and dental benefits as determined in applicable collective bargaining agreements or by the commissioner or by plans pursuant to section 43A.18, subdivision 6, or by the board of regents for employees of the University of Minnesota not covered by collective bargaining agreements.

(a) A member of the state legislature, provided that changes in benefits resulting in increased costs to the state shall not be effective until expiration of the term of the members of the existing house of representatives. An eligible member of the state legislature may decline to be enrolled for state paid coverages by filing a written waiver with the commissioner. The waiver shall not prohibit the member from enrolling the member or dependents for optional coverages, without cost to the state, as provided for in section 43A.26. A member of the state legislature who returns from a leave of absence to a position previously occupied in the civil service shall be eligible to receive the life insurance and hospital, medical and dental benefits to which the position is entitled;

(b) A permanent employee of the legislature or a permanent employee of a permanent study or interim committee or commission or a state employee on leave of absence to work for the legislature, during a regular or special legislative session;

(c) A judge of the appellate courts or an officer or employee of these courts; a judge of the district court, a judge of county court, a judge

of county municipal court, or a judge of probate court; a district administrator; and an employee of the office of the district administrator of the fifth or the eighth judicial districts;

(d) A salaried employee of the public employees retirement association;

(e) A full-time military or civilian officer or employee in the unclassified service of the department of military affairs whose salary is paid from state funds;

(f) A salaried employee of the Minnesota historical society, whether paid from state funds or otherwise, who is not a member of the governing board;

(g) An employee of the regents of the University of Minnesota; and

(h) Notwithstanding section 43A.27, subdivision 3, an employee of the state of Minnesota or the regents of the University of Minnesota who is at least 60 and not yet 65 years of age on July 1, 1982 who is otherwise eligible for employee and dependent insurance and benefits pursuant to section 43A.18 or other law, who has at least 20 years of service and retires, earlier than required, within 60 days of March 23, 1982; or an employee who is at least 60 and not yet 65 years of age on July 1, 1982 who has at least 20 years of state service and retires, earlier than required, from employment at Rochester state hospital after July 1, 1981; or an employee who is at least 55 and not yet 65 years of age on July 1, 1982 and is covered by the Minnesota state retirement system correctional employee retirement plan or the state patrol retirement fund, who has at least 20 years of state service and retires, earlier than required, within 60 days of March 23, 1982. For purposes of this clause, a person retires when the person terminates active employment in state or University of Minnesota service and applies for a retirement annuity. Eligibility shall cease when the retired employee attains the age of 65, or when the employee chooses not to receive the annuity that the employee has applied for. The retired employee shall be eligible for coverages to which the employee was entitled at the time of retirement, subject to any changes in coverage through collective bargaining or plans established pursuant to section 43A.18, for employees in positions equivalent to that from which retired, provided that the retired employee shall not be eligible for state-paid life insurance. Coverages shall be coordinated with relevant health insurance benefits provided through the federally sponsored medicare program; and

(i) An employee of an agency of the state of Minnesota identified through the process provided in this paragraph who is eligible to retire prior to age 65. The commissioner and the exclusive representative of state employees shall enter into agreements under section 179A.22 to identify employees whose positions are in programs that

are being permanently eliminated or reduced due to federal or state policies or practices. Failure to reach agreement identifying these employees is not subject to impasse procedures provided in chapter 179A. The commissioner must prepare a plan identifying eligible employees not covered by a collective bargaining agreement in accordance with the process outlined in section 43A.18, subdivisions 2 and 3. For purposes of this paragraph, a person retires when the person terminates active employment in state service and applies for a retirement annuity. Eligibility ends as provided in the agreement or plan, but must cease at the end of the month in which the retired employee attains age 65, the employee chooses not to receive an annuity, or the employee is eligible for employer-paid health insurance from a new employer. The retired employees shall be eligible for coverages to which they were entitled at the time of retirement, subject to any changes in coverage through collective bargaining or plans established under section 43A.18 for employees in positions equivalent to that from which they retired, provided that the retired employees shall not be eligible for state-paid life insurance.

Sec. 8. Minnesota Statutes 1986, section 179A.03, subdivision 19, is amended to read:

Subd. 19. [TERMS AND CONDITIONS OF EMPLOYMENT.] "Terms and conditions of employment" means the hours of employment, the compensation therefor including fringe benefits except retirement contributions or benefits, and the employer's personnel policies affecting the working conditions of the employees. In the case of professional employees the term does not mean educational policies of a school district. "Terms and conditions of employment" is subject to section 179A.07. For purposes of this subdivision, "retirement contributions or benefits" does not include insurance benefits paid for by public employers on behalf of retired employees up to age 65."

Delete the title and insert:

"A bill for an act relating to state government; requiring the board of investments to adopt an investment policy; authorizing certain investments by the board of investments; providing that certain state employees who are eligible to retire are eligible for state-paid insurance benefits; modifying definition of terms and conditions of employment for public employees; amending Minnesota Statutes 1986, sections 11A.04; 11A.24, subdivisions 2, 4, 5, and 6; 11A.25; 43A.24, subdivision 2; and 179A.03, subdivision 19."

With the recommendation that when so amended the bill pass.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 269, A bill for an act relating to traffic regulations; extending prohibition against wearing headphones while operating motor vehicle to include bicycles; amending Minnesota Statutes 1986, section 169.471, subdivision 2.

Reported the same back with the following amendments:

Page 1, line 11, after the comma insert "or while traveling on a roadway or shoulder on rollerskates or skate boards or on foot."

Amend the title as follows:

Page 1, line 4, after "bicycles" insert "and persons on foot or on rollerskates"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 323, A bill for an act relating to transportation; providing for reduced speeds in work zones; providing for payment of administrative, filing, and plate fees; restricting unauthorized use of motor vehicles on public airport property; describing prohibited acts against aircraft; defining peace officer; describing qualifications for aircraft dealers license; amending Minnesota Statutes 1986, sections 168.012, subdivision 1c; 169.14, by adding a subdivision; 360.018, subdivision 6, and by adding a subdivision; 360.075, subdivision 1; 360.0751, subdivision 1; and 360.63, subdivision 1.

Reported the same back with the following amendments:

Page 2, delete section 2 and insert:

"Sec. 2. Minnesota Statutes 1986, section 169.14, is amended by adding a subdivision to read:

Subd. 5d. [SPEED ZONING IN WORK ZONES.] The commissioner, on trunk highways and temporary trunk highways, and local authorities, on streets and highways under their jurisdiction, may authorize the use of reduced maximum speed limits in highway work zones. The commissioner or local authority is not required to

conduct an engineering and traffic investigation before authorizing a reduced speed limit in a highway work zone.

The minimum highway work zone speed limit is 20 miles per hour. The work zone speed limit must not reduce the established speed limit on the affected street or highway by more than 15 miles per hour, except that the highway work zone speed limit shall not exceed 40 miles per hour. Highway work zone speed limits are effective on erection of appropriate regulatory speed limit signs designating the beginning and end of the affected work zone. The signs must be removed or covered when they are not required. A speed greater than the posted highway work zone speed limit is unlawful.

For purposes of this subdivision, "highway work zone" means a segment of highway or street where a road authority or its agent is constructing, reconstructing, or maintaining the physical structure of the roadway, its shoulders, or features adjacent to the roadway, including underground and overhead utilities and highway appurtenances."

Pages 3 to 6, delete section 5

Page 6, line 17, after "patrol" insert ", but does not include employees of the department of natural resources"

Renumber the remaining sections

Amend the title as follows:

Page 1, lines 6 and 7, delete "describing prohibited acts against aircraft,"

Page 1, lines 11 and 12, delete "360.075, subdivision 1;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 332, A bill for an act relating to environment; authorizing the pollution control agency to issue administrative orders assessing penalties; establishing a hearing procedure; providing for the distribution and expenditure of monetary penalties; amending

Minnesota Statutes 1986, section 115B.20, subdivisions 2, 3, and 4; proposing coding for new law in Minnesota Statutes, chapter 116.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [116.072] [ADMINISTRATIVE PENALTIES.]

Subdivision 1. [AUTHORITY TO ISSUE PENALTY ORDERS.] The director may issue an order requiring violations to be corrected and administratively assessing monetary penalties for violations of any provision of chapters 115 and 116 relating to hazardous waste, or any standard, rule, variance, order, stipulation agreement, permit, or material term or conditions of a permit relating to hazardous waste issued or adopted by the agency under those chapters. An order shall be issued as provided in this section.

Subd. 2. [AMOUNT OF PENALTY; CONSIDERATIONS.] The director may issue an order assessing a penalty in an amount not to exceed \$10,000 for all violations identified during an inspection. In the case of repeat violations, the director shall issue an order assessing a penalty in an amount not to exceed \$25,000.

(a) In determining the amount of a penalty to be assessed, the director shall consider:

- (1) the willfulness of the violation;
- (2) the gravity of the violation, including damage to humans, animals, air, water, land, or other natural resources of the state;
- (3) the ability of the person to whom the order is issued to pay the penalty;
- (4) the history of past violations;
- (5) the number of violations; and
- (6) other factors as justice may require, if the director specifically identifies the additional factors in the director's order.

(b) In determining the amount of a penalty to be assessed in the case of repeat violations, the director shall consider:

- (1) how similar the previous violation was to the current one;
- (2) how recent was the previous violation;

(3) the number of previous violations; and

(4) the violator's response to the previous violation.

Subd. 3. [CONTENTS OF ORDER.] An order assessing an administrative penalty under this section shall include the following:

(1) a concise statement of the facts alleged to constitute a violation;

(2) a reference to the section of the statute, rule, variance, order, stipulation agreement, permit, or term or condition of a permit that has been violated;

(3) a statement of the amount of the administrative penalty to be imposed and the factors upon which the penalty is based; and

(4) a statement of the person's right to a hearing.

Subd. 4. [PROCEDURE.] (a) The director may issue an order requiring the violations cited in the order to be corrected within 30 calendar days from the date the order is received.

(b) The person to whom the order was issued shall provide information to the director on or before the 30th day after the order was received demonstrating that the violation has been corrected or that appropriate steps toward correcting the violation have been undertaken. The director shall make a determination as to whether the violation has been corrected and shall notify the person subject to the order of the director's determination. The penalty set forth in the order is due and payable on the 31st day after the order was received if the person subject to the order fails to provide information to the director showing that the violation has been corrected or that appropriate steps have been taken toward correcting the violation, unless the person subject to the order has requested a review of the order under subdivision 5. If the person subject to the order has provided information to the director that the director determines is not sufficient to show the violation has been corrected or that appropriate steps have been taken toward correcting the violation, the penalty set forth in the order is due and payable within 20 days after notice of the director's determination is received, unless the person subject to the order has sought review of the order under subdivision 5 prior to the end of the 20-day period.

(c) In the case of repeated or serious violations the director may, in lieu of the procedure in paragraph (a), issue an order that immediately assesses a penalty. The penalty shall be paid within 30 days from the date the order is received unless review of the order under subdivision 5 has been sought.

(d) Interest at the rate established in section 549.09 begins to accrue on the 31st day after the order was originally received.

Subd. 5. [REVIEW OF ORDERS.] A person subject to an order under this section may seek review of the order under paragraph (a) or (b).

(a) Within 30 days of the receipt of an order or within 20 days of receipt of notice that the director has determined that a violation has not been corrected, the person subject to an order under this section may request an expedited hearing. The procedure for the expedited hearing shall include the following:

(i) The hearing will be held within 30 days after a request for hearing has been filed with the director unless the parties agree to a later date.

(ii) The person to whom the order is directed and the director shall be the parties to the hearing.

(iii) The director must notify the person to whom the order is directed of the time and place of the hearing at least 20 days before the hearing.

(iv) The hearing will be limited to no more than six hours of hearing time, exclusive of any prehearing, unless the administrative law judge determines that circumstances require a lengthier hearing.

(v) All written arguments must be submitted within ten days following the close of the hearing.

(vi) The administrative law judge shall issue a report making recommendations to the director within 30 days following the close of the record.

(vii) The administrative law judge shall not recommend a change in the amount of the proposed penalty unless the administrative law judge determines that, based on the factors in subdivision 2, the director has committed an abuse of discretion in setting the amount of the penalty.

(viii) The hearing shall be conducted under the conference contested case rules of the office of administrative hearings, as modified by this subdivision. The hearing examiner may, in consultation with the agency, adopt rules specifically applicable to cases under this section.

(b) Within 30 days of the receipt of an order or within 20 days of receipt of notice that the director has determined that a violation

has not been corrected, the person subject to an order under this section may file a petition in district court for review of the order. The petition shall be filed with the court administrator together with proof of service on the director.

The petition shall be captioned in the name of the person making the petition as petitioner and the director as respondent. The petition shall state with specificity the grounds upon which the petitioner seeks rescission of the order, including the facts upon which each claim is based.

Subd. 6. [FINAL ORDERS.] (a) If a hearing has been held, the director shall not issue a final order until at least five days after receipt of the report of the administrative law judge. The person to whom an order is issued may, within those five days, comment to the director on the recommendations and the director will consider the comments. The final order may be appealed in the manner provided in sections 14.63 to 14.69.

(b) If the administrative law judge makes a finding that the hearing was requested solely for purposes of delay or that the hearing request was frivolous, the director may add to the amount of the penalty the costs charged to the agency by the office of administrative hearings for the hearing.

(c) If a hearing has been held and a final order issued by the director, the penalty shall be paid within 15 days from the date the final order is mailed, together with interest accruing at the rate established in section 549.09 from the 31st day following the day the original order was mailed.

Subd. 7. [ENFORCEMENT.] The attorney general may proceed on behalf of the state to enforce penalties that are due and payable under this section in any manner provided by law for the collection of debts. The power shall include the following means of debt collection:

(a) The attorney general may petition the district court to file the administrative order as an order of the court. At any court hearing, the only issues parties may contest are procedural and notice issues. Once entered, the administrative order may be enforced in the same manner as a final judgment of the district court.

(b) If a party liable to pay a penalty imposed under this section fails to pay the penalty, the amount of the penalty together with interest and costs shall be a lien in favor of the state on any real or personal property of the person, except the person's homestead. The lien is effective for real property after the attorney general files a notice of lien in the office of the county recorder or the office of the registrar of titles of the county in which the property is located.

(c) The lien created under this subdivision is effective for personal property after the attorney general files a notice of lien describing the property to which the lien attaches in the office of the county recorder of the county where the attorney general believes the property is located when the lien is filed. The lien on personal property shall also be filed with the secretary of state. In the case of personal property belonging to an individual who is not a resident of this state or personal property belonging to a corporation, partnership, or other organization, the attorney general shall file the notice of lien in the office of the secretary of state.

(d) The notice of lien for real property shall be filed in the office of the county recorder or the office of the registrar of titles of the county in which the property is located, and shall contain the names of the parties subject to the lien, the legal description of the land subject to the lien, the amount of the lien, the legal basis for the lien, and the name, address, and telephone number of the party filing the lien. No attestation, certification, or acknowledgment is required as a condition of filing.

(e) If a person fails to pay the penalty, the attorney general may bring a civil action in district court seeking payment of the penalties, injunctive, or other appropriate relief including monetary damages, attorney fees, costs, and interest.

(f) Failure to pay a penalty due and payable under this section constitutes grounds for the agency to revoke or refuse to reissue or renew a permit issued by the agency.

Subd. 8. [CUMULATIVE REMEDY.] The authority to issue an order assessing penalties is in addition to other remedies available under statutory or common law. The payment of a penalty does not preclude the use of any other enforcement provisions in connection with the violation for which the penalty was assessed."

Delete the title and insert:

"A bill for an act relating to environment; authorizing the pollution control agency to issue administrative orders assessing penalties; establishing a hearing procedure; providing for the distribution and expenditure of monetary penalties; proposing coding for new law in Minnesota Statutes, chapter 116."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 345, A bill for an act relating to local government; allowing certain cities to appropriate money for advertising; amending Minnesota Statutes 1986, section 465.56, subdivision 1.

Reported the same back with the following amendments:

Page 1, line 10, after "the" insert "second,"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 401, A bill for an act relating to environment; providing criminal penalties for violation of laws and rules relating to hazardous waste; providing for the distribution and expenditure of monetary penalties; amending Minnesota Statutes 1986, sections 115.071, subdivision 2; 115B.20, subdivisions 2, 3, and 4; and 609.531; proposing coding for new law in Minnesota Statutes, chapter 115; repealing Minnesota Statutes 1986, section 115.071, subdivisions 2a and 2b.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 115.071, subdivision 2, is amended to read:

Subd. 2. [CRIMINAL PENALTIES.] (a) [VIOLATIONS OF LAWS; ORDERS; PERMITS.] (1) Except as provided in subdivisions 2a and 2b section 2, any person who willfully or negligently violates any provision of this chapter or chapter 116, or any standard, rule, variance, order, stipulation agreement, schedule of compliance or permit issued or adopted by the agency thereunder, which violation is not included in clause (2), shall upon conviction be guilty of a misdemeanor.

(2) Any person who willfully or negligently violates any effluent standard and limitation or water quality standard adopted by the agency, any National Pollutant Discharge Elimination System permit or any term or condition thereof, any duty to permit or carry out any recording, reporting, monitoring, sampling, information entry,

access, copying, or other inspection or investigation requirement as provided under applicable provisions of this chapter and, with respect to the pollution of waters of the state, chapter 116, or any National Pollutant Discharge Elimination System filing requirement, shall upon conviction be punished by a fine of not less than \$2,500 in the event of a willful violation or not less than \$300 in the event of a negligent violation. In any case the penalty shall not be more than \$40,000 per day of violation or by imprisonment for not more than one year, or both. If the conviction is for conduct committed after a first conviction of such person under this subdivision, punishment shall be by fine of not more than \$50,000 per day of violation, or by imprisonment for not more than two years, or both.

(b) [INFORMATION AND MONITORING.] Any person who knowingly makes any false statement, representation, or certification in any application, record, report, plan, or other document filed or required to be maintained under this chapter and, with respect to the pollution of the waters of the state, chapter 116, or standards, rules, orders, stipulation agreements, schedule of compliance or permits pursuant hereto, or who falsifies, tampers with, or knowingly renders inaccurate any monitoring device or method required to be maintained under this chapter and, with respect to the pollution of waters of the state, chapter 116, or standards, rules, variances, orders, stipulation agreements, schedules of compliance, or permits pursuant thereto, shall upon conviction, be punished by a fine of not more than \$20,000 per day of violation, or by imprisonment for not more than six months, or both.

(c) [DUTY OF LAW ENFORCEMENT OFFICIALS.] It shall be the duty of all county attorneys, sheriffs and other peace officers, and other officers having authority in the enforcement of the general criminal laws to take all action to the extent of their authority, respectively, that may be necessary or proper for the enforcement of said provisions, rules, standards, orders, stipulation agreements, variances, schedule of compliance, or permits.

Sec. 2. [115.073] [HAZARDOUS WASTE; CRIMINAL PENALTIES.]

Subdivision 1. [DEFINITIONS.] The definitions in this subdivision apply to this section.

(a) "Deliver" or "delivery" means the transfer of possession of hazardous waste, with or without consideration.

(b) "Hazardous waste" means any substance identified or listed as a hazardous waste under the rules adopted under chapter 115, 116, or 221.

(c) "Know" has the meaning given it in section 609.02.

(d) "Permit" means a permit issued by the agency or a facility that qualified for interim status under the agency rules specifying the qualifications for that status.

(e) "Serious bodily injury" means:

(1) bodily injury that involves a substantial risk of death;

(2) unconsciousness;

(3) extreme physical pain;

(4) protracted and obvious disfigurement; or

(5) protracted loss or impairment of the function of a bodily member, organ, or mental faculty.

Subd. 2. [PROOF OF KNOWING STATE OF MIND.] Knowledge possessed by a person other than the defendant but not by the defendant may not be attributed to the defendant.

In proving a defendant's actual knowledge, circumstantial evidence may be used, including evidence that the defendant took affirmative steps to shield the defendant from relevant information.

Proof of a defendant's knowledge of the existence or constitutionality of chapter 115, 116, or 221 or the rules adopted under those chapters under which the defendant is prosecuted, or the scope or meaning of the terms used in those chapters or rules, is not required.

Subd. 3. [FELONY PENALTY FOR KNOWING ENDANGERMENT.] A person who knowingly, or with reason to know, transports, treats, stores, or disposes of hazardous waste in violation of subdivision 4 or 5, and who knowingly at the time of the violation places or has reason to know that the person's conduct places another person in immediate danger of death or serious bodily injury, is guilty of a felony and shall be punished by a fine of not more than \$100,000 or by imprisonment for not more than ten years, or both, except that a person that is other than an individual shall be punished by a fine of not more than \$1,000,000.

Subd. 4. [FELONY PENALTY FOR UNLAWFUL DISPOSAL.] A person who knowingly, or with reason to know, disposes of hazardous waste or arranges for the disposal of hazardous waste at a location other than one permitted by the agency or the United States Environmental Protection Agency, or in violation of any material condition of a permit, is guilty of a felony and shall be punished by a fine of not more than \$50,000 or by imprisonment of not more than five years, or both.

Subd. 5. [FELONY PENALTY FOR UNLAWFUL TREATMENT, STORAGE, TRANSPORTATION, OR DELIVERY; FALSE STATEMENTS.] A person who knowingly, or with reason to know, does any of the following is guilty of a felony and shall be punished by a fine of not more than \$25,000 or by imprisonment of not more than three years, or both, and a second or subsequent offense is punishable by a fine of not more than \$50,000 or by imprisonment of not more than five years, or both:

(1) delivers hazardous waste to another person except as authorized by chapter 115, 116, or 221 and the rules adopted under any of them or the federal Resource Conservation and Recovery Act, and the regulations adopted under that act;

(2) treats or stores hazardous waste without a permit if a permit is required, or in violation of the material terms or conditions of a permit held by the person, unless the violation resulted from the acts of a third party that were not reasonably foreseeable and the agency was immediately notified of circumstances causing the violation;

(3) transports hazardous waste to any location other than a facility that is authorized to receive, treat, store, or dispose of the hazardous waste;

(4) transports hazardous waste without a manifest;

(5) makes a false material statement, representation, or omission in an application for a permit or license required by chapter 115, 116, or 221 to treat, transport, store, or dispose of hazardous waste;  
or

(6) makes a false material statement, representation, or omission in or on a label, manifest, record, report, or other document filed, maintained, or used for purpose of compliance with chapter 115, 116, or 221 in connection with the generation, transportation, disposal, treatment, or storage of hazardous waste.

Subd. 6. [NEGLIGENT VIOLATION AS GROSS MISDEMEANOR.] A person who negligently commits any of the violations set forth in subdivision 4 or 5 is guilty of a gross misdemeanor and shall be punished by a fine of not more than \$15,000, or by imprisonment for not more than one year, or both. Each day of violation shall be considered a separate violation.

Subd. 7. [DUTY OF LAW ENFORCEMENT OFFICIALS.] It is the duty of all county attorneys, sheriffs, and other peace officers, and other officers having authority for the enforcement of the general criminal laws to take action, to the extent of their authority, necessary to enforce subdivisions 1 to 7.

Subd. 8. [LIMITATIONS; AGGREGATIONS.] (a) Notwithstanding the provisions of section 628.20, or any other provision of the criminal laws of this state, an indictment may be found or a complaint may be filed for violations of subdivisions 1 to 6 in the proper court within six years after the commission of the offense.

(b) When two or more offenses in violation of subdivisions 1 to 6 are committed by the same person in two or more counties within a two-year period, the offenses may be aggregated and the accused may be prosecuted in any county in which one of the offenses was committed.

Subd. 9. [PAYMENT OF REWARDS.] (a) The director of the agency may pay a reward to an individual, other than a peace officer or employee of the agency or county engaged in enforcement of hazardous waste regulations, for information leading to the conviction of a person for a criminal offense arising under this section. A reward must not exceed \$1,000. The director shall pay the rewards out of money appropriated under paragraph (b) or from other funds donated to the agency for that purpose.

(b) The amounts necessary to pay rewards under paragraph (a) are appropriated from the environmental response, compensation, and compliance fund to the agency for payment by the director.

Sec. 3. Minnesota Statutes 1986, section 609.531, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] For the purpose of this section, the following terms have the meanings given them.

(a) "Conveyance device" means a device used for transportation in connection with a designated offense and includes, but is not limited to, motor vehicles, trailers, snowmobiles, airplanes, and vessels. The term "conveyance device" does not include property which is, in fact, itself stolen or taken in violation of the law.

(b) "Primary container" means a fundamental receptacle other than a conveyance device used to store or transport property.

(c) "Weapon used" means weapons used in the furtherance of a crime and defined as a dangerous weapon under section 609.02, subdivision 6.

(d) "Property" means property as defined in section 609.52, subdivision 1, clause (1).

(e) "Contraband property" means property which is illegal to possess under Minnesota law.

(f) "Appropriate agency" means either the bureau of criminal apprehension, Minnesota state patrol, county sheriffs and their deputies, or city police departments.

(g) "Designated offense" includes:

(1) For weapons used: any violation of this chapter;

(2) For all other purposes: violation of, or an attempt or conspiracy to violate, section 2, subdivisions 3 to 5; 609.185; 609.19; 609.195; 609.21; 609.221; 609.222; 609.223; 609.2231; 609.24; 609.245; 609.25; 609.255; 609.322, subdivision 1 or 2; 609.342, subdivision 1, clauses (a) to (f); 609.343, subdivision 1, clauses (a) to (f); 609.344, subdivision 1, clauses (a) to (e), and (h) to (j); 609.345, subdivision 1, clauses (a) to (e), and (h) to (j); 609.42; 609.425; 609.466; 609.485; 609.487; 609.52; 609.521; 609.525; 609.53; 609.54; 609.551; 609.561; 609.562; 609.563; 609.582; 609.59; 609.595; 609.687; 609.825; 609.86; 609.88; 609.89; or 617.246, when the violation constitutes a felony.

(h) "Communications device or component" means a device or system used to facilitate in any manner the creation, storage, dissemination, or transmission of data in connection with a designated offense and includes computers and computer-related components as defined in section 609.87 and any other device or system that by means of electric, electronic or magnetic impulses may be used to facilitate in any manner the creation, storage, dissemination, or transmission of data.

#### Sec. 4. [REPEALER.]

Minnesota Statutes 1986, section 115.071, subdivisions 2a and 2b, are repealed."

Delete the title and insert:

"A bill for an act relating to environment; providing criminal penalties for violation of laws and rules relating to hazardous waste; providing for the distribution and expenditure of monetary penalties; amending Minnesota Statutes 1986, sections 115.071, subdivision 2; and 609.531, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 115; repealing Minnesota Statutes 1986, section 115.071, subdivisions 2a and 2b."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Judiciary.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 428, A bill for an act relating to transportation; railroads; requiring occupied caboose car on certain trains; requiring caboose car to be equipped with shortwave radio; imposing a penalty; amending Minnesota Statutes 1986, section 219.56; proposing coding for new law in Minnesota Statutes, chapter 219.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 455, A bill for an act relating to state government; providing reimbursement for certain child care expenses incurred in connection with service on state boards, councils, committees, and task forces; amending Minnesota Statutes 1986, sections 15.0575, subdivision 3; 15.059, subdivisions 3 and 6; and 214.09, subdivision 3.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 469, A bill for an act relating to food licenses; regulating certain vending machine inspection fees; amending Minnesota Statutes 1986, section 28A.09, subdivision 1.

Reported the same back with the following amendments:

Page 1, line 11, strike "at least" and after the comma, insert "and provided that nut vending machines shall be subject to an annual state inspection fee of \$5 for each machine, and further"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 740, A bill for an act relating to horse racing; modifying the purse structure; providing for the representation of horsemen contracting with a licensee; modifying taxes; eliminating the payment of a percentage of the breakage to the commission; amending Minnesota Statutes 1986, sections 240.13, subdivision 5; 240.15, subdivisions 1 and 2.

Reported the same back with the following amendments:

Page 1, line 18, delete "horsemen's" and insert "horse owners".

Page 1, line 19, delete "horsemen" and insert "horse owners".

Page 2, line 2, after the period insert "The amount of money set aside for purses by a licensee operating a racetrack located outside the seven-county metropolitan area, with an average daily handle of \$350,000 or less, shall be not less than five percent of all money in all pari-mutuel pools."

Page 2, line 6, delete "horsemen's" and insert "horse owners".

Page 2, line 10, delete "horsemen" and insert "horse owners".

Page 2, line 12, delete "horsemen's" and insert "horse owners".

Page 2, line 14, delete "horsemen's" and insert "horse owners".

Page 2, line 17, delete "horsemen's" and insert "horse owners".

Amend the title as follows:

Page 1, line 4, delete "horsemen" and insert "horse owners".

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 11, 29, 257, 269, 323, 345, 428 and 469 were read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Begich introduced:

H. F. No. 947, A bill for an act relating to state lands; authorizing a private sale of certain tax-forfeited land in St. Louis county.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Larsen, Jefferson, Simoneau, Omann and Uphus introduced:

H. F. No. 948, A bill for an act relating to state government; providing for affirmative action improvements; regulating job eligibility lists; providing for the title of state agency heads; regulating hiring and personnel practices; amending Minnesota Statutes 1986, sections 15.06, subdivision 1; 15.46; 43A.08, subdivision 1; 43A.13, subdivisions 1 and 7; 43A.18, subdivision 4; 43A.191, subdivision 3; 43A.24, subdivision 2; 43A.30, subdivision 4; 43A.33, subdivision 3; 43A.34, subdivision 3; repealing Minnesota Statutes 1986, sections 15.45, subdivision 3; 15.47; and 43A.34, subdivisions 1 and 2.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Carruthers, Sarna, Solberg, McKasy and Burger introduced:

H. F. No. 949, A bill for an act relating to consumer protection; requiring registration for health, buying, and social referral clubs; providing bonding and alternative security requirements; regulating bond claims; amending Minnesota Statutes 1986, sections 325G.23, subdivisions 4, 8, and by adding a subdivision; and 325G.27.

The bill was read for the first time and referred to the Committee on Commerce.

Nelson, K.; Anderson, R.; Wynia; Simoneau and Greenfield introduced:

H. F. No. 950, A bill for an act relating to education; establishing demonstration sites for coordinated interagency delivery of services

for young children; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 121.

The bill was read for the first time and referred to the Committee on Education.

Begich, Reding, Minne, Brown and Redalen introduced:

H. F. No. 951, A bill for an act relating to ethics in government; redefining certain terms; changing certain filing requirements; amending Minnesota Statutes 1986, sections 10A.01, subdivisions 11, 15, and 16; and 10A.20, subdivisions 1 and 3.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Schoenfeld and Munger introduced:

H. F. No. 952, A bill for an act relating to appropriations; appropriating funds to the city of Waseca for lake rehabilitation.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Skoglund, Wagenius and Rose introduced:

H. F. No. 953, A bill for an act relating to environment; requiring the pollution control agency to finance its aircraft noise control program by an assessment against the metropolitan airports commission; amending Minnesota Statutes 1986, section 473.612.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Jaros introduced:

H. F. No. 954, A bill for an act relating to motor vehicles; allowing tax-exempt license plates for vehicles owned by nonprofit charities and used for educational purposes; amending Minnesota Statutes 1986, section 168.012, subdivision 1.

The bill was read for the first time and referred to the Committee on Transportation.

Valento and Rose introduced:

H. F. No. 955, A bill for an act relating to port authority powers for the city of Roseville; amending Laws 1985, chapter 301, section 3.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Segal introduced:

H. F. No. 956, A bill for an act relating to transportation; requiring the regional transit board to advise local governments of certain plans; amending Minnesota Statutes 1986, section 473.384, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Metropolitan Affairs.

Rukavina and Begich introduced:

H. F. No. 957, A bill for an act relating to education; increasing the special operating debt levy in independent school district No. 712, Mountain Iron-Buhl; amending Laws 1984, chapter 463, article 6, section 15, subdivision 1.

The bill was read for the first time and referred to the Committee on Education.

Welle introduced:

H. F. No. 958, A bill for an act relating to Kandiyohi county; permitting the county board to assign certain duties to the county recorder.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Boo introduced:

H. F. No. 959, A bill for an act relating to the city of Duluth; authorizing the acquisition of banks for operation as detached banking facilities in the city of Duluth and adjacent municipalities.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Clark; Anderson, R.; Sarna; Frerichs and Rice introduced:

H. F. No. 960, A bill for an act relating to human services; requiring director of state planning agency to contract for development of client advisory committees; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 252.

The bill was read for the first time and referred to the Committee on Health and Human Services.

McEachern, Beard and Nelson, K., introduced:

H. F. No. 961, A bill for an act relating to education; requiring districts to cooperatively offer academic programs after cooperatively offering sports programs; proposing coding for new law in Minnesota Statutes, chapter 122.

The bill was read for the first time and referred to the Committee on Education.

McEachern and Bauerly introduced:

H. F. No. 962, A bill for an act relating to education; prohibiting private sectarian post-secondary institutions from requiring high school students participating in the post-secondary enrollment options program to sign statements of religious belief; amending Minnesota Statutes 1986, section 123.3514, subdivision 4.

The bill was read for the first time and referred to the Committee on Education.

Olsen, S.; Gruenes; Minne; Jennings and Dempsey introduced:

H. F. No. 963, A bill for an act relating to taxation; income; providing a credit for home care of the elderly; amending Minnesota Statutes 1986, section 290.06, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Taxes.

Lasley; Greenfield; Nelson, K.; Jefferson and Dauner introduced:

H. F. No. 964, A bill for an act relating to human services; applying for waiver to require that recipients of aid to families with dependent children pursue a high school education; requiring that certain recipients of general assistance pursue a high school education; allowing counties to require work readiness recipients to

pursue a high school education; amending Minnesota Statutes 1986, sections 256D.05, subdivision 1; and 256D.051, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 256.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Milbert; Nelson, D.; Brown; Clausnitzer and Dempsey introduced:

H. F. No. 965, A bill for an act relating to obscenity; prohibiting the distribution and exhibition of obscene materials and performances; prescribing penalties; amending Minnesota Statutes 1986, section 617.241.

The bill was read for the first time and referred to the Committee on Judiciary.

Sarna; Nelson, C.; Kinkel; McEachern and Anderson, R., introduced:

H. F. No. 966, A bill for an act relating to game and fish; establishing a limit for the taking of crappies; proposing coding for new law in Minnesota Statutes, chapter 97C.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Rukavina; Otis; Pappas; Olsen, S., and Onnen introduced:

H. F. No. 967, A bill for an act relating to education; requiring school districts to teach Braille to blind pupils; proposing coding for new law in Minnesota Statutes, chapter 126.

The bill was read for the first time and referred to the Committee on Education.

Frederick introduced:

H. F. No. 968, A bill for an act relating to retirement; public employees retirement association; permitting the purchase of prior service by certain public elected officials; amending Minnesota Statutes 1986, section 353.36, subdivision 2.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Kelly, Solberg, Blatz, Pappas and Bishop introduced:

H. F. No. 969, A bill for an act relating to the sentencing guidelines commission; including a crime victim as a member of the commission; providing that terms of members appointed by the governor are coterminous with the governor; amending Minnesota Statutes 1986, section 244.09, subdivisions 2 and 3.

The bill was read for the first time and referred to the Committee on Judiciary.

Nelson, K.; Dorn; Orenstein; Jaros and Boo introduced:

H. F. No. 970, A bill for an act relating to education; requiring the higher education coordinating board to provide education and training information; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 136A.

The bill was read for the first time and referred to the Committee on Higher Education.

Rukavina, Quinn, Brown, Milbert and Bishop introduced:

H. F. No. 971, A bill for an act relating to insurance; automobile; removing the dollar limitation on the mandatory arbitration of no-fault claims; requiring insurers to provide certain arbitration information to applicants and policyholders; providing a penalty; amending Minnesota Statutes 1986, section 65B.525, subdivision 1, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Rukavina, Quinn, Brown and Milbert introduced:

H. F. No. 972, A bill for an act relating to civil actions; adopting the discovery rule for statute of limitations in tort or malpractice actions; amending Minnesota Statutes 1986, section 541.07.

The bill was read for the first time and referred to the Committee on Judiciary.

Beard, Quinn, McKasy, Seaberg and Nelson, D., introduced:

H. F. No. 973, A bill for an act relating to insurance; automobile; regulating the classification of risks of certain cities; amending Minnesota Statutes 1986, section 70A.05.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Rukavina, Munger, Jaros, O'Connor and Sarna introduced:

H. F. No. 974, A bill for an act relating to labor; defining a professional strikebreaker; amending Minnesota Statutes 1986, section 179.01, subdivision 16.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Jennings and Gruenes introduced:

H. F. No. 975, A bill for an act relating to occupations and professions; requiring the licensing of fire sprinkler system contractors; establishing a fire sprinkler systems contractor board of examiners; providing for administration and licensing; requiring rulemaking; providing penalties; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 326.

The bill was read for the first time and referred to the Committee on Commerce.

Dille, Bertram, Redalen, Krueger and Hugoson introduced:

H. F. No. 976, A bill for an act relating to agriculture; appropriating money for aid to county and district agricultural societies.

The bill was read for the first time and referred to the Committee on Agriculture.

Nelson, K.; Wagenius; Olsen, S.; McEachern and Rukavina introduced:

H. F. No. 977, A bill for an act relating to education; requiring school administrators to obtain classroom experience periodically; proposing coding for new law in Minnesota Statutes, chapter 125.

The bill was read for the first time and referred to the Committee on Education.

Kostohryz, Carlson, L.; Rose, McEachern and Price introduced:

H. F. No. 978, A bill for an act relating to education; authorizing northeast metropolitan intermediate school district No. 916 to issue

certain bonds for the acquisition and betterment of a secondary vocational and special education facility.

The bill was read for the first time and referred to the Committee on Education.

Blatz, Murphy, Simoneau, Sviggum and Begich introduced:

H. F. No. 979, A bill for an act relating to workers' compensation; providing a permanent partial disability rating for certain losses; proposing coding for new law in Minnesota Statutes, chapter 176.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Begich, Jacobs, Carlson, D., and Wenzel introduced:

H. F. No. 980, A bill for an act relating to natural resources; providing for the establishment of an off-road vehicle recreation program; providing a penalty; proposing coding for new law in Minnesota Statutes, chapter 84.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Jennings, Quinn, Sarna and Milbert introduced:

H. F. No. 981, A bill for an act relating to consumer protection; requiring travel agencies to register with the secretary of state and maintain a bond as a condition of doing business in Minnesota; proposing coding for new law in Minnesota Statutes, chapter 325F.

The bill was read for the first time and referred to the Committee on Commerce.

Neuenschwander, Jennings and Solberg introduced:

H. F. No. 982, A bill for an act relating to natural resources; designating the white-tailed deer as the official state mammal; proposing coding for new law in Minnesota Statutes, chapter 1.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Rukavina, Larsen, Trimble, Dorn and Heap introduced:

H. F. No. 983, A bill for an act relating to education; adding post-secondary vocational technical representation to UFARS and ESV computer councils; authorizing certain state board of vocational technical education powers; changing certain state director duties; clarifying school days; amending Minnesota Statutes 1986, sections 121.901, subdivision 1; 121.934, subdivisions 1 and 2; 123.37, subdivision 1a; 136C.04, subdivision 12, and by adding a subdivision; 136C.13, by adding a subdivision; 136C.15; 136C.29, subdivision 5; and 136C.35; repealing Minnesota Statutes 1986, section 136C.32.

The bill was read for the first time and referred to the Committee on Higher Education.

Jennings, Stanius, Jacobs, Quinn and Milbert introduced:

H. F. No. 984, A bill for an act relating to motor vehicles; prohibiting appointments of corporations as deputy registrars and providing for transfers of appointment; making deputy registrars appointed by county auditors subject to rules of the commissioner of public safety with certain exceptions; amending Minnesota Statutes 1986, section 168.33, subdivision 2, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Segal, Trimble, McEachern and Tompkins introduced:

H. F. No. 985, A bill for an act relating to education; ensuring minimum amounts of financial support to the regional public library system; requiring county board of commissioners to appoint at least one representative to the regional public library system board; proposing coding for new law in Minnesota Statutes, chapter 134.

The bill was read for the first time and referred to the Committee on Education.

Wynia, Voss, Osthoff, McKasy and Knickerbocker introduced:

H. F. No. 986, A bill for an act relating to financial institutions; authorizing certain charges on open-end loan account arrangements; amending Minnesota Statutes 1986, section 48.185, subdivision 4.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Kelso, Ozment, Price, McEachern and Segal introduced:

H. F. No. 987, A bill for an act relating to education; requiring the state fire marshal to inspect a public school building every three years; amending Minnesota Statutes 1986, section 299F.11, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Education.

Jaros, Munger and Boo introduced:

H. F. No. 988, A bill for an act relating to education; appropriating money for construction grants to aid desegregation plans.

The bill was read for the first time and referred to the Committee on Education.

Nelson, K.; McEachern; Olson, K.; Ozment and Pelowski introduced:

H. F. No. 989, A bill for an act relating to education; establishing clinical schools for teacher preparation; establishing professional development and assessment centers; requiring research on teacher education programs; appropriating money; amending Minnesota Statutes 1986, section 125.185, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 126.

The bill was read for the first time and referred to the Committee on Education.

Segal, Greenfield, Vellenga and Bishop introduced:

H. F. No. 990, A bill for an act relating to crimes; providing that persons convicted of a crime of violence may not ship, transport, possess, or receive a firearm for ten years following restoration of civil rights, the setting aside of a conviction, or a pardon; amending Minnesota Statutes 1986, sections 609.165, by adding a subdivision; 609.168; 624.712, subdivision 5; and 638.02, subdivision 2.

The bill was read for the first time and referred to the Committee on Judiciary.

Olson, K.; McEachern; Dille; Johnson, R., and Winter introduced:

H. F. No. 991, A bill for an act relating to retirement; giving certain employing units an option on the rule of 85; proposing coding for new law in Minnesota Statutes, chapter 356.

The bill was read for the first time and referred to the Committee on Governmental Operations.

McDonald, Stanius and McEachern introduced:

H. F. No. 992, A bill for an act relating to trap and skeet clubs or ranges; prohibiting the commissioner of natural resources and the pollution control agency from imposing a ban on lead shot; amending Minnesota Statutes 1986, section 116.53, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 97A.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

McPherson, Welle and Gutknecht introduced:

H. F. No. 993, A bill for an act relating to retirement; providing for retirement at age 65 for the state patrol and state patrol retirement fund members; amending Minnesota Statutes 1986, section 43A.34, subdivision 4.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Munger, Jaros, Boo, Rice and Battaglia introduced:

H. F. No. 994, A bill for an act relating to port authorities; appropriating money for the Seaway port authority of Duluth.

The bill was read for the first time and referred to the Committee on Economic Development and Housing.

Greenfield, Forsythe, Wynia, Kelso and Onnen introduced:

H. F. No. 995, A bill for an act relating to human services; clarifying chemical dependency consolidated fund administration procedures; amending Minnesota Statutes 1986, sections 246.51; 246.511; 254B.01, subdivision 5; 254B.02, subdivisions 1, 2, 3, and 5; 254B.03, subdivisions 1, 2, 3, 4, and 5; 254B.04, subdivision 2;

254B.06, subdivision 1; and 254B.09, subdivisions 3, 5, and 7; repealing Minnesota Statutes 1986, section 256.968.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Stanius, Munger, Rose, Brown and Anderson, G., introduced:

H. F. No. 996, A bill for an act relating to natural resources; providing a program for the control of noxious weeds; appropriating money; amending Minnesota Statutes 1986, sections 18.291; and 18.311; proposing coding for new law in Minnesota Statutes, chapter 86.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Burger, Shaver, Osthoff and Kludt introduced:

H. F. No. 997, A bill for an act relating to fireworks; permitting the sale and use of certain fireworks in Minnesota; amending Minnesota Statutes 1986, sections 624.20; and 624.21; proposing coding for new law in Minnesota Statutes, chapter 624.

The bill was read for the first time and referred to the Committee on Health and Human Services.

McPherson, McDonald, Krueger, Rice and Redalen introduced:

H. F. No. 998, A bill for an act relating to the University of Minnesota; providing for development and research on health care delivery systems for dairy herds; appropriating money.

The bill was read for the first time and referred to the Committee on Higher Education.

Kelso, Greenfield, Vellenga, Onnen and Rodosovich introduced:

H. F. No. 999, A bill for an act relating to health; providing for a local public health act; defining the powers and duties of boards of health; providing discretionary county ordinance power; authorizing the community health service subsidy; authorizing grants; providing penalties; amending Minnesota Statutes 1986, sections 35.67; 35.68; 144.36; 144.37; 145.075; and 145.923; and Laws 1969, chapter 235, section 3, subdivisions 2 and 4; proposing coding for new law as Minnesota Statutes, chapter 145A; repealing Minnesota Statutes 1986, sections 145.01 to 145.07; 145.08 to 145.125; 145.17 to 145.23; 145.24, subdivisions 1 and 2; 145.47 to 145.55; 145.911;

145.912, subdivisions 1 to 8, 10 to 15, 19, and 20; 145.913 to 145.92; and 145.922.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Krueger and Schoenfeld introduced:

H. F. No. 1000, A bill for an act relating to agriculture; providing a milk marketing and price stabilization plan; declaring state policy relating to milk; creating a milk stabilization board; authorizing the board to prescribe milk stabilization plans and maximum and minimum prices for marketing milk; requiring licenses for persons involved in milk marketing; prescribing milk marketing violations; authorizing enforcement of disruptive trade practices; authorizing entry, inspection, and investigation of milk marketing practices; requiring records and reports; providing remedies and penalties for milk marketing violations; authorizing local advisory boards; authorizing assessments on milk processors; authorizing a referendum on continuance of stabilized prices; proposing coding for new law as Minnesota Statutes, chapter 32C; repealing Minnesota Statutes 1986, chapter 32A.

The bill was read for the first time and referred to the Committee on Agriculture.

McLaughlin, Voss and Scheid introduced:

H. F. No. 1001, A bill for an act relating to taxation; sales and use; limiting the exemption for advertising materials subsequently shipped out of Minnesota and providing for adjustment of the rate of tax imposed on sales of advertising materials under certain circumstances; amending Minnesota Statutes 1986, section 297A.25, subdivision 22.

The bill was read for the first time and referred to the Committee on Taxes.

Clark, Ogren, Jacobs, Rodosovich and Gruenes introduced:

H. F. No. 1002, A bill for an act relating to utilities; establishing program to provide communication-impaired people with devices enabling their use of telephones; creating advisory committee and requiring report; providing for payment of costs of program; proposing coding for new law in Minnesota Statutes, chapter 237.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Kludt, Kostohryz, Reding and Orenstein introduced:

H. F. No. 1003, A resolution memorializing the President and Congress to enact legislation to exempt nonprofit organizations from the federal excise tax on wagering.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Nelson, K., and Vellenga introduced:

H. F. No. 1004, A bill for an act relating to education; extending the authorization for a desegregation levy to certain additional districts; amending Minnesota Statutes 1986, section 275.125, subdivision 6e.

The bill was read for the first time and referred to the Committee on Education.

McLaughlin, Scheid, Jacobs and Clark introduced:

H. F. No. 1005, A bill for an act relating to landlord and tenant; authorizing tenants in single-metered residential buildings to pay for gas and electric utilities and deduct the payments from rent due; providing penalties; proposing coding for new law in Minnesota Statutes, chapter 504.

The bill was read for the first time and referred to the Committee on Economic Development and Housing.

Osthoff, Skoglund, McKasy, Knickerbocker and Wenzel introduced:

H. F. No. 1006, A bill for an act relating to financial institutions; regulating interstate branching by certain savings and loan associations; regulating certain acquisitions by savings and loan holding companies headquartered in Minnesota; amending Minnesota Statutes 1986, section 51A.58.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Kludt and Nelson, D., introduced:

H. F. No. 1007, A bill for an act relating to civil actions; providing for the application of statutes of limitations to actions that involve the law of other states; enacting the uniform conflict of laws-

limitations act; proposing coding for new law in Minnesota Statutes, chapter 541.

The bill was read for the first time and referred to the Committee on Judiciary.

Vellenga, Clark, Stanius and Ozment introduced:

H. F. No. 1008, A bill for an act relating to occupations and professions; generally revising and updating the laws relating to licensure of podiatrists; providing for definitions, licensing, practice without a license, disciplinary action, and investigations; providing penalties; amending Minnesota Statutes 1986, sections 153.01, subdivisions 2 and 3; 153.02; 153.03; 214.01; and 319A.02; proposing coding for new law in Minnesota Statutes, chapter 153; repealing Minnesota Statutes 1986, sections 153.01, subdivision 4; 153.04 to 153.09; 153.13; 153.14; and 153.15.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Jefferson, Osthoff and Scheid introduced:

H. F. No. 1009, A bill for an act relating to transportation; providing for standards for special transportation service; requiring standards for special transportation service in the metropolitan area; amending Minnesota Statutes 1986, sections 174.30, subdivisions 1, 2, 4, 6, 7, and by adding subdivisions; 473.386, subdivisions 1, 2, 3, 4, 6, and by adding subdivisions; repealing Minnesota Statutes 1986, section 473.386, subdivision 7.

The bill was read for the first time and referred to the Committee on Metropolitan Affairs.

Vellenga, Pappas and Orenstein introduced:

H. F. No. 1010, A bill for an act relating to the city of Saint Paul; providing for delay in increased valuation on certain rehabilitation projects.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Vellenga, Rest and Carruthers introduced:

H. F. No. 1011, A bill for an act relating to juveniles; exempting certain parents from the requirement of reimbursing counties for

the costs of a child's court-ordered care, examination, or treatment, or a child's court-ordered representation by an attorney or guardian ad litem; amending Minnesota Statutes 1986, section 260.251, subdivisions 1, 4, and 5.

The bill was read for the first time and referred to the Committee on Judiciary.

Osthoff introduced:

H. F. No. 1012, A bill for an act relating to taxation; property; eliminating, restricting, and clarifying property tax exemptions; appropriating money; amending Minnesota Statutes 1986, sections 272.01, subdivisions 2 and 3; 272.011; 272.02, subdivision 1, and by adding a subdivision; 272.025, subdivision 1; 273.115, subdivisions 1, 2, and 3; 273.116, subdivisions 1 and 2; 273.13, subdivision 25, and by adding a subdivision; 273.19, subdivisions 1, 3, 4, and by adding a subdivision; 297A.01, subdivision 11; and 398A.05; proposing coding for new law in Minnesota Statutes, chapter 272; repealing Minnesota Statutes 1986, sections 272.02, subdivisions 2 and 3; 295.44, subdivision 1; 383C.48; and 473.556, subdivision 4.

The bill was read for the first time and referred to the Committee on Taxes.

McEachern introduced:

H. F. No. 1013, A bill for an act relating to the permanent school fund; requiring the commissioner of administration to acquire certain trust fund lands by condemnation; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 92.

The bill was read for the first time and referred to the Committee on Education.

McEachern introduced:

H. F. No. 1014, A bill for an act relating to the permanent school fund; modifying the sale procedures for certain trust fund lands leased for lakeshore cabin purposes; appropriating money; amending Minnesota Statutes 1986, sections 92.46, subdivision 1; and 92.67; repealing Laws 1986, chapter 449, section 6.

The bill was read for the first time and referred to the Committee on Education.

Rest, Blatz and Kludt introduced:

H. F. No. 1015, A bill for an act relating to motorboat safety; providing for enforcement of sanctions for operation of a motorboat while under the influence of alcohol or a controlled substance; amending Minnesota Statutes 1986, section 361.121, subdivision 2, and by adding subdivisions.

The bill was read for the first time and referred to the Committee on Judiciary.

Scheid; Schreiber; Carlson, L., and Nelson, K., introduced:

H. F. No. 1016, A bill for an act relating to agriculture; authorizing the commissioner to contract for certain services; proposing coding for new law in Minnesota Statutes, chapter 28A.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Scheid; Schreiber; Carlson, L., and Nelson, K., introduced:

H. F. No. 1017, A bill for an act relating to agriculture; changing certain administrative and licensing provisions related to itinerant and mobile food services; amending Minnesota Statutes 1986, section 28A.065.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Shaver introduced:

H. F. No. 1018, A bill for an act relating to food; authorizing certain cities and counties to administer the Minnesota consolidated food licensing law as it affects certain food handlers; proposing coding for new law in Minnesota Statutes, chapter 28A.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Rest introduced:

H. F. No. 1019, A bill for an act relating to occupations and professions; board of accountancy; providing for experience and education requirements; authorizing a program of quality review as a condition of relicensure; eliminating the licensure of cooperative

auditing services; amending Minnesota Statutes 1986, sections 326.19, subdivisions 1, 2, and 4; and 326.20, subdivisions 1 and 2.

The bill was read for the first time and referred to the Committee on Commerce.

#### HOUSE ADVISORIES

The following House Advisories were introduced:

Osthoff and Rest introduced:

H. A. No. 7, A proposal to study the Metropolitan Sports Facilities Commission.

The advisory was referred to the Committee on Metropolitan Affairs.

Jensen; McLaughlin; Kelso; Johnson, A., and Simoneau introduced:

H. A. No. 8, A proposal to study highways in areas with rapidly expanding populations and increasing tourism.

The advisory was referred to the Committee on Transportation.

#### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 191, A bill for an act relating to the city of St. Stephen; authorizing the issuance of bonds for the construction of a city civic building.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 89, 279 and 296.

PATRICK E. FLAHAVEN, Secretary of the Senate

POINT OF ORDER

Schreiber raised a point of order pursuant to sections 156, 575 and 761 of "Mason's Manual of Legislative Procedure" relating to Messages between the Houses. The Speaker ruled the point of order not well taken.

Schreiber appealed the decision of the Chair.

A roll call was requested and properly seconded.

CALL OF THE HOUSE

On the motion of Schreiber and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

Anderson, G.	Gruenes	Long	Pappas	Skoglund
Anderson, R.	Hartle	Marsh	Pelowski	Solberg
Battaglia	Haukoos	McDonald	Peterson	Sparby
Bauerly	Heap	McEachern	Poppenhagen	Stanius
Begich	Himle	McKasy	Price	Steenasma
Bertram	Hugoson	McLaughlin	Quist	Svigum
Blatz	Jacobs	McPherson	Redalen	Swenson
Boo	Jefferson	Milbert	Reding	Thiede
Brown	Jensen	Miller	Rest	Tjornhom
Burger	Johnson, A.	Minne	Rice	Tompkins
Carlson, L.	Johnson, R.	Morrison	Richter	Trimble
Carruthers	Johnson, V.	Munger	Riveness	Tunheim
Clark	Kahn	Nelson, C.	Rodosovich	Uphus
Clausnitzer	Kalis	Nelson, D.	Rose	Valento
Cooper	Kelso	Neuenschwander	Rukavina	Vanasek
Dauner	Kinkel	O'Connor	Sarna	Vellenga
DeBlicke	Kludt	Ogren	Schafer	Voss
Dempsey	Knickerbocker	Olsen, S.	Scheid	Wagenius
Dille	Knuth	Olson, K.	Schoenfeld	Waltman
Dorn	Kostohryz	Omann	Schreiber	Welle
Forsythe	Krueger	Onnen	Seaberg	Wenzel
Frederick	Larsen	Orenstein	Segal	Winter
Frerichs	Lasley	Otis	Shaver	Wynia
Greenfield	Lieder	Ozment	Simoneau	Spk. Norton

Vanasek 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.

The vote was taken on the question "Shall the decision of the Speaker stand as the judgment of the House?" and the roll was called.

Vanasek moved that those not voting be excused from voting. The motion prevailed.

There were 79 yeas and 45 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Jacobs	Lasley	Orenstein	Segal
Anderson, R.	Jefferson	Lieder	Otis	Simoneau
Battaglia	Jennings	Long	Pappas	Skoglund
Bauerly	Jensen	McEachern	Pelowski	Solberg
Beard	Johnson, A.	McLaughlin	Peterson	Sparby
Begich	Johnson, R.	Milbert	Price	Steensma
Bertram	Kahn	Minne	Quinn	Vanasek
Brown	Kalis	Munger	Reding	Vellenga
Carlson, L.	Kelly	Nelson, C.	Rest	Voss
Carruthers	Kelso	Nelson, D.	Rice	Wagenius
Clark	Kinkel	Nelson, K.	Riveness	Welle
Cooper	Kludt	Neuenschwander	Rodosovich	Wenzel
Dauner	Knuth	O'Connor	Rukavina	Winter
DeBlieck	Kostohryz	Ogren	Sarna	Wynia
Dorn	Krueger	Olson, E.	Scheid	Spk. Norton
Greenfield	Larsen	Olson, K.	Schoenfeld	

Those who voted in the negative were:

Blatz	Gutknecht	McDonald	Pauly	Stanius
Burger	Hartle	McKasy	Poppenhagen	Svigum
Clausnitzer	Haukoos	McPherson	Quist	Swenson
Dempsey	Heap	Miller	Redalen	Thiede
Dille	Himle	Morrison	Richter	Tjornhom
Forsythe	Hugoson	Olsen, S.	Rose	Tompkins
Frederick	Johnson, V.	Omamm	Schreiber	Uphus
Frerichs	Knickerbocker	Onnen	Seaberg	Valento
Gruenes	Marsh	Ozment	Shaver	Waltman

So it was the judgment of the House that the decision of the Speaker should stand.

## FIRST READING OF SENATE BILLS

S. F. No. 89, A bill for an act relating to agriculture; clarifying and amending the farmer-lender mediation act; amending Minnesota Statutes 1986, sections 336.9-501; 550.365; 559.209; 581.015; 583.22, subdivisions 2 and 8, and by adding a subdivision; 583.24, subdivisions 1, 3, and by adding a subdivision; 583.26, subdivisions 1, 2, 3, 4, 5, 6, 8, 9, and by adding a subdivision; 583.27, subdivisions 1, 3, and 4; 583.28; and 583.285; proposing coding for new law in Minnesota Statutes, chapter 583.

The bill was read for the first time and referred to the Committee on Agriculture.

S. F. No. 279, A bill for an act relating to the city of Brook Park; raising the city debt limit.

The bill was read for the first time.

Carlson, D., moved that S. F. No. 279 and H. F. No. 483, now on the Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 296, A bill for an act relating to eminent domain; regulating relocation benefits for displaced persons; amending Minnesota Statutes 1986, section 117.52, subdivision 1.

The bill was read for the first time and referred to the Committee on Economic Development and Housing.

### CONSENT CALENDAR

H. F. No. 470 was reported to the House.

There being no objection, H. F. No. 470 was continued on the Consent Calendar for one day.

### CALL OF THE HOUSE LIFTED

Vanasek moved that the call of the House be dispensed with. The motion prevailed and it was so ordered.

S. F. No. 87, A bill for an act relating to tort claims; including the state agricultural society in the definition of state; amending Minnesota Statutes 1986, section 3.732, 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 121 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	DeBlicek	Jefferson	Larsen	Nelson, D.
Anderson, R.	Dempsey	Jensen	Lasley	Nelson, K.
Battaglia	Dorn	Johnson, A.	Lieder	Neuenschwander
Bauerly	Forsythe	Johnson, R.	Long	O'Connor
Beard	Frederick	Johnson, V.	Marsh	Ogren
Begich	Frerichs	Kahn	McDonald	Olsen, S.
Bertram	Greenfield	Kalis	McEachern	Olson, E.
Blatz	Gruenes	Kelly	McKasy	Olson, K.
Brown	Gutknecht	Kelso	McLaughlin	Omann
Burger	Hartle	Kinkel	McPherson	Onnen
Carlson, L.	Haukoos	Kludt	Milbert	Orenstein
Carruthers	Heap	Knickerbocker	Minne	Otis
Clark	Himle	Knuth	Morrison	Ozment
Cooper	Hugoson	Kostohryz	Munger	Pappas
Dauner	Jacobs	Krueger	Nelson, C.	Pauly

Pelowski	Riveness	Segal	Tjornhom	Waltman
Peterson	Rodosovich	Shaver	Tompkins	Welle
Price	Rose	Simoneau	Trimble	Wenzel
Quinn	Rukavina	Skoglund	Tunheim	Winter
Quist	Sarna	Solberg	Uphus	Wynia
Redalen	Schafer	Sparby	Valento	Spk. Norton
Reding	Scheid	Stanius	Vanasek	
Rest	Schoenfeld	Steensma	Vellenga	
Rice	Schreiber	Sviggum	Voss	
Richter	Seaberg	Thiede	Wagenius	

The bill was passed and its title agreed to.

### CALENDAR

H. F. No. 312, A bill for an act relating to elections; changing what name may be used on ballots, nominating petitions, and affidavits of candidacy; repealing Minnesota Statutes 1986, section 204B.05.

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 107 yeas and 13 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Hartle	Lasley	Pappas	Sparby
Anderson, R.	Haukoos	Lieder	Pauly	Stanius
Battaglia	Heap	Long	Pelowski	Steensma
Bauerly	Himle	McEachern	Peterson	Sviggum
Beard	Jacobs	McKasy	Poppenhagen	Tjornhom
Begich	Jefferson	McLaughlin	Price	Trimble
Bertram	Jennings	Milbert	Quinn	Tunheim
Blatz	Jensen	Miller	Redalen	Uphus
Brown	Johnson, A.	Minne	Reding	Valento
Burger	Johnson, R.	Morrison	Rest	Vanasek
Carlson, L.	Johnson, V.	Munger	Rice	Vellenga
Carruthers	Kahn	Nelson, C.	Riveness	Voss
Clark	Kalis	Nelson, D.	Rose	Wagenius
Clausnitzer	Kelly	Nelson, K.	Rukavina	Waltman
Cooper	Kelso	O'Connor	Sarna	Welle
Dauner	Kinkel	Ogren	Scheid	Wenzel
DeBleeck	Kludt	Olsen, S.	Schoenfeld	Winter
Dille	Knickerbocker	Olson, E.	Seaberg	Wynia
Dorn	Knuth	Omam	Segal	Spk. Norton
Forsythe	Kostohryz	Orenstein	Simoneau	
Frederick	Krueger	Otis	Skoglund	
Greenfield	Larsen	Ozment	Solberg	

Those who voted in the negative were:

Dempsey	Gutknecht	McPherson	Rodosovich	Tompkins
Frerichs	Hugoson	Onnen	Schafer	
Gruenes	McDonald	Quist	Schreiber	

The bill was passed and its title agreed to.

H. F. No. 102, A bill for an act relating to game and fish; use of mechanical release bows during archery seasons; amending Minnesota Statutes 1986, section 97B.035, 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 106 yeas and 14 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Haukoos	Larsen	Onnen	Schreiber
Anderson, R.	Heap	Lasley	Orenstein	Seaberg
Battaglia	Himle	Lieder	Otis	Shaver
Bauerly	Hugoson	Long	Ozment	Solberg
Beard	Jacobs	McDonald	Pauly	Sparby
Begich	Jefferson	McEachern	Pelowski	Stanius
Bertram	Jennings	McKasy	Peterson	Steensma
Blatz	Jensen	McLaughlin	Poppenhagen	Swenson
Brown	Johnson, A.	McPherson	Price	Tjornhom
Burger	Johnson, R.	Milbert	Quinn	Tompkins
Carruthers	Johnson, V.	Minne	Quist	Trimble
Cooper	Kahn	Morrison	Rest	Tunheim
Dauner	Kalis	Munger	Rice	Uphus
DeBlicek	Kelly	Nelson, C.	Richter	Valento
Dempsey	Kelso	Nelson, K.	Riveness	Vanasek
Dille	Kinkel	Neuenschwander	Rodosovich	Vellenga
Forsythe	Kludt	O'Connor	Rose	Voss
Frederick	Knickerbocker	Ogren	Rukavina	Waltman
Greenfield	Knuth	Olsen, S.	Sarna	Wenzel
Gruenes	Kostohryz	Olson, E.	Schafer	Winter
Hartle	Krueger	Olson, K.	Scheid	Wynia
				Spk. Norton

Those who voted in the negative were:

Carlson, L.	Dorn	Nelson, D.	Redalen	Sviggum
Clark	Frerichs	Omann	Reding	Wagenius
Clausnitzer	Gutknecht	Pappas	Skoglund	

The bill was passed and its title agreed to.

H. F. No. 141, A bill for an act relating to liability; authorizing the elimination or limitation of a director's personal liability to a cooperative association or its members; exempting certain directors, members, and agents of nonprofit corporations from civil liability; exempting certain members of hospital district boards from certain civil liability; amending Minnesota Statutes 1986, sections 317.201; and 447.32, by adding a subdivision; and proposing coding for new law in Minnesota Statutes, chapter 308.

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 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Hartle	Long	Pappas	Simoneau
Anderson, R.	Haukoos	Marsh	Pauly	Skoglund
Battaglia	Heap	McDonald	Pelowski	Solberg
Bauerly	Himle	McEachern	Peterson	Sparby
Beard	Hugoson	McKasy	Poppenhagen	Stanius
Begich	Jacobs	McLaughlin	Price	Steensma
Bertram	Jefferson	McPherson	Quinn	Sviggum
Blatz	Jennings	Milbert	Quist	Swenson
Brown	Jensen	Minne	Redalen	Thiede
Burger	Johnson, A.	Morrison	Reding	Tjornhom
Carlson, L.	Johnson, R.	Munger	Rest	Tompkins
Carruthers	Johnson, V.	Nelson, C.	Rice	Trimble
Clark	Kahn	Nelson, D.	Richter	Tunheim
Clausnitzer	Kalis	Nelson, K.	Riveness	Uphus
Cooper	Kelly	Neuenschwander	Rodosovich	Valento
Dauner	Kelso	O'Connor	Rose	Vanasek
DeBlicek	Kinkel	Ogren	Rukavina	Vellenga
Dempsey	Kludt	Olsen, S.	Sarna	Voss
Dille	Knickerbocker	Olson, E.	Schafer	Wagenius
Dorn	Knuth	Olson, K.	Scheid	Waltman
Forsythe	Kostohryz	Omann	Schoenfeld	Welle
Frederick	Krueger	Onnen	Schreiber	Wenzel
Greenfield	Larsen	Orenstein	Seaberg	Winter
Gruenes	Lasley	Otis	Segal	Wynia
Gutknecht	Lieder	Ozment	Shaver	Spk. Norton

The bill was passed and its title agreed to.

H. F. No. 270, A bill for an act relating to adoption; providing for notice of an adopted child or genetic parent's death; proposing coding for new law in Minnesota Statutes, chapter 259.

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 26 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Greenfield	Knickerbocker	Nelson, C.	Pelowski
Battaglia	Hartle	Knuth	Nelson, D.	Peterson
Bauerly	Haukoos	Kostohryz	Nelson, K.	Price
Beard	Himle	Krueger	Neuenschwander	Quinn
Blatz	Jacobs	Larsen	O'Connor	Reding
Carlson, L.	Jefferson	Lasley	Ogren	Rest
Carruthers	Jennings	Lieder	Olsen, S.	Rice
Clark	Jensen	Long	Olson, E.	Riveness
Cooper	Johnson, A.	McEachern	Olson, K.	Rodosovich
Dauner	Johnson, R.	McKasy	Onnen	Rose
Dempsey	Kahn	Milbert	Orenstein	Rukavina
Dille	Kalis	Miller	Otis	Sarna
Dorn	Kelly	Minne	Ozment	Scheid
Forsythe	Kinkel	Morrison	Pappas	Schoenfeld
Frederick	Kludt	Munger	Pauly	Schreiber

Seaberg	Solberg	Tjornhom	Uphus	Welle
Shaver	Sparby	Tompkins	Valento	Winter
Simoneau	Stanius	Trimble	Vellenga	Wynia
Skoglund	Swenson	Tunheim	Wagenius	

Those who voted in the negative were:

Anderson, G.	DeBlieck	Johnson, V.	Quist	Waltman
Begich	Frerichs	Marsh	Redalen	Wenzel
Bertram	Gruenes	McDonald	Schafer	
Brown	Gutknecht	McPherson	Steensma	
Burger	Heap	Omann	Sviggum	
Clausnitzer	Hugoson	Poppenhagen	Vanasek	

The bill was passed and its title agreed to.

S. F. No. 302, A bill for an act relating to crimes; repealing the crime of criminal syndicalism; repealing Minnesota Statutes 1986, section 609.405.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 121 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Gruenes	Lasley	Otis	Segal
Anderson, R.	Hartle	Lieder	Ozment	Simoneau
Battaglia	Haukoos	Long	Pappas	Skoglund
Bauerly	Heap	Marsh	Pauly	Solberg
Beard	Himlc	McEachern	Pelowski	Sparby
Begich	Hugoson	McKasy	Peterson	Steensma
Bertram	Jacobs	McLaughlin	Poppenhagen	Sviggum
Blatz	Jefferson	McPherson	Price	Swenson
Brown	Jennings	Milbert	Quinn	Thiede
Burger	Jensen	Miller	Quist	Tjornhom
Carlson, D.	Johnson, A.	Minne	Reding	Tompkins
Carlson, L.	Johnson, R.	Morrison	Rest	Trimble
Carruthers	Johnson, V.	Munger	Rice	Tunheim
Clark	Kahn	Nelson, C.	Richter	Uphus
Clausnitzer	Kalis	Nelson, K.	Riveness	Valento
Cooper	Kelly	Neuenschwander	Rodosovich	Vanasek
Dauner	Kelso	O'Connor	Rose	Vellenga
DeBlieck	Kinkel	Ogren	Rukayina	Voss
Dempsey	Kludt	Olsen, S.	Sarna	Wagenius
Dille	Knickerbocker	Olson, E.	Schafer	Waltman
Dorn	Knuth	Olson, K.	Scheid	Welle
Forsythe	Kostohryz	Omann	Schoenfeld	Wenzel
Frederick	Krueger	Onnen	Schreiber	Winter
Greenfield	Larsen	Orenstein	Seaberg	Wynia
				Spk. Norton

Those who voted in the negative were:

Frerichs	McDonald
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The bill was passed and its title agreed to.

H. F. No. 436, A bill for an act relating to agriculture; providing minimum standards for seed potatoes; proposing coding for new law in Minnesota Statutes, chapter 21.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 87 yeas and 38 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Jennings	McKasy	Pappas	Sparby
Battaglia	Johnson, A.	McLaughlin	Pelowski	Steensma
Beard	Johnson, R.	Milbert	Peterson	Swenson
Begich	Kahn	Minne	Price	Tompkins
Bertram	Kelly	Munger	Quinn	Trimble
Brown	Kelso	Nelson, C.	Redalen	Tunheim
Carlson, L.	Kinkel	Nelson, D.	Rest	Uphus
Carruthers	Kludt	Nelson, K.	Rice	Vellenga
Clark	Knickerbocker	Neuenschwander	Riveness	Voss
Cooper	Knuth	O'Connor	Rodosovich	Wagenius
Dauner	Kostohryz	Ogren	Rukavina	Welle
DeBlicek	Krueger	Olsen, S.	Sarna	Wenzel
Dille	Larsen	Olson, E.	Scheid	Winter
Greenfield	Lasley	Olson, K.	Seaberg	Wynia
Gruenes	Lieder	Omann	Segal	Spk. Norton
Heap	Long	Orenstein	Simoneau	
Jacobs	McDonald	Otis	Skoglund	
Jefferson	McEachern	Ozment	Solberg	

Those who voted in the negative were:

Anderson, R.	Frederick	Johnson, V.	Poppenhagen	Stanius
Bauerly	Frerichs	Kalis	Quist	Sviggum
Blatz	Gutknecht	Marsh	Reding	Thiede
Burger	Hartle	McPherson	Richter	Tjornhom
Clausnitzer	Haukoos	Miller	Schafer	Valento
Dempsey	Himle	Morrison	Schoenfeld	Waltman
Dorn	Hugoson	Onnen	Schreiber	
Forsythe	Jensen	Pauly	Shaver	

The bill was passed and its title agreed to.

S. F. No. 402, A bill for an act relating to courts; setting uniform fees in probate proceedings; amending Minnesota Statutes 1986, section 525.033.

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 124 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Gutknecht	Long	Pappas	Skoglund
Anderson, R.	Hartle	Marsh	Pauly	Solberg
Battaglia	Haukoos	McDonald	Pelowski	Sparby
Bauerly	Heap	McEachern	Peterson	Stanius
Beard	Himle	McKasy	Poppenhagen	Steensma
Begich	Hugoson	McLaughlin	Price	Sviglum
Bertram	Jacobs	McPherson	Quinn	Swenson
Blatz	Jefferson	Milbert	Quist	Thiede
Brown	Jennings	Miller	Redalen	Tjornhom
Burger	Jensen	Minne	Reding	Tompkins
Carlson, L.	Johnson, A.	Morrison	Rest	Trimble
Carruthers	Johnson, R.	Munger	Rice	Tunheim
Clark	Johnson, V.	Nelson, D.	Richter	Uphus
Clausnitzer	Kahn	Nelson, K.	Riveness	Valento
Cooper	Kalis	Neuenschwander	Rodosovich	Vanasek
Dauner	Kelly	O'Connor	Rose	Vellenga
DeBlick	Kinkel	Ogren	Sarna	Voss
Dempsey	Kludt	Olsen, S.	Schafer	Wagenius
Dille	Knickerbocker	Olson, E.	Scheid	Waltman
Dorn	Knuth	Olson, K.	Schoenfeld	Welle
Forsythe	Kostohryz	Omann	Schreiber	Wenzel
Frederick	Krueger	Onnen	Seaberg	Winter
Frerichs	Larsen	Orenstein	Segal	Wynia
Greenfield	Lasley	Osthoff	Shaver	Spk. Norton
Gruenes	Lieder	Ozment	Simoneau	

The bill was passed and its title agreed to.

H. F. No. 362, A bill for an act relating to Hennepin county; creating a county housing and redevelopment authority; applying the municipal housing and redevelopment act to Hennepin county; providing for local approval of projects; proposing coding for new law in Minnesota Statutes, chapter 383B.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 95 yeas and 27 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Heap	Lieder	Onnen	Segal
Anderson, R.	Hugoson	Long	Orenstein	Simoneau
Battaglia	Jacobs	McEachern	Otis	Skoglund
Bauerly	Jefferson	McKasy	Ozment	Solberg
Beard	Jensen	McLaughlin	Pappas	Sparby
Begich	Johnson, A.	Milbert	Pelowski	Steensma
Bertram	Johnson, R.	Minne	Peterson	Swenson
Brown	Johnson, V.	Morrison	Price	Tompkins
Burger	Kahn	Munger	Quinn	Trimble
Carlson, L.	Kalis	Nelson, C.	Redalen	Tunheim
Carruthers	Kelly	Nelson, D.	Reding	Uphus
Clark	Kelso	Nelson, K.	Rest	Vanasek
Cooper	Kinkel	Neuenschwander	Rice	Vellenga
DeBlick	Knickerbocker	O'Connor	Riveness	Voss
Dille	Knuth	Ogren	Rodosovich	Wagenius
Dorn	Kostohryz	Olsen, S.	Sarna	Welle
Frederick	Krueger	Olson, E.	Scheid	Wenzel
Greenfield	Larsen	Olson, K.	Schoenfeld	Wynia
Gruenes	Lasley	Omann	Seaberg	Spk. Norton

Those who voted in the negative were:

Blatz	Hartle	Miller	Schafer	Tjornhom
Clausnitzer	Haukoos	Pauly	Schreiber	Valento
Dempsey	Himle	Poppenhagen	Shaver	Waltman
Forsythe	Kludt	Quist	Stanius	
Frerichs	McDonald	Richter	Sviggum	
Gutknecht	McPherson	Rose	Thiede	

The bill was passed and its title agreed to.

H. F. No. 489, A bill for an act relating to local government; authorizing annexation proceedings for certain land between the city of Nashwauk and the town of Nashwauk.

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 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Gutknecht	Lieder	Otis	Shaver
Anderson, R.	Hartle	Long	Ozment	Simoneau
Battaglia	Haukoos	Marsh	Pappas	Skoglund
Bauerly	Heap	McDonald	Pauly	Solberg
Beard	Himle	McEachern	Pelowski	Sparby
Begich	Hugoson	McKasy	Peterson	Stanius
Bertram	Jacobs	McLaughlin	Poppenhagen	Steensma
Blatz	Jefferson	McPherson	Price	Sviggum
Brown	Jennings	Milbert	Quinn	Swenson
Burger	Jensen	Miller	Quist	Thiede
Carlson, L.	Johnson, A.	Minne	Redalen	Tjornhom
Carruthers	Johnson, R.	Morrison	Reding	Tompkins
Clark	Johnson, V.	Munger	Rest	Trimble
Clausnitzer	Kahn	Nelson, C.	Rice	Tunheim
Cooper	Kalis	Nelson, K.	Richter	Uphus
Dauner	Kelly	Neuenschwander	Riveness	Valento
DeBlieck	Kelso	O'Connor	Rodosovich	Vanasek
Dempsey	Kinkel	Ogren	Rukavina	Vellenga
Dille	Kludt	Olsen, S.	Sarna	Voss
Dorn	Knickerbocker	Olson, E.	Schafer	Wagenius
Forsythe	Knuth	Olson, K.	Scheid	Waltman
Frederick	Kostohryz	Omman	Schoenfeld	Welle
Frerichs	Krueger	Onnen	Schreiber	Wenzel
Greenfield	Larsen	Orenstein	Seaberg	Winter
Gruenes	Lasley	Osthoff	Segal	Wynia
				Spk. Norton

The bill was passed and its title agreed to.

## GENERAL ORDERS

Pursuant to Rules of the House, the House resolved itself into the Committee of the Whole with Norton in the Chair for consideration

of bills pending on General Orders of the day. Anderson, G., presided during a portion of the meeting of the Committee of the Whole. After some time spent therein the Committee arose.

#### REPORT OF THE COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following recommendations of the Committee were reported to the House:

H. F. Nos. 510, 318, 336 and 432 were recommended to pass.

H. F. Nos. 3 and 123 were recommended for progress.

H. F. Nos. 137 and 227 were recommended for progress retaining their places on General Orders.

H. F. No. 134 which it recommended to pass with the following amendment offered by Price:

Page 1, line 11, delete "if" and insert "that"

Page 1, line 15, delete "if" and insert "that"

Page 1, line 21, delete "gross"

H. F. No. 28, the first engrossment, which it recommended to pass with the following amendment offered by Skoglund:

Page 1, line 17, after "telephone" insert "or an electronic information processing device that is used internally by a financial institution to conduct the business activities of the institution"

Page 1, after line 24, insert:

"Sec. 2. Minnesota Statutes 1986, section 47.63, is amended to read:

47.63 [FUNCTIONS OF AN ELECTRONIC FINANCIAL TERMINAL.]

Financial transactions which may be performed by an electronic financial terminal shall be limited to the disbursement of funds under a preauthorized credit agreement, the withdrawal of funds from a customer's account, the deposit of funds in a customer's account, the receiving of cash or checks, the disbursement of cash, the payment of loan payments, and the transfer of funds to or from one or more accounts in one or more financial institutions. All permitted transactions must be made pursuant to a preexisting

contractual agreement between the financial institution and an account holder. Accounts may not be opened at ~~such facilities an~~ an electronic financial terminal located separate and apart from a financial institution's principal office, branch, or detached facility. Any retailer may also operate a device which is capable of performing the functions of an electronic financial terminal for any internal business activity of that retailer."

Page 2, line 35, after "customers;" insert "or,"

Page 3, line 1, after "make" insert "some or"

Page 3, line 3, delete "of similar type"

Page 3, line 4, delete "; or (3) make all of the"

Page 3, delete lines 5 and 6

Page 3, line 7, delete "paragraph (a)"

Page 3, after line 25, insert:

"Sec. 5. Minnesota Statutes 1986, section 47.64, subdivision 4, is amended to read:

Subd. 4. An electronic financial terminal located separate and apart from a financial institution's principal office, branch, or detached facility, if staffed, shall be operated exclusively by a person who is not employed by any financial institution, any financial institution holding company, or subsidiary thereof. However, persons assisting customers of financial institutions at the site of the terminal may be trained by employees of a financial institution, financial institution holding company, or subsidiary thereof, and nothing in this section shall be construed to prohibit periodic servicing of an electronic financial terminal by an employee of a financial institution, financial institution holding company, or subsidiary thereof."

Renumber the sections in sequence

Amend the title accordingly

On the motion of Vanasek the report of the Committee of the Whole was adopted.

## ROLL CALLS IN COMMITTEE OF THE WHOLE

Pursuant to rule 1.6, the following roll calls were taken in the Committee of the Whole:

Price moved to amend H. F. No. 432, the first engrossment, as follows:

Page 2, line 21, after "meet" delete "at least one of"

The question was taken on the Price amendment and the roll was called. There were 21 yeas and 104 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Jacobs	Munger	Pappas	Welle
Anderson, R.	Kelly	Nelson, C.	Price	
Carruthers	Knuth	Nelson, D.	Rukavina	
Clark	Lasley	Orenstein	Scheid	
Cooper	Long	Osthoff	Simoneau	

Those who voted in the negative were:

Battaglia	Gutknecht	Lieder	Ozment	Sparby
Bauerly	Hartle	Marsh	Pauly	Stanius
Beard	Haukoos	McDonald	Pelowski	Steensma
Begich	Heap	McEachern	Peterson	Sviggum
Bertram	Himle	McKasy	Poppenhagen	Swenson
Blatz	Hugoson	McLaughlin	Quinn	Thiede
Boo	Jefferson	McPherson	Quist	Tjornhom
Brown	Jennings	Milbert	Redalen	Tompkins
Burger	Jensen	Miller	Reding	Trimble
Carlson, D.	Johnson, A.	Minne	Rest	Tunheim
Carlson, L.	Johnson, R.	Morrison	Rice	Uphus
Clausnitzer	Johnson, V.	Nelson, K.	Richter	Valento
Dauner	Kahn	Neuenschwander	Riveness	Vanasek
DeBlieck	Kalis	O'Connor	Rodosovich	Vellenga
Dempsey	Kelso	Ogren	Rose	Voss
Dille	Kinkel	Olsen, S.	Sarna	Wagenius
Dorn	Kludt	Olson, E.	Schafer	Waltman
Forsythe	Knickerbocker	Olson, K.	Schreiber	Wenzel
Frederick	Kostohryz	Omann	Seaberg	Winter
Greenfield	Krueger	Onnen	Shaver	Spk. Norton
Gruenes	Larsen	Otis	Skoglund	

The motion did not prevail and the amendment was not adopted.

Nelson, D., moved to amend H. F. No. 432, the first engrossment, as follows:

Page 3, line 5, delete "and the person"

Page 3, delete line 6

Page 3, line 7, delete "specific" and insert "shall specify"

The question was taken on the Nelson, D., amendment and the roll was called. There were 37 yeas and 85 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Johnson, R.	Munger	Reding	Voss
Carlson, L.	Kahn	Nelson, C.	Rest	Wagenius
Carruthers	Kludt	Nelson, D.	Rice	Welle
Clark	Krueger	Orenstein	Rose	Winter
Cooper	Lasley	Osthoff	Scheid	Wynia
Dauner	Lieder	Pappas	Segal	
Greenfield	Long	Peterson	Skoglund	
Jefferson	McLaughlin	Price	Solberg	

Those who voted in the negative were:

Battaglia	Gruenes	Larsen	Onnen	Shaver
Bauerly	Gutknecht	Marsh	Otis	Sparby
Beard	Hartle	McDonald	Ozment	Stanisus
Begich	Haukoos	McEachern	Pauly	Steenasma
Bertram	Heap	McKasy	Pelowski	Sviggum
Blatz	Himle	McPherson	Poppenhagen	Swenson
Boo	Hugoson	Milbert	Quinn	Thiede
Brown	Jacobs	Miller	Quist	Tjornhom
Burger	Jennings	Minne	Redalen	Tompkins
Carlson, D.	Jensen	Morrison	Richter	Trimble
Clausnitzer	Johnson, A.	Nelson, K.	Riveness	Tunheim
DeBlieck	Johnson, V.	O'Connor	Rodosovich	Uphus
Dempsey	Kalis	Ogren	Rukavina	Valento
Dille	Kelso	Olsen, S.	Schafer	Vellenga
Dorn	Kinkel	Olson, E.	Schoenfeld	Waltman
Forsythe	Knickerbocker	Olson, K.	Schreiber	Wenzel
Frederick	Kostohryz	Omann	Seaberg	Spk. Norton

The motion did not prevail and the amendment was not adopted.

Welle moved to amend H. F. No. 432, the first engrossment, as follows:

Page 2, line 34, after "8" insert "and is a high school graduate"

The question was taken on the Welle amendment and the roll was called. There were 47 yeas and 76 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Jefferson	Munger	Rest	Trimble
Anderson, R.	Jennings	Nelson, C.	Riveness	Vanasek
Battaglia	Kahn	Nelson, D.	Rukavina	Voss
Brown	Kelly	Ogren	Scheid	Wagenius
Carlson, L.	Kludt	Olson, K.	Schoenfeld	Welle
Carruthers	Knuth	Orenstein	Segal	Winter
Cooper	Larsen	Osthoff	Simoneau	Wynia
Dille	Lasley	Pappas	Skoglund	
Greenfield	Long	Peterson	Solberg	
Himle	Minne	Price	Sparby	

Those who voted in the negative were:

Bauerly	Hartle	McEachern	Pelowski	Sviggum
Begich	Haukoos	McKasy	Poppenhagen	Swenson
Bertram	Heap	McLaughlin	Quinn	Thiede
Blatz	Hugoson	McPherson	Quist	Tjornhom
Boo	Jacobs	Milbert	Redalen	Tompkins
Burger	Jensen	Miller	Reding	Tunheim
Carlson, D.	Johnson, A.	Morrison	Richter	Uphus
Clausnitzer	Johnson, R.	Nelson, K.	Rodosovich	Valento
Dauner	Johnson, V.	Neuenschwander	Rose	Vellenga
DeBlieck	Kelso	O'Connor	Sarna	Waltman
Dempsey	Kinkel	Olsen, S.	Schafer	Wenzel
Dorn	Knickerbocker	Olson, E.	Schreiber	Spk. Norton
Forsythe	Krueger	Omann	Seaberg	
Frederick	Lieder	Onnen	Shaver	
Frerichs	Marsh	Ozment	Stanius	
Gutknecht	McDonald	Pauly	Steenasma	

The motion did not prevail and the amendment was not adopted.

There being no objection, the order of business reverted to Messages from the Senate.

### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 92, A bill for an act relating to taxation; providing for expenditure of proceeds of the taconite production tax; amending Minnesota Statutes 1986, sections 298.292; 298.293; 298.294; and 298.296, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 298; repealing Laws 1986, chapter 441, section 14.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate wishes to recall for the purpose of further consideration H. F. No. 92.

PATRICK E. FLAHAVEN, Secretary of the Senate

Minne moved that the House accede to the request of the Senate for the return of H. F. No. 92 and that the bill be returned to the Senate for further consideration.

Schreiber moved to amend the Minne motion by inserting the following language before the period:

“and that the House requests that H. F. No. 92 again be returned to the House for further consideration by the House”

A roll call was requested and properly seconded.

The question was taken on the Schreiber amendment to the Minne motion and the roll was called. There were 49 yeas and 78 nays as follows:

Those who voted in the affirmative were:

Blatz	Gutknecht	Knuth	Pauly	Shaver
Burger	Hartle	Marsh	Poppenhagen	Svigum
Carlson, D.	Haukoos	McDonald	Quist	Swenson
Clausnitzer	Heap	McKasy	Redalen	Thiede
Dempsey	Himle	McPherson	Rest	Tjornhom
Dille	Hugoson	Miller	Richter	Tompkins
Forsythe	Jacobs	Morrison	Rose	Uphus
Frederick	Jennings	Olsen, S.	Schafer	Valento
Frerichs	Johnson, V.	Omamm	Schreiber	Waltman
Gruenes	Knickerbocker	Onnen	Seaberg	

Those who voted in the negative were:

Anderson, G.	Jefferson	McLaughlin	Pelowski	Sparby
Anderson, R.	Jensen	Milbert	Peterson	Stanius
Battaglia	Johnson, R.	Minne	Price	Steensma
Bauerly	Kahn	Munger	Quinn	Trimble
Beard	Kalis	Nelson, C.	Reding	Tunheim
Begich	Kelly	Nelson, D.	Rice	Vanasek
Bertram	Kelso	Nelson, K.	Riveness	Vellenga
Brown	Kinkel	Neuenschwander	Rodosovich	Voss
Carlson, L.	Kludt	O'Connor	Rukavina	Wagenius
Carruthers	Kostohryz	Ogren	Sarna	Welle
Clark	Krueger	Olson, E.	Scheid	Wenzel
Cooper	Larsen	Olson, K.	Schoenfeld	Winter
Dauner	Lasley	Orenstein	Segal	Wynia
DeBlicke	Lieder	Osthoff	Simoneau	Spk. Norton
Dorn	Long	Otis	Skoglund	
Greenfield	McEachern	Pappas	Solberg	

The motion did not prevail and the amendment to the motion was not adopted.

The question recurred on the Minne motion that the House accede to the request of the Senate for the return of H. F. No. 92 and that the bill be returned to the Senate for further consideration. The motion prevailed.

REPORT FROM THE COMMITTEE ON  
RULES AND LEGISLATIVE ADMINISTRATION

Vanasek from the Committee on Rules and Legislative Administration to which was referred:

House Concurrent Resolution No. 6, A House concurrent resolution adopting permanent Joint Rules of the Senate and House of Representatives.

Reported the same back with the following amendments:

Page 4, after line 28, insert:

“All proceedings of a conference committee must be recorded on magnetic tape or similar device. Two copies of each tape shall be delivered to the director of the legislative reference library and there maintained on file for use by any member of the public in accordance with the rules of the legislative reference library.

Discussion preserved under this rule is not intended to be admissible in any court or administrative proceeding on an issue of legislative intent.”

With the recommendation that when so amended the concurrent resolution be adopted.

The report was adopted.

Vanasek moved that House Concurrent Resolution No. 6 and the proposed permanent Joint Rules of the Senate and House of Representatives be now adopted.

Himle moved to amend House Concurrent Resolution No. 6, as amended by the Committee on Rules and Legislative Administration, as follows:

Page 1 of the committee report, line 10, after “committee” insert “public or private.”

A roll call was requested and properly seconded.

The question was taken on the Himle amendment to the proposed Joint Rules and the roll was called. There were 48 yeas and 78 nays as follows:

## Those who voted in the affirmative were:

Blatz	Gruenes	McDonald	Poppenhagen	Svigum
Boo	Gutknecht	McKasy	Quist	Swenson
Burger	Hartle	McPherson	Redalen	Thiede
Carlson, D.	Haukoos	Miller	Richter	Tjornhom
Clausnitzer	Heap	Morrison	Rose	Tompkins
Cooper	Himle	Olsen, S.	Schafer	Uphus
Dempsey	Hugoson	Omann	Schreiber	Valento
Forsythe	Johnson, V.	Onnen	Seaberg	Waltman.
Frederick	Knickerbocker	Ozment	Shaver	
Frerichs	Marsh	Pauly	Stanius	

## Those who voted in the negative were:

Anderson, G.	Jennings	Long	Otis	Solberg
Anderson, R.	Jensen	McEachern	Pappas	Sparby
Battaglia	Johnson, A.	McLaughlin	Pelowski	Steensma
Bauerly	Johnson, R.	Milbert	Peterson	Trimble
Beard	Kahn	Minne	Price	Tunheim
Begich	Kalis	Munger	Quinn	Vanasek
Bertram	Kelly	Nelson, C.	Reding	Vellenga
Brown	Kelso	Nelson, D.	Rest	Voss
Carlson, L.	Kinkel	Nelson, K.	Rice	Wagenius
Carruthers	Kludt	Neuenschwander	Rodosovich	Welle
Clark	Knuth	O'Connor	Rukavina	Wenzel
Dauner	Kostohryz	Ogren	Sarna	Winter
DeBlicck	Krueger	Olson, E.	Scheid	Wynia
Dorn	Larsen	Olson, K.	Segal	Spk. Norton
Greenfield	Lasley	Orenstein	Simoneau	
Jefferson	Lieder	Osthoff	Skoglund	

The motion did not prevail and the amendment was not adopted.

Thiede moved to amend House Concurrent Resolution No. 6, as amended by the Committee on Rules and Legislative Administration, as follows:

Page 5, after line 6, insert:

“(4) Rule 3.04 is adopted to read:

DUTIES OF MEMBERS

Rule 3.04. A member of the Senate and House of Representatives may not solicit or accept funds from a lobbyist or political action committee registered under Minnesota Statutes, chapter 10A, from the time the Legislature convenes in regular or special session until it either adjourns to the next year or adjourns sine die. This rule does not prohibit fundraising efforts during legislative sessions by the political party caucuses of the Senate or House or bar any fundraising for a special election to fill a vacancy in the Senate or House of Representatives.”

Simoneau moved to lay the Thiede amendment to the proposed Joint Rules on the table.

A roll call was requested and properly seconded.

The question was taken on the Simoneau motion to lay the Thiede amendment to the proposed Joint Rules on the table and the roll was called. There were 68 yeas and 59 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Jennings	Long	Pelowski	Steensma
Battaglia	Jensen	McEachern	Peterson	Trimble
Bauerly	Johnson, A.	McLaughlin	Price	Tunheim
Beard	Johnson, R.	Milbert	Quinn	Vanasek
Begich	Kahn	Minne	Reding	Vellenga
Bertram	Kalis	Nelson, C.	Rice	Voss
Carruthers	Kelly	Nelson, K.	Rodosovich	Wagenius
Clark	Kelso	Neuenschwander	Rukavina	Welle
Dauner	Kinkel	O'Connor	Sarna	Wenzel
DeBlicck	Kostohryz	Ogren	Schoenfeld	Winter
Dorn	Krueger	Olson, K.	Segal	Wynia
Greenfield	Larsen	Osthoff	Simoneau	Spk. Norton
Jacobs	Lasley	Otis	Solberg	
Jefferson	Lieder	Pappas	Sparby	

Those who voted in the negative were:

Anderson, R.	Frederick	Knuth	Ozment	Shaver
Blatz	Frerichs	Marsh	Pauly	Skoglund
Boo	Gruenes	McDonald	Poppenhagen	Stanius
Brown	Gutknecht	McKasy	Quist	Sviggum
Burger	Hartle	McPherson	Redalen	Swenson
Carlson, D.	Haukoos	Miller	Rest	Thiede
Carlson, L.	Heap	Morrison	Richter	Tjornhom
Clausmitzer	Himle	Olsen, S.	Rose	Tompkins
Cooper	Hugoson	Olson, E.	Schafer	Uphus
Dempsey	Johnson, V.	Omann	Scheid	Valento
Dille	Kludt	Onnen	Schreiber	Waltman
Forsythe	Knickerbocker	Orenstein	Seaberg	

The motion prevailed and the Thiede amendment to the proposed Joint Rules was laid on the table.

Krueger was excused for the remainder of today's session.

Schreiber moved to amend House Concurrent Resolution No. 6, as amended by the Committee on Rules and Legislative Administration, as follows:

Page 5, after line 15, insert:

“(4) Rule 3.04 is adopted to read:

BUDGET RESOLUTIONS BINDING ON BOTH HOUSES

Rule 3.04. Both houses shall provide by rule for the development and adoption of a budget resolution that sets a limit on expenditures and taxes for the coming fiscal biennium. Each house shall act upon a budget resolution not later than 15 days prior to the deadline for

committee reports on bills favorably acted upon by a committee in the house of origin set forth in rule 2.03. The limit is effective upon adoption unless that house adopts a different limitation in a subsequent budget resolution or in a concurrent resolution adopted by the other house. No bill shall be given its third reading in either of the houses if it is in violation of rules of that house adopted pursuant to this rule. No bill carrying an appropriation shall be passed by either house until a bill affecting state tax policy has passed that house providing sufficient revenue to cover any appropriations contained in the appropriations bill."

A roll call was requested and properly seconded.

The question was taken on the Schreiber amendment to the proposed Joint Rules and the roll was called. There were 52 yeas and 73 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Ferichs	McDonald	Poppenhagen	Stanius
Blatz	Gruenes	McKasy	Quist	Sviggum
Boo	Gutknecht	McPherson	Redalen	Swenson
Burger	Hartle	Morrison	Rest	Thiede
Carlson, D.	Haukoos	Olsen, S.	Richter	Tjornhom
Clausnitzer	Heap	Omann	Rose	Uphus
Cooper	Himle	Onnen	Schafer	Valento
Dempsey	Hugson	Orenstein	Scheid	Waltman
Dille	Johnson, V.	Osthoff	Schreiber	
Forsythe	Knickerbocker	Ozment	Seaberg	
Frederick	Marsh	Pauly	Shaver	

Those who voted in the negative were:

Anderson, G.	Jefferson	Long	Pelowski	Sparby
Battaglia	Jensen	McEachern	Peterson	Steenasma
Bauerly	Johnson, A.	McLaughlin	Price	Trimble
Beard	Johnson, R.	Milbert	Quinn	Tunheim
Begich	Kahn	Minne	Reding	Vanasek
Bertram	Kalis	Munger	Rice	Vellenga
Brown	Kelly	Nelson, C.	Riveness	Voss
Carlson, I.	Kelso	Nelson, D.	Rodosovich	Wagenius
Carruthers	Kinkel	Nelson, K.	Rukavina	Welle
Clark	Kludt	Neuenschwander	Sarna	Wenzel
Dauner	Knuth	O'Connor	Schoenfeld	Winter
DeBliciek	Kostohryz	Ogren	Segal	Wynia
Dorn	Larsen	Olson, E.	Simoneau	Spk. Norton
Greenfield	Lasley	Otis	Skoglund	
Jacobs	Lieder	Pappas	Solberg	

The motion did not prevail and the amendment was not adopted.

Valento moved to amend House Concurrent Resolution No. 6, as amended by the Committee on Rules and Legislative Administration, as follows:

Page 4, lines 16 to 22, delete the new language and insert "A conference committee report on any bill must be limited to the

matters contained in that bill and matters directly related to the remaining substantive differences between the houses on that bill at the time each house originally passed it.

A roll call was requested and properly seconded.

The question was taken on the Valento amendment to the proposed Joint Rules and the roll was called. There were 48 yeas and 74 nays as follows:

Those who voted in the affirmative were:

Blatz	Frerichs	Marsh	Ozment	Swiggum
Boo	Gruenes	McDonald	Pauly	Swenson
Burger	Gutknecht	McKasy	Poppenhagen	Thiede
Carlson, D.	Hartle	McPherson	Redalen	Tjornhom
Clausnitzer	Haukoos	Miller	Richter	Tompkins
Cooper	Heap	Morrison	Rose	Uphus
Dempsey	Himle	Olsen, S.	Schafer	Valento
Dille	Hugoson	Omann	Schreiber	Waltman
Forsythe	Johnson, V.	Onnen	Seaberg	
Frederick	Knickerbocker	Orenstein	Shaver	

Those who voted in the negative were:

Anderson, G.	Jefferson	Lieder	Otis	Solberg
Battaglia	Jennings	Long	Pappas	Sparby
Bauerly	Jensen	McEachern	Pelowski	Steensma
Beard	Johnson, A.	McLaughlin	Peterson	Trimble
Begich	Johnson, R.	Milbert	Price	Tunheim
Bertram	Kahn	Minne	Quinn	Vanasek
Brown	Kalis	Munger	Reding	Vellenga
Carlson, L.	Kelly	Nelson, C.	Rest	Voss
Carruthers	Kelso	Nelson, K.	Rice	Wagenius
Clark	Kinkel	Neuenschwander	Riveness	Welle
Dauner	Kludt	O'Connor	Rodosovich	Wenzel
DeBlicke	Knuth	Ogren	Rukavina	Winter
Dorn	Kostohryz	Olson, E.	Scheid	Wynia
Greenfield	Larsen	Olson, K.	Schoenfeld	Spk. Norton
Jacobs	Lasley	Osthoff	Skoglund	

The motion did not prevail and the amendment was not adopted.

Osthoff moved to amend House Concurrent Resolution No. 6, as amended by the Committee on Rules and Legislative Administration, as follows:

Page 4, line 17, delete “that are germane to the bill and amendment” and insert “included in the bill passed by either the House or the Senate”

Page 4, line 18, delete “A provision is”

Page 4, delete lines 19 to 21

Page 4, line 22, delete “conference committee.”

A roll call was requested and properly seconded.

The question was taken on the Osthoff amendment to the proposed Joint Rules and the roll was called. There were 57 yeas and 67 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Frederick	Marsh	Osthoff	Shaver
Bauerly	Frerichs	McDonald	Ozmet	Stanius
Blatz	Gruenes	McKasy	Pauly	Sviggum
Boo	Gutknecht	McPherson	Poppenhagen	Swenson
Brown	Hartle	Miller	Redalen	Thiede
Burger	Haukoos	Morrison	Rest	Tjornhom
Carlson, D.	Heap	Neuenschwander	Richter	Uphus
Carruthers	Himle	O'Connor	Rose	Valento
Clausnitzer	Hugoson	Olsen, S.	Schafer	Waltman
Dempsey	Jensen	Omann	Scheid	
Dille	Johnson, V.	Onnen	Schreiber	
Forsythe	Knickerbocker	Orenstein	Seaberg	

Those who voted in the negative were:

Anderson, G.	Jennings	McLaughlin	Reding	Trimble
Battaglia	Johnson, A.	Milbert	Rice	Tunheim
Beard	Johnson, R.	Minne	Riveness	Vanasek
Begich	Kahn	Munger	Rodosovich	Vellenga
Bertram	Kalis	Nelson, C.	Rukavina	Voss
Carlson, L.	Kinkel	Nelson, K.	Sarna	Wagenius
Clark	Kludt	Ogren	Schoenfeld	Welle
Cooper	Knuth	Olson, E.	Segal	Wenzel
Dauner	Kostohryz	Olson, K.	Simoneau	Winter
DeBlieck	Larsen	Otis	Skoglund	Wynia
Dorn	Lasley	Pelowski	Solberg	Spk. Norton
Greenfield	Lieder	Peterson	Sparby	
Jacobs	Long	Price	Steensma	
Jefferson	McEachern	Quinn	Tompkins	

The motion did not prevail and the amendment was not adopted.

Schreiber moved to amend House Concurrent Resolution No. 6, as amended by the Committee on Rules and Legislative Administration, as follows:

Page 4, line 19, delete "substantially"

Page 4, line 20, delete "substantially"

A roll call was requested and properly seconded.

The question was taken on the Schreiber amendment to the proposed Joint Rules and the roll was called. There were 59 yeas and 69 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Forsythe	Knickerbocker	Osthoff	Seaberg
Bauerly	Frederick	Marsh	Ozment	Shaver
Bertram	Frerichs	McDonald	Pauly	Stanius
Blatz	Gruenes	McKasy	Pelowski	Sviggun
Boo	Gutknecht	McPherson	Poppenhagen	Swenson
Burger	Hartle	Miller	Redalen	Thiede
Carlson, D.	Haukoos	Morrison	Rest	Tjornhom
Clausnitzer	Heap	Nelson, D.	Richter	Tompkins
Cooper	Himle	Olsen, S.	Rose	Uphus
Dauner	Hugoson	Omann	Schafer	Valento
Dempsey	Johnson, V.	Onnen	Scheid	Waltman
Dille	Kludt	Orenstein	Schreiber	

Those who voted in the negative were:

Anderson, G.	Jensen	McEachern	Peterson	Sparby
Battaglia	Johnson, A.	McLaughlin	Price	Steensma
Beard	Johnson, R.	Milbert	Quinn	Trimble
Begich	Kahn	Minne	Reding	Tunheim
Brown	Kalis	Munger	Rice	Vanasek
Carlson, L.	Kelly	Nelson, C.	Riveness	Vellenga
Carruthers	Kelso	Nelson, K.	Rodosovich	Voss
Clark	Kinkel	Neuenschwander	Rukavina	Wagenius
DeBlieck	Knuth	O'Connor	Sarna	Welle
Dorn	Kostohryz	Ogren	Schoenfeld	Wenzel
Greenfield	Larsen	Olson, E.	Segal	Winter
Jacobs	Lasley	Olson, K.	Simoneau	Wynia
Jefferson	Lieder	Otis	Skoglund	Spk. Norton
Jennings	Long	Pappas	Solberg	

The motion did not prevail and the amendment was not adopted.

Himle offered an amendment to House Concurrent Resolution No. 6, as amended by the Committee on Rules and Legislative Administration.

#### POINT OF ORDER

Simoneau raised a point of order pursuant to section 401, paragraph 4, of "Mason's Manual of Legislative Procedure" relating to frivolous and improper amendments that the Himle amendment was not in order. The Speaker ruled the point of order well taken and the Himle amendment out of order.

The question recurred on the adoption of House Concurrent Resolution No. 6 and the proposed permanent Joint Rules of the Senate and House of Representatives and the roll was called. There were 120 yeas and 8 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Gruenes	Lasley	Osthoff	Shaver
Anderson, R.	Gutknecht	Lieder	Otis	Simoneau
Battaglia	Hartle	Long	Ozment	Skoglund
Bauerly	Haukoos	Marsh	Pappas	Solberg
Beard	Heap	McEachern	Pauly	Sparby
Begich	Himle	McKasy	Pelowski	Stanius
Bertram	Hugoson	McLaughlin	Peterson	Steensma
Blatz	Jacobs	McPherson	Price	Sviggum
Boo	Jefferson	Milbert	Quinn	Swenson
Burger	Jennings	Minne	Redalen	Tjornhom
Carlson, D.	Jensen	Morrison	Reding	Tompkins
Carlson, L.	Johnson, A.	Munger	Rest	Trimble
Carruthers	Johnson, R.	Nelson, C.	Rice	Tunheim
Clark	Johnson, V.	Nelson, D.	Riveness	Uphus
Clausnitzer	Kahn	Nelson, K.	Rodosovich	Valento
Cooper	Kalis	Neuenschwander	Rose	Vanasek
Dauner	Kelly	O'Connor	Rukavina	Vellenga
DeBlieck	Kelso	Ogren	Sarna	Voss
Dempsey	Kinkel	Olsen, S.	Schafer	Wagenius
Dille	Kludt	Olson, E.	Scheid	Welle
Dorn	Knickerbocker	Olson, K.	Schoenfeld	Wenzel
Forsythe	Knuth	Omann	Schreiber	Winter
Frederick	Kostohryz	Onnen	Seaberg	Wynia
Greenfield	Larsen	Orenstein	Segal	Spk. Norton

Those who voted in the negative were:

Brown	McDonald	Poppenhagen	Thiede
Frerichs	Miller	Richter	Waltman

The motion prevailed and House Concurrent Resolution No. 6 and the proposed permanent Joint Rules of the Senate and House of Representatives were adopted as follows:

#### HOUSE CONCURRENT RESOLUTION NO. 6

A House concurrent resolution adopting permanent Joint Rules of the Senate and House of Representatives.

*Be It Resolved*, by the House of Representatives of the State of Minnesota, the Senate concurring that the Joint Rules of the Senate and House of Representatives for the 75th Legislature shall be the Joint Rules of the 74th Legislature but amended as follows:

(1) Rule 2.02 is amended to read:

#### APPROPRIATING MONEY

Rule 2.02. The same bill shall not appropriate public money or property to more than one local or private purpose.

No clause appropriating money for a local or private purpose shall be contained in a bill appropriating money for the State government or public institutions. All resolutions authorizing the issuing of

abstracts by the Secretary of the Senate or the Chief Clerk of the House for the payment of money shall be upon the call of "yeas" and "nays."

In odd-numbered years, at least twenty calendar days prior to the last day the Legislature can meet in regular session [~~April 30, 1985~~ Tuesday, April 28, 1987], the Committee on Finance of the Senate and the Committee on Appropriations of the House shall report to their respective houses, unless directed by concurrent resolution to report different appropriation bills, eight separate appropriation bills as follows:

(a) A bill appropriating money for the general administrative and judicial expenses of the State government for the succeeding two fiscal years including salaries, office expenses and supplies and other necessary expenses connected therewith;

(b) A bill covering all appropriations relating to public welfare, health and corrections for the support and maintenance of all State penal and charitable institutions, and other institutions of the State except educational for the two succeeding fiscal years;

(c) A bill appropriating money for the support and maintenance of all State educational institutions for the two succeeding fiscal years;

(d) A bill covering all appropriations providing for the payment of claims against the State of Minnesota which may have been allowed by the Finance Committee of the Senate or the Appropriations Committee of the House;

(e) A bill covering all appropriations made for semi-state activities;

(f) A bill covering all appropriations for construction and major rehabilitation of public buildings to be financed by issuance of bonds;

(g) A bill covering all appropriations for maintenance, repair, and minor rehabilitation and construction of public buildings; and

(h) A bill covering appropriations for the department of transportation.

No other appropriations shall be contained in any of said bills but all other appropriations shall be contained in separate bills.

(2) Rule 2.03 is amended to read:

## DEADLINES

Rule 2.03. (a) In odd-numbered years, committee reports on bills favorably acted upon by a committee in the house of origin after ~~April 4, 1985~~ April 10, 1987, and committee reports on bills originating in the other house favorably acted upon by a committee after ~~April 19, 1985~~ April 28, 1987, shall be referred in the Senate to the Committee on Rules and Administration, and in the House of Representatives to the Committee on Rules and Legislative Administration for disposition. Referral is not required when a committee after the earlier date and by the later date set by this paragraph acts on a bill that is a companion to a bill that has met the earlier deadline in the other house. This rule does not apply to the Senate Committees on Finance and on Taxes and Tax Laws, and the House Committees on Appropriations and on Taxes.

Conference committees on the major appropriation bills specified in Joint Rule 2.02 shall have their reports on the members' desks by the last Thursday on which the Legislature can meet in regular session [~~May 16, 1985~~ May 14, 1987]. After the last Friday on which the Legislature can meet in regular session [~~May 17, 1985~~ May 15, 1987], neither house shall act on bills other than those contained in:

- (1) Reports of conference committees;
  - (2) Messages from the other house;
  - (3) Reports of the Committee on Rules and Administration in the Senate or the Committee on Rules and Legislative Administration in the House; or
  - (4) Messages from the Governor.
- (b) In even-numbered years the Legislature shall establish by concurrent resolution deadlines based on the date intended to be the date of adjournment sine die.

- (3) Rule 2.06 is amended to read:

## CONFERENCE COMMITTEES

Rule 2.06. In all cases of disagreement between the Senate and House on amendments adopted by either house to a bill, memorial or resolution passed by the other house, a conference committee consisting of not less than three members nor more than five members from each house may be requested by either house. The other house shall appoint a similar committee.

The manner of procedure shall be as follows: The house of origin passes a bill and transmits it to the other body. If the other body

adopts an amendment to the bill and passes it as amended, it shall return the bill with a record of its actions to the house of origin. If the house of origin refuses to concur in the amendment, it shall ask for a conference committee, appoint such a committee on its part, and transmit the bill with a record of its action to the other house. If the other house adheres to its amendment, it shall appoint a like committee and return the bill to the house of origin.

At an agreed upon hour the conference committee shall meet. The members from each house shall state to the members from the other house, orally or in writing, the reason for their respective positions. The members shall confer thereon and shall report to their respective houses the agreement they have reached, or, if none, the fact of a disagreement.

If an agreement is reported, the house of origin shall act first upon the report. A conference committee report must be limited to provisions that are germane to the bill and amendment that were referred to the conference committee. A provision is not germane if it relates to a substantially different subject or is intended to accomplish a substantially different purpose from that of the bill and amendment that were referred to the conference committee. If the report is adopted and repassed as amended by the conference committee by the house of origin, the report, the bill and a record of its action shall be transmitted to the other house.

All conference committees shall be open to the public. Meetings of conference committees shall be announced as far in advance as practical.

All proceedings of a conference committee must be recorded on magnetic tape or similar device. Two copies of each tape shall be delivered to the director of the legislative reference library and there maintained on file for use by any member of the public in accordance with the rules of the legislative reference library.

Discussion preserved under this rule is not intended to be admissible in any court or administrative proceeding on an issue of legislative intent.

Except after the last Thursday on which the Legislature can meet in regular session in odd-numbered years [May 16, 1985 May 14, 1987], and after the last Thursday on which the Legislature intended, when it adopted the concurrent resolution required by Rule 2.03, paragraph (b), to meet in regular session in even-numbered years, a written copy of a report of a conference committee shall be placed on the desk of each member of a house twelve hours before action on the report by that house. If the report has been reprinted in the Journal of either house for a preceding day and is available to the members, the Journal copy shall serve as the written report. The member presenting the conference committee report to the body

shall disclose, either in writing or orally, the substantial changes from the bill or the amendment as they were last before the body.

### MOTIONS AND RESOLUTIONS

Solberg moved that the name of Johnson, R., be stricken and the name of Olsen, S., be added as an author on H. F. No. 342. The motion prevailed.

Blatz moved that her name be shown as second author and the name of Kelly be shown as chief author on H. F. No. 374. The motion prevailed.

Skoglund moved that the name of Rodosovich be stricken and the name of Otis be added as an author on H. F. No. 392. The motion prevailed.

Peterson moved that the name of Price be stricken and the name of McDonald be added as an author on H. F. No. 487. The motion prevailed.

Bertram moved that the name of Omann be added as an author on H. F. No. 670. The motion prevailed.

Schoenfeld moved that the name of Frederick be added as an author on H. F. No. 685. The motion prevailed.

Solberg moved that the names of Kinkel, Poppenhagen and Johnson, R., be added as authors on H. F. No. 834. The motion prevailed.

Begich moved that the name of Tompkins be added as an author on H. F. No. 845. The motion prevailed.

Simoneau moved that the name of Segal be added as an author on H. F. No. 882. The motion prevailed.

Knuth moved that the name of Brown be added as an author on H. F. No. 887. The motion prevailed.

McPherson moved that the name of Tjornhom be added as an author on H. F. No. 893. The motion prevailed.

Otis moved that the name of Clark be added as an author on H. F. No. 929. The motion prevailed.

Otis moved that the name of Clark be added as an author on H. F. No. 930. The motion prevailed.

Simoneau moved that the name of Clark be added as an author on H. F. No. 944. The motion prevailed.

Dorn moved that H. F. No. 511 be recalled from the Committee on Higher Education and be re-referred to the Committee on Agriculture. The motion prevailed.

Bertram introduced:

House Resolution No. 34, A House resolution congratulating the Bulldogs Wrestling Team from Paynesville High School for winning the 1987 Class A State High School Wrestling Tournament Championship.

The resolution was referred to the Committee on Rules and Legislative Administration.

Rest introduced:

House Resolution No. 35, A House resolution congratulating Dan Bartle on receiving the Medal of Merit from the Boy Scouts of America.

The resolution was referred to the Committee on Rules and Legislative Administration.

#### ADJOURNMENT

Vanasek moved that when the House adjourns today it adjourn until 2:00 p.m., Thursday, March 19, 1987. The motion prevailed.

Vanasek moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:00 p.m., Thursday, March 19, 1987.

EDWARD A. BURDICK, Chief Clerk, House of Representatives



## STATE OF MINNESOTA

## SEVENTY-FIFTH SESSION—1987

## TWENTY-THIRD DAY

SAINT PAUL, MINNESOTA, THURSDAY, MARCH 19, 1987

The House of Representatives convened at 2:00 p.m. and was called to order by Fred C. Norton, Speaker of the House.

Prayer was offered by Pastor LeRoy Carlson, Community Evangelical Covenant Church, Cottage Grove, Minnesota.

The roll was called and the following members were present:

Anderson, G.	Gruenes	Lieder	Otis	Simoneau
Anderson, R.	Gutknecht	Long	Ozment	Skoglund
Battaglia	Hartle	Marsh	Pappas	Solberg
Bauerly	Haukoos	McDonald	Pauly	Sparby
Beard	Heap	McEachern	Pelowski	Stanius
Begich	Himle	McKasy	Peterson	Steenasma
Bennett	Hugoson	McLaughlin	Poppenhagen	Sviggum
Bertram	Jacobs	McPherson	Price	Swenson
Bishop	Jaros	Milbert	Quinn	Thiede
Blatz	Jefferson	Miller	Quist	Tjornhom
Boo	Jennings	Minne	Redalen	Tompkins
Brown	Jensen	Morrison	Reding	Trimble
Burger	Johnson, A.	Munger	Rest	Tunheim
Carlson, D.	Johnson, R.	Murphy	Rice	Uphus
Carlson, L.	Johnson, V.	Nelson, C.	Richter	Valento
Carruthers	Kahn	Nelson, D.	Riveness	Vanasek
Clark	Kahis	Nelson, K.	Rodosovich	Vellenga
Cooper	Kelly	Neuenschwander	Rose	Voss
Dauner	Kelso	O'Connor	Rukavina	Wagenius
DeBlieck	Kinkel	Ogren	Sarna	Waltman
Dempsey	Kludt	Olsen, S.	Schafer	Welle
Dille	Knickerbocker	Olsen, E.	Scheid	Wenzel
Dorn	Knuth	Olsen, K.	Schoenfeld	Winter
Forsythe	Kostohryz	Omann	Schreiber	Wynia
Frederick	Krueger	Onnen	Seaberg	Spk. Norton
Frerichs	Larsen	Orenstein	Segal	
Greenfield	Lasley	Osthoff	Shaver	

A quorum was present.

Clausnitzer was excused.

The Chief Clerk proceeded to read the Journal of the preceding day. Skoglund moved that further reading of the Journal be dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

## REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 428, 11, 257, 269, 323, 345, 469, 28, 134 and 29 and S. F. Nos. 89, 279 and 296 have been placed in the members' files.

S. F. No. 279 and H. F. No. 483, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

## SUSPENSION OF RULES

Carlson, D., moved that the rules be so far suspended that S. F. No. 279 be substituted for H. F. No. 483 and that the House File be indefinitely postponed. The motion prevailed.

## REPORTS OF STANDING COMMITTEES

Jaros from the Committee on Higher Education to which was referred:

H. F. No. 176, A bill for an act relating to education; providing for model programs in adult vocational occupational literacy training; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 136C.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 208, A bill for an act relating to human rights; defining marital status discrimination to include actions against an individual because of the spouse's political status; amending Minnesota Statutes 1986, section 363.01, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, line 13, delete "holds any political belief,"

Page 1, line 14, delete the comma and delete the second "any" and insert "an elected" and after "office" insert "or has filed an affidavit of candidacy for a public office"

With the recommendation that when so amended the bill pass.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 349, A bill for an act relating to agriculture; providing for research on the problem of stray voltage; appropriating money.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [RESEARCH STUDY; LOW LIVESTOCK PRODUCTIVITY.]

Subdivision 1. [STUDY CRITERIA; SCOPE.] The University of Minnesota or another institution or organization selected by the commissioner of agriculture in consultation with the advisory board established under subdivision 3 shall perform the study required under this section. The study must provide interdisciplinary analysis of issues frequently believed to be electrical in nature that affect dairy and livestock productivity levels or are manifested in poor animal health. The study may include analysis of possible non-electrical causes for low productivity levels or poor animal health at the study sites in order to help isolate the specific cause or causes of the problem at the sites. The study must be conducted on farmstead sites within the state as determined appropriate by the study team. The interdisciplinary team studying the selected sites must consist of researchers from the University of Minnesota or elsewhere who have expertise in the following fields: (1) animal sciences; (2) veterinary medicine; (3) electrical power distribution; (4) farmstead electrification; and (5) any other discipline or field deemed appropriate by members of the interdisciplinary team.

Subd. 2. [STUDY SITE SELECTION.] The farmstead sites to be studied must be selected by the advisory board established under subdivision 3. Study sites must be selected from among farmsteads whose operators request participation in the study. For three or more of the sites, preference must be given to farmsteads in dairy production areas which have experienced persistent problems with low milk production levels and poor dairy herd health and where a traditional study of stray voltage has failed to identify or solve the problem.

Subd. 3. [ADVISORY BOARD: COMPOSITION, APPOINTMENT, DUTIES.] Not later than 30 days after the effective date of this act the governor, in consultation with the commissioner of agriculture, shall appoint an advisory board of nine members who shall determine farmstead sites to be included in the study. The

advisory board shall meet at least quarterly to review progress reports on the study. Members of the advisory board shall include farmers experiencing conditions similar to those to be studied (membership on the advisory board does not preclude study of a farmstead operated by a member); farmers whose problems with low productivity levels or poor livestock health have been resolved; other farmers; a member of the Minnesota pollution control agency board; a representative of a cooperative electric association; a representative of an investor-owned electric utility which serves rural areas of Minnesota; a practicing veterinarian; and a representative of the University of Minnesota. Members of the advisory board shall serve without compensation but must be reimbursed by the commissioner of agriculture for mileage and actual expenses for meals related to service on the advisory board. The advisory board expires upon submission of the report required under subdivision 4.

Subd. 4. [REPORT.] The interdisciplinary study team shall prepare and deliver to the commissioner of agriculture a report on the results of the study. If feasible, the study team shall also submit the results of the study in a form appropriate for publication in one or more recognized scientific journals. The commissioner shall report results of the study to the house and senate committees on agriculture not later than February 1, 1989.

Sec. 2. [APPROPRIATION.]

\$150,000 is appropriated from the general fund to the commissioner of agriculture for purposes of the study required under section 1. Of this appropriation not more than \$10,000 is available for administrative costs of the department of agriculture and mileage and expense reimbursements to members of the advisory board. This appropriation does not cancel but remains available until April 1, 1989.

Sec. 3. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Amend the title as follows:

Page 1, line 2, delete "the"

Page 1, line 3, delete "problem of stray voltage" and insert "problems of low livestock productivity and poor animal health; requiring a report"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 374, A bill for an act relating to children; regulating the trust fund for prevention of child abuse; continuing an advisory council; appropriating money; amending Minnesota Statutes 1986, sections 299A.23, subdivision 2; 299A.25, subdivisions 3 and 6.

Reported the same back with the following amendments:

Page 2, line 4, after the headnote insert "Priority must be given to applicants whose"

Page 2, line 4, reinstate "Matching funds" and after the stricken "must" insert "do" and reinstate "not consist,"

Page 2, line 5, reinstate the stricken language

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 375, A bill for an act relating to corrections; clarifying the commissioner of corrections authority in licensing and supervising institutions and facilities; providing for restitution by inmates for destruction of state property; clarifying terminology; authorizing the commissioner to adopt rules relating to payment of restitution by inmates; authorizing the forfeiture of contraband money or property; clarifying provisions relating to county probation reimbursement; providing a penalty for assaults on correctional employees; amending Minnesota Statutes 1986, sections 241.021, subdivision 1; 241.08, subdivision 1; 241.26, subdivision 5; 241.69, subdivision 2; 243.23, subdivision 3; 243.24, subdivision 1, and by adding a subdivision; 260.311, subdivision 4; and 609.2231, by adding a subdivision.

Reported the same back with the following amendments:

Page 6, line 12, strike the comma

Page 7, line 23, after "sale" insert "or money seized pursuant to this subdivision"

Page 9, delete lines 10 to 12 and insert:

“Sec. 10. Minnesota Statutes 1986, section 641.264, subdivision 2, is amended to read:

Subd. 2. [TAX LEVIES; APPORTIONMENT OF COSTS.] The county board of each cooperating county shall annually levy a tax in an amount necessary to defray its proportion of the net costs of maintenance and operation of the regional jail after deduction of payments for the care of inmates, and in addition shall levy a tax to repay the cost of construction or acquisition, equipping, and any subsequent improvement of the regional jail and for the retirement of any bonds issued for these purposes. The county board may levy these taxes without limitation as to the rate or amount, and the levy of these taxes shall not cause the amount of other taxes levied or to be levied by the county, which are subject to any such limitation, to be reduced in any amount whatsoever. The regional jail board shall apportion the costs of maintenance and operation, and of construction or acquisition, equipping, and improvement of the jail to each county (1) on the basis of the proportion that the population in that county bears to the total population in all of the cooperating counties, the population figures to be determined by the last previous federal census; or (2) according to a formula mutually agreed upon by all the cooperating counties.”

Amend the title as follows:

Page 1, line 16, delete “and” and before the period, insert “; and 641.264, subdivision 2”

With the recommendation that when so amended the bill pass.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 444, A bill for an act relating to insurance; regulating funeral and burial expenses; allowing persons to select funeral or burial services and supplies of their choice; amending Minnesota Statutes 1986, section 72A.325.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 575, A resolution memorializing the President and Congress to immediately direct the Farmers Home Administration to participate in and cooperate with the Farmer-Lender Mediation Program in the State of Minnesota.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 589, A bill for an act relating to agriculture; providing for selection, sale, and development of state land to produce wild rice; amending Minnesota Statutes 1986, section 92.501, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 30.

Reported the same back with the following amendments:

Page 3, line 22, after the period insert "Lands acquired by purchase for inclusion in the Swan Lake Wildlife Project shall not exceed the number of acres sold each year under sections 1 to 4."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Environment and Natural Resources.

The report was adopted.

Jaros from the Committee on Higher Education to which was referred:

H. F. No. 640, A bill for an act relating to education; expanding the higher education coordinating board's career guidance program; changing membership on the career guidance advisory task force; appropriating money; amending Minnesota Statutes 1986, sections 136A.85; 136A.86, subdivision 1; and 136A.87.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 136A.85, is amended to read:

136A.85 [CAREER GUIDANCE POST-HIGH SCHOOL PLANNING PROGRAM; ESTABLISHMENT.]

The Minnesota higher education coordinating board shall establish a voluntary post-high school planning program for all ~~eleventh~~

grade students in the state who desire to participate, secondary students in the eighth grade and above and adults. The program is a statewide education and career guidance, testing, information and planning program designed to:

(a) Assist students to make career plans and decisions regarding post-secondary education, training and goals (1) enable students and adults to consider the full range of available post-secondary opportunities;

(2) encourage early and systematic planning for education and careers by students and adults;

(3) encourage students and adults to acquire the academic skills that will prepare them for a wide range of post-secondary programs;

(4) increase completion of post-secondary education by helping students and adults enroll in appropriate institutions and programs;

(5) consolidate and make more efficient the testing procedures used to advise, admit, and place students and adults in post-secondary programs;

(b) (6) assist high school, college and vocational institute counselors in their work with students and adults;

(c) (7) assist Minnesota colleges and vocational institutes to identify students and adults for whose talents, interests and needs they have appropriate programs;

(d) (8) assist colleges and scholarship agencies to select from applicants those who show the most promise of benefiting from particular programs;

(e) (9) provide educators, state planners and policy makers in the state a continuous inventory of the talents, plans, needs and other characteristics of students and adults in individual educational institutions, in educational systems, and in the state as a whole; and

(f) (10) assist educators, state planners and policy makers to develop improved educational measures and counseling tools.

Sec. 2. Minnesota Statutes 1986, section 136A.86, subdivision 1, is amended to read:

Subdivision 1. The board shall establish an advisory task force to define the objectives of the program and make recommendations to the board on program goals, policies and, selection of tests, and coordination of tests administered by the program and post-secondary institutes. The task force shall study and make

recommendations about a variety of methods, including using education brokers, that could be used throughout the community to provide assistance to adults considering post-secondary education. Membership on the advisory task force shall include, but not be limited to, representatives of: the state university system, the university of Minnesota, the state community college system, the area vocational technical institute system, the Minnesota private college council, the Minnesota association of private post-secondary schools, the Minnesota school boards association, the Minnesota association of secondary school principals, the Minnesota school counselors association, Minnesota area vocational technical institutes, the Minnesota department of education, the Minnesota association of private vocational schools, the Minnesota Federation of Teachers, the Minnesota Education Association, the Minnesota Parent Teacher Student Association, the Minnesota Community Education Association, organized labor, the business community, and a minimum of one secondary and one post-secondary education student. The expiration of this advisory task force and the terms, compensation and removal of its members shall be as provided in section 15.059, subdivision 6.

Sec. 3. Minnesota Statutes 1986, section 136A.86, subdivision 2, is amended to read:

Subd. 2. The board shall periodically review and evaluate the statewide career guidance, testing, information and planning program and report to the governor and legislature the program status and the board's recommendations for legislation to improve the program.

Sec. 4. Minnesota Statutes 1986, section 136A.87, is amended to read:

#### 136A.87 [ASPECTS OF THE PROGRAM.]

Subdivision 1. [ASSESSMENT INSTRUMENTS AND QUESTIONNAIRES.] The program shall:

(a) Administer to eleventh grade Minnesota high school students, who desire to participate in the program, educational measurement instruments and questionnaires as determined by the board to be appropriate to serve the purposes of sections 136A.85 to 136A.88;

(b) provide for administration of education and career assessment instruments and questionnaires to residents in the eighth to twelfth grades and to adults. The board shall determine the instruments and questionnaires that are appropriate to serve the purposes of sections 136A.85 to 136A.88.

Subd. 2. [HIGH SCHOOL ASSESSMENTS.] The program shall provide for administration of educational measurement instruments

and questionnaires to high school students before their senior year. At least the following shall be included:

(1) an aptitude assessment for students anticipating entry to collegiate programs;

(2) an inventory of interests, career directions, background information, and education plans; and

(3) a preliminary mathematics placement test to advise them about future course selections, and, as determined appropriate by the board, preliminary placement tests in other subjects.

Subd. 3. [DATA BASE.] A data base of information from the program's assessments and services shall be maintained to:

(1) provide individual reports of results to the students, to the high schools in which students are enrolled, and, if authorized by the students, to post-secondary educational institutions; and

(e) (2) provide annual statewide summary reports of results on a statewide basis to all Minnesota high schools and, post-secondary educational institutions and to, the department of education, the chairs of the education, higher education, appropriations and finance committees of the legislature, and the governor.

Subd. 4. [COORDINATION.] The program shall coordinate efforts and develop additional methods of providing information, guidance, and testing services to out-of-school youth and adults.

#### Sec. 5. [APPROPRIATION.]

\$. . . . . is appropriated for fiscal year 1988 and \$. . . . . is appropriated for fiscal year 1989 from the general fund to the higher education coordinating board for the post-high school planning program in sections 1 to 4. The sums are available until expended."

Delete the title and insert:

"A bill for an act relating to education; expanding and altering the higher education coordinating board's career guidance program; making changes to the membership of the advisory task force; appropriating money; amending Minnesota Statutes 1986, sections 136A.85; 136A.86, subdivisions 1 and 2; and 136A.87."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 660, A bill for an act relating to government data practices; providing an exception to the nondisclosure of welfare data to law enforcement or probation officers in certain cases; amending Minnesota Statutes 1986, section 13.46, subdivision 2.

Reported the same back with the following amendments:

Page 2, delete lines 29 to 34 and insert:

“(12) the name, address, date of birth, and telephone number of an individual who has data stored or maintained in the welfare system may be disclosed to law enforcement personnel conducting investigations involving gross misdemeanors or felonies, unless prohibited by federal regulation.”

Amend the title as follows:

Page 1, line 4, delete “or probation”

With the recommendation that when so amended the bill pass.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 661, A bill for an act relating to commerce; granting motor fuel retailers the option to purchase from wholesalers other than the refiner; proposing coding for new law in Minnesota Statutes, chapter 80C.

Reported the same back with the following amendments:

Page 2, after line 16, insert:

“Subd. 6. [APPLICATION.] This section applies only to agreements entered into after the effective date of this section.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 713, A bill for an act relating to Minnesota Statutes; correcting erroneous, ambiguous, omitted, and obsolete references and text; eliminating certain redundant, conflicting, and superseded provisions; providing instructions to the revisor; amending Minnesota Statutes 1986, sections 1.135, subdivision 3; 8.31, subdivision 1; 13.43, subdivision 6; 14.02, subdivision 4; 15.61; 17.59, subdivision 5; 17A.04, subdivision 1; 28A.15, subdivision 4; 38.27, subdivision 3; 41A.05, subdivision 2; 48.13, subdivision 2; 48.26; 49.01, subdivision 3; 49.44; 60A.17, subdivision 12; 64B.18; 72A.41, subdivision 1; 79.38, subdivision 1; 84A.08; 97A.021, subdivision 2; 97A.065, subdivision 4; 97A.205; 97A.441, subdivision 5; 97A.445, subdivision 3; 97A.465, subdivision 4; 97A.501, subdivision 2; 97A.545, subdivision 4; 97B.315; 97B.921; 97B.925; 115A.07, subdivision 1; 115A.12, subdivision 1; 115A.14, subdivision 5; 115A.162; 116C.57, subdivision 3; 116E.03, subdivision 9; 116J.72; 120.17, subdivision 5a; 121.904, subdivisions 11a and 11b; 122.541, subdivision 2; 124.01, subdivision 1; 124.195, subdivisions 8 and 9; 124.2138, subdivisions 3 and 4; 124.32, subdivision 1c; 124.472; 126.39, subdivision 11; 136.44; 136A.04, subdivision 2; 136A.06; 136D.28, subdivision 2; 136D.89, subdivision 2; 147.09; 152.02, subdivision 12; 160.283, subdivision 1; 171.05, subdivision 3; 174.255, subdivisions 1 and 2; 174.29, subdivision 1; 176.83, subdivision 7; 177.24, subdivision 2; 179A.12, subdivision 1; 182.651, subdivision 18; 193.141, subdivision 2; 193.145, subdivision 2; 214.01, subdivision 3; 219.691; 219.692; 219.743; 219.755; 222.61; 241.31, subdivision 2; 243.24, subdivision 2; 246.51, subdivision 1; 246A.02; 246A.11, subdivision 1; 246A.12, subdivisions 1 and 7; 246A.13, subdivision 1; 250.05, subdivision 2; 256.12, subdivision 14; 256.462, subdivision 2; 256B.03, subdivision 2; 257.34, subdivision 1; 260.015, subdivision 3; 260.151, subdivision 1; 268.072, subdivision 6; 271.15; 273.13, subdivision 22; 275.125, subdivisions 6a, 8, and 11c; 278.06; 290.01, subdivision 20b; 295.34, subdivision 1; 296.14, subdivision 4; 297.03, subdivision 3; 297A.06; 297A.25, subdivision 10; 308.341; 317.03; 317.65, subdivision 6; 319A.03; 319A.05; 319A.12, subdivisions 1a and 2; 322A.70; 326.03, subdivision 2; 326.06; 327.18, subdivision 3; 327C.07, subdivision 3a; 349.2121, subdivision 3; 354.05, subdivision 2; 355.311, subdivision 1; 361.26, subdivision 2; 366.095, subdivision 1; 378.43, subdivision 1; 383A.404, subdivision 7; 383B.035, subdivision 1; 383B.237; 383C.76; 386.71; 393.13, subdivision 1; 412.381; 412.501; 447.42, subdivision 2; 453.53, subdivision 3; 458A.03, subdivision 8; 458C.17; 462.601; 462.605; 462A.04, subdivision 8; 462A.05, subdivision 18; 462A.20, subdivision 3; 462C.04, subdivision 2; 462C.12, subdivision 2; 471.467, subdivision 1; 471.74, subdivision 2; 471.993, subdivision 1; 471A.03, subdivision 2; 473.149, subdivision 4; 473.181, subdivision 3; 473.811, subdivisions 6, 7, 8, and 9; 473F.06; 473F.07, subdivision 1; 473F.09; 474A.09; 604.06; 609.53, subdivisions 1 and 1a; 609.687, subdivision 4; 611.14; 626A.05, subdivision 2; 645.02; amending Laws 1982, chapter 523, article 30, section 4, subdivision 1; and Laws 1986, chapter 399, article 1, section 17; repealing Minnesota

Statutes 1986, sections 193.145, subdivision 3; and 325D.69, subdivision 1; repealing Laws 1986, chapter 463, section 3; and Laws 1986, First Special Session chapter 3, article 1, section 84.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 729, A bill for an act relating to local government; permitting compensation for members of statutory city park boards; amending Minnesota Statutes 1986, section 412.501.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 757, A resolution memorializing the Union of Soviet Socialist Republics to grant exit visas to Jewish prisoners of conscience.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Jaros from the Committee on Higher Education to which was referred:

H. F. No. 778, A bill for an act relating to education; authorizing a study of a state savings incentive program to provide money for post-secondary education; appropriating money.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 794, A bill for an act relating to waste management; regulating disposal of wastes; providing for a solid waste management policy; providing for recycling policy and marketing; managing household hazardous wastes; regulating the sale and disposal of motor oil and lead acid batteries; providing for waste pesticide collection; appropriating money; amending Minnesota Statutes 1986, sections 115A.03, subdivisions 9 and 21; 115A.06, subdivision 14; 115A.11, subdivision 2; 115A.42; 115A.45; 115A.49; 115A.51; 115A.52; 115A.53; 115A.54, subdivision 2a; 115A.81, subdivision 2; 115A.921; 115A.95; 116.07, subdivision 4b; 116.41, subdivision 2; 116M.07, by adding a subdivision; 176.011, subdivision 9; 325E.11; 473.149, subdivisions 2d and 6; 473.803, by adding a subdivision; 473.834, subdivision 2; 473.842, subdivision 2; 473.844, subdivisions 1 and 4; and 473.846; proposing coding for new law in Minnesota Statutes, chapters 115A; 239; 325E; and 473; repealing Minnesota Statutes 1986, sections 115A.13; 115A.43; 115A.44; 473.834, subdivision 3; and 473.844, subdivisions 2 and 5.

Reported the same back with the following amendments:

Page 19, after line 33, insert:

“Sec. 26. Minnesota Statutes 1986, section 239.52, is amended to read:

239.52 [WEIGHTS AND MEASURES FEES.]

The department of public service shall adjust the schedule of fees for regular and special weights and measures inspections to recover the amount of money appropriated for the weights and measures program, other than the cost of (1) checkweighing or the weighing of prepackaged goods to determine whether the content weight listed on the package is accurate, (2) testing for the quality of petroleum products, (3) inspections or investigations made as a result of a complaint received by the department, if the scale weight, measure, or weighing or measuring device is found to be correct, and (4) court appearances by department personnel on behalf of other governmental agencies, and (5) enforcement of sections 325E.11 and 325E.115. The department of public service shall review and adjust its schedule of fees for regular and special inspections at the end of each six months and have all fees charged approved by the commissioner of finance before they are adopted, so as to insure that the fees charged shall be sufficient to pay all the recoverable costs connected with regular and special inspections during the fiscal year.”

Renumber the remaining sections in sequence

Page 21, line 22, delete “26” and insert “27”

Page 25, line 16, delete "36" and insert "37"

Page 30, line 5, delete "38" and insert "39"

Page 30, line 8, delete "26" and insert "27"

Page 30, line 25, delete "36" and insert "37"

Page 30, line 26, delete "36" and insert "37"

Page 31, line 7, delete "29 to 37" and insert "30 to 38"

Amend the title as follows:

Page 1, line 15, after "9" insert "; 239.52"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 803, A bill for an act relating to commerce; creating a legislative commission to study government and business competition; prescribing its duties.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [LEGISLATIVE STUDY COMMISSION ON GOVERNMENT AND BUSINESS COMPETITION.]

Subdivision 1. [ESTABLISHMENT.] A legislative study commission on government and business competition is established to review and report on the effect state and local laws and regulation have on the competitive environment of small businesses in the state. The commission shall also assess the cost to small business of nonprofit tax exempt organization competition with small business, and the benefits derived from nonprofit tax exempt organization services that might not be provided otherwise. The commission shall review and report on the competitive effect state-regulated industries and institutions have on small business. The commission may also recommend legislation it considers necessary to reduce unfair competition that results in societal costs between small business, state regulated industries and institutions, and nonprofit tax exempt organizations.

For purposes of this section, "small business" is as defined in Minnesota Statutes, section 645.445.

Subd. 2. [MEMBERSHIP.] The commission shall consist of 11 members. Three members from the house of representatives shall be appointed by the speaker and three members from the senate shall be appointed by the subcommittee on committees of the committee on rules and administration. The governor shall appoint the remaining five members, two of whom must be representative of small business, two of whom must be representative of nonprofit exempt organizations, and one from a state regulated industry or institution.

Subd. 3. [STAFFING.] State agencies and legislative staff shall, upon request, assist the commission in discharging its duties.

Subd. 4. [COMPENSATION.] Compensation for nonlegislator members shall be as provided in section 15.059.

Subd. 5. [REPORT.] The commission shall report its findings and recommendations to the legislature by March 1, 1988. The report shall be distributed as required by Minnesota Statutes, section 3.195.

Sec. 2. [REPEALER.]

Section 1 is repealed March 1, 1988."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 832, A bill for an act relating to local government; granting the city of Cannon Falls the authority to establish a port authority; authorizing the port authority to exercise the power of a municipal housing and redevelopment authority; authorizing the city to impose restrictions and limitations upon the powers and procedures of the port authority; permitting the city to choose the name of the port authority; providing for removal of port authority commissioners; requiring local approval.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 838, A bill for an act relating to St. Louis county; providing for a clerk in the unclassified civil service; amending Minnesota Statutes 1986, section 383C.035.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 867, A bill for an act relating to local improvements; authorizing the levy of special assessments for highway sound barriers; amending Minnesota Statutes 1986, sections 429.011, by adding a subdivision; and 429.021, subdivision 1.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

S. F. No. 97, A bill for an act relating to frauds; fixing conditions for the legal determination of fraud in property transfers; enacting the uniform fraudulent transfer act; proposing coding for new law in Minnesota Statutes, chapter 513; repealing Minnesota Statutes 1986, sections 513.20; 513.21; 513.22; 513.23; 513.24; 513.25; 513.26; 513.27; 513.28; 513.29; 513.30; 513.31; and 513.32.

Reported the same back with the following amendments:

Page 9, delete section 9

Renumber the remaining sections

Page 9, line 36, delete "11" and insert "10"

Page 10, line 1, delete "11" and insert "10"

With the recommendation that when so amended the bill pass.

The report was adopted.

**SECOND READING OF HOUSE BILLS**

H. F. Nos. 208, 375, 444, 575, 660, 661, 713, 729, 757 and 838 were read for the second time.

**SECOND READING OF SENATE BILLS**

S. F. Nos. 279 and 97 were read for the second time.

**INTRODUCTION AND FIRST READING  
OF HOUSE BILLS**

The following House Files were introduced:

McLaughlin, Brown, Welle, Dauner and Rukavina introduced:

H. F. No. 1020, A bill for an act relating to taxation; individual income, updating provisions to the Internal Revenue Code of 1986; eliminating or simplifying certain modifications, exclusions, deductions, credits, carryovers, and basis adjustments; reducing income tax rates; defining terms; making technical corrections and administrative changes; appropriating money; amending Minnesota Statutes 1986, sections 10A.31, subdivisions 1, 3, and by adding a subdivision; 290.01, subdivisions 7, 19, 20, and by adding subdivisions; 290.032, subdivisions 1 and 2; 290.06, subdivisions 2c and 2d; 290.077, subdivision 1; 290.081; 290.091, subdivisions 1 and 4; 290.095, subdivisions 9 and 11; 290.10; 290.12, by adding a subdivision; 290.131, by adding a subdivision; 290.134, by adding a subdivision; 290.14; 290.15; 290.16, subdivision 1a; 290.17, subdivision 2; 290.23, subdivisions 3 and 5; 290.31, subdivisions 2, 3, 5, and by adding a subdivision; 290.37, subdivisions 1 and 3; 290.38; 290.39, subdivision 3; 290.431; 290.45, subdivisions 1 and 2; 290.48, subdivision 10; 290.491; 290.92, subdivisions 2a, 4a, 5, 5a, and 6; 290.93, subdivision 10; 290.9726, subdivisions 1, 2, and 4; and 290.974; repealing Minnesota Statutes 1986, sections 290.01, subdivisions 20a, 20b, 20f, 21, and 24; 290.013; 290.06, subdivisions 3f, 3g, and 11; 290.067, subdivisions 2, 3, 4, and 5; 290.077, subdivision 3; 290.079; 290.08; 290.085; 290.088; 290.089; 290.09; 290.091, subdivisions 2 and 3; 290.12, subdivision 4; 290.139; 290.17, subdivision 1a; 290.18, subdivision 2; and 290.9726, subdivisions 3, 5, and 6.

The bill was read for the first time and referred to the Committee on Taxes.

Carruthers, Skoglund, Knickerbocker, Wynia and Scheid introduced:

H. F. No. 1021, A bill for an act relating to insurance; no-fault auto; defining liability on underinsured motor vehicles; amending Minnesota Statutes 1986, section 65B.49, subdivision 4a.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Kelso, Segal, Greenfield and Kludt introduced:

H. F. No. 1022, A bill for an act relating to human services; establishing a community services conversion project; proposing coding for new law in Minnesota Statutes, chapter 252.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Nelson, C.; Sparby and Schafer introduced:

H. F. No. 1023, A bill for an act relating to economic development; amending the economic diversification loan program; amending the definition of a distressed county; amending Minnesota Statutes 1986, sections 116M.06, subdivisions 2 and 3; 116M.07, subdivision 11; and 297A.257, subdivision 1; repealing Minnesota Statutes 1986, sections 116M.03, subdivision 28; and 273.1313, subdivision 6.

The bill was read for the first time and referred to the Committee on Economic Development and Housing.

Carlson, D., and Dille introduced:

H. F. No. 1024, A bill for an act relating to human rights; regulating access to public accommodation by certain persons and guide dogs; amending Minnesota Statutes 1986, sections 256C.02; and 363.03, subdivision 10.

The bill was read for the first time and referred to the Committee on Judiciary.

Peterson, Bauerly and Riveness introduced:

H. F. No. 1025, A bill for an act relating to real property; changing certain restrictions on corporate ownership of agricultural land; amending Minnesota Statutes 1986, section 500.24, subdivision 3.

The bill was read for the first time and referred to the Committee on Agriculture.

Simoneau; Reding; Johnson, R.; Clark and Knickerbocker introduced:

H. F. No. 1026, A bill for an act relating to retirement; clarifying the responsibilities of the actuary retained by the legislative commission on pensions and retirement; clarifying and revising various actuarial determinations and procedures; authorizing the retention of actuarial advisors by various retirement funds; specifying the contents and methods for supplemental and alternative actuarial valuations; establishing a separate fund for the correctional employees retirement fund; amending Minnesota Statutes 1986, sections 3.85, subdivision 12; 3A.11, subdivision 1; 11A.18, subdivisions 6, 9, and 11; 69.77, subdivisions 2b and 2h; 69.772, subdivision 3; 69.773, subdivisions 2 and 4; 136.82, subdivision 2; 352.01, subdivision 12; 352.03, subdivision 6; 352.116, subdivisions 1, 3, and by adding a subdivision; 352.119, subdivision 2; 352.85, subdivision 6; 352.86, subdivision 4; 352B.01, by adding a subdivision; 352B.02, subdivision 1; 352B.08, subdivision 2; 352B.26, subdivision 3; 353.01, subdivision 14; 353.03, subdivision 3a; 353.271; 353.29, subdivision 6; 353.30, subdivision 3; 354.05, subdivision 7; 354.06, subdivision 2a; 354.07, subdivision 1; 354.35; 354.42, subdivision 5; 354.44, subdivision 2; 354.45; 354.48, subdivision 3; 354.532, subdivisions 1 and 2; 354.55, subdivisions 11, 12, and 13; 354.58; 354.62, subdivision 5; 354.63, subdivision 2; 354A.011, subdivision 17, and by adding a subdivision; 354A.021, by adding a subdivision; 354A.32; 354A.41, subdivision 2; 356.20, subdivisions 2, 3, and 4; 356.215; 356.216; 356.22, subdivision 2; 356.23; 356.41; 356.451, subdivision 1; 422A.01, subdivisions 6, 7, and 10; 422A.04, subdivisions 2 and 3; 422A.06, subdivisions 2, 5, 7, and 8; 422A.101; 422A.15, subdivisions 2 and 3; 422A.16, subdivisions 2, 3a, and 10; 422A.17; 422A.23, subdivisions 6 and 7; 490.121, subdivision 20; and 490.124, subdivision 11; proposing coding for new law in Minnesota Statutes, chapter 352; repealing Minnesota Statutes 1986, section 352B.26, subdivision 2.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Simoneau; Knickerbocker; Johnson, R., and Clark introduced:

H. F. No. 1027, A bill for an act relating to retirement; public employees retirement association; mandating plan membership by elected officials; authorizing purchases of credit for prior elected official service; amending Minnesota Statutes 1986, sections 353.01, subdivisions 7 and 16; and 353.36, subdivision 2b, and by adding subdivisions; repealing Minnesota Statutes 1986, sections 353.36, subdivisions 2, 2a, and 2c; and 353.69.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Simoneau, Gutknecht, Rukavina and Clark introduced:

H. F. No. 1028, A bill for an act relating to labor; regulating mediation, fact finding, and other functions of the bureau of mediation services; providing for violations of the labor union democracy act; amending Minnesota Statutes 1986, sections 179.02, subdivision 2, and by adding a subdivision; 179.07; 179.08; 179.083; 179.22; 179.38; proposing coding for new law in Minnesota Statutes, chapter 179; repealing Minnesota Statutes 1986, sections 179.05; 179.23; and 179.24.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Kludt, Vellenga, Long, Brown and Bishop introduced:

H. F. No. 1029, A bill for an act relating to property transfers; expanding the manner for creating custodial property under the uniform transfers to minors act; amending Minnesota Statutes 1986, section 527.29.

The bill was read for the first time and referred to the Committee on Judiciary.

Munger, Rose, Battaglia, Redalen and Trimble introduced:

H. F. No. 1030, A bill for an act relating to water pollution; providing for grants and loans for the construction and rehabilitation of wastewater treatment facilities and systems; authorizing rulemaking; appropriating money; amending Minnesota Statutes 1986, sections 116.16, subdivision 5; 116.167; 116.18, subdivisions 2a, 3a, and by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 116.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Quinn, Voss, Valento, Norton and Orenstein introduced:

H. F. No. 1031, A bill for an act relating to liens; labor and material; regulating the attachment of these liens; providing that visible staking of the premises does not constitute the actual and visible beginning of the improvement; amending Minnesota Statutes 1986, section 514.05.

The bill was read for the first time and referred to the Committee on Judiciary.

Greenfield introduced:

H. F. No. 1032, A bill for an act relating to human services; changing standards of assistance and eligibility for general assistance recipients and work readiness participants; amending Minnesota Statutes 1986, sections 256D.01, subdivision 1a; 256D.02, subdivisions 5 and 8; 256D.05, subdivision 1, and by adding a subdivision; 256D.051, subdivisions 4 and 5; 256D.06, subdivisions 1 and 2; 256D.08, subdivision 1; 256D.101; and 256D.15.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Segal introduced:

H. F. No. 1033, A bill for an act proposing an amendment to the Minnesota Constitution, article IV, sections 2 and 4; providing for a senate of 36 members elected for staggered six-year terms and a house of representatives of 108 members elected for staggered four-year terms.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Kludt, Vellenga and Wagenius introduced:

H. F. No. 1034, A bill for an act relating to crimes; repealing the requirement that the department of public safety must keep a record of all first convictions for the crime of possessing a small amount of marijuana; amending Minnesota Statutes 1986, section 152.15, subdivision 2.

The bill was read for the first time and referred to the Committee on Judiciary.

Larsen; Sparby; Nelson, K.; Segal and Price introduced:

H. F. No. 1035, A bill for an act relating to education; providing for teacher seniority and severance pay in districts entering into agreements for secondary education and tuitioning agreements; amending Minnesota Statutes 1986, sections 122.535, subdivision 2; 122.541, subdivision 1; and 123.39, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Education.

Peterson, Bauerly, Sviggum, McEachern and Battaglia introduced:

H. F. No. 1036, A bill for an act relating to education; providing for due process termination or nonrenewal for licensed athletic coaches through a grievance procedure; amending Minnesota Statutes 1986, section 125.121, by adding a subdivision; repealing Minnesota Statutes 1986, section 125.121, subdivisions 1 and 2.

The bill was read for the first time and referred to the Committee on Education.

Segal introduced:

H. F. No. 1037, A bill for an act relating to civil commitment; defining "mentally ill person"; and "the least restrictive alternative principle"; providing that mentally ill persons can be committed only to regional centers or hospitals that are appropriately accredited; amending Minnesota Statutes 1986, sections 253B.02, subdivision 13, and by adding subdivisions; and 253B.09, subdivision 1.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Redalen, Kostohryz, Sviggum, Scheid and Osthoff introduced:

H. F. No. 1038, A bill for an act relating to horse racing; regulating license suspensions and revocations of class C licenses; modifying the time periods and dollar limitations used to trigger contested case hearings; requiring rules that prohibit horses from carrying foreign substances when they race; requiring medical testing fee rules; making permanent the statutory provisions authorizing the use of certain medications; amending Minnesota Statutes 1986, sections 240.08, subdivision 5; 240.16, subdivision 1; 240.22; 240.24, subdivisions 1 and 3; and Laws 1985, chapter 211, section 5.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Simoneau, O'Connor and Larsen introduced:

H. F. No. 1039, A bill for an act relating to occupations and professions; providing for the licensure of private detectives and protective agents; providing definitions; providing board powers and duties; specifying application and administrative procedure; authorizing rulemaking; requiring payment of fees; providing penalties; amending Minnesota Statutes 1986, sections 326.32, subdivisions 1, 5, 11, and by adding subdivisions; 326.33, subdivisions 1 and 2;

326.336; 326.338, subdivision 1, and by adding a subdivision; and 326.339; proposing coding for new law in Minnesota Statutes, chapter 326; repealing Minnesota Statutes 1986, sections 326.32, subdivisions 6 and 7; 326.33, subdivisions 3, 4, and 5; 326.331; 326.332; 326.333; 326.334; 326.337; and 326.338, subdivisions 2 and 3.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Skoglund introduced:

H. F. No. 1040, A bill for an act relating to financial institutions; regulating investments of state banks and trust companies; authorizing investment in share of stock in banks and bank holding companies authorized to do business in Minnesota; amending Minnesota Statutes 1986, section 48.61, subdivision 3.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Wagenius, Solberg, Blatz, Kludt and Vellenga introduced:

H. F. No. 1041, A bill for an act relating to adoption; requiring certain notifications to parents placing a child for adoption and to proposed adoptive parents; requiring a waiting period for adoption by persons whose parental rights to another child have been terminated; specifying circumstances that do not constitute good cause for terminating parental rights; amending Minnesota Statutes 1986, sections 259.23, subdivision 2; 259.24, subdivision 5; 259.25, subdivision 1; 259.27, by adding a subdivision; and 260.221; proposing coding for new law in Minnesota Statutes, chapter 259.

The bill was read for the first time and referred to the Committee on Judiciary.

Johnson, A., and Wenzel introduced:

H. F. No. 1042, A bill for an act relating to motor carriers; exempting drivers of intrastate charter carriers from having in possession a medical examiner certificate if the driver has a school bus endorsement; amending Minnesota Statutes 1986, section 221.031, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Transportation.

Carruthers, Rest, Blatz, Stanius and Osthoff introduced:

H. F. No. 1043, A bill for an act relating to metropolitan government; providing for qualifications of commission members, budget criteria, plans, and reports; amending Minnesota Statutes 1986, sections 473.141, subdivision 2, and by adding a subdivision; 473.161, subdivision 1c; 473.1623, subdivisions 4 and 5; 473.303, by adding a subdivision; 473.377, subdivision 1; and 473.604, subdivision 1, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Metropolitan Affairs.

Orenstein introduced:

H. F. No. 1044, A bill for an act relating to human services; requiring medical assistance payment for personal care attendant services to hospitalized ventilator-dependent recipients; amending Minnesota Statutes 1986, section 256B.02, subdivision 8.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Murphy, Greenfield, Wynia, Solberg and Carlson, D., introduced:

H. F. No. 1045, A bill for an act relating to insurance; establishing a demonstration project to provide medical insurance to certain low income persons; proposing coding for new law in Minnesota Statutes, chapter 256B.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Vellenga, Greenfield, Gruenes and Kelly introduced:

H. F. No. 1046, A bill for an act relating to family law; specifying conditions for retroactive modification of child support; amending Minnesota Statutes 1986, section 518.64, subdivision 2.

The bill was read for the first time and referred to the Committee on Judiciary.

Tunheim; Kostohryz; Price; Carlson, D., and Wenzel introduced:

H. F. No. 1047, A bill for an act relating to education; establishing a minimum teacher salary; providing foundation aid; amending

Minnesota Statutes 1986, section 124A.01; proposing coding for new law in Minnesota Statutes, chapters 124A and 125.

The bill was read for the first time and referred to the Committee on Education.

McLaughlin, Brown, Welle, Dauner and Rukavina introduced:

H. F. No. 1048, A bill for an act relating to taxation; individual income, updating provisions to the Internal Revenue Code of 1986; eliminating or simplifying certain modifications, exclusions, deductions, credits, carryovers, and basis adjustments; reducing income tax rates; defining terms; making technical corrections and administrative changes; appropriating money; amending Minnesota Statutes 1986, sections 10A.31, subdivisions 1, 3, and by adding a subdivision; 290.01, subdivisions 7, 19, 20, and by adding subdivisions; 290.032, subdivisions 1 and 2; 290.06, subdivisions 2c and 2d; 290.077, subdivision 1; 290.081; 290.091, subdivisions 1 and 4; 290.095, subdivisions 9 and 11; 290.10; 290.12, by adding a subdivision; 290.131, by adding a subdivision; 290.134, by adding a subdivision; 290.14; 290.15; 290.16, subdivision 1a; 290.17, subdivision 2; 290.23, subdivisions 3 and 5; 290.31, subdivisions 2, 3, 5, and by adding a subdivision; 290.37, subdivisions 1 and 3; 290.38; 290.39, subdivision 3; 290.431; 290.45, subdivisions 1 and 2; 290.48, subdivision 10; 290.491; 290.92, subdivisions 2a, 4a, 5, 5a, and 6; 290.93, subdivision 10; 290.9726, subdivisions 1, 2, and 4; and 290.974; repealing Minnesota Statutes 1986, sections 290.01, subdivisions 20a, 20b, 20f, 21, and 24; 290.013; 290.06, subdivisions 3f, 3g, and 11; 290.067, subdivisions 2, 3, 4, and 5; 290.077, subdivision 3; 290.079; 290.08; 290.085; 290.088; 290.089; 290.09; 290.091, subdivisions 2 and 3; 290.12, subdivision 4; 290.139; 290.17, subdivision 1a; 290.18, subdivision 2; and 290.9726, subdivisions 3, 5, and 6.

The bill was read for the first time and referred to the Committee on Taxes.

Johnson, A.; Begich; Solberg; Beard and Murphy introduced:

H. F. No. 1049, A bill for an act relating to labor; regulating the administration of the occupational safety and health act; clarifying employee rights to sue; amending Minnesota Statutes 1986, sections 182.659, subdivisions 6 and 8; 182.661, by adding a subdivision; 182.666, subdivisions 1, 2, 4, 5, and 6; and 182.669, subdivision 1.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Quinn, Orenstein, Kludt and Seaberg introduced:

H. F. No. 1050, A bill for an act relating to property interests; enacting the uniform statutory rule against perpetuities; amending Minnesota Statutes 1986, section 500.17, subdivision 2; proposing coding for new law as Minnesota Statutes, chapter 501A; repealing Minnesota Statutes 1986, section 500.13.

The bill was read for the first time and referred to the Committee on Judiciary.

Simoneau introduced:

H. F. No. 1051, A bill for an act relating to retirement; teacher retirement funds; providing for an increase in employer contributions; separating certain employer contributions into employer matching and employer additional contributions; amending Minnesota Statutes 1986, sections 354.42, subdivision 5; and 354A.12, subdivision 2.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Reding, Sarna, Simoneau, McLaughlin and Clark introduced:

H. F. No. 1052, A bill for an act relating to retirement; establishing a special retirement plan for correctional officers at correctional facilities or city or county jails; amending Minnesota Statutes 1986, sections 356.20, subdivision 2; 356.30, subdivision 3; and 356.32, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 353.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Greenfield, Wynia, Kludt, Cooper and Anderson, R., introduced:

H. F. No. 1053, A bill for an act relating to human services; creating a child care grant program; establishing an AFDC employment and training program; coordinating administration of the programs; providing for allocation of administrative costs and use of funds for work readiness program; exempting all educational grants and loans for purposes of AFDC eligibility; designating priority groups for receipt of AFDC; establishing conditions under which certain welfare recipients must participate in employment or training; establishing a pilot program for obtaining and enforcing child and medical support; amending Minnesota Statutes 1986, sections 245.83; 256.01, subdivision 2; 256.736, subdivisions 3, 4, and by

adding subdivisions; 256.74, subdivision 1; 256D.051, subdivisions 1, 6, and by adding subdivisions; 267.02, by adding subdivisions; 267.03, subdivision 2; 267.04, subdivisions 1, 3, and 4; 268.0111, by adding subdivisions; 268.0122, subdivisions 2 and 3; 268.673, subdivisions 3 and 5; 268.6751, subdivisions 1, 2, and by adding a subdivision; 268.676; 268.677, subdivisions 2 and 3; 268.678; 268.679, subdivision 3; 268.681, subdivisions 1, 2, and 3; 268.682, subdivision 3; 268.85, subdivision 2; 268.86, subdivision 1; 268.871; 268.872, subdivisions 2 and 3; 268.88; 268.89, subdivision 3; 268.90, subdivision 4; 268.91, subdivisions 1, 2, 3, 4, 5, 6, 7, and by adding subdivisions; 268.911, subdivision 1; 518.551, by adding a subdivision; and 518.611, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 136A; 256; and 268; repealing Minnesota Statutes 1986, sections 256D.05, subdivisions 4, 5, and 11; 267.02, subdivision 5; 268.0111, subdivisions 6 and 8; and 268.672.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Cooper, Sviggum, Segal, Kelso and Winter introduced:

H. F. No. 1054, A bill for an act relating to vocational rehabilitation; limiting grants to sheltered workshops; providing for use of community-based employment; regulating and defining vocational rehabilitation programs; amending Minnesota Statutes 1986, sections 129A.01; 129A.03; 129A.06; 129A.07; and 129A.08.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Nelson, K.; Vellenga; Johnson, A.; Rodosovich and Solberg introduced:

H. F. No. 1055, A bill for an act relating to education; appropriating money for Project Head Start.

The bill was read for the first time and referred to the Committee on Education.

McKasy and Kelly introduced:

H. F. No. 1056, A bill for an act relating to the collection and dissemination of data; classifying data of the Saint Paul port

authority; proposing coding for new law in Minnesota Statutes, chapter 13.

The bill was read for the first time and referred to the Committee on Judiciary.

Quinn, Orenstein, Kelly, Clausnitzer and Bishop introduced:

H. F. No. 1057, A bill for an act relating to municipal liability; providing for indemnification of employees for punitive damages; amending Minnesota Statutes 1986, section 466.07, by adding a subdivision; repealing Minnesota Statutes 1986, section 466.07, subdivision 4.

The bill was read for the first time and referred to the Committee on Judiciary.

Solberg, Ogren, Heap, Kostohryz and Scheid introduced:

H. F. No. 1058, A bill for an act proposing an amendment to the Minnesota Constitution, article IV, section 4; providing for a senate with six-year terms and a house of representatives with staggered four-year terms.

The bill was read for the first time and referred to the Committee on Governmental Operations.

DeBlieck, Winter, Steensma, Brown and Dille introduced:

H. F. No. 1059, A bill for an act relating to agricultural land; modifying conditions under which certain landowners must offer land to the previous owner; amending Minnesota Statutes 1986, section 500.24, subdivision 6.

The bill was read for the first time and referred to the Committee on Agriculture.

DeBlieck, Morrison, Simoneau, Scheid and Winter introduced:

H. F. No. 1060, A bill for an act relating to the state building code; changing certain provisions relating to public buildings; amending Minnesota Statutes 1986, sections 16B.60, subdivisions 3 and 6; 16B.61, by adding a subdivision; and 16B.71.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Rest, Vellenga, Clausnitzer, Forsythe and Kludt introduced:

H. F. No. 1061, A bill for an act relating to child abuse; defining abuse and neglect for child abuse reporting; providing for notification and review of investigations of abuse by a parent or guardian; providing for a human services ombudsman; amending Minnesota Statutes 1986, section 626.556, subdivision 2, and by adding subdivisions.

The bill was read for the first time and referred to the Committee on Judiciary.

Simoneau and Pappas introduced:

H. F. No. 1062, A bill for an act relating to state government; establishing a public pension plan bureau within the department of employee relations; requiring continuing monitoring and oversight of public employee pension plans; amending Minnesota Statutes 1986, sections 43A.03, subdivisions 2, 3, and 4; and 43A.04, subdivisions 1 and 3; proposing coding for new law in Minnesota Statutes, chapter 43A.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Neuenschwander, McKasy, Scheid, Bertram and Clausnitzer introduced:

H. F. No. 1063, A bill for an act relating to commerce; industrial loan and thrift companies; removing a restriction on the sale and issuance of certificates of indebtedness; prescribing the qualifications of the directors of certain companies; regulated loans; specifying the loan fees and charges that may be imposed by regulated lenders; amending Minnesota Statutes 1986, sections 53.04, subdivisions 3a and 5; 53.06; 56.12; 56.125, subdivision 3; 56.131, subdivision 2; and 56.14.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Riveness; Wagenius; Skoglund; Nelson, K., and Orenstein introduced:

H. F. No. 1064, A bill for an act relating to the metropolitan airports commission; providing for a fee for conducting aircraft

operations at night; proposing coding for new law in Minnesota Statutes, chapter 473.

The bill was read for the first time and referred to the Committee on Metropolitan Affairs.

Battaglia, Munger, Reding and Rose introduced:

H. F. No. 1065, A bill for an act relating to natural resources; increasing certain game, fish, and related license and other fees; amending Minnesota Statutes 1986, sections 84.091, subdivision 3; 97A.415, subdivision 1; 97A.475, subdivisions 2, 3, 6, 7, 8, 9, 11, 12, 13, and 20.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Welle, Kelso, Boo, Vellenga and Gruenes introduced:

H. F. No. 1066, A bill for an act relating to human services; providing for changes in the property-related payment rate for nursing homes; amending Minnesota Statutes 1986, section 256B.431, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Ogren, Vanasek, Quinn, Scheid and Jacobs introduced:

H. F. No. 1067, A bill for an act relating to taxation; income; abolishing the credit for contributions to candidates for federal public office; providing a credit for contributions to candidates for local offices; increasing the percentage of contribution that may be claimed as a credit; amending Minnesota Statutes 1986, sections 10A.32, subdivision 3b; and 290.06, subdivision 11.

The bill was read for the first time and referred to the Committee on Taxes.

Neuenschwander; Carlson, D.; Simoneau; Sviggum and Johnson, R., introduced:

H. F. No. 1068, A bill for an act relating to retirement; transferring retirement coverage of certain employees; amending Minnesota

Statutes 1986, section 352.91, subdivision 4, and by adding a subdivision; and 356.30, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Greenfield, Rest, Wagenius, Blatz and Orenstein introduced:

H. F. No. 1069, A bill for an act relating to crimes; permitting evidence showing a tendency to fabricate allegations of sexual assault; requiring three days' notice of intent to introduce evidence of victim's prior sexual conduct; amending Minnesota Statutes 1986, section 609.347, subdivisions 3, 4, and 6.

The bill was read for the first time and referred to the Committee on Judiciary.

Rest, Blatz, Wagenius and Greenfield introduced:

H. F. No. 1070, A bill for an act relating to crimes; criminal sexual conduct; creating a crime of fifth degree criminal sexual conduct; amending Minnesota Statutes 1986, section 609.341, subdivision 11; proposing coding for new law in Minnesota Statutes, chapter 609.

The bill was read for the first time and referred to the Committee on Judiciary.

Wagenius, Rest, Greenfield, Blatz and Clark introduced:

H. F. No. 1071, A bill for an act relating to crimes; criminal sexual conduct; clarifying the definition of "mentally incapacitated"; providing that criminal sexual contact requires sexual or aggressive intent; amending Minnesota Statutes 1986, section 609.341, subdivisions 7 and 11.

The bill was read for the first time and referred to the Committee on Judiciary.

Battaglia, Reding, Munger, Rose and Carlson, D., introduced:

H. F. No. 1072, A bill for an act relating to game and fish; authorizing contributions for game and fish improvement; amending Minnesota Statutes 1986, section 97A.481; proposing coding for new law in Minnesota Statutes, chapter 97A.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

O'Connor, Sarna, Begich and Tjornhom introduced:

H. F. No. 1073, A bill for an act relating to occupations and professions; providing advertising restrictions for plumbers; imposing penalties; amending Minnesota Statutes, section 326R.75.

The bill was read for the first time and referred to the Committee on Commerce.

Otis; Vanasek; Heap; Anderson, G., and Carlson, D., introduced:

H. F. No. 1074, A bill for an act relating to small business; authorizing the bureau of small business within the department of energy and economic development to engage in certain collaborative activities with small business development centers; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 116J.

The bill was read for the first time and referred to the Committee on Economic Development and Housing.

Nelson, K.; Wagenius; Riveness; Tjornhom and Norton introduced:

H. F. No. 1075, A bill for an act relating to metropolitan government; requiring plans and reports on noise, capacity, and other matters at Minneapolis-St. Paul International Airport; requiring hearings and imposing restrictions on capital development; amending Minnesota Statutes 1986, sections 473.612; and 473.621, subdivision 1a; proposing coding for new law in Minnesota Statutes, chapter 473.

The bill was read for the first time and referred to the Committee on Metropolitan Affairs.

Greenfield, Segal, Vellenga, Gruenes and Stanius introduced:

H. F. No. 1076, A bill for an act relating to health; making nutrition data reporting discretionary rather than mandatory; governing the hazardous substance injury compensation board; authorizing the commissioner to control activities of carriers of communicable diseases; regulating licensure and inspections of hospitals, nursing homes, life support transportation systems, and eating places; clarifying powers of the office of health facility complaints; changing certain duties of the interagency board for quality assurance; providing penalties; amending Minnesota Statutes 1986, sections 115B.28, subdivision 4; 144.0722; 144.092; 144.50, subdivisions 1 and 2; 144.55, by adding a subdivision; 144.653, subdivision 3; 144.804, subdivision 7; 144A.10, subdivi-

sions 1 and 2; 144A.16; 144A.31; 144A.53, subdivision 1; 145.881, subdivision 1; 157.01; 157.02; 157.04; 157.09; and 157.14; proposing coding for new law in Minnesota Statutes, chapters 144 and 144A; repealing Minnesota Statutes 1986, sections 144.422; 144.424; 144.425; 144.471; 144.49, subdivision 5; 144.692; and 144.94.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Simoneau; Reding; Johnson, R.; Clark and Knickerbocker introduced:

H. F. No. 1077, A bill for an act relating to retirement; conforming mandatory retirement provisions for public employees to the federal Age Discrimination in Employment Amendments of 1986; amending Minnesota Statutes 1986, sections 43A.34, subdivisions 1 and 4; 181.81, subdivision 1; 181.811; 354.44, subdivision 1a; 354A.21; 422A.09, subdivision 3; and 423.076; repealing Minnesota Statutes 1986, sections 125.12, subdivision 5; and 473.419.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Jennings; Dille; Dauner; Johnson, V., and Kalis introduced:

H. F. No. 1078, A bill for an act relating to natural resources; providing eligibility requirements for waterbank agreements; providing requirements for the director of the division of waters; requiring the director to maintain current wetland values; authorizing wetland authorities to establish, maintain, and develop wetlands; amending drainage law definitions; prescribing payment of attorney fees on certain drainage issues appealed by the commissioner; prescribing general provisions for petitions; amending petition requirements; allowing drainage proceedings to be delayed; prescribing conditions for assessments against property within a municipality; prescribing extent of benefits and damages; requiring a benefits and damages statement and a property owner's report; providing drainage liens to be recorded against tracts of property; changing rates of interest to be paid during drainage proceedings; amending definition of repair; authorizing conditions for repair if design elevation is different than original construction elevation; providing easement for drainage authority to inspect drainage system; requiring permanent grass strips; apportioning repair costs; renumbering sections; providing penalties; amending Minnesota Statutes 1986, sections 40.072, subdivisions 3 and 6; 105.392; 105.40; 106A.005, subdivisions 2, 3, 4, 9, 10, 11, 12, 13, 14, 19, and by adding subdivisions; 106A.011, subdivisions 3 and 4; 106A.015; 106A.021, by adding subdivisions; 106A.031; 106A.051; 106A.055; 106A.081, subdivisions 2 and 3; 106A.091, subdivision 4; 106A.095,

subdivisions 1, 3, and 4; 106A.101, subdivisions 2 and 4; 106A.215, subdivisions 4 and 5; 106A.221; 106A.225; 106A.231; 106A.235, subdivisions 1 and 2; 106A.241, subdivisions 1, 2, and 5; 106A.245; 106A.251; 106A.261, subdivisions 1, 3, 4, 5, 6, and 7; 106A.265, subdivision 1; 106A.271, subdivision 1; 106A.275; 106A.281; 106A.285, subdivisions 2, 4, 5, 6, 9, and 10; 106A.295; 106A.301; 106A.305, subdivision 1; 106A.311; 106A.315, subdivisions 1, 2, 5, 6, and by adding subdivisions; 106A.321, subdivision 1, and by adding a subdivision; 106A.325, subdivisions 2 and 3; 106A.335, subdivisions 1 and 3; 106A.341; 106A.345; 106A.351; 106A.401, subdivisions 2 and 6; 106A.405; 106A.411, subdivisions 3 and 4; 106A.501, subdivisions 4, 6, and 7; 106A.505, subdivisions 1, 2, 3, 7, and 8; 106A.511, subdivisions 1, 2, 3, and 5; 106A.515; 106A.525, subdivisions 2, 3, and 4; 106A.541; 106A.555, subdivision 2; 106A.601; 106A.605; 106A.611, subdivisions 2, 3, 6, and 7; 106A.615, subdivisions 4 and 7; 106A.635, subdivisions 1 and 10; 106A.645, subdivision 7; 106A.651, subdivision 1; 106A.655, subdivision 1; 106A.701, subdivision 1, and by adding a subdivision; 106A.705; 106A.715, subdivision 6; 106A.731, subdivision 1; 106A.741, subdivision 5; 106A.811, subdivisions 2, 4, and 5; 112.431, subdivision 2; 112.48, subdivision 1; 112.59; 112.60, subdivision 1; and 112.65, subdivision 1; proposing coding for new law as Minnesota Statutes, chapter 105A; proposing coding for new law in Minnesota Statutes, chapter 106A; repealing Minnesota Statutes 1986, sections 106A.005, subdivision 25; 106A.201; 106A.205; 106A.211; and 111.01 to 111.421.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Pauly, Morrison, Kelso and Valento introduced:

H. F. No. 1079, A bill for an act relating to taxation; property; modifying the metropolitan revenue distribution system; phasing out certain exemptions; decreasing the contribution percentage; changing certain definitions; eliminating the administrative auditor's functions; prohibiting use of proceeds for special purposes; amending Minnesota Statutes 1986, sections 473F.01; 473F.02, subdivisions 3 and 8; 473F.06; 473F.07; 473F.08, subdivisions 2, 5, 6, 7a, and by adding a subdivision; 473F.09; 473F.10, subdivisions 1 and 2; and 473F.13, subdivision 1; repealing Minnesota Statutes 1986, sections 473F.02, subdivisions 6, 9, 11, 16, 17, 18, 19, and 20; 473F.03; 473F.12; and 473F.13, subdivisions 2 and 3.

The bill was read for the first time and referred to the Committee on Taxes.

McEachern, Gruenes and Segal introduced:

H. F. No. 1080, A bill for an act relating to libraries; establishing the public library automation grant program; granting emergency

rulemaking authority; appropriating money; amending Minnesota Statutes 1986, section 134.32, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 134.

The bill was read for the first time and referred to the Committee on Education.

Clark, Kahn, Quinn, Wynia and Kostohryz introduced:

H. F. No. 1081, A bill for an act relating to education; establishing a center at the University of Minnesota; appropriating money.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Begich introduced:

H. F. No. 1082, A bill for an act relating to public safety; altering certain requirements concerning fencing of unused mine pits and shafts; providing modification to certain public and private liability laws; providing penalties; amending Minnesota Statutes 1986, sections 3.732, subdivision 1; 3.736, subdivision 3; 87.024; 180.01; 180.03, subdivisions 2 and 3; 180.06; 180.10; 466.03, subdivisions 6c and 13.

The bill was read for the first time and referred to the Committee on Judiciary.

Voss; Johnson, A., and Knuth introduced:

H. F. No. 1083, A bill for an act relating to government liability; providing that municipalities may not waive statutory immunities; authorizing municipal insurers to settle tort claims; clarifying that instrumentalities of municipalities incorporated as nonprofit corporations may be included in the self insurance pool; amending Minnesota Statutes 1986, sections 466.03, subdivision 1; 466.06; 466.08; and 471.98, subdivision 2.

The bill was read for the first time and referred to the Committee on Judiciary.

Kludt; Johnson, R.; Johnson, A., and Gruenes introduced:

H. F. No. 1084, A bill for an act relating to education; allowing direct procurement of science and technology supplies and equip-

ment by the state university board; amending Minnesota Statutes 1986, section 136.24, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Higher Education.

Kahn; Munger; Nelson, D.; Welle and Pauly introduced:

H. F. No. 1085, A bill for an act relating to solid waste; requiring payment of a refund on nonrefillable beverage containers; authorizing counties to license redemption centers; imposing duties on the commissioner of revenue and the pollution control agency; imposing penalties; establishing a dedicated fund in the state treasury; requiring reports and emergency rules; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 116F.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Kinkel, Schoenfeld and Sarna introduced:

H. F. No. 1086, A bill for an act relating to statutes; changing the term "life support transportation" to "ambulance" in Minnesota Statutes.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Nelson, K., introduced:

H. F. No. 1087, A bill for an act relating to public safety; school buses; requiring training for school bus drivers; providing for transitional requirements; appropriating money; amending Minnesota Statutes 1986, section 171.321, subdivision 2, and by adding subdivisions.

The bill was read for the first time and referred to the Committee on Education.

Greenfield, Munger, Kahn, Tompkins and Jaros introduced:

H. F. No. 1088, A bill for an act relating to organ donation; appropriating money to print driver's license renewal notice communications about organ donation.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Ogren; Sparby; Lieder; Olson, E., and Wenzel introduced:

H. F. No. 1089, A bill for an act relating to energy; requiring legislative approval for construction of nuclear fission electrical generating plant in Minnesota; amending Minnesota Statutes 1986, section 216B.243, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Dauner, Kludt and Clausnitzer introduced:

H. F. No. 1090, A bill for an act relating to animals; regulating giving animals for certain purposes; providing a penalty; amending Minnesota Statutes 1986, sections 343.33; 343.34; and 343.35.

The bill was read for the first time and referred to the Committee on Agriculture.

Pelowski and Johnson, V., introduced:

H. F. No. 1091, A bill for an act relating to libraries; removing the maintenance of effort requirement for regional library system basic support grants; repealing Minnesota Statutes 1986, section 134.34, subdivisions 4 and 5.

The bill was read for the first time and referred to the Committee on Education.

Gutknecht, Heap, Sviggum, Schreiber and Swenson introduced:

H. F. No. 1092, A bill for an act relating to employment; regulating the administration of the unemployment compensation law; providing for the amount of benefits; regulating benefit eligibility; providing for employer contributions; transferring certain hearing functions and personnel to the office of administrative hearings; amending Minnesota Statutes 1986, sections 14.03, subdivision 2; 14.48; 14.51; 14.53; 43A.18, subdivision 4; 179A.10, subdivision 1; 268.03; 268.04, subdivisions 24, 25, 29, and 30, and by adding a subdivision; 268.06, subdivisions 5, 8, 18, 19, and 20; 268.07, subdivisions 2 and 2a; 268.071, subdivision 1; 268.08, subdivisions 1 and 3; 268.09, subdivisions 1 and 2, and by adding a subdivision; 268.10, subdivisions 1, 2, 3, 4, 5, 6, and 9; 268.12, subdivisions 8, 9, 10, and 13; and 268.18, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapter 268.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Gutknecht moved that H. F. No. 1092 be recalled and re-referred to the Committee on Governmental Operations.

A roll call was requested and properly seconded.

The question was taken on the Gutknecht motion and the roll was called. There were 53 yeas and 74 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Forsythe	Knickerbocker	Ozment	Steensma
Bennett	Frederick	Marsh	Pauly	Sviggum
Bertram	Frerichs	McDonald	Poppenhagen	Swenson
Blatz	Gruenes	McKasy	Quist	Thiede
Boo	Gutknecht	McPherson	Redalen	Tjornhom
Burger	Hartle	Miller	Rose	Tompkins
Carlson, D.	Haukoos	Morrison	Schafer	Uphus
Cooper	Heap	Nelson, C.	Schreiber	Valento
DeBlick	Himle	Olsen, S.	Seaberg	Waltman
Dempsey	Hugoson	Omann	Shaver	
Dille	Johnson, V.	Onnen	Stanis	

Those who voted in the negative were:

Anderson, G.	Johnson, A.	McEachern	Otis	Simoneau
Battaglia	Johnson, R.	McLaughlin	Pappas	Skoglund
Bauerly	Kahn	Milbert	Pelowski	Solberg
Beard	Kalis	Minne	Peterson	Sparby
Begich	Kelly	Munger	Price	Trimble
Carlson, L.	Kelso	Murphy	Quinn	Vanasek
Carruthers	Kinkel	Nelson, D.	Reding	Vellenga
Clark	Kludt	Nelson, K.	Rest	Voss
Dauner	Knuth	Neuenschwander	Rice	Wagenius
Dorn	Kostohryz	O'Connor	Riveness	Welle
Greenfield	Krueger	Ogren	Rodosovich	Wenzel
Jacobs	Larsen	Olson, E.	Rukavina	Winter
Jaros	Lasley	Olson, K.	Sarna	Wynia
Jefferson	Lieder	Orenstein	Scheid	Spk. Norton
Jensen	Long	Osthoff	Segal	

The motion did not prevail.

### INTRODUCTION AND FIRST READING OF HOUSE BILLS, Continued

Simoneau; Knickerbocker; Reding; Johnson, R., and Clark introduced:

H. F. No. 1093, A bill for an act relating to retirement; establishing a public employees medical facilities pension plan; amending Minnesota Statutes 1986, sections 356.20, subdivision 2; 356.30, subdivision 3; 356.32, subdivision 2; proposing coding for new law as Minnesota Statutes, chapter 353A; repealing Minnesota Statutes 1986, section 246A.12, subdivisions 5 and 6.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Ogren introduced:

H. F. No. 1094, A bill for an act relating to natural resources; authorizing sale of certain land owned by department of natural resources.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Anderson, G.; Vanasek; Simoneau; Battaglia and Lasley introduced:

H. F. No. 1095, A bill for an act relating to state government; reorganizing the department of agriculture, the department of energy and economic development, and the department of public service, and providing for the powers and duties of the three departments; changing the name of the department of energy and economic development to the department of trade and economic development; abolishing and replacing the World Trade Center board; designating the department of jobs and training as the administrative agency for certain juvenile justice and delinquency prevention purposes; providing grants for youth intervention programs; appropriating money; amending Minnesota Statutes 1986, sections 15.057; 17.03, subdivision 1; 18.023, subdivision 11; 18.024, subdivision 1; 43A.08, subdivision 1; 104.35, subdivisions 2 and 3; 115A.12, subdivision 2; 116C.03, subdivision 2; 116J.01; 116J.03; 116J.37, subdivision 1; 116J.58, subdivision 2; 116J.60; 116J.63, subdivision 2; and 116M.10, subdivision 6; proposing coding for new law in Minnesota Statutes, chapters 17; 116J; and 268; proposing coding for new law as Minnesota Statutes, chapters 44B and 216C; repealing Minnesota Statutes 1986, sections 4.09; 17.03, subdivision 5; 116J.404; 116J.405; and chapter 44A.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Reding introduced:

H. F. No. 1096, A bill for an act relating to retirement; police and salaried firefighters relief associations; authorizing the voluntary consolidation of local relief associations with the public employees police and fire fund; authorizing the individual election of applicable benefit coverage upon consolidation; amending Minnesota Statutes 1986, sections 353.01, subdivisions 2b, 10, and 16; 353.271; 353.64, subdivision 1; and 353.65, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 353; proposing coding for new law as Minnesota Statutes, chapters 353A and 353B.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Milbert, Ozment, Tompkins, Morrison and Jensen introduced:

H. F. No. 1097, A bill for an act relating to Dakota county; authorizing the issuance of bonds for capital improvements and an annual levy for capital improvements and debt retirement.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Reding introduced:

H. F. No. 1098, A bill for an act relating to local government; authorizing local governments to solicit proposals for construction of public buildings; requiring the use of labor from certain counties; proposing coding for new law in Minnesota Statutes, chapter 471.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Scheid; Nelson, D.; Osthoff; Rose and Gutknecht introduced:

H. F. No. 1099, A bill for an act relating to elections; regulating lobbyist and candidate activities and contributions; amending Minnesota Statutes 1986, section 10A.01, subdivision 15; proposing coding for new law in Minnesota Statutes, chapter 10A.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Larsen, Haukoos, Frerichs and Tunheim introduced:

H. F. No. 1100, A bill for an act relating to education; establishing the state board of Minnesota colleges; prescribing powers, transferring functions; requiring report; proposing coding for new law as Minnesota Statutes, chapter 136E.

The bill was read for the first time and referred to the Committee on Higher Education.

Peterson introduced:

H. F. No. 1101, A bill for an act relating to public finance; authorizing compliance with federal tax laws to secure tax exemption for certain bonds and other obligations; authorizing the issuance of taxable bonds and other obligations; appropriating money; amending Minnesota Statutes 1986, section 16A.641, by adding

subdivisions; proposing coding for new law in Minnesota Statutes, chapter 16A.

The bill was read for the first time and referred to the Committee on Economic Development and Housing.

Vanasek; McEachern; Nelson, K.; Burger and Gruenes introduced:

H. F. No. 1102, A bill for an act relating to education; appropriating money for mastery learning sites.

The bill was read for the first time and referred to the Committee on Education.

Kostohryz and Dempsey introduced:

H. F. No. 1103, A bill for an act relating to retirement; providing benefit portability for disability benefits, survivor annuities, and survivor benefits; establishing a combined service disability benefit and a combined service survivor benefit; proposing coding for new law in Minnesota Statutes, chapter 356.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Kostohryz, Scheid, Quinn, Solberg and Osthoff introduced:

H. F. No. 1104, A bill for an act relating to veterans; establishing a veterans advisory committee; proposing coding for new law in Minnesota Statutes, chapter 198.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Sarna; Simoneau; Johnson, R.; Knickerbocker and Clark introduced:

H. F. No. 1105, A bill for an act relating to retirement; Minneapolis police relief association service pensions and survivor benefits; amending Laws 1949, chapter 406, section 5, subdivisions 1 and 3, as amended, and section 6, subdivision 1.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Boo, Jaros and Munger introduced:

H. F. No. 1106, A bill for an act relating to the city of Duluth; authorizing the city to prepare, adopt, and amend design districts and a design framework to establish a design advisory committee, and to establish design review procedures to preserve and enhance the city's appearance and environmental quality.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Munger, Boo and Jaros introduced:

H. F. No. 1107, A bill for an act relating to the city of Duluth; authorizing the filing of the plat of Spirit Valley.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Kludt; Trimble; Johnson, R.; Dorn and Gruenes introduced:

H. F. No. 1108, A bill for an act relating to education; fixing the costs of tuition; amending Minnesota Statutes 1986, sections 135A.03, subdivision 1; and 135A.04.

The bill was read for the first time and referred to the Committee on Higher Education.

Otis introduced:

H. F. No. 1109, A bill for an act relating to economic development; establishing the Minnesota council on quality and productivity and providing for its powers and duties; appropriating money.

The bill was read for the first time and referred to the Committee on Economic Development and Housing.

Reding, Bertram and Gutknecht introduced:

H. F. No. 1110, A bill for an act relating to state government; repealing the authorization for use of state building construction appropriations to purchase works of art for state buildings; repealing Minnesota Statutes 1986, section 16B.35.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Otis, Kelly, Carruthers, Marsh and McKasy introduced:

H. F. No. 1111, A bill for an act relating to juvenile court; providing that it is a prima facie case for reference for prosecution as an adult if a child is alleged to have committed an aggravated felony against the person as a member of an organized gang; amending Minnesota Statutes 1986, section 260.125, subdivision 3.

The bill was read for the first time and referred to the Committee on Judiciary.

Greenfield and Wynia introduced:

H. F. No. 1112, A bill for an act relating to human services; defining directors, officers, and partners as vendors of medical care for the purpose of medical assistance; allowing the commissioner to charge interest on money recovered from certain medical assistance providers; allowing sanction authority; amending Minnesota Statutes 1986, sections 256B.02, subdivision 7; 256B.064, subdivision 1c; and 256B.27, subdivisions 3 and 4.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Kludt, Bertram and Peterson introduced:

H. F. No. 1113, A bill for an act relating to state departments and agencies; abolishing the Minnesota humane society as a state agency and authorizing its formation as a state federation of county and district societies; providing for the powers and duties of county and district societies and for the prevention of cruelty to animals; amending Minnesota Statutes 1986, sections 16B.51, subdivision 1; 43A.27, subdivision 2; 343.01; 343.06; 343.10; 343.12; 343.22, subdivision 1; 343.29, subdivision 1; 346.37, subdivision 6; and 347.37; repealing Minnesota Statutes 1986, section 343.08.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Haukoos, Jennings, Neuenschwander, Battaglia and Hugoson introduced:

H. F. No. 1114, A bill for an act relating to waste management; requiring the pollution control agency to adopt certain rules governing financial assurance given by political subdivisions owning or

operating mixed municipal solid waste landfills; amending Minnesota Statutes 1986, section 116.07, subdivision 4h.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Pappas, Stanius, Vellenga, Blatz and Kludt introduced:

H. F. No. 1115, A bill for an act relating to crime; prohibiting harassment on private property; prohibiting following and stalking with intent to harass, abuse, or threaten; removing requirement that caller not disclose identity for purposes of misdemeanor harassing telephone calls; making it a misdemeanor to intentionally harass another by delivering a letter or object; providing penalties; amending Minnesota Statutes 1986, sections 609.746; 609.79, subdivision 1; and 609.795.

The bill was read for the first time and referred to the Committee on Judiciary.

Simoneau, Knickerbocker, Reding and Clark introduced:

H. F. No. 1116, A bill for an act relating to retirement; public pension plans; establishing, codifying, clarifying, and revising the obligations, responsibilities, and liabilities of public pension plan fiduciaries; amending Minnesota Statutes 1986, sections 11A.01; 11A.04; 11A.07, subdivision 4; 11A.08, subdivisions 5 and 6; 11A.09; 11A.13, subdivision 1; 69.30; 69.77, subdivision 2g; 69.775; 136.80, subdivision 1; 136.84; 352.03, subdivisions 1, 4, 6, 7, and 11; 352.05; 352.92, by adding a subdivision; 352.96, subdivision 3; 352B.03; 352B.05; 352B.07; 352C.091, subdivision 1; 352D.09, subdivision 1; 353.03, subdivisions 1 and 3a; 353.05; 353.06; 353.08; 353.68, subdivision 1; 354.06, subdivisions 1, 2a, and 3; 354.07, subdivisions 3 and 4; 354A.021, subdivision 6; 354A.08; 422A.05, subdivisions 2a, 2c, and 2d; 423.374; 423.45; 423.805; 423A.21, subdivision 4; 424.06; 424A.001, subdivision 7; 424A.04, subdivision 2; 490.122; and 490.123, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 3A and 490; proposing coding for new law as Minnesota Statutes, chapter 356A; repealing Minnesota Statutes 1986, sections 69.051, subdivision 2; 69.30, subdivision 3; 356.71; 423.374, subdivision 3; 423.45, subdivision 3; 423.812; and 424.06, subdivision 3.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Solberg, Ogren, Kinkel, Minne and Neuenschwander introduced:

H. F. No. 1117, A bill for an act relating to education; appropriating money to the department of education for the Tri-County Telecomm Project.

The bill was read for the first time and referred to the Committee on Education.

Battaglia, Rice and Neuenschwander introduced:

H. F. No. 1118, A bill for an act relating to parks; extending the term of the citizen's council on Voyageurs National Park; amending Laws 1975, chapter 235, section 2, as amended.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Rukavina and Begich introduced:

H. F. No. 1119, A bill for an act relating to state lands; permitting the sale of certain land in St. Louis county.

The bill was read for the first time and referred to the Committee on Governmental Operations.

### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 130, A bill for an act relating to local government; authorizing Ramsey county to transfer land to the city of Shoreview; authorizing Ramsey county to use certain land dedicated as open space for highway purposes.

PATRICK E. FLAHAVERN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 1, A bill for an act relating to agriculture; extending and financing the interest rate buy-down program; establishing benefit limits; appropriating money; amending Laws 1986, chapter 398, article 23, section 1, subdivisions 5 and 6, and by adding a subdivision; and section 3, subdivision 5.

The Senate has appointed as such committee:

Messrs. Davis, Stumpf, DeCramer, Langseth and Berg.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to Senate File No. 168:

S. F. No. 168, A bill for an act relating to human rights; clarifying certain provisions relating to discrimination in the extension of credit because of sex or marital status; amending Minnesota Statutes 1986, section 363.03, subdivision 8.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Ms. Reichgott; Messrs. Spear and Storm.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Bishop moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 168. The motion prevailed.

### CONSENT CALENDAR

H. F. No. 470, A bill for an act relating to family law; eliminating the requirement that a husband's consent to donor insemination be filed with the commissioner of health; amending Minnesota Statutes 1986, section 257.56, 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 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Gruenes	Lasley	Orenstein	Shaver
Anderson, R.	Gutknecht	Lieder	Osthoff	Simoneau
Bauerly	Hartle	Long	Otis	Skoglund
Beard	Haukoos	Marsh	Ozment	Solberg
Bennett	Heap	McDonald	Pappas	Stanius
Bertram	Himle	McEachern	Pauly	Steensma
Bishop	Hugoson	McKasy	Pelowski	Sviggam
Blatz	Jacobs	McLaughlin	Peterson	Swenson
Boo	Jaros	McPherson	Price	Thiede
Brown	Jefferson	Milbert	Quinn	Tjornhom
Burger	Jennings	Miller	Redalen	Tompkins
Carlson, D.	Jensen	Minne	Reding	Trimble
Carlson, L.	Johnson, R.	Morrison	Rest	Tunheim
Carruthers	Johnson, V.	Munger	Rice	Uphus
Clark	Kahn	Nelson, C.	Riveness	Valento
Cooper	Kalis	Nelson, D.	Rodosovich	Vanasek
Dauner	Kelly	Nelson, K.	Rose	Vellenga
DeBlieck	Kelso	Neuenschwander	Rukavina	Voss
Dempsey	Kinkel	O'Connor	Sarna	Wagenius
Dille	Kludt	Ogren	Schafer	Waltman
Dorn	Knickerbocker	Olsen, S.	Scheid	Welle
Forsythe	Knuth	Olson, E.	Schoenfeld	Wenzel
Frederick	Kostohryz	Olson, K.	Schreiber	Winter
Frerichs	Krueger	Omamm	Seaberg	Wymia
Greenfield	Larsen	Onnen	Segal	Spk. Norton

The bill was passed and its title agreed to.

H. F. No. 11, A bill for an act relating to tax forfeited land; providing for the sale of a certain tract.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Anderson, G.	Bauerly	Bennett	Blatz	Burger
Anderson, R.	Beard	Bertram	Boo	Carlson, D.
Battaglia	Begich	Bishop	Brown	Carlson, L.

Carruthers	Jensen	McPherson	Pauly	Skoglund
Clark	Johnson, A.	Milbert	Pelowski	Solberg
Cooper	Johnson, R.	Miller	Peterson	Sparby
Dauner	Johnson, V.	Minne	Price	Stanius
DeBlicke	Kahn	Morrison	Quinn	Steenasma
Dempsey	Kalis	Munger	Quist	Sviggum
Dille	Kelly	Murphy	Redalen	Swenson
Dorn	Kelso	Nelson, C.	Reding	Thiede
Forsythe	Kinkel	Nelson, D.	Rest	Tjornhom
Frederick	Kludt	Nelson, K.	Richter	Tompkins
Frerichs	Knickerbocker	Neuenschwander	Riveness	Trimble
Greenfield	Knuth	O'Connor	Rodosovich	Tunheim
Gruenes	Kostohryz	Ogren	Rose	Uphus
Gutknecht	Krueger	Olsen, S.	Rukavina	Valento
Hartle	Larsen	Olson, E.	Sarna	Vellenga
Haukoos	Lasley	Olson, K.	Schafer	Voss
Heap	Lieder	Omann	Scheid	Wagenius
Himle	Long	Onnen	Schoenfeld	Waltman
Hugoson	Marsh	Orenstein	Schreiber	Welle
Jacobs	McDonald	Osthoff	Seaberg	Winter
Jaros	McEachern	Otis	Segal	Wynia
Jefferson	McKasy	Ozment	Shaver	Spk. Norton
Jennings	McLaughlin	Pappas	Simoneau	

Those who voted in the negative were:

Rice

The bill was passed and its title agreed to.

H. F. No. 345, A bill for an act relating to local government; allowing certain cities to appropriate money for advertising; amending Minnesota Statutes 1986, section 465.56, 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 126 yeas and 4 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	DeBlicke	Jensen	Marsh	Omann
Anderson, R.	Dempsey	Johnson, A.	McEachern	Onnen
Battaglia	Dille	Johnson, R.	McKasy	Orenstein
Bauerly	Dorn	Johnson, V.	McPherson	Osthoff
Beard	Forsythe	Kahn	Milbert	Otis
Begich	Frederick	Kalis	Miller	Ozment
Bennett	Greenfield	Kelly	Minne	Pappas
Bertram	Gruenes	Kelso	Morrison	Pauly
Bishop	Gutknecht	Kinkel	Munger	Pelowski
Blatz	Hartle	Kludt	Murphy	Peterson
Boo	Haukoos	Knickerbocker	Nelson, C.	Poppenhagen
Burger	Heap	Knuth	Nelson, D.	Price
Carlson, D.	Himle	Kostohryz	Nelson, K.	Quinn
Carlson, L.	Hugoson	Krueger	Neuenschwander	Redalen
Carruthers	Jacobs	Larsen	O'Connor	Reding
Clark	Jaros	Lasley	Ogren	Rest
Cooper	Jefferson	Lieder	Olsen, S.	Rice
Dauner	Jennings	Long	Olson, K.	Richter

Riveness	Seaberg	Steensma	Uphus	Wenzel
Rodosovich	Segal	Sviggum	Valento	Winter
Rose	Shaver	Swenson	Vanasek	Wynia
Rukavina	Simoneau	Thiede	Vellenga	Spk. Norton
Sarna	Skoglund	Tjornbom	Voss	
Schafer	Solberg	Tompkins	Wagenius	
Scheid	Sparby	Trimble	Waltman	
Schoenfeld	Stanisus	Tunheim	Welle	

Those who voted in the negative were:

Frerichs	McDonald	Quist	Schreiber
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The bill was passed and its title agreed to.

### CALENDAR

Vanasek moved that the bills on the Calendar for today be continued one day. The motion prevailed.

Vanasek moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

Olsen, S., was excused at 3:15 p.m.

### GENERAL ORDERS

Pursuant to Rules of the House, the House resolved itself into the Committee of the Whole with Norton in the Chair for consideration of bills pending on General Orders of the day. Long presided during a portion of the meeting of the Committee of the Whole. After some time spent therein the Committee arose.

#### REPORT OF THE COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following recommendations of the Committee were reported to the House:

H. F. No. 123 was recommended to pass.

H. F. Nos. 137 and 227 were recommended for progress retaining their places on General Orders.

H. F. No. 3, the first engrossment, which it recommended to pass with the following amendment offered by Bauerly, Kludt and Lasley:

Page 1, line 11, delete "\$3.75" and insert "\$3.55"

Page 1, line 11, delete "July" and insert "January"

Page 1, delete line 12 and insert "1, 1988, and \$3.85 an hour beginning January 1, 1989"

Page 1, line 13, delete everything before the comma

Page 1, line 14, delete "\$3.38" and insert "\$3.20"

Page 1, line 14, delete "July" and insert "January"

Page 1, delete line 15 and insert "1, 1988, and \$3.47 an hour beginning January 1, 1989"

Page 1, line 16, delete everything before the period

Page 1, line 22, delete "July 1, 1987" and insert "January 1, 1988"

On the motion of Vanasek the report of the Committee of the Whole was adopted.

#### ROLL CALLS IN COMMITTEE OF THE WHOLE

Pursuant to rule 1.6, the following roll calls were taken in the Committee of the Whole:

Bauerly, Kludt and Lasley moved to amend H. F. No. 3, the first engrossment, as follows:

Page 1, line 11, delete "\$3.75" and insert "\$3.55"

Page 1, line 11, delete "July" and insert "January"

Page 1, delete line 12 and insert "1, 1988, and \$3.85 an hour beginning January 1, 1989"

Page 1, line 13, delete everything before the comma

Page 1, line 14, delete "\$3.38" and insert "\$3.20"

Page 1, line 14, delete "July" and insert "January"

Page 1, delete line 15 and insert "1, 1988, and \$3.47 an hour beginning January 1, 1989"

Page 1, line 16, delete everything before the period

Page 1, line 22, delete "July 1, 1987" and insert "January 1, 1988"

The question was taken on the Bauerly et al amendment and the roll was called. There were 57 yeas and 51 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Jefferson	Larsen	Price	Tompkins
Anderson, R.	Jennings	Lasley	Quist	Tunheim
Battaglia	Jensen	McEachern	Reding	Vanasek
Bauerly	Johnson, A.	Milbert	Rest	Vellenga
Beard	Johnson, R.	Nelson, C.	Rice	Wagenius
Begich	Kalis	Neuenschwander	Riveness	Welle
Bertram	Kelso	Ogren	Rodosovich	Wenzel
Brown	Kinkel	Olson, E.	Schoenfeld	Winter
Cooper	Kludt	Olson, K.	Segal	Spk. Norton
Dauner	Knuth	Orenstein	Solberg	
Dorn	Kostohryz	Otis	Sparby	
Gruenes	Krueger	Peterson	Swenson	

Those who voted in the negative were:

Bennett	Frerichs	Kelly	Quinn	Thiede
Boo	Greenfield	McLaughlin	Redalen	Tjornhom
Burger	Gutknecht	Miller	Richter	Trimble
Carlson, L.	Haukoos	Minne	Rukavina	Uphus
Carruthers	Heap	Morrison	Sarna	Valento
Clark	Himle	Munger	Scheid	Waltman
DeBlieck	Hugoson	Murphy	Schreiber	Wynia
Dempsey	Jacobs	O'Connor	Shaver	
Dille	Jaros	Omann	Simoneau	
Forsythe	Johnson, V.	Pappas	Stanius	
Frederick	Kahn	Pauly	Steensma	

The motion prevailed and the amendment was adopted.

The question was taken on the Sviggum motion that H. F. No. 3, the first engrossment, as amended, be re-referred to the Committee on Appropriations and the roll was called. There were 47 yeas and 75 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Frederick	Johnson, V.	Omann	Schreiber
Bennett	Frerichs	Kludt	Onnen	Seaberg
Bishop	Gruenes	Knickerbocker	Pauly	Stanius
Blatz	Gutknecht	Marsh	Poppenhagen	Sviggum
Boo	Hartle	McDonald	Quist	Swenson
Cooper	Haukoos	McKasy	Redalen	Thiede
Dempsey	Heap	McPherson	Richter	Tjornhom
Dille	Himle	Miller	Rose	Tompkins
Forsythe	Hugoson	Morrison	Schafer	Uphus
				Valento
				Waltman

Those who voted in the negative were:

Battaglia	Jefferson	McLaughlin	Pappas	Skoglund
Bauerly	Jensen	Milbert	Pelowski	Solberg
Beard	Johnson, R.	Minne	Peterson	Sparby
Begich	Kahn	Munger	Price	Steensma
Bertram	Kelly	Murphy	Quinn	Trimble
Brown	Kelso	Nelson, C.	Reding	Tunheim
Burger	Kinkel	Nelson, D.	Rest	Vanasek
Carlson, L.	Knuth	Nelson, K.	Riveness	Vellenga
Carruthers	Kostohryz	Neuenschwander	Rodosovich	Voss
Clark	Krueger	O'Connor	Rukavina	Wagenius
Dauner	Larsen	Ogren	Sarna	Welle
DeBlicke	Lasley	Olson, K.	Scheid	Wenzel
Dorn	Lieder	Orenstein	Schoenfeld	Winter
Greenfield	Long	Osthoff	Segal	Wynia
Jaros	McEachern	Otis	Simoneau	Spk. Norton

The motion did not prevail.

Bishop moved to amend H. F. No. 3, the first engrossment, as amended, as follows:

Page 1, line 22, delete "is effective January 1, 1988" and insert "will not be effective until the United States government increases the federal minimum wage rate and that increase goes into effect."

The question was taken on the Bishop amendment and the roll was called. There were 47 yeas and 77 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Ferichs	Knickerbocker	Pauly	Svigum
Bennett	Gruenes	Marsh	Pelowski	Swenson
Bishop	Gutknecht	McDonald	Poppenhagen	Tjornhom
Blatz	Hartle	McKasy	Quist	Tompkins
Boo	Haukoos	McPherson	Redalen	Uphus
Burger	Heap	Miller	Richter	Valento
Cooper	Himle	Morrison	Rose	Waltman
Dille	Hugoson	Nelson, C.	Schreiber	
Forsythe	Johnson, V.	Omann	Seaberg	
Frederick	Kludt	Onnen	Stanius	

Those who voted in the negative were:

Anderson, G.	Jefferson	Minne	Reding	Vanasek
Battaglia	Jensen	Munger	Rest	Vellenga
Bauerly	Johnson, A.	Murphy	Riveness	Voss
Beard	Johnson, R.	Nelson, K.	Rodosovich	Wagenius
Begich	Kahn	Neuenschwander	Rukavina	Welle
Bertram	Kalis	O'Connor	Sarna	Wenzel
Brown	Kelly	Ogren	Schafer	Winter
Carlson, D.	Kelso	Olson, E.	Scheid	Wynia
Carlson, L.	Kinkel	Olson, K.	Schoenfeld	Spk. Norton
Carruthers	Knuth	Orenstein	Segal	
Clark	Krueger	Osthoff	Simoneau	
Dauner	Larsen	Otis	Skoglund	
DeBlicke	Lasley	Ozment	Solberg	
Dorn	Long	Pappas	Sparby	
Greenfield	McEachern	Peterson	Steensma	
Jacobs	McLaughlin	Price	Trimble	
Jaros	Milbert	Quinn	Tunheim	

The motion did not prevail and the amendment was not adopted.

MOTION FOR RECONSIDERATION

Quist moved that the vote whereby the Bauerly et al amendment to H. F. No. 3, the first engrossment, that was adopted earlier today be now reconsidered.

The question was taken on the Quist motion and the roll was called. There were 49 yeas and 81 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Gutknecht	McKasy	Poppenhagen	Stanius
Bennett	Hartle	McPherson	Quist	Sviggum
Bishop	Haukoos	Miller	Redalen	Swenson
Blatz	Heap	Morrison	Richter	Thiede
Carlson, D.	Himle	O'Connor	Rose	Tjornhom
Dempsey	Hugoson	Onnen	Sarna	Tompkins
Dille	Johnson, V.	Osthoff	Schafer	Uphus
Forsythe	Knickerbocker	Ozment	Schreiber	Valento
Frederick	Marsh	Pauly	Seaberg	Waltman
Frerichs	McDonald	Pelowski	Shaver	

Those who voted in the negative were:

Anderson, G.	Gruenes	Krueger	Olson, E.	Schoenfeld
Battaglia	Jacobs	Larsen	Olson, K.	Segal
Bauerly	Jaros	Lasley	Omamm	Skoglund
Beard	Jefferson	Lieder	Orenstein	Solberg
Begich	Jennings	Long	Otis	Sparby
Bertram	Jensen	McEachern	Pappas	Steensma
Brown	Johnson, A.	McLaughlin	Peterson	Trimble
Burger	Johnson, R.	Milbert	Price	Tunheim
Carlson, L.	Kahn	Minne	Quinn	Vanasek
Carruthers	Kalis	Munger	Reding	Vellenga
Clark	Kelly	Murphy	Rest	Voss
Cooper	Kelso	Nelson, C.	Rice	Wagenius
Dauner	Kinkel	Nelson, D.	Riveness	Welle
DeBlicck	Kludt	Nelson, K.	Rodosovitch	Wenzel
Dorn	Knuth	Neuenschwander	Rukavina	Winter
Greenfield	Kostohryz	Ogren	Scheid	Wynia
				Spk. Norton

The motion did not prevail.

The question was taken on the motion to recommend passage of H. F. No. 3, the first engrossment, as amended, and the roll was called. There were 73 yeas and 58 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Bishop	Clark	Jefferson	Kahn
Battaglia	Brown	Dorn	Jennings	Kalis
Bauerly	Carlson, D.	Greenfield	Jensen	Kelly
Beard	Carlson, L.	Jacobs	Johnson, A.	Kelso
Begich	Carruthers	Jaros	Johnson, R.	Kludt

Knuth	Minne	Pappas	Schoenfeld	Vanasek
Kostohryz	Munger	Peterson	Segal	Vellenga
Krueger	Murphy	Price	Simoneau	Voss
Larsen	Nelson, D.	Quinn	Skoglund	Wagenius
Lasley	Nelson, K.	Reding	Solberg	Welle
Long	Neuenschwander	Rest	Sparby	Wenzel
McEachern	Ogren	Rice	Tjornhom	Wynia
McKasy	Orenstein	Riveness	Tompkins	Spk. Norton
McLaughlin	Otis	Rodosovich	Trimble	
Milbert	Ozment	Rukavina	Tunheim	

Those who voted in the negative were:

Anderson, R.	Frederick	Marsh	Pauly	Shaver
Bennett	Frerichs	McDonald	Pelowski	Stanius
Bertram	Gruenes	McPherson	Poppenhagen	Steensma
Blatz	Gutknecht	Miller	Quist	Sviggum
Boo	Hartle	Morrison	Redalen	Swenson
Burger	Haukoos	Nelson, C.	Richter	Thiede
Cooper	Heap	O'Connor	Rose	Uphus
Dauner	Himle	Olson, E.	Sarna	Valento
DeBlieck	Hugoson	Olson, K.	Schafer	Waltman
Dempsey	Johnson, V.	Omann	Scheid	Winter
Dille	Kinkel	Onnen	Schreiber	
Forsythe	Lieder	Osthoff	Seaberg	

The motion prevailed.

## MOTIONS AND RESOLUTIONS

Carlson, D., moved that the name of Kinkel be added as an author on H. F. No. 205. The motion prevailed.

Begich moved that his name be stricken as an author on H. F. No. 339. The motion prevailed.

Ogren moved that the name of Knickerbocker be added as an author on H. F. No. 523. The motion prevailed.

Jefferson moved that the name of McLaughlin be added as an author on H. F. No. 593. The motion prevailed.

Wenzel moved that his name be stricken as an author on H. F. No. 683. The motion prevailed.

Begich moved that the name of Rukavina be added as an author on H. F. No. 947. The motion prevailed.

Segal moved that the name of Olsen, S., be added as an author on H. F. No. 956. The motion prevailed.

Neuenschwander moved that the names of Sparby and Carlson, D., be added as authors on H. F. No. 982. The motion prevailed.

Segal moved that the name of Pappas be added as an author on H. F. No. 990. The motion prevailed.

McDonald moved that the names of Sparby and Milbert be added as authors on H. F. No. 992. The motion prevailed.

Nelson, K., moved that the name of Clark be added as an author on H. F. No. 1004. The motion prevailed.

Jefferson moved that the names of Carruthers and Tjornhom be added as authors on H. F. No. 1009. The motion prevailed.

Vellenga moved that the name of Trimble be added as an author on H. F. No. 1010. The motion prevailed.

Osthoff moved that the name of Scheid be added as an author on H. F. No. 1012. The motion prevailed.

Jaros moved that H. F. No. 988 be recalled from the Committee on Education and be re-referred to the Committee on Appropriations. The motion prevailed.

Sparby moved that H. F. No. 304 be recalled from the Committee on Health and Human Services and be re-referred to the Committee on Judiciary. The motion prevailed.

Long moved that H. F. No. 794 be recalled from the Committee on Appropriations and be re-referred to the Committee on Governmental Operations. The motion prevailed.

Reding moved that H. F. No. 726 be recalled from the Committee on Agriculture and be re-referred to the Committee on Environment and Natural Resources. The motion prevailed.

McLaughlin moved that H. F. No. 1005 be recalled from the Committee on Economic Development and Housing and be re-referred to the Committee on Judiciary. The motion prevailed.

Carruthers moved that H. F. No. 925 be returned to its author. The motion prevailed.

Milbert and McKasy introduced:

House Resolution No. 36, A House resolution congratulating the South Saint Paul Debate Team for participating in the Minnesota State High School Debate Tournament.

The resolution was referred to the Committee on Rules and Legislative Administration.

## ADJOURNMENT

Vanasek moved that when the House adjourns today it adjourn until 2:00 p.m., Monday, March 23, 1987. The motion prevailed.

Vanasek moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:00 p.m., Monday, March 23, 1987.

EDWARD A. BURDICK, Chief Clerk, House of Representatives



## STATE OF MINNESOTA

## SEVENTY-FIFTH SESSION—1987

## TWENTY-FOURTH DAY

SAINT PAUL, MINNESOTA, MONDAY, MARCH 23, 1987

The House of Representatives convened at 2:00 p.m. and was called to order by Fred C. Norton, Speaker of the House.

Prayer was offered by Monsignor James Habiger, Minnesota Catholic Conference, St. Paul, Minnesota.

The roll was called and the following members were present:

Anderson, G.	Gruenes	Lasley	Ozment	Solberg
Anderson, R.	Gutknecht	Lieder	Pappas	Sparby
Battaglia	Hartle	Long	Pauly	Stanius
Bauerly	Haukoos	Marsh	Pelowski	Steensma
Beard	Heap	McDonald	Peterson	Sviggum
Begich	Himle	McEachern	Poppenhagen	Swenson
Bennett	Hugoson	McKasy	Price	Thiede
Bertram	Jacobs	McLaughlin	Quinn	Tjornhom
Bishop	Jaros	McPherson	Quist	Tompkins
Blatz	Jefferson	Miller	Redalen	Trimble
Boo	Jennings	Minne	Reding	Tunheim
Brown	Jensen	Morrison	Rest	Uphus
Burger	Johnson, A.	Munger	Rice	Valento
Carlson, D.	Johnson, R.	Murphy	Richter	Vanasek
Carlson, L.	Johnson, V.	Nelson, C.	Riveness	Vellenga
Carruthers	Kahn	Nelson, D.	Rodosovich	Voss
Clark	Kalis	Nelson, K.	Rose	Wagenius
Cooper	Kelly	Neuenschwander	Rukavina	Waltman
Dauner	Kelso	O'Connor	Sarna	Welle
DeBlick	Kinkel	Ogren	Schafer	Wenzel
Dempsey	Kludt	Olson, E.	Schoenfeld	Winter
Dille	Knickerbocker	Olson, K.	Schreiber	Wynia
Dorn	Knuth	Omann	Seaberg	Spk. Norton
Forsythe	Kostohryz	Onnen	Segal	
Frederick	Krueger	Orenstein	Simoneau	
Greenfield	Larsen	Otis	Skoglund	

A quorum was present.

Clausnitzer; Frerichs; Milbert; Olsen, S.; Osthoff; Scheid and Shaver were excused.

The Chief Clerk proceeded to read the Journal of the preceding day. Kelly moved that further reading of the Journal be dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

## REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 713, 575, 729, 757, 838, 444, 208, 375, 660, 661 and 3 and S. F. No. 97 have been placed in the members' files.

## REPORTS OF STANDING COMMITTEES

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 91, A bill for an act relating to public safety; pipelines and underground facilities; enacting the Minnesota pipeline safety act; requiring a routing permit to construct a new pipeline; creating the office of pipeline safety and providing for its powers and duties; authorizing rulemaking for purposes of delegation of federal authority; creating the pipeline safety advisory commission; regulating the operation of certain pipelines; requiring the adoption of pipeline setback ordinances; providing for notification of excavation in the area of underground facilities; providing for a pipeline inspection fee; establishing the pipeline safety fund; requiring a study; providing penalties; appropriating money; amending Minnesota Statutes 1986, sections 116L.02, subdivisions 2 and 3; 117.48; 117.49; 216B.16, by adding a subdivision; 299F.56, by adding a subdivision; 299F.57; 299F.58; 299F.60; 299F.61; 299F.62; 299F.63; and 299F.64; proposing coding for new law in Minnesota Statutes, chapter 116I; proposing coding for new law as Minnesota Statutes, chapters 216C and 299J.

Reported the same back with the following amendments:

Page 9, line 25, after "board" insert "of directors"

Page 21, line 26, delete the colon

Page 21, delete lines 27 to 30 and insert "evidence scientific or technical training or experience which"

Page 25, lines 6 and 7, delete "COMMISSION" and insert "COUNCIL"

Page 25, lines 8, 12, 20, 23, and 26, delete "commission" and insert "council"

Page 25, line 11, delete "commission's" and insert "council's"

Page 25, delete lines 34 to 36

Page 26, delete lines 1 to 7 and insert:

“Subdivision 1. [DUTY TO REPORT.] A pipeline operator must immediately report an emergency release from the operator’s pipeline to the department of public safety.

Subd. 2. [CRIMINAL LIABILITY.] (a) A pipeline operator’s employee who has responsibility to make the report under subdivision 1 is guilty of a felony if:

(1) the employee knows or has reason to know that an emergency release exists;

(2) the employee does not immediately report the release to the department of public safety; and

(3) the emergency release causes the death of an individual or great bodily harm, as defined in section 609.02, subdivision 8.”

Page 26, line 8, delete “section” and insert “subdivision”

Page 31, delete lines 18 to 25 and insert:

“Subd. 3. [CLASSIFICATION OF DATA.] Except as otherwise provided in this subdivision, Minnesota Statutes, chapter 13, or federal law, data obtained from any person pursuant to sections 22 to 39 is public data as defined in section 13.02. Data which involves sales figures, contracts, marketing activity, shipper information, processes or methods of production unique to that person, or data which derives independent economic value from not being known to other persons who could obtain economic benefit from its disclosure or use shall be considered trade secret information and shall be classified as such in accordance with section 13.37.”

Page 31, line 26, delete everything before “Information”

Page 32, line 20, before “a” insert “an employee or agent of” and after “must” insert “not dispose of, destroy, or alter”

Page 32, line 21, delete “preserve” and delete “pipeline or”

Page 32, line 32, before “A” insert “An employee or agent of” and after “who” insert “knowingly”

Page 32, line 33, delete “, or the rules of the commissioner”

Page 32, line 34, delete “implementing subdivision 1,”

Page 33, delete lines 3 to 6

Page 33, line 12, after the period insert "A pipeline operator who violates section 28, subdivision 1 shall forfeit and pay to the state a civil penalty in an amount to be determined by the court of up to \$100,000 for each violation."

Page 33, line 13, delete "penalty" and insert "penalties"

Page 33, line 21, after "36" insert ", or the rules of the commissioner implementing those sections,"

Page 34, line 31, delete "and 3" and insert ", 3, and 4"

Page 34, line 33, after "7" delete "and" and insert a comma

Page 34, line 34, after "2," insert "and 27"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 163, A bill for an act relating to children; regulating paternity determinations; regulating support and maintenance obligations; providing for withholding of support; amending Minnesota Statutes 1986, sections 144.219; 257.34, subdivision 1; 257.57, subdivision 2; 257.60; 257.62, by adding a subdivision; 257.63, subdivision 2; 510.07; 518.171, subdivision 1; 518.24; 518.551, subdivision 1; 518.611, subdivisions 1, 3, 4, 6, and 8; proposing coding for new law in Minnesota Statutes, chapter 518; repealing Minnesota Statutes 1986, section 257.34, subdivision 2.

Reported the same back with the following amendments:

Page 1, after line 26, insert:

"Sec. 2. Minnesota Statutes 1986, section 256B.37, is amended by adding a subdivision to read:

Subd. 3. [PRIVATE BENEFITS TO BE USED FIRST.] Private accident and health care coverage for medical services is primary coverage and must be exhausted before medical assistance is paid. When a person who is otherwise eligible for medical assistance has private accident or health care coverage, including a prepaid health plan, the private health care benefits available to the person must be used first and to the fullest extent. Supplemental payment may be made by medical assistance, but the combined total amount paid

must not exceed the amount payable under medical assistance in the absence of other coverage. Medical assistance must not make supplemental payment for covered services rendered by a vendor who participates or contracts with a health coverage plan if the plan requires the vendor to accept the plan's payment as payment in full."

Page 2, lines 14 and 15, strike "197.09 to 197.11" and insert "197.75 and 197.752"

Page 4, line 19, after "is" insert "performed in a laboratory accredited to meet the Standards for Parentage Testing of the American Association of Blood Banks and is"

Page 7, after line 26, insert:

"Sec. 13. Minnesota Statutes 1986, section 518.611, subdivision 2, is amended to read:

Subd. 2. [NOTICE CONDITIONS OF INCOME WITHHOLDING.]  
Each order for withholding shall provide for a conspicuous notice to the obligor that:

(a) Withholding shall result if whenever the obligor fails to make the maintenance or support payments, and ~~that no withholding shall be made until~~ the following conditions are met:

(1) The obligee or the public authority determines that The obligor is at least 30 days in arrears;

(2) The obligee or the public authority serves written notice of its ~~determination of~~ income withholding, showing arrearage, on the obligor at least 15 days before service of the notice of income withholding and a copy of the court's order ~~for withholding~~ on the payor of funds;

(3) Within the 15-day period, the obligor fails to move the court to deny withholding on the grounds that an arrearage of at least 30 days does not exist as of the date of the notice of income withholding, or on other grounds limited to mistakes of fact, and, ex parte, to stay service on the payor of funds until the motion to deny withholding is heard. ~~Within 45 days from the date of the notice of income withholding, the court shall hold the hearing on the motion to deny withholding and notify the parties of its decision; and~~

(4) The obligee or the public authority serves a copy of the notice of income withholding ~~and, a copy of the court's withholding order, and the provisions of this section~~ on the payor of funds; and

(5) The obligee serves on the public authority a copy of the notice of income withholding, a copy of the court's ~~withholding order, an~~

application and the fee to use the public authority's collection services.

(b) To pay the arrearage specified in the notice of income withholding, the employer or payor of funds shall withhold from the obligor's income an additional amount equal to 20 percent of the monthly child support or maintenance obligation until the arrearage is paid.

(c) The obligor may, at any time, waive the written notice required by this subdivision.

(d) The obligor may move the court, under section 518.64, to modify the order respecting the amount of maintenance or support.

(e) Every order for support or maintenance shall provide for a conspicuous notice of the provisions of this subdivision.

Page 8, line 18, delete "17" and insert "18"

Page 10, line 3, delete everything after the first comma

Page 10, delete lines 4 and 5

Page 10, line 6, delete everything before "whenever"

Page 10, lines 8 and 9, delete "which has chosen to comply" and insert "complying"

Page 10, line 12, after "section" insert "and section 21"

Page 10, line 18, after "518.611" insert "and this section"

Page 10, line 25, delete the comma

Page 10, line 26, delete everything before the period

Page 10, line 30, delete "which chooses to comply" and insert "complying"

Page 11, line 3, delete "which choose to be" and insert "are"

Page 11, line 4, delete "17" and insert "18"

Page 11, line 7, delete "17" and insert "18"

Page 11, after line 8, insert:

“Sec. 21. [DEMONSTRATION.]

On or before July 1, 1987, the commissioner of human services shall designate no fewer than five counties in which child support or maintenance shall be withheld from the obligor's income pursuant to section 18. The total population of the counties designated shall equal at least 25 percent of the population of the state. The designated counties shall include at least one county in which is located a city of the first class, and at least two counties which are not a metropolitan county, as defined in section 473.121, subdivision 4. The group of counties designated shall be representative of urban, suburban, and rural demographic areas.”

Page 11, before line 9, insert:

“Sec. 22. [APPLICATION.]

Section 13 is effective August 1, 1987, and applies to child support orders entered before, on, or after that date.”

Page 11, after line 11, insert:

“Sec. 24. [EFFECTIVE DATE; APPLICATION.]

Subdivision 1. Section 21 is effective the day following final enactment. Section 18 is effective August 1, 1987, and applies whenever an obligation for support or maintenance is initially determined and ordered or modified on or after that date by the court in any county which, by resolution adopted by a majority vote of its county board, chooses to comply with section 18. Notwithstanding any contrary provisions in section 18, section 18 also applies to obligations for support or maintenance initially determined and ordered or modified on or after August 1, 1987, by the court in any county which the commissioner of human services, pursuant to section 21, designates to comply with section 18.

Subd. 2. Notwithstanding any contrary provisions in section 18 or subdivision 1, section 18 applies to obligations for support or maintenance initially determined and ordered or modified by the court in every county of the state on or after August 1, 1989.”

Re-number sections in sequence

Correct internal references

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "requiring obligee to use available prepaid health plan;"

Page 1, line 5, after the semicolon, insert "256B.37, by adding a subdivision;"

Page 1, line 9, after "subdivisions 1," insert "2,"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 189, A bill for an act relating to utilities; deregulating certain telecommunication services; proposing coding for new law as Minnesota Statutes, chapter 237A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 237.17, is amended to read:

237.17 [EXTENSION OF LONG DISTANCE LINES.]

Any telephone company may extend its long distance lines into or through any city of this state for the furnishing of long distance service only, subject to the regulation of the governing body of such city relative to the location of the poles and wires and the preservation of the safe and convenient use of such streets and alleys to the public; ~~provided that if such lines are to furnish service between communities or localities then served by another company, a certificate of public convenience must first be obtained as required by section 237.16.~~

Sec. 2. [237A.01] [DEFINITIONS.]

Subdivision 1. [SCOPE.] The definitions in this section apply to this chapter.

Subd. 2. [COMMISSION.] "Commission" means the Minnesota public utilities commission.

Subd. 3. [EXCHANGE.] "Exchange" means a unit area established and described by the tariff of a telephone company for the administration of telephone service in a specified geographical area, usually embracing a city, town, or village and its environs, and served by one or more central offices, together with associated facilities used in providing service within that area.

Subd. 4. [INTEREXCHANGE SERVICE.] "Interexchange service" means telephone service between points in two or more exchanges.

Subd. 5. [INTER-LATA INTEREXCHANGE SERVICE.] "Inter-LATA interexchange service" means interexchange service originating and terminating in different LATAs.

Subd. 6. [LOCAL ACCESS AND TRANSPORT AREA.] "Local access and transport area (LATA)" means a geographical area designated by the Modification of Final Judgment in U.S. v. Western Electric Co., Inc., 552 F. Supp. 131 (D.D.C. 1982), including modifications in effect on the effective date of sections 2 to 5.

Subd. 7. [LOCAL EXCHANGE SERVICE.] "Local exchange service" means telephone service between points within an exchange.

Subd. 8. [TELEPHONE COMPANY.] "Telephone company" has the meaning given it in section 237.01, subdivision 2.

### Sec. 3. [237A.02] [REGULATION.]

Except as provided in this chapter, telephone companies are subject to the jurisdiction and supervisory powers of the department of public service and the public utilities commission as provided in chapter 237. Any person, the department of public service, the attorney general, or the commission on its own motion may file a complaint with the commission that an interexchange carrier has violated the requirements of sections 2 to 5.

### Sec. 4. [237A.03] [PRICE CHANGES.]

Subdivision 1. [FILING PRICE LISTS; NOTICE.] Telephone companies offering or providing inter-LATA interexchange services are not subject to the provisions governing rates and charges in sections 237.07; 237.075; 237.081; 237.10; and 237.21 with respect to inter-LATA interexchange services. Decreases in prices for services may become effective 21 days after filing the changed price list with the commission. No price shall be increased without providing 21 days notice of the increased price to and filing a supporting cost study with the department and the commission and providing 21 days notice of the increased price to all affected customers. The department shall investigate the increased price and report its conclusions

to the commission. The commission may order price adjustments if the commission finds that the price charged by the company is excessive. Refunds may be ordered in cases where the commission determines that the increased rates were excessive if the company was earning at a level which was unreasonable during the period the rates were in effect. Price lists must contain the rates, toll, and charges for every kind of service, together with the rules, regulations, and classifications used in conducting the telephone business. This chapter does not prohibit a telephone company from including limitations on liability as terms or conditions in the price lists.

Subd. 2. [UNIFORM PRICING.] In setting prices for inter-LATA interexchange services, a telephone company that offers or provides these services shall offer uniform prices where the services are made available unless the commission, upon application and hearing, orders otherwise. A rate must not be unreasonably discriminatory. This subdivision does not prohibit the passing through of state, municipal, or local taxes in the specific geographic areas from which the taxes originate. Telephone companies that provide inter-LATA interexchange services shall make available the services, including new service offerings, in areas where they provide inter-LATA service unless facilities necessary for the services are not available and cannot be made available at reasonable costs.

Subd. 3. [COMPENSATION.] Telephone companies providing interexchange services shall pay compensation to telephone companies providing local exchange services that includes a fair and reasonable portion of:

(1) the costs of local exchange facilities used in connection with interexchange services, including facilities connecting a customer to local switching facilities; and

(2) the common costs of companies providing local services.

Subd. 4. [DISCONTINUING SERVICE; NOTICE.] A telephone company offering or providing an inter-LATA interexchange service may not discontinue or abandon the service to any area of the state once initiated without first obtaining an order from the commission after notice and hearing. Notice must be given by publication in a newspaper of general circulation within the area affected. Written notice must be given to customers who access the interexchange carrier by dialing the numeral one.

Subd. 5. [FAILURE OF COMPETITION.] The commission, on its own motion or upon complaint, shall reinstate, in whole or in part, rate regulation of an inter-LATA interexchange telecommunications service, pursuant to chapter 237 if, after notice and hearing, the commission finds (1) that the competitive market for that service has failed so that rate regulation of that service is necessary to protect the interest of consumers, (2) that it has considered the

alternatives to rate regulation, and (3) that the benefits of rate regulation outweigh the burdens of rate regulation.

Subd. 6. [PROHIBITION AGAINST PREDATORY PRICING.] Rates or charges must not be offered that are inadequate to recover incremental costs and that are intended to or naturally tend to destroy competition or produce a monopoly. The commission shall investigate and remedy complaints pursuant to this subdivision.

Sec. 5. [237A.04] [CERTIFICATES OF SERVICE AUTHORITY.]

Subdivision 1. [INTEREXCHANGE SERVICES.] A telephone company offering or providing interexchange services is not subject to section 237.16 with respect to interexchange services. Instead, a telephone company shall not offer or provide any interexchange service until it has applied for and received a certificate of interexchange service authority to provide interexchange service under this section.

Subd. 2. [LOCAL EXCHANGE SERVICES.] A telephone company shall not offer or provide any local exchange services until it has applied for and received a certificate of exchange service authority pursuant to the standards for a certificate of territorial authority under section 237.16.

Subd. 3. [NO MONOPOLY.] A certificate of interexchange service authority issued by the commission does not grant a monopoly or exclusive privilege, immunity, or franchise. The issuance of a certificate of interexchange service authority to a telephone company does not preclude the commission from issuing additional certificates of service authority to other telephone companies providing the same or equivalent service or serving the same geographical area or customers as a previously certified company.

Subd. 4. [CONDITIONS FOR GRANTING CERTIFICATE.] The commission shall approve an application for a certificate of interexchange service authority only upon a showing by the applicant, and a finding by the commission, after notice and hearing, that the applicant has sufficient technical, financial, and managerial resources and abilities to provide interexchange service.

Subd. 5. [EFFECT OF OLD CERTIFICATES.] A certificate of territorial authority granted by the commission to a telephone company before the effective date of sections 2 to 5 remains in effect. A company need not apply for a certificate of service authority to continue offering or providing service to the extent authorized in the certificate of territorial authority.

Subd. 6. [EMERGENCIES; TEMPORARY CERTIFICATES.] In cases of emergency, the commission may issue a temporary certificate of interexchange service authority to ensure maintenance of

adequate service or to serve particular customers. The certificate may be issued without notice and hearing, pending the determination of an application for a certificate. The temporary certificate remains in effect for no longer than one year.

Sec. 6. [REPEALER.]

Sections 2 to 5 are repealed effective December 31, 1992."

Amend the title as follows:

Page 1, line 3, after the semicolon insert "amending Minnesota Statutes 1986, section 237.17;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 294, A bill for an act relating to intoxicating liquor; authorizing counties to issue temporary on-sale licenses; amending Minnesota Statutes 1986, section 340A.404, subdivision 10.

Reported the same back with the following amendments:

Page 2, after line 4, insert:

"A county under this section may issue a temporary license only to a premises located in the unincorporated or unorganized territory of the county."

With the recommendation that when so amended the bill pass.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 298, A bill for an act relating to hazardous waste; requiring a license for the transportation of hazardous waste; providing for license administration suspension, and revocation; requiring rulemaking; providing penalties; amending Minnesota Statutes 1986, sections 221.011, subdivision 31; 221.033, by adding

a subdivision; 221.291, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 221.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 221.011, subdivision 23, is amended to read:

Subd. 23. "Household goods" means personal effects and property used or to be used by the owner in the owner's dwelling; furniture, fixtures, equipment and property of business places and institutions, public or private, when a part of the stock, equipment, supplies or property of such establishments and, articles, which because of their unusual nature or value require the specialized handling and equipment usually employed in moving household goods.

Sec. 2. Minnesota Statutes 1986, section 221.011, subdivision 31, is amended to read:

Subd. 31. "Hazardous waste" has the meaning given it in Code of Federal Regulations, title 49, section 171.8. In addition, hazardous waste means any substance identified or listed as a hazardous waste under the rules adopted under chapter 115 or 116.

Sec. 3. Minnesota Statutes 1986, section 221.033, is amended by adding a subdivision to read:

Subd. 1a. [TRANSPORTATION OF HAZARDOUS WASTE.] No person may transport or have transported within the state a hazardous waste except in compliance with sections 4 and 5.

Sec. 4. [221.035] [HAZARDOUS WASTES TRANSPORTER LICENSES; RULES.]

Subdivision 1. [LICENSE REQUIREMENT.] A person who transports hazardous wastes in this state shall first obtain a license from the commissioner. The license is not transferable to another person.

Subd. 2. [VEHICLE REQUIREMENTS.] Every vehicle operated under a license issued under this section must be operated in compliance with the rules of the commissioner adopted under this chapter governing driver qualifications; safety of operation; equipment, parts, and accessories; inspection, repair, and maintenance; maximum hours of service; and must display the name and address of the licensee on both sides of the vehicle.

Subd. 3. [LICENSE APPLICATION AND FEES.] An applicant for a license under this section who is not otherwise subject to section

221.141, shall cause a certificate of insurance to be filed with the commissioner as provided in section 221.141. The certificate must state that the insurer has issued to the applicant a policy that by endorsement provides public liability insurance in the amount required by the United States Department of Transportation, as provided by Code of Federal Regulations, title 49, part 387.

An applicant shall pay \$500 for a three-year license. The commissioner shall issue the license and shall issue a vehicle identification decal for each single unit vehicle or trailer that the licensee will use to transport hazardous waste. The applicant shall pay an annual fee of \$25 for each decal. The license must be maintained at the licensee's principal place of business. The vehicle identification decal must be displayed on the single unit vehicle or trailer to which it is assigned, as prescribed by the commissioner. The decal is effective only for the period during which the license is effective. The license must be renewed in the third year following the date of the issuance of the license.

Subd. 4. [COMMISSIONER'S RULEMAKING AUTHORITY.] The commissioner shall adopt rules necessary to implement this section and may after notice and hearing by rule require licensees to file reports that the commissioner determines necessary to monitor the transportation of hazardous wastes through this state.

Sec. 5. [221.036] [LICENSE SUSPENSION AND REVOCATION.]

(a) The commissioner may suspend or revoke a license and vehicle identification decals issued under section 4 if the commissioner determines that a licensee's actions constitute a serious or repeated violation of any provision of a statute or rule governing the transportation of hazardous wastes. Revocation and suspension shall be accomplished according to rules adopted by the commissioner. Factors to be considered by the commissioner in determining whether to suspend or revoke a license and decals shall include:

(1) the danger of exposure of the traveling public to toxic or hazardous substances;

(2) the condition of the vehicle;

(3) the number and kind of previous violations;

(4) repeated out-of-service violations;

(5) the willfulness of the violation;

(6) the history of any past violations; and

(7) other factors considered by the commissioner to be relevant to establish the conditions of the suspension or revocation.

(b) The license and vehicle identification decals of a licensee who fails to renew a license or fails to maintain insurance as required by section 4, subdivision 3, may be suspended or canceled as provided in section 221.185.

Sec. 6. Minnesota Statutes 1986, section 221.061, is amended to read:

**221.061 [OPERATION CERTIFICATE FOR REGULAR ROUTE COMMON CARRIER OR PETROLEUM CARRIER.]**

A person desiring a certificate authorizing operation as a regular route common carrier or petroleum carrier, or an extension of or amendment to that certificate, shall file a petition with the board which must contain information as the board, by rule may prescribe.

Upon the filing of a petition for a certificate, the petitioner shall pay to the commissioner as a fee for issuing the certificate the sum of ~~\$75~~ \$300 and for a transfer or lease of the certificate the sum of ~~\$37.50~~ \$300.

The petition must be processed as any other petition. The board shall cause a copy and a notice of hearing thereon to be served upon a competing carrier operating into a city located on the proposed route of the petitioner and to other persons or bodies politic which the board deems interested in the petition. A competing carrier and other persons or bodies politic are hereby declared to be interested parties to the proceedings.

If, during the hearing, an amendment to the petition is proposed which appears to be in the public interest, the board may allow it when the issues and the territory are not unduly broadened by the amendment.

Sec. 7. Minnesota Statutes 1986, section 221.121, is amended by adding a subdivision to read:

Subd. 6a. [HOUSEHOLD GOODS CARRIER.] A person holding out or desiring to operate as a carrier of household goods shall follow the procedure established in subdivision 1 and shall be granted a permit as an irregular route common carrier of household goods if the person meets the criteria established in subdivision 1.

Sec. 8. Minnesota Statutes 1986, section 221.121, subdivision 7, is amended to read:

Subd. 7. [FEES.] The permit holder shall pay a fee of ~~\$25~~ \$150 into the treasury of the state of Minnesota for each kind of permit;

reinstatement, or extension of authority for which a petition is filed under this section.

Sec. 9. Minnesota Statutes 1986, section 221.131, subdivision 2, is amended to read:

Subd. 2. [PERMIT CARRIERS; ANNUAL VEHICLE REGISTRATION.] The permit holder shall pay an annual registration fee of \$20 on each vehicle, including pickup and delivery vehicles, operated by the holder under authority of the permit during the 12-month period or fraction of the 12-month period. Trailers and semitrailers used by a permit holder in combination with power units may not be counted as vehicles in the computation of fees under this section if the permit holder pays the fees for power units. The commissioner shall furnish a distinguishing annual identification card for each vehicle or power unit for which a fee has been paid. The identification card must at all times be carried in the vehicle or power unit to which it has been assigned. An identification card may be reassigned to another vehicle or power unit ~~without fee by the commissioner~~ upon application of the permit holder and a transfer fee of \$10. An identification card issued under the provisions of this section is valid only for the period for which the permit is effective. The name and residence of the permit holder must be stenciled or otherwise shown on the outside of both doors of each registered vehicle operated under the permit. A fee of ~~\$3~~ \$10 is charged for the replacement of an unexpired identification card that has been lost or damaged.

Sec. 10. Minnesota Statutes 1986, section 221.131, subdivision 3, is amended to read:

Subd. 3. [CERTIFICATE CARRIERS; ANNUAL VEHICLE REGISTRATION.] Regular route common carriers and petroleum carriers, operating under sections 221.011 to 221.291, shall annually ~~on or before January 1 of each calendar year,~~ pay into the treasury of the state of Minnesota an annual registration fee of \$20 for each vehicle, including pickup and delivery vehicles, operated during a calendar year. The commissioner shall issue distinguishing identification cards as provided in subdivision 2.

Sec. 11. [221.132] [PREPAID TEMPORARY VEHICLE IDENTIFICATION CARDS.]

The commissioner may issue a prepaid temporary vehicle identification card to a permit or certificate holder for a fee of \$5 per card. The card must be preprinted by the commissioner with the carrier's name, address, and permit or certificate number. The card may be used by the motor carrier to whom it is issued to add a vehicle to its fleet. The card must be executed by the motor carrier by dating and signing the card and describing the vehicle in which it will be carried. The identification card is valid for a period of ten days from the date the motor carrier places on the card when the card is

executed. The card must be used within one year from the date of issuance by the commissioner. The card may not be used if the permit or certificate is not in full force and effect. The card may not be transferred. The commissioner may not refund the cost of unused prepaid temporary vehicle identification cards.

Sec. 12. Minnesota Statutes 1986, section 221.291, subdivision 3, is amended to read:

Subd. 3. [TRANSPORTATION OF HAZARDOUS MATERIALS.] A person who ships, transports, or offers for transportation hazardous waste or hazardous material, or hazardous substances in violation of a provision of this chapter or a rule or order of the commissioner or board adopted or issued under this chapter which specifically applies to the transportation of hazardous material or hazardous waste, or hazardous substances is guilty of a misdemeanor and upon conviction ~~may shall~~, except as provided in section 2 of revisor's bill draft number 87-0573, be fined up to the maximum fine which may be imposed for a misdemeanor for each violation.

Sec. 13. Minnesota Statutes 1986, section 221.296, subdivision 5, is amended to read:

Subd. 5. [PERMIT FEES.] Upon filing a petition for a permit the petitioner shall pay to the commissioner as a fee for the issuance of the permit, the sum of ~~\$50~~ \$150, and shall thereafter pay an annual renewal fee of \$75 plus \$5 per motor vehicle if the local cartage carrier operates less than five motor vehicles, or \$100 plus \$5 per motor vehicle if the local cartage carrier operates at least five but less than 15 motor vehicles, or \$150 plus \$5 per motor vehicle if the local cartage carrier operates 15 or more vehicles provided that the ~~\$5 per motor vehicle charge does not apply to taxicabs operated under a local cartage permit.~~ Upon issuance of the permit the commissioner shall assign the carrier a permit number, which must be painted or prominently displayed on both sides of vehicles used by the local cartage carrier under authority of the permit.

Sec. 14. Minnesota Statutes 1986, section 221.60, subdivision 2, is amended to read:

Subd. 2. [FORM AND FEES.] A motor carrier engaged in interstate commerce shall register its interstate transportation authority or exemption before February 1 of each year on a form prescribed by the commissioner. The fee for the initial registration is \$25. The fee for each identification stamp is \$5; however, a lesser fee may be collected pursuant to a reciprocal agreement authorized by section 221.65. ~~No fee may be collected from a local cartage carrier that provides interstate transportation only within the zone described in United States Code, title 49, section 10526(b)(1)(1984).~~ A local

cartage carrier shall register its interstate transportation each year when it pays the local cartage carrier permit or annual renewal fee.

Sec. 15. [COORDINATION INSTRUCTION.]

If neither the house file nor senate file version of revisor's bill draft number 87-0573 is enacted into law, the revisor of statutes shall delete the language in section 12 referring to that bill draft.

Amend the title as follows:

Page 1, line 5, after "penalties;" insert "specifying articles which may be carried as household goods; revising fees for certain motor carrier permits and certificates;"

Page 1, line 6, delete "subdivision" and insert "subdivisions 23 and"

Page 1, line 7, after "subdivision;" insert "221.061; 221.121, subdivision 7, and by adding a subdivision; 221.131, subdivisions 2 and 3;"

Page 1, line 8, after "3;" insert "221.296, subdivision 5; and 221.60, subdivision 2;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Skoglund from the Committee on Financial Institutions and Insurance to which was referred:

H. F. No. 342, A bill for an act relating to insurance; providing for premium reductions for automobile insurance for senior insureds who complete an approved accident prevention course; lowering the minimum age of eligibility; amending Minnesota Statutes 1986, section 65B.28.

Reported the same back with the following amendments:

Page 1, line 13, delete "of at least ten percent"

With the recommendation that when so amended the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 354, A bill for an act relating to state government; providing for chiropractic positions in state government civil service; providing for the provision of chiropractic services; proposing coding for new law in Minnesota Statutes, chapters 43A and 148.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [43A.082] [JOB CLASS CREATED.]

The commissioner must establish a job class in the executive branch of the civil service entitled “chiropractor.” Positions in this class must be in the classified service unless they meet the requirements of section 43A.08, subdivision 1a.”

Delete the title and insert:

“A bill for an act relating to state government; providing for a job class entitled chiropractor in the state civil service; proposing coding for new law in Minnesota Statutes, chapter 43A.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 373, A bill for an act relating to Hennepin county; establishing a county-wide program for the conservation and protection of ground water resources of the county.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1986, section 473.875, is amended to read:

473.875 [SURFACE METROPOLITAN WATER MANAGEMENT PROGRAM PROGRAMS; PURPOSES.]

The purpose of the surface water management programs required by sections 473.875 to 473.883 is to protect, preserve and use natural surface and ground water storage and retention systems in order to

(a) reduce to the greatest practical extent the public capital expenditures necessary to control excessive volumes and rates of runoff, (b) protect and improve surface and ground water quality, (c) prevent flooding and erosion from surface flows, (d) promote ground water recharge, (e) protect and enhance fish and wildlife habitat and water recreational facilities, and (f) secure the other benefits associated with the proper management of surface and ground water.

Sec. 2. Minnesota Statutes 1986, section 473.876, is amended by adding a subdivision to read:

Subd. 2a. [GROUND WATER PLAN.] "Ground water plan" means a county plan adopted under section 473.8785.

Sec. 3. Minnesota Statutes 1986, section 473.876, is amended by adding a subdivision to read:

Subd. 2b. [GROUND WATER SYSTEM.] "Ground water system" means one of the 14 principal aquifers of the state as defined by the United States Geological Survey in the Water-Resources Investigations 81-51, entitled "Designation of Principal Water Supply Aquifers in Minnesota" (August 1981), and its revisions.

Sec. 4. Minnesota Statutes 1986, section 473.878, subdivision 3, is amended to read:

Subd. 3. [GENERAL STANDARDS.] The watershed management plan shall extend through the year 1990 or any year thereafter which is evenly divisible by five. The plan must be updated before the expiration of the period covered by the plan. The plan must be reviewed for consistency with a county ground water plan, and revised as necessary, within one year following the adoption or amendment of the ground water plan. The plan shall contain the elements required by subdivision 4. Each element shall be set out in the degree of detail and prescription necessary to accomplish the purposes of sections 473.875 to 473.883, considering the character of existing and anticipated physical and hydrogeologic conditions, land use, and development and the severity of existing and anticipated water management problems in the watershed. The plan shall be prepared and submitted for review under subdivision 5 not later than December 31, 1986. Existing plans of a watershed management organization shall remain in force and effect until amended or superseded by plans adopted under sections 473.875 to 473.883. Existing or amended plans of a watershed management organization which meet the requirements of sections 473.875 to 473.883 may be submitted for review under subdivision 5.

Sec. 5. Minnesota Statutes 1986, section 473.878, subdivision 5, is amended to read:

Subd. 5. [LOCAL REVIEW AND COMMENT.] Upon completion of the plan but before final adoption by the organization, the

organization shall submit the plan for review and comment to all counties, soil and water conservation districts, towns, and statutory and home rule charter cities having territory within the watershed. Any local government unit which expects that substantial amendment of its local comprehensive plan will be necessary in order to bring local water management into conformance with the watershed plan shall describe as specifically as possible, within its comments, the amendments to the local plan which it expects will be necessary.

Subd. 5a. [COUNTY REVIEW; CAPITAL IMPROVEMENTS PLAN; GROUND WATER PLAN.] (a) Sixty days after the submission to local government units for comment, the organization shall submit the plan, any comments received, and any appropriate amendments to the plan, to the board of the county or counties having territory within the watershed.

(b) The county shall approve or disapprove projects in the capital improvement program which may require the provision of county funds pursuant to section 112.60, subdivision 2, or 473.883.

(c) If the county has a ground water plan, the county shall review the watershed plan for consistency with the county ground water plan. The county may disapprove the watershed plan, or part thereof, only for substantial adverse effect on or substantial departure from the ground water plan. If the county disapproves all or part of the watershed plan, the watershed plan must be submitted for review under subdivision 6 and review and final decision under subdivision 7. The county may delegate its review under this paragraph to a soil and water conservation district.

(d) The county shall have 60 days to complete its review of the capital improvement program. If the county fails to complete its review within the prescribed period, unless an extension is agreed to by the organization the plan and program shall be deemed approved.

(e) If the watershed extends into more than one county and one or more counties disapprove of all or part of a capital improvement plan or program while the other county or counties approve, the plan and program shall be submitted to the water resources board for review pursuant to under subdivision 6 and review and final decision under subdivision 7.

Sec. 6. Minnesota Statutes 1986, section 473.878, subdivision 6, is amended to read:

Subd. 6. [REVIEW BY METROPOLITAN COUNCIL.] After completion of the review under subdivision 5, the plan and all comments received shall be submitted to the metropolitan council for review. Notwithstanding any provision to the contrary in sections 112.46 and 473.165, the council shall review the plan in the same manner and with the same authority and effect as provided for the council's

review of the comprehensive plans of local government units under section 473.175. The council shall comment on the apparent conformity with metropolitan system plans of any anticipated amendments to local comprehensive plans. The council may mediate and attempt to resolve differences among local governmental agencies regarding the plan.

Sec. 7. Minnesota Statutes 1986, section 473.878, subdivision 7, is amended to read:

Subd. 7. [REVIEW BY STATE AGENCIES.] (a) After completion of the review under subdivision 6, the plan and all comments received shall be submitted to the commissioner commissioners of natural resources and health and the director of the pollution control agency for review and comment on the consistency of the plan with state laws and rules relating to water and related land resources, and to the water resources board for review under section 112.46.

(b) Except as otherwise provided in this subdivision, the water resources board shall review the plan as provided in section 112.46. The board shall review the plan for conformance with the requirements of chapter 112 and sections 473.875 to 473.883. The board shall not prescribe a plan, but may disapprove all or parts of a plan which it determines is not in conformance with the requirements of chapter 112 and sections 473.875 to 473.883.

(c) If the plan or part of the plan is disapproved by a county under subdivision 5, paragraph (c), the board shall make a final decision on the issue. If the plan or capital improvement program is the subject of a dispute between counties under subdivision 5, paragraph (e), the water resources board shall make a final decision on the issue. The decision shall be decisions of the board under this paragraph are binding on the organization and the counties involved.

Sec. 8. Minnesota Statutes 1986, section 473.878, subdivision 9, is amended to read:

Subd. 9. [AMENDMENTS.] To the extent and in the manner required by the adopted plan, all amendments to the adopted plan shall be submitted to the towns, cities, county, and other agencies for review in accordance with the provisions of subdivisions 5, 6, and 7. Amendments necessary to recognize a county ground water plan, as required by subdivision 3, must be submitted for review in accordance with subdivisions 5, 5a, 6, and 7.

Sec. 9. [473.8785]-[GROUND WATER PLANS.]

Subdivision 1. [AUTHORITY.] Metropolitan counties may prepare and adopt ground water plans in accordance with this section.

Subd. 2. [RESPONSIBLE UNITS.] The county may prepare and adopt the plan or, upon request of a soil and water conservation district, the county may delegate to the soil and water conservation district the preparation and adoption of all or part of a plan and other county responsibilities regarding the plan under this section and section 473.873.

Subd. 3. [LOCAL COORDINATION.] To assure the coordination of efforts of all units of government during the preparation and implementation of watershed and ground water plans, the county shall conduct meetings with local units of government and watershed management organizations, and may enter into agreements with local units of government and watershed management organizations establishing the responsibilities during the preparation and implementation of the water plans.

Subd. 4. [ADVISORY COMMITTEE.] To assist in the development of the ground water plan, the county shall seek the advice of the Minnesota geological survey, the departments of health and natural resources, the pollution control agency, and other appropriate local, state, and federal agencies, and shall name an advisory committee of 15 members. The committee must include representatives of various interests, like construction, agriculture, hydrogeology, and well drilling. At least four members of the committee must be from the public at large with no direct pecuniary interest in any project involving ground water protection and at least seven members must be from local units of government. The county shall consult the advisory committee on the development, content, and implementation of the plan, including particularly the relationship of the ground water plan and existing watershed and local water management plans and the allocation of governmental authority and responsibilities during implementation.

Subd. 5. [GENERAL STANDARDS.] The ground water plan must extend through the year 1995 or any year thereafter which is evenly divisible by five. The plan must contain the elements required by subdivision 6. Each element must be set out in the degree of detail and prescription necessary to accomplish the purposes of sections 473.875 to 473.883, considering the character of existing and anticipated physical and hydrogeologic conditions, land use, and development and the severity of existing and anticipated ground water management problems in the county. To the fullest extent possible consistent with ground water protection, a county shall incorporate into its ground water plan the relevant provisions of existing plans adopted by watershed management organizations having jurisdiction wholly or partly within the county.

Subd. 6. [CONTENTS.] A ground water plan must:

(1) cover the entire area within the county;

(2) describe existing and expected changes to the physical environment, land use, and development in the county;

(3) summarize available information about the ground water and related resources in the county, including existing and potential distribution, availability, quality, and use;

(4) state the goals, objectives, scope, and priorities of ground water protection in the county;

(5) contain standards, criteria, and guidelines for the protection of ground water from pollution and for various types of land uses in environmentally sensitive areas, critical areas, or previously contaminated areas;

(6) describe relationships and possible conflicts between the ground water plan and the plans of other counties, local government units, and watershed management organizations in the affected ground water system;

(7) set forth standards and guidelines for implementation of the plan by watershed management organizations and local units of government; and

(8) include a procedure for amending the ground water plan.

Subd. 7. [LOCAL REVIEW AND COMMENT.] Upon completion of the ground water plan but before final adoption by the county, the county shall submit the plan for review and comment to each soil and water conservation district, town, statutory and home rule charter city, and watershed management organization having territory within the county. The county also shall submit the plan to any other county or watershed management organization or district in the affected ground water system that could affect or be affected by implementation of the plan. Any political subdivision or watershed management organization that expects that substantial amendment of its plans would be necessary in order to bring them into conformance with the county ground water plan shall describe as specifically as possible, within its comments, the amendments that it expects would be necessary. Reviewing entities have 60 days to review and comment.

Subd. 8. [REVIEW BY METROPOLITAN COUNCIL.] After completion of the review under subdivision 7, the plan and all comments received must be submitted to the metropolitan council for review. Notwithstanding any provision to the contrary in sections 112.46 and 473.165, the council shall review the plan in the same manner and with the same authority and effect as provided for the council's review of the comprehensive plans of local government units under section 473.175. The council shall comment on the apparent conformity with metropolitan system plans of any anticipated amend-

ments to watershed plans and local comprehensive plans. The council may mediate and attempt to resolve differences among local governmental agencies regarding the plan.

Subd. 9. [REVIEW BY STATE AGENCIES.] After completion of the review under subdivision 8, the plan and all comments received must be submitted to the commissioners of natural resources and health and the director of the pollution control agency for review and comment on the consistency of the plan with state laws and rules relating to water and related land resources, and to the water resources board for review under section 112.46. Except as otherwise provided in this subdivision, the water resources board shall review the plan as provided in section 112.46. The board shall review the plan for conformance with the requirements of chapter 112 and sections 473.875 to 473.883. The board may not prescribe a plan, but may disapprove all or parts of a plan which it determines is not in conformance with the requirements of chapter 112 and sections 473.875 to 473.883.

Subd. 10. [ADOPTION; IMPLEMENTATION.] The county shall adopt and implement its ground water plan within 120 days after compliance with the provisions of subdivision 9 and approval of the plan by the water resources board.

Subd. 11. [AMENDMENTS.] To the extent and in the manner required by the adopted plan, all amendments to the adopted plan must be submitted to the towns, cities, counties, and other agencies for review in accordance with the provisions of subdivisions 7 to 9.

Sec. 10. [APPLICATION.]

Sections 1 to 9 apply in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington."

Delete the title and insert:

"A bill for an act relating to metropolitan water management; authorizing county ground water plans; requiring consistency of watershed and ground water plans; amending Minnesota Statutes 1986, sections 473.875; 473.876, by adding subdivisions; and 473.878, subdivisions 3, 5, 6, 7, and 9; proposing coding for new law in Minnesota Statutes, chapter 473."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Environment and Natural Resources.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 379, A bill for an act relating to appropriations; appropriating money to the commissioner of natural resources to replace income lost to state trust funds when certain timber permits were canceled.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 405, A bill for an act relating to human services; increasing personal needs allowance for residents of certain facilities; amending Minnesota Statutes 1986, section 256B.35, subdivision 1.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 424, A bill for an act relating to the military; authorizing the adjutant general to delegate certain duties to subordinates; amending Minnesota Statutes 1986, section 190.16, by adding a subdivision.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 447, A bill for an act relating to liquor; authorizing municipalities to permit holders of both on-sale wine and nonintoxicating malt liquor licenses to sell intoxicating malt li-

quors; amending Minnesota Statutes 1986, section 340A.404, subdivision 5; repealing Laws 1979, chapter 200.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 506, A bill for an act relating to human services; providing reimbursement for costs of semi-independent living services for persons with mental retardation or related conditions; amending Minnesota Statutes 1986, section 252.275, subdivisions 1, 2, 4, and 7.

Reported the same back with the following amendments:

Page 2, line 7, delete "approved" and strike "cost" and insert "approved budget"

Page 2, line 10, after "approve" insert "budgeted" and after "costs" insert "for services for any person"

Page 2, line 12, delete "persons" and insert "a person" and delete "and" and insert "or a"

Page 2, line 13, delete "conditions" and insert "condition" and after the period insert "Nothing in this subdivision prevents a county from using other funds to pay for additional costs of semi-independent living services."

Page 2, line 14, after "shall" insert "allocate funds and"

Page 2, line 15, delete "at 95 percent for the" and insert a period

Page 2, delete lines 16 to 19

Page 2, line 20, before "commissioner" insert "The" and delete "prorate the remaining appropriations" and insert "proportionally allocate funds to counties"

Page 2, line 21, delete "county" and insert "budgeted" and delete "those" and after "persons" insert "approved for funding"

Page 2, line 22, delete "expenditures approved" and insert "approved expenditures"

Page 2, line 23, delete "by the commissioner" and after "and" insert "shall" and after the period insert "The commissioner may set aside up to two percent of the appropriations to fund county demonstration projects that improve the efficiency and effectiveness of semi-independent living services."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 539, A bill for an act relating to human services; extending subsidized adoption program; amending Minnesota Statutes 1986, section 259.40, subdivisions 1, 2, and 3.

Reported the same back with the following amendments:

Page 2, line 33, delete "in the care" and insert "is the legal or financial dependent"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 545, A bill for an act relating to natural resources; revising qualifications for the office of director of the division of waters; amending Minnesota Statutes 1986, section 105.40, subdivision 1.

Reported the same back with the following amendments:

Page 1, line 10, strike the comma

Page 1, line 11, strike "soils and minerals"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 554, A bill for an act relating to natural resources; changing certain provisions relating to state park motor vehicle permits; amending Minnesota Statutes 1986, section 85.05, subdivision 2.

Reported the same back with the following amendments:

Page 3, line 18, delete "No state park"

Page 3, delete lines 19 to 23

Page 3, line 24, delete "is not required at the site."

With the recommendation that when so amended the bill pass.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 556, A bill for an act relating to human services; establishing difficulty of care payments for children in foster care; amending Minnesota Statutes 1986, section 256.82, subdivision 3.

Reported the same back with the following amendments:

Page 1, line 9, delete "; RULES"

Page 1, line 14, after the period, insert:

"Sec. 2. Minnesota Statutes 1986, section 256.82, is amended by adding a subdivision to read:

Subd. 3a. [RULES.]"

Page 1, line 16, delete "this subdivision" and insert "subdivision 3" and after the period insert "In developing rules the commissioner shall take into consideration any existing difficulty of care payment rates so that, to the extent possible, no child for whom a difficulty of care rate is currently established will be adversely affected."

Page 1, line 17, delete "2" and insert "3"

Page 1, delete line 18, and insert "Section 1 is effective upon adoption of emergency rules. Section 2 is effective the day following final enactment."

Amend the title as follows:

Page 1, line 4, after "3" insert ", and by adding a subdivision"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 558, A bill for an act relating to human services; regulating work activities of handicapped persons in state facilities; amending Minnesota Statutes 1986, section 246.56, subdivision 2.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 566, A bill for an act relating to public safety; authorizing executive council, under federal law, to repair state property damaged by major disaster; dedicating receipts from criminal justice datacommunications network billings; appropriating video gaming license fees to commissioner of public safety for disbursement to municipalities; amending Minnesota Statutes 1986, sections 9.061, subdivision 1; 299C.48; and 349.52, subdivisions 2 and 3.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 591, A bill for an act relating to human services; allowing facilities providing shelter services to women and children to appeal

the denial of general assistance payments; amending Minnesota Statutes 1986, section 256.045, subdivisions 3, 4, and 5.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 256.01, subdivision 2, is amended to read:

Subd. 2. [SPECIFIC POWERS.] Subject to the provisions of section 241.021, subdivision 2, the commissioner of human services shall:

(1) Administer and supervise all forms of public assistance provided for by state law and other welfare activities or services as are vested in the commissioner.

(2) Administer and supervise all child welfare activities; promote the enforcement of laws protecting handicapped, dependent, neglected and delinquent children, and children born to mothers who were not married to the children's fathers at the times of the conception nor at the births of the children; license and supervise child-caring and child-placing agencies and institutions; supervise the care of children in boarding and foster homes or in private institutions; and generally perform all functions relating to the field of child welfare now vested in the state board of control.

(3) Administer and supervise all noninstitutional service to handicapped persons, including those who are visually impaired, hearing impaired, or physically impaired or otherwise handicapped. The commissioner may provide and contract for the care and treatment of qualified indigent children in facilities other than those located and available at state hospitals when it is not feasible to provide the service in state hospitals.

(4) Assist and actively cooperate with other departments, agencies and institutions, local, state, and federal, by performing services in conformity with the purposes of Laws 1939, chapter 431.

(5) Act as the agent of and cooperate with the federal government in matters of mutual concern relative to and in conformity with the provisions of Laws 1939, chapter 431, including the administration of any federal funds granted to the state to aid in the performance of any functions of the commissioner as specified in Laws 1939, chapter 431, and including the promulgation of rules making uniformly available medical care benefits to all recipients of public assistance, at such times as the federal government increases its participation in assistance expenditures for medical care to recipients of public

assistance, the cost thereof to be borne in the same proportion as are grants of aid to said recipients.

(6) Establish and maintain any administrative units reasonably necessary for the performance of administrative functions common to all divisions of the department.

(7) Administer and supervise any additional welfare activities and services as are vested by law in the department.

(8) The commissioner is designated as guardian of both the estate and the person of all the wards of the state of Minnesota, whether by operation of law or by an order of court, without any further act or proceeding whatever, except as to persons committed as mentally retarded.

(9) Act as coordinating referral and informational center on requests for service for newly arrived immigrants coming to Minnesota.

(10) The specific enumeration of powers and duties as hereinabove set forth shall in no way be construed to be a limitation upon the general transfer of powers herein contained.

(11) Establish county, regional, or statewide schedules of maximum fees and charges which may be paid by local agencies for medical, dental, surgical, hospital, nursing and nursing home care and medicine and medical supplies under all programs of medical care provided by the state and for congregate living care under the income maintenance programs.

(12) Have the authority to conduct and administer experimental projects to test methods and procedures of administering assistance and services to recipients or potential recipients of public welfare. To carry out such experimental projects, it is further provided that the commissioner of human services is authorized to waive the enforcement of existing specific statutory program requirements, rules, and standards in one or more counties. The order establishing the waiver shall provide alternative methods and procedures of administration, shall not be in conflict with the basic purposes, coverage, or benefits provided by law, and in no event shall the duration of a project exceed two years. It is further provided that no order establishing an experimental project as authorized by the provisions of this section shall become effective until the following conditions have been met:

(a) The proposed comprehensive plan including estimated project costs and the proposed order establishing the waiver shall be filed

with the secretary of the senate and chief clerk of the house of representatives at least 60 days prior to its effective date.

(b) The secretary of health, education, and welfare of the United States has agreed, for the same project, to waive state plan requirements relative to statewide uniformity.

(c) A comprehensive plan, including estimated project costs, shall be approved by the legislative advisory commission and filed with the commissioner of administration.

(13) In accordance with federal requirements establish procedures to be followed by local welfare boards in creating citizen advisory committees, including procedures for selection of committee members.

(14) Allocate federal fiscal disallowances or sanctions which are based on quality control error rates for the aid to families with dependent children, medical assistance, or food stamp program in the following manner:

(a) One-half of the total amount of the disallowance shall be borne by the county boards responsible for administering the programs and shall be shared by each county board in the same proportion as that county's expenditures for the sanctioned program are to the total of all counties' expenditures for that program. Each county shall pay its share of the disallowance to the state of Minnesota. When a county fails to pay the amount due hereunder, the commissioner may deduct the amount from reimbursement otherwise due the county, or the attorney general, upon the request of the commissioner, may institute civil action to recover the amount due.

(b) Notwithstanding the provisions of paragraph (a), if the disallowance results from knowing noncompliance by one or more counties with a specific program instruction, and that knowing noncompliance is a matter of official county board record, the commissioner may require payment or recover from the county or counties, in the manner prescribed in paragraph (a), an amount equal to the portion of the total disallowance which resulted from the noncompliance, and may distribute the balance of the disallowance according to paragraph (a).

(15) Develop and implement special projects that maximize reimbursements and result in the recovery of money to the state. For the purpose of recovering state money, the commissioner may enter into contracts with third parties. Any recoveries that result from projects or contracts entered into under this paragraph shall be deposited in the state treasury and credited to a special account until the balance in the account reaches \$400,000. When the balance in the account exceeds \$400,000, the excess shall be transferred and credited to the

general fund. All money in the account is appropriated to the commissioner for the purposes of this paragraph.

(16) Have the authority to make direct payments to facilities providing shelter to women and their children pursuant to section 256D.05, subdivision 3. Upon the written request of a shelter facility that has been denied payments under section 256.05, subdivision 3, the commissioner shall review all relevant evidence and make a determination within 30 days of the request for review regarding issuance of direct payments to the shelter facility. Failure to act within 30 days shall be considered a determination not to issue direct payments.

Sec. 2. Minnesota Statutes 1986, section 256D.05, is amended by adding a subdivision to read:

Subd. 3a. [SHELTER FACILITY'S RIGHT TO APPEAL.] A facility providing shelter for women and their children may appeal a decision of a local agency arising from a request for payment pursuant to section 256D.05, subdivision 3. To appeal, the shelter facility shall submit a written appeal request within 30 days of receiving notice of the commissioner's refusal to issue payment pursuant to section 256.01, subdivision 2, paragraph (16). The appeal shall be heard by an administrative law judge according to sections 14.48 to 14.62, except that the report of the administrative law judge is binding on all parties. Within 15 days of receipt of a written appeal request from a shelter facility, the local agency shall file a request for assignment of a judge together with a notice of and order for hearing proposed to be issued. Notwithstanding any law to the contrary, the record in the contested case proceeding shall not include any evidence, including records and documents, developed by the commissioner in the commissioner's review, pursuant to section 256.01, subdivision 1, paragraph (16)."

Delete the title and insert:

"A bill for an act relating to human services; authorizing the commissioner to make direct payments to shelter facilities; allowing facilities providing shelter services to women and children to appeal the denial of general assistance payments; amending Minnesota Statutes 1986, sections 256.01, subdivision 2; and 256D.05, by adding a subdivision."

With the recommendation that when so amended the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 601, A bill for an act relating to natural resources; providing that money recovered by the state for forest fire fighting

expenses be restored to the fund of origination; increasing the amount that may be paid for tips related to forest fire crimes; amending Minnesota Statutes 1986, section 88.75, subdivision 1; and 88.76.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 603, A bill for an act relating to intoxicating liquor; allowing counties to issue seasonal intoxicating liquor licenses subject to certain restrictions; amending Minnesota Statutes 1986, section 340A.404, subdivision 6.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 628, A bill for an act relating to human services; allowing residents of certain facilities to save up to \$1,000 of earned income; amending Minnesota Statutes 1986, section 256D.06, subdivision 1b.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 653, A bill for an act relating to wild animals; use of lights in taking or in tending traps; length of otter season; setting traps near water; amending Minnesota Statutes 1986, sections 97B.081; 97B.921; 97B.931; and 97B.945.

Reported the same back with the recommendation that the bill pass.

The report was adopted

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 702, A bill for an act relating to the office of the secretary of state; providing for the preservation of land surveys; establishing time for the permanent microfilming of the surveys; appropriating money; amending Minnesota Statutes 1986, section 5.03.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 721, A bill for an act relating to human services; providing for the recovery of medical assistance overpayments; amending Minnesota Statutes 1986, section 256B.0641, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, line 16, delete "18" and insert "12"

Page 1, line 20, delete "21" and insert "15"

Page 1, line 21, after the period insert "If the commissioner fails to submit the field audit report within 15 months of a written request for audit by the current owner, the commissioner may not hold the current owner responsible for any amount of overpayments owed by the prior owner."

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment."

With the recommendation that when so amended the bill pass.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 735, A bill for an act relating to liquor; removing a restriction on issuance of off-sale licenses in Kanabec county; amending Minnesota Statutes 1986, section 340A.405, subdivision 2.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Otis from the Committee on Economic Development and Housing to which was referred:

H. F. No. 754, A bill for an act relating to local and state government debt financing; allocating bonding authority subject to a volume cap under federal tax law; amending Minnesota Statutes 1986, sections 474A.02, subdivisions 1, 2, 3, 6, 7, 8, 12, 14, 16, 18, 19, 21, 26, and by adding subdivisions; 474A.03, subdivision 1, and by adding a subdivision; 474A.04, subdivisions 5, 6, and by adding a subdivision; 474A.13, subdivisions 1, 4, and 5; 474A.14; 474A.15; 474A.16; 474A.17; 474A.18; 474A.20; and 474A.21; proposing coding for new law in Minnesota Statutes, chapter 474A; repealing Minnesota Statutes 1986, sections 474A.02, subdivisions 5, 9, 10, 11, 13, 15, 17, 20, 22, 23, 24, and 25; 474A.03, subdivisions 2 and 3; 474A.04, subdivisions 1, 2, 3, and 4; 474A.05; 474A.06; 474A.07; 474A.08; 474A.09; 474A.10; 474A.11; 474A.12; 474A.13, subdivisions 2 and 3; 474A.19; and Laws 1981, chapters 222, section 6; and 223, section 6, subdivision 3.

Reported the same back with the following amendments:

Page 1, after line 21, insert:

#### "ARTICLE 1"

Page 3, line 4, strike "as amended" and strike the second comma

Page 3, line 7, strike "exempt from inclusion in" and insert "excluded from"

Page 5, line 2, after the stricken "any" insert "an economic development authority referred to in chapter 458C,"

Page 5, line 26, delete everything after the period

Page 5, delete lines 27 to 29

Page 7, line 5, delete "beginning in 1988" and insert "after December 31, 1987"

Page 7, lines 9 and 31, delete "allocations" and insert "allocation"

Page 7, line 30, delete "ALLOCATIONS" and insert "ALLOCATION"

Page 7, line 35, delete "5" and insert "6"

Page 8, line 19, delete "After the last Monday in August of each year,"

Page 8, line 21, after "allocation" insert "after the first Monday in September"

Page 9, line 27, delete "and" and after "(2)" insert "a statement of bond counsel that the proposed issue of obligations requires an allocation under this chapter, (3) the type of qualified bonds to be issued, and (4)"

Page 10, line 22, delete everything after "week"

Page 10, line 23, delete everything before the comma

Page 10, line 32, delete "After the last Monday in"

Page 10, line 33, delete "August of each year."

Page 10, line 34, delete "on or before the last Monday in August"

Page 10, line 35, after "allocation" insert "after the first Monday in September"

Page 11, line 32, delete "If"

Page 11, line 32, delete "does not receive an"

Page 11, delete line 33

Page 11, line 34, delete "subdivision 5, it"

Page 11, line 36, delete "\$10,000,000" and insert "\$20,000,000"

Page 12, lines 4 and 13, delete "5" and insert "6"

Page 12, line 5, delete "per year"

Page 12, line 23, delete "to a project" and insert "for qualified bonds"

Page 12, line 35, delete "may" and insert "must"

Page 13, line 11, after the period insert "If bonding authority is transferred from one pool to the other pool,"

Page 13, line 16, before "After" insert "On the day"

Page 13, line 24, delete "and" and insert a comma and after "(2)" insert "a statement of bond counsel that the proposed issue of obligations requires an allocation under this chapter, (3) the type of qualified bonds to be issued, and (4)"

Page 14, line 12, delete "million"

Page 14, line 27, delete "Notwithstanding this subdivision," and insert "Subd. 4. [MORTGAGE BOND SUNSET.]"

Page 14, line 28, after "of" insert "tax-exempt"

Page 14, line 32, delete "issued on behalf of cities" and insert "reallocated to cities for the issuance of mortgage bonds" and delete everything after the period and insert "If an issuer that receives an allocation for mortgage bonds under this subdivision fails to notify the department of energy and economic development before the last Monday in December of issuance of obligations pursuant to all or a portion of the allocation, any remaining allocation pursuant to which obligations have not been issued is canceled and the bonding authority is allocated to the department of finance for reallocation under section 29, subdivision 6."

Page 14, delete lines 33 to 35

Page 14, line 36, delete "4" and insert "5"

Page 15, line 22, delete "5" and insert "6" and before "Any" insert "\$20,000,000 or"

Page 15, line 24, after "December" insert ", whichever is less," and after "the" insert "higher education coordinating board. Any bonding authority remaining after the deduction for the higher education coordinating board allocation is allocated to the"

Page 15, line 26, delete everything after the period

Page 15, delete lines 27 to 29

Page 16, line 6, delete “, when” and strike “added to” and delete “(1)” and strike “the aggregate”

Page 16, lines 7 to 13, delete the new language and strike the old language

Page 16, line 35, delete “bonding” and strike “authority” and insert “allocation received”

Page 17, line 1, delete “bonding” and strike “authority” and insert “allocation”

Page 18, line 12, delete “41” and insert “40”

Page 18, line 33, strike “a”

Page 19, line 1, strike “of the department”

Page 19, line 9, delete “41” and insert “40”

Page 19, lines 12 and 14, delete “ALLOCATIONS” and insert “ALLOCATION”

Page 20, after line 16, insert:

“If the amount of bonding authority allocated under subdivision 3 when added to the allocation for public facility bonds made from and not returned to the pool under Minnesota Statutes, section 474A.11 exceeds \$31,190,380, the excess must be deducted from the allocation under paragraph (c) and be allocated to the public facilities pool.”

Page 21, after line 35, insert:

“Subd. 4. [APPLICATION OF OTHER LAW.] The provisions of sections 36 and 40 apply to the allocations made under this section.”

Page 22, line 6, delete “and” and after “25” insert “, 27, 28, and 29”

Page 22, after line 14, insert:

## “ARTICLE 2

Section 1. Minnesota Statutes 1986, section 462C.11, subdivision 2, is amended to read:

Subd. 2. [PROGRAM REQUIREMENTS.] Mortgage credit certificate programs adopted by the city shall comply with all of the

provisions of section 25 of the Internal Revenue Code of 1954, as amended through July 18, 1984 1986.

Sec. 2. Minnesota Statutes 1986, section 462C.11, subdivision 3, is amended to read:

Subd. 3. [CORRECTION AMOUNTS.] Correction amounts determined by the secretary of the treasury because of the failure of a mortgage credit certificate program to comply with a federal statute or regulation shall be assessed pursuant to section 462C.09, subdivision 5 against the amount of qualified mortgage bonds allocated by chapter 474A to the issuer which adopted the program. If no allocation exists or it is less than the correction amount determined by the secretary of the treasury, then the amount of the correction amount in excess of the allocation shall be assessed against the multifamily housing pool."

Amend the title as follows:

Page 1, line 5, after "sections" insert "462C.11, subdivisions 2 and 3;"

Page 1, line 14, delete "and" and after "25" insert ", 27, 28, and 29"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 764, A bill for an act relating to human services; providing for a statewide interpreter service for hearing impaired persons; altering membership on Minnesota council for the hearing impaired; amending Minnesota Statutes 1986, sections 256C.24, subdivisions 2 and 3; 256C.25, subdivisions 1 and 2; and 256C.28, subdivision 1.

Reported the same back with the following amendments:

Page 3, after line 27, insert:

"Sec. 6. Minnesota Statutes 1986, section 256C.28, subdivision 3, is amended to read:

Subd. 3. [DUTIES.] The council shall:

(1) advise the commissioner and governor on the development of policies, programs, and services affecting the hearing impaired, and on the use of appropriate federal and state money;

(2) create a public awareness of the special needs and potential of hearing impaired persons; and

(3) provide the commissioner and governor with a review of ongoing services, programs, and proposed legislation affecting the hearing impaired."

Amend the title as follows:

Page 1, line 7, delete "subdivision 1" and insert "subdivisions 1 and 3"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 834, A bill for an act relating to natural resources; providing for the deposit of receipts from private forest management services into the forest management fund; appropriating money; amending Minnesota Statutes 1986, sections 88.79, subdivision 2; and 89.04.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

S. F. No. 38, A bill for an act relating to alcoholic beverages; permitting certain transactions by brewers and wholesalers; authorizing cities to issue temporary off-sale licenses for the sale of

vintage wine at auctions; amending Minnesota Statutes 1986, sections 340A.308; and 340A.405, by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 340A.308, is amended to read:

**340A.308 [PROHIBITED TRANSACTIONS.]**

(a) No brewer or malt liquor wholesaler may directly or indirectly, or through an affiliate or subsidiary company, or through an officer, director, stockholder, or partner:

- (1) give, or lend money, credit, or other thing of value to a retailer;
- (2) give, lend, lease, or sell furnishing or equipment to a retailer;
- (3) have an interest in a retail license; or
- (4) be bound for the repayment of a loan to a retailer.

(b) This section does not prohibit a manufacturer or wholesaler from:

(1) furnishing, lending, or renting to a retailer outside signs, of a cost of up to \$100 excluding installation and repair costs;

(2) furnishing, lending, or renting to a retailer inside signs and other promotional material, of a cost of up to \$100 in a year;

(3) furnishing to or maintaining for a retailer equipment for dispensing malt liquor, including tap trailers, cold plates and other dispensing equipment, of a cost of up to \$100 per tap in a year;

(4) using or renting property owned continually since November 1, 1933, for the purpose of selling intoxicating or nonintoxicating malt liquor at retail; or

(5) extending customary commercial credit to a retailer in connection with a sale of nonalcoholic beverages only, or engaging in cooperative advertising agreements with a retailer in connection with the sale of nonalcoholic beverages only.

Sec. 2. Minnesota Statutes 1986, section 340A.313, subdivision 1, is amended to read:

Subdivision 1. [FILING.] A distilled spirits or wine brand owner or wholesaler may not sell, offer for sale, or solicit orders for distilled spirits or wine unless a schedule of wholesale prices, including volume discounts, is filed with the commissioner on a form prescribed by the commissioner. No sale may be made at wholesale which is not in accordance with filed prices. A filing must be made by the first day of each month and is effective for the remainder of the month, except that any filed price may be amended within five days of its filing. No rule of the commissioner may prohibit wine or other commodities from being offered on original or assorted cases with distilled spirits or vice versa.

Sec. 3. Minnesota Statutes 1986, section 340A.405, is amended by adding a subdivision to read:

Subd. 4. [TEMPORARY OFF-SALE LICENSES; WINE AUCTIONS.] (a) The governing body of a city may issue a temporary license for the off-sale of wine at an auction with the approval of the commissioner. A license issued under this subdivision authorizes the sale of only vintage wine of a brand and vintage that is not commonly being offered for sale by any wholesaler in Minnesota. The license may authorize the off-sale of wine for not more than three consecutive days provided not more than 600 cases of wine are sold at any auction. The licenses are subject to the terms, including license fee, imposed by the issuing city. Licenses issued under this subdivision are subject to all laws and ordinances governing the sale of intoxicating liquor except section 340A.409 and those laws and ordinances which by their nature are not applicable.

(b) As used in this subdivision, "vintage wine" means bottled wine which is at least ten years old.

Sec. 4. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Amend the title as follows:

Page 1, line 3, after the semicolon insert "prohibiting rules of the commissioner of public safety from prohibiting filing of prices for combinations of distilled spirits and wine;"

Page 1, line 6, after the semicolon insert "340A.313, subdivision 1;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

S. F. No. 117, A bill for an act relating to liquor; authorizing St. Louis county to issue one off-sale liquor license.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [ST. LOUIS COUNTY OFF-SALE LICENSE.]

(a) Notwithstanding any law to the contrary, the St. Louis county board may issue one off-sale liquor license to a premises located within Sturgeon township, with the approval of the commissioner of public safety. The fee for the license shall be fixed by the county board in an amount not to exceed \$500 per year. A license issued under this clause shall otherwise be governed by Minnesota Statutes, chapter 340A.

(b) The St. Louis county board may issue one off-sale intoxicating liquor license to a premises located in Clinton township notwithstanding the town powers requirement of Minnesota Statutes, section 340A.405, subdivision 2, paragraph (b). All other requirements of Minnesota Statutes, chapter 340A, apply to a license issued under this clause.

Sec. 2. [LOCAL APPROVAL.]

Section 1 is effective upon approval by the St. Louis county board and compliance with Minnesota Statutes, section 645.021.”

Amend the title as follows:

Page 1, line 3, delete “one” and delete “license” and insert “licenses”

With the recommendation that when so amended the bill pass.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

S. F. No. 245, A bill for an act relating to intoxicating liquor; authorizing the city of Moorhead to issue an on-sale intoxicating

liquor license to the Red River Valley Center-Hjemkomst Heritage Interpretive Center.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [ON-SALE LICENSE AUTHORIZED.]

In addition to the number of licenses authorized by law and notwithstanding any law or ordinance to the contrary, the city of Moorhead may issue an on-sale intoxicating liquor license to the governing body of the Red River Valley Center-Hjemkomst Heritage Interpretive Center for the premises known as the Red River Valley Center-Hjemkomst Heritage Interpretive Center. The license shall authorize the dispensing of intoxicating liquor only to persons attending events on the licensed premises, and shall authorize consumption on the licensed premises only. The license may provide that the governing body of the Red River Valley Center-Hjemkomst Heritage Interpretive Center may contract for intoxicating liquor catering service with the holder of an on-sale intoxicating liquor license issued by the city of Moorhead. The city council shall fix the fee for the license. All provisions of Minnesota Statutes, chapter 340A governing alcoholic beverages not inconsistent herewith apply to the license.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective on approval by the Moorhead city council and compliance with Minnesota Statutes, section 645.021, subdivision 3."

With the recommendation that when so amended the bill pass.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 189, 294, 342, 354, 424, 447, 545, 554, 558, 591, 603, 653, 721 and 735 were read for the second time.

## SECOND READING OF SENATE BILLS

S. F. Nos. 38, 117 and 245 were read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Brown; Dille; Anderson, G.; Nelson, C., and Cooper introduced:

H. F. No. 1120, A bill for an act relating to grain grading and testing; providing that state grades and test results may be the basis for market price; amending Minnesota Statutes 1986, section 17B.05.

The bill was read for the first time and referred to the Committee on Agriculture.

Tunheim introduced:

H. F. No. 1121, A bill for an act relating to public health; creating an exception to the nursing home moratorium for a facility operated on the Red Lake Indian reservation; appropriating money for a Red Lake nursing home; amending Minnesota Statutes 1986, section 144A.071, subdivision 3.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Wenzel, Steensma and Anderson, G., introduced:

H. F. No. 1122, A bill for an act relating to agriculture; clarifying certain appropriations; prohibiting importation of certain bees; changing certain milk inspection fees and requirements; changing time for sale of certain state-owned property; eliminating certain requirements for grain buyers licenses; paying certain claims; appropriating money; amending Minnesota Statutes 1986, sections 17B.15, subdivision 1; 19.58, subdivision 1; 32.394, subdivisions 8, 8b, and 9; 41.56, subdivision 4; and 223.17, subdivision 1.

The bill was read for the first time and referred to the Committee on Agriculture.

Tunheim introduced:

H. F. No. 1123, A bill for an act relating to retirement; public employees retirement association; permitting certain employees to

purchase credit for prior service for which no salary deductions were made for the association.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Schreiber, Voss and Minne introduced:

H. F. No. 1124, A bill for an act relating to taxation; property; changing the meeting dates for local boards of review and the state board of equalization; changing other miscellaneous dates; providing for appraisal of commercial-industrial property by the county assessor; providing for assessment of commercial-industrial property in the city of St. Cloud; modifying the appeal process; suspending the annual assessment requirement for one year; amending Minnesota Statutes 1986, sections 270.11, subdivisions 1, 2, 5, and 7; 270.12, subdivisions 2 and 3; 270.13; 270.87; 271.21, subdivision 2; 273.061, subdivisions 7, 8, and 9; 273.063; 273.11, by adding a subdivision; 273.33, subdivision 2; 273.37, subdivision 2; 274.01, subdivision 1; 274.14; 274.16; 275.07, subdivision 1; and Laws 1974, chapter 175, section 1.

The bill was read for the first time and referred to the Committee on Taxes.

Rest, Skoglund, Pauly and Voss introduced:

H. F. No. 1125, A bill for an act relating to taxation; property; modifying the metropolitan revenue distribution system; phasing out certain exemptions; decreasing the contribution percentage; changing certain definitions; prohibiting use of proceeds for special purposes; amending Minnesota Statutes 1986, sections 473F.01; 473F.02, subdivisions 3 and 12; 473F.06; 473F.07, subdivisions 1 and 3; 473F.08, subdivisions 2 and 6; and 473F.13, subdivision 1; repealing Minnesota Statutes 1986, sections 473F.02, subdivisions 9, 11, 16, 17, 18, 19, and 20; 473F.12; and 473F.13, subdivisions 2 and 3.

The bill was read for the first time and referred to the Committee on Metropolitan Affairs.

Schreiber, Voss, Valento and Jacobs introduced:

H. F. No. 1126, A bill for an act relating to taxation; property; modifying the metropolitan revenue distribution system; phasing out certain exemptions; providing a variable contribution percentage; equalizing commercial-industrial assessed valuations; changing certain definitions; eliminating the administrative auditor's functions; amending Minnesota Statutes 1986, sections 473.661,

subdivision 3; 473F.01; 473F.02, subdivisions 3 and 12; 473F.06; 473F.07; 473F.08, subdivisions 2, 5, 6, 7a, and by adding a subdivision; 473F.09; 473F.10, subdivisions 1 and 2; and 473F.13, subdivision 1; repealing Minnesota Statutes 1986, sections 473F.02, subdivisions 6, 9, 11, 16, 17, 18, 19, and 20; 473F.03; 473F.12; and 473F.13, subdivisions 2 and 3.

The bill was read for the first time and referred to the Committee on Metropolitan Affairs.

Osthoff, Jacobs, Redalen, Jensen and Ogren introduced:

H. F. No. 1127, A bill for an act relating to utilities; providing for the establishment of flexible gas utility rates for certain customers subject to effective competition; amending Minnesota Statutes 1986, section 216B.02, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 216B.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Scheid, Kostohryz, Price, Gutknecht and Shaver introduced:

H. F. No. 1128, A bill for an act relating to elections; changing precinct caucus dates, times, and procedures; changing the date of the state primary; requiring separate party primary ballots and party endorsements indicated on primary ballots; amending Minnesota Statutes 1986, sections 202A.14, subdivision 1; 202A.18, subdivision 2; 204B.21, subdivision 1; 204B.33; 204C.07, subdivision 4; 204C.13, subdivision 1; 204D.03, subdivision 1; 204D.05; 204D.06; and 204D.08, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 204D; repealing Minnesota Statutes 1986, section 204D.08, subdivision 5.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Kludt, Wagenius, Vellenga, Seaberg and Bishop introduced:

H. F. No. 1129, A bill for an act relating to crimes; domestic assault; requiring courts to issue written orders for conditional release; requiring arrest on violation of conditions of release; providing for notice to alleged victims of conditions of release; amending Minnesota Statutes 1986, section 629.72, subdivision 2, and by adding subdivisions.

The bill was read for the first time and referred to the Committee on Judiciary.

Johnson, A.; McLaughlin and Wagenius introduced:

H. F. No. 1130, A bill for an act relating to motor vehicles; establishing titling system for salvage and rebuilt motor vehicles; providing penalties; amending Minnesota Statutes 1986, sections 168.27, subdivisions 1, 2, 3, 10, 16, and 17, and by adding subdivisions; 168A.01, subdivision 1, and by adding subdivisions; and 168A.15; proposing coding for new law in Minnesota Statutes, chapter 168A.

The bill was read for the first time and referred to the Committee on Transportation.

Wenzel introduced:

H. F. No. 1131, A bill for an act relating to taxation; sales and use; exempting farm machinery and replacement parts; amending Minnesota Statutes 1986, sections 297A.01, subdivision 15; 297A.02, subdivision 2; 297A.14; and 297A.25, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Taxes.

Wenzel introduced:

H. F. No. 1132, A bill for an act relating to taxation; property; changing the assessment ratios for commercial and industrial property; amending Minnesota Statutes 1986, section 273.13, subdivision 9.

The bill was read for the first time and referred to the Committee on Taxes.

Wenzel introduced:

H. F. No. 1133, A bill for an act relating to local government aids; modifying the definition of municipal levy; amending Minnesota Statutes 1986, section 477A.011, subdivision 13.

The bill was read for the first time and referred to the Committee on Taxes.

Wenzel introduced:

H. F. No. 1134, A bill for an act relating to natural resources; allowing handicapped hunters to carry uncased weapons; amending Minnesota Statutes 1986, section 97B.055, subdivision 3.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Wenzel introduced:

H. F. No. 1135, A bill for an act relating to liquor; allowing the sale of intoxicating liquor at off-sale on Independence Day; amending Minnesota Statutes 1986, section 340A.504, subdivision 4.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Wenzel introduced:

H. F. No. 1136, A bill for an act relating to public finance; changing the rural finance administration's qualified agricultural loan program and name; clarifying the duties and powers of the administration; amending Minnesota Statutes 1986, sections 41B.01; 41B.02; 41B.03; 41B.035; 41B.04, subdivisions 1, 7, 8, 9, 10, 11, and 12; 41B.19, subdivisions 5 and 6; proposing coding for new law in Minnesota Statutes, chapter 41B; repealing Minnesota Statutes 1986, sections 41B.04, subdivisions 6, 13, 14, 15, and 16; and 41B.05.

The bill was read for the first time and referred to the Committee on Agriculture.

Kludt, Segal, Munger and Norton introduced:

H. F. No. 1137, A bill for an act relating to environment; prohibiting transportation of high-level radioactive waste into the state and prohibiting testing for or siting of a high-level radioactive waste management facility; requiring establishment of an escrow account to ensure compensation for injuries; requiring the payment of certain wages; making a constructor, owner or operator of a facility, or a transporter of waste strictly liable for injuries caused by a release; providing penalties; proposing coding for new law in Minnesota Statutes, chapter 116C.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Osthoff, Scheid and Pauly introduced:

H. F. No. 1138, A bill for an act relating to small business; modifying the definition of small business; amending Minnesota Statutes 1986, section 645.445, subdivisions 2 and 3.

The bill was read for the first time and referred to the Committee on Commerce.

Bennett, Jennings and Stanius introduced:

H. F. No. 1139, A bill for an act relating to natural resources; appropriating money to the commissioners of natural resources and agriculture for an oak wilt management program.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Trimble, Murphy, Riveness, Pappas and Boo introduced:

H. F. No. 1140, A bill for an act relating to state government; requiring the proposed judicial building to provide space for a child day care facility.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Nelson, D., introduced:

H. F. No. 1141, A bill for an act relating to the city of Champlin; permitting the city to use unexpended public improvement funds for a low-income special assessment grant program.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Hartle, Simoneau, Segal, Stanius and Haukoos introduced:

H. F. No. 1142, A bill for an act relating to motor vehicles; taxation; imposing a \$25 sales tax on certain collector motor vehicles; amending Minnesota Statutes 1986, sections 297B.02, subdivision 2, and by adding a subdivision; and 297B.025.

The bill was read for the first time and referred to the Committee on Transportation.

Olsen, S.; Knickerbocker and Rukavina introduced:

H. F. No. 1143, A bill for an act relating to retirement; converting joint and survivor options to normal annuities; amending Minnesota Statutes 1986, sections 352.116, subdivision 3; 353.30, subdivision 3; and 354.45, subdivision 1.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Clark, Greenfield and Jefferson introduced:

H. F. No. 1144, A bill for an act relating to special school district No. 1, Minneapolis; requiring a subsidy be paid to Minneapolis retired teachers for health insurance; authorizing a levy.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Wenzel introduced:

H. F. No. 1145, A resolution memorializing the President and Congress of the United States to award posthumous Medals of Freedom to Andrew Goodman, Michael Schwerner, and James Chaney.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Redalen introduced:

H. F. No. 1146, A bill for an act relating to motor vehicles; providing credit for registration tax paid on passenger automobile subsequently traded to purchase another passenger automobile from outside the state; amending Minnesota Statutes 1986, section 168.013, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Transportation.

Johnson, R.; Marsh; Gruenes; Dorn and DeBlieck introduced:

H. F. No. 1147, A bill for an act relating to education; age for redemption of shares in the supplemental retirement investment fund; amending Minnesota Statutes 1986, section 136.82, subdivision 1.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Jacobs introduced:

H. F. No. 1148, A bill for an act relating to liquor; items which may be sold in exclusive liquor stores; amending Minnesota Statutes 1986, section 340A.101, subdivision 10.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Kludt and Tunheim introduced:

H. F. No. 1149, A bill for an act relating to public improvements; providing for a nursing care veterans facility at Moorhead under certain conditions; providing for a bond issue; appropriating money.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Murphy introduced:

H. F. No. 1150, A bill for an act relating to the city of Hermantown; extending the period that land held by the city for economic development is exempt from tax.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Murphy, Battaglia, Lasley and Jacobs introduced:

H. F. No. 1151, A bill for an act relating to taxation; property; extending the exemption period for lands held by a political subdivision for economic development; amending Minnesota Statutes 1986, section 272.02, subdivision 5.

The bill was read for the first time and referred to the Committee on Taxes.

Cooper, Tunheim, Dille, Schafer and McEachern introduced:

H. F. No. 1152, A bill for an act relating to education; providing for technology revenue; appropriating money; amending Minnesota Statutes 1986, section 275.125, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 124.

The bill was read for the first time and referred to the Committee on Education.

Nelson, C., introduced:

H. F. No. 1153, A bill for an act relating to retirement; Millerville volunteer firefighters relief association; authorizing the recognition of certain prior service in the computation of service pension amounts.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Krueger, Brown, Cooper, Steensma and Kelso introduced:

H. F. No. 1154, A bill for an act relating to agriculture; appropriating money for aid to county and district agricultural societies.

The bill was read for the first time and referred to the Committee on Agriculture.

Begich introduced:

H. F. No. 1155, A bill for an act relating to public safety; regulating boilers and their operation; amending Minnesota Statutes 1986, sections 183.375, subdivision 2; 183.411, by adding a subdivision; 183.42; 183.545, subdivision 4; and 183.56; repealing Minnesota Statutes 1986, section 183.545, subdivision 5.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Brown introduced:

H. F. No. 1156, A bill for an act relating to Traverse county; allowing a property tax levy for the county agricultural society.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Solberg introduced:

H. F. No. 1157, A bill for an act relating to commerce; prohibiting producers or refiners of petroleum from operating retail service stations with company personnel; providing exceptions; defining certain terms; providing for enforcement; proposing coding for new law in Minnesota Statutes, chapter 325E.

The bill was read for the first time and referred to the Committee on Commerce.

Solberg introduced:

H. F. No. 1158, A bill for an act relating to commerce; regulating terminations and nonrenewals of motor fuel franchises; proposing coding for new law in Minnesota Statutes, chapter 80C.

The bill was read for the first time and referred to the Committee on Commerce.

Simoneau, Knickerbocker, Clark, Reding and Johnson, R., introduced:

H. F. No. 1159, A bill for an act relating to retirement; public pension plan or fund assets; prohibiting certain transfers or uses of assets; proposing coding for new law in Minnesota Statutes, chapter 356.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Peterson and Osthoff introduced:

H. F. No. 1160, A bill for an act relating to real property; taxation; requiring real property taxes payable for the year in which the property was conveyed to be paid before deed may be recorded; amending Minnesota Statutes 1986, section 272.12.

The bill was read for the first time and referred to the Committee on Taxes.

Wynia, Ogren, Murphy, Boo and Clark introduced:

H. F. No. 1161, A bill for an act relating to health and human services; providing for the establishment of a regional American Indian youth chemical dependency treatment center; appropriating money.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Schafer, Ogren, Cooper, Miller and Carlson, D., introduced:

H. F. No. 1162, A bill for an act relating to the environment; disapproving a nuclear waste repository in Minnesota; approval of new nuclear power plants; proposing coding for new law in Minnesota Statutes, chapter 116C.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Jensen, Battaglia, Price, Seaberg and Vanasek introduced:

H. F. No. 1163, A bill for an act relating to local government; authorizing cities to impose a street access charge and providing for

its collection; proposing coding for new law in Minnesota Statutes, chapter 471.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Trimble, Murphy, Begich, Kelso and Stanius introduced:

H. F. No. 1164, A bill for an act relating to employment; requiring notification of certain exposures to infectious diseases; providing workers' compensation to coverage for certain infectious diseases; amending Minnesota Statutes 1986, section 176.011, subdivision 15; proposing coding for new law in Minnesota Statutes, chapter 144.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Nelson, D.; Rest; Vellenga; Welle and Marsh introduced:

H. F. No. 1165, A bill for an act relating to public safety; imposing mandatory minimum penalties on habitual DWI offenders; amending Minnesota Statutes 1986, section 169.121, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Judiciary.

Clark and Greenfield introduced:

H. F. No. 1166, A bill for an act relating to human services; requiring vendor payments of general assistance for recipients without an address; amending Minnesota Statutes 1986, section 256D.09, subdivision 4.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Hartle, Quinn, Haukoos and Kahn introduced:

H. F. No. 1167, A bill for an act relating to education; requiring legislative reports on, senate confirmation of, and limited terms for board members of the state high school league; amending Minnesota Statutes 1986, section 129.121, subdivision 3, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Kahn, Long, Sparby, Rose and Nelson, D., introduced:

H. F. No. 1168, A bill for an act relating to nuclear energy; providing for the decommissioning of nuclear power plants; requiring decommissioning financing and physical plans; requiring the establishment of decommissioning accounts; amending Minnesota Statutes 1986, section 216B.02, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 216B.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Greenfield; Wynia; Rodosovich; Anderson, R., and Clark introduced:

H. F. No. 1169, A bill for an act relating to human services; defining purpose of aid to families with dependent children; providing case management services to certain clients; defining case management services to include goal-setting, education, and counseling; providing for state share of case management costs; directing employment services at jobs which provide medical coverage; defining suitable employment; establishing priorities for use of child care funds; requiring commissioner to pursue federal waivers; appropriating money; amending Minnesota Statutes 1986, sections 268.85, subdivision 2; 268.86, subdivision 4, and by adding a subdivision; 268.91, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 256.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Welle; Johnson, R.; Simoneau; Gutknecht and Bauerly introduced:

H. F. No. 1170, A bill for an act relating to state government; prohibiting certain mandated leaves of absence for state employees; amending Minnesota Statutes 1986, section 43A.32, subdivision 2, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Jacobs introduced:

H. F. No. 1171, A bill for an act relating to taxation; changing the aggregate material tax; amending Minnesota Statutes 1986, section 298.75.

The bill was read for the first time and referred to the Committee on Taxes.

Trimble, Munger, Ogren, Reding and Thiede introduced:

H. F. No. 1172, A bill for an act relating to game and fish; clarifying and making technical changes in the game and fish laws; recodifying establishment of the wild rice management account; defining enforcement officer; defining brown trout as a game fish; defining an unloaded firearm; allowing the commissioner to use the game and fish fund for activities of the enforcement division; designating notices to be placed on state park and wildlife management area boundaries; changing the expiration date for muskrat farm licenses; removing certain restrictions on the size of shooting preserves; prescribing violations of hunting while under the influence of alcohol or a controlled substance; providing when license must be in personal possession; allowing more than one license, except a big game license, to be issued in a license year; exempting big game licenses from certain types of license revocations; prescribing submission of annual reports for tanners, fur dealers, and taxidermists; providing a nonresident under age 16 may purchase a nonresident fishing license and take and possess fish; prescribing conditions for oath administration; eliminating certain requirements for wild animals that are gifts; allowing a person to transport more than one big game animal; eliminating certain restrictions on transporting big game animals; prohibiting a person from trespassing to retrieve wounded game after being notified; allowing a person to ship more than one fish with a permit; prescribing permission needed to take wild animals in certain areas; allowing possession of shotgun and certain shells in areas where deer may be taken; allowing persons to take raccoons with lights and firearms at night; clarifying that a small game license is not required to pursue and tree raccoons during the closed season; authorizing the commissioner to restrict the taking of pine marten and opossum; eliminating requirement for a license and seals to take beaver damaging property; prescribing when certain devices to take fish may be possessed; amending Minnesota Statutes 1986, sections 97A.015, subdivisions 18, 25, 43, 45, and 51; 97A.055, subdivision 1; 97A.065, subdivision 2; 97A.075, subdivision 1; 97A.085, subdivisions 5 and 7; 97A.111, subdivisions 2 and 7; 97A.115, subdivision 3; 97A.135, subdivision 1; 97A.201, subdivision 1; 97A.211, subdivisions 1 and 2; 97A.221, subdivision 1; 97A.311, subdivision 4; 97A.315, subdivision 2; 97A.325, subdivision 1; 97A.331, subdivision 1; 97A.405, subdivision 2; 97A.415, subdivision 1; 97A.421, subdivision 1; 97A.425, subdivision 3; 97A.445, subdivision 3; 97A.451, subdivisions 1 and 5; 97A.475, subdivision 7; 97A.481; 97A.505, subdivisions 4 and 5; 97A.535, subdivisions 3 and 4; 97A.545, subdivision 4; 97A.551, subdivision 3; 97B.001, subdivisions 3, 5, and 7; 97B.041; 97B.061; 97B.065; 97B.081, subdivision 1; 97B.601, subdivision 4; 97B.605; 97B.635; 97B.655, subdivision 2; 97C.345, subdivisions 2 and 3; repealing Minnesota Statutes 1986, sections 97A.065, subdivision 4; 97A.121, subdivision 5; 97A.255, subdivision 3; 97A.461; 97A.505, subdivisions 1, 3, and 6; proposing coding for new law in Minnesota Statutes, chapter 84.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Rukavina; Sparby; Dille; Johnson, R., and Uphus introduced:

H. F. No. 1173, A bill for an act relating to state government; authorizing award of state contracts to other than lowest bidders in distressed counties; amending Minnesota Statutes 1986, section 16B.09, subdivision 1, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Bishop, Vellenga, Greenfield, Wynia and Blatz introduced:

H. F. No. 1174, A bill for an act relating to crime victims; requiring courts to impose minimum fines on persons convicted of assault or sexual abuse; requiring that the proceeds of these minimum fines be forwarded to local victim assistance programs and the state crime victim and witness advisory council; clarifying certain ambiguous language; amending Minnesota Statutes 1986, section 609.101.

The bill was read for the first time and referred to the Committee on Judiciary.

Stanius introduced:

H. F. No. 1175, A bill for an act relating to retirement; public employees retirement association; authorizing the purchase of credit for prior service as an employee of the Fond du Lac Indian Reservation.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Dorn and Frederick introduced:

H. F. No. 1176, A bill for an act relating to retirement; authorizing the Mankato police benefit association to base certain postretirement increases on other increases granted.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Stanius, Valento, Miller, Omann and Hugoson introduced:

H. F. No. 1177, A bill for an act relating to taxation; income; excluding certain military pension income from the age limits; amending Minnesota Statutes 1986, section 290.08, subdivision 26.

The bill was read for the first time and referred to the Committee on Taxes.

Vellenga, Jefferson, Otis and McEachern introduced:

H. F. No. 1178, A bill for an act relating to education; requiring specific efforts to provide early childhood family education services to low-income families; increasing the maximum revenue for early childhood family education programs; amending Minnesota Statutes 1986, sections 121.882, by adding a subdivision; 124.175; and 124.2711, subdivision 1.

The bill was read for the first time and referred to the Committee on Education.

McEachern; Bauerly; Stanius; Johnson, A., and Vellenga introduced:

H. F. No. 1179, A bill for an act relating to education; establishing an advisory task force to develop coordinated educational programs to prevent the spread of AIDS.

The bill was read for the first time and referred to the Committee on Education.

Wenzel, McEachern, Schafer, Tunheim and Thiede introduced:

H. F. No. 1180, A bill for an act relating to education; setting the foundation aid formula allowance at the mean spending level of the largest 20 percent of school districts; amending Minnesota Statutes 1986, section 124A.02, subdivision 9.

The bill was read for the first time and referred to the Committee on Education.

Solberg; Carlson, D.; Rukavina; Johnson, R., and Kinkel introduced:

H. F. No. 1181, A bill for an act relating to natural resources; waiving indirect cost billings to the federal government and other

states and provinces in certain circumstances; amending Minnesota Statutes 1986, section 16A.127, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Haukoos; Olson, E.; Hartle; McEachern and Otis introduced:

H. F. No. 1182, A bill for an act relating to school districts; creating a debt service anticipation levy; amending Minnesota Statutes 1986, sections 121.15, subdivision 3; 275.125, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 124.

The bill was read for the first time and referred to the Committee on Education.

Riveness, Wynia, Greenfield, Stanius and Vellenga introduced:

H. F. No. 1183, A bill for an act relating to human services; establishing service principles and rate-setting procedures for day training and habilitation services provided to adults with mental retardation and related conditions; amending Minnesota Statutes 1986, sections 245.782, subdivision 5; 252.21; 252.22; 252.23; 252.24, subdivisions 1 and 4; 252.25; 256B.501, subdivisions 1, 2, and 8; 256E.09, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 252; repealing Minnesota Statutes 1986, sections 256B.501, subdivisions 5, 6, 7, and 9; and 256E.06, subdivision 2a; repealing Minnesota Rules, parts 9525.1210, subparts 11 and 12; 9525.1230, subpart 2; 9525.1260; 9525.1270; 9525.1280; and 9525.1310.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Cooper; Quinn; Anderson, G., and Brown introduced:

H. F. No. 1184, A bill for an act relating to motor fuel; trade practices; providing that gas station advertising no ethanol or no methanol in its motor fuel must also display sign listing ingredients of its motor fuel; amending Minnesota Statutes 1986, section 325E.09, subdivision 4.

The bill was read for the first time and referred to the Committee on Commerce.

Cooper, McEachern and Bauerly introduced:

H. F. No. 1185, A bill for an act relating to education; clarifying that funds may not be transferred from the debt redemption fund; amending Minnesota Statutes 1986, section 121.9121, subdivision 1.

The bill was read for the first time and referred to the Committee on Education.

Cooper, Dille and Schafer introduced:

H. F. No. 1186, A bill for an act relating to education; appropriating money for a grant for the Little Crow tele-media network; authorizing a levy by its district participants.

The bill was read for the first time and referred to the Committee on Education.

Jefferson, Rukavina, Clark, DeBlieck and McLaughlin introduced:

H. F. No. 1187, A bill for an act relating to state government; establishing the economic opportunity office; providing for the appointment of an advisory council; proposing coding for new law in Minnesota Statutes, chapter 268.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Nelson, C.; Battaglia; Sarna; Otis and Anderson, R., introduced:

H. F. No. 1188, A bill for an act relating to energy and economic development; providing for the powers and duties of the commissioner of energy and economic development; classifying certain government data; providing definitions; authorizing certain Indian tribes to create community energy councils; authorizing governmental units to accept certain money from the state or federal government and providing for restrictions on that money; providing the purpose for which an appropriation may be spent; amending Minnesota Statutes 1986, sections 116J.09; 116J.10; 116J.19, subdivision 6; 116J.27, by adding a subdivision; 116J.36, subdivision 2; 116J.381, subdivision 2; and 471.65, subdivisions 1 and 2; Laws 1981, chapter 334, section 1, subdivision 1.

The bill was read for the first time and referred to the Committee on Economic Development and Housing.

Wynia, Greenfield, Begich, Skoglund and Voss introduced:

H. F. No. 1189, A resolution memorializing the United States Congress to amend the Employment Retirement Security Act to permit the direct regulation of self-insured health care plans.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Schreiber introduced:

H. F. No. 1190, A bill for an act relating to motor vehicles; authorizing confiscation of motor vehicle registration plates when dishonored check used to pay registration tax; imposing penalties; proposing coding for new law in Minnesota Statutes, chapter 168.

The bill was read for the first time and referred to the Committee on Transportation.

Kelso; Bauerly; Nelson, C.; Kalis and Jensen introduced:

H. F. No. 1191, A bill for an act relating to driver's licenses; providing for a medical alert identifier; amending Minnesota Statutes 1986, section 171.07, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Transportation.

Heap introduced:

H. F. No. 1192, A bill for an act relating to health; creating an exception to the nursing home moratorium; amending Minnesota Statutes 1986, section 144A.071, subdivision 3.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Nelson, C., and Krueger introduced:

H. F. No. 1193, A bill for an act relating to independent school district No. 206, Alexandria; providing for elections of the school board.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Neuenschwander, Schoenfeld, Schreiber, Valento and Anderson, G., introduced:

H. F. No. 1194, A bill for an act relating to economic development; renaming the agricultural resource loan guaranty board; providing powers; authorizing the board to participate in loans; appropriating money; amending Minnesota Statutes 1986, sections 41A.01; 41A.02, subdivisions 3, 4, 5, 6, 11, and 15; 41A.03, subdivisions 4 and 5; 41A.04, subdivision 1; 41A.05, subdivisions 1, 2, 3, and 5; 41A.06, subdivision 1; 297A.44, subdivision 1; 362A.041; and 362A.05; proposing coding for new law in Minnesota Statutes, chapter 41A.

The bill was read for the first time and referred to the Committee on Agriculture.

McEachern, Bauerly and Nelson, K., introduced:

H. F. No. 1195, A bill for an act relating to education; establishing an educator exchange program; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 121.

The bill was read for the first time and referred to the Committee on Education.

Nelson, K.; Carlson, L.; McEachern; Ozment and Boo introduced:

H. F. No. 1196, A bill for an act relating to education; providing for adult basic education programs; creating an advisory task force; establishing a revenue formula; appropriating money; amending Minnesota Statutes 1986, section 275.125, subdivision 8; proposing coding for new law in Minnesota Statutes, chapter 124; repealing Minnesota Statutes 1986, section 124.26.

The bill was read for the first time and referred to the Committee on Education.

Rest, Carruthers and Bishop introduced:

H. F. No. 1197, A bill for an act relating to statutes; revising the text of certain laws to remove redundant and obsolete language, to simplify grammar and syntax, and to improve the style of language without causing changes in the meaning of the laws; amending Minnesota Statutes 1986, chapters 84A; 105; 112; 274; 276; 352; 352B; 365; 430; and 447.

The bill was read for the first time and referred to the Committee on Judiciary.

Dille; Sparby; Wenzel; Olson, E., and Uphus introduced:

H. F. No. 1198, A bill for an act relating to grain grading and testing; providing that state grades and test results may be the basis for market price; amending Minnesota Statutes 1986, section 17B.05.

The bill was read for the first time and referred to the Committee on Agriculture.

Pauly introduced:

H. F. No. 1199, A bill for an act relating to education; removing the not for profit requirement for certain schools in connection with unemployment obligations and tax deductions; amending Minnesota Statutes 1986, sections 268.04, subdivision 32; and 290.089, subdivision 2.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Riveness, Rest, Welle, Wagenius and McKasy introduced:

H. F. No. 1200, A bill for an act relating to human rights; defining "employee" to include commission salespersons for certain purposes; clarifying certain provisions; amending Minnesota Statutes 1986, sections 181.81, subdivision 1; and 363.01, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

#### HOUSE ADVISORIES

The following House Advisory was introduced:

Knuth; Kelly; Nelson, D.; Wagenius and Dempsey introduced:

H. A. No. 9, A proposal to study portions of the Government Data Practices Act.

The advisory was referred to the Committee on Judiciary.

**MESSAGES FROM THE SENATE**

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House Files, herewith returned:

H. F. No. 27, A bill for an act relating to corporations; regulating control share acquisitions; delaying the effective date of certain amendments; amending Laws 1985, First Special Session chapter 5, section 21, as amended.

H. F. No. 688, A bill for an act relating to controlled substances; classifying the substance alfentanil as a schedule II controlled substance; amending Minnesota Statutes 1986, section 152.02, subdivision 3.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 480 and 529.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate File, herewith transmitted:

S. F. No. 403.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 470 and 457.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 482, 499 and 673.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 131, 322 and 409.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 406, 456 and 653.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 282, 306 and 365.

PATRICK E. FLAHAVEN, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 480, A bill for an act relating to the city of Duluth; authorizing the city to prepare, adopt, and amend design districts and a design framework to establish a design advisory committee, and to establish design review procedures to preserve and enhance the city's appearance and environmental quality.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

S. F. No. 529, A bill for an act relating to human services; regulating work activities of handicapped persons in state facilities; amending Minnesota Statutes 1986, section 246.56, subdivision 2.

The bill was read for the first time.

Dauner moved that S. F. No. 529 and H. F. No. 558, now on the Technical Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 403, A bill for an act relating to newspapers; providing that only qualified newspapers may accept legal notices for publication; amending Minnesota Statutes 1986, section 331A.02, subdivision 1.

The bill was read for the first time and referred to the Committee on Governmental Operations.

S. F. No. 470, A bill for an act relating to the city of Duluth and the county of St. Louis; authorizing the filing of the plat of Spirit Valley.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

S. F. No. 457, A bill for an act relating to commerce; regulating collection agencies and those acting under the authority of a collection agency; providing cash deposits in lieu of the required bond; establishing prohibited practices; prescribing the enforcement powers of the commissioner; amending Minnesota Statutes 1986, sections 332.31, by adding a subdivision; 332.33; 332.34; 332.37; and 332.40, subdivision 3.

The bill was read for the first time and referred to the Committee on Commerce.

S. F. No. 482, A bill for an act relating to insurance; regulating terminations of certain agency contracts; requiring companies to attempt to rehabilitate agents before terminating their appointment; regulating these rehabilitation agreements; amending Minnesota Statutes 1986, section 60A.171, subdivisions 1, 3, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

S. F. No. 499, A bill for an act relating to real property; providing for prima facie effect of certain statements in an acknowledgment; authorizing owners to create tenancies in common by direct conveyances to themselves and others; permitting the severance of joint tenancies by direct conveyances between spouses; providing for time limits upon actions relating to certain estates in real property; providing for the discharge of prior judgments against bankrupt debtors; providing for validation of certain conveyances executed by religious corporations; amending Minnesota Statutes 1986, sections 500.19, subdivision 4; 519.06; 519.09; and 519.101; Laws 1971, chapter 26; proposing coding for new law in Minnesota Statutes, chapters 358 and 548; repealing Minnesota Statutes 1986, section 548.18.

The bill was read for the first time and referred to the Committee on Judiciary.

S. F. No. 673, A bill for an act relating to human services; allowing the use of certain professional standards for chemical dependency professionals; amending Minnesota Statutes 1986, section 254A.16, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

S. F. No. 131, A bill for an act relating to transportation; authorizing commissioner of transportation and local road authorities to reduce speed limits in work zones; amending Minnesota Statutes 1986, section 169.14, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Transportation.

S. F. No. 322, A bill for an act relating to consumer protection; providing for the retention and collection of spent lead-acid batteries; providing enforcement; proposing coding for new law in Minnesota Statutes; chapter 325E.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

S. F. No. 409, A bill for an act relating to child abuse reporting; requiring mandated reporters to report certain past occurrences of child abuse or neglect; requiring the commissioner to investigate reports of past occurrences of child abuse or neglect in a facility; amending Minnesota Statutes 1986, section 626.556, subdivisions 3, 6, and 10b.

The bill was read for the first time and referred to the Committee on Judiciary.

S. F. No. 406, A bill for an act relating to commerce; regulating the distribution and sale of motor vehicles; limiting the granting or relocating of certain franchises; specifying the circumstances to be considered; removing certain regulations on nonrenewals; amending Minnesota Statutes 1986, section 80E.14, subdivisions 1 and 2; repealing Minnesota Statutes 1986, section 80E.10.

The bill was read for the first time and referred to the Committee on Commerce.

S. F. No. 456, A bill for an act relating to controlled substances; prescribing "small amount" of marijuana; clarifying certain Schedule II controlled substances; prescribing amount of marijuana for possession in a motor vehicle; amending Minnesota Statutes 1986, sections 152.01, subdivision 16; 152.02, subdivision 3; and 152.15, subdivision 2.

The bill was read for the first time and referred to the Committee on Judiciary.

S. F. No. 653, A resolution memorializing the Union of Soviet Socialist Republics to grant exit visas to Jewish prisoners of conscience.

The bill was read for the first time.

Segal moved that S. F. No. 653 and H. F. No. 757, now on the Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 282, A bill for an act relating to metropolitan government; permitting regional railroad authorities to engage in certain activities; amending Minnesota Statutes 1986, section 473.398.

The bill was read for the first time and referred to the Committee on Metropolitan Affairs.

S. F. No. 306, A bill for an act relating to local government; removing the compensation limitation for members of statutory city park boards; amending Minnesota Statutes 1986, section 412.501.

The bill was read for the first time.

Schreiber moved that S. F. No. 306 and H. F. No. 729, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 365, A bill for an act relating to search and seizure; requiring enforcement officers to have probable cause before entering certain buildings to determine whether wild animals are stored in compliance with the game and fish laws; amending Minnesota Statutes 1986, section 97A.215, subdivision 1.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

### CONSENT CALENDAR

S. F. No. 279 was reported to the House.

Carlson, D., moved that S. F. No. 279 be continued on the Consent Calendar until Monday, March 30, 1987. The motion prevailed.

H. F. No. 838, A bill for an act relating to St. Louis county; providing for a clerk in the unclassified civil service; amending Minnesota Statutes 1986, section 383C.035.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 122 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Dempsey	Johnson, V.	McLaughlin	Pappas
Anderson, R.	Dorn	Kahn	McPherson	Pauly
Battaglia	Forsythe	Kalis	Minne	Pelowski
Bauerly	Frederick	Kelly	Morrison	Peterson
Beard	Greenfield	Kelso	Munger	Price
Begich	Gruenes	Kinkel	Murphy	Quinn
Bennett	Gutknecht	Kludt	Nelson, C.	Quist
Bertram	Hartle	Knickerbocker	Nelson, D.	Redalen
Bishop	Haukoos	Knuth	Nelson, K.	Reding
Blatz	Heap	Kostohryz	Neuenschwander	Rest
Boo	Himle	Krueger	O'Connor	Rice
Burger	Hugoson	Larsen	Ogren	Richter
Carlson, D.	Jacobs	Lasley	Olson, E.	Riveness
Carlson, L.	Jaros	Lieder	Olson, K.	Rodosovich
Carruthers	Jefferson	Long	Omamm	Rose
Clark	Jennings	Marsh	Onnen	Rukavina
Cooper	Jensen	McDonald	Orenstein	Sarna
Dauner	Johnson, A.	McEachern	Otis	Schafer
DeBlicke	Johnson, R.	McKasy	Ozment	Schoenfeld

Schreiber	Stanius	Tompkins	Vellenga	Winter
Segal	Steensma	Trimble	Voss	Wynia
Simoneau	Sviggum	Tunheim	Wagenius	Spk. Norton
Skoglund	Swenson	Uphus	Waltman	
Solberg	Thiede	Valento	Welle	
Sparby	Tjornhom	Vanasek	Wenzel	

The bill was passed and its title agreed to.

## CALENDAR

H. F. No. 134, A bill for an act relating to employment; requiring an employer to notify employees and job applicants of bankruptcy proceedings; providing a penalty; proposing coding for new law in Minnesota Statutes, chapter 181.

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 84 yeas and 38 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Jefferson	Long	Otis	Solberg
Battaglia	Jennings	Marsh	Pappas	Sparby
Beard	Jensen	McEachern	Pelowski	Sviggum
Begich	Johnson, A.	McLaughlin	Peterson	Swenson
Brown	Johnson, R.	Minne	Price	Tjornhom
Burger	Kahn	Munger	Quinn	Trimble
Carlson, L.	Kalis	Murphy	Reding	Tunheim
Carruthers	Kelly	Nelson, C.	Rest	Vanasek
Clark	Kelso	Nelson, D.	Rice	Vellenga
Cooper	Kinkel	Nelson, K.	Riveness	Voss
DeBleck	Knickerbocker	Neuenschwander	Rodosovich	Wagenius
Dorn	Knuth	O'Connor	Rukavina	Welle
Greenfield	Kostohryz	Ogren	Sarna	Wenzel
Gruenes	Krueger	Olson, E.	Schoenfeld	Winter
Gutknecht	Larsen	Olson, K.	Segal	Wynia
Jacobs	Lasley	Onnen	Simoneau	Spk. Norton
Jaros	Lieder	Orenstein	Skoglund	

Those who voted in the negative were:

Bauerly	Dille	Johnson, V.	Poppenhagen	Steensma
Bennett	Forsythé	McDonald	Quist	Thiede
Bertram	Frederick	McPherson	Redalen	Tompkins
Blatz	Hartle	Miller	Richter	Uphus
Boo	Haukoos	Morrison	Rose	Valento
Carlson, D.	Heap	Omann	Schafer	Waltman
Dauner	Himle	Ozment	Schreiber	
Dempsey	Hugoson	Pauly	Stanius	

The bill was passed and its title agreed to.

H. F. No. 28, A bill for an act relating to financial institutions; extending the EFT law to terminals located on the premises of a

financial institution; providing options for a financial institution relating to the availability of an electronic financial terminal for other financial institutions; permitting certain advertising relating to an electronic financial terminal; amending Minnesota Statutes 1986, sections 47.61, subdivision 3; 47.63; 47.64, subdivisions 1, 3, and 4; and 47.67.

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 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Larsen	Orenstein	Simoneau
Anderson, R.	Gruenes	Lasley	Otis	Skoglund
Battaglia	Gutknecht	Lieder	Ozment	Solberg
Bauerly	Hartle	Long	Pappas	Sparby
Beard	Haukoos	Marsh	Pauly	Stanius
Begich	Heap	McDonald	Pelowski	Steensma
Bennett	Himle	McEachern	Peterson	Swiggum
Bertram	Hugoson	McKasy	Poppenhagen	Swenson
Bishop	Jacobs	McLaughlin	Price	Thiede
Blatz	Jaros	McPherson	Quinn	Tjornhom
Boo	Jefferson	Miller	Redalen	Tompkins
Brown	Jennings	Minne	Reding	Trimble
Burger	Jensen	Morrison	Rest	Tunheim
Carlson, D.	Johnson, R.	Munger	Rice	Uphus
Carlson, L.	Johnson, V.	Murphy	Richter	Valento
Carruthers	Kahn	Nelson, C.	Riveness	Vanasek
Clark	Kalis	Nelson, D.	Rodosovich	Vellenga
Cooper	Kelly	Nelson, K.	Rose	Voss
Dauner	Kelso	Neuenschwander	Rukavina	Wagenius
DeBlicke	Kinkel	O'Connor	Sarna	Waltman
Dempsey	Kludt	Ogren	Schafer	Welle
Dille	Knickerbocker	Olson, E.	Schoenfeld	Wenzel
Dorn	Knuth	Olson, K.	Schreiber	Winter
Forsythe	Kostohryz	Omann	Seaberg	Wynia
Frederick	Krueger	Onnen	Segal	Spk. Norton

The bill was passed and its title agreed to.

H. F. No. 510, A bill for an act relating to Dakota county; providing for the creation, organization, powers, and duties of a personnel system; proposing coding for new law as Minnesota Statutes, chapter 383D.

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 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Krueger	Onnen	Seaberg
Anderson, R.	Gruenes	Larsen	Orenstein	Segal
Battaglia	Gutknecht	Lasley	Otis	Simoneau
Bauerly	Hartle	Lieder	Ozment	Skoglund
Beard	Haukoos	Long	Pappas	Solberg
Begich	Heap	Marsh	Pauly	Sparby
Bennett	Himle	McDonald	Pelowski	Stanius
Bertram	Hugoson	McEachern	Peterson	Sviggum
Bishop	Jacobs	McKasy	Poppenhagen	Swenson
Blatz	Jaros	McLaughlin	Price	Thiede
Boo	Jefferson	McPherson	Quinn	Tjornhom
Brown	Jennings	Miller	Quist	Tompkins
Burger	Jensen	Minne	Redalen	Trimble
Carlson, D.	Johnson, A.	Morrison	Reding	Tunheim
Carlson, L.	Johnson, R.	Munger	Rest	Uphus
Carruthers	Johnson, V.	Murphy	Rice	Valento
Clark	Kahn	Nelson, C.	Richter	Vanasek
Cooper	Kalis	Nelson, D.	Riveness	Vellenga
Dauner	Kelly	Nelson, K.	Rodosovich	Voss
DeBlieck	Kelso	Neuenschwander	Rose	Wagenius
Dempsey	Kinkel	O'Connor	Rukavina	Waltman
Dille	Kludt	Ogren	Sarna	Welle
Dorn	Knickerbocker	Olson, E.	Schafer	Wenzel
Forsythe	Knuth	Olson, K.	Schoenfeld	Wynia
Frederick	Kostohryz	Omann	Schreiber	Spk. Norton

The bill was passed and its title agreed to.

H. F. No. 318, A bill for an act relating to crimes; creating the crime of criminal sexual conduct by impersonating a health care professional; amending Minnesota Statutes 1986, sections 609.344, subdivision 1; and 609.345, 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 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Cooper	Jaros	Larsen	Nelson, K.
Anderson, R.	Dauner	Jefferson	Lasley	Neuenschwander
Battaglia	DeBlieck	Jennings	Lieder	O'Connor
Bauerly	Dempsey	Jensen	Long	Ogren
Beard	Dille	Johnson, A.	Marsh	Olson, E.
Begich	Dorn	Johnson, R.	McDonald	Olson, K.
Bennett	Forsythe	Johnson, V.	McEachern	Omann
Bertram	Frederick	Kahn	McKasy	Onnen
Bishop	Greenfield	Kalis	McLaughlin	Orenstein
Blatz	Gruenes	Kelly	McPherson	Otis
Boo	Gutknecht	Kelso	Miller	Ozment
Brown	Hartle	Kinkel	Minne	Pappas
Burger	Haukoos	Kludt	Morrison	Pauly
Carlson, D.	Heap	Knickerbocker	Munger	Pelowski
Carlson, L.	Himle	Knuth	Murphy	Peterson
Carruthers	Hugoson	Kostohryz	Nelson, C.	Poppenhagen
Clark	Jacobs	Krueger	Nelson, D.	Price

Quinn	Rose	Skoglund	Tompkins	Waltman
Quist	Rukavina	Solberg	Trimble	Welle
Redalen	Sarna	Sparby	Tunheim	Wenzel
Reding	Schafer	Stanius	Uphus	Winter
Rest	Schoenfeld	Steensma	Valento	Wynia
Rice	Schreiber	Sviggum	Vanasek	Spk. Norton
Richter	Seaberg	Swenson	Vellenga	
Riveness	Segal	Thiede	Voss	
Rodosovich	Simoneau	Tjornhom	Wagenius	

The bill was passed and its title agreed to:

H. F. No. 336 was reported to the House.

Seaberg moved that H. F. No. 336 be re-referred to the Committee on Appropriations. The motion prevailed.

H. F. No. 432, A bill for an act relating to education; modifying certain provisions of the compulsory attendance laws; establishing new compulsory attendance requirements; amending Minnesota Statutes 1986, sections 121.11, subdivision 7; 123.935, subdivision 7; 127.19; and 127.20; proposing coding for new law in Minnesota Statutes, chapter 120; repealing Minnesota Statutes 1986, sections 120.10, subdivisions 1, 2, 2a, and 2b; and 120.12.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 105 yeas and 19 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Gruenes	Lasley	Ozment	Skoglund
Anderson, R.	Gutknecht	Lieder	Pauly	Solberg
Battaglia	Hartle	Marsh	Pelowski	Sparby
Bauerly	Haukoos	McDonald	Peterson	Stanius
Beard	Heap	McEachern	Poppenhagen	Steensma
Begich	Himle	McKasy	Quinn	Sviggum
Bennett	Hugoson	McLaughlin	Quist	Swenson
Bertram	Jaros	McPherson	Redalen	Thiede
Bishop	Jennings	Miller	Reding	Tjornhom
Blatz	Jensen	Minne	Rest	Tompkins
Boo	Johnson, A.	Morrison	Rice	Trimble
Brown	Johnson, R.	Murphy	Richter	Tunheim
Carlson, D.	Johnson, V.	Nelson, K.	Riveness	Uphus
Carlson, L.	Kalis	Neuenschwander	Rodosovich	Valento
Dauner	Kelso	O'Connor	Rose	Vellenga
DeBlieck	Kinkel	Ogren	Rukavina	Wagenius
Dempsey	Kludt	Olson, E.	Sarna	Waltman
Dille	Knickerbocker	Olson, K.	Schafer	Wenzel
Dorn	Kostohryz	Omann	Schoenfeld	Winter
Forsythe	Krueger	Onnen	Schreiber	Wynia
Frederick	Larsen	Otis	Seaberg	Spk. Norton

Those who voted in the negative were:

Carruthers	Jacobs	Knuth	Nelson, D.	Simoneau
Clark	Jefferson	Long	Orenstein	Voss
Cooper	Kahn	Munger	Pappas	Welle
Greenfield	Kelly	Nelson, C.	Price	

The bill was passed and its title agreed to.

#### CALL OF THE HOUSE

On the motion of Vanasek and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

Anderson, G.	Gutknecht	Lasley	Ozment	Skoglund
Battaglia	Hartle	Lieder	Pappas	Solberg
Bauerly	Haukoos	Long	Pauly	Sparby
Beard	Heap	Marsh	Pelowski	Stanius
Begich	Himle	McDonald	Peterson	Steensma
Bennett	Hugoson	McEachern	Poppenhagen	Sviggum
Bertram	Jacobs	McKasy	Price	Swenson
Bishop	Jaros	McLaughlin	Quinn	Tjornhom
Blatz	Jefferson	McPherson	Quist	Tompkins
Boo	Jennings	Miller	Redalen	Trimble
Brown	Jensen	Minne	Reding	Tunheim
Carlson, D.	Johnson, A.	Morrison	Rest	Uphus
Carlson, L.	Johnson, R.	Munger	Rice	Valento
Carruthers	Johnson, V.	Murphy	Richter	Vanasek
Clark	Kahn	Nelson, C.	Riveness	Vellenga
Cooper	Kalis	Nelson, K.	Rodosovich	Voss
Dauner	Kelly	Neuenschwander	Rose	Wagenius
DeBlieck	Kelso	O'Connor	Rukavina	Waltman
Dempsey	Kinkel	Ogren	Sarna	Welle
Dille	Kludt	Olson, E.	Schafer	Wenzel
Dorn	Knickerbocker	Olson, K.	Schoenfeld	Winter
Forsythe	Knuth	Omann	Schreiber	Spk. Norton
Frederick	Kostohryz	Onnen	Seaberg	
Greenfield	Krueger	Orenstein	Segal	
Gruenes	Larsen	Otis	Simoneau	

Vanasek 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.

H. F. No. 3, A bill for an act relating to labor; changing the minimum wage; amending Minnesota Statutes 1986, section 177.24, subdivision 1.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called.

Vanasek moved that those not voting be excused from voting. The motion prevailed.

There were 73 yeas and 52 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Jefferson	McEachern	Peterson	Sparby
Battaglia	Jennings	McKasy	Price	Tjornhom
Bauerly	Jensen	McLaughlin	Quinn	Tompkins
Beard	Johnson, A.	Minne	Reding	Trimble
Begich	Johnson, R.	Munger	Rest	Tunheim
Bishop	Kahn	Murphy	Rice	Vanasek
Brown	Kalis	Nelson, D.	Riveness	Vellenga
Carlson, D.	Kelly	Nelson, K.	Rodosovich	Voss
Carlson, L.	Kelso	Neuenschwander	Rukavina	Wagenius
Carruthers	Kludt	O'Connor	Sarna	Welle
Clark	Knuth	Ogren	Schoenfeld	Wenzel
Dorn	Kostohryz	Orenstein	Segal	Wynia
Greenfield	Larsen	Otis	Simoneau	Spk. Norton
Jacobs	Lasley	Ozment	Skoglund	
Jaros	Long	Pappas	Solberg	

Those who voted in the negative were:

Anderson, R.	Forsythe	Knickerbocker	Pauly	Steensma
Bennett	Frederick	Lieder	Pelowski	Sviggum
Bertram	Gruenes	McDonald	Poppenhagen	Swenson
Blatz	Gutknecht	McPherson	Quist	Thiede
Boo	Hartle	Miller	Redalen	Uphus
Burger	Haukoos	Morrison	Richter	Valento
Cooper	Heap	Nelson, C.	Rose	Waltman
Dauner	Himle	Olson, E.	Schafer	Winter
DeBlieck	Hugoson	Olson, K.	Schreiber	
Dempsey	Johnson, V.	Ormann	Seaberg	
Dille	Kinkel	Onnen	Stanius	

The bill was passed and its title agreed to.

#### MOTION FOR RECONSIDERATION

Bishop moved that the vote whereby H. F. No. 3 was passed earlier today be now reconsidered.

A roll call was requested and properly seconded.

The question was taken on the Bishop motion and the roll was called.

Vanasek moved that those not voting be excused from voting. The motion prevailed.

There were 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Battaglia	Beard	Bennett	Bishop
Anderson, R.	Bauerly	Begich	Bertram	Blatz

Boo	Jacobs	McDonald	Pelowski	Solberg
Brown	Jaros	McKasy	Peterson	Sparby
Burger	Jefferson	McLaughlin	Poppenhagen	Stanius
Carlson, D.	Jennings	McPherson	Price	Steensma
Carlson, L.	Jensen	Miller	Quinn	Sviggun
Carruthers	Johnson, A.	Minne	Quist	Swenson
Clark	Johnson, R.	Morrison	Redalen	Thiede
Cooper	Johnson, V.	Munger	Reding	Tjornhom
Dauner	Kahn	Murphy	Rest	Tompkins
DeBlicke	Kalis	Nelson, C.	Rice	Trimble
Dempsey	Kelly	Nelson, K.	Richter	Tunheim
Dille	Kelso	Neuenschwander	Riveness	Uphus
Dorn	Kinkel	O'Connor	Rodosovich	Valento
Forsythe	Kludt	Ogren	Rose	Vanasek
Frederick	Knickerbocker	Olson, E.	Rukavina	Vellenga
Greenfield	Knuth	Olson, K.	Sarna	Voss
Gruenes	Kostohryz	Omann	Schafer	Wagenius
Gutknecht	Krueger	Onnen	Schoenfeld	Waltman
Hartle	Larsen	Orenstein	Schreiber	Welle
Haukoos	Lasley	Otis	Seaberg	Wenzel
Heap	Lieder	Ozment	Segal	Winter
Himle	Long	Pappas	Simoneau	Wynia
Hugoson	Marsh	Pauly	Skoglund	Spk. Norton

The motion prevailed.

H. F. No. 3 was reported to the House.

H. F. No. 3, A bill for an act relating to labor; changing the minimum wage; amending Minnesota Statutes 1986, section 177.24, subdivision 1.

The bill was placed upon its final passage.

The question was taken on the passage of the bill and the roll was called.

Vanasek moved that those not voting be excused from voting. The motion prevailed.

There were 74 yeas and 53 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Jacobs	Kostohryz	Neuenschwander	Riveness
Battaglia	Jaros	Krueger	O'Connor	Rodosovich
Bauerly	Jefferson	Larsen	Ogren	Rukavina
Beard	Jennings	Lasley	Orenstein	Sarna
Begich	Jensen	Long	Otis	Schoenfeld
Bishop	Johnson, A.	McEachern	Ozment	Segal
Brown	Johnson, R.	McKasy	Pappas	Simoneau
Carlson, D.	Kahn	McLaughlin	Peterson	Skoglund
Carlson, L.	Kalis	Minne	Price	Solberg
Carruthers	Kelly	Munger	Quinn	Sparby
Clark	Kelso	Murphy	Reding	Tjornhom
Dorn	Kludt	Nelson, D.	Rest	Tompkins
Greenfield	Knuth	Nelson, K.	Rice	Trimble

Tunheim	Vellenga	Wagenius	Wenzel	Spk. Norton
Vanasek	Voss	Welle	Wynia	

Those who voted in the negative were:

Anderson, R.	Forsythe	Knickerbocker	Onnen	Stanius
Bennett	Frederick	Lieder	Pauly	Steensma
Bertram	Gruenes	Marsh	Pelowski	Sviggum
Blatz	Gutknecht	McDonald	Poppenhagen	Swenson
Boo	Hartle	McPherson	Quist	Thiede
Burger	Haukoos	Miller	Redalen	Uphus
Cooper	Heap	Morrison	Richter	Valento
Dauner	Himle	Nelson, C.	Rose	Waltman
DeBlieck	Hugoson	Olson, E.	Schafer	Winter
Dempsey	Johnson, V.	Olson, K.	Schreiber	
Dille	Kinkel	Omann	Seaberg	

The bill was passed and its title agreed to.

H. F. No. 123, A bill for an act relating to probate; providing for an increased sum payable to a surviving spouse by affidavit; allowing nursing home care costs to be a claim of the same class as medical and hospital expenses; increasing the value of a probate estate allowed for purposes of collection by affidavit; amending Minnesota Statutes 1986, sections 181.58; 524.3-805; and 524.3-1201.

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.

Vanasek moved that those not voting be excused from voting. The motion prevailed.

There were 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	DeBlieck	Johnson, A.	McEachern	Otis
Anderson, R.	Dempsey	Johnson, R.	McKasy	Ozment
Battaglia	Dille	Johnson, V.	McLaughlin	Pappas
Bauerly	Dorn	Kahn	McPherson	Pauly
Beard	Forsythe	Kalis	Miller	Pelowski
Begich	Frederick	Kelly	Minne	Peterson
Bennett	Greenfield	Kelso	Morrison	Poppenhagen
Bertram	Gruenes	Kinkel	Munger	Price
Bishop	Gutknecht	Kludt	Murphy	Quinn
Blatz	Hartle	Knickerbocker	Nelson, C.	Quist
Boo	Haukoos	Knuth	Nelson, K.	Redalen
Brown	Heap	Kostohryz	Neuenschwander	Reding
Burger	Himle	Krueger	O'Connor	Rest
Carlson, D.	Hugoson	Larsen	Ogren	Rice
Carlson, L.	Jacobs	Lasley	Olson, E.	Richter
Carruthers	Jaros	Lieder	Olson, K.	Rodosovich
Clark	Jefferson	Long	Omann	Rose
Cooper	Jennings	Marsh	Onnen	Rukavina
Dauner	Jensen	McDonald	Orenstein	Sarna

Schafer	Skoglund	Swenson	Uphus	Waltman
Schoenfeld	Solberg	Thiede	Valento	Welle
Schreiber	Sparby	Tjornhom	Vanasek	Wenzel
Seaberg	Stanisus	Tompkins	Vellenga	Winter
Segal	Steensma	Trimble	Voss	Wynia
Simoneau	Swiggum	Tunheim	Wagenius	Spk. Norton

The bill was passed and its title agreed to.

#### CALL OF THE HOUSE LIFTED

Vanasek moved that the call of the House be dispensed with. The motion prevailed and it was so ordered.

Sarna was excused at 4:25 p.m.

#### GENERAL ORDERS

Pursuant to Rules of the House, the House resolved itself into the Committee of the Whole with Norton in the Chair for consideration of bills pending on General Orders of the day. Simoneau presided during a portion of the meeting of the Committee of the Whole. After some time spent therein the Committee arose.

#### REPORT OF THE COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following recommendations of the Committee were reported to the House:

H. F. Nos. 526, 527, 557, 687, 29, 375, 444, 575, 661 and 713 were recommended to pass.

S. F. Nos. 137 and 97 were recommended to pass.

H. F. Nos. 257, 269, 323, 469, 208 and 660 were recommended for progress.

H. F. Nos. 137 and 227 were recommended for progress retaining their places on General Orders.

H. F. No. 397 was recommended for progress until Monday, March 30, 1987.

H. F. No. 428 was recommended for re-referral to the Committee on Appropriations.

H. F. No. 542, the first engrossment, which it recommended to pass with the following amendment offered by Welle:

Page 3, line 20, after "subdivision 3" insert "for roads approaching bridges and culverts"

On the motion of Vanasek the report of the Committee of the Whole was adopted.

#### ROLL CALLS IN COMMITTEE OF THE WHOLE

Pursuant to rule 1.6, the following roll call was taken in the Committee of the Whole:

The question was taken on the motion to recommend passage of S. F. No. 97, the unofficial engrossment, and the roll was called. There were 113 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Knuth	Olson, K.	Simoneau
Anderson, R.	Gruenes	Kostohryz	Omann	Skoglund
Battaglia	Gutknecht	Krueger	Onnen	Solberg
Bauerly	Hartle	Larsen	Orenstein	Sparby
Beard	Haukoos	Lasley	Otis	Stanius
Begich	Heap	Lieder	Ozment	Steensma
Bennett	Himle	Long	Pappas	Sviggum
Bertram	Hugoson	Marsh	Pauly	Swenson
Bishop	Jacobs	McDonald	Pelowski	Thiede
Blatz	Jaros	McEachern	Peterson	Tjornhom
Boo	Jefferson	McKasy	Poppenhagen	Tompkins
Burger	Jennings	McLaughlin	Price	Trimble
Carlson, L.	Jensen	McPherson	Quinn	Tunheim
Carruthers	Johnson, A.	Miller	Redalen	Uphus
Clark	Johnson, R.	Morrison	Reding	Valento
Cooper	Johnson, V.	Munger	Rest	Vellenga
Dauner	Kahn	Murphy	Richter	Wagenius
DeBlicck	Kalis	Nelson, C.	Rodosovich	Waltman
Dempsey	Kelly	Nelson, D.	Rukavina	Welle
Dille	Kelso	Neuenschwander	Schafer	Wenzel
Dorn	Kinkel	O'Connor	Schreiber	Winter
Forsythe	Kludt	Ogren	Seaberg	
Frederick	Knickerbocker	Olson, E.	Segal	

The motion prevailed.

#### MOTIONS AND RESOLUTIONS

Wenzel moved that the name of Thiede be added as an author on H. F. No. 254. The motion prevailed.

Kahn moved that the name of Dille be added as an author on H. F. No. 607. The motion prevailed.

Orenstein moved that the names of Milbert, Dempsey and Bishop be added as authors on H. F. No. 711. The motion prevailed.

Seaberg moved that the name of Tjornhom be added as an author on H. F. No. 755. The motion prevailed.

Frederick moved that the name of Tompkins be added as an author on H. F. No. 968. The motion prevailed.

Welle moved that his name be stricken as an author on H. F. No. 993. The motion prevailed.

McLaughlin moved that the name of Bishop be added as an author on H. F. No. 1005. The motion prevailed.

Carlson, D., moved that the name of Olsen, S., be added as an author on H. F. No. 1024. The motion prevailed.

Segal moved that the name of Haukoos be added as an author on H. F. No. 1033. The motion prevailed.

Nelson, K., moved that the name of Segal be added as an author on H. F. No. 1087. The motion prevailed.

Pauly moved that H. F. No. 1079 be recalled from the Committee on Taxes and be re-referred to the Committee on Metropolitan Affairs. The motion prevailed.

Price moved that H. F. No. 581 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 S. F. No. 168:

Bishop, Morrison and Long.

#### ADJOURNMENT

Vanasek moved that when the House adjourns today it adjourn until 2:00 p.m., Thursday, March 26, 1987. The motion prevailed.

Vanasek moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:00 p.m., Thursday, March 26, 1987.

EDWARD A. BURDICK, Chief Clerk, House of Representatives



## STATE OF MINNESOTA

## SEVENTY-FIFTH SESSION—1987

## TWENTY-FIFTH DAY

SAINT PAUL, MINNESOTA, THURSDAY, MARCH 26, 1987

The House of Representatives convened at 2:00 p.m. and was called to order by Fred C. Norton, Speaker of the House.

Prayer was offered by Pastor Daniel Buendorf, First Lutheran Church, Litchfield, Minnesota.

The roll was called and the following members were present:

Anderson, G.	Frerichs	Larsen	Orenstein	Segal
Anderson, R.	Greenfield	Lasley	Osthoff	Shaver
Battaglia	Gruenes	Lieder	Otis	Simoneau
Bauerly	Gutknecht	Long	Ozment	Skoglund
Beard	Hartle	Marsh	Pappas	Solberg
Begich	Haukoos	McDonald	Pauly	Sparby
Bennett	Heap	McEachern	Pelowski	Stanius
Bertram	Himle	McKasy	Peterson	Stensma
Bishop	Hugoson	McLaughlin	Poppenhagen	Sviggum
Blatz	Jacobs	McPherson	Price	Swenson
Boo	Jaros	Milbert	Quinn	Thiede
Brown	Jefferson	Miller	Quist	Tjornhom
Burger	Jennings	Minne	Redalen	Tompkins
Carlson, D.	Jensen	Morrison	Reding	Trimble
Carlson, L.	Johnson, A.	Murphy	Rest	Tunheim
Carruthers	Johnson, R.	Nelson, C.	Rice	Uphus
Clark	Johnson, V.	Nelson, D.	Richter	Valento
Clausnitzer	Kahn	Nelson, K.	Rodosovich	Vanasek
Cooper	Kalis	Neuenschwander	Rose	Vellenga
Dauner	Kelly	O'Connor	Rukavina	Voss
DeBlicke	Kelso	Ogren	Sarna	Wagenius
Dempsey	Kinkel	Olsen, S.	Schafer	Waltman
Dille	Kludt	Olsen, E.	Scheid	Welle
Dorn	Knickerbocker	Oison, K.	Schoenfeld	Wenzel
Forsythe	Knuth	Omann	Schreiber	Winter
Frederick	Kostohryz	Onnen	Seaberg	Wynia
				Spk. Norton

A quorum was present.

Krueger, Munger and Riveness were excused.

The Chief Clerk proceeded to read the Journal of the preceding day. Skoglund moved that further reading of the Journal be dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

## REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 424, 447, 558, 603, 653, 735, 342, 545, 591, 721, 189, 294, 354, 542 and 554 and S. F. Nos. 480, 529, 403, 470, 457, 482, 499, 365, 673, 131, 322, 409, 406, 456, 653, 282, 306, 38, 117 and 245 have been placed in the members' files.

S. F. No. 529 and H. F. No. 558, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Dauner moved that S. F. No. 529 be substituted for H. F. No. 558 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 653 and H. F. No. 757, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

## SUSPENSION OF RULES

Segal moved that the rules be so far suspended that S. F. No. 653 be substituted for H. F. No. 757 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 306 and H. F. No. 729, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

## SUSPENSION OF RULES

Schreiber moved that the rules be so far suspended that S. F. No. 306 be substituted for H. F. No. 729 and that the House File be indefinitely postponed. The motion prevailed.

## REPORTS OF STANDING COMMITTEES

Beginch from the Committee on Labor-Management Relations to which was referred:

H. F. No. 42, A bill for an act relating to employment; regulating substance abuse testing of employees and job applicants; establishing certification program of substance abuse testing facilities; ap-

appropriating money; proposing coding for new law in Minnesota Statutes, chapters 181 and 299C.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [181.94] [DEFINITIONS.]

Subdivision 1. [WORDS, TERMS, AND PHRASES.] Unless the language or context clearly indicates that a different meaning is intended, the following words, terms, and phrases for the purposes of sections 1 to 7 shall have the meanings given them in this section.

Subd. 2. [ALCOHOL.] "Alcohol" means distilled spirits, wine, malt beverages, intoxicating liquors, and ethyl alcohol (ethanol).

Subd. 3. [CONTROLLED SUBSTANCE.] "Controlled substance" is as defined in section 152.01.

Subd. 4. [EMPLOYEE.] "Employee" means any person who performs services within the state, for an employer, including full-time and part-time employees. Employee also includes an independent contractor and an employee of an independent contractor hired to perform services for another employer.

Subd. 5. [EMPLOYER.] "Employer" means any person or entity located or doing business in this state and having one or more employees, and includes the state, county, town, city, school district, or other governmental subdivision. Employer does not include the United States government.

Subd. 6. [JOB APPLICANT.] "Job applicant" means any person who applies to perform services within the state, for an employer, including full-time and part-time employment, and includes individuals who have received offers of employment conditional on taking a drug test or physical examination.

Subd. 7. [DRUG TEST.] "Drug test" means urine or blood analysis or breath test for the purpose of measuring the presence or absence of controlled substances, their metabolites, or alcohol.

Subd. 8. [SAFETY-SENSITIVE POSITION.] "Safety-sensitive position" means a job in which an impairment caused by use of a controlled substance or alcohol would affect an individual's ability to safely perform the job or would threaten the safety of others.

Sec. 2. [181.95] [PROHIBITIONS.]

Subdivision 1. [EMPLOYEES; CONDITION OF EMPLOYMENT.] The employer is prohibited from requiring or requesting employees to submit to a drug test as a condition of employment, except as provided in section 3, subdivision 1.

Subd. 2. [EMPLOYEES; RANDOM TESTING.] The employer is prohibited from requesting, requiring, or conducting random, mandatory, or company-wide drug testing, including testing as part of a routine physical except as provided in section 3, subdivision 2.

Subd. 3. [JOB APPLICANTS.] The employer is prohibited from requiring or requesting job applicants to submit to drug testing, except as provided in section 3, subdivision 3.

Sec. 3. [181.96] [CONDITIONS OF EMPLOYER DRUG TESTING.]

Subdivision 1. [PERMISSIBLE TESTING OF EMPLOYEES.] The employer may require a specific employee to submit to a drug test, subject to the provisions of this section, if the following conditions are met:

(1) the employer has a reasonable suspicion, based on specific, objective facts and reasonable inferences drawn from those facts in light of experience, that the employee's faculties are impaired on the job; and

(2) the impairment would affect the employee's ability to safely perform the job or would threaten the safety of others.

Subd. 2. [PERMISSIBLE TESTING, AS PART OF ROUTINE PHYSICAL EXAMINATIONS.] Employers may require employees in safety-sensitive positions to submit to drug testing, subject to the provisions of this section, as part of a routine physical examination where the examining physician determines that a drug test is necessary for a medical evaluation of the employee or there is a medical indication of drug use by the employee. An employee must be given 30 days advance notice before a physical if drug testing may be part of the physical.

Subd. 3. [PERMISSIBLE TESTING OF JOB APPLICANTS.] Employers may require job applicants for safety-sensitive positions to submit to drug testing, provided that the applicant has been offered the position and that the test is conducted under the provisions of this section.

If an independent contractor enters a contract to perform services, the independent contractor or the employees of an independent contractor may be tested as job applicants under this section before beginning work under the contract, if required by the contract.

Subd. 4. [TYPE OF TESTS.] The employer must ensure, to the extent feasible, that the drug tests measure only controlled substances, their metabolites, or alcohol. The employer may maintain and use information from only those tests that have been confirmed under subdivision 7 and that show the presence or absence of controlled substances, their metabolites, or alcohol.

No drug test other than urine or blood analysis or breath-testing is permitted.

Subd. 5. [PRIVACY.] No employee may be required to provide a urine sample while being observed by another individual.

Subd. 6. [USE OF QUALIFIED LABORATORIES.] Any employer requesting or requiring a job applicant or an employee to submit to a drug test for any controlled substance or their metabolites or alcohol shall use a laboratory that meets the following conditions:

(a) The director of the laboratory must possess a doctoral or masters degree in biological or medical science and at least three-years experience in an analytical toxicology laboratory. The director must be a full-time employee of the laboratory.

(b) The laboratory must have written testing procedures and procedures to assure clear chain of custody.

(c) All test results, including screening, confirmation, and quality control, must be reviewed by a qualified scientist who will certify the result as accurate. The test report shall identify the substances tested for and the result.

(d) Satisfactory performance in the proficiency testing program of the National Institute of Drug Abuse (NIDA). If this program is not operational, participation in the proficiency testing program of College of American Pathology or American Association for Clinical Chemistry.

No employer may perform the analysis of the drug tests of its own employees, except that one agency of the state may test the employees of another state agency.

Subd. 7. [CONFIRMATION OF TEST RESULTS.] (a) An employer shall not discharge, discipline, refuse to hire or otherwise discriminate against or penalize a job applicant or employee on the basis of a drug test for a controlled substance, or its metabolite, unless the results of the test are confirmed by a second test that uses a technology different from that used for the first test. The tests must employ a combination of methods using immuno-chemical technology or chromatography as a screening test, confirmed by gas chromatography/mass spectrometry, where that is the scientifically

accepted reference method of choice. Where gas chromatography/mass spectrometry is not the method of choice, the test must be confirmed by a method using some form of chromatography.

(b) An employer shall not discharge, discipline, refuse to hire or otherwise discriminate against or penalize a job applicant or employee on the basis of a drug test for alcohol using a breath-testing instrument unless the test is confirmed by a blood analysis.

Subd. 8. [WRITTEN POLICY.] (a) An employer shall not require an employee or job applicant to submit to drug testing except pursuant to a written policy, which shall be provided to job applicants who have been offered employment and employees upon adoption of the policy or when the individual is offered employment, if the policy was previously adopted.

(b) The drug testing policy must, at a minimum, set forth the following information:

(1) the employees or job applicants subject to testing under the policy;

(2) the circumstances that would give rise to drug testing;

(3) the right of an employee or job applicant to refuse testing and the consequences of a refusal;

(4) any disciplinary or other adverse personnel action that may be taken following a positive test result; and

(5) the procedures for explaining the test results; the right to a retest under section 4, subdivision 2; and any other appeals procedure.

Subd. 9. [NOTICE BEFORE TESTING.] At the time a test is administered, the employer must provide the employee or job applicant with a form to acknowledge that the employee or job applicant has seen the policy and to note any medication being taken by the employee or job applicant. The employer may require the subject of a drug test to sign a form verifying that the test specimen, in fact, came from the test subject.

Sec. 4. [181.97] [RIGHTS OF EMPLOYEES AND JOB APPLICANTS.]

Subdivision 1. [RESULTS OF TEST.] A job applicant or employee must be informed of a confirmed positive drug test. The job applicant or employee has the right to a copy of the results and the right to see any information related to the test that is placed in the employee's

personnel file. The applicant or employee must be given a reasonable opportunity to explain a positive test result. An employer who withdraws an offer because of a drug test must inform the applicant of the reason for its action.

(b) An employer may not discharge, discipline, or discriminate against an employee on the basis of a disability or a medical or psychiatric condition, other than use of controlled substances or alcohol, revealed to the employer through a drug test or revealed before or after a test to explain the presence of a controlled substance or metabolite, unless the employee was under an affirmative duty to provide the information at the time of or subsequent to hire.

Subd. 2. [RETESTING.] Within five working days of receipt of the confirmed test results, the job applicant or employee may request an additional retest of the original sample at the applicant's or employee's expense. The retest must be performed by a laboratory that meets the qualifications of section 3, subdivision 6, must be confirmed as provided in section 3, subdivision 7, and must use the same drug threshold detection level as used in the original confirmatory test. If the retest does not confirm the original positive test result, no adverse action based on the original test may be taken against the job applicant or employee.

Subd. 3. [CONFIDENTIALITY.] (a) Employers must establish a reasonable system to prevent mislabeling or mishandling of specimens, to prevent chain of custody problems and to ensure confidentiality of test results.

(b) All information acquired by the employer in the testing process is private and privileged and cannot be released to anyone, including other employers or government agencies, other than the subject of the test. The employer shall designate the individual authorized to receive the test results who may not share the test results with another employee or agent of the employer except where there is a demonstrated business necessity.

(c) Notwithstanding paragraph (b), evidence of a positive test which was confirmed under section 3, subdivision 7, may be: (1) provided to a substance abuse treatment facility for the purpose of evaluation or treatment of the employee; (2) used in an arbitration or grievance proceeding pursuant to a collective bargaining agreement; an administrative hearing under chapter 43A or other applicable state or local law, or a judicial proceeding, provided that information is relevant to the hearing or proceeding; or (3) disclosed to any federal agency or other unit of the United States government as required under federal law or in accordance with compliance requirements of a federal government contract.

(d) Notwithstanding paragraph (c), the results of any drug test requested, required, or conducted by an employer may not be used in a criminal case.

Subd. 4. [RETALIATION.] An employer shall not penalize an employee for asserting rights provided by sections 1 to 7.

**Sec. 5. [181.98] [FREEDOM OF COLLECTIVE BARGAINING.]**

Nothing in sections 1 to 7 shall be construed to interfere with or diminish any protection already provided under collective bargaining agreements that exceed the minimum standards of employee protection provided by sections 1 to 7. In addition, nothing in sections 1 to 7 shall be construed to limit the freedom of employees to bargain collectively for different drug testing policy, if the protection provided by the negotiated plan meets or exceeds the minimum standards of employee protection provided by sections 1 to 7.

**Sec. 6. [181.99] [FEDERAL PREEMPTION.]**

Sections 1 to 5 do not apply to employees or job applicants of employers where the specific work performed requires those employees or job applicants to be subject to drug and alcohol testing pursuant to federal rules, regulations, or requirements necessary to operate federally regulated facilities, or federal contracts where drug and alcohol testing is conducted for security, safety, or protection of sensitive or proprietary data provided that employers must comply with those provisions that are not inconsistent with any federal rules, regulations, or requirements necessary to operate federally regulated facilities or federal contracts requiring drug and alcohol testing.

**Sec. 7. [181.991] [INDIVIDUAL REMEDIES.]**

In addition to any remedies provided by law, any employee or job applicant injured by a violation of sections 2 to 6 may bring a civil action to recover damages allowable at law, including punitive damages, together with costs and disbursements, including reasonable attorney's fees, and may receive such injunctive and other equitable relief, including reinstatement and backpay, as determined by the court."

Delete the title and insert:

"A bill for an act relating to employment; regulating substance abuse testing of employees and job applicants; proposing coding for new law in Minnesota Statutes, chapter 181."

With the recommendation that when so amended the bill pass.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 111, A bill for an act relating to motor vehicles; authorizing special license plates for Pearl Harbor survivors; proposing coding for new law in Minnesota Statutes, chapter 168.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 168, A bill for an act relating to motor vehicles; taxation; providing for taxation of pickup trucks with a carrying capacity of 2,000 pounds or less; amending Minnesota Statutes 1986, section 168.011, subdivision 7.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 168.013, subdivision 1e, is amended to read:

Subd. 1e. [TRUCKS; TRACTORS; COMBINATIONS; EXCEPTIONS.] On trucks and tractors except those in this chapter defined as farm trucks, on truck-tractor and semitrailer combinations except those defined as farm combinations, and on commercial zone vehicles, the tax based on total gross weight shall be graduated according to the Minnesota base rate schedule prescribed in this subdivision, but and in no event less than \$120 except in the case of vehicles registered at a gross weight of 9,000 pounds or less which are in the ninth or succeeding years of vehicle life the tax is \$35.

Minnesota Base Rate Schedule  
Scheduled taxes include five percent  
surtax provided for in subdivision 14

	TOTAL GROSS WEIGHT IN POUNDS	TAX
A	0 - 1,500	\$ 15
B	1,501 - 3,000	20

C	3,001 - 4,500	25
D	4,501 - 6,000	35
E	6,001 - 9,000	45
F	9,001 - 12,000	70
G	12,001 - 15,000	105
H	15,001 - 18,000	145
I	18,001 - 21,000	190
J	21,001 - 26,000	270
K	26,001 - 33,000	360
L	33,001 - 39,000	475
M	39,001 - 45,000	595
N	45,001 - 51,000	715
O	51,001 - 57,000	865
P	57,001 - 63,000	1015
Q	63,001 - 69,000	1185
R	69,001 - 73,280	1325
S	73,281 - 78,000	1595
T	78,001 - 81,000	1760

For purposes of the Minnesota base rate schedule, for vehicles with six or more axles in the "S" and "T" categories, the base rates are \$1,520 and \$1,620 respectively.

For each vehicle with a gross weight in excess of 81,000 pounds an additional tax of \$50 is imposed for each ton or fraction thereof in excess of 81,000 pounds, subject to subdivision 12.

Truck-tractors except those herein defined as farm and commercial zone vehicles shall be taxed in accord with the foregoing gross

weight tax schedule on the basis of the combined gross weight of the truck-tractor and any semitrailer or semitrailers which the applicant proposes to combine with the truck-tractor.

Commercial zone trucks include only trucks, truck-tractors, and semitrailer combinations which are:

(1) used by an authorized local cartage carrier operating under a permit issued under section 221.296 and whose gross transportation revenue consists of at least 60 percent obtained solely from local cartage carriage, and are operated solely within an area composed of two contiguous cities of the first class and municipalities contiguous thereto as defined by section 221.011, subdivision 17; or,

(2) operated by an interstate carrier registered under section 221.60, or by an authorized local cartage carrier or other carrier receiving operating authority under chapter 221, and operated solely within a zone exempt from regulation by the interstate commerce commission pursuant to United States Code, title 49, section 10526(b).

The license plates issued for commercial zone vehicles shall be plainly marked. A person operating a commercial zone vehicle outside the zone or area in which its operation is authorized is guilty of a misdemeanor and, in addition to the penalty therefor, shall have the registration of the vehicle as a commercial zone vehicle revoked by the registrar and shall be required to reregister the vehicle at 100 percent of the full annual tax prescribed in the Minnesota base rate schedule, and no part of this tax shall be refunded during the balance of the registration year.

On commercial zone trucks the tax shall be based on the total gross weight of the vehicle and during each of the first eight years of vehicle life shall be 75 percent of the Minnesota base rate schedule. During the ninth and succeeding years of vehicle life the tax shall be 50 percent of the Minnesota base rate schedule.

On trucks, truck-tractors and semitrailer combinations, except those defined as farm trucks and farm combinations, except for pickup trucks with a carrying capacity of 2,000 pounds or less and in the 11th or succeeding year of vehicle life, and except for those commercial zone vehicles specifically provided for in this subdivision, the tax for each of the first eight years of vehicle life shall be 100 percent of the tax imposed in the Minnesota base rate schedule, and during the ninth and succeeding years of vehicle life, the tax shall be 75 percent of the Minnesota base rate prescribed by this subdivision.

A truck with a manufacturer's nominal rated carrying capacity of 2,000 pounds or less, in the 11th or succeeding year of vehicle life, that would conform to the definition of pickup truck except that the

carrying capacity of the truck is greater than 1,500 pounds, the tax shall be the same as for a pickup truck of the same age, taxed under subdivision 1a. If the truck does not have a manufacturer's rated carrying capacity, the capacity is computed by subtracting the unladen weight of the truck from its gross vehicle weight. The truck shall retain its commercial license plates."

Amend the title as follows:

Page 1, delete line 5, and insert "1986, section 168.013, subdivision 1e."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 286, A bill for an act relating to witnesses; removing the presumption against the competency of certain witnesses; amending Minnesota Statutes 1986, section 595.02, subdivision 1.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 297, A bill for an act relating to real property; creating a lien against real property for expenses incurred by agencies or political subdivisions in taking action to protect public health, safety, or the environment with respect to the release of substances; providing for filing, enforcement, and appeal of the lien; proposing coding for new law in Minnesota Statutes, chapter 514.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [514.675] [LIEN FOR EXPENSES OF ACTIONS TO PROTECT PUBLIC HEALTH, SAFETY, OR THE ENVIRONMENT.]

Subdivision 1. [DEFINITIONS.] The definitions in this subdivision apply to this section.

(a) "Agency" means the pollution control agency.

(b) "Release" means a release of a hazardous substance or pollutant or contaminant as those terms are defined in section 115B.02, or an unauthorized discharge of pollutants for which any state expenses are recoverable under section 115.071, subdivision 3, clause (a).

(c) "Remedial action" means action to prevent, control, mitigate, or remedy a release or threatened release, including related investigation, preparation, and monitoring activities.

Subd. 2. [NATURE AND AMOUNT OF LIEN.] When an agency takes remedial action that is reasonable and necessary to protect the public health, safety, or the environment, the expenses incurred in taking the remedial action, including administrative and legal expenses, constitute a lien against the real property where the release originated or where the remedial action is taken. The lien is effective upon filing of a notice of lien in the office of the county recorder in the county where the property is located. The lien expires ten years after the date the notice of lien is filed unless, before the date of expiration, the agency files a lien statement under subdivision 6.

Subd. 3. [AMOUNT OF LIEN LIMITED; PRIORITY.] Except as provided in subdivisions 4 and 5, the amount of the lien created under this section is limited to any increase in market value of the real property attributable to the remedial action taken, and has priority over all other liens and encumbrances on the real property regardless of when they were recorded, including liens and encumbrances recorded before the effective date of this section.

Subd. 4. [EXCEPTION FOR RESIDENTIAL PROPERTY.] A lien on any real property, the greater part of which is devoted to single or multifamily housing, is subordinate to all other liens and encumbrances recorded before the notice of lien is filed.

Subd. 5. [LIEN WHERE OWNER IS LEGALLY RESPONSIBLE FOR RELEASE.] If the owner of the real property where the release originated, or where the remedial action is taken, is legally responsible for the release, then the following provisions apply:

(a) The amount of the lien is the full amount of the expenses incurred in taking the remedial action, including legal and administrative expenses.

(b) Except as provided in subdivision 4, the lien has priority over all other liens and encumbrances on the real property, regardless of when they were recorded, to the extent of any increase in market value of the real property attributable to the remedial action.

(c) With respect to any amount of a lien that exceeds the increase in market value of the real property attributable to the remedial action or a lien on real property where there is no increase in market value attributable to the remedial action, the lien is subordinate to all other liens and encumbrances recorded before the notice of the lien is filed.

(d) In addition to real property against which a lien may be filed under subdivision 2, the following real property of the same owner is subject to the lien created under this section:

(1) real property contiguous to the property against which the lien may be filed under subdivision 2, if the contiguous property was included in the legal description of the other property within the five years preceding the filing of the notice of lien; and

(2) real property where the substances contained in the release were generated or stored before coming to be located at the property where the release occurred.

Subd. 6. [FILING AND RECORDING; APPRAISAL.] (a) A notice of the lien may be filed after the agency has provided to the owner of the property against which the lien is to be filed, and to any record holder of a first mortgage on the property, notice of the agency's intent to take remedial action and an opportunity to negotiate an agreement with the agency concerning the taking of remedial action and reimbursement of the agency's remedial action expenses. In the case of remedial action to be taken under section 115B.17, the procedures required as a condition of taking action under section 115B.17, subdivision 1, constitute notice and opportunity for negotiation under this subdivision provided that the owner and any record holder of a first mortgage on the property are notified of the requested actions and are afforded an opportunity to negotiate with the agency.

(b) The notice of lien must state the date when remedial action began, the name, address, and telephone number of the agency taking the remedial action, the purpose of the remedial action, the name of the owner, and the legal description of the real property subject to the lien. Within 60 days of filing the notice of lien, the agency shall send a copy of the notice by certified mail to the owner and any holder of a first mortgage on the property.

(c) At any time after expenses have been incurred, a lien statement may be filed showing:

(1) the purpose and amount of the expenses incurred in taking the remedial action;

(2) the name, address, and telephone number of the agency that incurred the expenses;

(3) the amount of any increase in the market value of the real property attributable to the remedial action;

(4) the amount of the lien claim if the owner is legally responsible for the release for which the remedial action was taken; and

(5) the name of the owner and the legal description of the property subject to the lien.

(d) Except for a lien under subdivision 5 against real property where no increase in market value is claimed, an appraisal of the market value of the real property before and after the remedial action must be attached to the lien statement. Any appraisal of the market value of the real property before remedial action must be made before the agency takes the action, other than preparation and investigation, and must take into account the existence and scope of the release for which remedial action will be taken. Appraisals must be performed by a qualified, independent appraiser selected by the agency.

(e) When a notice of lien has been filed but no lien statement has been filed, the agency shall execute a release of the notice upon request of any person with a legal interest in the real property if the agency determines that any claim for expenses incurred in taking the remedial action has been satisfied by payment, agreement, stipulation, or otherwise. After a lien statement has been filed, the agency shall execute a partial or full satisfaction of the lien upon request of any person with a legal interest in the real property if the claim for expenses incurred in taking remedial action has been partially or fully paid.

(f) Notices and statements must be filed in the office of the county recorder of the county in which the real property is located. No attestation, certification, or acknowledgement is required as a condition of filing.

Subd. 7. [ACTION TO CHALLENGE LIEN.] Within 30 days after filing a lien statement, the agency shall serve, in the manner provided for service of pleadings under the rules of civil procedure, a copy of the lien statement and any appraisal on all owners, lien holders, or encumbrancers of record. Any owner, lienholder, or encumbrancer may challenge the amount, validity, or priority of the lien by commencing an action in district court within 60 days after the date of service.

If an action is brought challenging the amount of increase in value of the real property attributable to the remedial action, the court shall appoint commissioners to determine the increase in value and shall make a final determination of the increased value attributable to the remedial action consistent with the provisions for determining value of property as provided in chapter 117, as far as practica-

ble. The agency's certification of expenses shall be prima facie evidence that the expenses are reasonable and necessary. The action provided in this subdivision is the exclusive method of challenging the amount, validity, or priority of a lien for which a lien statement is filed under this section.

Subd. 8. [ENFORCEMENT.] A lien created under this section is enforceable at the time that ownership of property subject to the lien is transferred or in any bankruptcy proceeding in which the property is an asset of the bankrupt estate.

Subd. 9. [OFFICER RESPONSIBLE FOR ADMINISTRATION; DISPOSITION OF PAYMENTS.] The filing, mailing, or serving of a document authorized or required under this section is the responsibility of the director of the agency, or a delegate of the director. Amounts received in payment of claims for expenses incurred in taking remedial action, or in satisfaction of any lien under this section, must be deposited in the fund from which the expenses were paid.

Subd. 10. [OTHER REMEDIES PRESERVED.] Nothing in this section affects the right of the agency to use a remedy available under other law to recover expenses incurred in taking remedial action.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Judiciary.

The report was adopted.

Skoglund from the Committee on Financial Institutions and Insurance to which was referred:

H. F. No. 392, A bill for an act relating to insurance; requiring notification of group life or health coverage changes; imposing certain bond or securities requirements on workers' compensation self-insurers; eliminating mandatory temporary insurance agent licenses; requiring those who solicit insurance to act as agent for the insured; regulating surplus lines insurance; regulating rates and forms; regulating insurance plan administrators; regulating the renewal, nonrenewal, and cancellation of commercial liability and property insurance policies; providing continued group life coverage upon termination or layoff; requiring an assignment of reinsurance rights upon insolvency; providing for the establishment and operation of the insurance guaranty association and the life and health guaranty association; regulating accident and health insurance;

providing for the extraterritorial application of coverages; prohibiting duplicate coverages; requiring the treatment of pregnancy-related conditions in the same manner as other illnesses; mandating certain coverages; clarifying coverage for handicapped dependents; providing continued group accident and health coverage upon termination or layoff; requiring coverage of current spouse and children; imposing surety bond requirements on certain health benefit plans; regulating Medicare supplement plan premium refunds; authorizing the renewal of certain long-term health policies; providing for the establishment and operation of the comprehensive health association and the joint underwriting association; providing comprehensive health insurance coverage for certain employees not eligible for Medicare; regulating fraternal benefit associations; regulating automobile insurance; limiting the cancellation of fire insurance binders and policies; providing for administration of the FAIR plan; requiring accident prevention course premium reductions; limiting the grounds for cancellation or reduction in limits during the policy period; extending basic economic loss benefit protection; requiring coverages for former spouses; regulating collision damage waiver fees; specifying membership on the assigned claims bureau; extending no-fault benefits to pedestrians who are struck by motorcycles; regulating township mutual insurance companies; authorizing investments in certain insurers; regulating trade practices; requiring life and health insurers to substantiate the underwriting standards they use; providing assigned risk plan coverage for certain vehicles used by the handicapped; regulating motor vehicle repairs; granting immunity from liability for volunteer coaches, managers, and officials; prescribing penalties; amending Minnesota Statutes 1986, sections 45.024, subdivision 2; 60A.17, subdivisions 2c, 11, and 13; 60A.196; 60A.197; 60A.198, subdivision 3; 60A.23, subdivision 8; 60A.30; 60B.44, subdivisions 1, 4, 5, and 9; 60C.03, subdivision 8; 60C.08, subdivision 1; 60C.09; 60C.10, by adding a subdivision; 61B.05, subdivision 1; 62A.01; 62A.02, subdivision 2; 62A.03, by adding a subdivision; 62A.041; 62A.043, by adding a subdivision; 62A.141; 62A.146; 62A.17; 62A.21; 62A.43, subdivision 2; 62A.48, by adding a subdivision; 62E.10, subdivision 2; 62E.14, by adding a subdivision; 62H.04; 62I.02, by adding a subdivision; 62I.03, subdivision 5; 62I.04; 62I.16, subdivisions 3 and 4; 64B.11, subdivision 4; 64B.27; 65A.01, subdivision 3a; 65A.03, subdivision 1; 65A.10; 65A.29, by adding a subdivision; 65A.35, subdivision 5; 65B.03, subdivision 1; 65B.1311; 65B.15, subdivision 1; 65B.16; 65B.21, subdivision 2; 65B.28; 65B.46; 65B.63, subdivision 1; 67A.05, subdivision 2; 67A.06; 67A.231; 70A.04, subdivision 2; 70A.08, subdivision 3; 72A.20, subdivisions 11, 12a, and by adding a subdivision; 72A.51, subdivision 2; and 169.045, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 60A; 61A; 62A; 62E; 65B; and 604; repealing Minnesota Statutes 1986, sections 62F.04, subdivision 1a; 62I.02, subdivision 3; 67A.43, subdivision 3; and 466.07, subdivision 4; and Minnesota Rules, parts 2700.2400 to 2700.2440.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

**"Section 1. [60A.084] [NOTIFICATION ON GROUP POLICIES.]**

An employer providing life or health benefits to a group policy-holder may not change benefits, limit coverage, or otherwise restrict participation until the certificate holder or enrollee has been notified of any changes, limitations, or restrictions. Notice in a format which meets the requirements of the Employee Retirement Income Security Act, 29 U.S.C.A. sections 1001 to 1461, shall be satisfactory for compliance within this section.

Sec. 2. Minnesota Statutes 1986, section 60A.17, subdivision 2c, is amended to read:

Subd. 2c. [~~MANDATORY TEMPORARY LICENSES.~~] The commissioner ~~shall~~ may grant a temporary insurance agent's license to a person who has ~~submitted an application for a resident license which is accepted by the commissioner and who has successfully completed the examination, if any, required by the commissioner.~~ submitted an application for a resident license which is accepted by the commissioner and who has successfully completed the examination, if any, required by the commissioner. The temporary license ~~shall~~ may be granted ~~no later than as of the date upon which the applicant receives written notice from the commissioner that the application for resident license has been accepted by the commissioner and that the person has passed any required examination.~~ no later than as of the date upon which the applicant receives written notice from the commissioner that the application for resident license has been accepted by the commissioner and that the person has passed any required examination. A temporary license will permit the applicant to act as an insurance agent for the original appointing insurer for the class of business specified therein until the earlier of (a) receipt by the applicant of the resident license, or (b) the expiration of 90 days from the date on which the temporary license was granted.

Sec. 3. Minnesota Statutes 1986, section 60A.17, subdivision 11, is amended to read:

Subd. 11. [~~LIFE COMPANY AGENTS INSURER'S AGENT.~~] Any person who ~~shall solicit an application for~~ solicits insurance ~~upon the life of another shall, in any controversy between the assured or the assured's beneficiary and the company issuing any policy upon such application, be regarded as is the agent of the company insurer and not the agent of the assured insured.~~ upon the life of another shall, in any controversy between the assured or the assured's beneficiary and the company issuing any policy upon such application, be regarded as is the agent of the company insurer and not the agent of the assured insured.

Sec. 4. Minnesota Statutes 1986, section 60A.17, subdivision 13, is amended to read:

Subd. 13. [~~AGENTS; VARIABLE CONTRACTS.~~] (a) [~~LICENSE REQUIRED.~~] No person shall sell or offer for sale a contract on a variable basis unless prior to making any solicitation or sale the person has obtained from the commissioner a license therefor. The license shall only be granted, upon the written requisition of an insurer, to a qualified person who holds a current license authorizing the person to solicit and sell life insurance and annuity contracts in

this state. To become qualified, a person shall complete a written application on a form prescribed by the commissioner and shall take and pass an examination prescribed by the commissioner. ~~Prior to the taking of the examination, or upon reexamination, the applicant shall transmit to the commissioner, by money order or cashiers check payable to the state treasurer, an examination fee of \$10.~~

(b) [EXCEPTIONS.] (1) Any regularly salaried officer or employee of a licensed insurer may, without license or other qualification, act on behalf of that licensed insurer in the negotiation of a contract on a variable basis, provided that a licensed agent must participate in the sale of any contract.

(2) Any person who, on July 1, 1969, holds a valid license authorizing the person to solicit and sell life insurance and annuity contracts and who also holds a valid license issued by the department of commerce authorizing the person to sell or offer for sale contracts on a variable basis shall be issued a license by the commissioner of commerce upon application therefor and payment of a \$2 fee, which license shall expire on May 31, 1970, unless renewed by an insurer as provided in paragraph (a).

(3) Any person who holds a valid license to solicit and sell life insurance and annuity contracts may solicit and sell contracts on a variable basis without acquiring a license under this subdivision if the contract is based on an account which is excluded from the definition of investment company under the Investment Company Act of 1940, United States Code, title 15, section 80a-3(11).

(c) [RULES.] The commissioner may by rules waive or modify any of the foregoing requirements or prescribe additional requirements deemed necessary for the proper sale and solicitation of contracts on a variable basis.

Sec. 5. Minnesota Statutes 1986, section 60A.196, is amended to read:

60A.196 [DEFINITIONS.]

Unless the context otherwise requires, the following terms have the meanings given them for the purposes of sections 60A.195 to 60A.209:

(a) "Surplus lines insurance" means insurance placed with an insurer permitted to transact the business of insurance in this state only pursuant to sections 60A.195 to 60A.209.

(b) "Eligible surplus lines insurer" means an insurer recognized as eligible to write insurance business under sections 60A.195 to

60A.209 but not licensed by any other Minnesota law to transact the business of insurance.

(c) "Ineligible surplus lines insurer" means an insurer not recognized as an eligible surplus lines insurer pursuant to sections 60A.195 to 60A.209 and not licensed by any other Minnesota law to transact the business of insurance. "Ineligible surplus insurer" includes a risk retention group as defined under the Liability Risk Retention Act, Public Law Number 99-563.

(d) "Surplus lines licensee" or "licensee" means a person licensed under sections 60A.195 to 60A.209 to place insurance with an eligible or ineligible surplus lines insurer.

(e) "Association" means an association registered under section 60A.208.

(f) "Alien insurer" means any insurer which is incorporated or otherwise organized outside of the United States.

(g) "Insurance laws" means chapters 60 to 79 inclusive.

Sec. 6. Minnesota Statutes 1986, section 60A.197, is amended to read:

#### 60A.197 [RATES AND FORMS.]

(a) Rates used by eligible and ineligible surplus lines insurers shall not be subject to the insurance laws except that a rate shall not be excessive, inadequate, or unfairly discriminatory and shall be subject to sections 70A.04, 70A.05, and 70A.11.

(b) Forms used by eligible and ineligible surplus lines insurers pursuant to sections 60A.195 to 60A.209 ~~shall not be~~ are subject to ~~the insurance laws, except that a section 70A.08, subdivision 3. If a rate service organization has not adopted a form for a particular type of insured, or if the commissioner has not restricted approval to the form adopted by the rate service organization, then forms used by surplus lines insurers are not subject to section 70A.08, subdivision 3. No policy shall not may~~ contain language which misrepresents the true nature of the policy or class of policies. Except as otherwise required in this section, forms used by surplus lines insurers under sections 60A.195 to 60A.209 are not subject to the insurance laws.

Sec. 7. Minnesota Statutes 1986, section 60A.198, subdivision 3, is amended to read:

Subd. 3. [PROCEDURE FOR OBTAINING LICENSE.] A person licensed as a ~~resident~~ an agent in this state pursuant to other law may obtain a surplus lines license by doing the following:

(a) filing an application in the form and with the information the commissioner may reasonably require to determine the ability of the

applicant to act in accordance with sections 60A.195 to 60A.209;

(b) maintaining a ~~resident agent~~ an agent's license in this state;

(c) delivering to the commissioner a financial guarantee bond from a surety acceptable to the commissioner for the greater of the following:

(1) \$5,000; or

(2) the largest semiannual surplus lines premium tax liability incurred by the applicant in the immediately preceding five years; and

(d) agreeing to file with the commissioner of revenue no later than February 15 and August 15 annually, a sworn statement of the charges for insurance procured or placed and the amounts returned on the insurance canceled under the license for the preceding six-month period ending December 31 and June 30 respectively, and at the time of the filing of this statement, paying the commissioner a tax on premiums equal to three percent of the total written premiums less cancellations; and

(e) annually paying a fee as prescribed by section 60A.14, subdivision 1, paragraph (c), clause (11).

Sec. 8. [60A.2095] [CONSTRUCTION.]

Nothing in sections 60A.195 to 60A.209 shall be construed to permit the state to impose requirements beyond those granted by the Liability Risk Retention Act, Public Law Number 99-563.

Sec. 9. Minnesota Statutes 1986, section 60A.23, subdivision 8, is amended to read:

Subd. 8. [SELF-INSURANCE OR INSURANCE PLAN ADMINISTRATORS; WHO ARE VENDORS OF RISK MANAGEMENT SERVICES.] (1) [SCOPE.] This subdivision applies to any vendor of risk management services and to any entity which administers, for compensation, a self-insurance or insurance plan. This subdivision does not apply (a) to an insurance company authorized to transact insurance in this state, as defined by section 60A.06, subdivision 1, clauses (4) and (5); (b) to a service plan corporation, as defined by section 62C.02, subdivision 6; (c) to a health maintenance organization, as defined by section 62D.02, subdivision 4; (d) to an employer directly operating a self-insurance plan for its employees' benefits; or (e) to an entity which administers a program of health benefits established pursuant to a collective bargaining agreement between

an employer, or group or association of employers, and a union or unions.

(2) [DEFINITIONS.] For purposes of this subdivision the following terms have the meanings given them.

(a) "Administering a self-insurance or insurance plan" means (i) processing, reviewing or paying claims, (ii) establishing or operating funds and accounts, or (iii) otherwise providing necessary administrative services in connection with the operation of a self-insurance or insurance plan.

(b) "Employer" means an employer, as defined by section 62E.02, subdivision 2.

(c) "Entity" means any association, corporation, partnership, sole proprietorship, trust, or other business entity engaged in or transacting business in this state.

(d) "Self-insurance or insurance plan" means a plan providing life, medical or hospital care, accident, sickness or disability insurance, as an employee fringe benefit, or a plan providing liability coverage for any other risk or hazard, which is or is not directly insured or provided by a licensed insurer, service plan corporation, or health maintenance organization.

(e) "Vendor of risk management services" means an entity providing for compensation actuarial, financial management, accounting, legal or other services for the purpose of designing and establishing a self-insurance or insurance plan for an employer.

(3) [LICENSE.] No vendor of risk management services or entity administering a self-insurance or insurance plan may transact this business in this state unless it is licensed to do so by the commissioner. An applicant for a license shall state in writing the type of activities it seeks authorization to engage in and the type of services it seeks authorization to provide. The license may be granted only when the commissioner is satisfied that the entity possesses the necessary organization, background, expertise, and financial integrity to supply the services sought to be offered. The commissioner may issue a license subject to restrictions or limitations upon the authorization, including the type of services which may be supplied or the activities which may be engaged in. The license fee is \$100. All licenses are for a period of two years.

(4) [REGULATORY RESTRICTIONS; POWERS OF THE COMMISSIONER.] To assure that self-insurance or insurance plans are financially solvent, are administered in a fair and equitable fashion, and are processing claims and paying benefits in a prompt, fair, and honest manner, vendors of risk management services and entities administering insurance or self-insurance plans are subject to the

supervision and examination by the commissioner. Vendors of risk management services, entities administering insurance or self-insurance plans, and insurance or self-insurance plans established or operated by them are subject to the trade practice requirements of sections 72A.19 to 72A.30.

(5) [RULE MAKING AUTHORITY.] To carry out the purposes of this subdivision, the commissioner may adopt rules, including emergency rules, pursuant to sections 14.01 to ~~14.70~~ 14.69. These rules may:

(a) establish reporting requirements for administrators of insurance or self-insurance plans;

(b) establish standards and guidelines to assure the adequacy of financing, reinsuring, and administration of insurance or self-insurance plans;

(c) establish bonding requirements or other provisions assuring the financial integrity of entities administering insurance or self-insurance plans; or

(d) establish other reasonable requirements to further the purposes of this subdivision.

Sec. 10. Minnesota Statutes 1986, section 60A.30, is amended to read:

**60A.30 [RENEWAL OF INSURANCE POLICY WITH ALTERED RATES.]**

If an insurance company licensed to do business in this state offers or purports to offer to renew any commercial liability and/or property insurance policy at less favorable terms as to the dollar amount of coverage or deductibles, higher rates, and/or higher rating plan, the new terms, the new rates and/or rating plan may take effect on the renewal date of the policy if the insurer has sent to the policyholder notice of the new terms, new rates and/or rating plan at least ~~30~~ 60 days prior to the expiration date. If the insurer has not so notified the policyholder, the policyholder may elect to cancel the renewal policy within the ~~30-day~~ 60-day period after receipt of the notice. Earned premium for the period of coverage, if any, shall be calculated pro rata upon the prior rate. This subdivision does not apply to ocean marine insurance, accident and health insurance, and reinsurance.

This section does not apply if the change relates to guide "a" rates or excess rates also known as "consent to rates."

Sec. 11. [60A.35] [SCOPE.]

Except as specifically limited in section 60A.30, sections 11 to 14 apply to all commercial liability and/or property insurance policies issued by companies licensed to do business in this state except ocean marine insurance, accident and health insurance, excess insurance, surplus lines insurance, and reinsurance.

Sec. 12. [60A.36] [MIDTERM CANCELLATION.]

Subdivision 1. [REASON FOR CANCELLATION.] No insurer may cancel a policy of commercial liability and/or property insurance during the term of the policy, except for one or more of the following reasons:

- (1) nonpayment of premium;
- (2) misrepresentation or fraud made by or with the knowledge of the insured in obtaining the policy or in pursuing a claim under the policy;
- (3) actions by the insured that have substantially increased or substantially changed the risk insured;
- (4) refusal of the insured to eliminate known conditions that increase the potential for loss after notification by the insurer that the condition must be removed;
- (5) substantial change in the risk assumed, except to the extent that the insurer should reasonably have foreseen the change or contemplated the risk in writing the contract;
- (6) loss of reinsurance by the insurer which provided coverage to the insurer for a significant amount of the underlying risk insured. A notice of cancellation under this clause shall advise the policyholder that the policyholder has ten days from the date of receipt of the notice to appeal the cancellation to the commissioner of commerce and that the commissioner will render a decision as to whether the cancellation is justified because of the loss of reinsurance within five business days after receipt of the appeal;
- (7) a determination by the commissioner that the continuation of the policy could place the insurer in violation of the insurance laws of this state; or
- (8) nonpayment of dues to an association or organization, other than an insurance association or organization, where payment of dues is a prerequisite to obtaining or continuing the insurance. This provision for cancellation for failure to pay dues does not apply to persons who are retired at 62 years of age or older or who are disabled according to social security standards.

Subd. 2. [NOTICE.] Cancellation under subdivision 1, clauses (2) to (8), shall not be effective before 60 days after notice to the policyholder. The notice of cancellation shall contain a specific reason for cancellation as provided in subdivision 1.

A policy shall not be canceled for nonpayment of premium pursuant to subdivision 1, clause (1) unless the insurer, at least ten days before the effective cancellation date, has given notice to the policyholder of the amount of premium due and the due date. The notice shall state the effect of nonpayment by the due date. No cancellation for nonpayment of premium shall be effective if payment of the amount due is made before the effective date in the notice.

Subd. 3. [NEW POLICIES.] Subdivisions 1 and 2 do not apply to any insurance policy that has not been previously renewed if the policy has been in effect less than 90 days at the time the notice of cancellation is mailed or delivered. No cancellation under this subdivision is effective until at least ten days after the written notice to the policyholder.

Subd. 4. [LONGER TERM POLICIES.] A policy may be issued for a term longer than one year or for an indefinite term with a clause providing for cancellation by the insurer for the reasons stated in subdivision 1 by giving notice as required by subdivision 2 at least 60 days before any anniversary date.

**Sec. 13. [60A.37] [NONRENEWAL.]**

Subdivision 1. [NOTICE REQUIRED.] At least 60 days before the date of expiration provided in the policy, a notice of intention not to renew the policy beyond the agreed expiration date must be made to the policyholder by the insurer. If the notice is not given at least 60 days before the date of expiration provided in the policy, the policy shall continue in force until 60 days after a notice of intent not to renew is received by the policyholder.

Subd. 2. [EXCEPTIONS.] This section does not apply if the policyholder has insured elsewhere, has accepted replacement coverage, or has requested or agreed to nonrenewal.

**Sec. 14. [60A.38] [INTERPRETATION AND PENALTIES.]**

Subdivision 1. [SECTIONS NOT EXCLUSIVE.] Sections 11 to 14 are not exclusive, and the commissioner may also consider other provisions of Minnesota law to be applicable to the circumstances or situations addressed by sections 11 to 14. The rights provided by sections 11 to 14 are in addition to and do not prejudice any other rights the policyholder may have at common law, under statute, or rules.

Subd. 2. [PENALTIES.] A violation of any provisions of sections 11 to 14 shall be deemed to be an unfair trade practice in the business of insurance and shall subject the violator to the penalties provided by sections 72A.17 to 72A.32 in addition to any other penalty provided by law.

Subd. 3. [NOTICES REQUIRED.] All notices required by sections 11 to 14 shall only be made by first class mail addressed to the policyholder's last known address or by delivery to the policyholder's last known address. Notice by first class mail is effective upon deposit in the United States mail. In addition to giving notice to the policyholder, the insurer must also give notice to the agent of record, if any, in the manner specified for the policyholder.

Sec. 15. Minnesota Statutes 1986, section 60B.44, subdivision 1, is amended to read:

Subdivision 1. [DEDUCTIBLE PROVISION.] The distribution of claims from the insurer's estate shall be in the order stated in this section with a descending degree of preference for each subdivision. The first \$50 of the amount allowed on each claim in the classes under subdivisions 3 to 7 shall be deducted from the claim and included in the class under subdivision 9. Claims may not be cumulated by assignment to avoid application of the \$50 deductible provision. Subject to the \$50 deductible provision, Every claim in each class shall be paid in full or adequate funds retained for the payment before the members of the next class receive any payment. No subclasses shall be established within any class.

Sec. 16. Minnesota Statutes 1986, section 60B.44, subdivision 4, is amended to read:

Subd. 4. [LOSS CLAIMS; INCLUDING CLAIMS NOT COVERED BY A GUARANTY ASSOCIATION.] All claims under policies or contracts of coverage for losses incurred including third party claims, and all claims against the insurer for liability for bodily injury or for injury to or destruction of tangible property which are not under policies or contracts, except the first \$200 of losses otherwise payable to any claimant under this subdivision. All claims under life insurance and annuity policies, whether for death proceeds, annuity proceeds, or investment values, shall be treated as loss claims. Claims may not be cumulated by assignment to avoid application of the \$200 deductible provision. That portion of any loss for which indemnification is provided by other benefits or advantages recovered or recoverable by the claimant shall not be included in this class, other than benefits or advantages recovered or recoverable in discharge of familial obligations of support or by way of succession at death or as proceeds of life insurance, or as gratuities. No payment made by an employer to an employee shall be treated as a gratuity. Claims not covered by a guaranty association are loss claims. If any portion of a claim is covered by a reinsurance treaty or

similar contractual obligation, that claim shall be entitled to a pro rata share, based upon the relationship the claim amount bears to all claims payable under the treaty or contract, of the proceeds received under that treaty or contractual obligation.

Claims receiving pro rata payments shall not, as to any remaining unpaid portion of their claim, be treated in a different manner than if no such payment had been received.

Sec. 17. Minnesota Statutes 1986, section 60B.44, subdivision 5, is amended to read:

Subd. 5. [UNEARNED PREMIUMS AND SMALL LOSS CLAIMS.] Claims under nonassessable policies or contracts of coverage for unearned premiums or subscription rates or other refunds and the first \$200 of loss excepted by the deductible provision in subdivision 4.

Sec. 18. Minnesota Statutes 1986, section 60B.44, subdivision 9, is amended to read:

Subd. 9. [MISCELLANEOUS SUBORDINATED CLAIMS.] The remaining claims or portions of claims not already paid, with interest as in subdivision 8.

(a) ~~The first \$50 of each claim in the classes under subdivisions 3 to 7 subordinated under this section;~~

(b) Claims under section 60B.39, subdivision 2;

(c) ~~(b)~~ Claims subordinated by section 60B.61;

(d) ~~(c)~~ Except to the extent excused or otherwise permitted pursuant to section 60B.37, claims filed late;

(e) ~~(d)~~ Portions of claims subordinated under subdivision 6; and

(f) ~~(e)~~ Claims or portions of claims payment of which is provided by other benefits or advantages recovered or recoverable by the claimant.

Sec. 19. Minnesota Statutes 1986, section 60C.09, is amended to read:

60C.09 [COVERED CLAIMS.]

Subdivision 1. [DEFINITION.] A covered claim is any unpaid claim, including one for unearned premium, which:

(a) (1) Arises out of and is within the coverage of an insurance policy issued by a member insurer if the insurer becomes an insolvent insurer after April 30, 1979; or

(2) Would be within the coverage of an extended reporting endorsement to a claims-made insurance policy if insolvency had not prevented the member insurer from fulfilling its obligation to issue the endorsement, if:

(i) the claims-made policy contained a provision affording the insured the right to purchase a reporting endorsement;

(ii) coverage will be no greater than if a reporting endorsement had been issued;

(iii) the insured has not purchased other insurance which applies to the claim; and

(iv) the insured's deductible under the policy is increased by an amount equal to the premium for the reporting endorsement as provided in the insured's claims-made policy, or if not so provided, then as established by a rate service organization.

(b) Arises out of a class of business which is not excepted from the scope of Laws 1971, chapter 145 by section 60C.02; and

(c) Is made by:

(i) A policyholder, or an insured beneficiary under a policy, who, at the time of the insured event, was a resident of this state; or

(ii) A person designated in the policy as having an insurable interest in or related to property situated in this state at the time of the insured event; or

(iii) An obligee or creditor under any surety bond, who, at the time of default by the principal debtor or obligor, was a resident of this state; or

(iv) A third party claimant under a liability policy or surety bond, if: (a) the insured or the third party claimant was a resident of this state at the time of the insured event; (b) the claim is for bodily or personal injuries suffered in this state by a person who when injured was a resident of this state; or (c) the claim is for damages to real property situated in this state at the time of damage; or

(v) A direct or indirect assignee of a person who except for the assignment might have claimed under (i), (ii) or (iii).

For purposes of paragraph (c), item (i), unit owners of condominiums, townhouses, or cooperatives are considered as having an insurable interest.

A covered claim also includes any unpaid claim which arises or exists within 30 days after the time of entry of an order of liquidation with a finding of insolvency by a court of competent jurisdiction unless prior thereto the insured replaces the policy or causes its cancellation or the policy expires on its expiration date.

Subd. 2. [LIMITATION OF AMOUNT.] Payment of a covered claim, except a claim for unearned premium by any single claimant, whether upon a single policy or multiple policies of insurance, is limited to the amount by which the allowance on any claim exceeds \$100 and is less than \$300,000. In the case of claim for unearned premium, the entire claim up to \$300,000 shall be allowed. The limitation on the amount of payment for a covered claim does not apply to claims for workers' compensation insurance. In no event is the association obligated to the policyholder or claimant in an amount in excess of the obligation of the insurer under the policy from which the claim arises.

Sec. 20. Minnesota Statutes 1986, section 61A.09, subdivision 1, is amended to read:

Subdivision 1. No group life insurance policy shall be issued for delivery in this state until the form thereof and the form of any certificates issued thereunder have been filed in accordance with and subject to the provisions of section 61A.02. Each person insured under such a group life insurance policy (excepting policies which insure the lives of debtors of a creditor or vendor to secure payment of indebtedness) shall be furnished a certificate of insurance issued by the insurer and containing the following:

- (a) Name and location of the insurance company;
- (b) A statement as to the insurance protection to which the certificate holder is entitled, including any changes in such protection depending on the age of the person whose life is insured;
- (c) Any and all provisions regarding the termination or reduction of the certificate holder's insurance protection;
- (d) A statement that the master group policy may be examined at a reasonably accessible place;
- (e) The maximum rate of contribution to be paid by the certificate holder;
- (f) Beneficiary and method required to change such beneficiary;

(g) In the case of a group term insurance policy if the policy provides that insurance of the certificate holder will terminate, in case of a policy issued to an employer, by reason of termination of the certificate holder's employment, or in case of a policy issued to an organization of which the certificate holder is a member, by reason of termination of membership, a provision to the effect that in case of termination of employment or membership the certificate holder shall be entitled to have issued by the insurer, without evidence of insurability, upon application made to the insurer within 31 days after termination of employment or membership, and upon payment of the premium applicable to the class of risk to which that person belongs and to the form and amount of the policy at that person's then attained age, a policy of life insurance only, in any one of the forms customarily issued by the insurer except term insurance, in an amount equal to the amount of the life insurance protection under such group insurance policy at the time of such termination; and shall contain a further provision to the effect that upon the death of the certificate holder during such 31-day period and before any such individual policy has become effective, the amount of insurance for which the certificate holder was entitled to make application shall be payable as a death benefit by the insurer. If a group term life insurance contract provides that an employee or member of an organization loses coverage under the contract as a result of termination of employment or membership, the contract shall provide that the employee or member has the right to purchase a term insurance policy from the insurer with the same amount of coverage, the premium for which shall not, during the first 18 months of coverage, exceed 102 percent of cost for that amount of coverage under the group term life insurance contract. The terminated employee or member shall be eligible without evidence of insurability. The terminated employee or member shall be notified of the rights under this section by the employer or organization and shall have 31 days from the date of notification to exercise the right of conversion. If the terminated employee or member dies before the expiration of the 31 day period, the benefits payable under the group contract shall still be payable. For the purposes of this clause, "termination" includes voluntary or involuntary termination, layoff and a reduction in hours to the point where the employee is no longer eligible for group life insurance benefits.

Sec. 21. Minnesota Statutes 1986, section 62A.01, is amended to read:

**62A.01 [POLICY OF ACCIDENT AND SICKNESS INSURANCE DEFINED.]**

The term "policy of accident and sickness insurance" as used herein includes any policy covering the kind of insurance described in section 60A.06, subdivision 1, clause (5)(a).

For the purpose of chapters 62A and 62E the term "policy" also includes certificates of insurance or similar evidence of insurance coverage issued to a Minnesota resident.

This section supersedes any inconsistent provision of chapters 62A and 62E.

Sec. 22. Minnesota Statutes 1986, section 62A.02, subdivision 2, is amended to read:

Subd. 2. [APPROVAL.] No such policy or certificate shall be issued, nor shall any application, rider, or endorsement be used in connection therewith, until the expiration of 60 days after it has been so filed unless the commissioner shall sooner give written approval thereto.

Sec. 23. Minnesota Statutes 1986, section 62A.041, is amended to read:

62A.041 [MATERNITY BENEFITS; ~~UNMARRIED WOMEN.~~]

Each group policy of accident and health insurance and each group health maintenance contract shall provide the same coverage for maternity benefits to unmarried women and minor female dependents that it provides to married women including the wives of employees choosing dependent family coverage. If an unmarried insured or an unmarried enrollee is a parent of a dependent child, each group policy and each group contract shall provide the same coverage for that child as that provided for the child of a married employee choosing dependent family coverage if the insured or the enrollee elects dependent family coverage.

Each individual policy of accident and health insurance and each individual health maintenance contract shall provide the same coverage for maternity benefits to unmarried women and minor female dependents as that provided for married women. If an unmarried insured or an unmarried enrollee is a parent of a dependent child, each individual policy and each individual contract shall also provide the same coverage for that child as that provided for the child of a married insured or a married enrollee choosing dependent family coverage if the insured or the enrollee elects dependent family coverage.

Each group subscriber contract of accident and health insurance or health maintenance contract, issued or renewed after August 1, 1987, shall include maternity benefits in the same manner as any other illness covered under the policy or contract.

For the purposes of this section, the term "maternity benefits" shall not include elective, induced abortion whether performed in a hospital, other abortion facility, or the office of a physician.

This section applies to policies and contracts issued, delivered, or renewed after August 1, 1985, that cover Minnesota residents.

Sec. 24. Minnesota Statutes 1986, section 62A.043, is amended by adding a subdivision to read:

Subd. 3. No policy or certificate of health, medical, hospitalization, or accident and sickness insurance regulated under this chapter, or subscriber contract provided by a nonprofit health service plan corporation regulated under chapter 62C, or health maintenance organization regulated under chapter 62D, shall be issued, renewed, continued, delivered, issued for delivery, or executed in this state after August 1, 1987, unless the policy, plan, or contract specifically provides coverage for surgical and nonsurgical treatment of temporomandibular joint disorder and craniomandibular disorder. Coverage shall be the same as that for treatment to any other joint in the body, and shall apply if the treatment is administered or prescribed by a physician or dentist.

Sec. 25. Minnesota Statutes 1986, section 62A.141, is amended to read:

#### 62A.141 [COVERAGE FOR HANDICAPPED DEPENDENTS.]

No group policy or plan of health and accident insurance regulated under this chapter, chapter 62C, or 62D, which provides for dependent coverage may be issued or renewed in this state after August 1, 1983, unless it covers the handicapped dependents of the insured, subscriber, or enrollee of the policy or plan. Consequently, the policy or plan shall not contain any provision concerning preexisting condition limitations, insurability, eligibility, or health underwriting approval concerning handicapped dependents.

If ordered by the commissioner of commerce, the insurer of a Minnesota-domiciled nonprofit association which is composed solely of agricultural members may restrict coverage under this section to apply only to Minnesota residents.

Sec. 26. Minnesota Statutes 1986, section 62A.146, is amended to read:

#### 62A.146 [CONTINUATION OF BENEFITS TO SURVIVORS.]

No policy or plan of accident and health protection issued by an insurer, nonprofit health service plan corporation, or health maintenance organization, providing coverage of hospital or medical expense on either an expense incurred basis or other than an expense incurred basis which in addition to coverage of the insured, subscriber, or enrollee, also provides coverage to dependents, shall, except upon the written consent of the survivor or survivors of the deceased insured, subscriber or enrollee, terminate, suspend or otherwise restrict the participation in or the receipt of benefits

otherwise payable under the policy or plan to the survivor or survivors until the earlier of the following dates:

(a) the date of remarriage of the surviving spouse becomes covered under another group health plan; or

(b) the date coverage would have terminated under the policy or plan had the insured, subscriber, or enrollee lived.

The survivor or survivors, in order to have the coverage and benefits extended, may be required to pay the entire cost of the protection on a monthly basis. In no event shall the amount of premium or fee contributions charged exceed 102 percent of the cost to the plan for such period of coverage for other similarly-situated spouses and dependent children who are not the survivors of a deceased insured, without regard to whether such cost is paid by the employer or employee. Failure of the survivor to make premium or fee payments within 90 days after notice of the requirement to pay the premiums or fees shall be a basis for the termination of the coverage without written consent. In event of termination by reason of the survivor's failure to make required premium or fee contributions, written notice of cancellation must be mailed to the survivor's last known address at least 30 days before the cancellation. If the coverage is provided under a group policy or plan, any required premium or fee contributions for the coverage shall be paid by the survivor to the group policyholder or contract holder for remittance to the insurer, nonprofit health service plan corporation, or health maintenance organization.

Sec. 27. Minnesota Statutes 1986, section 62A.152, subdivision 2, is amended to read:

Subd. 2. [MINIMUM BENEFITS.] All group policies and all group subscriber contracts providing benefits for mental or nervous disorder treatments in a hospital shall also provide coverage, to on the same basis as coverage for other benefits for at least the extent of 80 percent of the first \$750 of the cost of the usual and customary charges of the first ten hours of treatment incurred over a 12-month benefit period, for mental or nervous disorder consultation, diagnosis and treatment services delivered while the insured person is not a bed patient in a hospital, and at least 75 percent of the cost of the usual and customary charges for any additional hours of treatment during the same 12-month benefit period for serious and persistent mental or nervous disorders, if the services are furnished by (1) a licensed or accredited hospital, (2) a community mental health center or mental health clinic approved or licensed by the commissioner of human services or other authorized state agency, or (3) a licensed consulting psychologist licensed under the provisions of sections 148.87 to 148.98, or a psychiatrist licensed under chapter 147. Prior authorization from an accident and health insurance company, or a nonprofit health service corporation, shall be required

for an extension of coverage beyond ten hours of treatment. This prior authorization must be based upon the severity of the disorder, the patient's risk of deterioration without ongoing treatment and maintenance, degree of functional impairment, and a concise treatment plan. Authorization for extended treatment may not exceed a maximum of 30 visit hours during any 12-month benefit period.

For purposes of this section, covered treatment for a minor shall include treatment for the family if family therapy is recommended by a provider listed above in clause (1), (2) or (3).

Sec. 28. Minnesota Statutes 1986, section 62A.17, is amended to read:

62A.17 [TERMINATION OF OR LAYOFF FROM EMPLOYMENT.]

Subdivision 1. [CONTINUATION OF COVERAGE.] Every group insurance policy, group subscriber contract, and health care plan included within the provisions of section 62A.16, except policies, contracts, or health care plans covering employees of an agency of the federal government, shall contain a provision which permits every eligible covered employee who is voluntarily or involuntarily terminated or laid off from employment, if the policy, contract, or health care plan remains in force for active employees of the employer, to elect to continue the coverage for the employee and dependents.

An employee shall be considered to be laid off from employment if there is a reduction in hours to the point where the employee is no longer eligible under the policy, contract or health care plan. Termination shall not include discharge for gross misconduct.

Subd. 2. [RESPONSIBILITY OF EMPLOYEE.] Every eligible covered employee electing to continue coverage shall pay the former employer, on a monthly basis, the cost of the continued coverage. If the policy, contract, or health care plan is administered by a trust, every eligible covered employee electing to continue coverage shall pay the trust the cost of continued coverage according to the eligibility rules established by the trust. In no event shall the amount of premium charged exceed 102 percent of the cost to the plan for such period of coverage for similarly-situated employees with respect to whom neither termination nor layoff has occurred, without regard to whether such cost is paid by the employer or employee. The employee shall be eligible to continue the coverage until reemployed and eligible for health care coverage under a group policy, contract, or plan sponsored by the same or another employer the employee becomes covered under another group health plan, or for a period of 12 18 months after the termination of or lay off from employment, whichever is shorter.

~~Subd. 3. [ELIGIBILITY FOR CONTINUED COVERAGE.] An employee shall be eligible to make the election for the employee and dependents provided for in subdivision 1 if:~~

~~(a) In the period preceding the termination of or lay off from employment, the employee and dependents were covered through employment by a group insurance policy, subscriber's contract, or health care plan included within the provisions of section 62A.16;~~

~~(b) The termination of or lay off from employment was for reasons other than the discontinuance of the business, bankruptcy, or the employee's disability or retirement.~~

Subd. 4. [RESPONSIBILITY OF EMPLOYER.] After timely receipt of the monthly payment from an eligible a covered employee, if the employer, or the trustee, if the policy, contract, or health care plan is administered by a trust, fails to make the payment to the insurer, nonprofit health service plan corporation, or health maintenance organization, with the result that the employee's coverage is terminated, the employer or trust shall become liable for the employee's coverage to the same extent as the insurer, nonprofit health service plan corporation, or health maintenance organization would be if the coverage were still in effect.

In the case of a policy, contract or plan administered by a trust, the employer must notify the trustee within 30 days of the termination or layoff of a covered employee of the name and last known address of the employee.

If the employer or trust fails to notify a covered employee, the employer or trust shall continue to remain liable for the employee's coverage to the same extent as the insurer would be if the coverage were still in effect.

Subd. 5. [NOTICE OF OPTIONS.] Upon the termination of or lay off from employment of an eligible employee, the employer shall inform the employee within ten days after termination or lay off of:

(a) the right to elect to continue the coverage;

(b) the amount the employee must pay monthly to the employer to retain the coverage;

(c) the manner in which and the office of the employer to which the payment to the employer must be made; and

(d) the time by which the payments to the employer must be made to retain coverage.

If the policy, contract, or health care plan is administered by a trust, the employer is relieved of the obligation imposed by clauses (a) to (d). The trust shall inform the employee of the information required by clauses (a) to (d).

The employee shall have 60 days within which to elect coverage. The 60-day period shall begin to run on the date plan coverage would otherwise terminate or on the date upon which notice of the right to coverage is received, whichever is later.

Notice ~~may~~ must be in writing and sent by first class mail to the employee's last known address which the employee has provided the employer or trust. ~~If the employer or trust fails to so notify the employee who is properly enrolled in the program, the employee shall have the option to retain coverage if the employee makes this election within 60 days of the date terminated or laid off by making the proper payment to the employer or trust to provide continuous coverage.~~

A notice in substantially the following form shall be sufficient: "As a terminated or laid off employee, the law authorizes you to maintain your group medical insurance for a period of up to ~~12~~ 18 months. To do so you must notify your former employer within ~~ten~~ 60 days of your receipt of this notice that you intend to retain this coverage and must make a monthly payment of \$..... to ..... at ..... by the ..... of each month."

Subd. 6. [CONVERSION TO INDIVIDUAL POLICY.] A group insurance policy that provides posttermination or layoff coverage as required by this section shall also include a provision allowing a covered employee, surviving spouse, or dependent at the expiration of the posttermination or layoff coverage provided by subdivision 2 to obtain from the insurer offering the group policy or group subscriber contract, at the employee's, spouse's, or dependent's option and expense, without further evidence of insurability and without interruption of coverage, an individual policy of insurance or an individual subscriber contract providing at least the minimum benefits of a qualified plan as prescribed by section 62E.06 and the option of a number three qualified plan, a number two qualified plan, and a number one qualified plan as provided by section 62E.06, subdivisions 1 to 3 provided application is made to the insurer within 30 days following notice of the expiration of the continued coverage and upon payment of the appropriate premium. The required conversion contract must treat pregnancy the same as any other covered illness under the conversion contract. A health maintenance contract issued by a health maintenance organization that provides posttermination or layoff coverage as required by this section shall also include a provision allowing a former employee, surviving spouse, or dependent at the expiration of the posttermination or layoff coverage provided in subdivision 2 to obtain from the health maintenance organization, at the former employee's, spouse's, or

dependent's option and expense, without further evidence of insurability and without interruption of coverage, an individual health maintenance contract. Effective January 1, 1985, enrollees who have become nonresidents of the health maintenance organization's service area shall be given the option, to be arranged by the health maintenance organization, of a number three qualified plan, a number two qualified plan, or a number one qualified plan as provided by section 62E.06, subdivisions 1 to 3 if an arrangement with an insurer can reasonably be made by the health maintenance organization. This option shall be made available at the enrollee's expense, without further evidence of insurability and without interruption of coverage.

A policy providing reduced benefits at a reduced premium rate may be accepted by the employee, the spouse, or a dependent in lieu of the optional coverage otherwise required by this subdivision.

The individual policy or contract shall be renewable at the option of the individual as long as the individual is not covered under another qualified plan as defined in section 62E.02, subdivision 4, up to age 65 or to the day before the date of eligibility for coverage under title XVIII of the Social Security Act, as amended. Any revisions in the table of rate for the individual policy shall apply to the covered person's original age at entry and shall apply equally to all similar policies issued by the insurer.

Sec. 29. [62A.20] [COVERAGE OF CURRENT SPOUSE AND CHILDREN.]

Subdivision 1. [REQUIREMENT.] Every policy of accident and health insurance providing coverage of hospital or medical expense on either an expense-incurred basis or other than an expense-incurred basis, which in addition to covering the insured also provides coverage to the spouse and dependent children of the insured shall contain:

(1) a provision which permits the spouse and dependent children to elect to continue coverage when the insured becomes enrolled for benefits under Title XVIII of the Social Security Act (Medicare); and

(2) a provision which permits the dependent children to continue coverage when they cease to be dependent children under the generally applicable requirement of the plan.

Subd. 2. [CONTINUATION PRIVILEGE.] The coverage described in subdivision 1 may be continued until the earlier of the following dates:

(1) the date coverage would otherwise terminate under the policy;

(2) 36 months after continuation by the spouse or dependent was elected; or

(3) the spouse or dependent children become covered under another group health plan.

If coverage is provided under a group policy, any required premium contributions for the coverage shall be paid by the insured on a monthly basis to the group policyholder for remittance to the insurer. In no event shall the amount of premium charged exceed 102 percent of the cost to the plan for such period of coverage for other similarly-situated spouse and dependent children to whom subdivision 1 is not applicable, without regard to whether such cost is paid by the employer or employee.

Sec. 30. Minnesota Statutes 1986, section 62A.21, is amended to read:

**62A.21 [CONVERSION PRIVILEGES FOR INSURED FORMER SPOUSES AND CHILDREN.]**

Subdivision 1. No policy of accident and health insurance providing coverage of hospital or medical expense on either an expense incurred basis or other than an expense incurred basis, which in addition to covering the insured also provides coverage to the spouse of the insured shall contain a provision for termination of coverage for a spouse covered under the policy solely as a result of a break in the marital relationship ~~except by reason of an entry of a valid decree of dissolution of marriage.~~

Subd. 2a. [CONTINUATION PRIVILEGE.] Every policy described in subdivision 1 shall contain a provision which permits continuation of coverage under the policy for the insured's former spouse and dependent children upon entry of a valid decree of dissolution of marriage, ~~if the decree requires the insured to provide continued coverage for those persons.~~ The coverage ~~may~~ shall be continued until the earlier of the following dates:

(a) ~~The date of remarriage of either the insured or the insured's former spouse~~ becomes covered under any other group health plan;  
or

(b) The date coverage would otherwise terminate under the policy.

If the coverage is provided under a group policy, any required premium contributions for the coverage shall be paid by the insured on a monthly basis to the group policyholder for remittance to the insurer. In no event shall the amount of premium charged exceed 102 percent of the cost to the plan for such period of coverage for other similarly-situated spouses and dependent children with re-

spect to whom the marital relationship has not dissolved, without regard to whether such cost is paid by the employer or employee.

Subd. 2b. [CONVERSION PRIVILEGE.] Every policy described in subdivision 1 shall contain a provision allowing a former spouse and dependent children of an insured, without providing evidence of insurability, to obtain from the insurer at the expiration of any continuation of coverage required under subdivision 2a or ~~section sections 62A.146 and 62A.20, or upon termination of coverage by reason of an entry of a valid decree of dissolution which does not require the insured to provide continued coverage for the former spouse and dependent children,~~ conversion coverage providing at least the minimum benefits of a qualified plan as prescribed by section 62E.06 and the option of a number three qualified plan, a number two qualified plan, a number one qualified plan as provided by section 62E.06, subdivisions 1 to 3, provided application is made to the insurer within 30 days following notice of the expiration of the continued coverage and upon payment of the appropriate premium. A policy providing reduced benefits at a reduced premium rate may be accepted by the former spouse and dependent children in lieu of the optional coverage otherwise required by this subdivision. The individual policy shall be renewable at the option of the former spouse as long as the former spouse is not covered under another qualified plan as defined in section 62E.02, subdivision 4, up to age 65 or to the day before the date of eligibility for coverage under Title XVIII of the Social Security Act, as amended. Any revisions in the table of rate for the individual policy shall apply to the former spouse's original age at entry, and shall apply equally to all similar policies issued by the insurer.

Subd. 3. Subdivision 1 applies to every policy of accident and health insurance which is delivered, issued for delivery, renewed or amended on or after July 19, 1977.

Subdivisions 2a and 2b apply to every policy of accident and health insurance which is delivered, issued for delivery, renewed, or amended on or after August 1, 1981.

Sec. 31. Minnesota Statutes 1986, section 62A.27, is amended to read:

62A.27 [COVERAGE FOR ADOPTED CHILDREN.]

No individual or group policy or plan of health and accident insurance regulated under this chapter or chapter 64B, subscriber contract regulated under chapter 62C, or health maintenance contract regulated under chapter 62D, providing coverage for more than one person may be issued or renewed in this state after August 1, 1983, unless the policy, plan, or contract covers adopted children of the insured, subscriber, or enrollee on the same basis as other dependents. Consequently, the policy or plan shall not contain any

provision concerning preexisting condition limitations, insurability, eligibility, or health underwriting approval concerning adopted children.

The coverage required by this section is effective from the date of placement for the purpose of adoption and continues unless the placement is disrupted prior to legal adoption and the child is removed from placement.

**Sec. 32. [62A.28] [SURETY BOND OR SECURITIES FOR CERTAIN HEALTH BENEFIT PLANS.]**

Subdivision 1. [SURETY BOND OR SECURITIES REQUIREMENT.] Any employer, except the state and its political subdivisions as defined in section 65B.43, subdivision 20, who provides a health benefit plan to its Minnesota employees, which is to some extent self-insured by the employer, and who purchases stop-loss insurance coverage, or any other insurance coverage, in connection with the health benefit plan, shall annually file with the commissioner, within 60 days of the end of the employer's fiscal year, securities acceptable to the commissioner in an amount specified under subdivision 2, or a surety bond in the form and amount prescribed by subdivisions 2 and 3. An acceptable surety bond is one issued by a corporate surety authorized by the commissioner to transact this business in the state of Minnesota for the purposes of this section. The term "Minnesota employees" includes any Minnesota resident who is employed by the employer.

Subd. 2. [AMOUNT OF SURETY OR SECURITIES BOND.] The amount of surety bond or acceptable securities required by subdivision 1 shall be equal to one-half of the projected annual medical and hospital expenses to be incurred by the employer or \$1,000, whichever is greater, with respect to its Minnesota employees by reason of the portion of the employer's health benefit plan which is self-insured by the employer. The projection shall be prepared by an actuary who is a member of the American Academy of Actuaries.

Subd. 3. [FORM OF THE SURETY BOND.] The surety bond shall provide as follows:

**SURETY BOND**

KNOW ALL MEN BY THESE PRESENTS: That (entity to be bonded), of (location), (hereinafter called the "principal"), as principal, and (bonding company name), a (name of state) corporation, of (location) (hereinafter called the "surety"), as surety are held and firmly bound unto the commissioner of commerce of the state of Minnesota for the use and benefit of Minnesota residents entitled to health benefits from the principal in the sum of (\$.....), for the payment of which well and truly to be made, the principal binds

itself, its successor and assigns, and the surety binds itself and its successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, in accordance with section (.....) of the Minnesota Statute principal is required to file a surety bond with the commissioner of commerce of the state of Minnesota.

NOW, THEREFORE, the condition of this obligation is such that if the said principal shall, according to the terms, provisions, and limitations of principals' health benefit program for its Minnesota employees pay all of its liabilities and obligations, including all benefits as provided in the attached plan, then, this obligation shall be null and void, otherwise to remain in full force and effect, subject, however, to the following terms and conditions:

1. The liability of the surety is limited to the payment of the benefits of the employee benefit plan which are payable by the principal and within the amount of the bond. The surety shall be bound to payments owed by the principal for obligations arising from a default of the principal or any loss incurred during the period to which the bond applies.

2. In the event of any default on the part of the principal to abide by the terms and provisions of the attached plan, the commissioner of commerce may, upon ten days notice to the surety and opportunity to be heard, require the surety to pay all of the principal's past and future obligations under the attached plan with respect to the principal's Minnesota employees.

3. Service on the surety shall be deemed to be service on the principals.

4. This bond shall be in effect from ..... to ....., and may not be canceled by either the surety or the principal.

5. Any Minnesota employee of principal aggrieved by a default of principal under the attached plan, and/or the commissioner of commerce on behalf of any such employee, may enforce the provisions of this bond.

6. This bond shall become effective at (time of day, month, day, year).

IN TESTIMONY WHEREOF, said principals and said surety have caused this instrument to be signed by their respective, duly authorized officers and their corporate seals to be hereunto affixed this (day, month, year).

Signed, sealed and delivered in  
the presence of:

Corporation Name

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Bonding Company Name

\_\_\_\_\_

By:

Subd. 4. [PENALTY FOR FAILURE TO COMPLY.] Any employer which fails to comply with the provisions of this section is guilty of a felony. In addition the commissioner of revenue shall deny any business tax deduction to an employer for the employer's contribution to a health plan for the period which the employer fails to comply with this section. This section does not apply to trusts established under chapter 62H which have been approved by the commissioner.

Subd. 5. [PETITION TO REDUCE BOND AMOUNT.] An employer subject to this section may petition the commissioner for, and the commissioner may grant, a reduction in the amount of the surety bond or securities required.

Sec. 33. Minnesota Statutes 1986, section 62A.31, subdivision 1a, is amended to read:

Subd. 1a. [APPLICATION TO CERTAIN POLICIES.] The requirements of sections 62A.31 to 62A.44 shall not apply to disability income protection insurance policies, long-term care policies issued pursuant to sections 62A.46 to 62A.56, or group policies of accident and health insurance which do not purport to supplement medicare issued to any of the following groups:

(a) A policy issued to an employer or employers or to the trustee of a fund established by an employer where only employees or retirees, and dependents of employees or retirees, are eligible for coverage.

(b) A policy issued to a labor union or similar employee organization.

(c) A policy issued to an association, a trust or the trustee of a fund established, created or maintained for the benefit of members of one or more associations. The association or associations shall have at the outset a minimum of 100 persons; shall have been organized and maintained in good faith for purposes other than that of obtaining insurance; shall have a constitution and bylaws which provide that (1) the association or associations hold regular meetings not less frequently than annually to further purposes of the members, (2) except for credit unions, the association or associations collect dues or solicit contributions from members, and (3) the members have voting privileges and representation on the governing board and committees, and (4) the members are not directly solicited, offered, or sold an insurance product that is available as an association benefit within the first 30 days of membership in the association.

Sec. 34. Minnesota Statutes 1986, section 62A.43, subdivision 2, is amended to read:

Subd. 2. [REFUNDS.] Notwithstanding the provisions of section 62A.38, an insurer which issues a medicare supplement plan to any person who has one plan then in effect, except as permitted in subdivision 1, shall, at the request of the insured, either refund the premiums or pay any claims on the policy, whichever is greater. Any refund of premium pursuant to this section or section 62A.38 shall be sent by the insurer directly to the insured within 15 days of the request by the insured.

Sec. 35. Minnesota Statutes 1986, section 62A.43, is amended by adding a subdivision to read:

Subd. 4. [OTHER POLICIES NOT PROHIBITED.] The prohibition in this section against the sale of duplicate medicare supplement coverage does not preclude the sale of insurance coverage, such as travel, accident, and sickness coverage, the effect or purpose of which is not to supplement medicare coverage. Notwithstanding this provision, if the commissioner determines that the coverage being sold is in fact medicare supplement insurance, the commissioner shall notify the insurer in writing of the determination. If the insurer does not thereafter comply with sections 62A.31 to 62A.44, the commissioner may, pursuant to chapter 14, revoke or suspend the insurer's authority to sell accident and health insurance in this state or impose a civil penalty not to exceed \$10,000, or both.

Sec. 36. Minnesota Statutes 1986, section 62A.48, is amended by adding a subdivision to read:

Subd. 7. [EXISTING POLICIES.] Nothing in sections 62A.46 to 62A.56 prohibits the renewal of the following long-term health policies:

(1) any policies sold prior to August 1, 1986;

(2) policies sold prior to July 1, 1988, by associations exempted from sections 62A.31 to 62A.44 under section 62A.31, subdivision 1, paragraph (c); and

(3) policies sold outside the state of Minnesota to persons who at the time of sale were not residents of the state of Minnesota.

Sec. 37. Minnesota Statutes 1986, section 62D.102, is amended to read:

62D.102 [MINIMUM BENEFITS.]

In addition to minimum requirements established in other sections, all group health maintenance contracts providing benefits for

mental or nervous disorder treatments in a hospital shall also provide coverage for at least ten hours of treatment over a 12-month period with a copayment not to exceed the greater of \$10 or 20 percent of the applicable usual and customary charge for mental or nervous disorder consultation, diagnosis and treatment services delivered while the enrollee is not a bed patient in a hospital and at least 75 percent of the cost of the usual and customary charges for any additional hours of ambulatory mental health treatment during the same 12-month benefit period for serious and persistent mental or nervous disorders.

Prior authorization may be required for an extension of coverage beyond ten hours of treatment. This prior authorization must be based upon the severity of the disorder, the patient's risk of deterioration without ongoing treatment and maintenance, degree of functional impairment, and a concise treatment plan. Authorization for extended treatment may not exceed a maximum of 30 visit hours during any 12-month benefit period.

For purposes of this section, covered treatment for a minor shall include treatment for the family if family therapy is recommended by a health maintenance organization provider.

Sec. 38. Minnesota Statutes 1986, section 62E.06, subdivision 1, is amended to read:

Subdivision 1. [NUMBER THREE PLAN.] A plan of health coverage shall be certified as a number three qualified plan if it otherwise meets the requirements established by chapters 62A and 62C, and the other laws of this state, whether or not the policy is issued in Minnesota, and meets or exceeds the following minimum standards:

(a) The minimum benefits for a covered individual shall, subject to the other provisions of this subdivision, be equal to at least 80 percent of the cost of covered services in excess of an annual deductible which does not exceed \$150 per person. The coverage shall include a limitation of \$3,000 per person on total annual out-of-pocket expenses for services covered under this subdivision. The coverage shall be subject to a maximum lifetime benefit of not less than \$250,000.

The \$3,000 limitation on total annual out-of-pocket expenses and the \$250,000 maximum lifetime benefit shall not be subject to change or substitution by use of an actuarially equivalent benefit.

(b) Covered expenses shall be the usual and customary charges for the following services and articles when prescribed by a physician:

(1) hospital services;

(2) professional services for the diagnosis or treatment of injuries, illnesses, or conditions, other than ~~outpatient mental or dental~~, which are rendered by a physician or at the physician's direction;

(3) drugs requiring a physician's prescription;

(4) services of a nursing home for not more than 120 days in a year if the services would qualify as reimbursable services under medicare;

(5) services of a home health agency if the services would qualify as reimbursable services under medicare;

(6) use of radium or other radioactive materials;

(7) oxygen;

(8) anesthetics;

(9) prostheses other than dental;

(10) rental or purchase, as appropriate, of durable medical equipment other than eyeglasses and hearing aids;

(11) diagnostic X-rays and laboratory tests;

(12) oral surgery for partially or completely unerupted impacted teeth, a tooth root without the extraction of the entire tooth, or the gums and tissues of the mouth when not performed in connection with the extraction or repair of teeth;

(13) services of a physical therapist; ~~and~~

(14) transportation provided by licensed ambulance service to the nearest facility qualified to treat the condition; or a reasonable mileage rate for transportation to a kidney dialysis center for treatment; and

(15) services of an occupational therapist.

(c) Covered expenses for the services and articles specified in this subdivision do not include the following:

(1) any charge for care for injury or disease either (i) arising out of an injury in the course of employment and subject to a workers' compensation or similar law, (ii) for which benefits are payable without regard to fault under coverage statutorily required to be contained in any motor vehicle, or other liability insurance policy or equivalent self-insurance, or (iii) for which benefits are payable under another policy of accident and health insurance, medicare or

any other governmental program except as otherwise provided by law;

(2) any charge for treatment for cosmetic purposes other than for reconstructive surgery when such service is incidental to or follows surgery resulting from injury, sickness or other diseases of the involved part or when such service is performed on a covered dependent child because of congenital disease or anomaly which has resulted in a functional defect as determined by the attending physician;

(3) care which is primarily for custodial or domiciliary purposes which would not qualify as eligible services under medicare;

(4) any charge for confinement in a private room to the extent it is in excess of the institution's charge for its most common semiprivate room, unless a private room is prescribed as medically necessary by a physician, provided, however, that if the institution does not have semiprivate rooms, its most common semiprivate room charge shall be considered to be 90 percent of its lowest private room charge;

(5) that part of any charge for services or articles rendered or prescribed by a physician, dentist, or other health care personnel which exceeds the prevailing charge in the locality where the service is provided; and

(6) any charge for services or articles the provision of which is not within the scope of authorized practice of the institution or individual rendering the services or articles.

(d) The minimum benefits for a qualified plan shall include, in addition to those benefits specified in clauses (a) and (e), benefits for well baby care, effective July 1, 1980, subject to applicable deductibles, coinsurance provisions, and maximum lifetime benefit limitations.

(e) Effective July 1, 1979, the minimum benefits of a qualified plan shall include, in addition to those benefits specified in clause (a), a second opinion from a physician on all surgical procedures expected to cost a total of \$500 or more in physician, laboratory and hospital fees, provided that the coverage need not include the repetition of any diagnostic tests.

(f) Effective August 1, 1985, the minimum benefits of a qualified plan must include, in addition to the benefits specified in clauses (a), (d), and (e), coverage for special dietary treatment for phenylketonuria when recommended by a physician.

(g) Outpatient mental health coverage is subject to section 62A.152, subdivision 2.

Sec. 39. Minnesota Statutes 1986, section 62E.14, is amended by adding a subdivision to read:

Subd. 5. [TERMINATED EMPLOYEES.] An employee who is voluntarily or involuntarily terminated or laid off from employment and unable to exercise the option to continue coverage under section 62A.17 may enroll, within 60 days of termination or lay-off, with a waiver of the preexisting condition limitation set forth in subdivision 3 and a waiver of the evidence of rejection set forth in subdivision 1, paragraph (c).

Sec. 40. [62E.18] [HEALTH INSURANCE FOR RETIRED EMPLOYEES NOT ELIGIBLE FOR MEDICARE.]

A Minnesota resident who is age 65 or over and is not eligible for the health insurance benefits of the federal Medicare program is entitled to purchase the benefits of a qualified plan, one or two, offered by the Minnesota comprehensive health association without any of the limitations set forth in section 62E.14, subdivision 1, paragraph (c).

Sec. 41. Minnesota Statutes 1986, section 62F.041, subdivision 2, is amended to read:

Subd. 2. This section shall expire on June 30, ~~1987~~ 1989.

Sec. 42. Minnesota Statutes 1986, section 62F.06, subdivision 1, is amended to read:

Subdivision 1. A policy issued by the association shall provide for a continuous period of coverage beginning with its effective date and terminating automatically at 12:01 a.m. on September 1, 1988, or sooner as provided in sections 62F.01 to 62F.14 may not extend beyond a period of one year from the date on which the authorization under section 62F.04 ends. The policy shall be issued subject to the group retrospective rating plan and the stabilization reserve fund authorized by section 62F.09. The policy shall be written to apply to claims first made against the insured and reported to the association during the policy period. No policy form shall be used by the association unless it has been filed with the commissioner, and the commissioner may disapprove the form within 30 days if the commissioner determines it is misleading or violates public policy.

Sec. 43. Minnesota Statutes 1986, section 62H.04, is amended to read:

62H.04 [COMPLIANCE WITH OTHER LAWS.]

A joint self-insurance plan is subject to the requirements of ~~chapter~~ chapters 62A, and 62E, and sections 72A.17 to 72A.32

unless otherwise specifically exempt. A joint self-insurance plan must not offer less than a number two qualified plan or its actuarial equivalent.

Sec. 44. Minnesota Statutes 1986, section 62I.02, is amended by adding a subdivision to read:

Subd. 4. The association shall have no liability for premium taxes under section 60A.15, or any other taxes or assessments imposed by the state.

Sec. 45. Minnesota Statutes 1986, section 62I.03, subdivision 5, is amended to read:

Subd. 5. [DEFICIT.] "Deficit" means, for a particular policy year ~~and line or type of insurance~~, that amount by which total paid and outstanding losses and loss adjustment expenses exceed premium revenue, including retrospective premium revenue.

Sec. 46. Minnesota Statutes 1986, section 62I.04, is amended to read:

#### 62I.04 [POLICY ISSUANCE.]

Any person or entity that is a resident of the state of Minnesota who has a current ~~written~~ notice of refusal to insure from an insurer licensed to offer insurance in the state of Minnesota may make written application to the association for coverage. The applicable premium or required portion of it must be paid prior to coverage by the association.

The application shall be filed simultaneously with the association and the market assistance plan for the association.

The association is authorized to (1) issue or cause to be issued insurance policies to applicants subject to limits specified in the plan of operation; (2) underwrite the insurance and adjust and pay losses with respect to it, or appoint service companies to perform those functions; (3) assume reinsurance from its members; and (4) cede reinsurance.

Sec. 47. Minnesota Statutes 1986, section 62I.16, subdivision 3, is amended to read:

Subd. 3. [SUPERVISION.] All money paid into the fund shall be held in trust by the corporate trustee selected by the board of directors. The corporate trustee may invest the money held in trust subject to the approval of the board. All investment income shall be credited to the fund. All expenses of the administration of the fund shall be charged against the fund. The money held in trust shall be

used solely for the purpose of discharging when due any retrospective premium charges payable by policyholders and any retrospective premium refunds payable to policyholders under the group retrospective rating plan. Payment of retrospective premium charges shall be made upon certification of the amount due. If all money accruing to the fund is exhausted in payment of retrospective premium charges, all liability and obligations of the association's policyholders with respect to the payment of retrospective premium charges shall terminate and shall be conclusively presumed to have been discharged. Any stabilization reserve fund charges from a particular policy year ~~and line or type of insurance~~ not used to pay retrospective premiums must be returned to policyholders after all claims and expense obligations from that particular policy year ~~and line or type of insurance~~ are satisfied.

Sec. 48. Minnesota Statutes 1986, section 62I.22, subdivision 2, is amended to read:

Subd. 2. [NOTICE.] The commissioner of commerce shall publish notice of the hearing in the State Register at least 30 days before the hearing date. The notice should be that used for rulemaking under chapter 14. Approval by the administrative law judge of the notice prior to publication is not required. The notice must contain a statement that anyone wishing to oppose activation beyond 180 days for any particular class, must file a petition to intervene with the administrative law judge at least ten days before the hearing date. If no notice to intervene is filed for a class, then the class is activated beyond the 180-day period without further action.

Sec. 49. Minnesota Statutes 1986, section 62I.22, is amended by adding a subdivision to read:

Subd. 6. [CASE PRESENTATION.] The department of commerce, upon request by small businesses as defined by section 14.115, subdivision 1, shall assist small businesses in any specific class requesting continuation of coverage beyond the 180-day period, in coordinating the class and presenting the case in the contested hearing.

Sec. 50. Minnesota Statutes 1986, section 64B.11, subdivision 4, is amended to read:

Subd. 4. [FILING OF AMENDMENTS BY FOREIGN OR ALIEN SOCIETY.] Every foreign or alien society authorized to do business in this state shall file with the commissioner a duly certified copy of all amendments of, or additions to, its laws within 90 days after the enactment of same be subject to the requirements of section 72A.061, subdivision 2, as to amendments or additions to its bylaws.

Sec. 51. Minnesota Statutes 1986, section 64B.27, is amended to read:

#### 64B.27 [ANNUAL LICENSE.]

Societies that are now authorized to transact business in this state may continue this business until the first day of June next succeed-

ing August 1, 1985. The authority of the societies and all societies hereafter licensed, may thereafter be renewed annually, subject to section 60A.13, subdivisions 1, 5, 6, and 7. However, a license so issued shall continue in full force and effect until the new license is issued or specifically refused. ~~For each license or renewal the society shall pay the commissioner \$20.~~ A duly certified copy or duplicate of the license is prima facie evidence that the licensee is a fraternal benefit society within the meaning of this chapter.

Sec. 52. Minnesota Statutes 1986, section 65A.01, subdivision 3a, is amended to read:

Subd. 3a. [CANCELLATION.] (1) There shall be printed in the policy or an endorsement attached to the policy a printed form in the following words:

When this policy has been issued to cover buildings used for residential purposes other than a hotel or motel and has been in effect for at least ~~six months~~ 60 days, or if it has been renewed, this policy shall not be canceled, except for one or more of the following reasons which shall be stated in the notice of cancellation:

(a) Nonpayment of premium;

(b) Misrepresentation or fraud made by or with the knowledge of the insured in obtaining the policy or in pursuing a claim thereunder;

(c) An act or omission of the insured which materially increases the risk originally accepted;

(d) Physical changes in the insured property which are not corrected or restored within a reasonable time after they occur and which result in the property becoming uninsurable; or

(e) Nonpayment of dues to an association or organization, other than an insurance association or organization, where payment of dues is a prerequisite to obtaining or continuing the insurance.

Provided, however, that this limitation on cancellation shall not apply to additional coverages in a divisible policy, other than a policy of fire and extended coverage insurance. If this company cancels the additional coverages, it may issue a new, separate fire policy at a premium calculated on a pro rata basis for the remaining period of the original policy.

(2) The provisions of clause (1)(e) shall not be included in the language of the policy or endorsement unless the payment of dues to an association or organization, other than an insurance association

or organization, is a prerequisite to obtaining or continuing the insurance.

Sec. 53. Minnesota Statutes 1986, section 65A.03, subdivision 1, is amended to read:

**65A.03 [BINDERS, TEMPORARY INSURANCE.]**

Subdivision 1. [GENERALLY.] Binders or other contracts for temporary insurance may be made orally or in writing, and shall be deemed to include all the terms of such standard fire insurance policy and all such applicable endorsements as may be designated in such contract of temporary insurance; except that the ~~cancellation clause of such standard fire insurance policy and the clause specifying the hour of the day at which the insurance shall commence,~~ may be superseded by the express terms of such contract of temporary insurance.

Sec. 54. Minnesota Statutes 1986, section 65A.10, is amended to read:

**65A.10 [LIMITATION.]**

Nothing contained in sections 65A.08 and 65A.09 shall be construed to preclude insurance against the cost, in excess of actual cash value at the time any loss or damage occurs, of actually repairing, rebuilding or replacing the insured property. Where insurance covers the cost of replacing, rebuilding or repairing any loss or damaged property with equal or better kind of quality, the replacement, rebuilding or repair must be in accordance with the minimum code as required by state and/or local authorities.

Sec. 55. Minnesota Statutes 1986, section 65A.29, is amended by adding a subdivision to read:

Subd. 10. [RETURN OF UNEARNED PREMIUM.] Cancellation of a policy of homeowner's insurance pursuant to this section is not effective unless any unearned premium due the insured is returned to the insured with the notice of cancellation or is delivered or sent by mail to the insured so as to be received by the insured not later than the effective date of cancellation. If the premium has been forwarded by the insured's agent and debited to the agent's account with the company, upon cancellation the unearned premium shall be credited to the agent's account with the company.

Sec. 56. Minnesota Statutes 1986, section 65B.1311, is amended to read:

**65B.1311 [COVERAGE FOR FORMER SPOUSE.]**

Subdivision 1. [NEW POLICY ISSUED.] If the former spouse of a named insured under a policy of private passenger vehicle insurance

applies within 60 days of entry of a valid decree of dissolution of the marriage and the former spouse was an insured driver under the policy for at least 12 months prior to entry of the decree, the insurer must issue a policy, upon payment of the appropriate premium, to the former spouse only on the basis of the driving record applicable to the former spouse and any person who is to be an insured, as defined in section 65B.43, under the policy to be issued, provided the person or persons to be insured meets the insurer's eligibility standards. An insurer must issue a policy of private passenger insurance to the former spouse of a named insured, within the provisions of subdivision 2 of this section, if the following conditions are met:

(1) the former spouse has been an insured driver under the former policy for at least the six months immediately preceding the entry of a valid decree of dissolution of marriage;

(2) the former spouse makes application for a policy before the end of the policy period or within 60 days after the entry of the decree of dissolution of marriage, whichever is later;

(3) the appropriate premium is paid; and

(4) the former spouse and any person or persons who is to be an insured, as defined in section 65B.43, meets the insurer's eligibility standards for renewal policies.

Subd. 2. [NAMED INSURED.] A named insured under a policy of private passenger vehicle insurance shall have the premium determined at the first and any subsequent renewals of the policy after entry of a valid decree of dissolution of the marriage of the named insured only on the basis of the driving record and rating classification applicable to the named insured and any person who is to be an insured, as defined in section 65B.43, under the policy to be renewed.

Sec. 57. Minnesota Statutes 1986, section 65B.15, subdivision 1, is amended to read:

Subdivision 1. No cancellation or reduction in the limits of liability of coverage during the policy period of any policy shall be effective unless notice thereof is given and unless based on one or more reasons stated in the policy which shall be limited to the following:

1. Nonpayment of premium; or

2. The policy was obtained through a material misrepresentation;

or

3. Any insured made a false or fraudulent claim or knowingly aided or abetted another in the presentation of such a claim; or

4. The named insured failed to disclose fully motor vehicle accidents and moving traffic violations of the named insured for the preceding 36 months if called for in the written application; or

5. The named insured failed to disclose in the written application any requested information necessary for the acceptance or proper rating of the risk; or

6. The named insured knowingly failed to give any required written notice of loss or notice of lawsuit commenced against the named insured, or, when requested, refused to cooperate in the investigation of a claim or defense of a lawsuit; or

7. The named insured or any other operator who either resides in the same household, unless the other operator is identified by name in any other policy as an insured; or customarily operates an automobile insured under such policy:

(a) has, within the 36 months prior to the notice of cancellation, had that person's driver's license under suspension or revocation; or

(b) is or becomes subject to epilepsy or heart attacks, and such individual does not produce a written opinion from a physician testifying to that person's medical ability to operate a motor vehicle safely, such opinion to be based upon a reasonable medical probability; or

(c) has an accident record, conviction record (criminal or traffic), physical condition or mental condition, any one or all of which are such that the person's operation of an automobile might endanger the public safety; or

(d) has been convicted, or forfeited bail, during the 24 months immediately preceding the notice of cancellation for criminal negligence in the use or operation of an automobile, or assault arising out of the operation of a motor vehicle, or operating a motor vehicle while in an intoxicated condition or while under the influence of drugs; or leaving the scene of an accident without stopping to report; or making false statements in an application for a driver's license, or theft or unlawful taking of a motor vehicle; or

(e) has been convicted of, or forfeited bail for, one or more violations within the 18 months immediately preceding the notice of cancellation, of any law, ordinance, or rule which justify a revocation of a driver's license.

8. The insured automobile is:

(1) so mechanically defective that its operation might endanger public safety; or

(2) used in carrying passengers for hire or compensation, provided however that the use of an automobile for a car pool shall not be considered use of an automobile for hire or compensation; or

(3) used in the business of transportation of flammables or explosives; or

(4) an authorized emergency vehicle; or

(5) subject to an inspection law and has not been inspected or, if inspected, has failed to qualify within the period specified under such inspection law; or

(6) substantially changed in type or condition during the policy period, increasing the risk substantially, such as conversion to a commercial type vehicle, a dragster, sports car or so as to give clear evidence of a use other than the original use.

Sec. 58. Minnesota Statutes 1986, section 65B.16, is amended to read:

**65B.16 [STATEMENT OF REASONS FOR CANCELLATION OR REDUCTION.]**

No notice of cancellation or reduction in the limits of liability of coverage of an automobile insurance policy under section 65B.15 shall be effective unless the specific underwriting or other reason or reasons for such cancellation or reduction in the limits of liability of coverage are stated in such notice and the notice is mailed or delivered by the insurer to the named insured at least 30 days prior to the effective date of cancellation; provided, however, that when nonpayment of premium is the reason for cancellation or when the company is exercising its right to cancel insurance which has been in effect for less than 60 days at least ten days notice of cancellation, and the reasons for the cancellation, shall be given. Information regarding moving traffic violations or motor vehicle accidents must be specifically requested on the application in order for a company to use those incidents to exercise its right to cancel within the first 59 days of coverage. When nonpayment of premiums is the reason for cancellation, the reason must be given to the insured with the notice of cancellation; and if the company is exercising its right to cancel within the first 59 days of coverage and notice is given with less than ten days remaining in the 59-day period, the coverage must be extended, to expire ten days after notice was mailed.

## Sec. 59. [65B.162] [NOTICE OF POSSIBLE CANCELLATION.]

A written notice shall be provided to all applicants for private passenger insurance, at the time the application is submitted, containing the following language in bold print: "THE INSURER MAY ELECT TO CANCEL COVERAGE AT ANY TIME DURING THE FIRST 59 DAYS FOLLOWING ISSUANCE OF THE COVERAGE FOR ANY REASON WHICH IS NOT SPECIFICALLY PROHIBITED BY STATUTE."

Sec. 60. Minnesota Statutes 1986, section 65B.21, subdivision 2, is amended to read:

Subd. 2. Upon receipt of a written objection pursuant to the provisions herein, the commissioner shall ~~may~~ notify the insurer of receipt of such objection and of the right of the insurer to file a written response thereto within ten days of receipt of such notification. The commissioner may also order an investigation of the objection or complaint, the submission of additional information by the insured or the insurer about the action by the insurer or the objections of the insured, or such other procedure as the commissioner deems appropriate or necessary. Within 23 days of receipt of such written objection by an insured the commissioner shall approve or disapprove the insurer's action and shall notify the insured and insurer of the final decision. Either party may institute proceedings for judicial review of the commissioner's decision; provided, however, that the commissioner's final decision shall be binding pending judicial review.

## Sec. 61. [65B.30] [COLLISION DAMAGE WAIVER FEE.]

Subdivision 1. [DEFINITIONS.] (a) The "assigned risk blended rate" is an average of the assigned risk plan collision rates of all classifications except those for drivers under age 21, for the Minneapolis territory, the highest rated territory in the state, and the lowest rated territory in the state divided by 365.

(b) A "collision damage waiver" is a discharge of the responsibility of the renter or leasee to return the motor vehicle in the same condition as when rented.

Subd. 2. [LIMITATION.] When a motor vehicle is rented or leased in the state of Minnesota, if coverage for a collision damage waiver is provided, the fee charged for any days coverage shall be no greater than the assigned risk blended rate.

Sec. 62. Minnesota Statutes 1986, section 65B.46, is amended to read:

## 65B.46 [RIGHT TO BENEFITS.]

Subdivision 1. If the accident causing injury occurs in this state, every person suffering loss from injury arising out of maintenance or

use of a motor vehicle or as a result of being struck as a pedestrian by a motorcycle has a right to basic economic loss benefits.

Subd. 2. If the accident causing injury occurs outside this state in the United States, United States possessions, or Canada, the following persons and their surviving dependents suffering loss from injury arising out of maintenance or use of a motor vehicle or as a result of being struck as a pedestrian by a motorcycle have a right to basic economic loss benefits:

(1) Insureds, and

(2) the driver and other occupants of a secured vehicle, other than (a) a vehicle which is regularly used in the course of the business of transporting persons or property and which is one of five or more vehicles under common ownership, or (b) a vehicle owned by a government other than this state, its political subdivisions, municipal corporations, or public agencies. The reparation obligor may, if the policy expressly states, extend the basic economic loss benefits to any stated area beyond the limits of the United States, United States possessions and Canada.

Subd. 3. For the purposes of sections 65B.41 to 65B.71, injuries suffered by a person while on, mounting or alighting from a motorcycle do not arise out of the maintenance or use of a motor vehicle although a motor vehicle is involved in the accident causing the injury.

Sec. 63. Minnesota Statutes 1986, section 65B.47, subdivision 1, is amended to read:

Subdivision 1. In case of injury to the driver or other occupant of a motor vehicle other than a commuter van, or other than a vehicle being used to transport children to school or to a school sponsored activity or other bus or taxicab while it is in operation within the state of Minnesota as to any Minnesota resident who is an insured as defined in section 65B.43, subdivision 5, if the accident causing the injury occurs while the vehicle is being used in the business of transporting persons or property, the security for payment of basic economic loss benefits is the security covering the vehicle or, if none, the security under which the injured person is an insured.

Sec. 64. Minnesota Statutes 1986, section 67A.05, subdivision 2, is amended to read:

Subd. 2. [FILING OF BYLAWS AND AMENDMENTS THERETO.] Every township mutual fire insurance company doing business within this state shall cause a copy of its bylaws to be certified to by its president and its secretary and file the same with the commissioner and thereafter every amendment to the bylaws of any township mutual fire insurance company, duly certified to by its

president and its secretary, shall within a reasonable time after its adoption be filed in the office of the commissioner be subject to the requirements of section 72A.061, subdivision 2, as to amendments or additions to its bylaws.

Sec. 65. Minnesota Statutes 1986, section 67A.06, is amended to read:

67A.06 [POWERS OF CORPORATION.]

Every corporation formed under the provisions of sections 67A.01 to 67A.26, shall have power:

- (1) To have succession by its corporate name for the time stated in its certificate of incorporation;
- (2) To sue and be sued in any court;
- (3) To have and use a common seal and alter the same at pleasure;
- (4) To acquire, by purchase or otherwise, and to hold, enjoy, improve, lease, encumber, and convey all real and personal property necessary for the purpose of its organization, subject to such limitations as may be imposed by law or by its articles of incorporation;
- (5) To elect or appoint in such manner as it may determine all necessary or proper officers, agents, boards, and committees, fix their compensation, and define their powers and duties;
- (6) To make and amend consistently with law bylaws providing for the management of its property and the regulation and government of its affairs;
- (7) To wind up and liquidate its business in the manner provided by chapter 60B; and
- (8) To indemnify certain persons against expenses and liabilities as provided in section ~~300.082~~ 300.083. In applying section ~~300.082~~ 300.083 for this purpose, the term "members" shall be substituted for the terms "shareholders" and "stockholders."

Sec. 66. Minnesota Statutes 1986, section 67A.231, is amended to read:

67A.231 [DEPOSIT OF FUNDS; INVESTMENT; LIMITATIONS.]

The directors of any township mutual insurance company may authorize the treasurer to invest any of its funds and accumulations in:

- (a) Bonds, notes, mortgages, or other obligations guaranteed by the full faith and credit of the United States of America and those for

which the credit of the United States is pledged to pay principal, interest or dividends, including United States agency and instrumentality bonds, debentures, or obligations;

(b) Bonds, notes, evidence of indebtedness, or other public authority obligations guaranteed by this state;

(c) Bonds, notes, evidence of the indebtedness or other obligations guaranteed by the full faith and credit of any county, municipality, school district, or other duly authorized political subdivision of this state;

(d) Loans upon improved and unencumbered real property in this state worth at least twice the amount loaned thereon, not including buildings, unless insured by property insurance policies payable to and held by the security holder;

(e) Real estate, including land, buildings and fixtures, located in this state and used primarily as home office space for the insurance company;

(f) Demand or time deposits or savings accounts in federally insured depositories located in this state to the extent that the deposit or investment is insured by the Federal Deposit Insurance Corporation, Federal Savings and Loan Corporation, or the National Credit Union Administration;

(g) Guarantee fund certificates of a mutual insurer which reinsures the business of the township mutual insurance company. The commissioner may by rule limit the amount of guarantee fund certificates which the township mutual insurance company may purchase and this limit may be a function of the size of the township mutual insurance company;

(h) Up to \$1,500 in stock of an insurer which issues directors and officers liability insurance to township mutual insurance company directors and officers.

Sec. 67. Minnesota Statutes 1986, section 70A.06, is amended by adding a subdivision to read:

Subd. 1a. Whenever an insurer files a change in a rate that will result in a 25 percent or more increase in a 12-month period over existing rates, the commissioner may hold a hearing to determine if the change is excessive. The hearing must be conducted under chapter 14. It shall be the responsibility of the insurer to show the

rate is not excessive. The rate is effective unless it is determined within 60 days as a result of the hearing that the rate is excessive.

Sec. 68. Minnesota Statutes 1986, section 70A.08, subdivision 3, is amended to read:

Subd. 3. ~~Until January 1, 1988,~~ The commissioner may restrict approval on claims-made policies to forms filed by a rate service organization which have been approved.

Sec. 69. Minnesota Statutes 1986, section 72A.20, subdivision 11, is amended to read:

Subd. 11. [APPLICATION TO CERTAIN SECTIONS.] Violating any provision of the following sections of this chapter not set forth in ~~subdivisions 1 to 15~~ this section shall constitute an unfair method of competition and an unfair and deceptive act or practice: sections 72A.12, subdivisions 2, 3, and 4, 72A.16, subdivision 2, 72A.03 and 72A.04, 72A.08, subdivision 1 as modified by section 72A.08, subdivision 4, and 65B.13.

Sec. 70. Minnesota Statutes 1986, section 72A.20, subdivision 17, is amended to read:

Subd. 17. [RETURN OF PREMIUMS UPON DEATH OF INSURED.] (a) Refusing, upon surrender of an individual policy of life insurance, to refund to the estate of the insured all unearned premiums paid on the policy covering the insured as of the time of the insured's death if the unearned premium is for a period of more than one month.

The insurer may deduct from the premium any previously accrued claim for loss or damage under the policy.

For the purposes of this section, a premium is unearned during the period of time the insurer has not been exposed to any risk of loss; or

(b) Refusing, upon termination or cancellation of a policy of automobile insurance under section 65B.14, subdivision 2, or a policy of homeowner's insurance under section 65A.27, subdivision 4, or a policy of accident and sickness under section 62A.01, to refund to the insured all unearned premiums paid on the policy covering the insured as of the time of the termination or cancellation if the unearned premium is for a period of more than one month.

The insurer may deduct from the premium any previously accrued claim for loss or damage under the policy.

For purposes of this section, a premium is unearned during the period of time the insurer has not been exposed to any risk of loss.

Sec. 71. Minnesota Statutes 1986, section 72A.20, is amended by adding a subdivision to read:

Subd. 18. [IMPROPER BUSINESS PRACTICES.] (a) Improperly withholding, misappropriating, or converting any money belonging to a policyholder, beneficiary, or other person when received in the course of the insurance business; or (b) engaging in fraudulent, coercive, or dishonest practices in connection with the insurance business.

Sec. 72. Minnesota Statutes 1986, section 72A.20, is amended by adding a subdivision to read:

Subd. 19. [SUPPORT FOR UNDERWRITING STANDARDS.] No life or health insurance company doing business in this state shall engage in any selection or underwriting process unless the insurance company establishes beforehand substantial data, actuarial projections, or claims experience which support the underwriting standards used by the insurance company. The data, projections, or claims experience used to support the selection or underwriting process is not limited to only that of the company. The experience, projections, or data of other companies or a rate service organization may be used as well.

Sec. 73. Minnesota Statutes 1986, section 72A.31, subdivision 1, is amended to read:

Subdivision 1. No person, firm or corporation engaged in the business of financing the purchase of real or personal property or of lending money on the security of real or personal property or who acts as agent or broker for one who purchases real property and borrows money on the security thereof, and no trustee, director, officer, agent or other employee of any such person, firm, or corporation shall directly or indirectly:

(1) require, as a condition precedent to such purchase or financing the purchase of such property or to loaning money upon the security of a mortgage thereon, or as a condition prerequisite for the renewal or extension of any such loan or mortgage or for the performance of any other act in connection therewith, that the person, firm or corporation making such purchase or for whom such purchase is to be financed or to whom the money is to be loaned or for whom such extension, renewal or other act is to be granted or performed negotiate any policy of insurance or renewal thereof covering such property through a particular agent, or insurer; or

(2) refuse to accept any policy of insurance covering such property because it was not negotiated through or with any particular agent, or insurer; or

(3) require any policy of insurance covering the property to exceed the replacement cost of the buildings on the mortgaged premises.

This section shall not prevent the disapproval of the insurer or a policy of insurance by any such person, firm, corporation, trustee, director, officer, agent or employee where there are reasonable grounds for believing that such insurance is unsatisfactory as to placement with an unauthorized insurer, the financial solvency of the insurer, adequacy of the coverage, adequacy of the insurer to assume the risk to be insured, the assessment features to which the policy is subject, or other grounds which are not arbitrary, unreasonable or discriminatory, nor shall this section forbid the securing of insurance or a renewal thereof at the request of the borrower or because of the borrower's failure to furnish the necessary insurance or renewal thereof.

Upon notice of any such disapproval of an insurer or a policy of insurance, the commissioner may order the approval of the insurer or the acceptance of the tendered policy of insurance, or both, if the commissioner determines such disapproval is not in accordance with the foregoing requirements. Failure to comply with such an order of the commissioner of commerce shall be deemed a violation of this section.

Sec. 74. Minnesota Statutes 1986, section 169.045, is amended by adding a subdivision to read:

Subd. 8. [INSURANCE.] In the event persons operating a motorized golf cart or four-wheel, all-terrain vehicle under this section cannot obtain liability insurance in the private market, that person may purchase automobile insurance, including no-fault coverage, from the Minnesota Automobile Assigned Risk Plan at a rate to be determined by the commissioner of commerce.

Sec. 75. [SPECIAL STUDY.]

The commissioner of health, with the advice and assistance of the commissioners of commerce and human services, shall prepare a report to the legislature which addresses the issues concerning reimbursement by third-party payors of home health care benefits for individuals with a medical condition which would require inpatient hospital services in the absence of home or community-based care, and who are dependent upon medical technology in order to avoid death or serious injury. Development of the report shall include participation by home care providers and third-party payors. The report must include recommendations for the adoption of definitions of home care, minimum standards of home care services, the costs of providing home care, and resolution of the issue of cost-shifting of home care. The report must be delivered to the legislature by January 15, 1988.

## Sec. 76. [REPEALER.]

Minnesota Statutes 1986, sections 62A.12 and 67A.43, subdivision 3 are repealed.

Minnesota Rules, parts 2700.2400; 2700.2410; 2700.2420; 2700.2430; and 2700.2440 are repealed.

## Sec. 77. [EFFECTIVE DATE.]

Sections 27 and 37 are effective for all group policies, all group subscriber contracts, all health maintenance contracts within the scope of Minnesota Statutes, chapters 62A, 62C, and 62D that are issued, delivered, or renewed in this state after August 1, 1987.

Section 74 is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to insurance; requiring notification of group life or health coverage changes; eliminating mandatory temporary insurance agent licenses; requiring those who solicit insurance to act as agent for the insured; regulating surplus lines insurance; regulating rates and forms; regulating insurance plan administrators; regulating the renewal, nonrenewal, and cancellation of commercial liability and property insurance policies; providing continued group life coverage upon termination or layoff; providing for the establishment and operation of the insurance guaranty association and the life and health guaranty association; regulating accident and health insurance; providing for the extra-territorial application of coverages; requiring the treatment of pregnancy-related conditions in the same manner as other illnesses; mandating certain coverages; clarifying coverage for handicapped dependents; providing group coverage for ambulatory mental health services; providing continued group accident and health coverage upon termination or layoff; requiring coverage of current spouse and children; imposing surety bond requirements on certain health benefit plans; regulating Medicare supplement plan premium refunds; authorizing the renewal of certain long-term health policies; providing for the establishment and operation of the comprehensive health association and the joint underwriting association; providing comprehensive health insurance coverage for certain employees not eligible for Medicare; regulating fraternal benefit associations; regulating automobile insurance; limiting the cancellation of fire insurance binders and policies; providing for administration of the FAIR plan; limiting the grounds for cancellation or reduction in limits during the policy period; providing for the priority of security for payment of basic economic loss benefits; extending basic economic loss benefit protection; requiring coverages for former spouses; regulating collision damage waiver fees; extending no-fault benefits to pedestrians who are struck by motorcycles; regulating

township mutual insurance companies; authorizing investments in certain insurers; regulating trade practices; requiring life and health insurers to substantiate the underwriting standards they use; providing assigned risk plan coverage for certain vehicles used by the handicapped; providing for a special study of home health care benefits for certain individuals; amending Minnesota Statutes 1986, sections 60A.17, subdivisions 2c, 11, and 13; 60A.196; 60A.197; 60A.198, subdivision 3; 60A.23, subdivision 8; 60A.30; 60B.44, subdivisions 1, 4, 5, and 9; 60C.09; 61A.09, subdivision 1; 62A.01; 62A.02, subdivision 2; 62A.041; 62A.043, by adding a subdivision; 62A.141; 62A.146; 62A.152, subdivision 2; 62A.17; 62A.21; 62A.27; 62A.31, subdivision 1a; 62A.43, subdivision 2, and by adding a subdivision; 62A.48, by adding a subdivision; 62D.102; 62E.06, subdivision 1; 62E.14, by adding a subdivision; 62F.041, subdivision 2; 62F.06, subdivision 1; 62H.04; 62I.02, by adding a subdivision; 62I.03, subdivision 5; 62I.04; 62I.16, subdivision 3; 62I.22, subdivision 2, and by adding a subdivision; 64B.11, subdivision 4; 64B.27; 65A.01, subdivision 3a; 65A.03, subdivision 1; 65A.10; 65A.29, by adding a subdivision; 65B.1311; 65B.15, subdivision 1; 65B.16; 65B.21, subdivision 2; 65B.46; 65B.47, subdivision 1; 67A.05, subdivision 2; 67A.06; 67A.231; 70A.06, by adding a subdivision; 70A.08, subdivision 3; 72A.20, subdivisions 11, 17, and by adding subdivisions; 72A.31, subdivision 1; and 169.045, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 60A; 62A; 62E; and 65B; repealing Minnesota Statutes 1986, sections 62A.12; and 67A.43, subdivision 3; and Minnesota Rules, parts 2700.2400 to 2700.2440."

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 401, A bill for an act relating to environment; providing criminal penalties for violation of laws and rules relating to hazardous waste; providing for the distribution and expenditure of monetary penalties; amending Minnesota Statutes 1986, sections 115.071, subdivision 2; and 609.531, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 115; repealing Minnesota Statutes 1986, section 115.071, subdivisions 2a and 2b.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 115.071, subdivision 2, is amended to read:

Subd. 2. [CRIMINAL PENALTIES.] (a) [VIOLATIONS OF LAWS; ORDERS; PERMITS.] (1) Except as provided in subdivisions 2a and

~~2b~~ section 2, any person who willfully or negligently violates any provision of this chapter or chapter 116, or any standard, rule, variance, order, stipulation agreement, schedule of compliance or permit issued or adopted by the agency thereunder, which violation is not included in clause (2), shall upon conviction be guilty of a misdemeanor.

(2) Any person who willfully or negligently violates any effluent standard and limitation or water quality standard adopted by the agency, any National Pollutant Discharge Elimination System permit or any term or condition thereof, any duty to permit or carry out any recording, reporting, monitoring, sampling, information entry, access, copying, or other inspection or investigation requirement as provided under applicable provisions of this chapter and, with respect to the pollution of waters of the state, chapter 116, or any National Pollutant Discharge Elimination System filing requirement, shall upon conviction be punished by a fine of not less than \$2,500 in the event of a willful violation or not less than \$300 in the event of a negligent violation. In any case the penalty shall not be more than \$40,000 per day of violation or by imprisonment for not more than one year, or both. If the conviction is for conduct committed after a first conviction of such person under this subdivision, punishment shall be by fine of not more than \$50,000 per day of violation, or by imprisonment for not more than two years, or both.

(b) [INFORMATION AND MONITORING.] Any person who knowingly makes any false statement, representation, or certification in any application, record, report, plan, or other document filed or required to be maintained under this chapter and, with respect to the pollution of the waters of the state, chapter 116, or standards, rules, orders, stipulation agreements, schedule of compliance or permits pursuant hereto, or who falsifies, tampers with, or knowingly renders inaccurate any monitoring device or method required to be maintained under this chapter and, with respect to the pollution of waters of the state, chapter 116, or standards, rules, variances, orders, stipulation agreements, schedules of compliance, or permits pursuant thereto, shall upon conviction, be punished by a fine of not more than \$20,000 per day of violation, or by imprisonment for not more than six months, or both.

(c) [DUTY OF LAW ENFORCEMENT OFFICIALS.] It shall be the duty of all county attorneys, sheriffs and other peace officers, and other officers having authority in the enforcement of the general criminal laws to take all action to the extent of their authority, respectively, that may be necessary or proper for the enforcement of said provisions, rules, standards, orders, stipulation agreements, variances, schedule of compliance, or permits.

Sec. 2. [115.073] [HAZARDOUS WASTE; CRIMINAL PENALTIES.]

Subdivision 1. [DEFINITIONS.] The definitions in this subdivision apply to this section.

(a) "Deliver" or "delivery" means the transfer of possession of hazardous waste, with or without consideration.

(b) "Hazardous waste" means any substance identified or listed as a hazardous waste under the rules adopted under chapter 115, 116, or 221.

(c) "Know" has the meaning given it in section 609.02.

(d) "Permit" means a permit issued by the agency or a facility that qualified for interim status under the agency rules specifying the qualifications for that status.

(e) "Serious bodily injury" means:

(1) bodily injury that involves a substantial risk of death;

(2) unconsciousness;

(3) extreme physical pain;

(4) protracted and obvious disfigurement; or

(5) protracted loss or impairment of the function of a bodily member, organ, or mental faculty.

Subd. 2. [PROOF OF KNOWING STATE OF MIND.] Knowledge possessed by a person other than the defendant but not by the defendant may not be attributed to the defendant.

In proving a defendant's actual knowledge, circumstantial evidence may be used, including evidence that the defendant took affirmative steps to shield the defendant from relevant information.

Proof of a defendant's knowledge of the existence or constitutionality of chapter 115, 116, or 221 or the rules adopted under those chapters under which the defendant is prosecuted, or the scope or meaning of the terms used in those chapters or rules, is not required.

Proof of a defendant's reason to know may not consist solely of the fact that the defendant held a certain job or position of management responsibility. If evidence of the defendant's job or position is offered, it must be corroborated by evidence of defendant's reason to know. Corroborating evidence must include but is not limited to evidence that the defendant had information regarding the offense for which the defendant is charged, that the information pertained to hazardous waste management practices directly under the defendant's

control or within the defendant's supervisory responsibilities, and that the information would cause a reasonable and prudent person in the defendant's position to learn the actual facts.

Subd. 3. [FELONY PENALTY FOR KNOWING ENDANGERMENT.] A person who knowingly, or with reason to know, transports, treats, stores, or disposes of hazardous waste in violation of subdivision 4 or 5, and who, at the time of the violation, knowingly places or has reason to know that the person's conduct places another person in imminent danger of death or serious bodily injury, is guilty of a felony. An individual who is convicted of violating this subdivision may be sentenced to imprisonment for not more than ten years or to payment of a fine of not more than \$100,000, or both. A person other than an individual that is convicted of violating this subdivision may be sentenced to payment of a fine of not more than \$1,000,000.

Subd. 4. [FELONY PENALTY FOR UNLAWFUL DISPOSAL.] A person who knowingly, or with reason to know, disposes of hazardous waste or arranges for the disposal of hazardous waste at a location other than one permitted by the agency or the United States Environmental Protection Agency, or in violation of any material condition of a permit, is guilty of a felony. An individual who is convicted of violating this subdivision may be sentenced to imprisonment for not more than five years or to payment of a fine of not more than \$50,000, or both. A person other than an individual that is convicted of violating this subdivision may be sentenced to payment of a fine of not more than \$50,000.

Subd. 5. [FELONY PENALTY FOR UNLAWFUL TREATMENT, STORAGE, TRANSPORTATION, OR DELIVERY; FALSE STATEMENTS.] (a) A person who knowingly, or with reason to know, does any of the following is guilty of a felony and may be sentenced as provided in paragraph (b):

(1) delivers hazardous waste to another person except as authorized by chapter 115, 116, or 221 and the rules adopted under any of them or the federal Resource Conservation and Recovery Act, and the regulations adopted under that act;

(2) treats or stores hazardous waste without a permit if a permit is required, or in violation of the material terms or conditions of a permit held by the person, unless these circumstances were caused by the acts of a third party or parties and the agency was immediately notified of these circumstances;

(3) transports hazardous waste to any location other than a facility that is authorized to receive, treat, store, or dispose of the hazardous waste;

(4) transports hazardous waste without a manifest;

(5) makes a false material statement, representation, or omission in an application for a permit or license required by chapter 115, 116, or 221 to treat, transport, store, or dispose of hazardous waste; or

(6) makes a false material statement, representation, or omission in or on a label, manifest, record, report, or other document filed, maintained, or used for purpose of compliance with chapter 115, 116, or 221 in connection with the generation, transportation, disposal, treatment, or storage of hazardous waste.

(b) An individual convicted of an offense under paragraph (a) may be sentenced to imprisonment for not more than three years or to payment of a fine of not more than \$25,000, or both, and, upon conviction for a second or subsequent offense under paragraph (a), may be sentenced to imprisonment for not more than five years or to payment of a fine of not more than \$50,000, or both. A person other than an individual that is convicted of an offense under paragraph (a) may be sentenced to payment of a fine of not more than \$25,000 and, upon conviction for a second or subsequent offense under paragraph (a), may be sentenced to payment of a fine of not more than \$50,000.

Subd. 6. [NEGLIGENT VIOLATION AS GROSS MISDEMEANOR.] A person who negligently commits any of the violations set forth in subdivision 4 or 5 is guilty of a gross misdemeanor. Notwithstanding section 609.02, subdivision 4:

(1) an individual convicted of violating this subdivision may be sentenced to imprisonment for not more than one year or to payment of a fine of not more than \$15,000, or both; and

(2) a person other than an individual that is convicted of violating this subdivision may be sentenced to payment of a fine of not more than \$15,000. Each day of violation is a separate violation.

Subd. 7. [DUTY OF LAW ENFORCEMENT OFFICIALS.] It is the duty of all county attorneys, sheriffs, and other peace officers, and other officers having authority for the enforcement of the general criminal laws to take action, to the extent of their authority, necessary to enforce subdivisions 1 to 7.

Subd. 8. [LIMITATIONS; AGGREGATIONS.] (a) Notwithstanding the provisions of section 628.26 or any other provision of the criminal laws of this state, indictments or complaints for violation of subdivisions 3 to 6, except violations relating to false material statements, representations, or omissions, shall be found or made and filed in the proper court within six years after the commission of the offense.

(b) When two or more offenses in violation of subdivisions 1 to 6 are committed by the same person in two or more counties within a two-year period, the offenses may be aggregated and the accused may be prosecuted in any county in which one of the offenses was committed, provided, however, that the defendant may request a change of venue to any of the counties where an offense alleged in the complaint was committed. The case may be transferred to that county (1) if the court is satisfied that a fair and impartial trial cannot be had in the county in which the case is pending; (2) for the convenience of parties and witnesses; (3) in the interests of justice; or (4) because of prejudicial publicity.

Subd. 9. [PAYMENT OF REWARDS.] (a) The director of the agency may pay a reward to an individual, other than a peace officer or employee of the agency or county engaged in enforcement of hazardous waste regulations, for information leading to the conviction of a person for a criminal offense arising under section 2, subdivisions 3, 4, and 5. A reward must not exceed \$1,000. The director shall pay the rewards out of money appropriated under paragraph (b) or from other funds donated to the agency for that purpose.

(b) The amounts necessary to pay rewards under paragraph (a) are appropriated from the environmental response, compensation, and compliance fund to the agency for payment by the director.

Sec. 3. Minnesota Statutes 1986, section 609.531, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] For the purpose of this section, the following terms have the meanings given them.

(a) "Conveyance device" means a device used for transportation in connection with a designated offense and includes, but is not limited to, motor vehicles, trailers, snowmobiles, airplanes, and vessels. The term "conveyance device" does not include property which is, in fact, itself stolen or taken in violation of the law.

(b) "Primary container" means a fundamental receptacle other than a conveyance device used to store or transport property.

(c) "Weapon used" means weapons used in the furtherance of a crime and defined as a dangerous weapon under section 609.02, subdivision 6.

(d) "Property" means property as defined in section 609.52, subdivision 1, clause (1).

(e) "Contraband property" means property which is illegal to possess under Minnesota law.

(f) "Appropriate agency" means either the bureau of criminal apprehension, Minnesota state patrol, county sheriffs and their deputies, or city police departments.

(g) "Designated offense" includes:

(1) For weapons used: any violation of this chapter;

(2) For all other purposes: violation of, or an attempt or conspiracy to violate, section 2, subdivisions 3 to 5; 609.185; 609.19; 609.195; 609.21; 609.221; 609.222; 609.223; 609.2231; 609.24; 609.245; 609.25; 609.255; 609.322, subdivision 1 or 2; 609.342, subdivision 1, clauses (a) to (f); 609.343, subdivision 1, clauses (a) to (f); 609.344, subdivision 1, clauses (a) to (e), and (h) to (j); 609.345, subdivision 1, clauses (a) to (e), and (h) to (j); 609.42; 609.425; 609.466; 609.485; 609.487; 609.52; 609.521; 609.525; 609.53; 609.54; 609.551; 609.561; 609.562; 609.563; 609.582; 609.59; 609.595; 609.687; 609.825; 609.86; 609.88; 609.89; or 617.246, when the violation constitutes a felony.

(h) "Communications device or component" means a device or system used to facilitate in any manner the creation, storage, dissemination, or transmission of data in connection with a designated offense and includes computers and computer-related components as defined in section 609.87 and any other device or system that by means of electric, electronic or magnetic impulses may be used to facilitate in any manner the creation, storage, dissemination, or transmission of data.

#### Sec. 4. [REPEALER.]

Minnesota Statutes 1986, section 115.071, subdivisions 2a and 2b, are repealed."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Otis from the Committee on Economic Development and Housing to which was referred:

H. F. No. 449, A bill for an act relating to economic development; authorizing economic development authorities to construct and furnish buildings; providing for a referendum on an economic development authority's issuance of general obligation bonds;

amending Minnesota Statutes 1986, section 458C.14, by adding a subdivision; and section 458C.15, by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1986, section 458C.14, subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT.] An economic development authority may create and define the boundaries of economic development districts at any place or places within the city if ~~the district satisfies the requirements of section 273.73, subdivision 10, except that the district boundaries must be contiguous~~; and may use the powers granted in sections 458C.01 to 458C.23 to carry out its purposes. First the authority must hold a public hearing on the matter. At least ten days before the hearing, the authority shall publish notice of the hearing in a daily newspaper of general circulation in the city. Also, the authority shall find that an economic development district is proper and desirable to establish and develop within the city.

Sec. 2. Minnesota Statutes 1986, section 458C.14, is amended by adding a subdivision to read:

Subd. 12. [CONSTRUCTION AND FURNISHING OF BUILDINGS.] The authority may, if construction is in the public interest, construct buildings or other structures on land owned by it. The authority may furnish capital equipment located permanently or used exclusively on the land or in the buildings if necessary to the purposes of the buildings or other structures. The authority must intend that the buildings, structures, and equipment be leased or sold to private persons to further develop the economic development district.

Sec. 3. Minnesota Statutes 1986, section 458C.15, subdivision 1, is amended to read:

Subdivision 1. [AUTHORITY; PROCEDURE.] An economic development authority may issue general obligation bonds in the principal amount authorized by ~~two-thirds majority vote~~ a 60 percent majority vote of its city's council. The bonds may be issued in anticipation of income from any source. The bonds may be issued: (1) to secure funds needed by the authority to pay for acquired property or (2) for other purposes in sections 458C.01 to 458C.23. The bonds must be in the amount and form and bear interest at the rate set by the city council. The authority shall sell the bonds to the highest bidder. The authority shall publish notice of the time and the place for receiving bids, once at least two weeks before the bid deadline. Sections 458C.01 to 458C.23 govern issuance of the bonds. When

those sections are silent, chapter 475 governs. The authority when issuing the bonds is a municipal corporation under chapter 475, and issuance of the bonds is subject to the provisions of chapter 475. No election shall be required to authorize the issuance of bonds except as required in subdivision 1a.

Sec. 4. Minnesota Statutes 1986, section 458C.15, is amended by adding a subdivision to read:

Subd. 1a. [REFERENDUM ON PETITION.] Before the issuance of the bonds, the city council shall publish in the official newspaper of the city an initial resolution authorizing the issuance of the bonds, and if within 21 days after the publication there is filed with the city clerk a petition requesting an election on the proposition of issuing the bonds signed by a number of qualified voters greater than ten percent of the number who voted in the city at the last general election, the bonds must not be issued until the proposition has been approved by a majority of the votes cast on it at a regular or special election.

Sec. 5. Minnesota Statutes 1986, section 458C.15, is amended by adding a subdivision to read:

Subd. 1b. [OUTSIDE DEBT LIMIT.] Bonds issued by the authority must not be included in the net debt of its city. Money received under this section must not be included in a per person limit on taxing or spending in the city's charter. The authority is also exempt from the limit."

Delete the title and insert:

"A bill for an act relating to economic development; expanding the definition of economic development district; authorizing economic development authorities to construct and furnish buildings; providing for a referendum on an economic development authority's issuance of general obligation bonds; exempting economic development authority bonds from net debt limits; amending Minnesota Statutes 1986, sections 458C.14, subdivision 1, and by adding a subdivision; and 458C.15, subdivision 1, and by adding subdivisions."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Skoglund from the Committee on Financial Institutions and Insurance to which was referred:

H. F. No. 454, A bill for an act relating to insurance; regulating unfair settlement practices of automobile insurers; requiring repairs

with original equipment parts; providing an exception; regulating insurance appraisals; revising the truth-in-repairs act to require disclosure of whether new parts are original equipment parts; amending Minnesota Statutes 1986, sections 72A.20, subdivision 12a; 72B.091, subdivision 2; 325F.56, subdivision 8; and 325F.60, subdivision 1.

Reported the same back with the following amendments:

Pages 1 to 12, delete section 1

Page 13, line 20, delete "the vehicle owner has given"

Page 13, delete lines 21 and 22, and insert "the appraisal discloses to the vehicle owner which parts to be used are nonoriginal equipment manufacturer's parts. As to any nonoriginal equipment manufacturer parts, the appraisal must disclose whether the parts are covered by a warranty and the duration of the warranty. The vehicle owner may reject the use of nonoriginal equipment manufacturer parts."

Page 13, line 33, after "If" insert "crash"

Page 13, line 35, after the second "parts" insert ". If the estimate lists nonoriginal equipment manufacturer crash parts, the estimate must disclose whether the parts are covered by a warranty and the duration of the warranty"

Page 14, after line 4, insert:

"Sec. 3. Minnesota Statutes 1986, section 325F.56, is amended by adding a subdivision to read:

Subd. 9. As used in this section, "crash parts" includes but is not limited to sheet metal body parts, such as hoods, fenders, panels, and bumpers which are used to repair a damaged motor vehicle."

Page 14, line 32, after "If" insert "crash"

Page 14, line 34, after "parts" insert ". If nonoriginal equipment manufacturer crash parts are used in the repair, the invoice must disclose whether the parts are covered by a warranty and the duration of the warranty"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 8, delete "72A.20, subdivision"

Page 1, line 9, delete "12a;" and after "8" insert ", and by adding a subdivision"

With the recommendation that when so amended the bill pass.

The report was adopted.

Otis from the Committee on Economic Development and Housing to which was referred:

H. F. No. 475, A bill for an act relating to neighborhood revitalization; providing for the creation of urban revitalization action programs for the cities of Minneapolis and Saint Paul; providing a low income housing credit; providing for changes in certain special assessment payment procedures; appropriating money; amending Minnesota Statutes 1986, sections 290.06, by adding a subdivision; and 429.061, subdivision 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 281.17, is amended to read:

281.17 [PERIOD FOR REDEMPTION.]

The period of redemption for all lands sold to the state at a tax judgment sale shall be three years from the date of sale to the state of Minnesota if the land is within an incorporated area unless it is: (a) nonagricultural homesteaded land as defined in section 273.13, subdivision 22, (b) homesteaded agricultural land as defined in section 273.13, subdivision 23, paragraph (a), or (c) seasonal recreational land as defined in section 273.13, subdivision 27, paragraph (a), or subdivision 22, paragraph (c), in which event the period of redemption is five years from the date of sale to the state of Minnesota.

The period of redemption for all homesteaded lands as defined in section 273.13, subdivision 22, located in a targeted neighborhood as defined in section 6 sold to the state at a tax judgment sale shall be two years from the date of sale. The period of redemption for all other lands in a targeted neighborhood as defined in section 6 sold to the state at a tax judgment sale shall be one year from the date of sale.

The period of redemption for all other lands sold to the state at a tax judgment sale shall be five years from the date of sale.

Sec. 2. Minnesota Statutes 1986, section 290.06, is amended by adding a subdivision to read:

Subd. 20. [LOW INCOME HOUSING CREDIT.] A taxpayer may take as a credit against the tax due under this chapter an amount equal to the low income housing credit for which the taxpayer is eligible pursuant to section 42 of the Internal Revenue Code of 1986, as amended through December 31, 1986, for the taxable year. The taxpayer's tax under this chapter shall be increased for any taxable year in which a recapture is required under section 42(j) of the Internal Revenue Code of 1986, as amended through December 31, 1986, by the amount of the federal recapture for that taxable year.

Sec. 3. Minnesota Statutes 1986, section 429.061, subdivision 2, is amended to read:

Subd. 2. [ADOPTION; INTEREST.] At such meeting or at any adjournment thereof the council shall hear and pass upon all objections to the proposed assessment, whether presented orally or in writing. The council may amend the proposed assessment as to any parcel and by resolution adopt the same as the special assessment against the lands named in the assessment roll. Notice of any adjournment of the hearing shall be adequate if the minutes of the meeting so adjourned show the time and place when and where the hearing is to be continued.

The council may consider any objection to the amount of a proposed assessment as to a specific parcel of land at an adjourned hearing upon further notice to the affected property owner as it deems advisable. At the adjourned hearing the council or a committee of it may hear further written or oral testimony on behalf of the objecting property owner and may consider further written or oral testimony from appropriate city officials and other witnesses as to the amount of the assessment. The council or committee shall prepare a record of the proceedings at the adjourned hearing and written findings as to the amount of the assessment. The amount of the assessment as finally determined by the council shall become a part of the adopted assessment roll. No appeal may be taken as to the amount of any assessment adopted under this section unless written objection signed by the affected property owner is filed with the municipal clerk prior to the assessment hearing or presented to the presiding officer at the hearing. All objections to the assessments not received at the assessment hearing in the manner prescribed by this subdivision are waived, unless the failure to object at the assessment hearing is due to a reasonable cause.

If the adopted assessment differs from the proposed assessment as to any particular lot, piece, or parcel of land, the clerk must mail to

the owner a notice stating the amount of the adopted assessment. Owners must also be notified by mail of any changes adopted by the council in interest rates or prepayment requirements from those contained in the notice of the proposed assessment.

The assessment, with accruing interest, shall be a lien upon all private and public property included therein, from the date of the resolution adopting the assessment, concurrent with general taxes; but the lien shall not be enforceable against public property as long as it is publicly owned, and during such period the assessment shall be recoverable from the owner of such property only in the manner and to the extent provided in section 435.19. ~~Except as provided below~~ Unless otherwise provided in the resolution, all assessments shall be payable in equal annual installments extending over such period, not exceeding 30 years, as the resolution determines, payable on the first Monday in January in each year, but the number of installments need not be uniform for all assessments included in a single assessment roll if a uniform criterion for determining the number of installments is provided by the resolution. The first installment of each assessment shall be included in the first tax rolls completed after its adoption and shall be payable in the same year as the taxes contained therein; except that the payment of the first installment of any assessment levied upon unimproved property may be deferred until a designated future year, or until the platting of the property or the construction of improvements thereon, upon such terms and conditions and based upon such standards and criteria as may be provided by resolution of the council. If special assessments against the property have been deferred pursuant to this subdivision, the governmental unit shall file with the county recorder in the county in which the property is located a certificate containing the legal description of the affected property and of the amount deferred. In any event, every assessment the payment of which is so deferred, when it becomes payable, shall be divided into a number of installments such that the last installment thereof will be payable not more than 30 years after the levy of the assessment. All assessments shall bear interest at such rate as the resolution determines, not exceeding eight percent per annum, except that the rate may in any event equal the average annual interest rate on bonds issued to finance the improvement for which the assessments are levied. To the first installment of each assessment shall be added interest on the entire assessment from a date specified in the resolution levying the assessment, not earlier than the date of the resolution, until December 31 of the year in which the first installment is payable, and to each subsequent installment shall be added interest for one year on all unpaid installments; or alternatively, any assessment may be made payable in equal annual installments including principal and interest, each in the amount annually required to pay the principal over such period with interest at such rate as the resolution determines, not exceeding the maximum period and rate specified above. In the latter event no prepayment shall be accepted under subdivision 3 without payment of all installments due to and including December 31 of the year of

prepayment, together with the original principal amount reduced only by the amounts of principal included in such installments, computed on an annual amortization basis. When payment of an assessment is deferred, as authorized in this subdivision, interest thereon for the period of deferment may be made payable annually at the same times as the principal installments of the assessment would have been payable if not deferred; or interest for this period may be added to the principal amount of the assessment when it becomes payable; or, if so provided in the resolution levying the assessment, interest thereon to December 31 of the year before the first installment is payable may be forgiven.

Sec. 4. Minnesota Statutes 1986, section 462.445, subdivision 1, is amended to read:

Subdivision 1. [SCHEDULE OF POWERS.] An authority shall be a public body corporate and politic and shall have all the powers necessary or convenient to carry out the purposes of sections 462.415 to 462.705 (but not the power to levy and collect taxes or special assessments except as provided in sections 462.515 to 462.545 with respect to redevelopment projects only) including the following powers in addition to others granted in these sections:

(1) To sue and be sued; to have a seal, which shall be judicially noticed, and to alter the same at pleasure; to have perpetual succession; and to make, and from time to time to amend and repeal, rules and regulations not inconsistent with these sections;

(2) To employ an executive director, technical experts, and such officers, agents, and employees, permanent and temporary, as it may require, and determine their qualifications, duties, and compensation; for such legal services as it may require, to call upon the chief law officer of the municipality or to employ its own counsel and legal staff; so far as practicable, to use the services of local public bodies, in its area of operation, such local public bodies, if requested, to make such services available;

(3) To delegate to one or more of its agents or employees such powers or duties as it may deem proper;

(4) Within its area of operation to undertake, prepare, carry out, and operate projects and to provide for the construction, reconstruction, improvement, extension, alteration, or repair of any project or part thereof;

(5) Subject to the provisions of section 462.511, to give, sell, transfer, convey, or otherwise dispose of real or personal property or any interest therein and to execute such leases, deeds, conveyances, negotiable instruments, purchase agreements, and other contracts or instruments, and take such action, as may be necessary or convenient to carry out the purposes of these sections;

(6) Within its area of operation to acquire real or personal property or any interest therein by gifts, grant, purchase, exchange, lease, transfer, bequest, devise, or otherwise, and by the exercise of the power of eminent domain, in the manner provided by Minnesota Statutes 1945, chapter 117, and any amendments thereof or supplements thereto, to acquire real property which it may deem necessary for its purposes under these sections, after the adoption by it of a resolution declaring that the acquisition of the real property is necessary to eliminate one or more of the conditions found to exist in the resolution adopted pursuant to section 462.425 or found to exist by section 462.415, subdivision 5, or is necessary to carry out a redevelopment project as defined in section 462.421, subdivision 13;

(7) Within its area of operation, and without the adoption of an urban renewal plan, to acquire, by all means as set forth in clause (6) of this subdivision, including by the exercise of the power of eminent domain, in the manner provided by chapter 117, and without the adoption of a resolution provided for in subdivision 1, clause (6), real property, and to demolish, remove, rehabilitate or reconstruct the buildings and improvements or construct new buildings and improvements thereon, or to so provide through other means as set forth in Laws 1974, chapter 228, or to grade, fill and construct foundations or otherwise prepare the site for improvements, and to dispose of said property pursuant to section 462.525, provided that the provisions of section 462.525 requiring conformance to an urban renewal plan shall not apply, and to finance such activities by means of the redevelopment project fund or by means of tax increments or tax increment bonds or by the methods of financing provided for in section 462.545 or by means of contributions from the municipality provided for in section 462.581, clause (9), or by any combination of such means; provided that, real property with buildings or improvements thereon shall only be acquired when the buildings or improvements are substandard; and provided further that the exercise of the power of eminent domain under this clause shall be limited to real property which contains buildings and improvements which are vacated and substandard. For the purpose of this subparagraph, substandard buildings or improvements mean buildings or improvements that are dilapidated or obsolescent, faultily designed, lack adequate ventilation, light, or sanitary facilities, or any combination of these or other factors that are detrimental to the safety or health of the community; or is a hazardous building as defined in section 463.15, subdivision 3.

(8) Within its area of operation to determine the level of income constituting low or moderate family income. Such income level shall be that level below which there is not available within the area of operation a substantial supply of decent, safe and sanitary housing provided by private enterprise without subsidy at prices or rents within the financial means of persons and families of such incomes. The authority may establish various income levels for various family sizes. In making its determination the authority may consider

income levels which may be established by the federal housing administration or a similar or successor federal agency for the purpose of federal loan guarantees or subsidies for persons of low or moderate income. The authority may use such determination as a basis for the maximum amount of income for admissions to housing development projects owned or operated by it;

(9) To provide in federally assisted projects such relocation payments and assistance as may be necessary to comply with the requirements of the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, and any amendments or supplements thereto.

#### Sec. 5. [FINDINGS AND PURPOSE.]

The legislature finds that certain neighborhoods in the cities of Minneapolis and Saint Paul are socially and economically distressed and physically blighted. The distressed and blighted nature of these neighborhoods is an economic and social crisis that affects the social and economic health of Minneapolis and Saint Paul, the metropolitan area, and the entire state. The distressed and blighted nature of these neighborhoods is evidenced by substandard, deteriorating, and vacant housing and commercial properties, declining property values, high crime rates, unemployment, poverty, and other adverse social and economic conditions.

The legislature further finds that the cities of Minneapolis and Saint Paul must build upon their past progress and intensify their efforts to revitalize distressed neighborhoods, and that the cities are unable to bear the sole financial burden for revitalizing their distressed neighborhoods due in part to the declining availability of federal funds and other resources. Therefore, the effort to revitalize distressed neighborhoods must include participation by state government and by organizations and individuals in the private and nonprofit sectors.

The public funds made available by this act should be used primarily to benefit those households with income less than 50 percent of the household median income for the Minneapolis and Saint Paul standard metropolitan statistical area. The two needs that these households require are jobs at sufficient wages to meet living needs and suitable housing at affordable costs. It is therefore a valid purpose for the state to assist the cities to preserve and promote the health, welfare, and safety of its low income citizens by providing funds for the preservation, improvement, expansion, and creation of housing and commercial properties serving, employing, or benefiting low income residents. It is not the purpose of this act to foster destruction of existing housing stock or commercial properties in the absence of plans for the relocation of current residents and replacement of commercial opportunities or lost housing units.

The purpose and intent of the Minneapolis and Saint Paul urban revitalization action act is to provide state assistance to a comprehensive effort by the cities of Minneapolis and Saint Paul to revitalize the most distressed neighborhoods in their cities. It is not the intent of this act to provide state assistance in order to replace funding from sources already available to the city, but rather to provide additional resources for carrying out the purposes of this act.

Sec. 6. [DEFINITIONS.]

Subdivision 1. [TERMS DEFINED.] For the purposes of sections 6 to 14, the following terms have the meaning given them.

Subd. 2. [CITY.] "City" means the city of Minneapolis or the city of Saint Paul. For each city, any port authority, housing and redevelopment authority, or other agency or instrumentality, the jurisdiction of which is the territory of either city, shall be included within the meaning of city.

Subd. 3. [CITY COUNCIL.] "City council" means either the city council of Minneapolis or the city council of Saint Paul.

Subd. 4. [CITY MATCHING FUNDS.] "City matching funds" means the funds of a city specified in a revitalization and financing program to be expended to implement a revitalization program. The sources of city matching funds may include:

(1) funds from the general fund or any special fund of a city used to implement a revitalization program;

(2) funds paid or repaid to a city from the proceeds of any grant that a city has received from the federal government, any profit or nonprofit corporation, or any other entity or individual that are to be used to implement a revitalization program;

(3) tax increments received by a city under sections 273.71 to 273.78 or other law, if eligible, to be expended in the targeted neighborhood;

(4) the greater of the fair market value or the cost to the city of acquiring land, buildings, equipment, or other real or personal property that a city contributes, grants, or loans to a profit or nonprofit corporation, or other entity or individual in connection with the implementation of a revitalization program;

(5) city funds to be used to install, reinstall, repair, or improve the infrastructure facilities of a targeted neighborhood;

(6) funds contributed by a city to pay issuance costs or to otherwise provide financial support for revenue bonds or obligations issued by

a city for a project or program related to the implementation of a revitalization program;

(7) funds derived from fees received by a city in connection with its community development activities that are to be used in implementing a revitalization program.

City matching funds do not include (i) any city funds used to provide a service or exercise a function that is ordinarily provided throughout the city unless an increased level of the service or function is to be provided in a targeted neighborhood in accordance with a revitalization program; (ii) the proceeds of any revenue bonds issued by the city under chapter 458, 462C, 472, or 474; or (iii) any administrative expenses that are incurred in connection with the planning or implementation of sections 5 to 14.

Subd. 5. [LOST UNIT.] "Lost unit" means a rental housing unit that is lost as a result of revitalization activities because it is demolished, converted to an owner-occupied unit which is not a cooperative, converted to a nonresidential use, or if the gross rent to be charged exceeds 125 percent of the gross rent charged for the unit six months prior to the start of rehabilitation.

Subd. 6. [TARGETED NEIGHBORHOOD.] "Targeted neighborhood" means an area including one or more census tracts as determined and measured by the Bureau of Census of the United States Department of Commerce that meet the criteria of section 7, subdivision 2, and any additional area designated under section 7, subdivision 3.

Subd. 7. [TARGETED NEIGHBORHOOD FUNDS.] "Targeted neighborhood funds" means the funds designated in the revitalization program to be used to implement the revitalization program.

Subd. 8. [TARGETED NEIGHBORHOOD REVITALIZATION AND FINANCING PROGRAM.] "Targeted neighborhood revitalization and financing program," "revitalization program," or "program" means the targeted neighborhood revitalization and financing program adopted in accordance with section 8.

#### Sec. 7. [DESIGNATION OF TARGETED NEIGHBORHOODS.]

Subdivision 1. [CITY AUTHORITY.] A city may by resolution designate targeted neighborhoods within its borders after adopting detailed findings that the designated neighborhoods meet the eligibility requirements set forth in subdivisions 2 and 3.

Subd. 2. [ELIGIBILITY REQUIREMENTS FOR TARGETED NEIGHBORHOODS.] An area within a city is eligible for designa-

tion as a targeted neighborhood if the area meets two of the following three requirements:

(a) The area had an unemployment rate that was twice the unemployment rate for the Minneapolis and Saint Paul standard metropolitan statistical area as determined by the 1980 federal decennial census.

(b) The median household income in the area was equal to or less than 50 percent of the median household income for the Minneapolis and Saint Paul standard metropolitan statistical area as determined by the 1980 federal decennial census.

(c) The area is characterized by residential dwelling units in need of substantial rehabilitation. An area qualifies under this clause if (1) 25 percent or more of the residential dwelling units are in substandard condition as determined by the city; or (2) 70 percent or more of the residential dwelling units in the area were built before 1940 as determined by the 1980 federal decennial census.

Subd. 3. [ADDITIONAL AREA ELIGIBLE FOR INCLUSION IN TARGETED NEIGHBORHOOD.] The city may add to the area designated as a targeted neighborhood under subdivision 2 additional area extending up to four contiguous city blocks in all directions from the designated targeted neighborhood. For the purpose of this subdivision, "city block" shall have the meaning determined by the city.

Sec. 8. [TARGETED NEIGHBORHOOD REVITALIZATION AND FINANCING PROGRAM REQUIREMENTS.]

Subdivision 1. [COMPREHENSIVE REVITALIZATION AND FINANCING PROGRAM.] For each targeted neighborhood for which a city requests state financial assistance under section 11, the city must prepare a comprehensive revitalization and financing program that includes the following:

(1) the revitalization objectives of the city for the targeted neighborhood;

(2) the specific activities or means by which the city intends to pursue and implement the revitalization objectives;

(3) the extent to which the activities identified in clause (2) will benefit low and moderate income families, will alleviate the blighted condition of the targeted neighborhood, or otherwise assist in the revitalization of the targeted neighborhood;

(4) a statement of the intended outcomes to be achieved by implementation of the revitalization program, how the outcomes

will be measured both qualitatively and quantitatively, and the estimated time over which they will occur; and

(5) a financing program and budget that identifies the financial resources necessary to implement the revitalization program. The financing program and budget must include the following items:

(i) the estimated total cost to implement the revitalization program;

(ii) the estimated cost to implement each activity in the revitalization program identified in clause (2);

(iii) the estimated amount of financial resources that will be available from all sources other than from the appropriation available under section 9 to implement the revitalization program;

(iv) the estimated amount of the appropriation available under section 9 that will be necessary to implement the revitalization program;

(v) a description of the activities identified in the revitalization program for which the state appropriation will be used and the time or times at which the state appropriation will be committed or expended; and

(vi) a statement of how the city intends to meet the requirement for a financial contribution matching the state appropriation from city matching funds in accordance with section 9, subdivision 3.

Subd. 2. [TARGETED NEIGHBORHOOD PARTICIPATION IN REVITALIZATION PROGRAM DEVELOPMENT.] The city must develop a process to consult the residents in the targeted neighborhood concerning the development, drafting, and implementation of the revitalization program. The process may include the establishment of an advisory board in each city as provided for in subdivision 2a to assist the city in implementing the urban revitalization action act. The process must include at least one public hearing, in addition to any public hearing held by the advisory board, to be held within the targeted neighborhood to describe urban revitalization action programs prior to the development or drafting of a revitalization program for it. Any comments received by the city within 30 days after the public hearing in the targeted neighborhood must be reviewed and a written response provided to the individual or organization who initiated the comment. The response and comments shall be addressed in the public hearing by the city prior to approval for the program. Notice of the hearing must be provided to individuals and groups in the targeted neighborhood not less than ten days nor more than 30 days before the hearing by a newspaper of general circulation within the targeted neighborhood and by other general means of communication in the targeted neighborhood. The

city shall provide the necessary staff and other resources to implement the consultation process and to develop, draft, and implement the revitalization program.

Subd. 2a. [ADVISORY BOARD.] The governing body of the city may establish a seven-member advisory board to assist the city in implementing sections 5 to 14. The advisory board shall consist of one city council member appointed by the city council, one county commissioner appointed by the county board of the county in which the city is located, two legislators appointed by the city legislative delegation, and three residents who reside in a targeted neighborhood appointed by the city council. The advisory board shall advise the city on the preparation of the revitalization program including the conversion from absent-owner rental housing to home ownership, the promotion of commercial and industrial growth in targeted neighborhoods, and the integration of human service programs and the redevelopment in targeted neighborhoods.

Subd. 3. [PRELIMINARY CITY REVIEW; STATE AGENCY AND METROPOLITAN COUNCIL REVIEW.] Before adoption of the revitalization program under subdivision 4, the city must submit a draft program to the state planning agency, the department of energy and economic development, the Minnesota housing finance agency, and the metropolitan council for their comment. At the time of the submission of the draft program, the city shall publish a notice of the availability of the draft program for public review in a newspaper of general circulation within the targeted neighborhood and by other general means of communication in the targeted neighborhood. The city may not adopt the revitalization program until comments have been received from the state agencies and the metropolitan council or 30 days have elapsed without response after the program was sent to them. Any comments received by the city from the state agencies or the metropolitan council within the 30-day period must be responded to in writing by the city before adoption of the program by the city.

Subd. 4. [CITY APPROVAL.] The city may adopt the revitalization program only after holding a public hearing after the program has been prepared. Notice of the hearing must be provided in a newspaper of general circulation in the city and in the targeted neighborhood not less than ten days nor more than 30 days prior to the date of the hearing.

Subd. 5. [CERTIFICATION TO DEPARTMENT OF ENERGY AND ECONOMIC DEVELOPMENT.] A certification by the city that a revitalization program has been approved by the city council for the targeted neighborhood must be provided to the community development division of the department of energy and economic development together with a copy of the program. Copies of the program must also be provided to the state planning agency, the Minnesota housing finance agency, and the metropolitan council.

Subd. 6. [REVITALIZATION PROGRAM MODIFICATION.] The revitalization program may be modified at any time by the city council after a public hearing, notice of which is published in a newspaper of general circulation in the city and in the targeted neighborhood not less than ten days nor more than 30 days before the date of the hearing. If the city council determines that the proposed modification is a significant modification to the program originally certified under subdivision 5, it must implement the revitalization program approval process of subdivisions 2 to 5 for the proposed modification. If the proposed modification will require an increase in the amount of state appropriation available under section 9 for the revitalization program, the state planning agency, the department of energy and economic development, the Minnesota housing finance agency, and the metropolitan council must be notified and afforded an opportunity to comment on it in accordance with subdivision 3. Any modification to the revitalization program must be certified to the community development division of the department of energy and economic development as provided in subdivision 5.

**Sec. 9. [DISBURSEMENT; CITY MATCH; DRAWDOWN; USES OF STATE FUNDS.]**

Subdivision 1. [DISBURSEMENT OF STATE FUNDS.] Upon receipt from a city of the certification that a revitalization program has been adopted or modified, the community development division of the department of energy and economic development must, within 30 days, disburse to the city the amount of state funds identified as necessary to implement the revitalization program or program modification. State funds may be disbursed to the city only to the extent that the appropriation limit for the city specified in subdivision 2 is not exceeded. Once the state funds have been disbursed to the city, they shall become targeted neighborhood funds for use by the city in accordance with an adopted revitalization program and subject only to the restrictions on their use contained in this act and in the revitalization program.

Subd. 2. [FUND DISBURSEMENT.] A city may receive a part of the appropriations made available that is the proportion that the population of that city bears to the total population of both Minneapolis and Saint Paul. One city may agree to reduce its entitlement amount so that the other may receive an amount in excess of its entitlement amount. The population of each city for the purposes of this subdivision shall be determined according to the most recent estimates available to the community development division of the department of energy and economic development. Any interest earned by a city from funds disbursed to the city must be rebated to the community development division of the department of energy and economic development annually unless the revitalization program identifies the interest as necessary to implement the revital-

ization program and the requirement for city matching funds is satisfied with respect to the interest.

Subd. 3. [CITY MATCHING FUNDS; DRAWDOWN OF STATE FUNDS; RESTRICTION ON USE OF STATE FUNDS.] A city may expend state funds only if the revitalization program identifies city matching funds to be used to implement the program in an amount equal to the state appropriation. A city must keep the state funds in a segregated fund for accounting purposes. No state funds shall be used to pay the general administrative expenses of a city that are incurred in connection with the planning or implementation of sections 5 to 14.

Sec. 10. [CITY POWERS AND ELIGIBLE USES OF TARGETED NEIGHBORHOOD FUNDS.]

Subdivision 1. [CONSOLIDATION OF EXISTING POWERS IN TARGETED NEIGHBORHOODS.] A city may exercise any of its corporate powers within a targeted neighborhood including, but not limited to, all of the powers enumerated and granted by chapters 458, 462, 462C, 472, 472A, and 474. For the purposes of chapter 458, a targeted neighborhood shall be considered an industrial development district. A city may exercise the powers of chapter 458 in conjunction with, and in addition to, exercising the powers granted by chapters 462 and 462C in order to promote and assist housing construction and rehabilitation within a targeted neighborhood. For the purposes of section 462C.02, subdivision 9, a targeted neighborhood shall be considered a "targeted area."

Subd. 2. [GRANTS AND LOANS.] In addition to the authority granted by other law, a city may make grants and loans to individuals, for profit and nonprofit corporations, and other organizations to implement a revitalization program. The grants and loans shall contain the terms concerning use of funds, repayment, and other conditions the city deems proper to implement a revitalization program.

Subd. 3. [ELIGIBLE USES OF TARGETED NEIGHBORHOOD FUNDS.] The city may expend targeted neighborhood funds for any purpose authorized by subdivision 1 or 2. Any use of targeted neighborhood funds must be authorized by a revitalization program.

Sec. 11. [DELAYED VALUATION OF IMPROVEMENTS.]

Subdivision 1. [VALUATION INCREASE DELAYED.] Notwithstanding other provisions of law relating to assessed valuation of real property, the assessed valuation of property described in subdivision 2 based on the qualified improvements made during rehabilitation of a building on the property may not be increased during the rehabilitation year or any of the following five years. After the fifth

year following rehabilitation, the property shall be valued as other property in the same property class in that taxing district.

Subd. 2. [ELIGIBLE PROPERTY.] To be eligible for the valuation increase delay authorized in subdivision 1, (1) the property must be located in a designated targeted neighborhood as defined in section 6, and (2) the city must have certified that the revitalization and financing program for that neighborhood has been completed as required in section 8.

Subd. 3. [QUALIFIED IMPROVEMENTS.] To qualify for the valuation increase delay authorized in subdivision 1, the improvements to the eligible property must (1) be completed within one year after the issuance of the building permit for the improvements, and (2) not be recreational in character including, but not limited to, swimming pools, tennis courts, and hot tubs.

Subd. 4. [ASSESSOR.] The owner of the property must apply to the assessor prior to undertaking the rehabilitation. The application must include a description of the proposed rehabilitation project, an estimate of the cost of the project, and a projected completion date for the project. The assessor must determine if the property meets the eligibility requirements established in subdivision 2. The assessor shall maintain records of the location and number of eligible buildings having qualified improvements.

Subd. 5. [GENERAL INCREASES IN VALUATION.] Any increase in value of property which results from causes other than qualified improvements which are part of the project description provided to the assessor shall be added to the assessed valuation of the building.

## Sec. 12. [HAZARDOUS BUILDING PENALTY.]

A city may assess a penalty equal to one percent of the assessed value of a building located in a targeted neighborhood defined in section 6 that the city determined to be hazardous as defined in section 463.15, subdivision 3. If the owner of the building has not paid the penalty within 30 days after receiving notice of the penalty, the penalty shall be considered delinquent. For the purposes of this section, a penalty which is delinquent shall be considered as a delinquent property tax and subject to chapters 279, 280, and 281 in the same manner as delinquent property taxes.

## Sec. 13. [ANNUAL AUDIT AND REPORT.]

Subdivision 1. [ANNUAL FINANCIAL AUDIT.] At the end of each calendar year beginning in 1988, the legislative auditor shall conduct a financial audit to review the spending of state funds under sections 5 to 14. Before spending any state funds to implement a revitalization program, the city must consult the legislative auditor

to determine appropriate accounting methods and principles that will assist the legislative auditor in conducting its financial audit. The results of the financial audit must be submitted to the legislative audit commission, the state planning agency, the department of energy and economic development, the Minnesota housing finance agency, and the metropolitan council.

Subd. 2. [ANNUAL REPORT.] A city that begins to implement a revitalization program in any calendar year must, by March 1 of the succeeding calendar year, provide a detailed report on the revitalization program or programs being implemented in the city. The report must describe the status of the program implementation and analyze whether the intended outcomes identified in section 8, subdivision 1, clause (4), are being achieved. The report must include at least the following:

(a) The number of housing units removed, created, lost, replaced, relocated, and assisted as a result of the program. The level of rent of the units and the income of the households affected must be included in the report.

(b) The number and type of commercial establishments removed, created, and assisted as a result of a revitalization program. The report must include information regarding the number of new jobs created by category, whether the jobs are full time or part time, and the salary or wage levels of both new and expanded jobs in the affected commercial establishments.

(c) A description of a statement of the cost of the public improvement projects that are part of the program and the number of jobs created per each \$20,000 of funds expended on commercial projects and applicable public improvement projects.

(d) The increase in the assessed valuation for the city as a result of the assistance to commercial and housing assistance.

(e) The amount of private investment that is a result of the use of public funds in a targeted neighborhood.

The report must be submitted to the state planning agency, the department of energy and economic development, the Minnesota housing finance agency, the metropolitan council, and the legislative audit commission, and must be available to the public.

#### Sec. 14. [APPROPRIATION; DISTRIBUTION.]

\$...... is appropriated from the general fund to the commissioner of energy and economic development for disbursement to the cities of Minneapolis and Saint Paul as provided in section 9, to be available until June 30, 1989.

Sec. 15. [EFFECTIVE DATE; LOCAL APPROVAL.]

Section 2 is effective for taxable years beginning after December 31, 1986.

Sections 6 to 14 are effective for the city of Minneapolis the day after compliance with section 645.021, subdivision 3, by the governing body of the city of Minneapolis.

Sections 6 to 14 are effective for the city of Saint Paul the day after compliance with section 645.021, subdivision 3, by the governing body of the city of Saint Paul."

Delete the title and insert:

"A bill for an act relating to neighborhood revitalization; providing for the creation of urban revitalization action programs for the cities of Minneapolis and Saint Paul; providing a low income housing credit; providing for changes in certain special assessment payment procedures; appropriating money; amending Minnesota Statutes 1986, sections 281.17; 290.06, by adding a subdivision; 429.061, subdivision 2; and 462.445, subdivision 1."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 555, A bill for an act relating to crimes; prohibiting giving peace officers false names; prescribing penalties; proposing coding for new law in Minnesota Statutes, chapter 609.

Reported the same back with the following amendments:

Page 1, line 9, delete everything after "gives"

Page 1, line 10, delete everything before "a" and before "name" insert "or fictitious" and after "name" insert "other than a nickname"

Page 1, line 11, before "altered" insert "fraudulently" and after "card" insert "to a peace officer, as defined in section 626.84, subdivision 2, paragraph (c),"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 580, A bill for an act relating to human rights; changing certain requirements relating to disabled persons; amending Minnesota Statutes 1986, sections 363.02, subdivisions 1 and 5; 363.03, subdivision 1; and 363.116.

Reported the same back with the following amendments:

Page 2, line 28, after the stricken comma insert "except for examinations authorized under chapter 176"

Page 3, line 2, after the stricken "job" insert "except for tests authorized under chapter 176"

With the recommendation that when so amended the bill pass.

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 649, A bill for an act relating to employment; providing for severance pay and insurance coverage to certain terminated employees; requiring employers to provide notice of certain actions related to work force reductions; appropriating money; amending Minnesota Statutes 1986, section 268.07, subdivision 2; proposing coding for new law as Minnesota Statutes, chapter 268A.

Reported the same back with the following amendments:

Page 1, line 23, delete "collection" and insert "collective"

Pages 2 and 3, delete section 3

Page 3, line 22, delete "7" and insert "6"

Page 3, line 23, delete "7" and insert "6"

Page 4, line 8, delete "employee's" and insert "employer's"

Page 4, line 24, delete "7" and insert "6"

Page 4, line 28, delete "6" and insert "5"

Page 4, line 36, delete "6" and insert "5" in both places

Page 5, line 7, delete "7" and insert "6"

Page 5, line 13, delete "6" and insert "5"

Pages 5 and 6, delete section 8 and insert:

"Sec. 7. Minnesota Statutes 1986, section 267.05, is amended by adding a subdivision to read:

Subd. 3. [SUBCOMMITTEE.] A subcommittee of the full productivity and opportunity council is created consisting of the coordinator, the commissioner of jobs and training, the commissioner of energy and economic development, the director of the vocational technical education system, the representative from organized labor, and the representative from business. The subcommittee shall meet within 14 days after the commissioner of jobs and training receives a plant closing notification as required under section 2 and shall develop a plan for coordinating existing programs and services provided by the state and federal government to assist employees, businesses, and municipalities affected by a plant closing or major work force reduction.

State agencies and units of local government shall, to the extent feasible, make available those programs called for in the subcommittee plan."

Reorder the sections in sequence

Correct internal references

Amend the title as follows:

Page 1, line 6, delete "appropriating money;"

Page 1, line 7, delete "268.07, subdivision 2" and insert "267.05, by adding a subdivision"

With the recommendation that when so amended the bill pass.

The report was adopted.

#### POINT OF ORDER

Heap raised a point of order pursuant to rule 5.7 that H. F. No. 649 be re-referred to the Committee on Appropriations. The Speaker ruled the point of order not well taken.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 734, A bill for an act relating to the Minnehaha Creek watershed district; providing for the establishment of a district project maintenance fund; authorizing a tax levy for repair and maintenance of existing district projects.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Otis from the Committee on Economic Development and Housing to which was referred:

H. F. No. 795, A bill for an act relating to economic development; recodifying provisions governing housing and redevelopment authorities, port authorities, economic development authorities, area redevelopment, municipal development districts, mined underground space development, rural development finance authorities, public development debt, enterprise zones, tax increment financing, and other local economic development tools; extending duration of bond allocation act; amending Minnesota Statutes 1986, sections 16B.61, subdivision 3; 41A.05, subdivision 2; 41A.06, subdivision 5; 115A.69, subdivision 9; 116J.27, subdivision 4; 116M.03, subdivisions 11, 19, and 28; 116M.06, subdivision 3; 116M.07, subdivision 11; 124.214, subdivision 3; 216B.49, subdivision 7; 268.38, subdivision 3; 272.02, subdivision 5; 272.026; 272.68, subdivision 4; 273.13, subdivisions 9 and 24; 273.1393; 282.01, subdivision 1; 290.61; 298.2211, subdivisions 1 and 3; 353.01, subdivision 6; 355.11, subdivision 5; 355.16; 412.251; 462C.02, subdivisions 6 and 9; 462C.05, subdivision 7; 462C.06; 465.54; 465.74, subdivision 7; 465.77; 471A.03, subdivision 9; 473.195, subdivision 1; 473.201, subdivision 1; 473.504, subdivision 11; 473.556, subdivision 6; 473.638, subdivision 2; 473.811, subdivision 8; 473.852, subdivision 6; 473F02, subdivision 3; 473F05; 473F08, subdivisions 2, 4, and 6; 475.525, subdivision 3; 477A.011, subdivision 7; 504.24, subdivision 2; and 609.321, subdivision 12; and Laws 1986, chapter 465, article 1, section 32; repealing Minnesota Statutes 1986, sections 273.1312; 273.1313; 273.1314; 273.71; 273.72; 273.73; 273.74; 273.75; 273.76; 273.77; 273.78; 273.86; 362A.01; 362A.02; 362A.03; 362A.04; 362A.041; 362A.05; 362A.06; 373.31; 426.055; 458.09; 458.091; 458.10; 458.11; 458.12; 458.14; 458.15; 458.16; 458.17; 458.18; 458.19; 458.191; 458.192; 458.193; 458.194; 458.1941; 458.195; 458.196; 458.197; 458.198; 458.199; 458.1991; 458.70; 458.701; 458.702; 458.703; 458.711; 458.712; 458.713; 458.72; 458.74; 458.741; 458.75; 458.76; 458.77; 458.771; 458.772; 458.773; 458.774; 458.775; 458.776; 458.777; 458.778; 458.79; 458.80; 458.801; 458.81; 458C.01; 458C.03; 458C.04; 458C.05; 458C.06; 458C.07; 458C.08;

458C.09; 458C.10; 458C.11; 458C.12; 458C.13; 458C.14; 458C.15; 458C.16; 458C.17; 458C.18; 458C.19; 458C.20; 458C.22; 458C.23; 459.01; 459.02; 459.03; 459.04; 459.05; 459.31; 459.32; 459.33; 459.34; 462.411; 462.415; 462.421; 462.425; 462.426; 462.427; 462.428; 462.429; 462.4291; 462.432; 462.435; 462.441; 462.445; 462.451; 462.455; 462.461; 462.465; 462.466; 462.471; 462.475; 462.481; 462.485; 462.491; 462.495; 462.501; 462.505; 462.511; 462.515; 462.521; 462.525; 462.531; 462.535; 462.541; 462.545; 462.551; 462.555; 462.556; 462.561; 462.565; 462.571; 462.575; 462.581; 462.585; 462.591; 462.595; 462.601; 462.605; 462.611; 462.615; 462.621; 462.625; 462.631; 462.635; 462.641; 462.645; 462.651; 462.655; 462.661; 462.665; 462.671; 462.675; 462.681; 462.685; 462.691; 462.695; 462.701; 462.705; 462.712; 462.713; 462.714; 462.715; 462.716; 465.026; 465.53; 465.55; 465.56; 472.01; 472.02; 472.03; 472.04; 472.05; 472.06; 472.07; 472.08; 472.09; 472.10; 472.11; 472.12; 472.125; 472.13; 472.14; 472.15; 472.16; 472A.01; 472A.02; 472A.03; 472A.04; 472A.05; 472A.06; 472A.07; 472A.09; 472A.10; 472A.11; 472A.12; 472A.13; 472B.01; 472B.02; 472B.03; 472B.04; 472B.05; 472B.06; 472B.07; 472B.08; 474.01; 474.02; 474.03; 474.04; 474.05; 474.06; 474.07; 474.08; 474.09; 474.10; 474.11; 474.13; 474.15; 477A.018; and 477A.019; and Laws 1985, chapters 173; 177; 188; 189; 199; 205; 206, sections 2 and 3; and 301, sections 3 and 4; proposing coding for new law as Minnesota Statutes, chapter 469.

Reported the same back with the following amendments:

Page 7, after line 26, insert:

“Subd. 23. [VETERANS.] “Veterans” has the meaning given in section 197.447, except as otherwise defined in a contract with the federal government providing for veterans’ preferences, or as may be required by any federal law or regulation as a condition of federal financial assistance for a project.”

Page 7, line 31, after “body” insert a comma

Page 9, line 33, after “Hennepin” insert “and Ramsey”

Page 9, line 35, after “body” insert a comma

Page 16, line 12, delete “his” and insert “the commissioner’s or an employee’s”

Page 16, line 13, delete “he” and insert “the commissioner or an employee”

Page 16, line 14, after “shall” insert “(a)”

Page 16, line 17, after “and” insert “(b)”

Page 16, line 24, delete "his" and insert "the"

Page 16, line 26, delete "he" and insert "the commissioner or employee"

Page 17, line 13, delete "his" and insert "the commissioner's or employee's"

Page 17, line 14, delete "he" and insert "the commissioner or employee"

Page 17, line 25, delete "he" and insert "the commissioner or employee"

Page 25, after line 33, insert:

"Subd. 4a. [VETERANS' PREFERENCES.] An authority may include in any contract with the federal government provision for veterans' and service persons' preferences that may be required by any federal law or regulation as a condition of federal financial assistance for a project."

Page 37, line 16, after "paid" insert "or incurred for which the family is liable"

Page 38, line 13, before "In" insert "As between applicants equally in need and eligible for occupancy of a dwelling and at the rent involved, preference shall be given to families of service persons who died in service and to families of veterans."

Page 39, line 12, after "housing" insert "; provided that the requirement in (1) shall not be applicable in the case of the family of any veteran who has been discharged, other than dishonorably, from, or the family of any service person who died in, the armed forces of the United States, if that family had made application for admission to the project within any time limit specified by federal law applicable to federal financial assistance for the project"

Page 53, line 28, after "by" insert "(1)"

Page 53, line 30, after the first "or" insert "(2)" and delete the second comma

Page 53, line 32, after the first "or" insert "(3)"

Page 57, line 33, delete "That amount" and insert "The service charge"

Page 58, lines 6 and 8, delete "amount" and insert "service charge"

Page 63, line 20, after the period insert "The contract shall provide that:

(a) after providing for all expenses, taxes, or payments in lieu of taxes, and assessments, there shall be paid annually out of the earnings of the developer from any project for interest paid to the developer or to any of its stockholders, amortization, and dividends a sum equal to but not exceeding eight percent of the total actual final cost of that project, defined as an amount equal to the actual cost plus an allowance for working capital that does not exceed an amount equal to five percent of the estimated cost, or of the total actual final cost of the project if that is greater than the estimated cost; that the obligation in respect of the payments shall be cumulative, and any deficiency in interest, amortization, and dividends in respect of that project in any year shall be paid from the first available earnings in subsequent years; and that any cash surplus derived from earnings from that project remaining in the treasury of the developer in excess of the amount necessary to provide such cumulative annual sums shall, upon a conveyance of the project or upon a dissolution of the company, be paid into the general fund of the city or town in which that project is located; and

(b) a provision that, so long as this section remains applicable to a project, the real property of the project shall not be sold, transferred, or assigned except as permitted by the terms of the contract or as subsequently approved by the governing body."

Page 65, line 35, delete "him" and insert "that party"

Page 72, line 25, after "4" insert "only"

Page 76, line 11, delete "ONE BANK ACCOUNT" and insert "REVENUE POOLING"

Page 82, line 17, delete "it" and insert "those lands"

Page 86, line 32, delete "RELATION TO OTHER" and insert "EXTENSION OF OTHER AUTHORITIES"

Page 87, line 5, delete the language after "[469.060]"

Page 87, delete line 6 and insert "[GENERAL OBLIGATION BONDS.]"

Page 112, delete lines 22 to 36

Page 113, delete lines 1 to 7

Re-number the subdivisions in sequence

Page 117, line 9, delete "REALTY" and insert "REAL PROPERTY"

Page 149, line 29, after "project" insert "or"

Page 152, line 9, after "property" insert "in a redevelopment area"

Page 154, line 24, delete "energy and economic"

Page 154, line 25, delete "development"

Page 155, line 21, after "a" insert "local development corporation or a"

Page 155, line 35, delete "energy and"

Page 155, line 36, delete "economic development"

Page 157, line 2, after "type" insert ", classes,"

Page 158, line 16, delete "energy and economic development"

Page 158, line 34, after "LOANS" insert "; REVOLVING ACCOUNT"

Page 160, line 1, delete "MUNICIPAL" and insert "CITY"

Page 160, lines 4, 8, and 24, delete "municipality" and insert "city"

Page 160, line 7, delete "municipalities" and insert "cities"

Page 160, line 16, after the period insert "The legislature declares that the actions required to assist the implementation of these development programs are a public purpose and that the execution and financing of these programs are a public purpose."

Page 160, line 21, delete "MUNICIPALITY" and insert "CITY" and delete "Municipality" and insert "City"

Page 161, lines 4, 6, 19, 23, 25, 28, and 34, delete "municipality" and insert "city"

Page 161, line 7, after the period insert "The use of a public street or public right-of-way for pedestrian skyway travel only constitutes a public use and shall not require a vacation of the street or right-of-way."

Subd. 5. [SPECIAL LIGHTING SYSTEMS.] "Special lighting systems" means lights or light displays of any type located within or without the public right-of-way."

Renumber the subdivisions

Page 161, line 30, delete "municipality" and insert "city" in both places

Page 162, lines 1, 21, and 24, delete "municipality" and insert "city"

Page 163, line 5, after the comma insert "the people mover system,"

Page 163, lines 13, 28, and 35, delete "municipality" and insert "city"

Page 163, line 16, after "concourses," insert "people mover systems,"

Page 163, line 32, delete "municipality's" and insert "city's"

Page 164, lines 5, 9, 26, 29, and 34, delete "municipality" and insert "city"

Page 164, line 12, after the period insert "Tax increments may be applied in any manner permitted by section 177, subdivisions 2 and 4."

Page 164, line 36, delete "municipal" and insert "city"

Page 165, lines 7 and 19, delete "municipality" and insert "city"

Page 165, line 29, delete the paragraph coding

Page 166, line 31, delete "municipality" and insert "city"

Page 167, lines 1 and 6, after "677" insert a comma

Page 167, lines 2 and 7, after "764" insert a comma

Page 167, line 2, after "1974" insert a comma

Page 177, line 9, delete "he" and insert "the commissioner"

Page 198, line 23, delete "a standard metropolitan"

Page 198, delete lines 24 to 26, and insert "the area in and around a city of 50,000 inhabitants or more, or an equivalent area, as defined by the United States Secretary of Commerce."

Page 198, line 33, delete "which"

Page 198, delete lines 34 and 35

Page 198, line 36, delete "amended through December 31, 1986" and insert "except a facility the primary purpose of which is one of the following: retail food and beverage services; automobile sales or service; the provision of recreation or entertainment; or a private or commercial golf course, country club, massage parlor, tennis club, skating facility including roller skating, skateboard, and ice skating, racquet sports facility, including any handball or racquetball court, hot tub facility, suntan facility, or racetrack," and delete "is"

Page 206, after line 23, insert:

"Subd. 8. [ADDITIONAL ENTERPRISE ZONE ALLOCATIONS.]  
(a) In addition to tax reductions authorized in subdivision 7, the commissioner may allocate \$600,000 for tax reductions pursuant to section 172, subdivisions 1 to 8, to hardship area zones or border city zones. Of this amount, a minimum of \$200,000 must be allocated to an area added to an enterprise zone pursuant to Laws 1986, chapter 465, article 2, section 3. Allocations made pursuant to this subdivision may not be used to reduce a tax liability, or increase a tax refund, prior to July 1, 1987. Limits on the maximum allocation to a zone imposed by subdivision 7 do not apply to allocations made under this subdivision.

(b) A city encompassing an enterprise zone, or portion of an enterprise zone, qualifies for an additional allocation under this subdivision if the following requirements are met:

(1) the city encompassing an enterprise zone, or portion of an enterprise zone, has signed contracts with qualifying businesses that commit the city's total initial allocation received pursuant to subdivision 7; and

(2) the city encompassing an enterprise zone, or portion of an enterprise zone, submits an application to the commissioner requesting an additional allocation for tax reductions authorized by section 172, subdivisions 1 to 8. The application must identify a specific business expansion project which would not take place but for the availability of enterprise zone tax incentives.

(c) The commissioner shall use the following criteria when determining which qualifying cities shall receive an additional allocation

under this subdivision and the amount of the additional allocation the city is to receive:

(1) additional allocations to qualifying cities under this subdivision shall be made within 60 days of receipt of an application;

(2) applications from cities with the highest level of economic distress, as determined using criteria listed in section 169, subdivision 4, paragraph (a), clauses (1) to (5), shall receive priority for an additional allocation under this subdivision;

(3) if the commissioner determines that two cities submitting applications within one week of each other have equal levels of economic distress, the application from the city with the business prospect which will have the greatest positive economic impact shall receive priority for an additional allocation. Criteria used by the commissioner to determine the potential economic impact a business would have shall include the number of jobs created and retained, the amount of private investment which will be made by the business, and the extent to which the business would help alleviate the economic distress in the immediate community; and

(4) the commissioner shall determine the amount of any additional allocation a city may receive. The commissioner shall base the amount of additional allocations on the commissioner's determination of the amount of tax incentives which are necessary to ensure the business prospect will expand in the city. No single allocation under this subdivision may exceed \$100,000. No city may receive more than \$250,000 under this subdivision."

Page 214, line 33, before the period insert " and may approve an additional specific application to amend the boundaries of that enterprise zone to include a sixth municipality or to further increase its area to include all or part of the territory of a town that surrounds one of the five municipalities, or both"

Page 214, line 34, delete "This section is" and insert "Sections 170, 172, 173, and this section are"

Page 227, line 33, after the comma insert "by an economic development authority to finance or otherwise pay the cost of redevelopment pursuant to sections 91 to 109," and after "authority" insert "or economic development authority"

Page 227, line 35, after "municipality" insert "or economic development authority"

Page 243, line 25, after "of" insert a colon

Page 244, line 12, after "either" insert "(1)"

Page 244, line 13, after “or” insert “(2)”

Page 244, line 14, delete “if the” and insert a period

Page 244, delete lines 15 and 16

Page 246, line 8, after “any” insert “home rule charter or statutory”

Page 294, line 10, after “477A.019;” insert “Laws 1961, chapter 545; Laws 1963, chapters 254; and 827; Laws 1967, chapter 541; Laws 1969, chapter 98; Laws 1973, chapter 114; Laws 1974, chapter 218; Laws 1975, chapter 326; Laws 1976, chapter 234, section 3; Laws 1979, chapter 269, section 1; Laws 1980, chapters 453; and 595, sections 5 and 8; Laws 1982, chapter 523, article 24, section 2; Laws 1983, chapters 110; and 257, section 1; Laws 1984, chapters 397; 498; and 548, section 9” and after “189;” insert “192;”

Page 294, delete line 36

Page 295, delete line 1 and insert:

“Sec. 3. [EXISTING ENTITIES.]

Public and private bodies created by laws repealed in article 1 shall remain in existence despite the repeal in article 1 of the laws that created them.”

Amend the title as follows:

Page 1, line 10, after the semicolon insert “modifying requirements for developers’ tax abatements under the housing and redevelopment authority law; removing a sunset on certain St. Paul port authority provisions;”

Page 2, line 23, after “477A.019;” insert “Laws 1961, chapter 545; Laws 1963, chapters 254; and 827; Laws 1967, chapter 541; Laws 1969, chapter 98; Laws 1973, chapter 114; Laws 1974, chapter 218; Laws 1975, chapter 326; Laws 1976, chapter 234, section 3; Laws 1979, chapter 269, section 1; Laws 1980, chapters 453; and 595, sections 5 and 8; Laws 1982, chapter 523, article 24, section 2; Laws 1983, chapters 110; and 257, section 1; Laws 1984, chapters 397; 498; and 548, section 9”

Page 2, line 24, after “189;” insert “192;”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 813, A bill for an act relating to bicycles; requiring bicycles using a shoulder of a roadway to ride in the same direction as adjacent vehicular traffic; redefining the term roadway; defining the term shoulder; allowing designation of bikeways by resolution or ordinance; adopting additional definitions of bicycle terms; amending Minnesota Statutes 1986, sections 85.016; 160.02, by adding a subdivision; 160.263, subdivisions 2, 3, and 4; 160.264; 160.265; 169.01, subdivisions 31 and 62, and by adding subdivisions; and 169.222, subdivision 4.

Reported the same back with the following amendments:

Page 3, lines 23 and 25, reinstate the stricken "shall" and delete "may"

Pages 3 and 4, delete section 5

Page 8, after line 10, insert:

"Sec. 15. [REPEALER.]

Minnesota Statutes 1986, section 160.263, subdivision 1, is repealed."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 10, delete "2, 3, and 4" and insert "2 and 3"

Page 1, line 12, after "4" insert "; repealing Minnesota Statutes 1986, section 160.263, subdivision 1"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 854, A bill for an act relating to judgments; clarifying the procedure and cost for filing foreign judgments; clarifying the procedure to be used in securing a judgment and execution; amend-

ing Minnesota Statutes 1986, sections 548.27; 548.30; 549.09; and 550.04.

Reported the same back with the following amendments:

Page 1, line 20, delete "must" and insert "may"

Page 4, line 8, after "the" insert "judgment"

Page 4, line 13, before "creditor's" insert "judgment"

Page 4, line 35, delete "A" and insert "If an affidavit is filed pursuant to subdivision 4, a" and after "or" insert "the judgment"

Page 5, lines 5 and 13, after the first "the" insert "judgment"

Page 5, line 10, after "the" insert "judgment"

Page 5, line 15, delete "such"

Page 5, line 22, strike "or" and after "coroner" insert a comma

Page 5, line 23, after the first "or" insert "to" and before "creditor" insert "judgment"

Page 5, line 24, before "creditor's" insert "judgment"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 935, A bill for an act relating to Ramsey county; authorizing the issuance of bonds for capital improvements and an annual levy for capital improvements and debt retirement; proposing coding for new law in Minnesota Statutes, chapter 383A.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 1030, A bill for an act relating to water pollution; providing for grants and loans for the construction and rehabilitation of wastewater treatment facilities and systems; authorizing rulemaking; appropriating money; amending Minnesota Statutes 1986, sections 116.16, subdivision 5; 116.167; 116.18, subdivisions 2a, 3a, and by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 116.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

S. F. No. 499, A bill for an act relating to real property; providing for prima facie effect of certain statements in an acknowledgment; authorizing owners to create tenancies in common by direct conveyances to themselves and others; permitting the severance of joint tenancies by direct conveyances between spouses; providing for time limits upon actions relating to certain estates in real property; providing for the discharge of prior judgments against bankrupt debtors; providing for validation of certain conveyances executed by religious corporations; amending Minnesota Statutes 1986, sections 500.19, subdivision 4; 519.06; 519.09; and 519.101; Laws 1971, chapter 26; proposing coding for new law in Minnesota Statutes, chapters 358 and 548; repealing Minnesota Statutes 1986, section 548.18.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [358.50] [EFFECT OF ACKNOWLEDGMENT.]

An acknowledgment made in a representative capacity for and on behalf of a corporation, partnership, trust, or other entity and certified substantially in the form prescribed in this chapter is prima facie evidence that the instrument was executed and delivered with proper authority.

Sec. 2. Minnesota Statutes 1986, section 500.19, subdivision 4, is amended to read:

Subd. 4. [CONVERTING ESTATES.] An owner of an interest in real estate may convey the interest directly to that owner and one or more other persons as joint tenants or as tenants in common.

Sec. 3. Minnesota Statutes 1986, section 519.06, is amended to read:

519.06 [CONTRACTS BETWEEN HUSBAND AND WIFE.]

No contract between husband and wife relative to the real estate of either, or any interest therein, nor any power of attorney or other authority from the one to the other to convey real estate, or any interest therein, shall be valid, except as provided in section 500.19, ~~subdivision~~ subdivisions 4 and 5; but, in relation to all other subjects, either may be constituted the agent of the other, or contract with the other. In all cases where the rights of creditors or purchasers in good faith come in question, each spouse shall be held to have notice of the contracts and debts of the other as fully as if a party thereto.

Sec. 4. Minnesota Statutes 1986, section 519.09, is amended to read:

519.09 [DOWER AND CURTESY ABOLISHED.]

All inchoate estates or statutory interests in lieu of dower and curtesy in all lands in this state which have been conveyed prior to January 1, ~~1970~~ 1975, by the husband or wife of the one entitled to such inchoate dower or curtesy, or statutory interest, by a conveyance in writing, are hereby abolished.

Sec. 5. Minnesota Statutes 1986, section 519.101, is amended to read:

519.101 [ACTIONS NOT MAINTAINABLE.]

No action for the recovery of real property, or of any right therein, or the possession thereof, shall be maintained by any person having any estate in dower or by the curtesy or any estate or statutory interest in lieu of dower or by the curtesy therein, or by anyone claiming, by, through or under any such person, where it appears that the husband or wife of such person conveyed such real property, or any interest therein, by a conveyance in writing, prior to the first day of January, ~~1970~~ 1975; and no action shall be maintained for the recovery of real property, or of any right therein, or the possession thereof, by any person claiming by reason of failure of a spouse to join in a conveyance of land which constituted the homestead of the grantor at the time of the conveyance where such conveyance was made prior to January 1, ~~1970~~ 1975, unless such action shall be commenced on or prior to the first day of January, ~~1985~~ 1988, and

notice thereof filed for record at the time of the commencement of said action in the office of the county recorder in the county where said real property is situate.

**Sec. 6. [548.181] [DISCHARGE OF JUDGMENTS AGAINST BANKRUPTCY DEBTORS.]**

Subdivision 1. [APPLICATION FOR DISCHARGE.] A judgment debtor who has received a discharge under United States Code, title 11, or an interested party upon paying a filing fee of \$5, may apply to the court administrator of any court for the discharge of all judgments entered in that court against the judgment debtor that were ordered discharged by the bankruptcy discharge.

Subd. 2. [APPLICATION REQUIREMENTS; SERVICE.] An application under subdivision 1 must identify each judgment to be discharged, must be accompanied by a certified copy of the judgment debtor's bankruptcy discharge or a certificate by the clerk of the United States bankruptcy court of the discharge, must state the time the judgment creditor has to object as specified in subdivision 3 and the grounds for objection as specified in subdivision 4, must be served at the expense of the applicant on each judgment creditor in the manner provided for the service of a summons in a civil action, and must be accompanied by an affidavit of service.

Subd. 3. [OBJECTION TO DISCHARGE.] The court administrator shall discharge each judgment except a judgment in favor of a judgment creditor who has filed an objection to discharge of the judgment within 20 days after service of the application on the judgment creditor. An objection to discharge of a judgment must be served on the judgment debtor in the same manner as an answer in a civil action.

Subd. 4. [COURT ORDER.] If a judgment creditor objects to the discharge of a judgment, on motion of the judgment debtor, the judgment creditor, or other interested party, the court shall order the judgment discharged except to the extent that: (1) the debt represented by the judgment was not discharged by the bankruptcy discharge; or (2) the judgment was an enforceable lien on real property when the bankruptcy discharge was entered. If the judgment was an enforceable lien on some, but not all, real property of the judgment debtor, the discharge shall only be entered as to real property not subject to an enforceable lien.

Sec. 7. Laws 1971, chapter 26, is amended to read:

Section 1. [RELIGIOUS CORPORATIONS, CERTAIN DEEDS CONVEYANCES, VALIDATED.] All deeds heretofore conveyances executed by any religious corporation, organized under Minnesota Statutes, Chapter 315, conveying real property within this state which were recorded prior to July 1, 1970 1980, in the office of the

register of deeds county recorder or registrar of titles of the county in which the real estate conveyed is situate, and the record thereof, are hereby legalized, validated and confirmed, notwithstanding that the church records do not disclose that the execution of such deeds conveyances was authorized by the congregation of said religious corporation in the manner provided by law.

Sec. 2. [APPLICATION.] This act shall not apply to any action or proceeding now pending in any of the courts of this state wherein the validity of any such deed conveyance is being litigated.

Sec. 8. [REPEALER.]

Minnesota Statutes 1986, section 548.18, is repealed."

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Otis from the Committee on Economic Development and Housing to which was referred:

H. F. No. 2, A bill for an act relating to economic development; rural development; renaming and providing powers to the agricultural resource loan guaranty board; establishing a mineral resources program; establishing a community development division in the department of energy and economic development; transferring the independent wastewater treatment grant program from the pollution control agency to the department of energy and economic development; establishing the rural development board; establishing the challenge grant program; establishing the customized training program; establishing the greater Minnesota corporation; establishing the state supplemental education grant program; establishing the Minnesota public finance authority; appropriating money; amending Minnesota Statutes 1986, sections 41A.01; 41A.02, subdivisions 3, 4, 6, and 11; 41A.05, subdivisions 1 and 2; 116.16, subdivisions 2 and 5; and 462.384, subdivision 7; proposing coding for new law in Minnesota Statutes, chapters 41A; 84; 116J; and 136A; proposing coding for new law as Minnesota Statutes, chapters 116N; 116P; and 446A; repealing Minnesota Statutes 1986, sections 41A.06, subdivision 2; 116.18, subdivision 3a; 116J.951; 116J.955; and 116J.961.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 11A.24, is amended by adding a subdivision to read:

Subd. 8. [GREATER MINNESOTA CORPORATION.] The state board of investment may, subject to the provisions of subdivision 3,

invest funds in bonds or notes issued or guaranteed by the Greater Minnesota Corporation, the governor's council on rural development, or any other subsidiary of or entity administered by the Greater Minnesota Corporation.

Sec. 2. Minnesota Statutes 1986, section 15.01, is amended to read:

15.01 [DEPARTMENTS OF THE STATE.]

The following agencies are designated as the departments of the state government: the department of administration; the department of agriculture; the department of commerce; the department of corrections; the department of education; the department of jobs and training; the department of energy trade and economic development; the department of finance; the department of health; the department of human rights; the department of labor and industry; the department of military affairs; the department of natural resources; the department of employee relations; the department of public safety; the department of public service; the department of human services; the department of revenue; the department of transportation; the department of veterans affairs; and their successor departments.

Sec. 3. Minnesota Statutes 1986, section 41A.01, is amended to read:

41A.01 [PURPOSE.]

Sections 41A.01 to 41A.06 provide a framework for an agricultural resource loan guaranty program, the purposes of which are to further the development of the state's agricultural resources and improve the market for its agricultural products. All credit advanced pursuant to loan guaranty commitments is to be secured by subrogation of the state corporation to mortgage security and other security interests granted to the private lender, in proportion to the amount advanced by the state. A loan guaranty board is established to investigate the feasibility of each project, its conformity to public policy and to environmental standards, the qualifications of the owners, operators, and lenders, and the nature and extent of the security, prior to commitment. The board corporation shall also seek to secure financial participation by private persons not supported by the guaranty, to assure that in these respects each project satisfies and will continue to satisfy criteria which are adequate in the judgment of the board corporation.

Sec. 4. Minnesota Statutes 1986, section 41A.02, subdivision 4, is amended to read:

Subd. 4. [AGRICULTURAL RESOURCE LOAN GUARANTY FUND; GUARANTY FUND DEVELOPMENT ACCOUNT; DE-

VELOPMENT ACCOUNT; ACCOUNT.] "Agricultural resource loan guaranty fund development account," or "guaranty fund" "development account," or "account" means the fund account in the greater Minnesota fund created by section 41A.05.

Sec. 5. Minnesota Statutes 1986, section 41A.02, subdivision 5, is amended to read:

Subd. 5. [AGRICULTURAL RESOURCE LOAN GUARANTY DEVELOPMENT PROGRAM; PROGRAM.] "Agricultural resource loan guaranty development program" or "program" includes all projects, loan guaranties and bonds approved or issued pursuant to this chapter.

Sec. 6. Minnesota Statutes 1986, section 41A.02, subdivision 6, is amended to read:

Subd. 6. [AGRICULTURAL RESOURCE DEVELOPMENT PROJECT; PROJECT.] "Agricultural resource project" or "project" means (1) any facility, or portion of a facility, located in the state which is operated or to be operated primarily for the production from agricultural resources of marketable products, (2) buildings, equipment, and land used for the commercial production of turkeys or turkey products, or (3) a facility or portion of a facility used to commercially produce fish or fish products from commercially-produced fish. The land in clause (2) is limited to only that land on which the buildings and equipment are located and any immediately surrounding land used for storage, waste disposal, and other functions directly related to the commercial production of turkeys or turkey products at that project site. A project includes a facility or portion of a facility for mixing or producing substances to be mixed with other substances for use as a fuel or as a substitute for petroleum or petrochemical feedstocks.

Sec. 7. Minnesota Statutes 1986, section 41A.02, is amended by adding a subdivision to read:

Subd. 9a. [CORPORATION.] "Corporation" means the Greater Minnesota Corporation established in section 42.

Sec. 8. Minnesota Statutes 1986, section 41A.02, subdivision 11, is amended to read:

Subd. 11. [LENDER.] "Lender" means a corporation or any investment or commercial banking institution, savings and loan institution, insurance company, investment company, or other financial institution or institutional investor making, purchasing, or participating in a loan or any part of a loan or any public entity,

including but not limited to a federal or state agency, authorized to make agricultural loans.

Sec. 9. [41A.021] [SUCCESSOR STATUS.]

The corporation is the legal successor in all respects of the agricultural resource loan guaranty board created by Laws 1984, chapter 502, article 10, as originally named and constituted and all bonds, resolutions, contracts, and liabilities of the agricultural resource loan guaranty board are the bonds, resolutions, contracts, and liabilities of the corporation as renamed and reconstituted.

Sec. 10. Minnesota Statutes 1986, section 41A.03, subdivision 5, is amended to read:

Subd. 5. [LIMITATION ON LIABILITY.] The liability of the state corporation for loan guaranties or bonds authorized under this chapter is limited to the amount of funds appropriated to the guaranty fund development account pursuant to section 41A.06. The loan guaranties or bonds are not a general obligation or debt of the state.

Sec. 11. [41A.035] [LOAN PARTICIPATION.]

The corporation may participate in loans made to finance agricultural development projects by purchasing from a lender up to 75 percent of the amount of each eligible loan. If the participation loan is in an amount of \$500,000 or less, the loan may be for 100 percent of the cost of the project. If the amount of the participation loan exceeds \$500,000, the total amount of the loan may not exceed 80 percent of the cost of the project. The lender shall service the loan or cause it to be serviced in a manner which equally protects the lender's and the board's interests.

Sec. 12. Minnesota Statutes 1986, section 41A.04, is amended to read:

41A.04 [APPLICATION AND APPROVAL.]

Subdivision 1. [REQUIREMENTS.] (a) Any applicant may file a written application with the state commissioner of energy and economic development on behalf of the board corporation, to be considered by the agricultural resource loan guaranty board corporation, for a guaranty by the state corporation of a portion of a loan or for issuance of bonds for an agricultural resource development project. In general, the application must provide information similar to that required by an investment banking or other financial institution considering such a project for debt financing. Specifically, each application must include in brief but precise form the following

information, as supplied by the applicant, the borrower, or the lender:

(1) a description of the scope, nature, extent, and location of the proposed project, including the identity of the borrower and a preliminary or conceptual design of the project;

(2) a description of the technology to be used in the project and the prior construction and operating experience of the borrower with such projects;

(3) a detailed estimate of the items comprising the total cost of the project, including escalation and contingencies, with explanation of the assumptions underlying the estimate;

(4) a general description of the financial plan for the project, including the mortgage and security interests to be granted for the security of the guaranteed loan or the bonds, and all sources of equity, grants, or contributions or of borrowing the repayment of which is not to be secured by the mortgage and security interests, or, if so secured, is expressly subordinated to the guaranteed loan;

(5) an environmental report analyzing potential environmental effects of the project, any necessary or proposed mitigation measures, and other relevant data available to the applicant to enable the board corporation to make an environmental assessment;

(6) a list of applications to be filed and estimated dates of approvals of permits required by federal, state, and local government agencies as conditions for construction and commencement of operation of the project;

(7) an estimated construction schedule;

(8) an analysis of the estimated cost of production of and market for the product, including economic factors justifying the analysis and proposed and actual marketing contracts, letters of intent, and contracts for the supply of feedstock;

(9) a description of the management experience of the borrower in organizing and undertaking similar projects;

(10) pro forma cash flow statements for the first five years of project operation including income statements and balance sheets;

(11) a description of the borrower's organization and, where applicable, a copy of its articles of incorporation or partnership agreement and bylaws;

(12) the estimated amount of the loan or bonds and percentage of the guaranty requested, the proposed repayment schedule, and other terms and conditions and security provisions of the loan;

(13) an estimate of the amounts and times of receipt of guaranty fees, sales and use taxes, property tax increments, and any other governmental charges which may be available for the support of the state guaranty fund development account as a result of the construction of the project, with an analysis of the assumptions on which the estimate is based;

(14) a copy of any lending commitment issued by a lender to the borrower;

(15) a statement from the lender, if identified, as to its general experience in financing and servicing debt incurred for projects of the size and general type of the project, and its proposed servicing and monitoring plan; and

(16) additional information required by the board corporation.

(b) The applicant shall pay upon filing of the application a fee equal to .25 percent of the amount of the loan guaranty or bond requested. The fee shall be paid to the commissioner of finance corporation and deposited in the general fund greater Minnesota fund. If the board corporation determines not to issue a commitment for the project, the fee shall be refunded to the applicant, less the board's corporation's cost of processing, reviewing, and evaluating the application. If the board corporation issues a commitment for the project and the application fee exceeds the board's corporation's cost of processing, reviewing, and evaluating the application, the balance shall be transferred from the general fund to into the project account in the guaranty fund development account and credited against the amount of the commitment fee required in section 41A.03, subdivision 3, clause (j). The county or rural development finance authority may require the proposed borrower under the project to pay the application fee.

(c) If the application is made by an applicant other than the county or rural development finance authority and tax increment financing is to be used for the project, the application must include a copy of a resolution adopted by the governing body of the county or rural development finance authority in which the project is located. The resolution must authorize the use of tax increment financing for the project as required by section 41A.06, subdivision 5.

Subd. 2. [ENVIRONMENTAL ASSESSMENT.] Notwithstanding any other law or rule, no environmental impact statement must be completed prior to the approval of an application and the issuance of a conditional commitment for the guaranty of a loan for an agricultural resource development project, or the taking of any other action

permitted by sections 41A.01 to 41A.07, including the issuance of bonds, which is considered necessary or desirable by the board corporation to prepare for a final commitment and to make it effective. Environmental review, to the extent required by law, shall be made in conjunction with the issuance by state agencies of environmental permits for the project. Permits may be applied for prior to the issuance of a conditional commitment. Action shall be taken as expeditiously as possible on environmental review and all permits required. Environmental review shall be completed within 180 days after the initial filing of an application to the pollution control agency for the first permit. Final action shall be taken on permits within 90 days after completion of environmental review or, as to any permit requiring a public hearing, within 90 days after the receipt of the administrative law judge's report.

Subd. 3. [COMMITMENT.] The commissioner of energy and economic development on behalf of the board corporation shall determine as to each project for which an application is submitted whether it appears in the commissioner's corporation's judgment to conform to the requirements of this chapter. The board corporation may waive any of the application requirements in subdivision 1 if it determines in its sole discretion that the waiver of the requirements is necessary or appropriate to carry out the purposes of this chapter. The board corporation may not waive the requirements of subdivision 1, paragraph (c). In evaluating applications the board corporation shall consider the extent to which the public subsidies sought by the applicant under the program would provide the project with an unfair advantage in competing with other products produced or processed in Minnesota. It may but need not adopt rules setting forth criteria for evaluating applications for loan guaranties. Upon determination by the board corporation that a project conforms to the requirements of this chapter, it may by resolution make ~~on behalf of the state~~ a conditional commitment to guarantee a portion of the proposed loan or to issue bonds as it determines, not exceeding the limitations set forth in section 41A.03. No action is allowable under section 116B.03, subdivision 1, with respect to acts of any person authorized or required in order to execute the resolution. The commitment is not binding upon the state corporation unless the board corporation has executed ~~on behalf of the state~~ a final loan guaranty instrument in conformity with section 41A.03 or has issued bonds.

Subd. 4. [RULEMAKING AUTHORITY.] In order to effectuate the purposes of sections 41A.01 to 41A.07, the board shall adopt rules which are subject to the provisions of chapter 14. The board may adopt emergency rules and permanent rules.

Sec. 13. Minnesota Statutes 1986, section 41A.05, subdivision 1, is amended to read:

41A.05 [MINNESOTA AGRICULTURAL RESOURCES LOAN GUARANTY FUND DEVELOPMENT ACCOUNT AND BONDS.]

Subdivision 1. [ESTABLISHMENT OF FUND.] For the purpose of developing the state's agricultural resources by extending credit on real estate security, the agricultural resource loan guaranty fund development account is established as a special and dedicated fund an account to be held and invested separately from all other funds of the state greater Minnesota fund. All money appropriated to the fund account, and all guaranty fees, retail sales taxes, property tax increments, and other money from any source which may be credited to the fund account pursuant to law or pursuant to the terms of grants, contributions, or contracts are appropriated and shall remain available for the purposes of the fund account until those purposes have been fully accomplished. The board corporation may establish within the guaranty fund account reserve funds, project accounts, or other restrictions it determines necessary or appropriate to carry out the purposes of this chapter. Except as otherwise provided in this section, the fund account may be used only for paying amounts due under loan guaranties and principal and interest assistance contracts entered into by the state corporation, pursuant to the agricultural resource loan guaranty development program.

Sec. 14. Minnesota Statutes 1986, section 41A.05, subdivision 3, is amended to read:

Subd. 3. [COVENANT.] In fulfillment of the state's corporation's covenant with the beneficiary of each loan guaranty executed by the board on behalf of the state corporation pursuant to the agricultural resource loan guaranty development program, in accordance with section 41A.04, subdivision 3, the state will not limit or alter the rights vested in the board corporation to comply with the terms of the loan guaranties.

Sec. 15. Minnesota Statutes 1986, section 41A.05, subdivision 5, is amended to read:

Subd. 5. [GUARANTY FUND; REDUCTION.] Amounts in the guaranty fund development account may be transferred to the general greater Minnesota fund if the remaining amount in the fund account exceeds the principal amount and one year's interest on the outstanding bonds and the guaranteed portion of outstanding guaranteed loans.

Sec. 16. [84.96] [MINERAL RESOURCES PROGRAM.]

Subdivision 1. [FINDINGS.] The legislature finds that there has been a withdrawal of investment in mineral and timber resources of the state. To provide a diversified economic base in the state, it is necessary to stimulate investment in the state's natural resources. Mineral exploration by the private sector must be encouraged. The long-term health of the state will be aided by a diverse state economy that includes productive natural resource industries. A forestry management plan has been mandated to improve the use of forestry resources. Benefits from the state's mineral resources will be realized through a program coordinated by the department of natural resources to accelerate geologic mapping and mineral deposit evaluation and to provide analytical support to the mineral and timber industries.

Subd. 2. [PROGRAM.] The commissioner of natural resources shall coordinate a program, in cooperation with the Minnesota geological survey, the Minnesota resources research center, the natural resources research institute, and other available facilities, to:

- (1) accelerate geological mapping of the state;
- (2) accelerate evaluation of the state's mineral potential and other natural resources; and
- (3) provide analytical support for participants in the mineral industry.

Sec. 17. Minnesota Statutes 1986, section 116J.01, is amended to read:

116J.01 [DEPARTMENT OF ENERGY TRADE AND ECONOMIC DEVELOPMENT.]

Subdivision 1. [APPOINTMENT.] The department of energy trade and economic development shall be supervised and controlled by the commissioner of energy trade and economic development, who shall be appointed by the governor and serve under the provisions of section 15.06.

Subd. 2. [CONFIDENTIAL SECRETARY.] The commissioner may appoint a confidential secretary in the unclassified service.

Subd. 3. [DEPARTMENTAL ORGANIZATION.] The commissioner shall organize the department as provided in section 15.06. The department shall be organized into ~~four~~ five divisions, which shall be designated the energy trade division, the community development division, the economic development promotional and marketing division, and the economic development analysis division, and the financial management division; and the office of

tourism. Each division and office is responsible for administering the duties and functions assigned to it by law. When the duties of the divisions or office are not allocated by law, the commissioner may establish and revise the assignments of each division and office. Each division shall be under the direction of a deputy commissioner in the unclassified service. The office of tourism is under the direction of a director of tourism in the unclassified service. The governor shall appoint the director of tourism.

Sec. 18. Minnesota Statutes 1986, section 116J.03, is amended to read:

116J.03 [DEFINITIONS.]

Subdivision 1. [SCOPE.] As used in chapter 116J, the terms defined in this section have the meaning given them.

Subd. 2. [COMMISSIONER.] "Commissioner" means the commissioner of energy trade and economic development.

Subd. 3. [DEPARTMENT.] "Department" means the department of energy trade and economic development.

Sec. 19. Minnesota Statutes 1986, section 116J.36, subdivision 2, is amended to read:

Subd. 2. [DEFINITIONS.] In this section:

(a) "Director" means the director of the department of public service.

(a) (b) "Construction costs" means all costs associated with the construction, modification or expansion of a district heating system except for preliminary planning costs and detailed design costs. Construction costs include the cost of debt service from the time a construction loan is made until five years after the beginning of the operation of the district heating system constructed or the part of the system being modified or expanded.

(b) (c) "District heating" means the use of a central energy conversion facility to produce hot water or steam for a district heating system. District heating facilities may also produce electricity in addition to hot water or steam.

(e) (d) "Municipality" means any county, city, town, school district, federally recognized American Indian tribal government, or a municipal power agency formed pursuant to sections 453.53 to 453.62. Municipality also means a public utility, as defined in section 452.01, subdivision 3, owned and operated by a city, however organized. For purposes of a district heating system only, municipi-

pality also means a nonprofit corporation organized pursuant to the provisions of chapter 317 whose membership is limited to the mayor and governing body of the city in which the district heating system is located.

(d) (e) "District heating system" means any existing or proposed facility for (1) the production, through cogeneration or otherwise, of hot water or steam to be used for district heating, or (2) the transmission and distribution of hot water or steam for district heating either directly to heating consumers or to another facility or facilities for transmission and distribution, or (3) any part or combination of the foregoing facilities.

(e) (f) "Qualified energy improvement" means a cost-effective capital improvement to public land, buildings, or energy using systems, other than a district heating system, including the purchase or installation of equipment to reduce the usage of conventional energy sources or to use alternative energy resources. Qualified energy improvements also include waste-to-energy facilities that meet the criteria specified in subdivision 8a and any rule adopted under that subdivision. Qualified energy improvements shall meet all environmental and permitting standards established by state and federal law.

Sec. 20. Minnesota Statutes 1986, section 116J.36, subdivision 3b, is amended to read:

Subd. 3b. [GRANT ELIGIBILITY, DISTRICT HEATING.] The ~~commissioner of energy and economic development~~ director may provide planning grants to municipalities for planning related to the development of district heating systems. The municipality must demonstrate that a community heatload survey and map have been successfully completed, that potential district heating load is sufficiently large to justify further consideration, and that sufficient resources are available for the municipality to meet its financial requirements. Eligible planning grant costs include project definition, development of preliminary financing and distribution system plans, and obtaining commitment for detailed planning or design and preparation of a final report. The amount of the grant to a municipality is limited to 90 percent of eligible planning costs and shall not exceed \$70,000 as established by rule or emergency rule.

Sec. 21. Minnesota Statutes 1986, section 116J.36, subdivision 8, is amended to read:

Subd. 8. [LOAN APPROVAL.] The ~~commissioner of energy and economic development~~ director shall prepare and submit to the ~~energy and economic development~~ authority separate lists of loan requests for district heating systems and qualified energy improvements. The list for district heating loans shall contain the supporting information required by subdivisions 3, 4, 5, 6, and 7. The list for

qualified energy improvements shall contain the supporting information required by subdivisions 3a, 3c, 4a, 5, and 6. The recommendation of the ~~authority~~ director shall be transmitted to the commissioner of finance. The commissioner of finance shall sell bonds and make loans for district heating projects and qualified energy improvements only upon the recommendation of the authority.

Sec. 22. Minnesota Statutes 1986, section 116J.37, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] In this section:

(a) "Commissioner" means the commissioner of energy and economic development. ~~Upon passage of legislation creating a body known as the Minnesota energy authority the duties assigned to the commissioner in this section are delegated to the authority.~~

(a) "Director" means the director of the department of public service.

(b) "Maxi-audit" has the meaning given in section 116J.06, subdivision 12.

(c) "Energy conservation investments" mean all capital expenditures that are associated with conservation measures identified in a maxi-audit and that have a ten-year or less payback period. Public school districts that received a federal institutional building grant in 1984 to convert a heating system to wood, and that apply for an energy conservation investment loan to match a federal grant for wood conversion, shall be allowed to calculate payback of conservation measures based on the costs of the traditional fuel in use prior to the wood conversion.

Sec. 23. [116J.874] [COMMUNITY DEVELOPMENT DIVISION.]

Subdivision 1. [LEGISLATIVE FINDINGS.] The legislature finds that state programs directed to address community and economic development needs have been implemented in a diverse, fragmented, and inefficient manner. It is therefore in the public interest of the state to develop a comprehensive and integrated approach to administering and coordinating community development programs. The community development division in the department of trade and economic development will address these issues by building a community development framework using a community-based approach.

Subd. 2. [DUTIES.] The community development division shall:

(1) be responsible for administering and staffing all state community development and assistance programs including the economic recovery fund, and the outdoor recreation grant program;

(2) be the division responsible for state administration of federally funded community development and assistance programs including the small cities development grant program and land and water conservation program;

(3) be responsible for state administration of the regional development commissions;

(4) provide technical assistance in cooperation with regional development commissions to rural communities in the area of community development;

(5) coordinate the development and review of state agency rural development policies in cooperation with regional development commissions;

(6) provide staff and consultant services to the rural development board; and

(7) be responsible for coordinating community assistance and development programs in cooperation with regional development commissions.

Sec. 24. [116J.8741] [RURAL DEVELOPMENT BOARD.]

Subdivision 1. [CREATION.] The legislature finds that it is in the public interest to coordinate and encourage community and economic development in the rural areas of the state. The rural development board is created to assist in developing a strategy for promoting rural development in the state.

Subd. 2. [MEMBERSHIP.] The board consists of the commissioner of trade and economic development; the commissioner of jobs and training; the commissioner of agriculture; the president of the Greater Minnesota Corporation board; the state director of vocational technical education; the chancellor of the state university board; the chancellor of the state board of community colleges; and the president of the University of Minnesota. The governor shall appoint five additional members from the general public to the board. Two of the public members must be members of farm organizations. One public member must represent the interests of business and one public member must represent the interests of organized labor. The governor shall take geographic interests and representation into account in the selection of public board members.

Subd. 3. [MEMBERSHIP TERMS.] The membership terms, compensation, removal, and filling of vacancies of public members of the board are as provided in section 15.0575.

Subd. 4. [CHAIR; OTHER OFFICERS.] The commissioner of trade and economic development shall serve as chair of the board. The board may elect other officers as is necessary from its members.

Subd. 5. [ADVISORY TASK FORCE; COMMITTEES.] The board may establish advisory task forces or committees to advise or assist the board in identifying and working with rural development issues. Persons on a task force or committee may not receive per diem but may be reimbursed for expenses.

Subd. 6. [STAFF; EXPENSES.] The department of trade and economic development shall provide staff, consultant support, materials, and administrative services necessary to the board's activities. The commissioner shall pay for the expenses of the board.

Subd. 7. [DUTIES.] The board shall have the following duties:

(a) The board with the assistance of department staff shall investigate and evaluate new methods to enhance rural development, particularly relating to economic diversification through private enterprises, including technologically innovative industries, value added manufacturing, agriprocessing, information industries, and agricultural marketing.

(b) The board shall review and comment on the mineral resources program to the department of natural resources.

(c) The board shall review the services provided by state agencies, including the post-secondary education systems, to rural businesses and communities and make recommendations to the agency and the legislature that would enhance those services.

(d) The board shall prepare with the assistance of department staff and other state agency staff the rural investment guide required by subdivision 8.

(e) The board shall submit an annual report to the legislature by January 31 of each year. The report shall include a review of rural development in the state, an evaluation of rural development initiatives, and recommendations concerning state support for rural development.

Subd. 8. [RURAL INVESTMENT GUIDE.] The board shall prepare and adopt, after appropriate study and public hearings as necessary, a comprehensive rural investment guide for the state, consisting of policy statements, objectives, standards, and program

criteria to guide state agencies in the creation and implementation of programs relating to rural development. The guide must recognize and encompass both the community and economic needs and resources of rural Minnesota and provide a plan to coordinate and allocate public and private resources to the rural areas of the state.

Sec. 25. [116J.8742] [MAIN STREET PROGRAM.]

The commissioner shall develop and administer a main street program to assist cities in the revitalization of their businesses. The purpose of the program is to strengthen local organization and local management of business districts so that cities become more self-reliant and not dependent on future state financial assistance. The staff dedicated for this program shall assist cities that request assistance in the following manner:

(a) improving the organization of the business district including the leadership skills of business owners and city officials;

(b) establishing a marketing strategy to promote the business district to residents of the surrounding trade area;

(c) providing technical assistance in the design and rehabilitation of buildings in the business district including historic preservation; and

(d) establishing a strategy to strengthen existing businesses, recruiting new businesses, diversify the mix of businesses, and develop vacant property in the business district.

Sec. 26. Minnesota Statutes 1986, section 116J.951, subdivision 2, is amended to read:

Subd. 2. [COMMISSIONER.] "Commissioner" means the commissioner of energy trade and economic development.

Sec. 27. Minnesota Statutes 1986, section 116J.951, is amended by adding a subdivision to read:

Subd. 5. [BOARD.] "Board" means the board of the Greater Minnesota Corporation created in section 42.

Sec. 28. Minnesota Statutes 1986, section 116J.951, is amended by adding a subdivision to read:

Subd. 6. [PRESIDENT.] "President" means the president of the Greater Minnesota Corporation.

Sec. 29. Minnesota Statutes 1986, section 116J.955, is amended to read:

116J.955 [RURAL REHABILITATION REVOLVING FUND.]

Subdivision 1. [ESTABLISHMENT.] The rural rehabilitation revolving fund is established as an account in the state treasury. The

money transferred to the state as a result of liquidating the rural rehabilitation corporation trust, and money derived from transfer of the trust to the state, must be credited to the rural rehabilitation revolving fund. The principal amount of the rural rehabilitation revolving fund, \$9,300,000, may not be spent and must be invested by the state investment board. The income attributable to investment of the principal is appropriated to the commissioner for the activities of the rural development council.

Subd. 2. [EXPENDITURE OF INVESTMENT INCOME FUND.]

The commissioner board may only use the income from the investment of the rural rehabilitation revolving fund for the purposes that are allowed under the Minnesota rural rehabilitation corporation's charter and agreement with the United States Secretary of Agriculture as provided in Public Law Number 499, 81st Congress, enacted May 3, 1950 and as allowed under section 116J.961, subdivision 8. Not more than three percent of the book value of the Minnesota rural rehabilitation corporation's assets may be used for administrative purposes in a year without approval of the United States Secretary of Agriculture.

Subd. 3. [TRANSFER OF AUTHORIZED RECORDS TO COMMISSIONER BOARD.]

The authority, assets, books, and records held by the Minnesota rural rehabilitation corporation and later by the state executive council under Public Law Number 499, 81st Congress, May 3, 1950, is transferred to the commissioner.

Sec. 30. Minnesota Statutes 1986, section 116J.961, subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT.] The governor's rural development council is established in the department of energy and economic development Greater Minnesota Corporation. The council shall consist of one representative from each of the state's development regions, including the seven-county metropolitan area, and the commissioner president.

Sec. 31. Minnesota Statutes 1986, section 116J.961, subdivision 5, is amended to read:

Subd. 5. [COUNCIL STAFF.] (a) The commissioner board shall employ, with the concurrence of the council, an executive director staff experienced in public administration and rural development issues. The executive director is not a member of the council, but The president and corporation staff shall perform duties the council may require in carrying out its responsibilities. The executive director's position is in the unclassified service.

(b) The commissioner shall employ professional staff, clerical help, and other necessary employees upon the recommendation of the council and the executive director. Support staff shall serve in the

~~classified civil service. The commissioner corporation shall also provide materials and administrative help necessary for the council's activities including personnel, budget, payroll, and contract administration.~~

Sec. 32. Minnesota Statutes 1986, section 116J.961, subdivision 6, is amended to read:

Subd. 6. [EXPENSES OF COUNCIL.] ~~The commissioner corporation shall pay for the expenses of the council, the council staff, and the council's programs from the appropriation under section 116J.955, subdivision 1.~~

Sec. 33. Minnesota Statutes 1986, section 116J.961, subdivision 8, is amended to read:

Subd. 8. [ADMINISTRATION OF ANNUAL INVESTMENT INCOME FROM THE RURAL REHABILITATION REVOLVING FUND.] (a) The council shall administer the annual investment income from the rural rehabilitation revolving fund by:

(1) administering a rural development grant program including the establishment of grant eligibility criteria, solicitation and review of grant applications, and determination of projects to be funded;

(2) developing priorities for state projects and activities related to rural development;

(3) providing technical help and rural development information services to state agencies, regional agencies, special districts, local governments, and interested citizens;

(4) preparing an annual budget and work program, and a biennial budget;

(5) preparing an annual report for the state office of the farmers home administration, United States Department of Agriculture outlining program activities and expenditures from the trust fund; and

(6) reporting to the house agriculture and senate agriculture and natural resources committees by January 31 of each year on the grants, projects, and activities of the council.

(b) ~~The commissioner corporation shall make agreements or contracts to distribute grant funds to projects selected by the council.~~

Sec. 34. Minnesota Statutes 1986, section 116J.961, subdivision 10, is amended to read:

Subd. 10. [BUDGET.] ~~The commissioner corporation's board shall~~ review and approve a biennial budget prepared by the council and submit it to the governor and the legislature for approval as part of the biennial budget process.

Sec. 35. Minnesota Statutes 1986, section 116L.03, subdivision 2, is amended to read:

Subd. 2. [APPOINTMENT.] Members shall be appointed as follows: four members appointed by the speaker of the house; one member appointed by the minority leader of the house; four members appointed by the majority leader of the senate; one member appointed by the minority leader of the senate; eight members appointed by the governor; and the ~~commissioners of the departments~~ commissioner of energy trade and economic development, ~~education, and jobs and training~~ the commissioner of jobs and training, and the state director of vocational technical education.

Sec. 36. [116L.06] [CUSTOMIZED RURAL TRAINING PROGRAM.]

Subdivision 1. [DEFINITIONS.] For the purposes of this section, "low-income" means equal to or below the nonmetropolitan median household income. "Principally" means at least 51 percent.

Subd. 2. [TRAINING PROGRAM.] The partnership may provide grants to educational or other nonprofit institutions for customized training for new or expanding businesses located outside of the metropolitan area defined in section 473F.02, subdivision 2. Grants may only be awarded for training projects designed to principally benefit low-income persons. The partnership shall use the criteria and guidelines specified under sections 116L.02 and 116L.04 to establish and administer the program.

Subd. 3. [NEW BUSINESS SET-ASIDE.] The partnership may set aside up to 50 percent of the amount available for the rural customized training program to provide customized training grants for new businesses locating in rural Minnesota. A set-aside grant may not be made for a business located within the state that relocates to rural Minnesota. The partnership shall use the guidelines specified under section 116L.04 to establish and administer the program, except that a committee consisting of the commissioner of trade and economic development, the chair of the Minnesota job skills partnership board, and the state director of vocational technical education may give final approval for training applications by a majority vote of the committee. Any amount left in the set-aside program at the end of the 1988 fiscal year may be used for the rural customized training program established in subdivision 2.

Sec. 37. Minnesota Statutes 1986, section 116M.04, is amended to read:

**116M.04 [COMMUNITY DEVELOPMENT CORPORATIONS.]**

Subdivision 1. For the purposes of this section, the following terms shall have the meanings given them:

Subd. 1a. "Authority" "Commissioner" means the energy commissioner of trade and economic development authority, formerly known as the small business finance agency.

Subd. 2. "Economic development region" means an area so designated in the governor's executive order number 60, dated June 12, 1970, as amended.

Subd. 3. "Federal poverty level" means the income level established by the United States Community Services Administration in Code of Federal Regulations, title 45, section 1060.2-2.

Subd. 4. "Low income" means an annual income below the federal poverty level.

Subd. 5. The authority commissioner shall administer this section and shall enforce the rules related to the community development corporations promulgated by the authority. The authority commissioner may amend, suspend, repeal or otherwise modify these rules as provided for in chapter 14.

Subd. 6. The authority commissioner shall designate a community development corporation as eligible to receive grants pursuant to this section if the corporation:

(a) Is a nonprofit corporation incorporated under chapter 317 or a federally recognized American Indian tribal government;

(b) Designates in its articles of incorporation or bylaws or a tribal constitution a specific geographic community within which it will operate. At least ten percent of the population within the designated community must have low income. Within the metropolitan area as defined in section 473.121, subdivision 2, a designated community shall be an identifiable neighborhood, or a combination of neighborhoods or home rule charter or statutory cities, townships, unincorporated areas or combinations thereof. Outstate designated communities shall to the extent possible not cross existing economic development boundaries;

(c) Limits voting membership to residents of the designated community;

(d) Has a board of directors with 15 to 30 members, unless the corporation can demonstrate to the authority that a smaller or larger board is more advantageous. At least 40 percent of the directors shall have incomes that do not exceed 80 percent of the county median family income and are not greater than 80 percent of the statewide median family income, as determined by the state demographer, and the remaining directors shall be members of the business or financial community and the community at large. At least 60 percent of the directors shall be residents of the designated community, and to the greatest extent possible directors shall be residents of the designated community. The directors who must meet the income limitations of this paragraph shall be elected by the members of the corporation, and the remaining directors may be elected by the members of the corporation or selected by the directors who must meet the income limitations of this paragraph; and

(e) Hires low income residents of the designated community to fill nonmanagerial and nonprofessional positions.

Subd. 7. The authority commissioner shall approve a grant to a community development corporation only for a project carried on within the designated community, except when the corporation demonstrates that a project carried on outside will have a significant impact inside the designated community.

Subd. 8. The authority commissioner may approve a grant to a community development corporation for planning, including organization of the corporation, training of the directors, creation of a comprehensive community economic development plan, and development of a proposal for a venture grant, or for establishment of a business venture, including assistance to an existing business venture, purchase of partial or full ownership of a business venture, or development of resources or facilities necessary for the establishment of a business venture.

Subd. 8a. The energy and economic development authority commissioner shall be named as an assignee of the rights of a state-funded community development corporation on any loan or other evidence of debt provided by a community development corporation to a private enterprise. The assignment of rights shall provide that it will be effective upon the dormancy or cessation of existence of the community development corporation. "Dormancy" for the purpose of this section means the continuation of the corporation in name only without any functioning officers or activities. Upon the cessation of the activities of a state-funded community development corporation, any assigned money paid to the energy and economic development authority commissioner shall be deposited into the economic development fund to be used for the purposes as set out in this chapter general fund.

Subd. 9. Factors considered by the authority commissioner in approving a grant to a community development corporation should include the creation of employment opportunities, the maximization of profit and the effect on securing money from sources other than the state.

Subd. 10. Grants under this section shall not be available for programs conducted by churches or religious organizations or for securing or developing social services.

Subd. 11. A person shall not be excluded from participation in a program funded pursuant to this section because of race, color, religion, sex, age or national origin.

Sec. 38. Minnesota Statutes 1986, section 116M.06, subdivision 11, is amended to read:

Subd. 11. [MEMBERSHIP.] The members and governing body of the authority shall be the commissioner, the president of the Greater Minnesota Corporation established in section 42 and ten ~~ten~~ nine other members appointed by the governor. The governor shall designate the chair from among the members. The board shall elect a secretary and other officers as it deems fit from among its members. On July 1, 1983, the governor shall have authority to appoint new members. The terms of the current members shall expire, respectively, when they are replaced and new members are appointed by the governor and qualified. Section 15.0575 governs the terms, compensation, removal and filling of vacancies in the offices of members other than the commissioner.

Sec. 39. [116N.01] [CITATION.]

Sections 39 to 52 may be cited as the "Greater Minnesota Corporation act."

Sec. 40. [116N.02] [PURPOSE.]

It is the intent of this legislation to ensure the development of new products, processes, and services that have the potential to contribute to the state's economy, particularly in nonmetropolitan areas. For these purposes, the Greater Minnesota Corporation is established to foster economic growth in Minnesota through cooperative research and development and investments in new products and businesses. It is the intention of the legislature to create the Greater Minnesota Corporation as a public corporation.

Sec. 41. [116N.03] [DEFINITIONS.]

Subdivision 1. [SCOPE.] The definitions in this section apply to sections 39 to 52.

Subd. 2. [CORPORATION.] "Corporation" means the Greater Minnesota Corporation.

Subd. 3. [CORPORATION BOARD.] "Corporation board" means the board of directors of the Greater Minnesota Corporation.

Subd. 4. [FINANCIAL INSTITUTION.] "Financial institution" means a bank, bank or trust company, trust company, mortgage company, credit union, mortgage banker, national banking association, savings bank, savings association, savings and loan association, building and loan association, insurance company, securities broker-dealer, financial organizations relating to commercial credit or venture capital, or a lender certified by the secretary of housing and urban development or by the administrator of veterans affairs, or approved or certified by the administrator of the farmers home administration or any other financial or lending institution, whether organized under federal law or the laws of any state of the United States, and whether located within or without this state.

Subd. 5. [FUND.] "Fund" means the greater Minnesota fund established by section 50.

Subd. 6. [GREATER MINNESOTA.] "Greater Minnesota" means the area of the state not included in the definition of area in section 473F.02, subdivision 2.

Subd. 7. [INSTITUTE.] "Institute" means a regional research institute created in section 46.

Subd. 8. [PROJECT.] "Project" means any undertaking involving real or personal property connected with or a part of an industrial, agricultural processing, distribution, manufacturing, or research facility that is to be acquired, constructed, improved, or equipped with assistance furnished under the authority of sections 39 to 52, or any combination of them.

**Sec. 42. [116N.04] [CORPORATION CREATED; BOARD OF DIRECTORS; PURPOSE AND DUTY.]**

Subdivision 1. [CREATION; NAME.] The Greater Minnesota Corporation, a public corporation and political subdivision of the state of Minnesota, is created. The corporation is not a state agency under chapter 14, 15, or for any other purpose. All business of the corporation must be conducted under its name.

Subd. 2. [BOARD OF DIRECTORS.] The corporation is governed by a corporation board of 11 directors who shall be appointed by the governor. Terms and removal of members of the corporation board are as provided in section 15.0575. Directors shall serve without compensation but shall receive their necessary and actual expenses

while engaged in the business of the corporation. Directors shall be considered public officials for the purposes of section 10A.07.

Subd. 3. [PURPOSE AND DUTIES.] It is the purpose and duty of the corporation to promote economic development in greater Minnesota, to assist businesses in applied research, and to provide incentives for the expansion of existing and location of new manufacturing, agricultural product processing, research, distribution, and industrial facilities in greater Minnesota by the means provided under sections 39 to 52.

Subd. 4. [ARTICLES AND BYLAWS.] The corporation board of directors shall adopt articles of incorporation and bylaws necessary for the conduct of the business of the corporation, consistent with the provisions of this chapter. The articles and bylaws must be filed with the secretary of state.

Subd. 5. [PLACES OF BUSINESS.] The corporation board shall locate and maintain the corporation's places of business within the state.

Subd. 6. [MEETINGS AND ACTIONS OF THE BOARD.] The corporation board shall meet at least twice a year and may hold additional meetings upon giving whatever notice the bylaws of the corporation might provide. Meetings of the corporation board, institute boards, the governor's council on rural development, and the research advisory board are subject to the provisions in section 471.705 except when information or data described in subdivision 7 is discussed.

Subd. 7. [APPLICATION AND INVESTIGATIVE DATA.] The following data is classified as private data with regard to data on individuals under section 13.02, subdivision 12, or as nonpublic data with regard to data not on individuals under section 13.02, subdivision 9, whichever is applicable:

(1) financial data, statistics, and information furnished in connection with assistance or proposed assistance under sections 43 to 52, including credit reports, financial statements, statements or net worth, income tax returns, either personal or corporate, and any other business and personal financial records;

(2) correspondence between members of the corporation board or employees of the corporation and applicants or other persons or entities regarding assistance or proposed assistance, and any investigative data obtained by the corporation board or employees of the corporation in relation to the assistance under sections 39 to 52;

(3) security information, trade secret information, or labor relations information, as defined in section 13.37, subdivision 1 dis-

closed to members of the corporation board or employees of the corporation pursuant to sections 39 to 52.

Sec. 43. [116N.05] [CORPORATE PERSONNEL.]

Subdivision 1. [GENERALLY.] The corporation board shall appoint and set the compensation for a president and may appoint subordinate officers. The president's salary may not exceed 75 percent of the governor's salary. The corporation board may designate the president as its general agent. Subject to the control of the corporation board, the president shall employ employees and agents as the president deems necessary. The staff of the corporation must include individuals knowledgeable in commercial and industrial financing, research and development, economic development, and general fiscal affairs. The corporation board shall define the duties and designate the titles of the employees and agents.

Subd. 2. [STATUS OF EMPLOYEES.] Employees, officers, and directors of the corporation are not state employees, but, at the option of the corporation board, may participate in the state retirement plan, the state deferred compensation plan, and the insurance plans for employees in the unclassified service.

Sec. 44. [116N.06] [POWERS OF THE CORPORATION.]

In addition to other powers granted by sections 39 to 52, the corporation may:

- (1) sue, and be sued;
- (2) have a seal and alter it at will;
- (3) acquire and dispose of personal property, including inchoate and intellectual property, royalties, stock, and stock warrants;
- (4) enter into contracts or agreements with a federal or state agency, person, business, or other organization;
- (5) acquire and dispose of real property or an interest in real property;
- (6) purchase insurance;
- (7) consent to the modification of a contract or agreement to which the corporation is a party;
- (8) provide general consultative and technical services to businesses;

(9) develop, buy, and possess financial and technical information, including credit reports and financial statements;

(10) accept gifts, grants, and bequests and use or dispose of them for its purposes;

(11) receive payments in the form of royalties, dividends, or other proceeds in connection with the ownership, license, or lease of products or businesses; and

(12) spend money from the greater Minnesota fund, and other money appropriated for purposes including expenses for the food, lodging, and travel of consultants and speakers hired by the board, publications, advertising, and promotional activities.

Sec. 45. [116N.08] [CHALLENGE GRANT PROGRAM.]

Subdivision 1. [ORGANIZATION.] The challenge grant program shall provide challenge grants to regional organizations selected by the corporation board under subdivision 4 to encourage private investment, to provide jobs for low-income persons, and to promote economic development in the rural areas of the state. The corporation board shall establish the program as provided in this section.

Subd. 2. [FUNDING REGIONS.] The corporation board shall divide the area of the state located outside of the metropolitan area defined in section 473F.02, subdivision 2, into six regions. The regions' boundaries must be coterminous with the boundaries of one or more of the development regions.

Subd. 3. [CHALLENGE GRANT PROGRAM ADMINISTRATION.] The corporation board shall establish a challenge grant account for each of the six regions. The corporation board shall designate up to \$..... for each challenge grant account, to be awarded over a period of three years. Challenge grant funds must be used for revolving loans and equity investments authorized under this section. The corporation board shall select nonprofit corporations to administer the challenge grant programs, using the selection criteria in subdivision 4.

Subd. 4. [SELECTION OF ORGANIZATION TO ADMINISTER CHALLENGE GRANT PROGRAM.] The corporation board shall select at least one organization for each region to be responsible for administering the challenge grant programs and shall enter into grant agreements with the organizations. An organization is eligible to administer a challenge grant program if it is a nonprofit corporation and it can demonstrate that:

(1) its board of directors contains citizens experienced in rural development and representatives from the different geographic

areas in the challenge grant program region, including the regional development commissions;

(2) it has the technical skills to analyze projects;

(3) it is familiar with other available public and private funding sources and economic development programs;

(4) it has the capability to package economic development projects;  
and

(5) it has the capability to establish and administer a revolving loan program.

Subd. 5. [REVOLVING LOAN FUND.] Each organization responsible for administering a challenge grant program shall provide subordinated loans from the challenge grant account to new and expanding businesses in rural Minnesota to promote economic development in areas including technologically innovative industries, value added manufacturing, agriprocessing, information industries, and agricultural marketing. Each organization shall establish a board-certified regional revolving loan fund and shall process loan applications as provided in subdivision 6. The amount of state money allocated for each revolving loan is appropriated from the appropriate challenge grant account to the organization's regional revolving loan fund when the organization's board gives final approval for each loan.

Subd. 6. [LOAN CRITERIA AND PRIORITY.] (a) In processing a loan application, an organization responsible for administering a challenge grant program shall give priority to proposed borrowers who are not likely to undertake the project without assistance from the challenge grant program. Loans must be used for projects designed to principally benefit low-income persons through the creation of job opportunities for such persons. Loans may be used for capital assets and working capital. Among loan applicants, priority must be given on the basis of the number of permanent jobs created or retained by the project and the proportion of nonstate money leveraged by the revolving loan. The minimum revolving loan is \$5,000 and the maximum is \$100,000. The amount of state money appropriated from the challenge grant fund may not exceed 50 percent for each revolving loan. The amount of nonpublic money must equal at least 50 percent for each revolving loan. With the approval of the corporation board, a revolving loan may be used to provide up to 50 percent of the private investment required to qualify for grants from the economic recovery fund. A revolving loan may not exceed 25 percent of the total project cost of an individual project. A revolving loan may not be used for a retail development project.

(b) The corporation board shall establish a minimum interest rate for revolving loans to ensure that necessary management costs are covered.

(c) Money repaid to the challenge grant program must remain in the regional revolving loan fund for further distribution by the organization responsible for administering the challenge grant program.

(d) Administrative expenses must be paid out of the interest earned on revolving loans.

(e) A business applying for a loan must be sponsored by a resolution of the governing body of the local government unit having jurisdiction over the area within which the project is located or by a federally recognized American Indian tribal government. For the purposes of this subdivision, "local government unit" means a home rule charter or statutory city when the project is located in an incorporated area and a county when the project is located in an unincorporated area.

Subd. 7. [EQUITY INVESTMENTS.] The corporation board may allow a specific amount of the challenge grant account designated to each region to be used for the purpose of acquiring equity interests in new or existing businesses located in rural Minnesota. The organizations responsible for administering challenge grant programs may acquire equity investments in new or expanding businesses located in rural Minnesota. The organizations may also invest in qualified regional investment organizations. A qualified regional investment organization is a corporation or fund organized and located within the designated region which conducts a lending and investment program consistent with the goals of the challenge grant program.

Subd. 8. [DUTIES OF CHALLENGE GRANT ADMINISTRATION ORGANIZATION.] The organization responsible for administering a challenge grant program may contract with other regional development authorities to carry out all or part of its duties. The organization shall:

(1) submit an annual report to the corporation board, the governor, and legislature by February 15 of each year that includes, at least, a description of projects supported by the program, an account of all loans made during the calendar year, the source and amount of all money collected and distributed by the program, the program's assets and liabilities, and an explanation of administrative expenses; and

(2) provide for an annual audit to be performed in accordance with generally accepted accounting practices and auditing standards and submit a copy of each annual audit report to the corporation board.

## Sec. 46. [116N.09] [REGIONAL RESEARCH INSTITUTES.]

Subdivision 1. [ESTABLISHMENT.] The corporation board may establish up to four regional research institutes in greater Minnesota. Each institute shall be located adjacent or near a public post-secondary education institution. The corporation board shall take into consideration how the location and focus of each institute will best utilize a region's resource and assist the region's businesses.

Subd. 2. [PURPOSE.] The purpose of the institutes is to provide applied research and development services to individuals, businesses, and for profit or nonprofit organizations for the purposes of developing the region's economy through the utilization of the region's resources and through the development of technology in the region. Research and development services may include on-site research management, product development grants, testing of production techniques and product quality, marketing and business management assistance, and feasibility studies.

Subd. 3. [INSTITUTE BOARD.] Each regional research institute is administered by a nine member institute board. The board for each institute consists of one Greater Minnesota Corporation board member, the president of the corporation, two representatives of public post-secondary institutions in the area surrounding the institute, and five public members appointed by the corporation board. Each institute board shall elect a chair and other board officers as it deems fit from it's membership.

Subd. 4. [INSTITUTE ADMINISTRATION.] The board for each regional research institute must appoint an institute director to manage the operation of the institute. An institute board may contract with post-secondary education governing boards for research services of post-secondary institution staff, facilities, or equipment. The director may directly hire staff for the institutes.

Subd. 5. [RESEARCH CONTRACTS.] The board of each institute may enter into contracts with individuals, businesses, and organizations to provide research and development assistance at institute facilities or at other sites where appropriate. The corporation board is to establish contract guidelines.

Subd. 6. [PRODUCT DEVELOPMENT GRANTS.] The board of each institute may provide product development grants to those individuals, businesses, or organizations that without financial assistance would not be able to undertake the development of a product or technology related service. The corporation board is to establish criteria for determining what individuals, businesses, or organizations are eligible to receive product development grants.

## Sec. 47. [116N.11] [RESEARCH ADVISORY BOARD.]

Subdivision 1. [ESTABLISHMENT.] The corporation board shall establish a research advisory board to provide advisory assistance to the corporation board, the research institute boards, and the rural finance authority.

Subd. 2. [APPOINTMENT.] The research advisory board shall consist of 11 members appointed by the corporation board. Terms and removal of members shall be set by the board and research advisory board members shall serve without compensation but shall receive their necessary and actual expenses while engaged in the business of the corporation. The membership of the advisory board must have representatives that are experienced or have expertise in technology, applied research, agriculture, business, labor, and productivity.

Subd. 3. [DUTIES.] The research advisory board shall have the following duties and responsibilities:

(a) identify specific areas where research and development will contribute to the productivity of the state's businesses and farms;

(b) determine specific areas where financial assistance for research and development could assist the development of businesses and create new employment opportunities;

(c) advise the corporation board in the development and establishment of the regional research institutes and the research grants to public and private post-secondary education institutions;

(d) advise public and private post-secondary education institutions on the research and development needs of businesses in Minnesota; and

(e) review the applications and make recommendations to the corporation board for research grants to public and private post-secondary education institutions.

**Sec. 48. [116N.11] [RESEARCH GRANTS TO EDUCATION UNITS.]**

The corporation board may make matching grants to public and private post-secondary education institutions for applied research and development. Grants are to be made for projects which will likely result in assisting economic and employment development in greater Minnesota. The corporation board shall not give final approval to a research grant until it has received an evaluation and recommendation from the research advisory board.

**Sec. 49. [116N.12] [INFORMATION ASSISTANCE.]**

The corporation board or its designee must provide individuals, businesses, and organizations with information relating to federal, state, and local economic development programs. The corporation board must divide greater Minnesota into regions and locate staff in each of these regions to provide information assistance required in this section. The corporation board may contract with organizations, including but not limited to regional development commissions, to provide the assistance required under this section in the regions. The corporation or designated organization's staff designated for this function must have knowledge of existing private and federal, state, and local economic development programs and work in conjunction with existing programs including state agency programs, the university extension service, and the small business development centers.

Sec. 50. [116N.13] [GREATER MINNESOTA FUND.]

(a) The greater Minnesota fund is a separate account in the state treasury. The corporation board may create separate accounts within the fund for use in accordance with the fund's purposes. Money in the fund may be deposited in an institution designated as a depository for state funds under section 9.031. Money in the fund not needed for the immediate purposes of the corporation may be invested by the corporation in any way authorized by section 11A.24. Money in the fund may be used as provided in this chapter.

(b) The fund consists of:

- (1) all appropriations made to the corporation;
- (2) all fees and charges collected by the corporation;
- (3) income from investments and purchases;
- (4) all revenue from loans, rentals, royalties, dividends, and other proceeds collected in connection with lawful corporate purposes; and
- (5) all gifts, donations, and bequests made to the corporation.

Sec. 51. [116N.14] [AUDITS.]

The corporation board shall contract with a certified public accounting firm to audit the corporation and any subsidiary annually in accordance with generally accepted accounting standards.

The books and records of the corporation, the governor's council on rural development, challenge grant organizations, regional research institutes, research advisory boards, and any other subsidiary, fund, or entity to be administered or governed by the corporation, are subject to audit without previous notice by the legislative auditor.

## Sec. 52. [116N.15] [REPORTS.]

The corporation shall report to the legislature and the governor on its activities by January 1 of each year.

## Sec. 53. [136A.125] [SUPPLEMENTAL GRANTS TO DISPLACED RURAL WORKERS.]

Subdivision 1. [PROGRAM; ELIGIBILITY.] (a) The higher education coordinating board shall establish and administer the state supplemental education grant program to assist displaced workers in rural areas of the state in paying the costs of attending public, post-secondary educational institutions. The board shall develop policies and procedures for the administration of grants, including the allocation of funds to eligible institutions in accordance with section 136A.101.

(b) Only state residents who are enrolled in adult farm management programs or enrolled in a program designed to train people for employment are eligible to apply for grants under this section. Applicants must demonstrate financial need in accordance with policies and procedures established by the board. In developing eligibility policies, the board shall consider criteria for participation in state and federal programs designed to serve economically dislocated workers.

(c) The development of policies and procedures in accordance with this subdivision is not subject to chapter 14.

Subd. 2. [PART-TIME GRANTS.] Displaced workers in rural Minnesota areas are eligible to be considered for a part-time grant under section 136A.132. In awarding grants during the 1987-1989 biennium, participating post-secondary institutions shall consider the needs of displaced rural workers.

Subd. 3. [PUBLIC INFORMATION.] The board shall provide information to displaced workers in rural areas about post-secondary education opportunities and financial assistance to help them pay for their education, including existing state and federal programs and the state supplemental education grant program. The board shall develop and communicate the information in cooperation with the department of jobs and training, financial aid administrators, the agriculture extension service, and representatives of public and private post-secondary education institutions.

Sec. 54. Laws 1983, chapter 334, section 7, is amended to read:

## Sec. 7. [REPEALER.]

Sections 1 to 6 are repealed June 30, 1987 1990.

## Sec. 55. [DEVELOPMENT PLAN.]

The board of directors of the Greater Minnesota Corporation shall prepare a comprehensive development plan and submit it to the governor and the legislature by November 15, 1987. The development plan must include at least the following:

- (1) operating procedures;
- (2) accounting procedures;
- (3) grant procedures;
- (4) loan procedures;
- (5) personnel procedures;
- (6) investment procedures; and
- (7) board conduct and ethics.

In addition, the development plan must include a budget proposal and a five-year plan. It must identify sources and amounts of available nongovernmental money and the purposes for which that money may be used, and it must suggest any further legislation that may be necessary to carry out the development plan.

#### Sec. 56. [VENTURE CAPITAL STUDY.]

The Greater Minnesota Corporation shall study the effect and the possible administrative and legal structure of the establishment of a for profit venture capital corporation. This venture capital corporation would be capitalized by a state appropriation that in turn would be converted into shares of stock owned by every resident of the state. This corporation would invest only in Minnesota companies or production facilities located in the state with a preference to ventures that utilize the state's resources and intermediate products and services. The venture capital corporation would invest in local capital venture pools that are managed by experienced private venture capital firms and this corporation would only provide investment capital for product development and start-up business development. The venture capital corporation would target its investment capital to products and businesses that reduce costs to the state's residents and government jurisdictions such as products that improve resource efficiency or products that improve the independence of the physically disabled.

The study may be completed directly by the Greater Minnesota Corporation or the corporation may contract with a business, organization, or individual to complete the study. The study must include the examination of at least the following:

(1) the anticipated demand for venture capital that meet the investment criteria of the venture capital corporation;

(2) an estimation of the start-up costs of the venture capital corporation;

(3) an estimation of on-going administrative costs of the venture capital corporation including shareholder related costs;

(4) the most appropriate legal structure for the venture capital corporation including recommendations for the enabling legislation for the corporation;

(5) an estimation of the potential additional investment through stock purchases by Minnesota residents;

(6) an inventory of experienced and interested local venture capital firms that the corporation would utilize in distributing its venture capital; and

(7) an analysis of the type of products that meet the investment criteria of the venture capital corporation.

The Greater Minnesota Corporation will submit the study to the legislature and the governor by January 15, 1988.

Sec. 57. [APPROPRIATION.]

Subdivision 1. [MINERAL RESOURCES PLAN.] \$..... is appropriated from the general fund to the commissioner of natural resources for implementation of section 16, to be available until June 30, 1988.

Subd. 2. [FORESTRY MANAGEMENT.] \$..... is appropriated from the general fund to the commissioner of natural resources for implementation of the forestry management plan required in Minnesota Statutes, section 89.011, and for grant agreements with counties or groups of counties for county forestry assistance programs, to be available until June 30, 1988.

Sec. 58. [APPROPRIATION.]

\$..... is appropriated from the general fund to the department of trade and economic development for the administrative expenses of the rural development board established in section 24.

Sec. 59. [APPROPRIATION.]

\$..... is appropriated from the general fund to the Greater Minnesota Corporation established in section 42. The appropriation

is used to fund the regional research institutes created in section 46, the applied research grants established in section 48, the product development grants established in section 46, the challenge grant program established in section 45, the venture capital corporation study required in section 56, and the technical assistance and administrative costs of the corporation and subsidiaries. The corporation board may allocate the appropriation between programs as the board deems fit. This appropriation is available until expended.

Sec. 60. [APPROPRIATION.]

\$. . . . . is appropriated from the general fund to the higher education coordinating board for the state supplemental education grant program established in section 53, to be available until expended.

Sec. 61. [APPROPRIATION.]

\$. . . . . is appropriated from the general fund to the jobs skills partnership board for the customized training program established in section 36.

Sec. 62. [INSTRUCTIONS TO REVISOR.]

Subdivision 1. The revisor of statutes is directed to change the phrase "agricultural resource loan guaranty board" wherever it appears in Minnesota Statutes to "Greater Minnesota Corporation" in the next and subsequent editions of the statutes.

Subd. 2. The revisor of statutes is directed to change the phrase "agricultural resource loan guaranty fund" wherever it appears in Minnesota Statutes to "agricultural development fund of the greater Minnesota fund" in the next and subsequent editions of the statutes.

Subd. 3. The revisor of statutes is directed to change the phrase "state" wherever it appears in chapter 41A of Minnesota Statutes to "corporation" in the next and subsequent editions of the statutes.

Subd. 4. The revisor of statutes is directed to change the words "commissioner of energy and economic development" and "department of energy and economic development" wherever they appear in Minnesota Statutes to "commissioner of trade and economic development" and "department of trade and economic development" in the next and subsequent editions of the statutes.

Subd. 5. The revisor of statutes is directed to change the phrases "commissioner of energy and economic development," "commissioner," or "authority" wherever they appear in section 116J.36 or 116J.37 of Minnesota Statutes to "director" in the next and subsequent editions of the statutes.

## Sec. 63. [REPEALER.]

Minnesota Statutes 1986, sections 41A.02, subdivisions 3 and 15; and 41A.08 are repealed.

## Sec. 64. [EFFECTIVE DATES.]

Sections 3 to 15 are effective January 1, 1988."

Delete the title and insert:

"A bill for an act relating to economic development; rural development; renaming and providing new powers to the agricultural resource loan guaranty board; establishing a mineral resources program; establishing a community development division in the department of energy and economic development; establishing the Greater Minnesota Corporation; establishing the rural development board; establishing the customized training program; establishing the Greater Minnesota Corporation; establishing the state supplemental education grant program; authorizing certain activities and requiring certain studies; appropriating money; amending Minnesota Statutes 1986, sections 11A.24, by adding a subdivision; 15.01; 41A.01; 41A.02, subdivisions 4, 5, 6, 11, and by adding a subdivision; 41A.03, subdivision 5; 41A.04; 41A.05, subdivisions 1, 3, and 5; 116J.01; 116J.03; 116J.36, subdivisions 2, 3b, and 8; 116J.37, subdivision 1; 116J.951, subdivision 2, and by adding subdivisions; 116J.955; 116J.961, subdivisions 1, 5, 6, 8, and 10; 116L.03, subdivision 2; 116M.04; 116M.06, subdivision 11; Laws 1983, chapter 334, section 7; proposing coding for new law in Minnesota Statutes, chapters 41A; 84; 116J; 116L; and 136A; proposing coding for new law as Minnesota Statutes, chapter 116N; and repealing Minnesota Statutes 1986, sections 41A.02, subdivisions 3 and 15; and 41A.08."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations.

## POINT OF ORDER

Thiede raised a point of order relating to voting separately on the adoption of the report from the Committee on Economic Development and Housing relating to H. F. No. 2. The Speaker ruled the point of order not well taken.

The question was taken on the adoption of the report from the Committee on Economic Development and Housing relating to H. F. No. 2.

The report was adopted.

## POINTS OF ORDER

Schreiber raised a point of order relating to the adoption of the report from the Committee on Economic Development and Housing relating to H. F. No. 2. The Speaker ruled the point of order not well taken.

Thiede raised a point of order that a separate vote on the adoption of the report from the Committee on Economic Development and Housing relating to H. F. No. 2 was not taken. The Speaker ruled the point of order not well taken.

Himle raised a point of order pursuant to rule 6.7 relating to Committee Reports. The Speaker ruled the point of order not well taken.

## MOTION FOR RECONSIDERATION

Miller moved that the action whereby the report from the Committee on Economic Development and Housing relating to H. F. No. 2 was adopted earlier today be now reconsidered.

A roll call was requested and properly seconded.

The question was taken on the Miller motion and the roll was called. There were 46 yeas and 79 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Frederick	McDonald	Quist	Thiede
Bennett	Frerichs	McKasy	Redalen	Tjornhom
Blatz	Gutknecht	McPherson	Richter	Tompkins
Boo	Hartle	Miller	Schafer	Uphus
Burger	Haukoos	Morrison	Schreiber	Valento
Carlson, D.	Heap	Olsen, S.	Seaberg	Waltman
Clausnitzer	Himle	Onnen	Shaver	
Dempsey	Hugoson	Ozment	Stanius	
Dille	Johnson, V.	Pauly	Sviggum	
Forsythe	Marsh	Poppenhagen	Swenson	

Those who voted in the negative were:

Anderson, G.	Greenfield	Kludt	Neuenschwander	Reding
Battaglia	Gruenes	Knuth	O'Connor	Rice
Bauerly	Jacobs	Kostohryz	Ogren	Rodosovich
Beard	Jaros	Larsen	Olson, E.	Rukavina
Begich	Jefferson	Lasley	Olson, K.	Sarna
Bertram	Jennings	Lieder	Omann	Scheid
Brown	Jensen	Long	Orenstein	Schoenfeld
Carlson, L.	Johnson, A.	McEachern	Osthoff	Segal
Carruthers	Johnson, R.	Milbert	Otis	Simoneau
Clark	Kahn	Minne	Pappas	Skoglund
Cooper	Kalis	Murphy	Pelowski	Solberg
Dauner	Kelly	Nelson, C.	Peterson	Sparby
DeBlicck	Kelso	Nelson, D.	Price	Steensma
Dorn	Kinkel	Nelson, K.	Quinn	Tunheim

Vanasek  
Vellenga

Voss  
Wagenius

Welle  
Wenzel

Winter  
Wynia

Spk. Norton

The motion did not prevail.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 42, 286, 392, 454, 555, 580, 649, 813 and 854 were read for the second time.

## SECOND READING OF SENATE BILLS

S. F. Nos. 529, 653, 306 and 499 were read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Ogren; Carlson, D.; Begich; Rukavina and Redalen introduced:

H. F. No. 1201, A bill for an act relating to agriculture; appropriating money to the commissioner of agriculture for use in the marketing and promotion of peat.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Jennings and Forsythe introduced:

H. F. No. 1202, A bill for an act relating to health; appropriating money for community health services.

The bill was read for the first time and referred to the Committee on Health and Human Services.

McLaughlin and Greenfield introduced:

H. F. No. 1203, A bill for an act relating to human services; requiring court-ordered group health insurance benefits be paid to providers; requiring all parties to sign workers' compensation settlement agreements; requiring notification to commissioner regarding workers' compensation payments; establishing a public

assistance lien; establishing third party payer liability; requiring reporting of group insurance coverage; providing for reimbursement of benefits from programs with federal participation; amending Minnesota Statutes 1986, sections 62A.046; 176.191, subdivision 4; 176.521, subdivisions 1, 3, and by adding a subdivision; 256B.02, by adding a subdivision; 256B.042, subdivisions 2, 3, and by adding subdivisions; 256B.37, subdivisions 1, 2, and by adding subdivisions; 256D.03, by adding a subdivision; 268.121; 473.405, subdivision 13; and 514.69; proposing coding for new law in Minnesota Statutes, chapter 256.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Scheid and Forsythe introduced:

H. F. No. 1204, A bill for an act relating to Hennepin county; providing for the management of county health facilities; permitting the county board to hold closed meetings on certain medical center business; permitting certain data to be treated as trade secret information; amending Minnesota Statutes 1986, section 383B.217, subdivision 7.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Vellenga, Trimble, Pappas, Wynia and Norton introduced:

H. F. No. 1205, A bill for an act relating to independent school district No. 625; authorizing the issuance of bonds for the purpose of deferred capital improvements; authorizing a tax levy for debt service; authorizing an excess levy for deferred capital maintenance; providing for local approval.

The bill was read for the first time and referred to the Committee on Education.

Milbert introduced:

H. F. No. 1206, A bill for an act relating to peace officers; peace officers benefit fund; expanding the definition of peace officer to include certain persons employed or authorized to provide emergency medical services; amending Minnesota Statutes 1986, section 176B.01, subdivision 2.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Lasley introduced:

H. F. No. 1207, A bill for an act relating to real property; altering certain redemption periods; amending Minnesota Statutes 1986, section 580.23, subdivision 2.

The bill was read for the first time and referred to the Committee on Commerce.

Kludt, Lieder, Dauner and Poppenhagen introduced:

H. F. No. 1208, A bill for an act relating to corrections; appropriating money for the west central regional juvenile center.

The bill was read for the first time and referred to the Committee on Judiciary.

Wagenius, Orenstein, Long, Norton and Tjornhom introduced:

H. F. No. 1209, A bill for an act relating to public nuisances; defining a nuisance; providing for the enjoinder of nuisances; proposing coding for new law in Minnesota Statutes, chapter 617; repealing Minnesota Statutes 1986, sections 617.33; 617.34; 617.35; 617.36; 617.37; 617.38; 617.39; 617.40; and 617.41.

The bill was read for the first time and referred to the Committee on Judiciary.

Wynia, Stanius, Vellenga, Jennings and Greenfield introduced:

H. F. No. 1210, A bill for an act relating to human services; regulating the licensure of programs for the care of children or of adults with certain disabilities; providing penalties; replacing the existing licensure law; proposing coding for new law as Minnesota Statutes, chapter 245A; repealing Minnesota Statutes 1986, sections 245.781; 245.782; 245.783; 245.791; 245.792; 245.801; 245.802; 245.803; 245.804; 245.805; 245.811; 245.812; 245.88; 245.881; 245.882; 245.883; 245.884; and 245.885.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Carlson, D., introduced:

H. F. No. 1211, A bill for an act relating to state lands; authorizing the conveyance of certain lands in Pine county to the Amherst H. Wilder Foundation; amending Laws 1981, chapter 354, section 1,

subdivisions 1 and 5; repealing Laws 1981, chapter 354, section 1, subdivisions 2 and 3.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Wynia and Greenfield introduced:

H. F. No. 1212, A bill for an act relating to health; establishing the Minnesota institute for health research; creating a health research trust fund with cigarette and tobacco products taxes; prescribing a floor stocks tax on cigarettes and tobacco products distributors; amending Minnesota Statutes 1986, sections 297.02, subdivision 1; 297.03, subdivision 5; 297.13, subdivision 1; 297.32, subdivisions 1, 2, and 9; proposing coding for new law as Minnesota Statutes, chapter 152A; proposing coding for new law in Minnesota Statutes, chapter 297.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Simoneau, Reding and Knickerbocker introduced:

H. F. No. 1213, A bill for an act relating to retirement; teachers retirement association; making various changes in the law governing the association for the purpose of facilitating administration of retirement benefits and contributions; amending Minnesota Statutes 1986, sections 354.05, subdivision 35, and by adding a subdivision; 354.06, subdivision 1; 354.07, subdivision 3; 354.094, subdivision 1; 354.44, subdivision 5; 354.46, subdivision 5; 354.48, subdivision 7; 354.51, subdivision 5; 354.55, subdivision 11; 354.62, subdivision 5, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 13; repealing Minnesota Statutes 1986, section 354.44, subdivision 1a.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Pappas introduced:

H. F. No. 1214, A bill for an act relating to the legislature; providing for a study by the commission on the economic status of women of gender bias in the courts; providing for direction of the study and appointment of an advisory task force by the supreme court; appropriating money.

The bill was read for the first time and referred to the Committee on Judiciary.

Jaros, Munger, Boo, Murphy and Battaglia introduced:

H. F. No. 1215, A bill for an act relating to retirement; Duluth police pension association and Duluth firefighters relief association; authorizing the voluntary consolidation of those local relief associations with the public employees police and fire fund; authorizing the individual election of applicable benefit coverage upon the consolidation of those relief associations; amending Minnesota Statutes 1986, sections 353.01, subdivisions 2b, 10, and 16; 353.271; 353.64, subdivision 1; and 353.65, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 353; proposing coding for new law as Minnesota Statutes, chapters 353A and 353B.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Greenfield, Bishop, Vellenga, Wagenius and Seaberg introduced:

H. F. No. 1216, A bill for an act relating to crimes; juveniles; limiting detention of juveniles in adult jails; amending Minnesota Statutes 1986, section 260.173, subdivision 4.

The bill was read for the first time and referred to the Committee on Judiciary.

Kelly and Vellenga introduced:

H. F. No. 1217, A bill for an act relating to family law; appropriating money to the University of Minnesota for the Hubert H. Humphrey Institute of Public Affairs to study mediation in marriage dissolution cases.

The bill was read for the first time and referred to the Committee on Judiciary.

Knuth, Rice, Seaberg and Lieder introduced:

H. F. No. 1218, A bill for an act relating to the Minnesota humanities commission; requiring it to establish a humanities resource center; appropriating money; amending Minnesota Statutes 1986, section 138.91, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Education.

Kelso, Vanasek, Kostohryz, Jensen and Dempsey introduced:

H. F. No. 1219, A bill for an act relating to taxation; authorizing Scott county to impose a tax on admissions to major amusement facilities; providing for expenditure of the proceeds of the tax.

The bill was read for the first time and referred to the Committee on Taxes.

Carruthers, Welle, Swenson, Seaberg and Kalis introduced:

H. F. No. 1220, A bill for an act relating to crimes; providing for sentencing repeat offenders up to the maximum sentence provided by law for the offense of conviction; prescribing penalties; amending Minnesota Statutes 1986, sections 244.04, by adding a subdivision; 244.05, subdivision 1, and by adding a subdivision; and 244.10; proposing coding for new law in Minnesota Statutes, chapter 609.

The bill was read for the first time and referred to the Committee on Judiciary.

Greenfield introduced:

H. F. No. 1221, A bill for an act relating to human services; creating a new formula for distribution of administrative aid to counties; eliminating equalization aid to counties; amending Minnesota Statutes 1986, section 256D.22; repealing Minnesota Statutes 1986, section 245.74.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Greenfield introduced:

H. F. No. 1222, A bill for an act relating to human services; clarifying statutes relating to the preadmission screening program; adjusting state and county shares of costs; amending Minnesota Statutes 1986, section 256B.091, subdivisions 2, 3, 4, 6, and 8.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Wenzel introduced:

H. F. No. 1223, A bill for an act relating to Morrison county; removing special qualifications for newspapers; repealing Laws 1980, chapter 526.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Battaglia, Begich and Rukavina introduced:

H. F. No. 1224, A bill for an act relating to local government; permitting the establishment of a joint economic development authority in Cook county.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Tompkins; Carlson, D., and Begich introduced:

H. F. No. 1225, A bill for an act relating to employment; requiring certain employers to make available a plan of health care coverage to all employees; proposing coding for new law in Minnesota Statutes, chapter 177.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Riveness; Battaglia; Nelson, K.; Rose and Vanasek introduced:

H. F. No. 1226, A bill for an act relating to capital improvements; authorizing spending to acquire and to better public land and buildings and other public improvements of a capital nature; authorizing issuance of state bonds; appropriating money.

The bill was read for the first time and referred to the Committee on Education.

Nelson, D.; Voss; Carruthers; Otis and Uphus introduced:

H. F. No. 1227, A bill for an act relating to insurance; no-fault auto; raising the cap for mandated submission to no-fault arbitration from \$5,000 to \$10,000; providing for attorney's fees; amending Minnesota Statutes 1986, section 65B.525, subdivision 1, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Vellenga, Forsythe, Battaglia, Welle and Quist introduced:

H. F. No. 1228, A bill for an act relating to traffic regulations; imposing penalty for failure to wear seat belt; amending Minnesota Statutes 1986, section 169.686, subdivision 1.

The bill was read for the first time and referred to the Committee on Judiciary.

Bauerly, Wenzel and Bertram introduced:

H. F. No. 1229, A bill for an act relating to agriculture; investigating and promoting use of state agricultural commodities by establishments selling prepared food in the state; amending Minnesota Statutes 1986, section 17.03, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Agriculture.

McEachern introduced:

H. F. No. 1230, A bill for an act relating to insurance; clarifying the authority of school districts to self-insure for property and casualty coverage; amending Minnesota Statutes 1986, section 471.98, subdivision 2.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Winter, Murphy, Begich and Steensma introduced:

H. F. No. 1231, A bill for an act relating to workers' compensation; regulating second medical opinions; providing for neutral physicians; amending Minnesota Statutes 1986, sections 176.135, subdivision 1a; 176.155, subdivision 2; and 176.391, subdivision 2; repealing Minnesota Statutes 1986, section 176.155, subdivision 1.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Peterson, Bauerly and Marsh introduced:

H. F. No. 1232, A bill for an act relating to real property; authorizing use of restrictive covenants prohibiting presence of radioactive substances on land; proposing coding for new law in Minnesota Statutes, chapter 507.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Morrison, Frederick, Marsh and Thiede introduced:

H. F. No. 1233, A bill for an act relating to the legislature; prohibiting the solicitation of funds during legislative sessions;

providing certain exceptions; establishing penalties; proposing coding for new law in Minnesota Statutes, chapter 10A.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

Dempsey, Dille, Hugoson, Richter and Swenson introduced:

H. F. No. 1234, A bill for an act relating to the legislature; prohibiting the solicitation of funds during legislative sessions; providing certain exceptions; establishing penalties; proposing coding for new law in Minnesota Statutes, chapter 10A.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

Miller, Sviggum and McPherson introduced:

H. F. No. 1235, A bill for an act relating to the legislature; prohibiting the solicitation of funds during legislative sessions; providing certain exceptions; establishing penalties; proposing coding for new law in Minnesota Statutes, chapter 10A.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

Otis introduced:

H. F. No. 1236, A bill for an act relating to local improvements; permitting the issuance of general obligation bonds for certain pedestrian skyways; amending Minnesota Statutes 1986, section 429.091, subdivision 2.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Kludt and Lieder introduced:

H. F. No. 1237, A bill for an act relating to enterprise zones; providing additional funding for certain border city enterprise zones; updating and eliminating obsolete references; amending Minnesota Statutes 1986, sections 273.1312, subdivisions 3 and 4; 273.1313, subdivision 1; 273.1314, subdivisions 8 and 9; repealing Minnesota Statutes 1986, section 273.1314, subdivision 4a.

The bill was read for the first time and referred to the Committee on Taxes.

Peterson, Jensen, Lasley, Bauerly and Kludt introduced:

H. F. No. 1238, A bill for an act relating to taxation; property; providing a tax base equalization credit for certain property; providing a small business property tax refund; providing a distressed region industrial property tax refund; providing for the valuation adjustment of agricultural land for purposes of school taxes; imposing penalties; appropriating money; amending Minnesota Statutes 1986, sections 124.2137, subdivision 1; 273.1393; and 276.04; proposing coding for new law in Minnesota Statutes, chapters 124 and 273.

The bill was read for the first time and referred to the Committee on Taxes.

Tunheim; Clark; Jefferson; Johnson, R., and Thiede introduced:

H. F. No. 1239, A bill for an act relating to education; providing for long-range Indian education plans; amending Minnesota Statutes 1986, sections 124.481; and 126.48, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Education.

Shaver introduced:

H. F. No. 1240, A bill for an act relating to motor vehicles; establishing system of lifetime motor vehicle license plates; refunding certain license plate fees; providing that personalized license plates be reissued to previous holders under certain circumstances; appropriating money; amending Minnesota Statutes 1986, section 168.12, subdivisions 1 and 5.

The bill was read for the first time and referred to the Committee on Transportation.

Bertram, Bauerly and Boo introduced:

H. F. No. 1241, A bill for an act relating to insurance; authorizing employers to jointly self-insure for property or casualty liability; regulating these plans; proposing coding for new law as Minnesota Statutes, chapter 60E.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Seaberg introduced:

H. F. No. 1242, A bill for an act relating to highway traffic regulations; authorizing recreational vehicle combinations and restricting their use; amending Minnesota Statutes 1986, sections 169.01, by adding a subdivision; and 169.81, subdivision 3, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Transportation.

Steensma, Uphus, Omann and Schoenfeld introduced:

H. F. No. 1243, A bill for an act relating to agriculture; providing a cattle export program; making export enhancement payments to cattle raisers and exporters; appropriating money.

The bill was read for the first time and referred to the Committee on Agriculture.

Carruthers, Orenstein, Wagenius, Seaberg and Swenson introduced:

H. F. No. 1244, A bill for an act relating to environment; providing reciprocal access to courts and administrative agencies for injuries caused by transboundary pollution; proposing coding for new law in Minnesota Statutes, chapter 543.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Miller, by request, introduced:

H. F. No. 1245, A bill for an act relating to alcoholic beverages; prohibiting the retail sale of beer in kegs; proposing coding for new law in Minnesota Statutes, chapter 340A.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Valento introduced:

H. F. No. 1246, A bill for an act relating to retirement; public employees retirement association; clarifying the final average salary and service credit applicable to certain later age employment-

related injuries; amending Minnesota Statutes 1986, section 353.01, subdivisions 10 and 16.

The bill was read for the first time and referred to the Committee on Governmental Operations.

O'Connor, Sarna, Wenzel, Hartle and Marsh introduced:

H. F. No. 1247, A bill for an act relating to retirement; authorizing reimbursement of retired members of the state patrol retirement fund for the cost of medicare supplemental insurance; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 352B.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Wenzel, Kludt, Dille and Omann introduced:

H. F. No. 1248, A bill for an act relating to motor vehicles; providing for free license plates for former prisoners of war; amending Minnesota Statutes 1986, section 168.125, subdivision 1.

The bill was read for the first time and referred to the Committee on Transportation.

Stanisus introduced:

H. F. No. 1249, A bill for an act relating to the White Bear Lake conservation district; providing for the membership of its governing board; amending Laws 1971, chapter 355, section 2, subdivision 2, as amended.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Ogren, Battaglia, Begich and Solberg introduced:

H. F. No. 1250, A bill for an act relating to employees; providing for a wage protection program; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 181.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Pappas, Seaberg, Vellenga and Bishop introduced:

H. F. No. 1251, A bill for an act relating to juveniles; eliminating statutory references to "dependency" and "neglect" and substituting the term "child in need of protection or services"; eliminating juvenile court jurisdiction over children who are "habitually disobedient"; transferring alleged truants and runaways to the court's protective services jurisdiction; transferring certain young alleged delinquents to the court's protective services jurisdiction; limiting the duration of the court's continuing jurisdiction over truants; permitting the juvenile court to declare mature minors completely or partially emancipated; limiting the juvenile court's contempt authority over nondelinquents; amending Minnesota Statutes 1986, sections 242.19, subdivision 2; 260.011, subdivision 2; 260.015, subdivision 21, and by adding a subdivision; 260.103, subdivision 1; 260.111; 260.121, subdivisions 1 and 2; 260.131, subdivision 1; 260.132, subdivisions 1 and 3; 260.133, subdivision 2; 260.135, subdivisions 1 and 3; 260.155, subdivisions 1, 4, and 4a; 260.156; 260.171, subdivision 4; 260.173, subdivision 3; 260.181, subdivision 4; 260.191, subdivisions 1 and 4; 260.194; 260.221; 260.235; 260.255; 260.291, subdivisions 1 and 4; 260.301; 260.315; 260.35; 260.36; and 484.73, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 260; repealing Minnesota Statutes 1986, section 260.015, subdivisions 6 and 10.

The bill was read for the first time and referred to the Committee on Judiciary.

Clark introduced:

H. F. No. 1252, A bill for an act relating to eminent domain; authorizing court having jurisdiction over an eminent domain proceeding to compel occupants of condemned real estate to deliver possession; proposing coding for new law in Minnesota Statutes, chapter 117.

The bill was read for the first time and referred to the Committee on Judiciary.

Schoenfeld introduced:

H. F. No. 1253, A bill for an act relating to agriculture; establishing an agricultural linked deposit program; imposing a penalty.

The bill was read for the first time and referred to the Committee on Agriculture.

Pelowski; Johnson, V., and Otis introduced:

H. F. No. 1254, A bill for an act relating to counties; permitting counties to make certain loans to assist child care; amending Minnesota Statutes 1986, section 245.84, subdivision 1.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Larsen and Lasley introduced:

H. F. No. 1255, A bill for an act relating to waste management; providing for the abatement priority of certain tire dumps or collection sites; amending Minnesota Statutes 1986, section 115A.912, subdivision 2.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Larsen and Dorn introduced:

H. F. No. 1256, A bill for an act relating to health; appropriating money for the mosquito research program.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Munger; Norton; Redalen; Anderson, G., and Rose introduced:

H. F. No. 1257, A bill for an act proposing an amendment to the Minnesota Constitution by adding a section to article XI; establishing a Minnesota environmental and natural resources trust fund; providing implementing legislation; proposing coding for new law as Minnesota Statutes, chapter 115C.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Kludt and Orenstein introduced:

H. F. No. 1258, A bill for an act relating to civil actions; requiring future damages to be discounted in arbitration proceedings; requiring the court to instruct the jury on an award of future damages;

amending Minnesota Statutes 1986, section 604.07, subdivisions 2, 3, 4, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Judiciary.

Otis introduced:

H. F. No. 1259, A bill for an act relating to education; establishing a school and community partnership program on positive youth development; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 129B.

The bill was read for the first time and referred to the Committee on Education.

Sarna and Clark introduced:

H. F. No. 1260, A bill for an act relating to the Minneapolis park and recreation board; permitting the establishment of a park board personnel system; requiring the park board to adopt current Minneapolis civil service commission provisions; providing employee protections.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Onnen introduced:

H. F. No. 1261, A bill for an act relating to health insurance; establishing a sliding fee insurance program for children with handicaps; requiring the commissioner to adopt rules; proposing coding for new law in Minnesota Statutes, chapter 62E.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Beard, Scheid, Solberg and Murphy introduced:

H. F. No. 1262, A bill for an act relating to public employees; prohibiting use of strikebreakers during a teacher strike; amending Minnesota Statutes 1986, sections 179A.03, by adding a subdivision; and 179A.13, subdivision 2.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Bauerly introduced:

H. F. No. 1263, A bill for an act relating to the administration of state property; extending the period for which the commissioner of administration may lease state property; amending Minnesota Statutes 1986, section 16B.24, subdivision 5.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Pappas, Norton, Bennett, Knuth and Schreiber introduced:

H. F. No. 1264, A bill for an act relating to the Minnesota state historical society; providing for preservation and interpretation of public areas of the state capitol; amending Minnesota Statutes 1986, section 138.67; proposing coding for new law in Minnesota Statutes, chapter 138.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Olsen, S.; Scheid; McLaughlin; Redalen and Ogren introduced:

H. F. No. 1265, A bill for an act relating to alcoholic beverages; providing for the licensing of low-volume brewers; allowing them to be granted an on-sale intoxicating liquor or nonintoxicating malt liquor license; amending Minnesota Statutes 1986, section 340A.301, subdivisions 6 and 7.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Rest; Segal; Forsythe; Carlson, L., and Olsen, S., introduced:

H. F. No. 1266, A bill for an act relating to Hennepin county; providing bonding authority for library construction and betterment; amending Minnesota Statutes 1986, section 383B.245.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Otis introduced:

H. F. No. 1267, A bill for an act relating to insurance; correcting certain errors; removing ambiguities; expanding certain insurers' investment authority; authorizing the commissioner to adopt investment rules; providing for miscellaneous changes and clarification;

amending Minnesota Statutes 1986, section 60A.11, subdivisions 10, 11, 13, 14, 15, 17, 18, 19, 21, 23, 24, 26, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Carlson, L.; Dorn; Jennings; Stanius and Morrison introduced:

H. F. No. 1268, A bill for an act relating to local government; permitting the establishment of special service districts; providing taxing and other authority; proposing coding for new law as Minnesota Statutes, chapter 429A.

The bill was read for the first time and referred to the Committee on Taxes.

Carlson, D., introduced:

H. F. No. 1269, A bill for an act relating to state lands; providing for exchange of tax-forfeited peat lands in Aitkin county.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Anderson, G.; Neuenschwander and Schoenfeld introduced:

H. F. No. 1270, A bill for an act relating to lotteries; creating a Minnesota lottery agency and providing for its powers and duties; authorizing the sale of lottery tickets; providing penalties; requiring profits from the lottery to be dedicated to the reinvest in Minnesota resources fund and to the general fund to be used for economic development in greater Minnesota; establishing the reinvest in Minnesota resources endowment fund; appropriating money; amending Minnesota Statutes 1986, sections 10A.01, subdivision 18; 15A.081, subdivision 1; 290.09, by adding a subdivision; and 609.761; proposing coding for new law in Minnesota Statutes, chapters 84 and 297A; proposing coding for new law as Minnesota Statutes, chapter 240A.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Waltman introduced:

H. F. No. 1271, A bill for an act relating to agriculture; making certain changes in the farmer-lender mediation act; amending

Minnesota Statutes 1986, sections 583.26, subdivisions 1 and 2; and 583.27, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Agriculture.

Waltman introduced:

H. F. No. 1272, A bill for an act relating to health; creating an exception to the nursing home moratorium; amending Minnesota Statutes 1986, section 144A.071, subdivision 3.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Kludt, Pappas, Wagenius, Greenfield and Bishop introduced:

H. F. No. 1273, A bill for an act relating to marriage dissolution; guardian ad litem; providing for the payment of certain fees; providing for written recommendations; providing for access to data and reports; prohibiting the guardian ad litem from conducting the custody investigation; amending Minnesota Statutes 1986, sections 518.165, subdivision 3, and by adding a subdivision; and 518.167, subdivision 1.

The bill was read for the first time and referred to the Committee on Judiciary.

Nelson, D.; Johnson, A.; Simoneau; Quinn and Voss introduced:

H. F. No. 1274, A bill for an act relating to crimes; taxes; providing for collection from convicted person's tax refund of court-ordered restitution to crime victims; amending Minnesota Statutes 1986, sections 270A.02; and 270A.03, subdivisions 2, 5, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Judiciary.

Lasley and Solberg introduced:

H. F. No. 1275, A bill for an act relating to newspapers; regulating certain awards for civic achievement; proposing coding for new law in Minnesota Statutes, chapter 331A.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Lasley, Peterson, Larsen and Carlson, D., introduced:

H. F. No. 1276, A bill for an act relating to education; revising, simplifying, and equalizing certain revenues for school districts; appropriating money; amending Minnesota Statutes 1986, section 275.125, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 124; repealing Minnesota Statutes 1986, sections 121.85; 121.86; 121.87; 121.88; 121.882; 121.935, subdivision 5; 123.701; 123.702; 123.703; 123.704; 123.705; 124.17, subdivisions 1a and 2d; 124.175; 124.185; 124.2161; 124.2162; 124.2163; 124.245; 124.246; 124.247; 124.252; 124.26; 124.271; 124.2711; 124.272; 124.273; 124.274; 124.275; 124.573; 124.65; 124.66; 124A.01; 124A.02, subdivisions 2, 3a, 5, 6, 7, 9, 10, 11, 12, 13, 14, 15, 16, 19, 23, and 24; 124A.03, subdivisions 1, 1a, 3, 4, and 6; 124A.031, subdivision 1; 124A.033; 124A.034; 124A.035, subdivision 1; 124A.04; 124A.06; 124A.08; 124A.10; 124A.12; 124A.14; 124A.16; 124A.20; 124A.21; 126.031, subdivision 2; 126.264, subdivision 3; 126.267; 126.268, subdivision 2; 126.60; 126.62; 126.64; 126.65; 126.70; 126.71; 126.72; 126.80; 126.81; 129B.01; 129B.02; 129B.04; 129B.05; 129B.17; 129B.20; 129B.21; 129B.41; 129B.42; 129B.43; 129B.44; 129B.45; 129B.46; 129B.47; 129B.61; 129B.62; 129B.63; 129B.64; 129B.65; 129B.66; 129B.67; and 275.125, subdivisions 3, 6a, 8, 8a, 8b, 11a, 11c, and 12.

The bill was read for the first time and referred to the Committee on Education.

Anderson, G., and Brown introduced:

H. F. No. 1277, A bill for an act relating to transportation; providing for state park road account funds to be used for lake access roads; amending Minnesota Statutes 1986, section 162.06, subdivision 5.

The bill was read for the first time and referred to the Committee on Transportation.

Rest, Kludt, Blatz and Pappas introduced:

H. F. No. 1278, A bill for an act relating to custody; providing that evidence of domestic abuse is relevant to determinations of custody; amending Minnesota Statutes 1986, sections 518.17, subdivision 1; and 518B.01, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Judiciary.

Jennings, Cooper, Redalen, Uphus and Lasley introduced:

H. F. No. 1279, A bill for an act relating to agriculture; transferring authority of the commissioner of energy and economic development relating to governor's council on rural development to the commissioner of agriculture; authorizing loan and grant programs; providing for new members; appropriating money; amending Minnesota Statutes 1986, sections 116J.951; 116J.955; and 116J.961, subdivisions 1, 2, 3, 5, 8, and 9; proposing coding for new law in Minnesota Statutes, chapter 17; repealing Minnesota Statutes 1986, section 116J.961, subdivision 10.

The bill was read for the first time and referred to the Committee on Agriculture.

Stanius and Bennett introduced:

H. F. No. 1280, A bill for an act relating to human services; establishing fair audit procedures for nursing homes; amending Minnesota Statutes 1986, section 256B.27, subdivision 1, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Battaglia introduced:

H. F. No. 1281, A bill for an act relating to liquor; authorizing Lake county to issue seasonal on-sale licenses.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Skoglund, Dille, Kahn, Quist and Greenfield introduced:

H. F. No. 1282, A bill for an act relating to taxation; limiting the sales tax exemption for publications to those publications that do not advertise tobacco products; amending Minnesota Statutes 1986, section 297A.25, subdivision 10.

The bill was read for the first time and referred to the Committee on Taxes.

Skoglund, Dille, Kahn, Quist and Greenfield introduced:

H. F. No. 1283, A bill for an act relating to health; prohibiting smoking in day care homes and centers, schools, and health care

facilities; prohibiting free distribution of smoking tobacco products; restricting sales and advertising of tobacco products; amending Minnesota Statutes 1986, sections 144.412; 144.414; and 325F.77, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 144.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Thiede, Schreiber and Miller introduced:

H. F. No. 1284, A bill for an act proposing an amendment to the Minnesota Constitution, adding a section to article VIII; providing for the recall of elected officials.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Vellenga, Bauerly, McEachern, Trimble and Otis introduced:

H. F. No. 1285, A bill for an act relating to education; appropriating money for districts implementing mandatory desegregation plans.

The bill was read for the first time and referred to the Committee on Education.

Sparby; Tunheim; Johnson, V.; Johnson, R., and Carlson, D., introduced:

H. F. No. 1286, A bill for an act relating to game and fish; establishing a program to compensate landowners and lessees for damages done by wild animals; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 3.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Welle, Pelowski, Begich, Dorn and Johnson, R., introduced:

H. F. No. 1287, A bill for an act relating to taxation; property; providing a tax base equalization credit for certain property; providing a small business property tax refund; providing a distressed region industrial property tax refund; providing for the valuation adjustment of agricultural land for purposes of school taxes; imposing penalties; appropriating money; amending Minnesota Statutes 1986, sections 124.2137, subdivision 1; 273.1393; and 276.04; pro-

posing coding for new law in Minnesota Statutes, chapters 124 and 273.

The bill was read for the first time and referred to the Committee on Taxes.

Haukoos, Quinn, Otis, Kalis and Dempsey introduced:

H. F. No. 1288, A bill for an act relating to state government; requiring a study on the feasibility of building a parking ramp on certain property.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Jennings, Greenfield, Stanius, Wynia and Anderson, R., introduced:

H. F. No. 1289, A bill for an act relating to human services; providing training of welfare fraud prosecutors and investigators; providing staff for fraud control functions; defining amounts of assistance indirectly paid; providing for joint trials; changing the date of payment of certain periodic support to the assistance unit; regulating certain property transfers; providing for incorrect assistance amounts recovered; appropriating money; amending Minnesota Statutes 1986, sections 256.74, subdivision 1; 256.98; 256D.05; and 393.07, subdivision 10.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Sparby; Tunheim; Carlson, D.; Ogrén and Battaglia introduced:

H. F. No. 1290, A bill for an act relating to game and fish; allowing the taking of minnows and other live baits for commercial purposes on wildlife management areas of any size; amending Minnesota Statutes 1986, section 97C.505, subdivision 3, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Heap introduced:

H. F. No. 1291, A bill for an act relating to human services; providing an exception to the nursing home operating cost rate

limitation; amending Minnesota Statutes 1986, section 256B.431, subdivision 2b.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Carlson, L.; Nelson, K.; Forsythe; Kelso and Dorn introduced:

H. F. No. 1292, A bill for an act relating to education; increasing the aid and levy for programs for handicapped adults; appropriating money; amending Minnesota Statutes 1986, sections 121.88, subdivision 7; 124.271, subdivisions 2b and 7; and 275.125, subdivision 8.

The bill was read for the first time and referred to the Committee on Education.

Clark, Quinn, Quist and Rukavina introduced:

H. F. No. 1293, A bill for an act relating to elections; changing certain voter registration procedures to increase voter participation; providing for a computerized central registration system, voter registration forms in state income tax forms and booklets, and a combined voter registration, driver's license, and identification card form; appropriating money; amending Minnesota Statutes 1986, sections 201.021; 201.054, subdivision 1; 201.061, subdivision 1; 201.071, subdivision 4; 201.081; 201.121, subdivision 1; 201.13; 201.15; 201.161; 201.171; 201.221, subdivision 2; 290.39, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 201.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Segal; Nelson, K.; McEachern and Olson, K., introduced:

H. F. No. 1294, A bill for an act relating to education; increasing the aid and levy for programs for handicapped adults; appropriating money; amending Minnesota Statutes 1986, sections 121.88, subdivision 7; 124.271, subdivisions 2b and 7; and 275.125, subdivision 8.

The bill was read for the first time and referred to the Committee on Education.

Heap introduced:

H. F. No. 1295, A bill for an act relating to unemployment insurance; limiting deductions for vacation pay; amending Minnesota Statutes 1986, section 268.08, subdivision 3.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Vellenga, Ozment, Otis, Kostohryz and Sviggum introduced:

H. F. No. 1296, A bill for an act relating to education; requiring special instruction and services for handicapped children from birth to age two; expanding the definition of a handicapped child under age five; establishing an advisory council for interagency coordination; clarifying the duty to provide certain transportation for handicapped children and the eligibility for transportation aid; amending Minnesota Statutes 1986, sections 120.03, subdivision 1; 120.17, subdivisions 1, 2, 3, 3a, 5, 7a, 12, and by adding subdivisions; 123.39, subdivision 1; and 124.223; repealing Minnesota Statutes 1986, section 120.17, subdivision 13.

The bill was read for the first time and referred to the Committee on Education.

Milbert and Simoneau introduced:

H. F. No. 1297, A bill for an act relating to agriculture; providing a computerized system for notification of security interests in farm products; providing a computerized filing system and central data base for uniform commercial code financing statements and lien statements; imposing a penalty; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 336; and proposing coding for new law as Minnesota Statutes, chapter 336A.

The bill was read for the first time and referred to the Committee on Judiciary.

Rest, Voss and Long introduced:

H. F. No. 1298, A bill for an act relating to public finance; modifying and extending means of financing operations of local government and certain nonprofit institutions; providing an income tax exemption for interest earned on certain governmental obligations; amending Minnesota Statutes 1986, sections 124.76, subdivision 2; 290.01, subdivisions 20, 20a, and 20b; 290.091, subdivision 2; 373.01, by adding a subdivision; 400.101; 429.091, by adding a subdivision; 462.429; 462.445, subdivision 4; 462.461, subdivision 4; 462.555; 465.71; 466.06; 471.981, subdivisions 1, 4, and by adding subdivisions; 473.811, subdivision 2; 474.02, subdivision 1d; 475.51, subdivision 3; 475.52, subdivision 3; 475.54, subdivision 1, and by adding subdivisions; 475.55, subdivisions 1, 2, 3, 4, 6, 7, and by adding a subdivision; 475.56; 475.60, subdivision 2; 475.66, subdivision 3; and 475.67, subdivisions 3 and 12; proposing coding for new law in Minnesota Statutes, chapters 116M, 136A, 471, and 475;

repealing Minnesota Statutes 1986, sections 475.55, subdivision 5; and 475.67, subdivision 11.

The bill was read for the first time and referred to the Committee on Taxes.

#### HOUSE ADVISORIES

The following House Advisory was introduced:

Clark, Simoneau, Krueger, Voss and Kelso introduced:

H. A. No. 10, A proposal to study the effects of the use of video display terminals.

The advisory was referred to the Committee on Governmental Operations.

#### MESSAGES FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 166, A bill for an act relating to real property; authorizing conveyance of state interest in certain land in St. Louis county.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Battaglia moved that the House concur in the Senate amendments to H. F. No. 166 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 166, A bill for an act relating to real property; authorizing conveyance of state interest in certain land in St. Louis county.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Frerichs	Lasley	Osthoff	Simoneau
Anderson, R.	Greenfield	Lieder	Otis	Skoglund
Battaglia	Gruenes	Long	Ozment	Solberg
Bauerly	Gutknecht	Marsh	Pappas	Sparby
Beard	Hartle	McDonald	Pauly	Stanius
Begich	Haukoos	McEachern	Pelowski	Steensma
Bennett	Heap	McKasy	Peterson	Sviggum
Bertram	Himle	McPherson	Price	Swenson
Blatz	Hugoson	Milbert	Quinn	Thiede
Boo	Jacobs	Miller	Quist	Tjornhom
Brown	Jaros	Minne	Redalen	Tompkins
Burger	Jefferson	Morrison	Reding	Trimble
Carlson, D.	Jennings	Murphy	Rice	Tunheim
Carlson, L.	Jensen	Nelson, C.	Richter	Uphus
Carruthers	Johnson, R.	Nelson, D.	Rodosovich	Valento
Clark	Johnson, V.	Nelson, K.	Rose	Vanasek
Clausnitzer	Kahn	Neuenschwander	Rukavina	Vellenga
Cooper	Kalis	O'Connor	Sarna	Voss
Dauner	Kelly	Ogren	Schafer	Wagenius
DeBlicek	Kelso	Olsen, S.	Scheid	Waltman
Dempsey	Kinkel	Olson, E.	Schoenfeld	Welle
Dille	Kludt	Olson, K.	Schreiber	Wenzel
Dorn	Knuth	Omann	Seaberg	Winter
Forsythe	Kostohryz	Onnen	Segal	Wynia
Frederick	Larsen	Orenstein	Shaver	Spk. Norton

The bill was repassed, as amended by the Senate, and its title agreed to.

### CONSENT CALENDAR

H. F. No. 424, A bill for an act relating to the military; authorizing the adjutant general to delegate certain duties to subordinates; amending Minnesota Statutes 1986, section 190.16, by adding a subdivision.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Bertram	Carruthers	Dille	Gutknecht
Anderson, R.	Blatz	Clark	Dorn	Hartle
Battaglia	Boo	Clausnitzer	Forsythe	Haukoos
Bauerly	Brown	Cooper	Frederick	Heap
Beard	Burger	Dauner	Frerichs	Himle
Begich	Carlson, D.	DeBlicek	Greenfield	Hugoson
Bennett	Carlson, L.	Dempsey	Gruenes	Jacobs

Jaros	Marsh	Olson, K.	Rodosovich	Thiede
Jefferson	McDonald	Omamm	Rose	Tjornhom
Jennings	McEachern	Onnen	Rukavina	Tompkins
Jensen	McKasy	Orenstein	Sarna	Trimble
Johnson, A.	McLaughlin	Osthoff	Schafer	Tunheim
Johnson, R.	McPherson	Ozment	Scheid	Uphus
Johnson, V.	Milbert	Pappas	Schoenfeld	Valento
Kahn	Miller	Pauly	Schreiber	Vanasek
Kalis	Minne	Pelowski	Seaberg	Vellenga
Kelso	Morrison	Peterson	Segal	Voss
Kinkel	Murphy	Poppenhagen	Shaver	Wagenius
Kludt	Nelson, C.	Price	Simoneau	Waltman
Knickerbocker	Nelson, D.	Quinn	Skoglund	Welle
Knuth	Nelson, K.	Quist	Solberg	Wenzel
Kostohryz	Neuenschwander	Redalen	Sparby	Winter
Larsen	O'Connor	Reding	Stanius	Wynia
Lasley	Ogren	Rest	Steensma	Spk. Norton
Lieder	Olsen, S.	Rice	Sviggun	
Long	Olson, E.	Richter	Swenson	

The bill was passed and its title agreed to.

H. F. No. 545, A bill for an act relating to natural resources; revising qualifications for the office of director of the division of waters; amending Minnesota Statutes 1986, section 105.40, 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 124 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Gutknecht	Long	Ozment	Skoglund
Anderson, R.	Hartle	Marsh	Pappas	Solberg
Battaglia	Haukoos	McDonald	Pauly	Sparby
Bauerly	Heap	McEachern	Pelowski	Stanius
Beard	Himle	McKasy	Peterson	Steensma
Begich	Hugoson	McLaughlin	Poppenhagen	Sviggun
Bennett	Jacobs	McPherson	Price	Swenson
Bertram	Jefferson	Milbert	Quinn	Thiede
Blatz	Jennings	Miller	Quist	Tjornhom
Boo	Jensen	Minne	Redalen	Tompkins
Burger	Johnson, A.	Morrison	Reding	Trimble
Carlson, D.	Johnson, R.	Murphy	Rest	Tunheim
Carlson, L.	Johnson, V.	Nelson, C.	Rice	Uphus
Carruthers	Kahn	Nelson, D.	Richter	Valento
Clark	Kalis	Nelson, K.	Rodosovich	Vanasek
Clausnitzer	Kelly	Neuenschwander	Rose	Vellenga
Cooper	Kelso	O'Connor	Sarna	Voss
DeBlicke	Kinkel	Ogren	Schafer	Wagenius
Dempsey	Kludt	Olsen, S.	Scheid	Waltman
Dorn	Knickerbocker	Olson, E.	Schoenfeld	Welle
Forsythe	Knuth	Omamm	Schreiber	Wenzel
Frederick	Kostohryz	Onnen	Seaberg	Winter
Frerichs	Larsen	Orenstein	Segal	Wynia
Greenfield	Lasley	Osthoff	Shaver	Spk. Norton
Gruenes	Lieder	Otis	Simoneau	

The bill was passed and its title agreed to.

### CALENDAR

H. F. No. 526, A bill for an act relating to human services; authorizing the department of human services to enter into shared service agreements; amending Minnesota Statutes 1986, section 246.57, subdivisions 1, 2, and by adding a subdivision; repealing Minnesota Statutes 1986, sections 246.57, subdivision 3; 246.61; 246.62; and 246.63.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Lieder	Ozment	Skoglund
Anderson, R.	Gruenes	Long	Pappas	Solberg
Battaglia	Gutknecht	Marsh	Pauly	Sparby
Bauerly	Hartle	McDonald	Pelowski	Stanius
Beard	Haukoos	McEachern	Peterson	Steensma
Begich	Heap	McKasy	Poppenhagen	Swiggum
Bennett	Himle	McLaughlin	Price	Swenson
Bertram	Hugoson	McPherson	Quinn	Thiede
Blatz	Jacobs	Milbert	Quist	Tjornhom
Boo	Jaros	Miller	Redalen	Tompkins
Brown	Jefferson	Minne	Reding	Trimble
Burger	Jennings	Morrison	Rest	Tunheim
Carlson, D.	Jensen	Murphy	Rice	Uphus
Carlson, L.	Johnson, A.	Nelson, C.	Richter	Valento
Carruthers	Johnson, R.	Nelson, D.	Rodosovich	Vanasek
Clark	Johnson, V.	Nelson, K.	Rose	Vellenga
Clausnitzer	Kahn	Neuenschwander	Rukavina	Voss
Cooper	Kalis	O'Connor	Sarna	Wagenius
Dauner	Kelly	Ogren	Schafer	Waltman
DeBlick	Kelso	Olsen, S.	Scheid	Welle
Dempsey	Kludt	Olson, K.	Schoenfeld	Wenzel
Dille	Knickerbocker	Omann	Schreiber	Winter
Dorn	Knuth	Onnen	Seaberg	Wynia
Forsythe	Kostohryz	Orenstein	Segal	Spk. Norton
Frederick	Larsen	Osthoff	Shaver	
Fricrichs	Lasley	Otis	Simoneau	

The bill was passed and its title agreed to.

H. F. No. 527 was reported to the House.

Cooper moved that H. F. No. 527 be re-referred to the Committee on Appropriations. The motion prevailed.

H. F. No. 542, A bill for an act relating to transportation; providing an alternative procedure to record town roads; proposing coding for new law in Minnesota Statutes, chapter 164.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Lieder	Otis	Simoneau
Anderson, R.	Gutknecht	Long	Ozment	Skoglund
Battaglia	Hartle	Marsh	Pappas	Solberg
Bauerly	Haukoos	McDonald	Pauly	Sparby
Beard	Heap	McEachern	Pelowski	Stanius
Begich	Himle	McKasy	Peterson	Steensma
Bennett	Hugoson	McLaughlin	Poppenhagen	Sviggum
Bertram	Jacobs	McPherson	Price	Swenson
Blatz	Jaros	Milbert	Quinn	Thiede
Boo	Jefferson	Miller	Quist	Tjornhom
Brown	Jennings	Minne	Redalen	Tompkins
Burger	Jensen	Morrison	Reding	Trimble
Carlson, D.	Johnson, A.	Murphy	Rest	Tunheim
Carlson, L.	Johnson, R.	Nelson, C.	Rice	Uphus
Carruthers	Johnson, V.	Nelson, D.	Richter	Valento
Clark	Kahn	Nelson, K.	Rodosovich	Vanasek
Clausnitzer	Kalis	Neuenschwander	Rose	Vellenga
Cooper	Kelly	O'Connor	Rukavina	Voss
Dauner	Kelso	Ogren	Sarna	Wagenius
DeBlieck	Kinkel	Olsen, S.	Schafer	Waltman
Dempsey	Kludt	Olson, E.	Scheid	Welle
Dille	Knickerbocker	Olson, K.	Schoenfeld	Wenzel
Dorn	Knuth	Omann	Schreiber	Winter
Forsythe	Kostohryz	Onnen	Seaberg	Wynia
Frederick	Larsen	Orenstein	Segal	Spk. Norton
Frerichs	Lasley	Osthoff	Shaver	

The bill was passed and its title agreed to.

H. F. No. 557, A bill for an act relating to state departments and agencies; renaming the mental retardation division of the department of human services; amending Minnesota Statutes 1986, section 245.072.

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:

Anderson, G.	Bertram	Carruthers	Dille	Hartle
Anderson, R.	Blatz	Clark	Dorn	Haukoos
Battaglia	Boo	Clausnitzer	Forsythe	Heap
Bauerly	Brown	Cooper	Frerichs	Himle
Beard	Burger	Dauner	Greenfield	Hugoson
Begich	Carlson, D.	DeBlieck	Gruenes	Jacobs
Bennett	Carlson, L.	Dempsey	Gutknecht	Jaros

Jefferson	McDonald	Onnen	Rose	Tjornhom
Jennings	McEachern	Orenstein	Rukavina	Tompkins
Jensen	McKasy	Osthoff	Sarna	Trimble
Johnson, A.	McLaughlin	Otis	Schafer	Tunheim
Johnson, R.	McPherson	Ozment	Scheid	Uphus
Johnson, V.	Milbert	Pappas	Schoenfeld	Valento
Kahn	Miller	Pauly	Schreiber	Vanasek
Kalis	Minne	Pelowski	Seaberg	Vellenga
Kelso	Murphy	Peterson	Segal	Voss
Kinkel	Nelson, C.	Poppenhagen	Shaver	Wagenius
Kludt	Nelson, D.	Price	Simoneau	Waltman
Knickerbocker	Nelson, K.	Quinn	Skoglund	Welle
Knuth	Neuenschwander	Quist	Solberg	Wenzel
Kostohryz	O'Connor	Redalen	Sparby	Winter
Larsen	Ogren	Reding	Stanius	Wynia
Lasley	Olsen, S.	Rest	Steensma	Spk. Norton
Lieder	Olson, E.	Rice	Sviggum	
Long	Olson, K.	Richter	Swenson	
Marsh	Omman	Rodosovich	Thiede	

The bill was passed and its title agreed to.

H. F. No. 687, A bill for an act relating to collection and dissemination of data; allowing law enforcement agencies to release the date of birth of persons involved in traffic accidents; amending Minnesota Statutes 1986, section 169.09, subdivision 13.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 123 yeas and 6 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Frerichs	Larsen	Pauly	Solberg
Anderson, R.	Greenfield	Lasley	Pelowski	Sparby
Battaglia	Gruenes	Lieder	Peterson	Stanius
Beard	Gutknecht	Marsh	Poppenhagen	Steensma
Begich	Hartle	McDonald	Price	Sviggum
Bennett	Haukoos	McEachern	Quinn	Swenson
Bertram	Heap	McKasy	Quist	Thiede
Bishop	Himle	McLaughlin	Redalen	Tjornhom
Blatz	Hugoson	McPherson	Reding	Tompkins
Boo	Jacobs	Milbert	Rest	Trimble
Brown	Jaros	Miller	Rice	Tunheim
Burger	Jefferson	Morrison	Richter	Uphus
Carlson, D.	Jensen	Murphy	Rodosovich	Valento
Carlson, L.	Johnson, A.	Nelson, D.	Rose	Vanasek
Carruthers	Johnson, R.	Nelson, K.	Rukavina	Vellenga
Clark	Johnson, V.	Neuenschwander	Sarna	Voss
Clausnitzer	Kahn	O'Connor	Schafer	Wagenius
Cooper	Kalis	Ogren	Scheid	Waltman
Dauner	Kelly	Omman	Schoenfeld	Welle
DeBlieck	Kelso	Onnen	Schreiber	Wenzel
Dempsey	Kinkel	Orenstein	Seaberg	Winter
Dille	Kludt	Osthoff	Segal	Wynia
Dorn	Knickerbocker	Otis	Shaver	Spk. Norton
Forsythe	Knuth	Ozment	Simoneau	
Frederick	Kostohryz	Pappas	Skoglund	

Those who voted in the negative were:

Bauerly Long	Minne Olsen, S.	Olson, E.	Olson, K.
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The bill was passed and its title agreed to.

S.F. No. 137 was reported to the House.

There being no objection, S. F. No. 137 was continued on the Calendar for one day.

H. F. No. 29, A bill for an act relating to traffic regulations; requiring motor vehicle operators to use child passenger restraint system when transporting child under age of four; assessing court costs to violator under certain conditions; imposing penalty; amending Minnesota Statutes 1986, section 169.685, subdivision 5, and by adding a subdivision.

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 120 yeas and 8 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Frederick	Knuth	Orenstein	Segal
Anderson, R.	Greenfield	Kostohryz	Osthoff	Shaver
Battaglia	Gruenes	Larsen	Otis	Simoneau
Bauerly	Gutknecht	Lasley	Ozment	Skoglund
Beard	Hartle	Lieder	Pappas	Solberg
Begich	Haukoos	Long	Pauly	Sparby
Bennett	Heap	Marsh	Pelowski	Stanius
Bertram	Himle	McDonald	Peterson	Steensma
Bishop	Hugoson	McEachern	Popenhagen	Swenson
Blatz	Jacobs	McKasy	Price	Tjornhom
Boo	Jaros	McLaughlin	Quinn	Tompkins
Brown	Jefferson	Milbert	Redalen	Trimble
Burger	Jennings	Minne	Reding	Tunheim
Carlson, D.	Jensen	Morrison	Rest	Uphus
Carlson, L.	Johnson, A.	Murphy	Rice	Vanasek
Carruthers	Johnson, R.	Nelson, C.	Richter	Vellenga
Clark	Johnson, V.	Nelson, D.	Rodosovich	Voss
Clausnitzer	Kahn	Nelson, K.	Rose	Wagenius
Cooper	Kalis	Neuenschwander	Rukavina	Waltman
Dauner	Kelly	O'Connor	Sarna	Welle
DeBlick	Kelso	Ogren	Schafer	Wenzel
Dille	Kinkel	Olsen, S.	Scheid	Winter
Dorn	Kludt	Olson, K.	Schoenfeld	Wynia
Forsythe	Knickerbocker	Omann	Seaberg	Spk. Norton

Those who voted in the negative were:

Dempsey	McPherson	Onnen	Sviggum
Frerichs	Miller	Schreiber	Thiede

The bill was passed and its title agreed to.

H. F. No. 375, A bill for an act relating to corrections; clarifying the commissioner of corrections authority in licensing and supervising institutions and facilities; providing for restitution by inmates for destruction of state property; clarifying terminology; authorizing the commissioner to adopt rules relating to payment of restitution by inmates; authorizing the forfeiture of contraband money or property; clarifying provisions relating to county probation reimbursement; providing a penalty for assaults on correctional employees; amending Minnesota Statutes 1986, sections 241.021, subdivision 1; 241.08, subdivision 1; 241.26, subdivision 5; 241.69, subdivision 2; 243.23, subdivision 3; 243.24, subdivision 1, and by adding a subdivision; 260.311, subdivision 4; 609.2231, by adding a subdivision; and 641.264, subdivision 2.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Anderson, G.	Frerichs	Larsen	Orenstein	Shaver
Anderson, R.	Greenfield	Lasley	Osthoff	Simoneau
Battaglia	Gruenes	Lieder	Otis	Skoglund
Bauerly	Gutknecht	Long	Ozment	Solberg
Beard	Hartle	Marsh	Pappas	Sparby
Begich	Haukoos	McDonald	Pauly	Stanius
Bennett	Heap	McEachern	Pelowski	Steensma
Bertram	Himle	McKasy	Peterson	Sviggum
Bishop	Hugoson	McLaughlin	Poppenhagen	Swenson
Blatz	Jacobs	McPherson	Price	Thiede
Boo	Jaros	Milbert	Quinn	Tjornhom
Brown	Jefferson	Miller	Quist	Tompkins
Burger	Jennings	Minne	Redalen	Trimble
Carlson, D.	Jensen	Morrison	Reding	Tunheim
Carlson, L.	Johnson, A.	Murphy	Rest	Uphus
Carruthers	Johnson, R.	Nelson, C.	Rice	Valento
Clark	Johnson, V.	Nelson, D.	Richter	Vanasek
Clausnitzer	Kahn	Nelson, K.	Rose	Vellenga
Cooper	Kalis	Neuenschwander	Rukavina	Voss
Dauner	Kelly	O'Connor	Sarna	Wagenius
DeBlicck	Kelso	Ogren	Schafer	Waltman
Dempsey	Kinkel	Olsen, S.	Scheid	Welle
Dille	Kludt	Olson, E.	Schoenfeld	Wenzel
Dorn	Knickerbocker	Olson, K.	Schreiber	Winter
Forsythe	Knuth	Ormann	Seaberg	Wynia
Frederick	Kostohryz	Onnen	Segal	Spk. Norton

Those who voted in the negative were:

Rodosovich

The bill was passed and its title agreed to.

H. F. No. 444, A bill for an act relating to insurance; regulating funeral and burial expenses; allowing persons to select funeral or burial services and supplies of their choice; amending Minnesota Statutes 1986, section 72A.325.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Frerichs	Larsen	Orenstein	Segal
Anderson, R.	Greenfield	Lasley	Osthoff	Shaver
Battaglia	Gruenes	Lieder	Otis	Simoneau
Bauerly	Gutknecht	Long	Ozment	Skoglund
Beard	Hartle	Marsh	Pappas	Solberg
Begich	Haukoos	McDonald	Pauly	Sparby
Bennett	Heap	McEachern	Pelowski	Stanius
Bertram	Himle	McKasy	Peterson	Steensma
Bishop	Hugoson	McLaughlin	Poppenhagen	Sviggum
Blatz	Jacobs	McPherson	Price	Swenson
Boo	Jaros	Milbert	Quinn	Thiede
Brown	Jefferson	Miller	Quist	Tjornhom
Burger	Jennings	Minne	Redalen	Tompkins
Carlson, D.	Jensen	Morrison	Reding	Tunheim
Carlson, L.	Johnson, A.	Murphy	Rest	Uphus
Carruthers	Johnson, R.	Nelson, C.	Rice	Valento
Clark	Johnson, V.	Nelson, D.	Richter	Vanasek
Clausnitzer	Kahn	Nelson, K.	Rodosovich	Vellenga
Cooper	Kalis	Neuenschwander	Rose	Voss
Dauner	Kelly	O'Connor	Rukavina	Wagenius
DeBlicek	Kelso	Ogren	Sarna	Waltman
Dempsey	Kinkel	Olsen, S.	Schafer	Welle
Dille	Kludt	Olson, E.	Scheid	Wenzel
Dorn	Knickerbocker	Olson, K.	Schoenfeld	Winter
Forsythe	Knuth	Omann	Schreiber	Wynia
Frederick	Kostohryz	Onnen	Seaberg	Spk. Norton

The bill was passed and its title agreed to.

Kalis was excused for the remainder of today's session.

H. F. No. 575, A resolution memorializing the President and Congress to immediately direct the Farmers Home Administration to participate in and cooperate with the Farmer-Lender Mediation Program in the State of Minnesota.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Beard	Bishop	Burger	Clark
Anderson, R.	Begich	Blatz	Carlson, D.	Clausnitzer
Battaglia	Bennett	Boo	Carlson, L.	Cooper
Bauerly	Bertram	Brown	Carruthers	Dauner

DeBlieck	Kahn	Murphy	Quinn	Stanius
Dempsey	Kelly	Nelson, C.	Quist	Steensma
Dorn	Kelso	Nelson, D.	Redalen	Sviggum
Forsythe	Kinkel	Nelson, K.	Reding	Swenson
Frederick	Kludt	Neuenschwander	Rest	Thiede
Frerichs	Knickerbocker	O'Connor	Rice	Tjornhom
Greenfield	Knuth	Ogren	Richter	Tompkins
Gruenes	Kostohryz	Olsen, S.	Rodosovich	Trimble
Gutknecht	Larsen	Olson, E.	Rose	Tunheim
Hartle	Lasley	Olson, K.	Rukavina	Uphus
Haukoos	Lieder	Omann	Sarna	Valento
Heap	Long	Onnen	Schafer	Vanasek
Himle	Marsh	Orenstein	Scheid	Vellenga
Hugoson	McDonald	Osthoff	Schoenfeld	Voss
Jacobs	McEachern	Otis	Schreiber	Wagenius
Jaros	McKasy	Ozment	Seaberg	Waltman
Jefferson	McLaughlin	Pappas	Segal	Welle
Jennings	McPherson	Pauly	Shaver	Wenzel
Jensen	Milbert	Pelowski	Simoneau	Winter
Johnson, A.	Miller	Peterson	Skoglund	Wynia
Johnson, R.	Minne	Poppenhagen	Solberg	Spk. Norton
Johnson, V.	Morrison	Price	Sparby	

The bill was passed and its title agreed to.

H. F. No. 661, A bill for an act relating to commerce; granting motor fuel retailers the option to purchase from wholesalers other than the refiner; proposing coding for new law in Minnesota Statutes, chapter 80C.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Forsythe	Kludt	O'Connor	Richter
Anderson, R.	Frederick	Knickerbocker	Ogren	Rodosovich
Battaglia	Frerichs	Knuth	Olsen, S.	Rose
Bauerly	Greenfield	Kostohryz	Olson, E.	Rukavina
Beard	Gruenes	Larsen	Olson, K.	Sarna
Begich	Gutknecht	Lasley	Omann	Schafer
Bennett	Hartle	Lieder	Onnen	Scheid
Bertram	Haukoos	Long	Orenstein	Schoenfeld
Bishop	Heap	Marsh	Osthoff	Schreiber
Blatz	Himle	McDonald	Otis	Seaberg
Brown	Hugoson	McEachern	Ozment	Segal
Burger	Jacobs	McKasy	Pappas	Shaver
Carlson, D.	Jaros	McLaughlin	Pauly	Simoneau
Carlson, L.	Jefferson	McPherson	Pelowski	Skoglund
Carruthers	Jennings	Milbert	Peterson	Solberg
Clark	Jensen	Miller	Poppenhagen	Sparby
Clausnitzer	Johnson, A.	Minne	Price	Stanius
Cooper	Johnson, R.	Morrison	Quinn	Steensma
Dauner	Johnson, V.	Murphy	Quist	Sviggum
DeBlieck	Kahn	Nelson, C.	Redalen	Swenson
Dempsey	Kelly	Nelson, D.	Reding	Thiede
Dille	Kelso	Nelson, K.	Rest	Tjornhom
Dorn	Kinkel	Neuenschwander	Rice	Tompkins

Trimble  
Tunheim  
Uphus

Valento  
Vanasek  
Vellenga

Voss  
Wagenius  
Waltman

Welle  
Wenzel  
Winter

Wynia  
Spk. Norton

The bill was passed and its title agreed to.

H. F. No. 713, A bill for an act relating to Minnesota Statutes; correcting erroneous, ambiguous, omitted, and obsolete references and text; eliminating certain redundant, conflicting, and superseded provisions; providing instructions to the revisor; amending Minnesota Statutes 1986, sections 1.135, subdivision 3; 8.31, subdivision 1; 13.43, subdivision 6; 14.02, subdivision 4; 15.61; 17.59, subdivision 5; 17A.04, subdivision 1; 28A.15, subdivision 4; 38.27, subdivision 3; 41A.05, subdivision 2; 48.13, subdivision 2; 48.26; 49.01, subdivision 3; 49.44; 60A.17, subdivision 12; 64B.18; 72A.41, subdivision 1; 79.38, subdivision 1; 84A.08; 97A.021, subdivision 2; 97A.065, subdivision 4; 97A.205; 97A.441, subdivision 5; 97A.445, subdivision 3; 97A.465, subdivision 4; 97A.501, subdivision 2; 97A.545, subdivision 4; 97B.315; 97B.921; 97B.925; 115A.07, subdivision 1; 115A.12, subdivision 1; 115A.14, subdivision 5; 115A.162; 116C.57, subdivision 3; 116E.03, subdivision 9; 116J.72; 120.17, subdivision 5a; 121.904, subdivisions 11a and 11b; 122.541, subdivision 2; 124.01, subdivision 1; 124.195, subdivisions 8 and 9; 124.2138, subdivisions 3 and 4; 124.32, subdivision 1c; 124.472; 126.39, subdivision 11; 136.44; 136A.04, subdivision 2; 136A.06; 136D.28, subdivision 2; 136D.89, subdivision 2; 147.09; 152.02, subdivision 12; 160.283, subdivision 1; 171.05, subdivision 3; 174.255, subdivisions 1 and 2; 174.29, subdivision 1; 176.83, subdivision 7; 177.24, subdivision 2; 179A.12, subdivision 1; 182.651, subdivision 18; 193.141, subdivision 2; 193.145, subdivision 2; 214.01, subdivision 3; 219.691; 219.692; 219.743; 219.755; 222.61; 241.31, subdivision 2; 243.24, subdivision 1; 246.51, subdivision 1; 246A.02; 246A.11, subdivision 1; 246A.12, subdivisions 1 and 7; 246A.13, subdivision 1; 250.05, subdivision 2; 256.12, subdivision 14; 256.462, subdivision 2; 256B.03, subdivision 2; 257.34, subdivision 1; 260.015, subdivision 3; 260.151, subdivision 1; 268.072, subdivision 6; 271.15; 273.13, subdivision 22; 275.125, subdivisions 6a, 8, and 11c; 278.06; 290.01, subdivision 20b; 295.34, subdivision 1; 296.14, subdivision 4; 297.03, subdivision 3; 297A.06; 297A.25, subdivision 10; 308.341; 317.03; 317.65, subdivision 6; 319A.03; 319A.05; 319A.12, subdivisions 1a and 2; 322A.70; 326.03, subdivision 2; 326.06; 327.18, subdivision 3; 327C.07, subdivision 3a; 349.2121, subdivision 3; 354.05, subdivision 2; 355.311, subdivision 1; 361.26, subdivision 2; 366.095, subdivision 1; 378.43, subdivision 1; 383A.404, subdivision 7; 383B.035, subdivision 1; 383B.237; 383C.76; 386.71; 393.13, subdivision 1; 412.381; 412.501; 447.42, subdivision 2; 453.53, subdivision 3; 458A.03, subdivision 8; 458C.17; 462.601; 462.605; 462A.04, subdivision 8; 462A.05, subdivision 18; 462A.20, subdivision 3; 462C.04, subdivision 2; 462C.12, subdivision 2; 471.467, subdivision 1; 471.74, subdivision 2; 471.993, subdivision 1; 471A.03, subdivision 2; 473.149, subdivision 4; 473.181, subdivision 3; 473.811, subdivisions 6, 7, 8, and 9; 473F.06; 473F.07, subdivision

1; 473F.09; 474A.09; 604.06; 609.53, subdivisions 1 and 1a; 609.687, subdivision 4; 611.14; 626A.05, subdivision 2; 645.02; amending Laws 1982, chapter 523, article 30, section 4, subdivision 1; and Laws 1986, chapter 399, article 1, section 17; repealing Minnesota Statutes 1986, sections 193.145, subdivision 3; and 325D.69, subdivision 1; repealing Laws 1986, chapter 463, section 3; and Laws 1986, First Special Session chapter 3, article 1, section 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 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Lieder	Ozment	Skoglund
Anderson, R.	Gruenes	Long	Pappas	Solberg
Battaglia	Gutknecht	Marsh	Pauly	Sparby
Bauerly	Hartle	McDonald	Pelowski	Stanius
Beard	Haukoos	McEachern	Peterson	Steensma
Begich	Heap	McKasy	Poppenhagen	Sviggum
Bennett	Himle	McLaughlin	Price	Swenson
Bertram	Hugoson	McPherson	Quinn	Thiede
Bishop	Jacobs	Milbert	Quist	Tjornhom
Blatz	Jaros	Miller	Redalen	Tompkins
Boo	Jefferson	Minne	Reding	Trimble
Brown	Jennings	Morrison	Rest	Tunheim
Burger	Jensen	Murphy	Rice	Uphus
Carlson, D.	Johnson, A.	Nelson, C.	Richter	Valento
Carlson, L.	Johnson, R.	Nelson, D.	Rodosovich	Vanasek
Carruthers	Johnson, V.	Nelson, K.	Rose	Vellenga
Clark	Kahn	Neuenschwander	Rukavina	Voss
Clausnitzer	Kelly	O'Connor	Sarna	Wagenius
Cooper	Kelso	Ogren	Schafer	Waltman
Dauner	Kinkel	Olsen, S.	Scheid	Welle
DeBlieck	Kludt	Olson, K.	Schoenfeld	Wenzel
Dempsey	Knickerbocker	Omman	Schreiber	Winter
Dorn	Knuth	Onnen	Seaberg	Wynia
Forsythe	Kostohryz	Orenstein	Segal	Spk. Norton
Frederick	Larsen	Osthoff	Shaver	
Frerichs	Lasley	Otis	Simoneau	

The bill was passed and its title agreed to.

S. F. No. 97, A bill for an act relating to frauds; fixing conditions for the legal determination of fraud in property transfers; enacting the uniform fraudulent transfer act; proposing coding for new law in Minnesota Statutes, chapter 513; repealing Minnesota Statutes 1986, sections 513.20; 513.21; 513.22; 513.23; 513.24; 513.25; 513.26; 513.27; 513.28; 513.29; 513.30; 513.31; and 513.32.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 122 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Hartle	McDonald	Pappas	Sparby
Battaglia	Haukoos	McEachern	Pauly	Stanius
Bauerly	Heap	McKasy	Pelowski	Steenma
Beard	Himle	McLaughlin	Peterson	Sviggum
Begich	Hugoson	McPherson	Price	Swenson
Bennett	Jacobs	Milbert	Quist	Thiede
Bertram	Jaros	Miller	Redalen	Tjornhom
Bishop	Jennings	Minne	Reding	Tompkins
Blatz	Jensen	Morrison	Rest	Trimble
Brown	Johnson, A.	Murphy	Rice	Tunheim
Burger	Johnson, R.	Nelson, C.	Richter	Uphus
Carlson, D.	Johnson, V.	Nelson, D.	Rodosovich	Valento
Carlson, L.	Kahn	Nelson, K.	Rose	Vanasek
Clark	Kelly	Neuenschwander	Rukavina	Vellenga
Clausnitzer	Kelso	O'Connor	Sarna	Voss
Cooper	Kinkel	Ogren	Schafer	Wagenius
Dauner	Kludt	Olsen, S.	Scheid	Waltman
DeBlicke	Knickerbocker	Olsen, E.	Schoenfeld	Welle
Dempsey	Knuth	Olson, K.	Schreiber	Wenzel
Dille	Kostohryz	Omann	Seaberg	Winter
Dorn	Larsen	Onnen	Segal	Wynia
Forsythe	Lasley	Orenstein	Shaver	Spk. Norton
Frerichs	Lieder	Osthoff	Simoneau	
Gruenes	Long	Otis	Skoglund	
Gutknecht	Marsh	Ozment	Solberg	

The bill was passed and its title agreed to.

Jaros and Carlson, D., were excused at 3:30 p.m. Pappas was excused at 4:10 p.m. Reding was excused at 4:40 p.m.

### GENERAL ORDERS

Pursuant to Rules of the House, the House resolved itself into the Committee of the Whole with Norton in the Chair for consideration of bills pending on General Orders of the day. Long presided during a portion of the meeting of the Committee of the Whole. After some time spent therein the Committee arose.

#### REPORT OF THE COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following recommendations of the Committee were reported to the House:

H. F. Nos. 257, 294, 342, 354, 554, 603, 653, 721 and 735 were recommended to pass.

S. F. Nos. 306, 38, 117 and 245 were recommended to pass.

H. F. Nos. 269, 469, 189, 447 and 591 were recommended for progress.

H. F. Nos. 137 and 227 were recommended for progress retaining their places on General Orders.

H. F. No. 208 was recommended for progress until Friday, April 10, 1987.

H. F. No. 323, the first engrossment, was recommended for re-referral to the Committee on Appropriations with the following amendment offered by Blatz:

Page 4, after line 22, insert:

"Sec. 7. Laws 1985, chapter 299, section 40, as amended by Laws 1986, chapter 454, section 34, is amended to read:

Sec. 40. [SPECIAL PERMIT.]

Subdivision 1. [PERMIT TO BE ISSUED.] Notwithstanding any law to the contrary the commissioner of transportation shall issue one special permit authorizing the operation for testing purposes of a three vehicle combination consisting of a motor vehicle, a "motorized hitch" and a trailer. The permit is valid for one year from the date of issuance. The annual fee for the permit is \$30. The permit is subject to all applicable provisions of Minnesota Statutes 1984, section 169.86, except as otherwise provided in this subdivision. The holder of the permit is responsible for all liability for personal injury, property damage or time lost, which may occur as a result of the operation of the combination for which the permit is issued, and must, if a claim is made against the state or a department, division officer or employee thereof arising from such operation, defend, indemnify and hold them harmless.

Subd. 2. [REPEALER.] This section is repealed July 31, 1987 1988."

Renumber the remaining sections

Amend the title as follows:

Page 1, line 7, after the semicolon insert "providing for certain permits;"

Page 1, line 11, delete "and" and before the period insert "; and Laws 1985, chapter 299, section 40, as amended by Laws 1986, chapter 454, section 34"

H. F. No. 660, the first engrossment, which it recommended to pass with the following amendment offered by Rice:

Page 2, line 30, after "individual" insert ", who is under investigation for activities involving gross misdemeanors or felonies,"

On the motion of Otis the report of the Committee of the Whole was adopted.

#### ROLL CALLS IN COMMITTEE OF THE WHOLE

Pursuant to rule 1.6, the following roll calls were taken in the Committee of the Whole:

Nelson, D., moved to amend H. F. No. 660, the first engrossment, as amended, as follows:

Page 2, line 32, delete "gross misdemeanors or"

In the Rice amendment delete "gross misdemeanors or"

The question was taken on the Nelson, D., amendment and the roll was called. There were 26 yeas and 82 nays as follows:

Those who voted in the affirmative were:

Clark	Kludt	Nelson, D.	Rukavina	Voss
Dauner	Larsen	Ogren	Segal	Winter
Dorn	Long	Orenstein	Simoneau	
Greenfield	McLaughlin	Pelowski	Sparby	
Jefferson	Minne	Peterson	Steensma	
Kahn	Nelson, C.	Rice	Trimble	

Those who voted in the negative were:

Battaglia	Frederick	Lasley	Ozment	Solberg
Bauerly	Frerichs	Lieder	Pauly	Stanius
Beard	Gruenes	Marsh	Poppenhagen	Sviggum
Begich	Gutknecht	McDonald	Quinn	Swenson
Bennett	Hartle	McEachern	Quist	Thiede
Bertram	Haukoos	McKasy	Redalen	Tjornhom
Bishop	Heap	McPherson	Reding	Tompkins
Blatz	Himle	Milbert	Rest	Uphus
Boo	Hugoson	Miller	Richter	Valento
Brown	Jacobs	Morrison	Rose	Vellenga
Carlson, L.	Johnson, A.	Murphy	Sarna	Wagenius
Carruthers	Johnson, R.	Neuenschwander	Schafer	Waltman
Clausnitzer	Johnson, V.	O'Connor	Scheid	Welle
Cooper	Kelly	Olsen, S.	Schreiber	Wenzel
DeBlicek	Kinkel	Olson, K.	Seaberg	
Dempsey	Knickerbocker	Omann	Shaver	
Dille	Kostohryz	Onnen	Skoglund	

The motion did not prevail and the amendment was not adopted.

The question was taken on the motion to recommend passage of H. F. No. 660, the first engrossment, as amended, and the roll was called. There were 90 yeas and 27 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Forsythe	Knickerbocker	Osthoff	Shaver
Battaglia	Frederick	Lieder	Otis	Skoglund
Beard	Frerichs	Marsh	Ozment	Solberg
Begich	Gruenes	McDonald	Pauly	Sparby
Bennett	Gutknecht	McKasy	Pelowski	Stanius
Bertram	Hartle	McPherson	Poppenhagen	Sviggum
Bishop	Haukoos	Milbert	Price	Swenson
Blatz	Heap	Miller	Quinn	Thiede
Boo	Himle	Minne	Quist	Tjornhom
Brown	Hugoson	Morrison	Reding	Tompkins
Carlson, L.	Jacobs	Murphy	Rest	Uphus
Carruthers	Jennings	Nelson, C.	Richter	Valento
Clausnitzer	Jensen	Neuenschwander	Rodosovich	Vellenga
Cooper	Johnson, R.	Olsen, S.	Rose	Wagenius
DeBlieck	Johnson, V.	Olson, E.	Schafer	Waltman
Dempsey	Kelly	Olson, K.	Scheid	Welle
Dille	Kelso	Omann	Schreiber	Wenzel
Dorn	Kinkel	Onnen	Seaberg	Winter

Those who voted in the negative were:

Bauerly	Kahn	Long	Orenstein	Steensma
Clark	Kludt	McEachern	Peterson	Trimble
Dauner	Knuth	McLaughlin	Rice	Voss
Greenfield	Kostohryz	Nelson, D.	Rukavina	
Jefferson	Larsen	O'Connor	Sarna	
Johnson, A.	Lasley	Ogren	Simoneau	

The motion prevailed.

## MOTIONS AND RESOLUTIONS

Simoneau moved that the name of Gutknecht be added as an author on H. F. No. 26. The motion prevailed.

Skoglund moved that the name of Quist be added as an author on H. F. No. 29. The motion prevailed.

O'Connor moved that the name of Kelly be stricken and the name of Orenstein be added as chief author and the name of O'Connor be shown as second author on H. F. No. 285. The motion prevailed.

Seaberg moved that the name of Clark be added as an author on H. F. No. 336. The motion prevailed.

Kelso moved that the names of Wagenius and Otis be added as authors on H. F. No. 609. The motion prevailed.

Gruenes moved that the name of Dorn be added as an author on H. F. No. 668. The motion prevailed.

Welle moved that the name of Brown be shown as chief author and the name of Welle be shown as second author on H. F. No. 909. The motion prevailed.

Olson, E., moved that the name of Schafer be added as an author on H. F. No. 932. The motion prevailed.

Quinn moved that his name be stricken and the name of Rest be added as chief author on H. F. No. 1031. The motion prevailed.

Wagenius moved that the name of Blatz be stricken as an author on H. F. No. 1041. The motion prevailed.

Nelson, K., moved that the name of Rose be added as an author on H. F. No. 1087. The motion prevailed.

Kostohryz moved that the names of Riveness and Dorn be added as authors on H. F. No. 1103. The motion prevailed.

Tunheim moved that the name of Olson, E., be added as an author on H. F. No. 1123. The motion prevailed.

Wenzel moved that the names of Bauerly, Frederick, Omann and Bertram be added as authors on H. F. No. 1131. The motion prevailed.

Hartle moved that the name of Tjornhom be added as an author on H. F. No. 1167. The motion prevailed.

Schreiber moved that the names of Scheid and Haukoos be added as authors on H. F. No. 1190. The motion prevailed.

Clark moved that H. F. No. 1002 be recalled from the Committee on Health and Human Services and be re-referred to the Committee on Regulated Industries. The motion prevailed.

Olsen, S., moved that H. F. No. 478 be recalled from the Committee on Governmental Operations and be re-referred to the Committee on Judiciary. The motion prevailed.

Nelson, K., moved that H. F. No. 855 be recalled from the Committee on Higher Education and be re-referred to the Committee on Education. The motion prevailed.

Swenson, Dille, Hugoson, Richter and Thiede introduced:

House Concurrent Resolution No. 7, A House concurrent resolution prohibiting fundraising during the legislative session with certain exceptions.

The concurrent resolution was referred to the Committee on Rules and Legislative Administration.

McDonald and Redalen moved that the House conferees on H. F. No. 1 be discharged and that the Speaker reappoint the same five members on the part of the House, and that the Senate be requested to discharge the Senate conferees and that new Senate conferees be appointed.

A roll call was requested and properly seconded.

The question was taken on the McDonald and Redalen motion and the roll was called. There were 55 yeas and 68 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Frerichs	Marsh	Onnen	Seaberg
Bennett	Gruenes	McDonald	Ozment	Shaver
Bishop	Gutknecht	McEachern	Pauly	Stanius
Blatz	Hartle	McKasy	Poppenhagen	Swiggum
Boo	Haukoos	McPherson	Quist	Swenson
Burger	Heap	Miller	Redalen	Thiede
Clausnitzer	Himle	Morrison	Richter	Tjornhom
Dempsey	Hugoson	O'Connor	Rose	Tompkins
Dille	Johnson, V.	Olsen, S.	Sarna	Uphus
Forsythe	Kludt	Olson, E.	Schafer	Valento
Frederick	Knickerbocker	Omann	Schreiber	Waltman

Those who voted in the negative were:

Anderson, G.	Greenfield	Lasley	Otis	Solberg
Battaglia	Jacobs	Lieder	Pelowski	Sparby
Bauerly	Jefferson	Long	Peterson	Steensma
Beard	Jennings	McLaughlin	Price	Trimble
Begich	Jensen	Milbert	Quinn	Tunheim
Bertram	Johnson, A.	Minne	Rest	Vanasek
Brown	Johnson, R.	Murphy	Rice	Voss
Carlson, L.	Kahn	Nelson, C.	Rodosovich	Wagenius
Carruthers	Kelly	Nelson, K.	Rukavina	Welle
Clark	Kelso	Neuenschwander	Scheid	Wenzel
Cooper	Kinkel	Ogren	Schoenfeld	Winter
Dauner	Knuth	Olson, K.	Segal	Spk. Norton
DeBlicke	Kostohryz	Orenstein	Simoneau	
Dorn	Larsen	Osthoff	Skoglund	

The motion did not prevail.

Schreiber moved that House Resolution No. 12 be recalled from the Committee on Ways and Means and be placed upon its immediate adoption.

A roll call was requested and properly seconded.

The question was taken on the Schreiber motion and the roll was called. There were 49 yeas and 76 nays as follows:

Those who voted in the affirmative were:

Bennett	Frerichs	Marsh	Pauly	Stanius
Bishop	Gruenes	McDonald	Poppenhagen	Sviggum
Blatz	Gutknecht	McKasy	Quist	Swenson
Boo	Hartle	McPherson	Redalen	Thiede
Burger	Haukoos	Miller	Richter	Tjornhom
Clausnitzer	Heap	Morrison	Rose	Tompkins
Dempsey	Himle	Olsen, S.	Schafer	Uphus
Dille	Hugoson	Omann	Schreiber	Valento
Forsythe	Johnson, V.	Onnen	Seaberg	Waltman
Frederick	Knickerbocker	Ozment	Shaver	

Those who voted in the negative were:

Anderson, G.	Jefferson	McEachern	Pelowski	Steensma
Battaglia	Jennings	McLaughlin	Peterson	Trimble
Bauerly	Jensen	Milbert	Price	Tunheim
Beard	Johnson, A.	Minne	Quinn	Vanasek
Begich	Johnson, R.	Murphy	Rest	Vellenga
Bertram	Kahn	Nelson, C.	Rice	Voss
Brown	Kelly	Nelson, D.	Rodosovich	Wagenius
Carlson, L.	Kelso	Nelson, K.	Rukavina	Welle
Carruthers	Kinkel	Neuenschwander	Sarna	Wenzel
Clark	Kludt	O'Connor	Scheid	Winter
Cooper	Knuth	Ogren	Schoenfeld	Wynia
Dauner	Kostohryz	Olson, E.	Segal	Spk. Norton
DeBlicke	Larsen	Olson, K.	Simoneau	
Dorn	Lasley	Orenstein	Skoglund	
Greenfield	Lieder	Osthoff	Solberg	
Jacobs	Long	Otis	Sparby	

The motion did not prevail.

#### PROTEST AND DISSENT

Pursuant to Article IV, Section 11, of the Minnesota Constitution, we the undersigned members register our protest and dissent regarding the actions of Speaker of the House Fred Norton for obstructing Representative Marcus Marsh in his attempt to vote on H. F. No. 3 on Monday, March 23, 1987.

Representative Marcus Marsh was in the House Chamber when this vote was taken and repeatedly attempted to vote. Speaker Norton failed to recognize Representative Marsh as he was standing at his desk requesting to be recognized so that he could tell the Speaker his vote was not registering on the voting board.

While refusing to recognize Representative Marsh as he stood at his desk, Speaker Norton recognized the Majority Leader, who moved to excuse non-voting members. The motion prevailed and

Speaker Norton closed the voting board, still continuing his refusal to recognize Representative Marsh.

By refusing to recognize Representative Marsh, Speaker Norton not only violated Representative Marsh's right to vote under House Rule 2.5, but also denied Representative Marsh's constituents their right to be represented.

While this action constitutes one of the most arrogant abuses of the power of the Speaker this body has witnessed, it has been only one of many such experiences we have encountered since the 1987 session began.

We protest and dissent the flagrant abuse of the Speaker's powers in refusing to recognize Minority Caucus members in their attempt to vote on legislation, while at the same time recognizing members of the Majority Party for the same purposes.

No citizen of this state should be denied representation in the Minnesota House of Representatives by an arbitrary and arrogant Speaker of the House who refuses to permit members to vote solely on the basis of party affiliation.

The Speaker owes House members, as well as the citizens of Minnesota, an apology for his improper actions.

Signed:

Bill Schreiber	Connie Morrison
Marcus Marsh	Mary Forsythe
Gary Schafer	Don Richter
Dean Hartle	Gene Hugoson
Bob Waltman	Ben Boo
Bob Haukoos	Doug Swenson
Donald J. Valento	Jerry Knickerbocker
Terry Dempsey	Harriet McPherson
Eileen Tompkins	Sal Frederick
Tony Bennett	Dennis J. Poppenhagen
Jim Heap	Gil Gutknecht
Tony Onnen	Steve Sviggum
Dennis Ozment	Paul Thiede
Elton Redalen	K. J. McDonald
Bernie Omann	Bert McKasy
Brad Stanius	Sid Pauly
John Rose	John Burger
Kathleen Blatz	David B. Gruenes
Howard Miller	Doug Carlson
Chris Tjornhom	Allen Quist
Virgil Johnson	John Himle
Sylvester Uphus	Art Seaberg
Steve Dille	

## ADJOURNMENT

Vanasek moved that when the House adjourns today it adjourn until 2:00 p.m., Monday, March 30, 1987. The motion prevailed.

Vanasek moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:00 p.m., Monday, March 30, 1987.

EDWARD A. BURDICK, Chief Clerk, House of Representatives



## STATE OF MINNESOTA

## SEVENTY-FIFTH SESSION—1987

## TWENTY-SIXTH DAY

SAINT PAUL, MINNESOTA, MONDAY, MARCH 30, 1987

The House of Representatives convened at 2:00 p.m. and was called to order by Fred C. Norton, Speaker of the House.

Prayer was offered by Rabbi Leigh Lemer, Mt. Zion Temple, St. Paul, Minnesota.

The roll was called and the following members were present:

Anderson, G.	Greenfield	Lasley	Osthoff	Shaver
Anderson, R.	Gruenes	Lieder	Otis	Simoneau
Battaglia	Gutknecht	Long	Ozment	Skoglund
Bauerly	Hartle	Marsh	Pappas	Solberg
Beard	Haukoos	McDonald	Pauly	Sparby
Begich	Heap	McEachern	Pelowski	Stanius
Bennett	Himle	McKasy	Peterson	Steensma
Bertram	Hugoson	McLaughlin	Poppenhagen	Sviggum
Bishop	Jacobs	McPherson	Price	Swenson
Blatz	Jaros	Milbert	Quinn	Thiede
Boo	Jefferson	Miller	Quist	Tjornhom
Brown	Jennings	Minne	Redalen	Tompkins
Burger	Jensen	Morrison	Reding	Trimble
Carlson, D.	Johnson, A.	Munger	Rest	Tunheim
Carlson, L.	Johnson, R.	Murphy	Rice	Uphus
Carruthers	Johnson, V.	Nelson, C.	Richter	Valento
Clark	Kahn	Nelson, D.	Riveness	Vanasek
Clausnitzer	Kalis	Nelson, K.	Rodosovich	Vellenga
Cooper	Kelly	Neuenschwander	Rose	Voss
Dauner	Kelso	O'Connor	Rukavina	Wagenius
DeBlieck	Kinkel	Ogren	Sarna	Waltman
Dempsey	Kludt	Olsen, S.	Schafer	Welle
Dille	Knickerbocker	Olson, E.	Scheid	Wenzel
Dorn	Knuth	Olson, K.	Schoenfeld	Winter
Forsythe	Kostohryz	Omam	Schreiber	Wynia
Frederick	Krueger	Onnen	Seaberg	Spk. Norton
Frerichs	Larsen	Orenstein	Segal	

A quorum was present.

The Chief Clerk proceeded to read the Journal of the preceding day. Kelly moved that further reading of the Journal be dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

## REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 286, 42, 454, 555, 580, 649, 813, 854, 660 and 392 and S. F. No. 499 have been placed in the members' files.

**PETITIONS AND COMMUNICATIONS**

The following communications were received:

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
SAINT PAUL 55155

March 25, 1987

The Honorable Fred C. Norton  
Speaker of the House of Representatives  
The State of Minnesota

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State the following House File:

H. F. No. 191, relating to the city of St. Stephen; authorizing the issuance of bonds for the construction of a city civic building.

Sincerely,

RUDY PERPICH  
Governor

STATE OF MINNESOTA  
OFFICE OF THE SECRETARY OF STATE  
ST. PAUL 55155

March 25, 1987

The Honorable Fred C. Norton  
Speaker of the House of Representatives

The Honorable Jerome M. Hughes  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1987 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the

Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S.F.</i> <i>No.</i>	<i>H.F.</i> <i>No.</i>	<i>Session Laws</i> <i>Chapter No.</i>	<i>Date Approved</i> <i>1987</i>	<i>Date Filed</i> <i>1987</i>
85		4	March 17, 1987	March 18, 1987
211		5	March 17, 1987	March 18, 1987
	191	6	March 25, 1987	March 25, 1987
87		7	March 25, 1987	March 25, 1987
208		8	March 25, 1987	March 25, 1987
258		9	March 25, 1987	March 25, 1987
302		10	March 25, 1987	March 25, 1987
402		11	March 25, 1987	March 25, 1987

Sincerely,

JOAN ANDERSON GROWE  
Secretary of State

## REPORTS OF STANDING COMMITTEES

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 96, A bill for an act relating to the state high school league; requiring the league to arrange certain conference memberships; providing standards; amending Minnesota Statutes 1986, section 129.121, subdivision 1.

Reported the same back with the following amendments:

Page 2, line 4, delete "this subdivision" and insert "section 2"

Page 2, delete lines 6 to 29

Page 2, after line 36, insert:

"Sec. 2. Minnesota Statutes 1986, section 129.121, is amended by adding a subdivision to read:

Subd. 1a. The league shall arrange membership for schools in athletic or other extracurricular conferences to the extent and in the manner provided by this subdivision. After notice and an opportunity for participation by league members at a public hearing, the league shall develop criteria to follow in arranging membership in athletic or other extracurricular conferences for schools which make a written request pursuant to this subdivision. The criteria shall include consideration of, among other factors, the distance to be

traveled by competing schools, the relative enrollments of the schools, and the comparability of athletic or other extracurricular activities in the schools.

Within 90 days after receiving a written request from a member high school, the league shall, following the criteria developed pursuant to this subdivision, arrange membership in an athletic or other extracurricular conference for any high school that (1) lacks membership in a conference because of involuntary exclusion from a conference or because of the dissolution of a conference and (2) has made its own good faith attempts for at least 180 days to obtain membership in a conference. The 180 days run from the date of the member school's first written request to join or rejoin a conference. When arranging conference membership for a school, the league shall notify the school seeking membership and all schools already in a proposed conference that, upon request of a notified school, a public hearing on the proposed conference membership will be held in a timely manner. The school seeking conference membership and the schools already in a proposed conference are bound by the league's final decision under this subdivision on a matter of conference membership."

Amend the title as follows:

Page 1, line 5, after "1" insert ", and by adding a subdivision"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Education.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 169, A bill for an act relating to lawful gambling; increasing the percentage of profits that may be used for necessary expenses; regulating distributor licenses; authorizing the board to determine distributor licensee fees, manufacturer certificate fees, and the price of the gambling equipment registration stamp; regulating the warehousing of gambling equipment within the state; regulating the leasing of premises for lawful gambling; authorizing the board to adopt rules restricting the amount of rent charged; prohibiting lessors from any involvement in lawful gambling; removing the board's authority to adopt a schedule of compensation; making various technical changes; amending Minnesota Statutes 1986, sections 349.12, subdivisions 12 and 15; 349.14; 349.15; 349.161, subdivisions 3, 4, 5, and 7; 349.162, subdivision 1, and by

adding a subdivision; 349.163, subdivision 2; 349.18, subdivision 1, and by adding a subdivision; 349.19, subdivision 3; and 349.21.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1986, section 349.12, subdivision 11, is amended to read:

Subd. 11. “Lawful purpose” means one or more of the following: (a) benefiting persons by enhancing their opportunity for religious or educational advancement, by relieving or protecting them from disease, suffering or distress, by contributing to their physical well-being, by assisting them in establishing themselves in life as worthy and useful citizens, or by increasing their comprehension of and devotion to the principles upon which this nation was founded; (b) initiating, performing, or fostering worthy public works or enabling or furthering the erection or maintenance of public structures; (c) lessening the burdens borne by government or voluntarily supporting, augmenting or supplementing services which government would normally render to the people; ~~or~~ (d) the improving, expanding, maintaining or repairing real property owned or leased by an organization; or (e) payment of taxes imposed by this chapter, and imposed by the United States on receipts from lawful gambling.

“Lawful purpose” does not include the erection or acquisition of any real property, unless the board specifically authorizes the expenditures after finding that the property will be used exclusively for one or more of the purposes specified in this clause.

Sec. 2. Minnesota Statutes 1986, section 349.12, subdivision 12, is amended to read:

Subd. 12. “Organization” means any fraternal, religious, veterans, or other nonprofit organization which has been in existence for at least three years and has at least 15 active members.

Sec. 3. Minnesota Statutes 1986, section 349.12, subdivision 13, is amended to read:

Subd. 13. “Profit” means the gross receipts collected from lawful gambling, less reasonable sums necessarily and actually expended for prizes ~~and taxes imposed by this chapter.~~

Sec. 4. Minnesota Statutes 1986, section 349.12, subdivision 15, is amended to read:

Subd. 15. "Gambling equipment" means: bingo cards and devices for selecting bingo numbers, pull-tabs, ~~ticket jars~~ jar tickets, paddlewheels, and tipboards.

Sec. 5. Minnesota Statutes 1986, section 349.14, is amended to read:

349.14 [ORGANIZATION MAY CONDUCT LAWFUL GAMBLING; LICENSE.]

An organization may conduct lawful gambling if it ~~has been in existence for at least three years~~, ~~has at least 15 active members~~, has a license to conduct lawful gambling from the board and complies with this chapter.

Sec. 6. Minnesota Statutes 1986, section 349.15, is amended to read:

349.15 [USE OF PROFITS.]

Profits from lawful gambling may be expended only for lawful purposes or expenses as authorized at a regular meeting of the conducting organization. ~~Provided that no more than 50 percent of profits from bingo, and no more than 40 percent for other forms of lawful gambling, may be expended for necessary expenses related to lawful gambling.~~ The board shall provide by rule for the administration of this section, including specifying allowable expenses. The rules may provide (a) a maximum percentage of gross receipts which may be expended for certain expenses, and (b) maximum percentage of profits from lawful gambling which may be expended for all necessary expenses related to lawful gambling. The rules under clause (b) may provide for different maximum percentages for bingo and for all other forms of lawful gambling, and may provide for different maximum percentages for organizations based on their gross receipts from different forms of lawful gambling.

Sec. 7. Minnesota Statutes 1986, section 349.161, subdivision 3, is amended to read:

Subd. 3. [QUALIFICATIONS.] A license may not be issued under this section to a person, or to a corporation, firm, or partnership which has as an officer, director, ~~or~~ other person in a supervisory or management position, or employee eligible to make sales on behalf of the distributor a person, who:

(1) has been convicted of a felony in a state or federal court within the past five years or who has a felony charge pending;

(2) has ever been convicted in a state or federal court of a gambling-related offense; or

(3) is or has ever been engaged in an illegal business.

Sec. 8. Minnesota Statutes 1986, section 349.161, subdivision 4, is amended to read:

Subd. 4. [FEES.] The annual fee for a suppliers distributor's license is \$1,500 shall be determined by rule of the board.

Sec. 9. Minnesota Statutes 1986, section 349.161, subdivision 5, is amended to read:

Subd. 5. [PROHIBITION.] (a) No distributor, or employee eligible to make sales on behalf of a distributor, may also be a wholesale distributor of liquor or alcoholic beverages.

(b) No distributor, or employee eligible to make sales on behalf of a distributor, may be involved directly in the operation of lawful gambling.

Sec. 10. Minnesota Statutes 1986, section 349.161, subdivision 7, is amended to read:

Subd. 7. [CRIMINAL HISTORY.] The board may request the assistance of the bureau of criminal apprehension in investigating the background of an applicant for a supplier's distributor's license and may reimburse the bureau for the costs thereof. The board has access to all criminal history data compiled by the bureau on licensees and applicants.

Sec. 11. Minnesota Statutes 1986, section 349.162, subdivision 1, is amended to read:

Subdivision 1. [STAMP REQUIRED.] A distributor may not sell to an organization and an organization may not purchase from a distributor gambling equipment unless the equipment has been registered with the board and has a registration stamp affixed. The board shall charge a fee of five cents for each determine by rule the price of the stamp. Each stamp must bear a registration number assigned by the board. A distributor is entitled to a refund for unused stamps and replacement for stamps which are defective or canceled by the distributor.

Sec. 12. Minnesota Statutes 1986, section 349.162, is amended by adding a subdivision to read:

Subd. 4. [SALES FROM FACILITIES.] All gambling equipment purchased by a licensed distributor for resale in Minnesota must

prior to its resale be unloaded into a facility located in Minnesota which the distributor owns or leases.

Sec. 13. Minnesota Statutes 1986, section 349.162, is amended by adding a subdivision to read:

Subd. 5. [PROHIBITION.] No person other than a licensed organization or a licensed distributor may possess registration stamps issued by the board.

Sec. 14. Minnesota Statutes 1986, section 349.163, subdivision 2, is amended to read:

Subd. 2. [CERTIFICATE; FEE.] A certificate under this section is valid for one year. The annual fee for registration is \$500 shall be determined by rule of the board.

Sec. 15. Minnesota Statutes 1986, section 349.18, subdivision 1, is amended to read:

Subdivision 1. [LEASE OR OWNERSHIP REQUIRED.] An organization may conduct lawful gambling only on premises it owns or leases. Leases must be for a period of at least one year and must be in writing. Copies of all leases must be made available to employees of the board on request. A lease may not provide for rental payments based on a percentage of receipts or profits from lawful gambling. The board may prescribe by rule limits on the amount of rent which an organization may pay to a lessor for premises leased for lawful gambling.

Sec. 16. Minnesota Statutes 1986, section 349.19, subdivision 3, is amended to read:

Subd. 3. [EXPENDITURES.] All expenditures of bingo profits from lawful gambling must be itemized as to payee, purpose, amount, and date of payment.

Sec. 17. Minnesota Statutes 1986, section 349.21, is amended to read:

#### 349.21 [COMPENSATION.]

Compensation to persons who participate in the conduct of lawful gambling may be paid only to active members of the conducting organization or its auxiliary, or the spouse or surviving spouse of an active member, except that nonmanagement assistants who are not active members or spouses may be hired to assist in the conduct of lawful gambling in nonmanagement positions if approved by a majority of the organization's members.

The amounts of compensation which may be paid under this section ~~must~~ may be provided for in a schedule of compensation adopted by the board by rule. In adopting the schedule the board must consider the nature of the participation and the types of lawful gambling participated in.

A licensed organization may pay a percentage of the gross receipts from raffle ticket sales to a nonprofit organization which sells tickets for the licensed organization.

Sec. 18. Minnesota Statutes 1986, section 349.212, subdivision 1, is amended to read:

Subdivision 1. [RATE.] There is hereby imposed a tax on all lawful gambling, other than pull-tabs, conducted by organizations licensed by the board at the rate specified in this subdivision. The tax imposed by this subdivision is in lieu of the tax imposed by section 297A.02 and all local taxes and license fees ~~except a fee authorized under section 349.16, subdivision 4.~~

On all lawful gambling, other than pull-tabs, the tax is ten percent of the gross receipts of a licensed organization from lawful gambling less prizes actually paid out, payable by the organization.

Sec. 19. Minnesota Statutes 1986, section 349.212, is amended by adding a subdivision to read:

Subd. 5. [LOCAL TAX.] A city which contains one or more licensed organizations, and a county which contains one or more licensed organizations outside incorporated areas, may request the board to impose a local gambling tax on each licensed organization within the city's or county's jurisdiction. The board may impose the tax if it determines that the tax requested is necessary to defray the costs incurred for law enforcement and license regulation by the city or county as a direct result of lawful gambling.

The tax imposed by the board under this subdivision is on the gross receipts from all lawful gambling, less (a) prizes actually paid out, and (b) allowable expenses, including state and federal taxes, incurred in the operation of lawful gambling. The rate of the tax imposed by the board under this subdivision may not exceed three percent.

The board shall collect the tax imposed under this subdivision on the adjusted gross receipts of each organization under the jurisdiction of each city and county for which the board has imposed the tax. The board shall collect the tax at the same time and in the same manner as the tax imposed by subdivision 1.

The board shall pay by the last day of each month to each city and county for which it has imposed the tax any amount equal to the tax collected in the previous month under this subdivision from all the licensed organizations under that city's or county's jurisdiction.

A tax imposed under this subdivision is effective for one year after the month of first imposition, and may be renewed for subsequent years only by an affirmative vote of the board.

A tax imposed under this subdivision is in lieu of all other local taxes and license fees on lawful gambling.

Sec. 20. [REPEALER.]

Minnesota Statutes 1986, section 349.16, subdivision 4, is repealed."

Delete the title and insert:

"A bill for an act relating to lawful gambling; including payment of federal taxes as a lawful purpose; increasing the percentage of profits that may be used for necessary expenses; regulating distributor licenses; authorizing the board to determine distributor licensee fees, manufacturer certificate fees, and the price of the gambling equipment registration stamp; regulating the warehousing of gambling equipment within the state; regulating the leasing of premises for lawful gambling; authorizing the board to adopt rules restricting the amount of rent charged; prohibiting lessors from any involvement in lawful gambling; removing the board's authority to adopt a schedule of compensation; making various technical changes; authorizing local taxes on charitable gambling; amending Minnesota Statutes 1986, sections 349.12, subdivisions 11, 12, 13, and 15; 349.14; 349.15; 349.161, subdivisions 3, 4, 5, and 7; 349.162, subdivision 1, and by adding subdivisions; 349.163, subdivision 2; 349.18, subdivision 1; 349.19, subdivision 3; 349.21; 349.212, subdivision 1, and by adding a subdivision; repealing Minnesota Statutes 1986, section 349.16, subdivision 4."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Jaros from the Committee on Higher Education to which was referred:

H. F. No. 182, A bill for an act relating to education; requiring that income from some of the permanent university fund be used for

scholarships; amending Minnesota Statutes 1986, section 137.022, subdivision 3, and by adding a subdivision.

Reported the same back with the following amendments:

Page 2, after line 17, insert:

“Sec. 3. [SCHOLARSHIP FUND.]

A fund is created to earn income for merit scholarships at the state universities, community colleges, and AVTIs. The fund shall be invested by the state board of investment and all income from it is appropriated to the state university board, community college board, and state board of vocational technical education proportionate to their full-time equivalent enrollments. Each post-secondary board shall develop criteria and procedures to award the scholarships and shall report these to the legislature by January 15, 1988.

Sec. 4. [APPROPRIATION.]

\$15,000,000 is appropriated from the general fund to the state board of investment for establishing the scholarship fund provided in section 3.”

Amend the title as follows:

Page 1, line 4, after the semicolon insert “appropriating money;”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 223, A bill for an act relating to veterans; appropriating money for use by the Military Order of the Purple Heart in assisting veterans to make claims against the United States government.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 239, A bill for an act relating to elections; requiring school district elections to comply with the Minnesota election laws; amending Minnesota Statutes 1986, sections 123.11; and 123.32, subdivision 1; repealing Minnesota Statutes 1986, sections 123.32, subdivisions 2, 3, 4, 5, 6, 8, 8a, 24, and 25; and 200.015.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

## "ARTICLE 1

### ELECTION LAWS

Section 1. Minnesota Statutes 1986, section 200.01, is amended to read:

#### 200.01 [CITATION, MINNESOTA ELECTION LAW.]

This chapter and chapters 201, 202A, 203B, 204B, 204C, 204D, 205, 205A, 206, 208, 209 and 210A shall be known as the Minnesota election law.

Sec. 2. Minnesota Statutes 1986, section 200.015, is amended to read:

#### 200.015 [SCHOOL DISTRICT ELECTIONS EXCLUDED APPLICATION.]

~~This chapter and chapters 201, 202A, 203B, 204B, 204C, 204D, 205, 206, 208, 209 and 210A do not apply~~ The Minnesota election law applies to school district all elections held in this state unless otherwise specifically provided by law.

Sec. 3. Minnesota Statutes 1986, section 200.02, is amended by adding a subdivision to read:

Subd. 19. [SCHOOL DISTRICT.] "School district" means an independent, special, or county school district.

Sec. 4. Minnesota Statutes 1986, section 201.016, subdivision 2, is amended to read:

Subd. 2. [DURATION OF RESIDENCE.] The governing body of any city by resolution may require an eligible voter to maintain

residence in a precinct for a period of 30 days prior to voting on any question affecting only that precinct or voting to elect public officials representing only that precinct. The governing body of any town by resolution may require an eligible voter to maintain residence in that town for a period of 30 days prior to voting in a town election. The school board of any school district by resolution may require an eligible voter to maintain residence in that school district for a period of 30 days prior to voting in a school district election.

Sec. 5. Minnesota Statutes 1986, section 201.018, subdivision 2, is amended to read:

Subd. 2. [REGISTRATION REQUIRED.] An eligible voter must register in a manner specified by section 201.054, in order to vote in any primary, special primary, general, school district, or special election held in the county. ~~An eligible voter who maintains residence in a school district which uses the county voter registration system as authorized by section 201.095, must register in a manner specified by section 201.054, in order to vote in any school election held in that district.~~

Sec. 6. Minnesota Statutes 1986, section 201.061, subdivision 3, is amended to read:

Subd. 3. [ELECTION DAY REGISTRATION.] An individual who is eligible to vote may register on election day by appearing in person at the polling place for the precinct in which the individual maintains residence, by completing a registration card, making an oath in the form prescribed by the secretary of state and providing proof of residence. An individual may prove residence for purposes of registering by:

(1) showing a drivers license or Minnesota identification card issued pursuant to section 171.07;

(2) showing any document approved by the secretary of state as proper identification; or

(3) having a voter who is registered to vote in the precinct sign an oath in the presence of the election judge vouching that the voter personally knows that the individual is a resident of the precinct. A voter who has been vouched for on election day may not sign a proof of residence oath vouching for any other individual on that election day.

A county, school district, or municipality may require that an election judge responsible for election day registration initial each completed registration card.

Sec. 7. Minnesota Statutes 1986, section 201.061, subdivision 6, is amended to read:

Subd. 6. [PRECINCT MAP.] Except as otherwise provided by this subdivision, the county auditor shall provide each precinct with an accurate precinct map or precinct finder to assist the election judges in determining whether an address is located in that precinct. A county auditor may delegate this responsibility as provided in section 201.221, subdivision 4, to a municipal or school district clerk who prepares precinct maps as provided in section 204B.14, subdivision 5.

Sec. 8. Minnesota Statutes 1986, section 201.071, subdivision 1, is amended to read:

Subdivision 1. [FORM.] Registration cards shall be of suitable size and weight for mailing, and shall contain the following information in substantially the following form:

VOTER REGISTRATION CARD

(Please print or type)

Date: ..... School District No. and Name: .....

1. Name: .....  
Last First Middle Initial

2. Address: .....  
Street or Route No.

.....  
City (or Township) County Zip

3. Telephone Number:

4. Date of birth: Month: ..... Day: ..... Year: .....

5. Last registration if any.....  
Street or Route Number

..... None .....  
City (or Township) Zip

6. I certify that I will be at least 18 years old on election day and am a citizen of the United States, that I reside at the address shown and will have resided in Minnesota for 20 days immediately preceding election day, and that I am not under guardianship of the person, have not been found by a court to be legally incompe-

tent to vote, and have not been convicted of a felony without having my civil rights restored. I understand that giving false information to procure a registration is a felony punishable by not more than five years imprisonment and a fine of not more than \$10,000, or both.

.....  
Signature of Voter

Sec. 9. Minnesota Statutes 1986, section 201.071, subdivision 3, is amended to read:

Subd. 3. [DEFICIENT REGISTRATION.] No registration is deficient if it contains the voter's name, address, date of birth, prior registration if any and signature. The absence of a zip code number or school district number or name does not cause the registration to be deficient. The election judges shall request an individual to correct a registration card if it is deficient or illegible or does not specify the school district number or name. No eligible voter may be prevented from voting unless the voter's registration card is deficient or the voter is duly and successfully challenged in accordance with sections 201.195 or 204C.12.

A registration card accepted prior to August 1, 1983, is not deficient for lack of date of birth. The county or municipality may attempt to obtain the date of birth for a registration card accepted prior to August 1, 1983, by a request to the voter at any time except at the polling place. Failure by the voter to comply with this request does not make the card deficient.

Sec. 10. Minnesota Statutes 1986, section 201.071, subdivision 5, is amended to read:

Subd. 5. [ELECTRONIC OR DATA PROCESSING SYSTEM IN PLACE OF DUPLICATE VOTER REGISTRATION CARDS.] A county, school district, or municipality with an electronic or automatic data processing system for maintaining duplicate voter registration records may elect to use the system in place of duplicate voter registration cards. The auditor of a county or the clerk of a city making such an election shall notify the secretary of state of that election in writing.

Sec. 11. Minnesota Statutes 1986, section 201.071, subdivision 6, is amended to read:

Subd. 6. [MAINTENANCE OF DUPLICATE REGISTRATION FILE.] A county, school district, or municipality which makes the election authorized in subdivision 5 shall maintain in their data processing system the information required by the alternate form of the duplicate registration file prescribed by the secretary of state under section 201.221, subdivision 3. A county, school district, or

municipality which makes the election shall not be required to obtain or maintain a duplicate voter registration card. Any reference in chapter 201 to "duplicate registration file" shall not be interpreted as requiring duplicate registration cards or signatures on duplicate registration cards.

A county, school district, or municipality which makes the election authorized in subdivision 5 shall make the prescribed duplicate registration file available as authorized in section 201.091. No list made available for examination or purchase may include the date of birth of a registered voter.

Sec. 12. Minnesota Statutes 1986, section 201.071, is amended by adding a subdivision to read:

Subd. 8. [SCHOOL DISTRICT ASSISTANCE.] School districts shall assist county auditors in determining the school district in which a voter resides.

Sec. 13. Minnesota Statutes 1986, section 201.221, subdivision 3, is amended to read:

Subd. 3. [PROCEDURES FOR DUPLICATE REGISTRATION FILE.] The secretary of state shall prescribe the form of the duplicate registration file so that a duplicate card contains spaces for the voter's name, address, telephone number, school district number and name, and signature, and space to indicate whether the voter has voted in a given election. The secretary of state shall prescribe procedures for transporting the duplicate registration files to the election judges for use on election day.

The secretary of state shall prescribe an alternate form of the duplicate registration file for counties, school districts, and cities which make the election authorized by section 201.071, subdivision 5. The alternate form shall not require a duplicate card or voter's signature. Information contained in the duplicate registration file shall include the voter's name, address, month and day of birth, last registration (if any), school district number and name, and a record of the vote history for the previous four years of elections. The secretary of state shall prescribe the form for the duplicate registration file to be used on election day in the polling place and the file shall include the name, address, month and day of birth, school district number and name, and a space for the voters to sign the file when they vote. The secretary of state shall prescribe the form for a county, school district, or municipality to request the day and month of birth from currently registered voters. The county, school district, or municipality shall not request the day and month of birth from currently registered voters by any communication other than the prescribed form and the form shall clearly indicate that a currently registered voter does not lose registration status by failing to provide the day and month of birth. The secretary of state shall prescribe

procedures for transporting the duplicate registration files to the judges on election day. In accordance with section 204B.40, the county auditor and the clerk of any municipality or school district shall retain the prescribed duplicate registration file used on the date of election for one year following the election.

Sec. 14. Minnesota Statutes 1986, section 201.221, subdivision 4, is amended to read:

Subd. 4. [COUNTY RULES.] The county auditor of each county may adopt rules which delegate to municipal or school district officials in that county the duties assigned to county auditors by this chapter. Delegation by the county auditor of the duty to accept registrations does not relieve the county auditor of the duty to accept registrations. When a municipal or school district official is delegated duties given to the county auditor by this chapter, the governing body of the municipality or school district shall immediately provide the necessary funds, equipment and facilities, establish a place of registration and put the registration plan into operation without delay.

Sec. 15. Minnesota Statutes 1986, section 201.27, subdivision 2, is amended to read:

Subd. 2. [KNOWLEDGE OF VIOLATION.] A deputy, clerk, employee or other subordinate of a county auditor or municipal or school district clerk who has knowledge or reason to believe that a violation of this chapter has occurred shall immediately transmit a report of the knowledge or belief to the county auditor or municipal or school district clerk, together with any possessed evidence of the violation. Any county auditor or municipal or school district clerk who has knowledge or reason to believe that a violation of this chapter has occurred shall immediately transmit a report of the knowledge or belief to the county attorney of the county where the violation is thought to have occurred, together with any possessed evidence of the violation. The county auditor or municipal or school district clerk shall also immediately send a copy of the report to the secretary of state. A violation of this subdivision is a misdemeanor.

Sec. 16. Minnesota Statutes 1986, section 203B.01, subdivision 2, is amended to read:

Subd. 2. [MUNICIPAL CLERK.] "Municipal clerk" means a full-time town or city clerk who is authorized or required to administer the provisions of sections 203B.04 to 203B.15, as provided in section 203B.05. "Municipal clerk" also means clerk of the school district who is authorized or required to administer the provisions of sections 203B.04 to 203B.15, as provided in section 203B.05 for school district elections.

Sec. 17. Minnesota Statutes 1986, section 203B.04, subdivision 1, is amended to read:

Subdivision 1. [APPLICATION PROCEDURES.] Except as otherwise allowed by subdivision 2, an application for absentee ballots for

any election may be submitted at any time not less than one day before the day of that election. An application submitted pursuant to this subdivision shall be in writing and shall be submitted to:

(a) the county auditor of the county where the applicant maintains residence; or

(b) the municipal clerk of the municipality, or school district if applicable, where the applicant maintains residence.

An application shall be accepted if it is signed and dated by the applicant, contains the applicant's residence and mailing addresses, and states that the applicant is eligible to vote by absentee ballot for one of the reasons specified in section 203B.02.

Sec. 18. Minnesota Statutes 1986, section 203B.04, subdivision 2, is amended to read:

Subd. 2. [HEALTH CARE PATIENT.] An eligible voter who on the day before an election becomes a resident or patient in a health care facility or hospital located in the municipality, or school district if applicable, in which the eligible voter maintains residence may apply for absentee ballots on election day if the voter:

(a) Requests an application form by telephone from the municipal clerk not later than 5:00 p.m. on the day before election day; or

(b) Submits an absentee ballot application to the election judges engaged in delivering absentee ballots pursuant to section 203B.11.

Sec. 19. Minnesota Statutes 1986, section 203B.05, subdivision 1, is amended to read:

Subdivision 1. [GENERALLY.] The full-time clerk of any city or town, or the clerk of the school district, shall administer the provisions of sections 203B.04 to 203B.15 if:

(a) The county auditor of that county has designated the clerk to administer them; or

(b) The clerk has given the county auditor of that county notice of intention to administer them; or

(c) The clerk of a school district has given the county auditor notice of intention to administer them for a school district election not held on the same day as a statewide election or on the uniform municipal election day.

Sec. 20. Minnesota Statutes 1986, section 203B.05, subdivision 2, is amended to read:

Subd. 2. [CITY, SCHOOL DISTRICT, AND TOWN ELECTIONS.] For city elections not held on the same day as a statewide election, for school district elections not held on the same day as a statewide election or on the uniform municipal election day, and for town elections conducted under the Australian ballot system, applications for absentee ballots shall be filed with the city, school district, or town clerk and the duties prescribed by this chapter for the county auditor shall be performed by the city, school district, or town clerk unless the county auditor agrees to perform those duties on behalf of the city, school district, or town clerk. The costs incurred to provide absentee ballots and perform the duties prescribed by this subdivision shall be paid by the city or town, or school district holding the election.

Sec. 21. Minnesota Statutes 1986, section 203B.06, subdivision 2, is amended to read:

Subd. 2. [APPLICATIONS TO WRONG OFFICIAL.] If for any reason an application for absentee ballots is submitted to the wrong county auditor or city or town municipal clerk, that official shall promptly forward it to the proper county auditor or municipal clerk.

Sec. 22. Minnesota Statutes 1986, section 203B.08, subdivision 4, is amended to read:

Subd. 4. [RULES.] The secretary of state shall adopt rules establishing procedures to be followed by county auditors and town and city municipal clerks to assure accurate and timely return of absentee ballots. The rules of the secretary of state may authorize procedures and methods of return in addition to those specified in this section.

Sec. 23. Minnesota Statutes 1986, section 203B.10, is amended to read:

203B.10 [DELIVERY OF ABSENTEE BALLOT APPLICATIONS TO ELECTION JUDGES.]

On the day before an election:

(a) The county auditor shall deliver to the town and city municipal clerks within that county the applications for absentee ballots theretofore received and endorsed as provided in section 203B.06, subdivision 5; and

(b) The town and city municipal clerks shall deliver the applications received from the county auditor and the applications for

absentee ballots filed with their respective offices and endorsed as provided in section 203B.06, subdivision 5, to the appropriate election judges. Applications received on election day pursuant to section 203B.04, subdivision 2, shall be promptly delivered to the election judges in the precincts or to the judges of an absentee ballot counting board.

Sec. 24. Minnesota Statutes 1986, section 203B.11, subdivision 1, is amended to read:

Subdivision 1. [GENERALLY.] Each full-time municipal clerk or the clerk of the school district who has authority under section 203B.05 to administer absentee voting laws shall designate election judges to deliver absentee ballots in accordance with this section. A ballot may be delivered only to an eligible voter who is a temporary or permanent resident or patient in a health care facility or hospital located in the municipality in which the voter maintains residence. The ballots shall be delivered by two election judges, each of whom is affiliated with a different major political party. When the election judges deliver or return ballots as provided in this section, they shall travel together in the same vehicle. Both election judges shall be present when an applicant completes the certificate of eligibility and marks the absentee ballots, and may assist an applicant as provided in section 204C.15. The election judges shall deposit the return envelopes containing the marked absentee ballots in a sealed container and return them to the clerk on the same day that they are delivered and marked.

Sec. 25. Minnesota Statutes 1986, section 203B.12, subdivision 6, is amended to read:

Subd. 6. [EXCEPTION FOR MUNICIPALITIES OR SCHOOL DISTRICTS WITH ABSENTEE BALLOT COUNTING BOARDS.] In municipalities or school districts with an absentee ballot counting board, the election judges in each precinct shall receive and process return envelopes and ballot envelopes as provided in this section except that the ballot envelopes from return envelopes marked "Accepted" shall be delivered in an absentee ballot container to the absentee ballot counting board for the counting of ballots as soon as possible after processing. Other law to the contrary notwithstanding, the governing body of a municipality or the school board of a school district with an absentee ballot precinct may authorize the judges of the absentee ballot precinct to validate ballots in the manner provided in this section. The vote totals provided by the absentee ballot counting board shall be included in the vote totals on the summary statements of the returns for the precinct in which they were received.

Sec. 26. Minnesota Statutes 1986, section 203B.13, is amended to read:

203B.13 [ABSENTEE BALLOT COUNTING BOARDS.]

Subdivision 1. [ESTABLISHMENT.] The governing body of any municipality may by ordinance, or the school board of any school

district may by resolution, authorize an absentee ballot counting board for the purpose of counting all absentee ballots cast in that municipality or school district. The board shall consist of a sufficient number of election judges appointed as provided in sections 204B.19 to 204B.22.

Subd. 2. [DUTIES.] The absentee ballot counting board shall:

(a) Receive from each precinct in the municipality or school district all ballot envelopes marked "Accepted" by the election judges; provided that the governing body of a municipality or the school board of a school district may authorize the board to examine all return absentee ballot envelopes and receive or reject absentee ballots in the manner provided in section 203B.12;

(b) Open and count the absentee ballots, tabulating the vote in a manner that indicates each vote of the absentee voter and the total absentee vote cast for each candidate or question in each precinct; and

(c) Report the vote totals tabulated for each precinct.

Subd. 3. [COMPENSATION OF MEMBERS.] The city or town municipal clerk shall pay a reasonable compensation to each member of the absentee ballot counting board for services rendered during each election.

Subd. 3a. [DUPLICATE REGISTRATION FILES.] If the election judges of an absentee ballot counting board are authorized to receive, examine, and validate absentee ballots, the county auditor or city municipal clerk shall remove from the duplicate registration files the cards of all persons who have applied for absentee ballots at the election and deliver them to the election judges of the absentee ballot counting board along with the applications for absentee ballots. When a duplicate registration card has been removed from the file for this purpose it shall be replaced with a notification to the election judges that the voter's card has been removed and directing them to contact the election judges of the absentee ballot counting board if that voter should appear at the polling place for the purpose of voting in person. If contacted by the judges of the precinct, the election judges of the absentee ballot counting board shall examine the duplicate registration card of the voter to determine if an absentee ballot has been cast. They shall notify the precinct election judges of their findings and, if the absentee ballot has not yet been cast, the voter shall be allowed to vote in person. The election judges of the absentee ballot counting board shall make a notation on the duplicate registration card that the voter has voted and no absentee ballot shall be counted for that voter.

Subd. 4. [APPLICABLE LAWS.] Except as otherwise provided by this section, all of the laws applicable to absentee ballots and

absentee voters and all other provisions of the Minnesota election law shall apply to an absentee ballot counting board.

Sec. 27. Minnesota Statutes 1986, section 203B.15, is amended to read:

203B.15 [ADMINISTRATIVE EXPENSES.]

Each county shall pay the expenses incurred by its county auditor and each municipality or school district shall pay the expenses incurred by its clerk for administering the provisions of sections 203B.04 to 203B.15.

Sec. 28. Minnesota Statutes 1986, section 203B.19, is amended to read:

203B.19 [RECORDING APPLICATIONS.]

Upon accepting an application, the county auditor shall record in a permanent register the voter's name, address of present or former residence in Minnesota, mailing address, school district number and name, and the category under section 203B.16, to which the voter belongs. After recording this information, the county auditor shall retain the application for two years after the date of the next general election. A voter whose name is recorded as provided in this section shall not be required to register under any other provision of law in order to vote under sections 203B.16 to 203B.27.

Sec. 29. Minnesota Statutes 1986, section 203B.23, is amended to read:

203B.23 [APPLICATION RECORDS; DELIVERY TO ELECTION JUDGES.]

When election materials are transmitted to the ~~town and city~~ municipal clerks as provided in section 204B.28, subdivision 2, the county auditor shall also transmit a certified copy of the record of applications compiled as provided in section 203B.19, for absentee ballots to be cast at that election in that town, school district, or city. A certified copy of the record of additional applications received by the county auditor after the ballots have been delivered shall also be delivered to the appropriate ~~town or city~~ municipal clerk. Each ~~town and city~~ municipal clerk shall in turn deliver to the election judges in the appropriate precincts the application records received from the county auditor.

Sec. 30. Minnesota Statutes 1986, section 204B.02, is amended to read:

204B.02 [APPLICATION.]

This chapter applies to all elections held in this state, ~~except school district elections and~~ except as otherwise provided by law.

Sec. 31. Minnesota Statutes 1986, section 204B.09, subdivision 2, is amended to read:

Subd. 2. [OTHER ELECTIONS.] Affidavits of candidacy and nominating petitions for city, town or other elective offices shall be filed during the time and with the official specified in chapter 205 or other applicable law or charter. Affidavits of candidacy and applications filed on behalf of eligible voters for school board office shall be filed during the time and with the official specified in chapter 205A or other applicable law.

Sec. 32. Minnesota Statutes 1986, section 204B.16, subdivision 1, is amended to read:

Subdivision 1. [AUTHORITY; LOCATION.] The governing body of each municipality and of each county with precincts in unorganized territory shall designate by ordinance or resolution a polling place for each election precinct. Polling places must be designated and ballots must be distributed so that no one is required to go to more than one polling place to vote in a school district and municipal election held on the same day. The polling place for a precinct in a municipality shall be located within the boundaries of the precinct or within 1,500 feet of one of those boundaries unless a single polling place is designated for a city pursuant to subdivision 2. The polling place for a precinct may be located up to 3,000 feet outside one of the boundaries of the precinct if necessary to locate a polling place that is accessible to and usable by elderly and handicapped individuals as required in subdivision 5. The polling place for a precinct in unorganized territory may be located outside the precinct at a place which is convenient to the voters of the precinct. If no suitable place is available within the town, then the polling place for a town may be located outside the town within five miles of one of the boundaries of the town.

Sec. 33. Minnesota Statutes 1986, section 204B.18, subdivision 2, is amended to read:

Subd. 2. [BALLOT BOXES.] Each polling place shall be provided with one ballot box for each kind of ballot to be cast at the election. The boxes shall be substantially the same color as the ballots to be deposited in them. Each box shall be of sufficient size and shall have a sufficient opening to receive and contain all the ballots likely to be deposited in it. When buff or goldenrod ballot boxes are required, a separate box must be provided for each school district for which ballots are to be cast at that polling place. The number and name of the school district must appear conspicuously on the top of each buff or goldenrod ballot box.

Sec. 34. Minnesota Statutes 1986, section 204B.19, subdivision 1, is amended to read:

Subdivision 1. [INDIVIDUALS QUALIFIED TO BE ELECTION JUDGES.] Any individual who is eligible to vote in an election

precinct is qualified to be appointed as an election judge for that precinct subject to this section. If the files of the appointing authority do not contain sufficient voters within a precinct who are qualified and willing to serve as election judges, election judges may be appointed who reside in another precinct in the same municipality, or for school district elections, in the same school district. If there are not sufficient voters within the municipality or school district who are qualified and willing to serve as election judges, election judges may be appointed who reside in the county where the precinct is located.

Sec. 35. Minnesota Statutes 1986, section 204B.21, subdivision 2, is amended to read:

Subd. 2. [APPOINTING AUTHORITY; POWERS AND DUTIES.] Election judges for precincts in a municipality shall be appointed by the governing body of the municipality. Election judges for precincts for a school district election which is (1) not held on the same day as a statewide election, (2) not held on the same day as the uniform municipal election day, and (3) not held in conjunction with the election of another municipality, shall be appointed by the school board of the school district. Election judges for precincts in unorganized territory shall be appointed by the county board. Appointments shall be made from lists furnished pursuant to subdivision 1 subject to the eligibility requirements and other qualifications established or authorized under section 204B.19. If no lists have been furnished or if additional election judges are required after all listed names have been exhausted, the appointing authority may appoint any other individual to serve as an election judge subject to the same requirements and qualifications. The appointments shall be made at least 25 days before the election at which the election judges will serve.

Sec. 36. Minnesota Statutes 1986, section 204B.25, subdivision 1, is amended to read:

Subdivision 1. [DUTIES OF COUNTY AUDITOR.] Each county auditor shall provide training for all election judges who are appointed to serve at any election to be held in the county. The county auditor shall also provide a procedure for emergency training of election judges elected to fill vacancies. The county auditor may delegate to a municipal election official the duty to provide training of election judges in that municipality or school district.

Sec. 37. Minnesota Statutes 1986, section 204B.29, is amended to read:

204B.29 [ELECTION JUDGES; ELECTION SUPPLIES; DUTIES.]

Subdivision 1. [SECURING ELECTION MATERIALS.] Before 9:00 p.m. on the day preceding an election, at least one election

judge from each precinct in each municipality, or school district if applicable, shall secure voter registration files, ballots, forms, envelopes and other required supplies from the municipal clerk or other legal custodian. The election judge shall deliver the materials to the polling place before the time when voting is scheduled to begin on election day. The county auditor shall send or deliver the election supplies enumerated in this section to the election judges in the precincts in unorganized territory. The election supplies may be sent by certified mail, parcel post, express mail or any other postal service providing assured delivery by no later than the day before the election. If the election supplies are delivered by any other means, they shall be delivered by no later than the day before the election.

Each precinct shall be furnished with 100 ballots of each kind for every 85 individuals who voted in that precinct at the last election for the same office or on similar questions, or with ballots of each kind in an amount at least ten percent greater than the number of votes which are reasonably expected to be cast in that precinct in that election, whichever supply of ballots is greater. No precinct shall be furnished with any ballots containing the name of any candidate who cannot properly be voted for in that precinct.

The election judges shall be responsible for the preservation of all election materials received by them until returned to the appropriate election officials after the voting has ended.

Subd. 2. [FAILURE OF ELECTION JUDGES TO SECURE MATERIALS.] If no election judge secures the election materials for a precinct in any municipality, or school district if applicable, as provided in subdivision 1, the municipal or school district clerk shall deliver them to an election judge for that precinct not later than the time when voting is scheduled to begin. The municipal or school district clerk shall require the election judge accepting delivery of the election supplies to sign a receipt for them. The election judges of that precinct shall pay the expenses of delivery of the materials and shall be liable for the penalty provided by law for neglect of duty.

Sec. 38. Minnesota Statutes 1986, section 204B.31, is amended to read:

204B.31 [COMPENSATION FOR ELECTION SERVICES.]

The compensation for services performed under the Minnesota election law shall be as follows:

(a) To presidential electors from funds appropriated to the secretary of state for this purpose, \$35 for each day of attendance at the capitol and mileage for travel to and from the capitol in the amount

allowed for state employees in accordance with section 43A.18, subdivision 2;

(b) To individuals, other than county, city, school district, or town employees during their normal work day, who are appointed by the county auditor to carry ballots to or from the county auditor's office, a sum not less than the prevailing Minnesota minimum wage for each hour spent in carrying ballots and mileage in the amount allowed pursuant to section 471.665, subdivision 1;

(c) To members of county canvassing boards, a sum not less than the prevailing Minnesota minimum wage for each hour necessarily spent and an amount for each mile of necessary travel equal to the amount allowed pursuant to section 471.665, subdivision 1;

(d) To election judges serving in any city, an amount fixed by the governing body of the city; to election judges serving in any school district election which is held in conjunction with a municipal or state election, an amount fixed by the governing body of the city after consultation with the affected school board; to election judges serving in any school district election which is not held in conjunction with a municipal or state election, an amount fixed by the school board of the school district; to election judges serving in unorganized territory, an amount fixed by the county board; and to election judges serving in towns, an amount fixed by the town board. Election judges shall receive at least the prevailing Minnesota minimum wage for each hour spent carrying out their duties at the polling places and in attending training sessions required by section 204B.25. An election judge who travels to pick up election supplies or to deliver election returns to the county auditor shall receive, in addition to other compensation authorized by this section, a sum not less than the prevailing Minnesota minimum wage for each hour spent performing these duties, plus mileage in the same amount as allowed pursuant to section 471.665, subdivision 1; and

(e) To sergeants at arms, an amount for each hour of service performed at the direction of the election judges, fixed in the same manner as compensation for election judges.

Sec. 39. Minnesota Statutes 1986, section 204B.32, is amended to read:

#### 204B.32 [ELECTION EXPENSES; PAYMENT.]

The secretary of state shall pay the compensation for presidential electors, the cost of printing the pink paper ballots, and all necessary expenses incurred by the secretary of state in connection with elections. The counties shall pay the compensation prescribed in section 204B.31, clauses (b) and (c), the cost of printing the canary ballots, the white ballots, the pink ballots when machines are used, the state partisan primary ballots, and the state and county

nonpartisan primary ballots, all necessary expenses incurred by county auditors in connection with elections, and the expenses of special county elections. The municipalities shall pay the compensation prescribed for election judges and sergeants at arms, the cost of printing the municipal ballots, providing ballot boxes, providing and equipping polling places and all necessary expenses of the municipal clerks in connection with elections, except special county elections. The school districts shall pay the compensation prescribed for election judges and sergeants at arms, the cost of printing the school district ballots, providing ballot boxes, providing and equipping polling places and all necessary expenses of the school district clerks in connection with elections when the school district elections are not held in conjunction with a municipal or state election. When school district elections are held in conjunction with state or other municipal elections, costs shall be proportionately shared between the school district and the counties or municipalities. All disbursements under this section shall be presented, audited, and paid as in the case of other public expenses.

Sec. 40. Minnesota Statutes 1986, section 204B.34, is amended by adding a subdivision to read:

Subd. 4. [SCHOOL DISTRICT ELECTIONS.] Notice of school district elections shall be given as provided in sections 205A.06, subdivision 2; and 205A.07, subdivision 1.

Sec. 41. Minnesota Statutes 1986, section 204B.35, subdivision 1, is amended to read:

Subdivision 1. [APPLICATION.] All ballots for every election, ~~except a school district election,~~ shall be prepared in accordance with sections 204B.35 to 204B.44 and chapter 204D, except for voting machine ballots or as otherwise provided by law.

Sec. 42. Minnesota Statutes 1986, section 204C.02, is amended to read:

#### 204C.02 [APPLICATION.]

This chapter applies to all elections held in this state, ~~except school district elections and~~ except as otherwise provided by law.

Sec. 43. Minnesota Statutes 1986, section 204C.06, subdivision 2, is amended to read:

Subd. 2. [INDIVIDUALS ALLOWED IN POLLING PLACE.] Representatives of the secretary of state's office, the county auditor's office, and the municipal or school district clerk's office may be present at the polling place to observe election procedures. Except for these representatives, election judges, sergeants-at-arms, and

challengers, an individual may remain inside the polling place during voting hours only while voting or registering to vote, providing proof of residence for an individual who is registering to vote, or assisting a handicapped voter or a voter who is unable to read English. During voting hours no one except individuals receiving, marking, or depositing ballots shall approach within six feet of a voting booth, unless lawfully authorized to do so by an election judge.

Sec. 44. Minnesota Statutes 1986, section 204C.07, subdivision 3, is amended to read:

Subd. 3. [ELECTIONS ON A QUESTION.] At an election where a question is to be voted upon, the mayor of a city, or the school board of a school district, or the board of supervisors of a town, upon receiving a written petition signed by at least 25 eligible voters, shall appoint by written certificate one voter for each precinct in the municipality, or school district if applicable, to act as a challenger of voters in the polling place for that precinct.

Sec. 45. Minnesota Statutes 1986, section 204C.08, subdivision 4, is amended to read:

Subd. 4. [BALLOT BOXES, BOXCAR SEALS.] The governing body of a municipality or school district by resolution may direct the municipal or school district clerk to furnish a boxcar seal for each ballot box in place of a lock and key. Each seal shall consist of a numbered metal strap with a self-locking device securely attached to one end of the strap so that the other end may be inserted and securely locked in the seal. No two metal straps shall bear the same number.

Sec. 46. Minnesota Statutes 1986, section 204C.10, subdivision 2, is amended to read:

Subd. 2. Subdivision 1 does not apply to voting in counties, school districts, or municipalities which make the election authorized by section 201.071, subdivision 5. In lieu of the certificate required by subdivision 1, an applicant shall sign the duplicate registration file in the space provided next to the applicant's name in the file. In lieu of the signature comparison required by subdivision 1, a judge may, before the applicant signs the duplicate registration file, request the applicant's name, address, and day and month of birth. After the applicant signs the registration file, the judge shall give the applicant a voter's receipt. The voter shall deliver the voter's receipt to the judge in charge of ballots as proof of the voter's right to vote, and thereupon the judge shall hand to the voter the ballot. The judges shall destroy the voters' receipts at the end of the day.

Sec. 47. Minnesota Statutes 1986, section 204C.19, subdivision 2, is amended to read:

Subd. 2. [BALLOTS; ORDER OF COUNTING.] Except as otherwise provided in this subdivision, the ballot boxes shall be opened,

the votes counted, and the total declared one box at a time in the following order: the white box, the pink box, the canary box, the light green box, the buff box, the goldenrod box, and then the other kinds of ballots voted at the election. If enough election judges are available to provide counting teams of four or more election judges for each box, more than one box may be opened and counted at the same time. The election judges on each counting team shall be evenly divided between the major political parties. The numbers entered on the summary sheet shall not be considered final until the ballots in all the boxes have been counted and corrections have been made if ballots have been deposited in the wrong boxes.

Sec. 48. Minnesota Statutes 1986, section 204C.20, subdivision 4, is amended to read:

Subd. 4. [BALLOTS NOT COUNTED; DISPOSITION.] When the final count of ballots agrees with the number of ballots to be counted, those ballots not counted shall be attached to a certificate made by the election judges which states why the ballots were not counted. The certificate and uncounted ballots shall be sealed in a separate envelope and returned to the county auditor or municipal or school district clerk from whom they were received.

Sec. 49. Minnesota Statutes 1986, section 204C.24, subdivision 2, is amended to read:

Subd. 2. [SEALING IN ENVELOPES.] The election judges shall place a full set of completed summary statements in each of three separate envelopes and seal them so that the envelopes cannot be opened without leaving evidence that they have been opened. The election judges shall then sign each envelope over the sealed part so that no envelope can be opened without disturbing the continuity of the signatures. Each of the envelopes shall show substantially the following information on its face:

“Summary statements of the returns of the .... election precinct, (Town) or (City) of ....., or (School District Number) ....., in the County of ....., State of Minnesota.”

Sec. 50. Minnesota Statutes 1986, section 204C.25, is amended to read:

#### 204C.25 [DISPOSITION OF BALLOTS.]

After the count and the summary statements have been completed, in the presence of all the election judges, the counted, defective and blank ballots shall be placed in envelopes marked or printed to distinguish the color of the ballots contained, and the envelopes shall be sealed. The election judges shall sign each envelope over the sealed part so that the envelope cannot be opened without disturbing the continuity of the signatures. The number

and kind of ballots in each envelope, the name of the town or city, and the name of the precinct shall be plainly written upon the envelopes. The number and name of the district must be plainly written on envelopes containing school district ballots. The spoiled ballots shall be placed in separate envelopes and returned with the unused ballots to the county auditor or municipal or school district clerk from whom they were received.

Sec. 51. Minnesota Statutes 1986, section 204C.26, subdivision 2, is amended to read:

Subd. 2. [SUMMARY STATEMENTS; CONTENTS.] The blank summary statement forms furnished to each precinct shall identify the precinct, ward number if any, city, school district, or town, date, and kind of election and, under appropriate headings identifying each color ballot, shall contain spaces for the election judges to enter the information required by section 204C.24, subdivision 1.

Each blank summary statement form shall also contain a certificate to be signed by the election judges stating that the national flag was displayed on a suitable staff during voting hours; that all of the ballots cast were properly piled, checked, and counted; and that the numbers entered by the election judges on the summary statements correctly show the number of votes cast for each candidate and for and against each question.

Sec. 52. Minnesota Statutes 1986, section 204C.26, subdivision 3, is amended to read:

Subd. 3. [SECRETARY OF STATE.] On or before July 1 of each even numbered year, the secretary of state shall prescribe the form for summary statements of election returns and the methods by which returns for the state primary and state general election shall be recorded by precinct, county, and state election officials. Each county auditor and municipal or school district clerk required to furnish summary statements shall prepare them in the manner prescribed by the secretary of state. The summary statement of the primary returns shall be in the same form as the summary statement of the general election returns except that a separate part of the summary statement shall be provided for the partisan primary ballot and a separate part for the nonpartisan primary ballot.

Sec. 53. Minnesota Statutes 1986, section 204C.27, is amended to read:

**204C.27 [DELIVERY OF RETURNS TO COUNTY AUDITORS.]**

One or more of the election judges in each precinct shall deliver two sets of summary statements; all unused and spoiled white, pink, and canary ballots; and the envelopes containing the white, pink, and canary ballots either directly to the municipal clerk for trans-

mittal to the county auditor's office or directly to the county auditor's office within 24 hours after the end of the hours for voting. One or more election judges shall deliver the remaining set of summary statements and returns, all unused and spoiled municipal and school district ballots, the envelopes containing municipal and school district ballots, and all other things furnished by the municipal or school district clerk, to the municipal or school district clerk's office within 24 hours after the end of the hours for voting.

Sec. 54. Minnesota Statutes 1986, section 204C.28, subdivision 2, is amended to read:

Subd. 2. [CLERKS.] The clerk of every first, second, and third class city, and any school district clerk conducting a school district election, shall remain at the clerk's office to receive delivery of returns, or until 24 hours have elapsed since the end of the hours for voting, whichever occurs first. The clerk of every first class city shall keep a book in which, in the presence of the election judges or other individuals who deliver the returns, the clerk shall make a record of all materials delivered, the time of delivery, and the names of the election judges or other individuals who made delivery. The book shall be retained in the clerk's office for the same period as the ballots as provided in section 204B.40.

Sec. 55. Minnesota Statutes 1986, section 204C.28, is amended by adding a subdivision to read:

Subd. 3. [SCHOOL DISTRICT RETURNS AND MATERIALS.] A municipal clerk conducting a school district election in conjunction with a state or municipal election shall deliver the summary statements of the election returns, all unused and spoiled ballots, and the envelope containing the ballots from each precinct to the clerk of the appropriate school district within 48 hours after the polls close.

Sec. 56. Minnesota Statutes 1986, section 204C.29, subdivision 1, is amended to read:

Subdivision 1. [FAILURE OF ELECTION JUDGES TO MAKE DELIVERY; PENALTY.] If the election judges fail to deliver returns as required by section 204C.27, the county auditor or municipal or school district clerk to whom the returns should have been delivered shall dispatch a special messenger to obtain them. The messenger shall receive the same compensation as an election judge would receive for performing the same service and shall be subject to the same penalties as an election judge for violation of any provision of the Minnesota election law.

Sec. 57. Minnesota Statutes 1986, section 204C.36, is amended to read:

204C.36 [RECOUNTS IN COUNTY, SCHOOL DISTRICT, AND MUNICIPAL ELECTIONS.]

A losing candidate for nomination or election to a county ~~or~~<sub>2</sub>, municipal, or school district office may request a recount of the votes cast for the nomination or election to that office if the difference between the vote cast for that candidate and for a winning candidate for nomination or election is:

(a) Five votes or less when the total vote cast for nomination or election to that office is 100 votes or less;

(b) Ten votes or less when the total vote cast for nomination or election to that office is more than 100 but not more than 500 votes;

(c) Twenty votes or less when the total vote cast for nomination or election to that office is more than 500 but not more than 2,000 votes;

(d) One percent of the votes or less when the total vote cast for nomination or election to that office is more than 2,000 but less than 10,000 votes; or

(e) ~~100~~ One hundred votes or less when the total vote cast for nomination or election to that office is 10,000 votes or more.

Candidates for county offices shall file a written request for the recount with the county auditor. Candidates for municipal or school district offices shall file a written request with the municipal or school district clerk as appropriate. All requests shall be filed during the time for notice of contest of the primary or election for which a recount is sought.

Upon receipt of a request made pursuant to this section, the county auditor shall recount the votes for a county office at the expense of the county and<sub>2</sub> the governing body of the municipality shall recount the votes for a municipal office at the expense of the municipality<sub>2</sub> and the school board of the school district shall recount the votes for a school district office at the expense of the school district.

A losing candidate for nomination or election to a county ~~or~~<sub>2</sub>, municipal, or school district office may request a recount in the manner provided in this section at the candidate's own expense when the vote difference is greater than the difference required by clauses (a) to (e). The votes shall be recounted as provided in this section if the requesting candidate files with the county auditor ~~or~~<sub>2</sub>, municipal clerk, or school district clerk a bond, cash or surety in an amount set by the governing body of the jurisdiction or the school board of the school district for the payment of the recount expenses.

Time for notice of contest of a nomination or election to a county office which is recounted pursuant to this section shall begin to run upon certification of the results of the recount by the county canvassing board. Time for notice of contest of a nomination or election to a municipal office which is recounted pursuant to this section shall begin to run upon certification of the results by the governing body of the municipality. Time for notice of contest of a school district election that is recounted under this subdivision begins to run on certification of the results of the recount by the school board.

Sec. 58. [205A.01] [DEFINITIONS.]

Subdivision 1. [SCOPE.] The definitions in chapter 200 and in this section apply to this chapter.

Subd. 2. [SCHOOL DISTRICT.] "School district" means an independent or special school district, as defined in section 120.02.

Sec. 59. [205A.02] [ELECTION LAW APPLICABLE.]

Except as provided in this chapter, the Minnesota election law applies to school district elections, so far as practicable. Elections in common school districts shall be governed by section 123.11.

Sec. 60. [205A.03] [PRIMARY ELECTIONS.]

Subdivision 1. [RESOLUTION.] The school board of a school district may, by resolution adopted at least 12 weeks before the next school district general election, decide to choose nominees for school district elective offices by a primary as provided in subdivisions 1 to 6. The resolution, when adopted, is effective for all ensuing elections of board members in that school district until it is revoked.

Subd. 2. [DATE.] The school district primary must be held at a time designated by the school board in the resolution adopting the primary system, but no later than six weeks before the school district general election. If the school district general election is held in conjunction with the statewide general election, the school district primary must be held on the same date as the state primary. The clerk shall give notice of the primary in the manner provided in section 205A.07.

Subd. 3. [CANDIDATES, FILING.] The clerk shall place upon the primary ballot without partisan designation the names of individuals whose candidacies have been filed and for whom the proper filing fee has been paid. When not more than twice the number of individuals to be elected to a school district elective office file for nomination for the office, their names must not be placed upon the

primary ballot and must be placed on the school district general election ballot as the nominees for that office.

Subd. 4. [RESULTS.] The school district primary must be conducted and the returns made in the manner provided for the state primary so far as practicable. Within two days after the primary, the school board of the school district shall canvass the returns, and the two candidates for each office who receive the highest number of votes, or a number of candidates equal to twice the number of individuals to be elected to the office who receive the highest number of votes, are the nominees for the office named. Their names must be certified to the school district clerk who shall place them on the school district general election ballot without partisan designation and without payment of an additional fee.

Subd. 5. [RECOUNT.] A losing candidate at the school district primary may request a recount of the votes for that nomination subject to section 204C.36.

Subd. 6. [VACANCY IN NOMINATION.] When a vacancy occurs in a nomination made at a school district primary, the vacancy must be filled in the manner provided in section 204B.13.

#### Sec. 61. [205A.04] [GENERAL ELECTION.]

Except as may be provided in a special law to the contrary, the general election in each school district must be held on the third Tuesday in May, unless the school board provides by resolution for holding the school district general election on the first Tuesday after the first Monday in November. When the time of a school district's general election is changed from May to November, the terms of all board members shall be lengthened to expire on January 1; when the time of a school district's general election is changed from November to May, the terms of all board members shall be shortened to expire on July 1. Whenever the time of a school district election is changed, the school district clerk shall immediately notify in writing the county auditor or auditors of the counties in which the school district is located and the secretary of state of the change of date.

#### Sec. 62. [205A.05] [SPECIAL ELECTIONS.]

Subdivision 1. [QUESTIONS.] Special elections may be held for a school district on a question on which the voters are authorized by law to pass judgment. A special election may be ordered by the school board on its own motion or, on a question that has not been submitted to the voters in an election within the previous six months, upon a petition signed by a number of voters equal to 20 percent of the votes cast at the last school district general election. A question is carried only with the majority in its favor required by law. The election officials for a special election are the same as for the most recent school district general election unless changed

according to law. Otherwise, special elections must be conducted and the returns made in the manner provided for the school district general election.

Subd. 2. [VACANCIES IN SCHOOL DISTRICT OFFICES.] Special elections shall be held in school districts in conjunction with school district primary and general elections to fill vacancies in elective school district offices.

Sec. 63. [205A.06] [CANDIDATES, FILING.]

Subdivision 1. [AFFIDAVIT OF CANDIDACY.] Not more than eight nor less than six weeks before a school district primary, or before the school district general election if there is no school district primary, an individual who is eligible and desires to become a candidate for an office to be voted on at the election must file an affidavit of candidacy with the school district clerk. The affidavit must be in substantially the same form as that in section 204B.06, subdivision 1. The school district clerk shall also accept an application signed by at least five voters and filed on behalf of an eligible voter in the school district whom they desire to be a candidate, if service of a copy of the application has been made on the candidate and proof of service is endorsed on the application being filed. No individual shall be nominated by nominating petition for a school district elective office except in the event of a vacancy in nomination as provided in section 205A.03, subdivision 6. Upon receipt of the proper filing fee, the clerk shall place the name of the candidate on the official ballot without partisan designation.

Subd. 2. [NOTICE OF FILING DATES.] At least two weeks before the first day to file affidavits of candidacy, the school district clerk shall publish a notice in the official newspaper stating the first and last dates on which affidavits of candidacy may be filed in the clerk's office and the closing time for filing on the last day for filing. The clerk shall post a similar notice in the administrative offices of the school district at least ten days before the first day to file affidavits of candidacy.

Subd. 3. [FILING FEES.] The filing fee for a school district office is \$2.

Subd. 4. [PETITION IN PLACE OF FEES.] A candidate for school district office may file a petition in place of the filing fees in subdivision 3. The petition must meet the requirements of section 204B.11, subdivision 2.

Subd. 5. [WITHDRAWAL.] A candidate for a school district elective office may withdraw from the election by filing an affidavit of withdrawal with the school district clerk by 12:00 noon of the day after the last day for filing affidavits of candidacy. After that date, no candidate may file an affidavit of withdrawal.

## Sec. 64. [205A.07] [NOTICE.]

Subdivision 1. [PUBLICATION AND POSTING.] The clerk of a school district shall give two weeks' published notice and give ten days' posted notice of a school district primary, general or special election, stating the time of the election, the location of each polling place, the offices to be filled, and all propositions or questions to be voted upon at the primary, general or special election. The notice shall be posted in the administrative offices of the school district for public inspection.

Subd. 2. [SAMPLE BALLOT, POSTING.] For every school district primary, general or special election, the school district clerk shall at least four days before the primary, general or special election, post a sample ballot in the administrative offices of the school district for public inspection, and shall post a sample ballot in each polling place on election day.

## Sec. 65. [205A.08] [BALLOTS.]

Subdivision 1. [BUFF BALLOT.] The names of all candidates for offices to be voted on at a school district general election must be placed on a single ballot printed on buff paper and known as the "buff ballot."

Subd. 2. [PRIMARY BALLOTS.] The school district primary ballot must conform as far as practicable with the school district general election ballot except that no blank spaces may be provided for writing in the names of candidates.

Subd. 3. [VACANCIES.] The names of candidates to fill vacancies at a school district special election held in conjunction with the primary or general election must be placed on the school district primary and general election ballots. The names of candidates to fill a vacancy in the office of school board member in a school district must be listed under the separate heading "Special election for school board member to fill vacancy in term expiring ....." with the date of expiration of the term and any other information necessary to distinguish the office.

Subd. 4. [GOLDENROD BALLOTS; QUESTIONS.] All questions relating to a proposition for the issuance of bonds, and all other questions relating to school district affairs submitted at an election to the voters of the school district, shall be printed on one separate goldenrod ballot and shall be prepared, printed, and distributed under the direction of the school district clerk at the same time and in the same manner as other school district ballots. The ballots, when voted, shall be deposited in a separate goldenrod ballot box provided by the local authorities for each voting precinct. The ballots shall be canvassed, counted, and returned in the same manner as other school district ballots. The returns shall provide appropriate

blank spaces for the counting, canvassing, and return of the results of the questions submitted on the goldenrod ballot.

Sec. 66. [205A.09] [VOTING HOURS.]

Subdivision 1. [METROPOLITAN AREA SCHOOL DISTRICTS.] At a school district election in a school district located in whole or in part within a metropolitan county as defined by section 473.121, the school board, by resolution adopted before giving notice of the election, may designate the time during which the polling places will remain open for voting at the next succeeding and all later school district elections. The polling places must open no later than 10:00 a.m. and close no earlier than 8:00 p.m. The resolution shall remain in force until it is revoked by the school board.

Subd. 2. [OTHER SCHOOL DISTRICTS.] At a school district election in a school district other than one described in subdivision 1, the school board, by resolution adopted before giving notice of the election, may designate the time, in no event less than three hours, during which the polling places will remain open for voting at the next succeeding and all later school district general elections. The resolution must remain in force until it is revoked by the school board or changed because of request by voters as provided in this subdivision. If a petition requesting longer voting hours, signed by a number of voters equal to 20 percent of the votes cast at the last school district election, is presented to the school district clerk no later than 30 days before a school district election, then the polling places for that election must open at 10:00 a.m. and close at 8:00 p.m. The school district clerk must give ten days' published notice and posted notice of the changed voting hours and notify appropriate county auditors of the change. School districts covered by this subdivision must certify their election hours to the county auditor in January of each year.

Sec. 67. [205A.10] [PROCEDURE.]

Subdivision 1. [MATERIALS, BALLOTS.] The school district clerk shall prepare and have printed the necessary election materials, including ballots, for a school district election. The name of each candidate for office shall be rotated with the names of the other candidates for the same office so that the name of each candidate appears substantially an equal number of times at the top, at the bottom, and at each intermediate place in the group of candidates for that office.

Subd. 2. [ELECTION, CONDUCT.] A school district election must be by secret ballot and must be held and the returns made in the manner provided for the state general election, so far as practicable.

Subd. 3. [CANVASS OF RETURNS, CERTIFICATE OF ELECTION, BALLOTS, DISPOSITION.] Within two days after a school

district election, the school board shall canvass the returns and declare the results of the election. After the time for contesting elections has passed, the school district clerk shall issue a certificate of election to each successful candidate. If there is a contest, the certificate of election to that office must not be issued until the outcome of the contest has been determined by the proper court. If there is a tie vote, the school board shall determine the result by lot. The clerk shall deliver the certificate of election to the successful candidate by personal service or certified mail. The successful candidate shall file an acceptance and oath of office in writing with the clerk within 30 days of the date of mailing or personal service. A person who fails to qualify prior to the time specified shall be deemed to have refused to serve, but that filing may be made at any time before action to fill the vacancy has been taken. The school district clerk shall certify the results of the election to the county auditor, and the clerk shall be the final custodian of the ballots and the returns of the election.

Subd. 4. [RECOUNT.] A losing candidate at a school district election may request a recount of the votes for that office subject to the requirements of section 204C.36.

Sec. 68. [205A.11] [PRECINCTS; POLLING PLACES.]

The precincts and polling places for school district elections are those precincts or parts of precincts and polling places set in sections 204B.14 to 204B.16, except that at a school district election not held on the day of a statewide election, the school board may combine several precincts into a single precinct with one polling place and one set of election judges. The school board shall establish combined precincts by resolution at least 30 days before an election, post a map of the combined precincts, and file a copy of the map and resolution with the county auditor.

Sec. 69. [205A.12] [SCHOOL BOARD ELECTION DISTRICTS.]

Subdivision 1. [GENERAL PROVISIONS.] Any independent school district may alter its organization into separate election districts for the purpose of election of board members by following the procedures in this section.

Subd. 2. [ELECTION.] Except in a school district located wholly or partly within a city of the first class, upon resolution of the board, made on its own motion or on presentation of a petition substantially in the form required in section 205A.13, signed by at least 50 electors of the district or ten percent of the number of votes cast in the most recent regular school board election, whichever is larger, the board shall adopt a proposal to divide the district into as many separate election districts as there are members of the board, which proposal must be submitted to an election under this chapter. If the election is initiated by petition, the resolution calling the election

must be adopted within six months after the date of receipt of the petition. Only one election within any two-year period may be held under this section.

Subd. 3. [BALLOT QUESTION.] The question presented at the special election shall be: "Shall the school district be reorganized into election districts with boundaries as established in Resolution No. .... of the school board, dated .....?"

Yes .....

No ....."

Subd. 4. [ELECTION DISTRICT BOUNDARIES.] Each proposed election district must be as equal in population as practicable and must be composed of compact, contiguous territory. The district may utilize the most recent federal decennial census figures available or may conduct a special census for this purpose. The board shall designate each election district by number.

Subd. 5. [BOARD ELECTIONS.] If the proposal for the establishment of election districts is approved by the voters, the board shall specify the election districts from which vacancies shall be filled as they occur until such time as each board member represents an election district. A candidate for school board in a subsequent election must file an affidavit of candidacy to be elected as a school board member for the election district in which the candidate resides. One and only one member of the board shall be elected from each election district. Each board member must be a resident of the election district for which elected but the creation of an election district or a change in election district boundaries shall not disqualify a board member from serving for the remainder of a term.

Subd. 6. [REDEFINING ELECTION DISTRICT BOUNDARIES.] The school board may by resolution redefine district boundaries after a school district general election. The board shall hold a public hearing on the proposed resolution before its adoption. One week's published notice of the hearing must be given. Within six months after the official certification of each federal decennial or special census, the school board shall either confirm the existing election district boundaries as conforming to the standards of subdivision 4 or redefine election district boundaries to conform to those standards. If the school board fails to take either action within the time required, no further compensation may be paid to the school board members until the districts are either reconfirmed or redefined as required by this section. A resolution establishing original or new election district boundaries shall apply to the first election held at least six months after adoption of the resolution.

Any petition to a school board authorized in this chapter or sections 124A.03 and 275.125, or any other law which requires the board to submit an issue to referendum or election shall meet the following requirements to be valid.

(1) Each page of the petition shall contain a heading at its top which specifies the particular action the board is being petitioned to take. The signatures on any page which does not contain such a heading shall all be invalidated. All pages of the petition shall be assembled and filed with the board as a single instrument.

(2) Each page of the petition shall contain an authentication signed by the circulator of the petition specifying as follows:

I personally have circulated this page of the petition, all signatures were made in my presence, I believe that the signers signed their own names and that each person who has signed is eligible to vote in a school district election according to Minnesota election law.

Signed: ..... Signature of Petition Circulator

Date: .....

The signatures on any page which does not contain such an authentication shall all be invalidated.

(3) Signers of the petition shall personally sign their own names in ink or indelible pencil and shall indicate after the name the place of residence by street and number, or other description sufficient to identify the place. Except as provided in clause (4) of this subdivision, any signature which does not meet these requirements shall be invalidated.

(4) Individuals who are unable to write their names shall be required to make their marks on the petition. The circulator of the petition shall certify the mark by signing the individual's name and address and shall thereafter print the phrase "mark certified by petition circulator."

(5) A petition, to be valid, must contain the minimum number of valid signatures of eligible voters specified in the law authorizing the petition and election.

Sec. 71. Minnesota Statutes 1986, section 206.56, is amended by adding a subdivision to read:

Subd. 17. [MUNICIPALITY.] "Municipality" means city, town, or school district.

Sec. 72. Minnesota Statutes 1986, section 206.58, subdivision 2, is amended to read:

Subd. 2. [MAY USE EXPERIMENTAL MACHINES.] The governing body of a municipality may provide for the experimental use of

lever voting machines or an electronic voting system in one or more precincts without formal adoption of the machines or system. Use of the machines or system at an election shall be as valid for all purposes as if the machines or system had been permanently adopted.

When the governing body of a municipality decides to use lever voting machines or an electronic voting system, it shall, at a regular or special meeting held not less than 30 days before the election, prescribe suitable rules and instructions consistent with the provisions of sections 206.55 to 206.87 and 123.32, subdivision 7, for using the machine or system and shall submit the rules and instructions to the secretary of state for approval. When approved, a printed copy of the rules and instructions shall be posted prominently in the polling place and shall remain open to inspection by the voters throughout election day.

Sec. 73. [206.685] [VOTING MACHINES AT SCHOOL ELECTIONS.]

Where lever voting machines are used in precincts containing more than one school district or more than one school election district, separate voting machines must be used and must be allocated between the school districts or school election districts in proportion to the number of voters eligible to vote in the precinct from each district.

Sec. 74. Minnesota Statutes 1986, section 209.02, is amended to read:

209.02 [CONTESTANT; GROUNDS.]

Subdivision 1. Any eligible voter, including a candidate, may contest in the manner provided in this chapter: (1) the nomination or election of any person for whom the voter had the right to vote if that person is declared nominated or elected to the senate or the house of representatives of the United States, or to a statewide, county, legislative, or municipal, school, or district court office; or (2) the declared result of a constitutional amendment or other question voted upon at an election. The contest may be brought over an irregularity in the conduct of an election or canvass of votes, over the question of who received the largest number of votes legally cast, or on the grounds of deliberate, serious, and material violations of the Minnesota election law.

Sec. 75. Minnesota Statutes 1986, section 209.021, subdivision 3, is amended to read:

Subd. 3. [NOTICE SERVED ON PARTIES.] In all contests relating to the nomination or election of a candidate, the notice of contest must be served on the candidate who is the contestee, a copy of the

notice must be sent to the contestee's last known address by certified mail, and a copy must be furnished to the official authorized to issue the certificate of election. If personal or substituted service on the contestee cannot be made, an affidavit of the attempt by the person attempting to make service and the affidavit of the person who sent a copy of the notice to the contestee by certified mail is sufficient to confer jurisdiction upon the court to decide the contest.

If the contest relates to a constitutional amendment or other question voted on statewide or voted on in more than one county, notice of contest must be served on the secretary of state, who is the contestee. If a contest relates to a question voted on within only one county, school district, or one municipality, a copy of the notice of contest must be served on the county auditor, clerk of the school district, or municipal clerk, respectively, who is the contestee. If the contest relates to an irregularity in the conduct of an election or canvass of votes, a copy of the notice of contest must be served on the county auditor of the county where the irregularity is said to have occurred. If the contest is upon the question of consolidation or reorganization of a school district, a copy of the notice of contest must be served on the county auditor authorized by law to issue the order.

Sec. 76. Minnesota Statutes 1986, section 210A.01, subdivision 3, is amended to read:

Subd. 3. [CANDIDATE.] "Candidate" means any individual for whom it is contemplated or desired that votes may be cast at any primary or election, and who either tacitly or expressly consents to be so considered, except candidates for president and vice president of the United States. In sections 210A.22 to 210A.28, 210A.32 and 210A.33, "candidate" does not mean an individual for whom it is contemplated or desired that votes may be cast at any primary or election, and who either tacitly or expressly consents to be considered for constitutional office, member of the legislature, school board member, justice of the supreme court, court of appeals, or district court, county court, probate court, or county municipal court judge.

Sec. 77. [REPEALER.]

Minnesota Statutes 1986, section 201.095, is repealed.

Sec. 78. [EFFECTIVE DATE.]

Section 8 is effective the day following final enactment. Sections 1 to 7 and 9 to 77 are effective July 1, 1988.

## ARTICLE 2

## ORGANIC LAWS OF SCHOOL DISTRICTS

Section 1. Minnesota Statutes 1986, section 6.54, is amended to read:

6.54 [EXAMINATION OF MUNICIPAL RECORDS PURSUANT TO PETITION.]

The registered voters in a home rule charter or statutory city or the electors at an annual or special town meeting of a town may petition the state auditor to examine the books, records, accounts, and affairs of the home rule charter or statutory city, town, or of any organizational unit, activity, project, enterprise, or fund thereof; and the scope of the examination may be limited by the petition, but the examination shall cover, at least, all cash received and disbursed and the transactions relating thereto, provided that the state auditor shall not examine more than the six latest years preceding the circulation of the petition, unless it appears to the state auditor during the examination that the audit period should be extended to permit a full recovery under bonds furnished by public officers or employees, and may if it appears to the auditor in the public interest confine the period or the scope of audit or both period and scope of audit, to less than that requested by the petition. In the case of a home rule charter or statutory city, the petition shall be signed by a number of registered voters at least equal to 20 percent of those voting in the last presidential election. The eligible voters of any school district, as defined in section 123.32, subdivision 1a, may petition the state auditor, who shall be subject to the same restrictions regarding the scope and period of audit, provided that the petition shall be signed by at least ten eligible voters for each 50 resident pupils in average daily membership during the preceding school year as shown on the records in the office of the commissioner of education. In the case of school districts, the petition shall be signed by at least ten eligible voters. At the time it is circulated, every petition shall contain a statement that the cost of the audit will be borne by the city or school district as provided by law. Thirty days before the petition is delivered to the state auditor it shall be presented to the appropriate city or school district clerk and the county auditor. The county auditor shall determine and certify whether the petition is signed by the required number of registered voters or eligible voters as the case may be. The certificate shall be conclusive evidence thereof in any action or proceeding for the recovery of the costs, charges and expenses of any examination made pursuant to the petition.

Sec. 2. Minnesota Statutes 1986, section 122.22, subdivision 2, is amended to read:

Subd. 2. Proceedings under this section may be instituted by:

(a) Resolution of the county board of the county containing the greatest land area of the district proposed for dissolution when the

district is dissolved pursuant to sections 122.32 to 122.52.

(b) Petition executed by a majority of the eligible voters, as defined in section 123.32, subdivision 1a, of the district proposed for dissolution and addressed to the county board of the county containing the greatest land area of the district.

(c) Certification by the clerk of the district proposed for dissolution to the county board of the county containing the greatest land area of the district to the effect that a majority of votes cast at an election were in favor of dissolving the district.

Sec. 3. Minnesota Statutes 1986, section 122.22, subdivision 4, is amended to read:

Subd. 4. A petition executed pursuant to subdivision 2(b) shall be filed with the auditor. It shall contain the following:

(a) A statement that petitioners desire proceedings instituted leading to dissolution of the district and other provisions made for the education of the inhabitants of the territory and that petitioners are eligible voters, as defined in section 123.32, subdivision 1a, of the district;

(b) An identification of the district; and

(c) The reasons supporting the petition which may include recommendations as to disposition of territory to be dissolved. The recommendations are advisory in nature only and are not binding on any petitioners or county board for any purpose.

The persons circulating the petition shall attach their affidavit swearing or affirming that the persons executing the petition are eligible voters, as defined in section 123.32, subdivision 1a, of the district and that they signed in the presence of one of the circulators.

The auditor shall present the petition to the county board at its next meeting. At that meeting, the county board shall determine a date for a hearing. The hearing shall be not less than 20 nor more than 60 days from the date of that meeting.

Sec. 4. Minnesota Statutes 1986, section 122.23, subdivision 2, is amended to read:

Subd. 2. Upon a resolution of a school board in the area proposed for consolidation or upon receipt of a petition therefor executed by 25 percent of the voters resident in the area proposed for consolidation or by 50 such voters, whichever is lesser, the county auditor of the county which contains the greatest land area of the proposed new district shall forthwith cause a plat to be prepared. The resolution or

petition shall show the approximate area proposed for consolidation. The resolution or petition may propose either that the bonded debt of the component districts will be paid according to the levies previously made for that debt under chapter 475, as provided in subdivision 16a, or that the taxable property in the newly created district will be taxable for the payment of the bonded debt previously incurred by any component district as provided in subdivision 16b. The resolution or petition may also propose that referendum levies previously approved by voters of the component districts pursuant to section 124A.03, subdivision 2, or its predecessor provision, be combined as provided in section 122.531, subdivision 2a or 2b, or that the referendum levies be discontinued. The resolution or petition may also propose that the board of the newly created district consist of seven members, and may also propose the establishment of separate election districts from which school board members will be elected, the boundaries of these election districts, and the initial term of the member elected from each of these election districts. If a county auditor receives more than one request for a plat and the requests involve parts of identical districts, the auditor shall forthwith prepare a plat which in the auditor's opinion best serves the educational interests of the inhabitants of the districts or areas affected. The plat shall show:

- (a) Boundaries of the proposed district, as determined by the county auditor, and present district boundaries,
- (b) The location of school buildings in the area proposed as a new district and the location of school buildings in adjoining districts,
- (c) The boundaries of any proposed separate election districts, in accordance with the provisions of section 123.32, and
- (d) Other pertinent information as determined by the county auditor.

Sec. 5. Minnesota Statutes 1986, section 122.23, subdivision 9, is amended to read:

Subd. 9. If the approved plat contains land area in more than one independent district maintaining a secondary school, or common district maintaining a secondary school, and if each board entitled to act on the plat approves the plat, each board shall cause notice of its action to be published at least once in its official newspaper. If five percent of the eligible voters, as defined in section 123.32, subdivision 1a, of any such district petition the clerk of the district, within 30 days after the publication of the notice, for an election on the question, the consolidation shall not become effective until approved by a majority vote in the district at an election held in the manner provided in subdivisions 11, 12, and 13.

Sec. 6. Minnesota Statutes 1986, section 122.23, subdivision 10, is amended to read:

Subd. 10. If an approved plat contains land area in any district not entitled to act on approval or rejection of the plat by action of its

board, the plat may be approved by the residents of the land area within 60 days of approval of plat by the state board in the following manner:

A petition calling upon the county auditor to call and conduct an election on the question of adoption or rejection of the plat may be circulated in the land area by any person residing in the area. Upon the filing of the petition with the county auditor, executed by at least 25 percent of the eligible voters, as defined in section 123.32, subdivision 1a, in each district or part of a district contained in the land area, the county auditor shall forthwith call and conduct a special election of the electors resident in the whole land area on the question of adoption of the plat. For the purposes of this section, the term "electors resident in the whole land area" means any person residing on any remaining portion of land, a part of which is included in the consolidation plat. Any eligible voter, as defined in section 123.32, subdivision 1a, owning land included in the plat who lives upon land adjacent or contiguous to that part of the voter's land included in the plat shall be included and counted in computing the 25 percent of the eligible voters, as defined in section 123.32, subdivision 1a, necessary to sign the petition and shall also be qualified to sign the petition. Failure to file the petition within 60 days of approval of the plat by the state board terminates the proceedings.

Sec. 7. Minnesota Statutes 1986, section 122.25, subdivision 1, is amended to read:

Subdivision 1. If six or more eligible voters, as defined in section 123.32, subdivision 1a, of a common district desire to change the organization of their district to an independent district, they may call for a vote upon the question at the next annual meeting by filing a petition therefor with the clerk. In the notice for the meeting, the clerk shall include a statement that the question will be voted upon at the meeting.

Sec. 8. Minnesota Statutes 1986, section 123.11, subdivision 7, is amended to read:

Subd. 7. Upon the filing of a petition therefor, executed by five eligible voters, as defined in section 123.32, subdivision 1a Minnesota election law, of the common district, specifying the business to be acted upon, or upon the adoption of a proper resolution so specifying, signed by a majority of the members of the board, the clerk shall forthwith call a special meeting of the district upon ten days' posted notice and one week's published notice if there be a newspaper printed in the district and specify in the notice the business named in the request or resolution and the time and place of the meeting. If there be no clerk in the district or if the clerk fails for three days after receiving a request or resolution to give notice of a meeting, it may be called by like notice by five eligible voters, as

defined in ~~section 123.32, subdivision 1a~~ Minnesota election law, of the district. No business except that named in the notice shall be transacted at the meeting. If there are not five eligible voters, as defined in ~~section 123.32, subdivision 1a~~ Minnesota election law, or if there is not a board therein, the county auditor may call a special meeting by giving notice thereof as provided in this section. The voters at a special meeting have power to repeal or modify their proceedings.

Sec. 9. Minnesota Statutes 1986, section 123.33, subdivision 4, is amended to read:

Subd. 4. Any other vacancy in a board shall be filled by the board appointment at any a regular or special meeting thereof. Such The appointment shall be evidenced by a resolution entered in the minutes and shall continue until July 1 next following such appointment an election is held under this subdivision. All elections to fill vacancies shall be for the unexpired term. If the vacancy occurs before the first day to file affidavits of candidacy for the next school district general election and more than two years remain in the unexpired term, a special election shall be held in conjunction with the school district general election. The appointed person shall serve until the qualification of the successor elected to fill the unexpired part of the term at that special election. If the vacancy occurs on or after the first day to file affidavits of candidacy for the school district general election or when less than two years remain in the unexpired term, there shall be no special election to fill the vacancy and the appointed person shall serve the remainder of the unexpired term and until a successor is elected and qualifies at the school district election.

Sec. 10. Minnesota Statutes 1986, section 123.351, subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT.] Two or more independent school districts may enter into an agreement to establish a cooperative center to provide for vocational education and other educational services upon the vote of a majority of the full membership of each of the boards of the districts entering into the agreement. When a resolution approving this action has been adopted by the board of a district, the resolution shall be published once in a newspaper of general circulation in the district. If a petition for referendum on the question of the district entering into the agreement, containing signatures of qualified voters of the district equal to five percent of the number of voters at the last ~~annual~~ school district general election, is filed with the clerk of the board within 60 days after publication of the resolution, the board shall not enter into the agreement until the question has been submitted to the voters of the district at a special election. This election shall be conducted and canvassed in accordance with section 123.32 the same manner as school district general elections. If a majority of the total number of

votes cast on the question within the district is in favor of the proposition, the board may thereupon enter into an agreement to establish the center for purposes herein described in this section.

Sec. 11. Minnesota Statutes 1986, section 123.51, is amended to read:

123.51 [SPECIAL SCHOOL DISTRICTS, LAWS APPLICABLE.]

Special districts as now organized shall continue to operate under the special legislation and charter provisions governing them until conversion to independent districts. The provisions of law relating to independent districts shall apply to and govern each special district unless the special laws and charter provisions governing the special district provide for the matter, in which case the special laws and charter provisions relating to the special district shall apply and control. Article 1, sections 58 to 68, control and supersede inconsistent provisions of special laws or charters in the administration of school district elections in special districts.

Sec. 12. Minnesota Statutes 1986, section 127.09, is amended to read:

127.09 [REFUSING TO SERVE ON SCHOOL BOARD.]

Any person who accepts election or appointment to any school board and who refuses or neglects to qualify or to serve or to perform any of the duties of the office, shall be fined \$10 for each offense. The fine shall be collected in an action before a county or municipal court. It may be prosecuted in the name of the district by any school board member or eligible voter, as defined in section 123.32, ~~subdivision 1a,~~ of the district.

Sec. 13. Minnesota Statutes 1986, section 127.11, is amended to read:

127.11 [DRAWING ILLEGAL ORDER.]

Any school district clerk who illegally draws an order upon the treasurer, any chair or other officer who attests the order, and any school district treasurer who knowingly pays the order, shall each forfeit to the district twice the amount of the order, to be collected in an action brought in the name of the district by any eligible voter, as defined in section 123.32, ~~subdivision 1a,~~ of the district.

Sec. 14. [REPEALER.]

Minnesota Statutes 1986, sections 123.015 and 123.32, are repealed.

## Sec. 15. [EFFECTIVE DATE.]

Sections 1 to 14 are effective July 1, 1988."

Delete the title and insert:

"A bill for an act relating to elections; providing for school district elections to be conducted according to Minnesota election law; amending Minnesota Statutes 1986, sections 6.54; 122.22, subdivisions 2 and 4; 122.23, subdivisions 2, 9, and 10; 122.25, subdivision 1; 123.11, subdivision 7; 123.33, subdivision 4; 123.351, subdivision 1; 123.51; 127.09; 127.11; 200.01; 200.015; 200.02, by adding a subdivision; 201.016, subdivision 2; 201.018, subdivision 2; 201.061, subdivisions 3 and 6; 201.071, subdivisions 1, 3, 5, 6, and by adding a subdivision; 201.221, subdivisions 3 and 4; 201.27, subdivision 2; 203B.01, subdivision 2; 203B.04, subdivisions 1 and 2; 203B.05, subdivisions 1 and 2; 203B.06, subdivision 2; 203B.08, subdivision 4; 203B.10; 203B.11, subdivision 1; 203B.12, subdivision 6; 203B.13; 203B.15; 203B.19; 203B.23; 204B.02; 204B.09, subdivision 2; 204B.16, subdivision 1; 204B.18, subdivision 2; 204B.19, subdivision 1; 204B.21, subdivision 2; 204B.25, subdivision 1; 204B.29; 204B.31; 204B.32; 204B.34, by adding a subdivision; 204B.35, subdivision 1; 204C.02; 204C.06, subdivision 2; 204C.07, subdivision 3; 204C.08, subdivision 4; 204C.10, subdivision 2; 204C.19, subdivision 2; 204C.20, subdivision 4; 204C.24, subdivision 2; 204C.25; 204C.26, subdivisions 2 and 3; 204C.27; 204C.28, subdivision 2, and by adding a subdivision; 204C.29, subdivision 1; 204C.36; 206.56, by adding a subdivision; 206.58, subdivision 2; 209.02; 209.021, subdivision 3; 210A.01, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 206; proposing coding for new law as Minnesota Statutes, chapter 205A; repealing Minnesota Statutes 1986, sections 123.015; 123.32; and 201.095."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 290, A bill for an act relating to human services; establishing a board of social work examiners; licensing and regulating social workers; providing penalties; appropriating money; amending Minnesota Statutes 1986, section 214.01, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 148A.

Reported the same back with the following amendments:

Page 1, after line 19, insert:

"Subd. 4. [COUNTY AGENCY SOCIAL WORKER.] "County agency social worker" means an individual who is employed by a

county social service agency in Minnesota in social work practice or clinical social work.

Subd. 5. [STATE AGENCY SOCIAL WORKER.] “State agency social worker” means an individual who is employed by a state social service agency in Minnesota in social work practice or clinical social work.”

Page 2, line 1, delete “4” and insert “6”

Renumber the subdivisions in sequence

Page 2, line 27, delete “5, clauses (1), (2), and (3)” and insert “6”

Page 3, line 16, delete “7” and insert “9”

Page 3, line 16, delete “levels” and insert “categories”

Page 3, line 31, delete “psychotherapy”

Page 3, delete line 32

Page 3, line 33, delete “and”

Page 3, line 34, after “needs” insert “; and psychotherapy when conducted under supervision as defined in subdivision 12”

Page 4, after line 10, insert:

“Social work practice is not medical care nor any other type of remedial care that may be reimbursed under medical assistance, chapter 256B, except to the extent such care is reimbursed under section 256B.02, subdivision 8, clause (5).”

Page 4, line 33, delete “In addition, the”

Page 5, line 1, delete “and”

Page 5, line 3, delete the period and insert “; and”

Page 5, after line 3, insert “(5) in addition, at least one member shall be a person of color and at least two members shall reside outside of the seven-county metropolitan area.”

Page 5, line 26, after “ethics” insert “and requirements for continuing education”

Page 7, line 17, delete “10” and insert “12”

Page 7, line 18, after "years" insert "in full-time employment"

Page 7, line 30, delete "10" and insert "12"

Page 8, line 5, after "years" insert "in full-time employment"

Page 8, line 7, delete "10" and insert "12"

Page 8, line 24, after "years" insert "in full-time employment"

Page 8, line 25, delete "10" and insert "12"

Page 9, line 2, delete "annually" and insert "during each three-year period"

Page 9, line 3, delete "15" and insert "45"

Page 9, line 14, after "years" insert "in full-time employment"

Page 9, line 28, after "years" insert "in full-time employment"

Page 10, line 1, after "years" insert "in full-time employment"

Page 11, line 22, after the period insert "County agency social workers and state agency social workers who are not licensed under sections 1 to 11 may use the title county agency social worker or state agency social worker."

Page 12, line 17, delete "PUBLIC" and insert "COUNTY AND STATE"

Page 12, line 18, delete "public" and insert "county and state"

Page 12, line 18, delete everything after "voluntary"

Page 12, delete lines 19 and 20 and insert "County and state agencies employing social workers shall not be required to employ licensed social workers, nor shall they require their social worker employees to be licensed."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 415, A bill for an act relating to state government; regulating the state council for the handicapped; extending the time for appeals by the council from state building code decisions affecting the interests of handicapped persons; changing the name of the council; amending the duties and responsibilities of the council; authorizing the council to initiate or intervene in proceedings affecting handicapped persons; amending Minnesota Statutes 1986, sections 16B.67; and 256.482.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 16B.67, is amended to read:

16B.67 [APPEALS.]

A person aggrieved by the final decision of any municipality as to the application of the code, including any rules adopted under sections 471.465 to 471.469, may, within ~~30~~ 180 days of the decision, appeal to the commissioner. Appellant shall submit a fee of \$20, payable to the commissioner, with the request for appeal. The final decision of the involved municipality is subject to review de novo by the commissioner or a designee. The commissioner shall submit written findings to the parties. Any person aggrieved by a ruling of the commissioner may appeal in accordance with chapter 14. For the purpose of this section "any person aggrieved" includes the state council for the handicapped on disability. No fee shall be required when the council for the handicapped on disability is the appellant.

Sec. 2. Minnesota Statutes 1986, section 256.482, is amended to read:

256.482 [COUNCIL FOR THE HANDICAPPED ON DISABILITY.]

Subdivision 1. [ESTABLISHMENT; MEMBERS.] There is hereby established the council for the handicapped on disability which shall consist of 21 members appointed by the governor. Members shall be appointed from the general public and from organizations which provide services for handicapped persons who have a disability. A majority of council members shall be handicapped persons with a disability or parents or guardians of handicapped persons with a disability. There shall be at least one member of the council appointed from each of the state development regions. The commissioners of the departments of education, human services, health,

jobs and training, and human rights and the directors of the division of ~~vocational~~ rehabilitation services and state services for the blind or their designees shall serve as ex officio members of the council without vote. In addition, ~~there the council may be~~ appoint ex officio members from other bureaus, divisions, or sections of state departments which are directly concerned with the provision of services to handicapped persons with a disability.

The terms of members serving as of December 31, 1983, shall expire on that date. Thereafter, Notwithstanding the provisions of section 15.059, each member of the council appointed by the governor shall serve a three-year term and until a successor is appointed and qualified, provided that of the members initially appointed to serve starting in 1984, ~~one-third shall be appointed for one year, one-third for two years, and one-third for three years as designated by the governor.~~ The compensation and removal of all members and expiration of the council shall be as provided in section 15.059. The governor shall appoint a chair of the council from among the members appointed from the general public or ~~handicapped who are persons with a disability~~ or their parents or guardians. Vacancies shall be filled by the appointing authority for the remainder of the unexpired term. The council shall not expire as provided in section 15.059.

Subd. 2. [EXECUTIVE DIRECTOR; STAFF] The council may select an executive director of the council by a vote of a majority of all council members. The executive director shall be in the unclassified service of the state and shall provide administrative support for the council and provide administrative leadership to implement council mandates, policies, and objectives. The executive director shall employ and direct staff authorized according to state law and necessary to carry out council mandates, policies, activities, and objectives. The salary of the executive director and staff shall be established pursuant to chapter 43A. The executive director and staff shall be reimbursed for the actual and necessary expenses incurred as a result of their council responsibilities.

Subd. 3. [RECEIPT OF FUNDS.] Whenever any person, firm or corporation offers to the council funds by the way of gift, grant or loan, for purposes of assisting the council to carry out its powers and duties, the council may accept ~~such~~ the offer by majority vote and upon ~~such~~ acceptance the chair shall receive ~~such~~ the funds subject to the terms of the offer, ~~but~~. However, no money shall be accepted or received as a loan nor shall any indebtedness be incurred except in the manner and under the limitations otherwise provided by law.

Subd. 4. [ORGANIZATION; COMMITTEES.] The council shall organize itself in conformity with its responsibilities under sections 256.481 to 256.482 and shall establish committees which shall give detailed attention to the special needs of each category of ~~handicapped persons who have a disability~~. The members of ~~such~~ the

committees shall be designated by the chair with the approval of a majority of the council. ~~Committees established shall include a committee on children which shall study the special needs of handicapped children and a committee on employment which shall study the special employment needs of handicapped persons.~~ The council shall serve as liaison in Minnesota for the president's committee on employment of the handicapped and for any other organization for which it is so designated by the governor or state legislature.

Subd. 5. [DUTIES AND POWERS.] The council shall have the following duties and powers:

(1) to advise and otherwise aid the governor; appropriate state agencies, including but not limited to the departments of education, human services, jobs and training, and human rights, and the divisions of ~~vocational rehabilitation services~~ and services for the blind; the state legislature; and the public on matters pertaining to public policy and the administration of programs, services and facilities for ~~handicapped persons~~ who have a disability in Minnesota;

(2) to encourage and assist in the development of coordinated, interdepartmental goals and objectives and the coordination of programs, services and facilities among all state departments and private providers of service as they relate to ~~handicapped persons~~ with a disability;

(3) to serve as a source of information to the public regarding all services, programs and legislation pertaining to ~~handicapped persons~~ with a disability;

(4) to review and make comment to the governor, state agencies, the legislature, and the public concerning adequacy of state programs, plans and budgets for services to ~~handicapped persons~~ with a disability and for funding under the various federal grant programs;

(5) to research, formulate and advocate plans, programs and policies which will serve the needs of ~~handicapped persons~~ who are disabled;

(6) to advise the departments of labor and industry and jobs and training on the administration and improvement of the workers' compensation law as the law it relates to programs, facilities and personnel providing assistance to workers who are injured and ~~handicapped workers~~ disabled;

(7) to advise the workers' compensation division of the department of labor and industry and the workers' compensation court of appeals as to the necessity and extent of any alteration or remodeling of an

existing residence or the building or purchase of a new or different residence which is proposed by a licensed architect under section 176.137;

(8) to initiate or seek to intervene as a party in any administrative proceeding and judicial review thereof to protect and advance the right of all persons who are disabled to an accessible physical environment as provided in section 16B.67; and

(9) to initiate or seek to intervene as a party in any administrative or judicial proceeding which concerns programs or services provided by public or private agencies or organizations and which directly affects the legal rights of persons with a disability.

Subd. 5a. [COLLECTION OF FEES.] The council is empowered to establish and collect fees for documents or technical services provided to the public. The fees shall be set at a level to reimburse the council for the actual cost incurred in providing the document or service. Notwithstanding the provisions of section 16A.72, all fees collected shall be deposited into the state treasury and credited to a separate dedicated account for council services. All money in this dedicated account is annually appropriated to the council to provide documents and technical services to the public.

### Sec. 3. [INSTRUCTION TO REVISOR.]

The revisor of statutes is directed to change the words "council for the handicapped" or "state council for the handicapped" wherever they appear in Minnesota Statutes to "council on disability" in the next edition of Minnesota Statutes."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Otis from the Committee on Economic Development and Housing to which was referred:

H. F. No. 442, A bill for an act relating to agriculture; establishing an interest rate buy-down program for agriculture-related small business; appropriating money.

Reported the same back with the following amendments:

Page 1, line 10, delete "AGRICULTURE-RELATED"

Page 1, line 11, delete "Agriculture-related"

Page 1, line 12, delete “the” and insert “that is not located in Anoka, Dakota, Carver, Hennepin, Ramsey, Scott, and Washington counties. A small business for the purposes of sections 1 to 9 may have gross sales up to \$2,000,000.”

Page 1, delete lines 13 to 18

Page 1, line 21, delete “an” and insert “a”

Page 1, line 22, delete “agriculture-related”

Page 2, line 12, delete “an agriculture-related” and insert “a”

Page 2, line 20, delete “farm” and insert “business”

Page 2, line 32, delete “FARMER” and insert “BUSINESS”

Page 3, after line 4, insert:

“The commissioner shall determine the procedure for the calculation of the debt-to-asset ratio as part of the guideline required under section 4. In determining the procedure, the commissioner shall take into consideration the various options for the organization of business including sole proprietorship, cooperatives, partnerships, and corporations.”

Page 4, line 20, delete “FARMER” and insert “BUSINESS”

Amend the title as follows:

Page 1, line 2, delete “agriculture” and insert “small business”

Page 1, line 3, delete “agriculture-related”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Skoglund from the Committee on Financial Institutions and Insurance to which was referred:

H. F. No. 450, A bill for an act relating to commerce; regulating the advertisement of interest rates of investment products; prescribing the powers and duties of the commissioner; providing for uniformity in the enforcement powers of the commissioner; prescribing penalties; providing remedies; amending Minnesota Statutes 1986, section 60A.17, subdivision 6c; proposing coding for new law in Minnesota Statutes, chapter 45; repealing Minnesota Statutes 1986,

sections 72A.23; 72A.24; 72A.28; 80A.20; 80A.21; 80C.15; 80C.16, subdivision 1; 82.25; 82.26; 83.34; and 83.35, subdivision 3.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [45.025] [ADVERTISEMENT OF INTEREST RATES.]

Subdivision 1. [DEFINITIONS.] For the purposes of this section only, the following terms have the meanings given them:

(a) "Advertisement" includes:

(1) printed or published material, audio visual material, and descriptive literature of an issuer or agent used in direct mail, newspapers, magazines, other periodicals, radio scripts, television scripts, billboards, and other similar displays, excluding advertisements prepared for the sole purpose of obtaining employees, agents, or agencies;

(2) descriptive literature and sales ads of all kinds issued by an issuer or agent for presentation to members of the public, including but not limited to circulars, leaflets, booklets, depictions, illustrations, and form letters;

(3) prepared sales talks, presentations, and materials for use by issuers and agents and representations made by issuers and agents in accordance with these talks, presentations, and materials; and

(4) statements, written or oral, by an agent or issuer.

(b) "Agent" is a person who effects or attempts to effect or assist in the purchase or sale of an investment product.

(c) "Commissioner" means the commissioner of commerce.

(d) "Effective annual yield" is the annualized income expressed as a simple interest rate per annum based on the initial investment principal which may include compounding interest.

(e) "Effective net annual yield" means the effective annual yield, based on a hypothetical \$1,000 investment, minus any annual fee or similar regular periodic charges.

(f) "Investment product" includes but is not limited to:

(1) certificate of deposits, deposits, or fiduciary funds entrusted to banks, savings associations, trust companies, credit unions, savings banks, industrial loan and thrift companies, and any other financial

institution whether or not licensed by or registered with the department of commerce;

(2) annuities, endowment policies, or other life insurance products;

(3) securities including a note; stock; treasury stock; bond; debenture; evidence of indebtedness; certificate of interest or participation in any profit sharing agreement; collateral trust certificate; preorganizational certificate or subscription; transferrable shares; investment contract, including but not limited to metals, gems, and coins; voting trust certificate; certificate of deposit for a security; certificate of interest or participation in an oil, gas, or mining right, title or lease, or in payments out of production under the right, title or lease; or in general any interest or instrument commonly known as a security, or any certificate of interest or participation in, temporary or interim certificate for, receipt for guarantee of, or warrant or right to subscribe to or purchase, any of the securities listed in this clause.

(g) "Issuer" includes but is not limited to: banks, savings associations, trust companies, credit unions, savings banks, industrial loan and thrift companies, insurance companies, investment companies, trusts, or a person who issues an investment product.

(h) "Person" means an individual, corporation, a partnership, an association, a joint stock company, a trust where the interests of the beneficiaries are evidenced by a security, an unincorporated organization, a government, a political subdivision of a government, or any other entity.

Subd. 2. [GENERAL RESTRICTION.] No person shall advertise the interest rate of an investment product unless the following disclosures are made in an equally prominent manner:

(a) The effective annual yield.

(b) The effective net annual yield.

(c) Any prepayment expense, surrender charge, or withdrawal penalty, charged by the issuer. If the expense, charge, or penalty varies according to the length of time the product is held, the advertisement shall disclose the expense, fee, or penalty imposed if surrendered or terminated within one year.

(d) The name and address of the issuer.

Subd. 3. [VARIABLE RATES.] An investment product whose interest rate varies according to the income or earnings of the issuer shall not advertise projections of effective annual yield for a period

exceeding one year. In addition, the advertisement shall include in an equally prominent manner the following statement:

"The effective annual yield or total return will fluctuate along with market and other economic conditions. Past performance does not guarantee future results."

Subd. 4. [PAST PERFORMANCE.] If the advertisement refers to the past performance of an investment product, the advertisement must disclose the effective net annual yield for the one-year period immediately preceding the most recent quarter. Quarters for the purposes of this subdivision end on March 31, June 30, September 30, and December 31.

Subd. 5. [COMPARATIVE ILLUSTRATIONS.] Illustrations comparing a life insurance policy or annuity contract of one company with a life insurance policy or an annuity contract of another company must clearly disclose with equal prominence for each policy or contract:

- (1) the guaranteed rate of interest paid on the cash value;
- (2) the current dividend scale or current rate of interest paid on the cash value;
- (3) the nonguaranteed nature of any current dividends, current interest rates, charges, or other fees applied to the policy or contract, including the issuer's rights to alter any of these factors;
- (4) any limitations on the crediting of dividends or interest;
- (5) the frequency and timing by which dividends or the current interest rate is determined; and
- (6) the net cash surrender value at all ages and contract durations illustrated.

This subdivision does not apply to individual life insurance policy and annuity contract illustrations based upon the prospective purchaser's age and sex which do not provide a comparison with another policy or contract.

Subd. 6. [WAIVER.] The commissioner may by rule or order waive the provisions of subdivisions 2 to 5 with regard to any person or persons who comply with similar or more stringent restrictions imposed by the Securities and Exchange Commission or other federal regulatory agency."

Amend the title as follows:

Page 1, line 3, delete "prescribing the"

Page 1, delete lines 4 to 7

Page 1, line 8, delete "60A.17, subdivision 6c;"

Page 1, line 9, delete "; repealing Minnesota" and insert a period

Page 1, delete lines 10 to 12

With the recommendation that when so amended the bill pass.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 523, A bill for an act relating to elections; changing certain voter registration procedures to increase voter participation; providing for a computerized central registration system, voter registration forms in state income tax forms and booklets, and a combined voter registration, driver's license, and identification card form; appropriating money; amending Minnesota Statutes 1986, sections 201.021; 201.054, subdivision 1; 201.061, subdivision 1; 201.071, subdivision 4; 201.081; 201.121, subdivision 1; 201.13; 201.15; 201.161; 201.171; 201.221, subdivision 2; 290.39, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 201.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 547, A bill for an act relating to state government; creating a legislative commission on fiscal policy; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 3.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 564, A resolution memorializing the Federal Energy Regulatory Commission; expressing the Legislature's opposition to Northern States Power Company's application to install additional hydropower generating facilities at the Falls of St. Anthony in Minneapolis, Minnesota.

Reported the same back with the following amendments:

Delete everything after the title and insert:

*Whereas*, Father Louis Hennepin first sighted the Falls of St. Anthony in 1680 on his exploration of the territory that would later become known as the State of Minnesota; and

*Whereas*, the Falls of St. Anthony acted as the cornerstone of a community of pioneer settlers that later became known as the City of Minneapolis; and

*Whereas*, the Falls of St. Anthony was a vital part in the economic development of the City of Minneapolis and the State of Minnesota; and

*Whereas*, the Falls of St. Anthony were incorporated into the Great Seal of the State of Minnesota from the earliest beginnings of statehood; and

*Whereas*, the Falls of St. Anthony continues to be a part of the Great Seal of the State of Minnesota to depict the Falls of St. Anthony's importance in transportation and industry and is on the State's list of privately owned historic sights; and

*Whereas*, there has always been a history of multiple use of the Falls of St. Anthony including lumber milling, grain milling, hydropower production, recreational, scenic, and river transportation; and

*Whereas*, the Federal Government, the State of Minnesota, the Metropolitan Council, and the City of Minneapolis have made a major investment of public funds to reclaim the Mississippi Riverfront area surrounding the Falls of St. Anthony for recreational, scenic, and economic development purposes; and

*Whereas*, the potential private investment in area around the Falls of St. Anthony is expected to exceed \$800,000,000 and the aesthetic value of the Falls of St. Anthony is integral to that development; and

*Whereas*, the redevelopment of the riverfront area will open the area to people who have been underserved by such amenities in the past; and

*Whereas*, the Corp of Engineers and Northern States Power Company have both investigated in recent years the possibility of installing additional hydropower facilities; and

*Whereas*, Northern States Power Company has demonstrated sensitivity to community concerns about the impact of such additional hydropower development by withdrawing its recent license application to the Federal Energy Regulatory Commission; and

*Whereas*, additional power generating turbines could capture virtually all of the constant flow of the Mississippi River at the Falls of St. Anthony, for power generating purposes only; and

*Whereas*, additional power generating turbines would permanently alter the character of the Falls of St. Anthony and take permanently the historic, aesthetic, and recreational qualities of the Falls of St. Anthony out of the public domain; *Now, Therefore*,

*Be It Resolved* by the Legislature of the State of Minnesota that it urges the Federal Energy Regulatory Commission to deny any application for additional hydropower generation at the Falls of St. Anthony in Minneapolis, Minnesota.

*Be It Further Resolved* that the Secretary of State of the State of Minnesota is directed to prepare certified copies of this resolution and present them to the Federal Energy Regulatory Commission and to Minnesota's Senators and Representatives in Congress."

Amend the title as follows:

Page 1, line 3, after "to" insert "the"

Page 1, line 4, delete "Northern States Power Company's application to install" and insert "installation of"

With the recommendation that when so amended the bill pass.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 576, A bill for an act relating to commerce; regulating securities; restricting certain charges made by investment advisors and broker dealers; providing for the denial, suspension, and revocation of licenses and the censure of licensees; exempting the sale of

certain stock of a closely-held corporation; exempting certain industrial revenue bond transactions; regulating real estate brokers and salespersons; prohibiting commission-splitting and rebating on timeshare and other recreational lands; providing for continuing education of brokers; regulating licensees acting as principals; regulating business corporations; providing for the indemnification of certain persons against expenses and liabilities; regulating abandoned property; establishing a presumption of abandonment for certain profits or sums held by a cooperative; regulating the preparation and retention of abstracts of title to real property; transferring the powers and duties of the commissioner for the regulation of social and charitable organizations to the attorney general; amending Minnesota Statutes 1986, sections 80A.06, subdivision 5; 80A.07, subdivision 1; 80A.14, subdivision 18; 80A.15, subdivision 2; 82.17, subdivision 4; 82.19, subdivision 3; 82.21, subdivision 1; 82.22, subdivision 6; 82.24, subdivision 2; 82.34, subdivision 19; 302A.161, subdivision 22; 345.39; 386.375; and 302A.521, by adding a subdivision; repealing Minnesota Statutes 1986, section 309.55.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [45.025] [REGULATION OF BUSINESS OF FINANCIAL PLANNING.]

Subdivision 1. [DEFINITIONS.] For the purposes of this section, the following terms have the meanings given them:

(a) "Person" means an individual, corporation, partnership, joint venture, joint stock association, trust, or unincorporated association.

(b) "Financial planner" means a person who provides or offers to provide financial planning services or financial counseling or advice on a group or individual basis. A person who, on advertisements, cards, signs, circulars, letterheads, or in another manner, indicates that the person is a "financial planner," "financial counselor," "financial adviser," "investment counselor," "estate planner," "investment adviser," "financial consultant," or other similar designation, title, or combination is considered to be representing himself or herself to be engaged in the business of financial planning.

(c) "Advertisement" includes:

(1) printed or published material, audiovisual material, and descriptive literature of a financial planner used in direct mail, newspapers, magazines, other periodicals, radio scripts, television scripts, billboards, and other similar displays, excluding advertisements prepared for the sole purpose of obtaining employees, agents, or agencies;

(2) descriptive literature and sales ads of all kinds issued by a financial planner for presentation to members of the public, including but not limited to, circulars, leaflets, booklets, depictions, illustrations, and form letters;

(3) prepared sales talks, presentations, and materials for use by a financial planner and any representations made by a financial planner in accordance with these talks, presentations, and materials; and

(4) statements, written or oral, by a financial planner.

Subd. 2. [LIABILITY.] A person who represents himself or herself as a financial planner is liable to a person for whom the services are performed for compensation and who is damaged by reason of reliance upon the services.

A person damaged through reliance upon the services of a financial planner may bring a civil action for equitable relief as determined by the court and for damages resulting from the reliance, together with costs and disbursements, including the cost of investigation and attorney's fees.

Subd. 3. [PENALTY.] A financial planner who damages a person in the course of rendering financial planning services is subject to the penalties specified in chapter 45.

## Sec. 2. [45.026] [INVESTIGATIONS AND SUBPOENAS.]

Subdivision 1. [GENERAL POWERS.] In connection with the administration of chapters 45 to 83, 309, and 332, the commissioner of commerce may:

(1) make such public or private investigations within or without this state as the commissioner considers necessary to determine whether any person has violated or is about to violate chapters 45 to 83, 309, and 332 or any rule or order under those chapters, or to aid in the enforcement of chapters 45 to 83, 309, and 332 or in the prescribing of rules or forms under those chapters;

(2) require or permit any person to file a statement in writing, under oath or otherwise as the commissioner determines, as to all the facts and circumstances concerning the matter being investigated;

(3) hold hearings, upon reasonable notice, in respect to any matter arising out of the administration of chapters 45 to 83, 309, and 332;

(4) conduct investigations and hold hearings for the purpose of compiling information with a view to recommending changes in chapters 45 to 83, 309, and 332 to the legislature;

(5) examine the books, accounts, records, and files of every licensee under chapters 45 to 83, 309, and 332 and of every person who is engaged in any activity regulated under chapters 45 to 83, 309, and 332 and the commissioner or a designated representative shall have free access during normal business hours to the offices and places of business of the person, and to all books, accounts, papers, records, files, safes, and vaults maintained in the place of business;

(6) publish information which is contained in any order issued by the commissioner; and

(7) require any person subject to chapters 45 to 83, 309, and 332 to report all sales or transactions that are regulated under chapters 45 to 83, 309, and 332. The reports must be made within ten days after the commissioner has ordered the report. The report is accessible only to the respondent and other governmental agencies unless otherwise ordered by a court of competent jurisdiction.

Subd. 2. [POWER TO COMPEL PRODUCTION OF EVIDENCE.] For the purpose of any investigation, hearing, or proceeding under chapters 45 to 83, 309, and 332, the commissioner or a designated representative may administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, and require the production of books, papers, correspondence, memoranda, agreements, or other documents or records that the commissioner considers relevant or material to the inquiry.

Subd. 3. [COURT ORDERS.] In case of contumacy by, or refusal to obey a subpoena issued to any person, the district court, upon application by the commissioner, may issue to any person an order directing that person to appear before the commissioner, or the officer designated by the commissioner, there to produce documentary evidence if so ordered or to give evidence relating to the matter under investigation or in question. Failure to obey the order of the court may be punished by the court as a contempt of court.

Subd. 4. [SCOPE OF PRIVILEGE.] No person is excused from attending and testifying or from producing any document or record before the commissioner, or in obedience to the subpoena of the commissioner or any officer designated by the commissioner or in proceeding instituted by the commissioner, on the ground that the testimony or evidence required may tend to incriminate that person or subject that person to a penalty of forfeiture. No person may be prosecuted or subjected to a penalty or forfeiture for or on account of a transaction, matter, or thing concerning which the person is compelled, after claiming the privilege against self-incrimination, to testify or produce evidence, documentary or otherwise, except

that the individual is not exempt from prosecution and punishment for perjury or contempt committed in testifying.

Subd. 5. [LEGAL ACTIONS; INJUNCTIONS; CEASE AND DESIST ORDERS.] Whenever it appears to the commissioner that any person has engaged or is about to engage in any act or practice constituting a violation of chapters 45 to 83, 309, and 332 or any rule or order adopted under those chapters, the commissioner has the following powers: (1) the commissioner may bring an action in the name of the state in the district court of the appropriate county to enjoin the acts or practices and to enforce compliance with chapters 45 to 83, 309, and 332 or any rule or order adopted or issued under those chapters, or the commissioner may refer the matter to the attorney general or the county attorney of the appropriate county. Upon a proper showing, a permanent or temporary injunction, restraining order, or other appropriate relief must be granted; (2) the commissioner may issue and cause to be served upon the person an order requiring the person to cease and desist from violations of chapters 45 to 83, 309, and 332 or any rule or order adopted or issued under those chapters. The order must be calculated to give reasonable notice of the rights of the person to request a hearing and must state the reasons for the entry of the order. A hearing must be held not later than seven days after the request for the hearing is received by the commissioner after which and within 20 days after receiving the administrative law judge's report the commissioner shall issue a further order vacating the cease and desist order or making it permanent as the facts require. If no hearing is requested within 30 days of service of the order, the order will become final and will remain in effect until it is modified or vacated by the commissioner. Unless otherwise provided, all hearings must be conducted in accordance with chapter 14. If the person to whom a cease and desist order is issued fails to appear at the hearing after being duly notified, the person is in default, and the proceeding may be determined against that person upon consideration of the cease and desist order, the allegations of which may be considered to be true. The commissioner may adopt rules of procedure concerning all proceedings conducted under this subdivision.

Subd. 6. [VIOLATIONS AND PENALTIES.] The commissioner may impose a civil penalty not to exceed \$2,000 per violation upon a person who violates chapters 45 to 83, 309, and 332, unless a different penalty is specified.

Subd. 7. [POWERS ADDITIONAL.] The powers contained in subdivisions 1 to 6 are in addition to all other powers of the commissioner.

Sec. 3. [45.027] [SERVICE OF PROCESS.]

Subdivision 1. [REQUIREMENT.] When a person, including any nonresident of this state, engages in conduct prohibited or made

actionable by chapters 45 to 83, 309, and 332 or any rule or order under those chapters, and the person has not filed a consent to service of process under chapters 45 to 83, 309, and 332, that conduct is equivalent to an appointment of the commissioner as the person's attorney to receive service of process in any noncriminal suit, action, or proceeding against the person which is based on that conduct and is brought under chapters 45 to 83, 309, and 332 or any rule or order under those chapters.

Subd. 2. [HOW MADE.] Service of process under this section may be made by leaving a copy of the process in the office of the commissioner, and is not effective unless: (1) the plaintiff, who may be the commissioner in an action or proceeding instituted by the commissioner, sends notice of the service and a copy of the process by certified mail to the defendant or respondent at this last known address; and (2) the plaintiff's affidavit of compliance is filed in the action or proceeding on or before the return day of the process, if any, or within such further time as the court allows.

Sec. 4. Minnesota Statutes 1986, section 60A.17, subdivision 6c, is amended to read:

Subd. 6c. [REVOCAION OR SUSPENSION OF LICENSE.] (a) The commissioner may by order suspend or revoke an insurance agent's or agency's license issued to a natural person or impose a civil penalty appropriate to the offense, not to exceed \$5,000 upon that licensee, or both, if, after notice and hearing, the commissioner finds as to that licensee any one or more of the following conditions:

- (1) any materially untrue statement in the license application;
- (2) any cause for which issuance of the license could have been refused had it then existed and been known to the commissioner at the time of issuance;
- (3) violation of, or noncompliance with, any insurance law or violation of any rule or order of the commissioner or of a commissioner of insurance of another state or jurisdiction;
- (4) obtaining or attempting to obtain any license through misrepresentation or fraud;
- (5) improperly withholding, misappropriating, or converting to the licensee's own use any moneys belonging to a policyholder, insurer, beneficiary, or other person, received by the licensee in the course of the licensee's insurance business;
- (6) misrepresentation of the terms of any actual or proposed insurance contract;

(7) conviction of a felony or of a gross misdemeanor or misdemeanor involving moral turpitude;

(8) that the licensee has been found guilty of any unfair trade practice, as defined in chapters 60A to 72A, or of fraud;

(9) that in the conduct of the agent's affairs under the license, the licensee has used fraudulent, coercive, or dishonest practices, or the licensee has been shown to be incompetent, untrustworthy, or financially irresponsible;

(10) that the agent's license has been suspended or revoked in any other state, province, district, territory, or foreign country;

(11) that the licensee has forged another's name to an application for insurance; or

(12) that the licensee has violated subdivision 6b.

(b) The commissioner may by order suspend or revoke an insurance agent's or insurance agency's license issued to a partnership or corporation or impose a civil penalty not to exceed \$5,000 upon that licensee, or both, if, after notice and hearing, the commissioner finds as to that licensee, or as to any partner, director, shareholder, officer, or employee of that licensee, any one or more of the conditions set forth in paragraph (a).

(c) A revocation of a license shall prohibit the licensee from making a new application for a license for at least one year. Further, the commissioner may, as a condition of relicensure, require the applicant to file a reasonable bond for the protection of the citizens of this state, which bond shall be maintained by the licensee in full force for a period of five years immediately following issuance of the license, unless the commissioner at the commissioner's discretion shall after two years permit the licensee to sooner terminate the maintenance filing of the bond.

(d) Whenever it appears to the commissioner that any person has engaged or is about to engage in any act or practice constituting a violation of chapters 60A to 72A or of any rule or order of the commissioner:

(1) The commissioner may issue and cause to be served upon the person an order requiring the person to cease and desist from the violation. The order shall give reasonable notice of the time and place of hearing and shall state the reasons for the entry of the order. A hearing shall be held not later than seven days after the issuance of the order unless the person requests a delay. After the hearing and within 30 days of filing of any exceptions to the administrative law judge's report, the commissioner shall issue an order vacating

the cease and desist order or making it permanent as the facts require. All hearings shall be conducted in accordance with the provisions of chapter 14. If the person to whom a cease and desist order is issued fails to appear at the hearing after being duly notified, the person shall be deemed in default, and the proceeding may be determined against the person upon consideration of the cease and desist order, the allegations of which may be deemed to be true;

(2) The commissioner may bring an action in the district court in the appropriate county to enjoin the acts or practices and to enforce compliance with chapters 60A to 72A and any rule or order of the commissioner; and

(3) In any proceeding under chapters 60A to 72A relating to injunction, the request for injunction may be brought on for hearing and disposition upon an order to show cause returnable upon not more than eight days notice to the defendant. The case shall have precedence over other matters on the court calendar and shall not be continued without the consent of the state of Minnesota, except upon good cause shown to the court, and then only for a reasonable length of time as may be necessary in the opinion of the court to protect the rights of the defendant.

(e) The commissioner may, in the manner prescribed by chapter 14, impose a civil penalty not to exceed \$5,000 upon a person whose license has lapsed, or been suspended, revoked, or otherwise terminated, for engaging in conduct prohibited by paragraph (a) before, during, or after the period of licensure.

Sec. 5. [47.208] [DELIVERY OF SATISFACTION OF MORTGAGE.]

Subdivision 1. [DELIVERY REQUIRED.] Upon written request, a good and valid satisfaction of mortgage in recordable form shall be delivered to any party paying the full and final balance of a mortgage indebtedness that is secured by Minnesota real estate; such delivery shall be in hand or by certified mail postmarked within 14 days of the receipt of the written request to the holder of any interest of record in said mortgage and within 14 days of the payment of all sums due thereon.

Subd. 2. [PENALTY.] If a lender fails to comply with the requirements of subdivision 1, the lender may be held liable to the party paying the balance of the mortgage debt, for a civil penalty of up to \$500, in addition to any actual damages caused by the violation.

Sec. 6. Minnesota Statutes 1986, section 80A.06, subdivision 5, is amended to read:

Subd. 5. No investment adviser who shall recommend the purchase or sale of a security to a client, and no licensed broker-dealer

acting as a broker-dealer for a customer in the purchase or sale of a security shall take or accept any remuneration or other thing of value from any person other than the client or customer in connection with ~~such~~ the purchase or sale unless, prior to or contemporaneously with ~~such~~ the recommendation in the case of an investment adviser and prior to or contemporaneously with the confirmation of the transaction in the case of a licensed broker-dealer so acting, written disclosure to the client or customer is made of the acceptance or intended acceptance of ~~such~~ the remuneration or other thing of value and of the amount ~~thereof~~ of it. All charges made by an investment adviser for services and all charges by a licensed broker-dealer for services rendered as a broker-dealer or for advice with respect to securities shall be reasonable, and except in compliance with rules adopted by the commissioner, no ~~such~~ charges shall be based upon or measured by profits accrued or to accrue from transactions recommended or carried out by an investment adviser, or licensed broker-dealer. This subdivision shall not be construed to prohibit charges by an investment adviser based upon the total value of the assets under management averaged over a definite period, or as of definite dates, or taken as of a definite date, nor charges based upon the performance of the managed assets as compared to an established index in compliance with rules ~~promulgated~~ adopted by the commissioner.

Sec. 7. Minnesota Statutes 1986, section 80A.07, subdivision 1, is amended to read:

Subdivision 1. The commissioner may by order deny, suspend, or revoke any license or may censure the licensee, if the commissioner finds (a) that the order is in the public interest and (b) that the applicant or licensee or, in the case of a broker-dealer or investment adviser, any partner, officer, or director, any person occupying a similar status or performing similar functions, or any person directly or indirectly controlling the broker-dealer or investment adviser:

(1) has filed an application for license which as of its effective date, or as of any date after filing in the case of an order denying effectiveness, was incomplete in any material respect or contained any statement which was, in light of the circumstances under which it was made, false or misleading with respect to any material fact;

(2) has willfully violated or failed to comply with any provision of this chapter or a predecessor law or any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or order under any of these statutes, ~~or any order thereunder~~ of which that person has notice and is subject;

(3) has been convicted, within the past ten years, of any misdemeanor involving a security or any aspect of the securities business, or any felony;

(4) is permanently or temporarily enjoined by any court of competent jurisdiction from engaging in or continuing any conduct or practice involving any aspect of the securities business;

(5) is the subject of an order of the commissioner denying, suspending, or revoking a license as a broker-dealer, agent or investment adviser;

(6) is the subject of an order entered within the past five years by the securities administrator of any other state or by the securities and exchange commission denying or revoking registration or license as a broker-dealer, agent, or investment adviser, or is the subject of an order of the securities and exchange commission suspending or expelling that person from a national securities exchange or association registered under the Securities Exchange Act of 1934, or is the subject of a United States post office fraud order. The commissioner may not institute a revocation or suspension proceeding under this clause more than one year from the date of the order relied on, and may not enter an order under this clause on the basis of an order under another state law unless the order was based on facts which would currently constitute a ground for an order under this section;

(7) has engaged in dishonest or fraudulent practices in the securities business;

(8) has failed to maintain the minimum net capital or to comply with the limitation on aggregate indebtedness which the commissioner by rule prescribes;

(9) is not qualified on the basis of such factors as training, experience, and knowledge of the securities business;

(10) has failed reasonably to supervise agents, investment adviser representatives, or employees to assure their compliance with this chapter;

(11) has failed to pay the proper filing fee, but the commissioner shall vacate the order when the deficiency has been corrected;

(12) has offered or sold securities in this state through any unlicensed agent;

(13) has made any material misrepresentation to the commissioner, or upon request reasonably made by the commissioner, has withheld or concealed information from, or refused to furnish information to, the commissioner; or

(14) has failed to reasonably supervise agents, investment adviser representatives, or employees if that person has assumed or has been

designated to carry out the supervisory procedures of the broker-dealer or investment adviser; or

(15) has failed, within 20 business days after receiving written instructions from a customer, to do any of the following:

(a) transfer or deliver securities which have been purchased;

(b) transfer or deliver any free credit balances reflecting completed transactions; or

(c) transfer or deliver a customer's account securities positions and balances to another broker-dealer.

This clause shall not serve as a basis for denial, suspension, or revocation of a broker-dealer or agent's license if the transfer or delivery is between broker-dealers and meets the rules and requirements established by the New York stock exchange with regard to such transfers or deliveries.

Sec. 8. Minnesota Statutes 1986, section 80A.09, subdivision 1, is amended to read:

Subdivision 1. The following securities may be registered by notification:

(a) any industrial revenue bond issued by the state of Minnesota or any of its political subdivisions, municipalities, governmental agencies, or instrumentalities; and

(b) any securities issued by a person organized exclusively for social, religious, educational, benevolent, fraternal, charitable, reformatory, athletic, chamber of commerce, trade, industrial development, or professional association purposes and not for pecuniary gain, and no part of the net earnings of which inures to the benefit of any private stockholder or individual; provided that no securities issued by any person offering and furnishing a burial service or funeral benefit, directly or indirectly for financial consideration, may be registered under this section.

Sec. 9. Minnesota Statutes 1986, section 80A.12, is amended by adding a subdivision to read:

Subd. 11. Within two business days after receipt of an order of the commissioner withdrawing, suspending, or revoking effectiveness of an issuer's registration statement, the issuer must notify all persons making a market in the issuer's securities of the termination of the effectiveness of the registration statement. Failure to provide this

notice may result in the imposition of a civil penalty not to exceed \$2,000 per violation.

Sec. 10. Minnesota Statutes 1986, section 80A.14, subdivision 18, is amended to read:

Subd. 18. [SECURITY.] (a) "Security" means any note; stock; treasury stock; bond; debenture; evidence of indebtedness; certificate of interest or participation in any profit sharing agreement; collateral trust certificate; preorganization certificate or subscription; transferable shares; investment contract; investment metal contract or investment gem contract; voting trust certificate; certificate of deposit for a security; certificate of interest or participation in an oil, gas or mining right, title or lease or in payments out of production under the right, title or lease; or, in general, any interest or instrument commonly known as a security, or any certificate of interest or participation in, temporary or interim certificate for, receipt for guarantee of, or warrant or right to subscribe to or purchase, any of the foregoing. "Security" does not include:

(a) any insurance or endowment policy or annuity contract under which an insurance company promises to pay money either in a lump sum or periodically for life or for some other specified period;

(b) stock of a closely-held corporation offered or sold pursuant to a transaction in which 100 percent of the stock of that corporation is sold as a means to effect the sale of the business of the corporation if the transaction has been negotiated on behalf of all purchasers, and all purchasers have access to inside information regarding the corporation before consummating the transaction.

Sec. 11. Minnesota Statutes 1986, section 80A.15, subdivision 1, is amended to read:

Subdivision 1. The following securities are exempted from sections 80A.08 and 80A.16:

(a) Any security, including a revenue obligation, ~~issued or~~ guaranteed by the United States, any state, any political subdivision of a state or any corporate or other instrumentality of one or more of the foregoing; but this exemption shall not include any industrial revenue bond. Pursuant to section 106(c) of the Secondary Mortgage Market Enhancement Act of 1984, Public Law Number 98-440, this exemption does not apply to a security that is offered or sold pursuant to section 106(a)(1) or (2) of that act.

(b) Any security issued or guaranteed by Canada, any Canadian province, any political subdivision of any province, any agency or corporate or other instrumentality of one or more of the foregoing, if the security is recognized as a valid obligation by the issuer or guarantor; but this exemption shall not include any revenue obliga-

tion payable solely from payments to be made in respect of property or money used under a lease, sale or loan arrangement by or for a nongovernmental industrial or commercial enterprise.

(c) Any security issued by and representing an interest in or a debt of, or guaranteed by, any bank organized under the laws of the United States, or any bank, savings institution or trust company organized under the laws of any state and subject to regulation in respect of the issuance or guarantee of its securities by a governmental authority of that state.

(d) Any security issued by and representing an interest in or a debt of, or guaranteed by, any federal savings and loan association, or any building and loan or similar association organized under the laws of any state and authorized to do business in this state.

(e) Any security issued or guaranteed by any federal credit union or any credit union, or similar association organized and supervised under the laws of this state.

(f) Any security listed or approved for listing upon notice of issuance on the New York Stock Exchange, the American Stock Exchange, the Midwest Stock Exchange, the Pacific Stock Exchange, or the Chicago Board Options Exchange; any other security of the same issuer which is of senior or substantially equal rank; any security called for by subscription rights or warrants so listed or approved; or any warrant or right to purchase or subscribe to any of the foregoing.

(g) Any commercial paper which arises out of a current transaction or the proceeds of which have been or are to be used for current transactions, and which evidences an obligation to pay cash within nine months of the date of issuance, exclusive of days of grace, or any renewal of the paper which is likewise limited, or any guarantee of the paper or of any renewal which are not advertised for sale to the general public in newspapers or other publications of general circulation or otherwise, or by radio, television or direct mailing.

(h) Any interest in any employee's savings, stock purchase, pension, profit sharing or similar benefit plan, or a self-employed person's retirement plan.

(i) Any security issued or guaranteed by any railroad, other common carrier or public utility which is subject to regulation in respect to the issuance or guarantee of its securities by a governmental authority of the United States.

(j) Any interest in a common trust fund or similar fund maintained by a state bank or trust company organized and operating under the laws of Minnesota, or a national bank wherever located, for the collective investment and reinvestment of funds contributed

thereto by the bank or trust company in its capacity as trustee, executor, administrator, or guardian; and any interest in a collective investment fund or similar fund maintained by the bank or trust company, or in a separate account maintained by an insurance company, for the collective investment and reinvestment of funds contributed thereto by the bank, trust company or insurance company in its capacity as trustee or agent, which interest is issued in connection with an employee's savings, pension, profit sharing or similar benefit plan, or a self-employed person's retirement plan.

(k) Any security which meets all of the following conditions:

(1) If the issuer is not organized under the laws of the United States or a state, it has appointed a duly authorized agent in the United States for service of process and has set forth the name and address of the agent in its prospectus;

(2) A class of the issuer's securities is required to be and is registered under section 12 of the Securities Exchange Act of 1934, and has been so registered for the three years immediately preceding the offering date;

(3) Neither the issuer nor a significant subsidiary has had a material default during the last seven years, or for the period of the issuer's existence if less than seven years, in the payment of (i) principal, interest, dividend, or sinking fund installment on preferred stock or indebtedness for borrowed money, or (ii) rentals under leases with terms of three years or more;

(4) The issuer has had consolidated net income, before extraordinary items and the cumulative effect of accounting changes, of at least \$1,000,000 in four of its last five fiscal years including its last fiscal year; and if the offering is of interest bearing securities, has had for its last fiscal year, net income, before deduction for income taxes and depreciation, of at least 1½ times the issuer's annual interest expense, giving effect to the proposed offering and the intended use of the proceeds. For the purposes of this clause "last fiscal year" means the most recent year for which audited financial statements are available, provided that such statements cover a fiscal period ended not more than 15 months from the commencement of the offering;

(5) If the offering is of stock or shares other than preferred stock or shares, the securities have voting rights and the rights include (i) the right to have at least as many votes per share, and (ii) the right to vote on at least as many general corporate decisions, as each of the issuer's outstanding classes of stock or shares, except as otherwise required by law; and

(6) If the offering is of stock or shares, other than preferred stock or shares, the securities are owned beneficially or of record, on any

date within six months prior to the commencement of the offering, by at least 1,200 persons, and on that date there are at least 750,000 such shares outstanding with an aggregate market value, based on the average bid price for that day, of at least \$3,750,000. In connection with the determination of the number of persons who are beneficial owners of the stock or shares of an issuer, the issuer or broker-dealer may rely in good faith for the purposes of this clause upon written information furnished by the record owners.

(1) Any certificate of indebtedness sold or issued for investment, other than a certificate of indebtedness pledged as a security for a loan made contemporaneously therewith, and any savings account or savings deposit issued, by an industrial loan and thrift company.

Sec. 12. Minnesota Statutes 1986, section 80A.15, subdivision 2, is amended to read:

Subd. 2. The following transactions are exempted from sections 80A.08 and 80A.16:

(a) Any isolated sales, whether or not effected through a broker-dealer, provided that no person shall make more than ten sales of securities of the same issuer pursuant to this exemption during any period of 12 consecutive months; provided further, that in the case of sales by an issuer, except sales of securities registered under the Securities Act of 1933 or exempted by section 3(b) of that act, (1) the seller reasonably believes that all buyers are purchasing for investment, and (2) the securities are not advertised for sale to the general public in newspapers or other publications of general circulation or otherwise, or by radio, television, electronic means or similar communications media, or through a program of general solicitation by means of mail or telephone.

(b) Any nonissuer distribution of an outstanding security if (1) either Moody's, Fitch's, or Standard & Poor's Securities Manuals, or other recognized manuals approved by the commissioner contains the names of the issuer's officers and directors, a balance sheet of the issuer as of a date not more than 18 months prior to the date of the sale, and a profit and loss statement for the fiscal year preceding the date of the balance sheet, and (2) the issuer or its predecessor has been in active, continuous business operation for the five-year period next preceding the date of sale, and (3) if the security has a fixed maturity or fixed interest or dividend provision, the issuer has not, within the three preceding fiscal years, defaulted in payment of principal, interest, or dividends on the securities.

(c) The execution of any orders by a licensed broker-dealer for the purchase or sale of any security, pursuant to an unsolicited offer to purchase or sell; provided that the broker-dealer acts as agent for the purchaser or seller, and has no direct material interest in the sale or distribution of the security, receives no commission, profit, or other

compensation from any source other than the purchaser and seller and delivers to the purchaser and seller written confirmation of the transaction which clearly itemizes the commission, or other compensation.

(d) Any nonissuer sale of notes or bonds secured by a mortgage lien if the entire mortgage, together with all notes or bonds secured thereby, is sold to a single purchaser at a single sale.

(e) Any judicial sale, exchange, or issuance of securities made pursuant to an order of a court of competent jurisdiction.

(f) The sale, by a pledge holder, of a security pledged in good faith as collateral for a bona fide debt.

(g) Any offer or sale to a bank, savings institution, trust company, insurance company, investment company as defined in the Investment Company Act of 1940, pension or profit sharing trust, or other financial institution or institutional buyer, or to a broker-dealer, whether the purchaser is acting for itself or in some fiduciary capacity.

(h) Any sales by an issuer to the number of persons that shall not exceed 25 persons in this state, or 35 persons if the sales are made in compliance with Regulation D promulgated by the Securities and Exchange Commission, Code of Federal Regulations, title 17, sections 230.501 to 230.506, (other than those designated in paragraph (a) or (g)), whether or not any of the purchasers is then present in this state, if (1) the issuer reasonably believes that all of the buyers in this state (other than those designated in clause (g)) are purchasing for investment, and (2) no commission or other remuneration is paid or given directly or indirectly for soliciting any prospective buyer in this state (other than those designated in clause (g)), except reasonable and customary commissions paid by the issuer to a broker-dealer licensed under this chapter, and (3) the issuer has, ten days prior to any sale pursuant to this paragraph, supplied the commissioner with a statement of issuer on forms prescribed by the commissioner, containing the following information: (i) the name and address of the issuer, and the date and state of its organization; (ii) the number of units, price per unit, and a description of the securities to be sold; (iii) the amount of commissions to be paid and the persons to whom they will be paid; (iv) the names of all officers, directors and persons owning five percent or more of the equity of the issuer; (v) a brief description of the intended use of proceeds; (vi) a description of all sales of securities made by the issuer within the six-month period next preceding the date of filing; and (vii) a copy of the investment letter, if any, intended to be used in connection with any sale. Sales that are made more than six months before the start of an offering made pursuant to this exemption or are made more than six months after completion of an offering made pursuant to this exemption will not be considered part of the offering, so long as

during those six-month periods there are no sales of unregistered securities (other than those made pursuant to paragraph (a) or (g)) by or for the issuer that are of the same or similar class as those sold under this exemption. The commissioner may by rule or order as to any security or transaction or any type of security or transaction, withdraw or further condition this exemption, or increase the number of offers and sales permitted, or waive the conditions in clause (1), (2), or (3) with or without the substitution of a limitation or remuneration.

(i) Any offer (but not a sale) of a security for which a registration statement has been filed under sections 80A.01 to 80A.31, if no stop order or refusal order is in effect and no public proceeding or examination looking toward an order is pending; and any offer of a security if the sale of the security is or would be exempt under this section. The commissioner may by rule exempt offers (but not sales) of securities for which a registration statement has been filed as the commissioner deems appropriate, consistent with the purposes of sections 80A.01 to 80A.31.

(j) The offer and sale by a cooperative association organized under chapter 308, of its securities when the securities are offered and sold only to its members, or when the purchase of the securities is necessary or incidental to establishing membership in such association, or when such securities are issued as patronage dividends.

(l) The issuance and delivery of any securities of one corporation to another corporation or its security holders in connection with a merger, exchange of shares, or transfer of assets whereby the approval of stockholders of the other corporation is required to be obtained, provided, that the commissioner has been furnished with a general description of the transaction and with other information as the commissioner by rule prescribes not less than ten days prior to the issuance and delivery.

(m) Any transaction between the issuer or other person on whose behalf the offering is made and an underwriter or among underwriters.

(n) The distribution by a corporation of its or other securities to its own security holders as a stock dividend or as a dividend from earnings or surplus or as a liquidating distribution; or upon conversion of an outstanding convertible security; or pursuant to a stock split or reverse stock split.

(o) Any offer or sale of securities by an affiliate of the issuer thereof if: (1) a registration statement is in effect with respect to securities of the same class of the issuer and (2) the offer or sale has been exempted from registration by rule or order of the commissioner.

(p) Any transaction pursuant to an offer to existing security holders of the issuer, including persons who at the time of the transaction are holders of convertible securities, nontransferable warrants, or transferable warrants exercisable within not more than 90 days of their issuance, if: (1) no commission or other remuneration (other than a standby commission) is paid or given directly or indirectly for soliciting any security holder in this state; and (2) the commissioner has been furnished with a general description of the transaction and with other information as the commissioner may by rule prescribe no less than ten days prior to the transaction.

(q) Any nonissuer sales of industrial revenue bonds issued by the state of Minnesota or any of its political or governmental subdivisions, municipalities, governmental agencies, or instrumentalities.

Sec. 13. Minnesota Statutes 1986, section 80A.19, subdivision 1, is amended to read:

Subdivision 1. This chapter shall be administered by the commissioner of commerce. ~~The commissioner shall appoint two deputy commissioners and shall file with the secretary of state an order delegating authority to one of such deputy commissioners to exercise all of the rights and powers and perform all of the duties of the commissioner during the disability of the commissioner, the commissioner's absence from the office or during a vacancy in the office of the commissioner pending the filling thereof as provided by law.~~

Sec. 14. Minnesota Statutes 1986, section 82.17, subdivision 4, is amended to read:

Subd. 4. "Real estate broker" or "broker" means any person who:

(a) for another and for commission, fee or other valuable consideration or with the intention or expectation of receiving the same directly or indirectly lists, sells, exchanges, buys or rents, manages, or offers or attempts to negotiate a sale, option, exchange, purchase or rental of an interest or estate in real estate, or advertises or holds out as engaged in these activities;

(b) for another and for commission, fee or other valuable consideration or with the intention or expectation of receiving the same directly or indirectly negotiates or offers or attempts to negotiate a loan, secured or to be secured by a mortgage or other encumbrance on real estate;

(c) for another and for commission, fee or other valuable consideration or with the intention or expectation of receiving the same directly or indirectly lists, sells, exchanges, buys, rents, manages, offers or attempts to negotiate a sale, option, exchange, purchase or

rental of any business opportunity or business, or its good will, inventory, or fixtures, or any interest therein;

(d) for another and for commission, fee or other valuable consideration or with the intention or expectation of receiving the same directly or indirectly offers, sells or attempts to negotiate the sale of property that is subject to the registration requirements of chapter 83, concerning subdivided land;

(e) engages in the business of charging an advance fee or contracting for collection of a fee in connection with any contract whereby the person undertakes to promote the sale of real estate through its listing in a publication issued primarily for this purpose;

(f) engages wholly or in part in the business of selling real estate to the extent that a pattern of real estate sales is established, whether or not the real estate is owned by the person. A person shall be presumed to be engaged in the business of selling real estate if the person engages as principal in five or more transactions during any 12-month period, unless the person is represented by a licensed real estate broker or salesperson;

(g) ~~offers or makes more than five conventional loans under section 47.20 secured by real estate during any 12-month period and who is not a bank, savings bank, mutual savings bank, building and loan association, or savings and loan association organized under the laws of this state or the United States, trust company, trust company acting as a fiduciary, or other financial institution subject to the supervision of the commissioner of commerce, or mortgagee or lender approved or certified by the secretary of housing and urban development or approved or certified by the administrator of veterans affairs, or approved or certified by the administrator of the Farmers Home Administration, or approved or certified by the Federal Home Loan Mortgage Corporation, or approved or certified by the Federal National Mortgage Association.~~

Sec. 15. Minnesota Statutes 1986, section 82.19, subdivision 3, is amended to read:

Subd. 3. No real estate broker or salesperson shall offer, pay or give, and no person shall accept, any compensation or other thing of value from any real estate broker or salesperson by way of commission-splitting, rebate, finder's fees or otherwise, in connection with any real estate or business opportunity transaction; provided this subdivision does not apply to transactions (1) between a licensed real estate broker or salesperson and the person by whom the broker or salesperson is engaged to purchase or sell real estate or business opportunity, (2) among persons licensed as provided herein, and (3) between a licensed real estate broker or salesperson and persons from other jurisdictions similarly licensed in that jurisdiction, and (4) involving timeshare or other recreational lands where

the amount offered or paid does not exceed \$150, and payment is not conditioned upon any sale but is made merely for providing the referral and the person paying the fee is bound by any representations the person receiving the fee makes. A licensed real estate broker or salesperson may assign or direct that commissions or other compensation earned in connection with any real estate or business opportunity transaction be paid to a corporation of which the licensed real estate broker or salesperson is the sole owner.

Sec. 16. Minnesota Statutes 1986, section 82.21, subdivision 1, is amended to read:

Subdivision 1. [AMOUNTS.] The following fees shall be paid to the commissioner:

(a) A fee of \$50 for each initial individual broker's license, and a fee of \$25 for each annual renewal thereof;

(b) A fee of \$25 for each initial salesperson's license, and a fee of \$10 for each annual renewal thereof;

(c) A fee of \$50 for each initial corporate or partnership license, and a fee of \$25 for each annual renewal thereof;

(d) A fee not to exceed \$40 per year for payment to the education, research and recovery fund in accordance with section 82.34;

(e) A fee of \$10 for each transfer;

(f) A fee of \$25 for a corporation or partnership name change;

(g) A fee of \$5 for an agent name change;

(h) A fee of \$10 for a license history;

(i) A fee of \$15 for a NSF check;

(j) A fee of \$50 for an initial course approval;

(k) A fee of \$10 for notices of repeat course offerings;

(l) A fee of \$50 for instructor or coordinator approval; and

~~(m)~~ A fee of \$5 for a duplicate license; and

(j) A fee of \$5 for each hour or fraction of one hour of course approval sought.

Sec. 17. Minnesota Statutes 1986, section 82.22, subdivision 6, is amended to read:

Subd. 6. [INSTRUCTION; NEW LICENSES.] (a) After January 1, 1987, every applicant for a salesperson's license shall be required to successfully complete a course of study in the real estate field consisting of 30 hours of instruction approved by the commissioner before taking the examination specified in subdivision 1. After January 1, 1987, every applicant for a salesperson's license shall be required to successfully complete an additional course of study in the real estate field consisting of 60 hours of instruction approved by the commissioner before filing an application for the license. Every salesperson licensed after January 1, 1987, shall, within one year of licensure, be required to successfully complete a course of study in the real estate field consisting of 30 hours of instruction approved by the commissioner.

(b) After December 31, 1983, and before January 1, 1987, every applicant for a salesperson's license shall be required to successfully complete a course of study in the real estate field consisting of 30 hours of instruction approved by the commissioner before taking the examination specified in subdivision 1. After December 31, 1983, and before January 1, 1987, every applicant for a salesperson's license shall be required to successfully complete an additional course of study in the real estate field consisting of 30 hours of instruction approved by the commissioner before filing an application for the license. Every salesperson licensed after December 31, 1983, and before January 1, 1987, shall, within one year of the date a license was first issued, be required to successfully complete a course of study in the real estate field consisting of 30 hours of instruction approved by the commissioner.

(c) The commissioner may approve courses of study in the real estate field offered in educational institutions of higher learning in this state or courses of study in the real estate field developed by and offered under the auspices of the national association of realtors, its affiliates, or private real estate schools. The commissioner shall not approve any course offered by, sponsored by, or affiliated with any person or company licensed to engage in the real estate business. The commissioner may by rule prescribe the curriculum and qualification of those employed as instructors.

(d) After January 1, 1988, an applicant for a broker's license must successfully complete a course of study in the real estate field consisting of 30 hours of instruction approved by the commissioner. The course must have been completed within six months of the date of application for the broker's license.

Sec. 18. Minnesota Statutes 1986, section 82.24, subdivision 2, is amended to read:

Subd. 2. [LICENSEE ACTING AS PRINCIPAL.] Any licensed A real estate ~~broker or salesperson~~ licensee acting in the capacity of

principal in the sale or rental of interests in a real estate owned or rented by the licensee transaction where the seller retains any liability, contingent or otherwise, for the payment of an obligation on the property shall deposit in a Minnesota bank or trust company, any foreign bank which authorizes the commissioner to examine its records of the deposits, or an industrial loan and thrift company organized under chapter 53 with deposit liabilities, in a trust account, those parts of all payments received on contracts that are necessary to meet any amounts concurrently due and payable on any existing mortgages, contracts for deed or other conveyancing instruments, and reserve for taxes and insurance or any other encumbrance on the receipts. The deposits must be maintained until disbursement is made under the terms of the encumbrance and proper accounting on the property made to the parties entitled to an accounting. The provisions of this subdivision relating to rental of interests in real estate apply only to single-family residential property.

Sec. 19. Minnesota Statutes 1986, section 82.34, subdivision 19, is amended to read:

Subd. 19. The commissioner shall include in the annual report of the department of commerce pursuant to section 45.033, on or before October 1 in each even-numbered year, prepare and file in the office of the governor for the preceding two fiscal years ending June 30 a report on the activities of the real estate education, research and recovery fund; noting the amount of money received by the fund, the amount of money expended and the purposes therefor.

Sec. 20. Minnesota Statutes 1986, section 308.12, is amended by adding a subdivision to read:

Subd. 5. Notwithstanding the provisions of section 345.43, a cooperative association organized under the laws of this state may, in lieu of paying or delivering to the commissioner of commerce the unclaimed property specified in its report of unclaimed property, distribute the unclaimed property to a corporation or organization which is exempt from taxation under section 290.05, subdivision 1, paragraph (b), or 2. A cooperative association making this election shall, within 20 days after the time specified in section 345.42 for claiming the property from the holder, file with the commissioner a verified written explanation of the proof of claim of any owner establishing a right to receive the abandoned property; any error in the presumption of abandonment; and the name, address, and exemption number of the corporation or organization to which the property was or is to be distributed and the approximate date of distribution. Nothing in this subdivision alters the procedure provided in sections 345.41 and 345.42 whereby cooperative associations report unclaimed property to the commissioner and claims of owners are made to the cooperative associations for a period of 65 days following the publication of lists of abandoned property. The

rights of an owner to unclaimed property held by a cooperative association is extinguished upon the disbursement of the property by the cooperative association to a tax-exempt organization in accordance with this section.

Sec. 21. Minnesota Statutes 1986, section 309.50, subdivision 6, is amended to read:

Subd. 6. "Professional fund raiser" means any person who for financial compensation or profit ~~participates in public solicitation in this state of contributions for, or on behalf of any charitable organization performs for a charitable organization any service in connection with which contributions are, or will be, solicited in this state by such compensated person or by any compensated person he employs, procures, or engages to solicit; or any person who for compensation or profit plans, manages, advises, consults, or prepares material for, or with respect to, the solicitation in this state of contributions for a charitable organization. No investment adviser, investment adviser representative, broker-dealer, or agent licensed pursuant to chapter 80A, or lawyer, accountant, or banker who advises a person to make a charitable contribution or who provides legal, accounting, or financial advice in the ordinary course of their profession or business shall be deemed, as a result of such advice, to be a professional fund raiser. A bona fide salaried officer or, employee or volunteer of a charitable organization is not a professional fund raiser unless the officer's or employee's salary or other compensation is computed on the basis of funds to be raised, or actually raised.~~

Sec. 22. Minnesota Statutes 1986, section 309.502, is amended to read:

### 309.502 [RULES.]

The commissioner shall promulgate rules to implement the provisions of sections 16A.134 and 309.501. The rules shall not require the modification of any existing payroll deduction fund drive for state employees previously authorized by Minnesota Statutes 1982, section 15.375, subdivision 1. The rules shall permit any registered combined organization which secures contributions for distribution to 50 or more charitable agencies in a single, consolidated effort to conduct an exclusive solicitation among the employees of the state or any agency for a period of not more than 60 consecutive days specified by the commissioner. The rules shall require that in establishing the period of time during which a registered combined organization may conduct this solicitation, the commissioner shall, if possible, specify that the solicitation will be conducted contemporaneously with that organization's single, consolidated effort among the employees of other entities.

Sec. 23. Minnesota Statutes 1986, section 309.515, subdivision 1, is amended to read:

Subdivision 1. Subject to the provisions of subdivisions 2 and 3, sections 309.52 and 309.53 shall not apply to any of the following:

(a) Charitable organizations:

(1) which did not receive total contributions in excess of \$10,000 \$25,000 from the public within or without this state during the accounting year last ended, and

(2) which do not plan to receive total contributions in excess of such amount from the public within or without this state during any accounting year, and

(3) whose functions and activities, including fund raising, are performed wholly by persons who are unpaid for their services, and

(4) none of whose assets or income inure to the benefit of or are paid to any officer.

For purposes of this chapter, a charitable organization shall be deemed to receive in addition to contributions solicited from the public by it, the contributions solicited from the public by any other person and transferred to it. Any organization constituted for a charitable purpose receiving an allocation from a community chest, united fund or similar organization shall be deemed to have solicited that allocation from the public.

(b) A religious society or organization which is exempt from filing a federal annual information return pursuant to Internal Revenue Code, sections 6033(a)(2)(A)(i) and (ii) and 6033(a)(2)(C)(i).

(c) Any educational institution which is under the general supervision of the state board of education, the state university board, the state board for community colleges, or the University of Minnesota or any educational institution which is accredited by the University of Minnesota or the North Central association of colleges and secondary schools, or by any other national or regional accrediting association.

(d) A fraternal, patriotic, social, educational, alumni, professional, trade or learned society which limits solicitation of contributions to persons who have a right to vote as a member. The term "member" shall not include those persons who are granted a membership upon making a contribution as the result of a solicitation.

(e) A charitable organization soliciting contributions for any person specified by name at the time of the solicitation if all of the

contributions received are transferred to the person named with no restrictions on the person's expenditure of it and with no deductions whatsoever.

(f) A private foundation, as defined in section 509(a) of the Internal Revenue Code of 1954, which did not solicit contributions from more than 100 persons during the accounting year last ended.

Sec. 24. Minnesota Statutes 1986, section 309.52, subdivision 1a, is amended to read:

Subd. 1a. A charitable organization whose total contributions received during any accounting year are in excess of ~~\$10,000~~ \$25,000 shall file a registration statement with the ~~department attorney general~~ department attorney general within 30 days after the date on which the organization's total contributions exceeded ~~\$10,000~~ \$25,000. The registration shall exist unless revoked by a court of competent jurisdiction, or the ~~department attorney general~~, or as provided in subdivision 7. This subdivision shall not apply to a charitable organization which had filed a registration statement pursuant to this section for the accounting year last ended or to organizations described in section 309.515, subdivision 1.

Sec. 25. Minnesota Statutes 1986, section 309.52, subdivision 2, is amended to read:

Subd. 2. The first registration statement filed by a charitable organization shall include a registration fee of \$25 and a financial statement of ~~its~~ the organization's operation for its most recent 12 months period immediately preceding the filing of the first registration statement.

Sec. 26. Minnesota Statutes 1986, section 309.53, subdivision 1a, is amended to read:

Subd. 1a. A charitable organization may, but need not, file an annual report pursuant to this section if the organization:

(a) Did not receive total contributions in excess of ~~\$10,000~~ \$25,000 from the public within or without this state during the accounting year last ended.

(b) Does not plan to receive total contributions in excess of ~~\$10,000~~ \$25,000 from the public within or without this state during any accounting year, and

(c) Does not employ a professional fund raiser.

Sec. 27. Minnesota Statutes 1986, section 309.53, subdivision 3, is amended to read:

Subd. 3. The financial statement shall include a balance sheet, statement of income and expense, and statement of functional expenses, shall be consistent with forms furnished by the ~~department~~ attorney general, and shall be prepared in accordance with generally accepted accounting principles so as to make a full disclosure of the following, including necessary allocations between each item and the basis of such allocations:

- (a) Total receipts and total income from all sources;
- (b) Cost of management and general;
- (c) Cost of fund raising;
- (d) Cost of public education;
- (e) Funds or properties transferred out of state, with explanation as to recipient and purpose;
- (f) Total net amount disbursed or dedicated within this state, broken down into total amounts disbursed or dedicated for each major purpose, charitable or otherwise;
- (g) Names of professional fund raisers used during the accounting year and the financial compensation or profit resulting to each professional fund raiser. Unless otherwise required by this subdivision, the financial statement need not be certified.

A financial statement of a charitable organization which has solicited from the public within or outside this state total contributions in excess of \$50,000 \$100,000 for the 12 months of operation covered by the statement shall be accompanied by an opinion signed by a certified public accountant that such statement fairly represents the financial operations of the charitable organization in sufficient detail to permit public evaluation of its operations. In giving such opinion an audited financial statement prepared in accordance with generally accepted accounting principles which has been examined by an independent certified public accountant for the purpose of expressing an opinion thereon. In preparing the audit, the certified public accountant shall take into consideration capital, endowment or other reserve funds, if any, controlled by the charitable organization. The opinion need not conform to the wording of the opinion form of the annual report forms provided by the department.

Sec. 28. Minnesota Statutes 1986, section 309.53, subdivision 4, is amended to read:

Subd. 4. Where a registration statement has been filed by a parent organization or affiliate as provided in section 309.52, subdivision 4, the registered parent organization may file the annual report required under this section on behalf of the chapter, branch, area office, similar affiliate or person in addition to or as part of its own report or the registered affiliate may file the annual report required under this section on behalf of the parent organization in addition to or as part of its own report. The accounting information required under this section shall be set forth separately and not in consolidated form with respect to every chapter, branch, area office, similar affiliate or person within the state which raises or expends more than ~~\$10,000~~ \$25,000. ~~The department of commerce attorney general~~ may permit any chapter, branch, area office, similar affiliate or person to file a consolidated statement with any other chapter, branch, area office, similar affiliate or person or parent organization if ~~the attorney general determines that~~ the interests of the charitable beneficiaries will not be prejudiced thereby and ~~that~~ separate accounting information is not required for proper supervision.

Sec. 29. Minnesota Statutes 1986, section 309.53, is amended by adding a subdivision to read:

Subd. 8. A reregistration fee of \$25 shall be paid by every charitable organization submitting the annual report required by this section.

Sec. 30. Minnesota Statutes 1986, section 309.531, is amended to read:

309.531 [LICENSING REGISTRATION OF PROFESSIONAL FUND RAISERS; BOND REQUIRED.]

Subdivision 1. No person shall act as a professional fund raiser unless licensed by registered with the department attorney general. Applications for a license The registration statement as hereinafter described shall be in writing, under oath, in the form prescribed by the department attorney general and shall be accompanied by an application fee of ~~\$25~~ \$50. Each license registration shall be effective for a period of not more than 12 months from the date of issuance, and in any event shall expire on July 30 next following the date of issuance. The registration may be renewed for additional one-year periods upon application and payment of the fee.

Subd. 2. The department shall have the power, in connection with any application for license as a professional fund raiser, to require the applicant to file a surety bond in such amount, not exceeding \$20,000, and containing such terms and conditions as the department determines are necessary and appropriate for the protection of

the public. The applicant may deposit cash in and with a depository acceptable to the department in such amount and in such a manner as may be prescribed and approved by the department in lieu of the bond. The registration statement of the professional fund raiser shall consist of the following:

(a) If the professional fund raiser at any time has custody of contributions from a solicitation, the registration statement shall include a bond, in which the professional fund raiser shall be the principal obligor. The bond shall be in the sum of \$20,000, with one or more responsible sureties whose liability in the aggregate as such sureties will at least equal that sum. In order to maintain the registration, the bond shall be in effect for the full term of the registration. The bond, which may be in the form of a rider to a larger blanket liability bond, shall run to the state and to any person who may have a cause of action against the principal obligor of the bond for any liabilities resulting from the obligor's conduct of any activities subject to sections 309.50 to 309.61 or arising out of a violation of such statutes or any regulation adopted pursuant thereto.

(b) If the professional fund raiser or any person the professional fund raiser employs, procures, or engages solicits in this state, the registration statement shall include a completed "Solicitation Notice" on a form provided by the attorney general. The Solicitation Notice shall include a copy of the contract described in paragraph (c), the projected dates when soliciting will commence and terminate, the location and telephone number from where the solicitation will be conducted, the name and residence address of each person responsible for directing and supervising the conduct of the campaign, a statement as to whether the professional fund raiser will at any time have custody of contributions, and a description of the charitable program for which the solicitation campaign is being carried out. The charitable organization on whose behalf the professional fund raiser is acting shall certify that the solicitation notice and accompanying material are true and complete to the best of its knowledge.

(c) The professional fund raiser shall also include, as part of the registration statement, a copy of the contract between the charitable organization and the professional fund raiser. The contract shall:

(1) be in writing;

(2) contain such information as will enable the attorney general to identify the services the professional fund raiser is to provide, including whether the professional fund raiser will at any time have custody of contributions; and

(3) if the professional fund raiser or any person the professional fund raiser employs, procures, or engages, directly or indirectly,

solicits in this state, the contract shall disclose the percentage or a reasonable estimate of the percentage of the total amount solicited from each person which shall be received by the charitable organization for charitable purposes.

The stated percentages required by this section and section 309.556, subdivision 2, shall exclude any amount which the charitable organization is to pay as expenses of the solicitation campaign, including the cost of merchandise or services sold or events staged.

(d) The registration statement shall also include the financial report for previous campaigns conducted by the professional fund raiser in this state as set forth in subdivision 4.

Subd. 3. No professional fund raiser shall ~~solicit in~~ use the name of or ~~in~~ solicit on behalf of any charitable organization unless such solicitor has written authorization from two officers of such organization, a copy of which shall be filed with the department attorney general. Such written authorization shall bear the signature of the solicitor and shall expressly state on its face the period for which it is valid, which shall not exceed one year from the date issued.

Subd. 4. The department may require that any licensed professional fund raiser submit financial reports, not more frequently than quarterly, in such form and containing such information as the department by rule or order requires conform to the requirements of the contract described in subdivision 2, paragraph (c). Within 90 days after a solicitation campaign has been completed, and on the anniversary of the commencement of a solicitation campaign lasting more than one year, the professional fund raiser who solicited contributions in this state in conjunction with a charitable organization, shall file with the attorney general a financial report for the campaign, including gross revenue and an itemization of all expenses incurred. The report shall be completed on a form prescribed by the attorney general. The report shall be signed by an authorized official of the professional fund raiser and an authorized official from the charitable organization and they shall certify, under oath, that it is true to the best of their knowledge.

Sec. 31. Minnesota Statutes 1986, section 309.533, is amended by adding a subdivision to read:

Subd. 5. In connection with an investigation under this section, the attorney general may obtain discovery from any person regarding any matter, fact, or circumstance, not privileged, which is relevant to the subject matter involved in the investigation, in accordance with the provisions of section 8.31.

Sec. 32. Minnesota Statutes 1986, section 309.54, is amended to read:

309.54 [PUBLIC RECORD.]

Subdivision 1. Registration statements, annual reports, and other documents required to be filed shall become public records in the

office of the department attorney general. Investigative data obtained by the attorney general in anticipation of or in connection with litigation or an administrative proceeding shall be nonpublic data.

Subd. 2. Every person subject to sections 309.50 to 309.61 shall maintain, for not less than three years from the date of preparation, accurate and detailed books and records to provide the information required by sections 309.50 to 309.61. All such books and records shall be open to inspection at all reasonable times by the department or by the attorney general.

Subd. 3. Every charitable organization which is required to file an annual report under section 309.53 shall keep and maintain within Minnesota, at the place designated in its registration statement, the original books and records, or true copies thereof, pertaining to all money or other property collected from residents of this state and to the disbursement of such money or property. Such books and records shall be preserved for a period of not less than ~~10~~ three years from the date of preparation thereof.

Sec. 33. Minnesota Statutes 1986, section 309.55, subdivision 6, is amended to read:

Subd. 6. No person shall, either as an individual or as agent, officer or employee of a charitable organization sell or otherwise furnish for a consideration to any other person any list of contributors unless the contributor has consented to the transaction.

Sec. 34. Minnesota Statutes 1986, section 309.556, is amended to read:

309.556 [PUBLIC DISCLOSURE REQUIREMENTS.]

Subdivision 1. [IDENTITY OF ORGANIZATION AND, PERCENTAGE OF DEDUCTIBILITY, AND DESCRIPTION OF PROGRAM.] In connection with any charitable solicitation, the following information shall be clearly disclosed:

(a) The name, address and telephone number of each charitable organization on behalf of which the solicitation is made;

(b) The percentage of the contribution which may be deducted as a charitable contribution under both federal and state income tax laws; and

(c) A description of the charitable program for which the solicitation campaign is being carried out; and, if different, a description of the programs and activities of the organization on whose behalf the solicitation campaign is being carried out.

If the solicitation is made by direct contact, the required information shall be disclosed prominently on a card which shall be exhibited to the person solicited. If the solicitation is made by radio, television, letter, telephone or any other means not involving direct personal contact, the required information shall be clearly disclosed in the solicitation.

Subd. 2. [PERCENTAGE RECEIVED FOR CHARITABLE PURPOSES.] In addition to the disclosures required by subdivision 1, any professional fund raiser soliciting contributions in this state shall also disclose the percentage or a reasonable estimate of the percentage of the total amount solicited from each person which shall be received by the charitable agency for charitable purposes. A professional fund raiser shall also disclose the name of the professional fund raiser as on file with the attorney general and that the solicitation is being conducted by a "professional fund raiser." The disclosure disclosures required by this subdivision shall be given in the same manner as the disclosures required by subdivision 1.

Sec. 35. Minnesota Statutes 1986, section 309.56, subdivision 1, is amended to read:

Subdivision 1. Any charitable organization or professional fund raiser which solicits contributions in this state, but does not maintain an office within the state shall be subject to service of process, as follows:

(a) By service thereof on its registered agent within the state, or if there be no such registered agent, then upon the person, if any, who has been designated in the registration statement as having custody of books and records within this state; where service is effected upon the person so designated in the registration statement a copy of the process shall, in addition, be mailed to the charitable organization or professional fund raiser at its last known address;

(b) When a charitable organization or professional fund raiser has solicited contributions in this state, but maintains no office within the state, has no registered agent within the state, and no designated person having custody of its books and records within the state, or when a registered agent or person having custody of its books and records within the state cannot be found as shown by the return of the sheriff of the county in which such registered agent or person having custody of books and records has been represented by the charitable organization or professional fund raiser as maintaining an office, service may be made by leaving a copy of the process in the office of the commissioner as in any other civil suit, or in the manner provided by section 303.13, subdivision 1, paragraph (3), or in such manner as the court may direct. Service upon the commissioner is not effective unless (a) the plaintiff, who may be the commissioner in a suit, action, or proceeding instituted by the commissioner, forthwith sends notice of the service and a copy of the

process by certified mail to the defendant or respondent at that person's last known address or takes other steps which are reasonably calculated to give actual notice, and (b) the plaintiff's affidavit of compliance with this subdivision is filed in the case on or before the return day of the process, if any, or within a further time the court allows.

Sec. 36. Minnesota Statutes 1986, section 309.57, is amended to read:

309.57 [DISTRICT COURT JURISDICTION, PENALTIES, ENFORCEMENT.]

Subdivision 1. Upon the application of the attorney general the district court is vested with jurisdiction to restrain and enjoin violations of sections 309.50 to 309.61. The court may make any necessary order or judgment including but not limited to injunctions, restitution, appointment of a receiver for the defendant or the defendant's assets, denial, revocation, or suspension of the defendant's registration, awards of reasonable attorneys' fees, and costs of investigation and litigation, and may award to the state civil penalties up to \$25,000 for each violation of sections 309.50 to 309.61. In ordering injunctive relief, the attorney general shall not be required to establish irreparable harm but only a violation of statute or that the requested order promotes the public interest. The court may, as appropriate, enter a consent judgment or decree without the finding of illegality.

Subd. 2. The attorney general may accept an assurance of discontinuance of any method, act, or practice in violation of sections 309.50 to 309.61 from any person alleged to be engaged or to have been engaged in such method, act, or practice. Such assurance may, among other terms, include a stipulation for the voluntary payment by such person of the costs of investigation, or of an amount to be held in escrow pending the outcome of an action or as restitution to aggrieved persons, or both. Any such assurance of discontinuance shall be in writing and be filed with the district court of the county in which the alleged violator resides or has a principal place of business or in Ramsey county. An assurance shall not be considered an admission of a violation for any purpose. Failure to comply with the assurance of discontinuance shall be punishable as contempt.

Sec. 37. Minnesota Statutes 1986, section 345.39, is amended to read:

345.39 [MISCELLANEOUS PERSONAL PROPERTY HELD FOR ANOTHER PERSON.]

Subdivision 1. All intangible personal property, not otherwise covered by sections 345.31 to 345.60, including any income or increment thereon, but excluding any charges that may lawfully be

withheld, that is held or owing in this state in the ordinary course of the holder's business and has remained unclaimed by the owner for more than five years after it became payable or distributable is presumed abandoned. Property covered by this section includes, but is not limited to: (a) unclaimed wages or worker's compensation; (b) deposits or payments for repair or purchase of goods or services; (c) credit checks or memos, or customer overpayments; (d) unidentified remittances, unrefunded overcharges; (e) unpaid claims, unpaid accounts payable or unpaid commissions; (f) unpaid mineral proceeds, royalties or vendor checks; and (g) credit balances, accounts receivable and miscellaneous outstanding checks. This section does not include money orders.

Subd. 2. [PRESUMED ABANDONMENT.] Notwithstanding subdivision 1, any profit, distribution, or other sum held or owing by a cooperative for or to a participating patron of the cooperative is presumed abandoned only if it has remained unclaimed by the owner for more than seven years after it became payable or distributable.

Sec. 38. Minnesota Statutes 1986, section 386.375, is amended to read:

#### 386.375 [STORAGE OF ABSTRACTS.]

Subdivision 1. [DEFINITIONS.] For the purposes of this section, "lender" means all state banks and trust companies, national banking associations, state and federally chartered savings and loan associations, mortgage banks, mutual savings banks, insurance companies, credit unions making a loan, or any person making a conventional loan as defined under section 47.20, subdivision 2, clause (3), or cooperative apartment loan as defined under section 47.20, subdivision 2, clause (4). A "selling lender" is a lender who sells, assigns, or transfers a loan and/or the servicing of a loan to a "purchasing lender" or "servicing agent."

Subd. 2. [RESPONSIBILITY FOR STORAGE.] Any title company, lender, or anyone other than the mortgagor or fee simple owner holding an abstract of title to Minnesota real estate shall transfer the abstract of title to the mortgagor or fee simple owner of the real estate to which the abstract pertains ~~before August 1, 1987. After August 1, 1987, the abstract of title shall be provided to the mortgagor or fee simple owner at the time of closing.~~ This section does not apply if the holder of the abstract of title is the mortgagor or fee simple owner of the real estate to which the abstract pertains.

Subd. 3. [PENALTIES.] If a title company or lender fails to comply with the requirements of subdivision 2 within ten days of receipt of a written request of the mortgagor or fee simple owner, the mortgagor or fee simple owner has the right to have an abstract made at the expense of the lender or title company holding the abstract. The

lender and the title company are jointly and severally liable for the cost of preparing and providing the abstract to the mortgagor or fee simple owner.

Sec. 39. [APPROPRIATIONS.]

The sum of \$65,066 is appropriated from the general fund to the attorney general to be available for fiscal year 1988. The sum of \$34,414 is appropriated from the general fund to the attorney general to be available for fiscal year 1989. The general fund complement of the attorney general is increased by one.

Sec. 40. [INSTRUCTION TO THE REVISOR.]

The revisor of statutes shall substitute the term "attorney general" for the term "commissioner" or "commissioner of commerce" or "department" in Minnesota Statutes, sections 309.52, subdivisions 1 and 7; 309.53, subdivisions 1 and 2; 309.533, subdivision 1; 309.591; and 309.60.

Sec. 41. [INSTRUCTION TO THE REVISOR.]

The revisor of statutes shall delete all references to the "commissioner" in Minnesota Statutes, section 309.581.

Sec. 42. [REPEALER.]

Minnesota Statutes 1986, sections 72A.23; 72A.24; 72A.28; 80A.20; 80A.21; 80C.15; 80C.16, subdivision 1; 82.25; 82.26; 83.34; 83.35, subdivision 3; 238.085; 309.515, subdivision 3; 309.532; 309.533, subdivisions 2, 3, and 4; 309.534; 309.555; and 309.58 are repealed.

Sec. 43. [EFFECTIVE DATE.]

Section 20 is effective June 30, 1987."

Delete the title and insert:

"A bill for an act relating to commerce; regulating securities; regulating the business of financial planning; restricting certain charges made by investment advisors and broker dealers; providing for the registration of securities; providing for the denial, suspension, and revocation of licenses and the censure of licensees; exempting the sale of certain stock of a closely-held corporation; exempting certain industrial revenue bond transactions; regulating real estate brokers and salespersons; prohibiting commission-splitting and rebating on timeshare and other recreational lands; providing for continuing education of brokers; regulating licensees acting as principals; regulating abandoned property; establishing a presump-

tion of abandonment for certain profits or sums held by a cooperative; regulating the preparation and retention of abstracts of title to real property; transferring the powers and duties of the commissioner for the regulation of social and charitable organizations to the attorney general; amending Minnesota Statutes 1986, sections 60A.17, subdivision 6c; 80A.06, subdivision 5; 80A.07, subdivision 1; 80A.09, subdivision 1; 80A.12, by adding a subdivision; 80A.14, subdivision 18; 80A.15, subdivisions 1 and 2; 80A.19, subdivision 1; 82.17, subdivision 4; 82.19, subdivision 3; 82.21, subdivision 1; 82.22, subdivision 6; 82.24, subdivision 2; 82.34, subdivision 19; 308.12, by adding a subdivision; 309.50, subdivision 6; 309.502; 309.515, subdivision 1; 309.52, subdivisions 1a and 2; 309.53, subdivisions 1a, 3, 4, and by adding a subdivision; 309.531; 309.533, by adding a subdivision; 309.54; 309.55, subdivision 6; 309.556; 309.56, subdivision 1; 309.57; 345.39; and 386.375; proposing coding for new law in Minnesota Statutes, chapters 45 and 47; repealing Minnesota Statutes 1986, sections 72A.23; 72A.24; 72A.28; 80A.20; 80A.21; 80C.15; 80C.16, subdivision 1; 82.25; 82.26; 83.34; 83.35, subdivision 3; 238.085; 309.515, subdivision 3; 309.532; 309.533, subdivisions 2, 3, and 4; 309.534; 309.555; and 309.58."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 651, A bill for an act relating to elections; setting times for changing election precincts and reapportioning certain election districts; amending Minnesota Statutes 1986, sections 204B.14, subdivision 3; and 375.025, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 204B.

Reported the same back with the following amendments:

Page 1, line 22, delete "and until new precinct and city ward"

Page 1, line 23, delete "boundaries are established"

With the recommendation that when so amended the bill pass.

The report was adopted.

Voss from the Committee on Taxes to which was referred:

H. F. No. 737, A resolution memorializing the President and Congress to prevent from taking effect the proposed Internal Reve-

nue Service regulations that limit the lobbying activities by non-profit organizations.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 750, A bill for an act relating to state lands; authorizing sale of certain tax-forfeited lands that border public water in East Grand Forks, Polk county.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [SALE OF CERTAIN TAX-FORFEITED LAND; POLK COUNTY.]

Notwithstanding Minnesota Statutes, section 282.018, Polk county may sell certain tax-forfeited land located in the city of East Grand Forks that is described in this section.

The land that may be sold consists of lots that border public water in the city of East Grand Forks, Polk county, described as:

(1) Prestige Addition, Block 3, Lots 1 and 4; and

(2) Riverview 3rd Addition, Block 1, Lot 3; and Block 3, Lots 2, 4, 7, and 8.

The lots have special assessments levied against them for improvements, are presently located between developed residential homes outside of the floodplain, and allowing development of the lots would increase the tax base for the city.

Sec. 2. [EFFECTIVE DATE.]

This act is effective the day following final enactment.”

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 758, A bill for an act relating to occupations and professions; establishing a board of marriage and family therapy; licensing and regulating marriage and family therapists; providing penalties; appropriating money; amending Minnesota Statutes 1986, section 214.01, subdivision 2; proposing coding for new law as Minnesota Statutes, chapter 148B.

Reported the same back with the following amendments:

Page 3, after line 28, insert:

“Marriage and family therapy practice is not medical care nor any other type of remedial care that may be reimbursed under medical assistance, chapter 256B, except to the extent such care is reimbursed under section 256B.02, subdivision 8, clause (5).”

Page 6, line 3, delete “licensed”

Page 6, line 3, after “psychologists” insert “licensed by the board of psychology”

Page 6, line 13, after the period insert “Psychologists licensed by the board of psychology who have demonstrated competence in marriage and family therapy as determined by the board of psychology may hold themselves out to the public as providing marriage and family therapy services.”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 763, A bill for an act relating to human services; creating the office of ombudsman for older Minnesotans; proposing coding for new law in Minnesota Statutes, chapter 256.

Reported the same back with the following amendments:

Page 1, line 9, delete “department of human” and insert “board on aging”

Page 1, line 10, delete “services”

Page 1, line 15, delete "of the state" and insert "pursuant to section 256.01, subdivision 7" and after "grants" delete "to"

Page 1, line 16, delete "enable area agencies on aging to grant money" and after "programs" insert "or area agencies on aging for"

Page 1, line 17, delete "providing" and insert "the provision of"

Page 2, line 17, delete "investigate" and insert "gather information and evaluate"

Page 3, line 1, delete "acting" and insert "designated"

Page 3, line 2, delete "or ombudsman representative" and insert "pursuant to this section" and delete "any"

Page 3, line 3, delete "or criminal"

Page 3, line 4, delete "that person is acting" and insert "the person's actions are"

Page 3, line 5, before the period insert ", are within the scope of the person's responsibilities as an ombudsman, and do not constitute willful or reckless misconduct"

Page 3, line 19, delete "AND LOCAL"

Page 3, line 20, delete "or local government"

Page 3, line 21, delete "that is"

Page 3, line 23, before the period insert "or any other law" and after the period insert "The data requested must relate to a specific case and must be treated according to section 13.03, subdivision 4."

Page 3, line 28, delete "complaints,"

Page 3, line 32, delete "By February 1 of each year" and insert "At the request of the majority leader of the senate or the speaker of the house of representatives"

Page 3, delete lines 33 and 34

Page 3, line 35, delete everything before the period and insert "a report to the legislature"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 799, A bill for an act relating to Koochiching county; permitting the county to establish a bidstead development authority.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [PURPOSE; PROGRAM.]

Subdivision 1. [PURPOSE; PROGRAM.] The legislature finds problems of declining population and depressed economic conditions exist in Koochiching county caused by the steady decline in jobs relating to farming and logging. These problems have impaired the value of private investments in the county and threaten sources of public revenue, causing underutilization of schools, other public facilities and land located in existing service corridors. It is found that these factors are injurious to the stability, health, safety, and welfare of the residents of the county.

It is, therefore, in the public interest to establish a public program to encourage the homesteading of land serviced by existing public services and facilities, to encourage people with transferable livelihoods to establish residences within the county, to stabilize or increase the tax base, increase employment opportunities, alleviate problems of economic depression and declining population, and assure the stability of the community and the availability of governmental services and facilities.

It is hereby declared that the activities necessary to implement the public program to be known as the bidstead program, which activities cannot be accomplished by private enterprise alone, constitutes a public purpose.

Subd. 2. [PROGRAM.] The Koochiching bidstead program is a program to exchange parcels of land held by the authority, not to exceed 40 acres a parcel, for a commitment of a person or persons to build a home, sustain a livelihood, pay property taxes, and remain on the parcel for ten consecutive years. At the end of the ten-year period, a warranty deed shall be issued to the bidsteader upon the completion of specified covenants. The county will receive, in return, stabilization of the tax base, economic revitalization, and fuller utilization of existing services and infrastructure.

## Sec. 2. [BIDSTEAD DEVELOPMENT AUTHORITY.]

Subdivision 1. [AUTHORITY.] A public body corporate and political, may be created by the Koochiching county board, having all of the powers and duties of an economic development authority under Minnesota Statutes, sections 458C.01 to 458C.23, except as otherwise provided in this act and the powers and duties to operate the bidstead program. For the purposes of applying sections 458C.01 to 458C.23, the authority has all the powers and duties of a city and the commissioners of the authority have all the powers and duties of a city council, except as otherwise provided in this act. The authority may exercise all of the powers of the economic development authority act, including those contained in section 458C.14, within or without an economic development district.

The powers and duties of the authority may not be exercised until the Koochiching county board of commissioners passes a resolution establishing the authority. The resolution shall require the affirmative vote of three county board members.

Subd. 2. [AREA OF OPERATION.] The area of operation shall include all of Koochiching county. The city council of any city within Koochiching county must approve the use of any parcel within the city before the parcel is available to the authority for the purposes defined in this act.

Subd. 3. [MEMBERSHIP.] The authority shall consist of five commissioners who shall be members of the county board of commissioners. The county board may set the terms of the commissioners to coincide with their terms of office as members of the county board.

## Sec. 3. [BIDSTEAD POWERS AND PROCEDURES.]

Subdivision 1. [MARKETING; CONVEYANCE.] The authority may advertise and market the bidstead program and convey and receive public lands from other political subdivisions.

Subd. 2. [GUIDELINES.] The authority shall promulgate guidelines for the bidstead program. The authority shall take into consideration such factors as highest and best use of the land, the number of jobs to be created, veteran status, and other factors in determining the allotment of land parcels.

Subd. 3. [ADVISORY COMMITTEE.] The commissioners of the authority may establish an advisory committee. The committee membership shall be geographically representative of the county. The committee shall advise the authority on the operation of the bidstead program.

## Sec. 4. [EFFECTIVE DATE.]

This act takes effect the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the Koochiching county board."

With the recommendation that when so amended the bill pass.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 817, A bill for an act relating to human services; limiting reimbursement for certain general assistance medical care providers and medical assistance providers; authorizing publication of a list, and criteria for the list, for selecting health services requiring prior authorization; and authorizing second medical opinion for outpatient surgery; amending Minnesota Statutes 1986, sections 256.969, subdivision 2; 256B.02, subdivision 8; 256B.03, subdivision 1; and 256D.03, subdivision 4.

Reported the same back with the following amendments:

Page 2, line 9, after the period insert "The state shall be responsible for the nonfederal share of adjusted claims paid on or after August 1, 1985, regardless of approval by the federal health care financing agency."

Page 2, line 31, after the period insert "Effective July 1, 1987, the commissioner shall limit the annual increase in pass-through cost payments for depreciation, rents and leases, and interest expense to the annual growth in the consumer price index for all urban consumers (CPI-U)."

Page 8, after line 35, insert:

"Sec. 4. Minnesota Statutes 1986, section 256B.04, subdivision 15, is amended to read:

Subd. 15. [UTILIZATION REVIEW.] (1) Establish on a statewide basis a new program to safeguard against unnecessary or inappropriate use of medical assistance services, against excess payments, against unnecessary or inappropriate hospital admissions or lengths of stay, and against underutilization of services in prepaid health plans, long-term care facilities or any health care delivery system subject to fixed rate reimbursement. In implementing the program, the state agency shall utilize both prepayment and postpayment review systems to determine if utilization is reasonable and neces-

sary. The determination of whether services are reasonable and necessary shall be made by the commissioner in consultation with a professional services advisory group appointed by the commissioner. An aggrieved party may appeal the commissioner's determination pursuant to the contested case procedures of chapter 14.

(2) Contracts entered into for purposes of meeting the requirements of this subdivision shall not be subject to the set-aside provisions of chapter 16B.

(3) A recipient aggrieved by the commissioner's termination of services or denial of future services may appeal pursuant to section 256.045. A vendor aggrieved by the commissioner's determination that services provided were not reasonable or necessary may appeal pursuant to the contested case procedures of chapter 14. To appeal, the vendor shall notify the commissioner in writing within 30 days of receiving the commissioner's notice. The appeal request shall specify each disputed item, the reason for the dispute, an estimate of the dollar amount involved for each disputed item, the computation that the vendor believes is correct, the authority in statute or rule upon which the vendor relies for each disputed item, the name and address of the person or firm with whom contacts may be made regarding the appeal, and other information required by the commissioner."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 10, after the semicolon insert "256B.04, subdivision 15;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 835, A bill for an act relating to natural resources; establishing a state flood hazard mitigation grant program; authorizing grants-in-aid to local government units; appropriating money; amending Minnesota Statutes 1986, section 104.02; proposing coding for new law in Minnesota Statutes, chapter 104.

Reported the same back with the following amendments:

Page 2, line 23, after "acquisition" insert "by local governments"

Page 2, line 33, delete "provision" and insert "promotion"

Page 5, line 2, delete "total" and insert "local"

Page 5, after line 7, insert:

“Sec. 5. Minnesota Statutes 1986, section 105.482, subdivision 5, is amended to read:

Subd. 5. [LIMITATIONS.] If the cost of repair or reconstruction of a state owned dam or a grant to a local governmental unit is less than \$75,000 ~~\$250,000~~, the commissioner may direct that the state owned dam be repaired or reconstructed or that a grant be made to repair or reconstruct a dam owned by a local governmental unit ~~without the approval of the state executive council. If the cost of repair or reconstruction of a state owned dam, or a grant to a local governmental unit is \$75,000 or more but less than \$150,000, the expenditure shall be made only with the approval of the state executive council. If the cost of repair or reconstruction of a state owned dam or a grant to a local governmental unit is \$150,000~~ \$250,000 or more, the commissioner may recommend the project to the legislature for its consideration and action, except in the following emergency situations. With the approval of the executive council commissioner of finance, the commissioner may direct that a state owned dam be repaired or reconstructed or a grant be made to a local governmental unit where the commissioner determines that an emergency condition exists and that there is danger that life will be lost or that substantial property losses will be suffered if such action is not promptly taken.”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, after the semicolon insert “105.482, subdivision 5;”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 841, A bill for an act relating to utilities; providing for prevention of unlawful meter bypass, tampering, and use; providing remedies; proposing coding for new law in Minnesota Statutes, chapter 216B.

Reported the same back with the following amendments:

Page 1, line 8, delete “216B.023” and insert “325E.026”

Page 1, after line 24, insert:

“(c) “Unauthorized connection” means the physical connection or physical reconnection of utility service by a person without the

authorization or consent of the utility.”

Page 1, line 25, delete “(c)” and insert “(d)”

Page 2, line 4, delete “(d)” and insert “(e)”

Page 2, lines 10, 13, and 14, before “or” insert “unauthorized connection.”

Page 2, line 14, delete “is”

Page 2, line 15, delete “entitled to” and insert “may”

Page 2, line 18, after the semicolon, insert “and”

Page 2, line 20, delete everything after “employees”

Page 2, line 21, delete everything before the period

Page 2, delete lines 22 to 32

Page 2, line 33, delete “4” and insert “3”

Page 2, line 35, delete “may” and insert “must”

Page 3, line 2, delete “5” and insert “4”

Amend the title as follows:

Page 1, line 5, delete “216B” and insert “325E”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Judiciary.

The report was adopted.

Otis from the Committee on Economic Development and Housing to which was referred:

H. F. No. 862, A bill for an act relating to commerce; creating a legislative commission to study proposed low-level military air training in northeastern Minnesota; prescribing its duties.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Environment and Natural Resources.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 887, A bill for an act relating to environment; creating the clean water partnership program for the control of nonpoint source water pollution and providing for administration by the pollution control agency; requiring a state water quality assessment; authorizing technical and financial assistance to local governments; authorizing rulemaking; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 115.

Reported the same back with the following amendments:

Page 2, line 22, delete "municipality" and insert "statutory or home rule charter city"

Page 2, delete lines 28 and 29

Page 2, line 30, delete "7. [NONPOINT SOURCES.]" and insert "6. [NONPOINT SOURCE.]"

Renumber the subdivisions

Page 2, line 36, delete "managment" and insert "management"

Page 3, line 2, delete "offical" and insert "official"

Page 4, line 25, delete "and"

Page 4, after line 25, insert:

"(2) evidence that the applicant has consulted with the local soil and water conservation districts and watershed districts, where they exist, in preparing the application; and"

Page 4, line 26, delete "(2)" and insert "(3)"

Page 5, line 5, delete "contain a technical assessment of" and insert "identify"

Page 6, lines 15 and 16, delete "and may adopt emergency rules"

Page 7, line 29, after "Stabilization" insert "and Conservation"

Page 7, line 31, after "council," insert "Association of Minnesota Counties, League of Minnesota Cities,"

Page 7, line 33, after "shall" insert "advise the agency in preparation of rules,"

Page 7, line 34, after the first "projects" insert " ,"

Page 8, delete lines 5 to 8

Page 8, line 12, delete "June 30, 1989" and insert "expended"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 889, A bill for an act relating to local government; providing notice conditions for town road contracts; amending Minnesota Statutes 1986, section 160.17, subdivision 2.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 912, A bill for an act relating to human services; providing for eligibility requirements for receiving medical assistance and general assistance medical care; allowing recovery of benefits paid after death of recipient; requiring assignment of benefits; providing services for pregnant women; allowing certain agencies to collect personal property by affidavit; amending Minnesota Statutes 1986, sections 256B.02, subdivision 8; 256B.06, subdivision 1, and by adding a subdivision; 256B.15; 256B.17, subdivisions 4 and 5; 256B.35, subdivisions 1 and 2; 256D.03, subdivision 3, and by adding a subdivision; and 524.3-1201; repealing Minnesota Statutes 1986, sections 256B.07; and 256D.051, subdivision 12.

Reported the same back with the following amendments:

Page 7, line 32, strike "resources" and insert "assets"

Page 7, delete line 36

Page 8, delete lines 1 and 2

Page 8, line 3, delete everything before the period

Page 9, line 10, reinstate the stricken "unless"

Page 9, line 14, strike "unless"

Page 10, line 4, delete "before the period of medical assistance"

Page 10, line 5, delete "eligibility" and insert "more than 24 months immediately prior to the period of medical assistance eligibility and personal jewelry acquired within 24 months immediately prior to the period of medical assistance eligibility and not purchased with assets of the applicant or recipient"

Page 10, line 6, delete "is" and insert "are"

Page 15, line 29, after "256D.05" insert "or 256D.051"

Page 15, line 32, delete "and"

Page 15, line 33, delete "(3)"

Page 15, line 36, delete "(4)"

Page 17, line 4, delete "that"

Page 17, delete line 5

Page 17, line 6, delete the new language and insert "with a claim authorized by section 256B.15,"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 919, A bill for an act relating to recreation and natural resources; authorizing grants to local government units for park acquisition and betterment; authorizing dam safety projects; authorizing the acquisition of natural habitat; authorizing acquisition and betterment of units of the outdoor recreation system including, but not limited to, state parks, trails, forests, fishing management lands, wildlife management areas, scientific and natural areas, wild, scenic, and recreational rivers, canoe and boating routes, and public water access; authorizing acquisition and development of amateur athletic training facilities; imposing the sales tax on certain clubs dues; providing for deposit and expenditures of certain sales tax revenues; authorizing the issuance of state bonds; appro-

priating money; amending Minnesota Statutes 1986, sections 297A.01, subdivision 3; and 297A.44, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 16A.

Reported the same back with the following amendments:

Page 1, line 27, delete "\$78,045,000" and insert "\$74,320,000"

Page 2, line 20, after "105.482" insert ", and for flood damage reduction projects under Minnesota Statutes, sections 104.01 to 104.38"

Page 3, line 1, delete "and in accordance with"

Page 3, delete line 2

Page 3, line 3, delete "Statutes, section 89.021"

Page 3, line 6, delete "and in accordance with"

Page 3, delete line 7

Page 3, line 8, delete "Statutes, section 89.021"

Page 3, line 20, delete "97.48, subdivision 13," and insert "97A.135"

Page 3, line 21, delete "97.481" and insert "97A.145"

Page 3, line 26, delete "97.48, subdivision 13," and insert "97A.135"

Page 3, line 27, delete "97.481" and insert "97A.145"

Page 3, line 36, delete "97.48," and insert "97A.141"

Page 4, line 1, delete "subdivision 15"

Page 4, line 5, delete "and" and insert "to"

Page 4, line 6, delete the first comma

Page 5, delete lines 4 to 7, and insert:

"(3) For a speedskating center in the city of Roseville, as approved by the metropolitan council in January 1985

(4) For statewide ski jumping planning

\$	<u>3,500,000</u>
\$	<u>25,000</u>

Page 5, delete lines 15 and 16, and insert:

"(2) <u>For a canoe and kayak center</u>	\$	<u>100,000</u>
(3) <u>For a fieldhouse and multi-sport complex</u>	\$	<u>3,400,000</u>
(4) <u>Water system</u>	\$	<u>1,700,000</u>
(5) <u>Sewage system</u>	\$	<u>1,700,000"</u>

Page 9, line 9, delete "fund" and insert "account"

Page 9, line 16, delete "are" and insert "is"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Voss moved that H. F. No. 919 be recalled from the Committee on Taxes and be re-referred to the Committee on Appropriations. The motion prevailed.

Simoneau from the Committee on Governmental Operations to which was referred:

S. F. No. 403, A bill for an act relating to newspapers; providing that only qualified newspapers may accept legal notices for publication; amending Minnesota Statutes 1986, section 331A.02, subdivision 1.

Reported the same back with the following amendments:

Amend the title as follows:

Page 1, line 2, delete "only" and insert "a newspaper that is not"

Page 1, delete line 3, and insert "must inform public bodies that it is not qualified;"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 450, 564, 651 and 737 were read for the second time.

## SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, McLaughlin moved that the rule therein be suspended and an urgency be declared so that H. F. No. 737 be given its third reading and be placed upon its final passage. The motion prevailed.

McLaughlin moved that the Rules of the House be so far suspended that H. F. No. 737 be given its third reading and be placed upon its final passage. The motion prevailed.

H. F. No. 737, A resolution memorializing the President and Congress to prevent from taking effect the proposed Internal Revenue Service regulations that limit the lobbying activities by non-profit organizations.

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 3 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Gruenes	Lasley	Onnen	Segal
Anderson, R.	Gutknecht	Lieder	Orenstein	Shaver
Battaglia	Hartle	Long	Osthoff	Simoneau
Bauerly	Heap	Marsh	Otis	Skoglund
Beard	Himle	McDonald	Ozment	Solberg
Begich	Hugoson	McEachern	Pappas	Sparby
Bennett	Jacobs	McKasy	Pauly	Stanisus
Bertram	Jaros	McLaughlin	Pelowski	Steensma
Boo	Jefferson	McPherson	Peterson	Sviggum
Brown	Jennings	Milbert	Price	Swenson
Burger	Jensen	Miller	Quinn	Tjornhom
Carlson, L.	Johnson, A.	Minne	Redalen	Tompkins
Carruthers	Johnson, R.	Morrison	Reding	Trimble
Clark	Johnson, V.	Munger	Rest	Tunheim
Clausnitzer	Kahn	Murphy	Rice	Uphus
Cooper	Kalis	Nelson, C.	Richter	Valento
Dauner	Kelly	Nelson, D.	Riveness	Vanasek
DeBlicek	Kelso	Nelson, K.	Rodosovich	Vellienga
Dempsey	Kinkel	Neuenschwander	Rose	Voss
Dille	Kludt	O'Connor	Rukavina	Wagenius
Dorn	Knickerbocker	Ogren	Sarna	Waltman
Forsythe	Knuth	Olsen, S.	Schafer	Welle
Frederick	Kostohryz	Olson, E.	Scheid	Wenzel
Frerichs	Krueger	Olson, K.	Schoenfeld	Winter
Greenfield	Larsen	Omann	Seaberg	Wynia
				Spk. Norton

Those who voted in the negative were:

Carlson, D.	Haukoos	Schreiber
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The bill was passed and its title agreed to.

**SECOND READING OF HOUSE BILLS, Continued**

H. F. Nos. 750, 799 and 889 were read for the second time.

**SECOND READING OF SENATE BILLS**

S. F. No. 403 was read for the second time.

**INTRODUCTION AND FIRST READING  
OF HOUSE BILLS**

The following House Files were introduced:

Nelson, D., introduced:

H. F. No. 1299, A bill for an act relating to local government; conforming the Minnesota open meeting law and the Minnesota government data practices act; amending Minnesota Statutes 1986, section 471.705, subdivision 1.

The bill was read for the first time and referred to the Committee on Judiciary.

Nelson, D., introduced:

H. F. No. 1300, A bill for an act relating to collection and dissemination of data; enacting the uniform criminal history records act; prescribing penalties; amending Minnesota Statutes 1986, section 13.82, subdivision 1; proposing coding for new law as Minnesota Statutes, chapter 13B; repealing Minnesota Statutes 1986, section 13.87.

The bill was read for the first time and referred to the Committee on Judiciary.

Nelson, D., introduced:

H. F. No. 1301, A bill for an act relating to collection and dissemination of data; enacting the uniform information practices code; repealing the government data practices act; prescribing penalties; proposing coding for new law as Minnesota Statutes,

chapter 13B; repealing Minnesota Statutes 1986, sections 13.01 to 13.90.

The bill was read for the first time and referred to the Committee on Judiciary.

Solberg and Neuenschwander introduced:

H. F. No. 1302, A bill for an act relating to Itasca county; permitting the county to levy a tax for economic development.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Winter, Bishop and DeBlicke introduced:

H. F. No. 1303, A bill for an act relating to state parks; regulating the use of metal detectors in state parks; proposing coding for new law in Minnesota Statutes, chapter 85.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Milbert, Quinn, Voss, Skoglund and Osthoff introduced:

H. F. No. 1304, A bill for an act relating to insurance; regulating cancellations of insurance agency contracts; proposing coding for new law in Minnesota Statutes, chapter 60A.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Sparby introduced:

H. F. No. 1305, A bill for an act relating to education; providing for loans to certain school districts having property tax delinquencies; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 124.

The bill was read for the first time and referred to the Committee on Education.

Scheid, Osthoff and Voss introduced:

H. F. No. 1306, A bill for an act relating to taxation; property; eliminating the open space property tax benefits to certain recre-

ational property; amending Minnesota Statutes 1986, section 273.112, subdivisions 3, 6, and 7a.

The bill was read for the first time and referred to the Committee on Taxes.

Winter, Steensma and DeBlieck introduced:

H. F. No. 1307, A bill for an act relating to traffic regulations; requiring damage vehicle release sticker on motor vehicle damaged in accident; requiring garages and vehicle towers to report to law enforcements agencies under certain circumstances; amending Minnesota Statutes 1986, section 169.09, subdivisions 9, 12, and by adding subdivisions.

The bill was read for the first time and referred to the Committee on Transportation.

Lieder and Dempsey introduced:

H. F. No. 1308, A bill for an act relating to transportation; requiring the licensing of limousine services by the registrar of motor vehicles; providing for conditions of licensure and operation of limousines; requiring bonds; providing penalties; amending Minnesota Statutes 1986, sections 169.01, subdivision 50; and 169.71, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 326.

The bill was read for the first time and referred to the Committee on Transportation.

DeBlieck; Johnson, V.; Nelson, D.; Winter and Jennings introduced:

H. F. No. 1309, A bill for an act relating to soil and water conservation; simplifying and clarifying the law governing soil and water conservation districts; amending Minnesota Statutes 1986, sections 40.01; 40.02; 40.03; 40.035; 40.036; 40.038; 40.04; 40.05; 40.06; 40.07; 40.071; 40.072; 40.073; 40.12; 40.13; 40.14; and 40.15.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Murphy, Otis and Clark introduced:

H. F. No. 1310, A bill for an act relating to multifamily housing developments; changing certain income limit restrictions; amending Minnesota Statutes 1986, section 462C.05, subdivision 2.

The bill was read for the first time and referred to the Committee on Economic Development and Housing.

Murphy, Cooper, Vellenga, Stanius and Boo introduced:

H. F. No. 1311, A bill for an act relating to human services; including certain pension costs as operating costs for purposes of nursing home reimbursement; amending Minnesota Statutes 1986, section 256B.431, subdivision 2b.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Kelly, Vellenga, Marsh, McKasy and Orenstein introduced:

H. F. No. 1312, A bill for an act relating to peace officers; requiring licensure as a prerequisite to exercising the authority of a peace officer; prohibiting persons from misrepresenting themselves as peace officers or part-time peace officers; prescribing penalties; amending Minnesota Statutes 1986, section 626.84; proposing coding for new law in Minnesota Statutes, chapter 626.

The bill was read for the first time and referred to the Committee on Judiciary.

Scheid, Long, Voss, Schreiber and Redalen introduced:

H. F. No. 1313, A bill for an act relating to taxation; property; requiring distribution of unclaimed overpayments to the affected taxing districts; proposing coding for new law in Minnesota Statutes, chapter 276.

The bill was read for the first time and referred to the Committee on Taxes.

Carruthers, Long, Blatz and Rest introduced:

H. F. No. 1314, A bill for an act relating to courts; conforming fees for the filing of an unlawful detainer action in Hennepin county with other civil fees and unlawful detainer fees collected throughout the state; changing Hennepin county conciliation court filing and counterclaim fees; amending Minnesota Statutes 1986, sections 488A.03, subdivision 11; and 488A.14, subdivisions 1 and 5.

The bill was read for the first time and referred to the Committee on Judiciary.

Pappas, Kahn and Krueger introduced:

H. F. No. 1315, A bill for an act relating to state agencies; establishing a telecommunications and computer expenditure committee.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Jacobs introduced:

H. F. No. 1316, A bill for an act relating to taxation; clarifying determination of estimated property taxes for settlement with local taxing districts; providing an appeal mechanism; amending Minnesota Statutes 1986, section 276.11.

The bill was read for the first time and referred to the Committee on Taxes.

Price introduced:

H. F. No. 1317, A bill for an act relating to occupations and professions; creating the Minnesota task force on interior designers and decorators and providing for its duties.

The bill was read for the first time and referred to the Committee on Commerce.

Redalen introduced:

H. F. No. 1318, A bill for an act appropriating funds for the Chatfield Brass Band Music Lending Library.

The bill was read for the first time and referred to the Committee on Education.

Schoenfeld and Scheid introduced:

H. F. No. 1319, A bill for an act relating to state government; authorizing the use of certain mechanical lifting devices in public buildings; amending Minnesota Statutes 1986, section 16B.61, subdivision 5.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Beard introduced:

H. F. No. 1320, A bill for an act relating to civil commitment; defining "mentally ill person"; and "the least restrictive alternative principle"; providing that mentally ill persons can be committed only to regional centers or hospitals that are appropriately accredited; amending Minnesota Statutes 1986, sections 253B.02, subdivision 13, and by adding subdivisions; and 253B.09, subdivision 1.

The bill was read for the first time and referred to the Committee on Judiciary.

Carlson, L.; Heap; Carruthers; Rest and Scheid introduced:

H. F. No. 1321, A bill for an act relating to education; changing the weighting of pupils enrolled in the sixth grade of a middle school from elementary to secondary; amending Minnesota Statutes 1986, section 124.17, subdivision 1.

The bill was read for the first time and referred to the Committee on Education.

Morrison; Tompkins; Johnson, A.; Battaglia and Valento introduced:

H. F. No. 1322, A bill for an act relating to local government; providing for the discharge of charter commissions; amending Minnesota Statutes 1986, section 410.05, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Jefferson, Trimble, Orenstein and Rodosovich introduced:

H. F. No. 1323, A bill for an act relating to human services; endorsing the Store-to-Door grocery delivery program for certain elderly citizens; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 256.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Price, Pelowski, Dorn, Omann and Gruenes introduced:

H. F. No. 1324, A bill for an act relating to education; establishing a task force on financing post-secondary education; appropriating

money; proposing coding for new law in Minnesota Statutes, chapter 3.

The bill was read for the first time and referred to the Committee on Higher Education.

Gutknecht, Kalis and Frerichs introduced:

H. F. No. 1325, A bill for an act relating to motor vehicles; permitting seven characters on personalized license plates; amending Minnesota Statutes 1986, section 168.12, subdivision 2a.

The bill was read for the first time and referred to the Committee on Transportation.

Pelowski, Sarna, Otis, Redalen and Burger introduced:

H. F. No. 1326, A bill for an act relating to energy; authorizing loans to cities and counties for energy conservation investments and authorizing repayment of those loans; authorizing issuance of bonds; appropriating money; amending Minnesota Statutes 1986, sections 116J.37; 275.50, subdivision 5; 471.65; and 475.51, subdivision 4.

The bill was read for the first time and referred to the Committee on Commerce.

Skoglund, Scheid, Knickerbocker, Orenstein and Steensma introduced:

H. F. No. 1327, A bill for an act relating to elections; specifying the time for precinct caucuses; amending Minnesota Statutes 1986, section 202A.14, subdivision 1.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Solberg, Blatz, Onnen and Neuenschwander introduced:

H. F. No. 1328, A bill for an act relating to human services; extending the deadline for community work experience program pilot projects; amending Minnesota Statutes 1986, section 256.737, subdivision 1.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Kinkel, Solberg, Kahn, Clark and Milbert introduced:

H. F. No. 1329, A bill for an act relating to human services; clarifying eligibility of persons governed by federally recognized American Indian tribal governments for certain services; amending Minnesota Statutes 1986, section 256E.03, subdivision 2.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Jefferson, Clark and Trimble introduced:

H. F. No. 1330, A bill for an act relating to human services; appropriating money for dispersal of group residential facilities.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Jefferson, Clark, Ogren and Trimble introduced:

H. F. No. 1331, A bill for an act relating to human services; providing for annual utilities assistance adjustment payments under aid to families with dependent children; amending Minnesota Statutes 1986, section 256.73, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Clark, Begich and Battaglia introduced:

H. F. No. 1332, A bill for an act relating to employment; requiring employees to promptly pay premiums on employee health plans; providing remedies; proposing coding for new law in Minnesota Statutes, chapter 181.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Shaver, Munger, Jensen and Battaglia introduced:

H. F. No. 1333, A bill for an act relating to game and fish; changing the mandatory closing date for private shooting preserves; amending Minnesota Statutes 1986, section 97A.121, subdivision 2.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Blatz, Otis, Osthoff, Schreiber and Vanasek introduced:

H. F. No. 1334, A bill for an act relating to taxation; providing for payment of refunds to certain purchasers of energy conservation equipment; appropriating money.

The bill was read for the first time and referred to the Committee on Taxes.

Jefferson, Clark, Trimble and Rice introduced:

H. F. No. 1335, A bill for an act relating to state government; creating the council on Martin Luther King, Jr. holidays and providing for the council's powers and duties; proposing coding for new law as Minnesota Statutes, chapter 44B.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Kelly, Ogren, Osthoff, Scheid and Schreiber introduced:

H. F. No. 1336, A bill for an act relating to tax increment financing; requiring an authority to obtain permission from the county wherein the proposed district is located before including the county's portion of the assessed value within the captured assessed value; amending Minnesota Statutes 1986, section 273.76, subdivision 2.

The bill was read for the first time and referred to the Committee on Taxes.

Carruthers; O'Connor; Skoglund; Carlson, D., and Bishop introduced:

H. F. No. 1337, A bill for an act relating to financial institutions; reciprocal interstate banking; authorizing acquisitions by those who express a commitment to provide certain forms of affordable credit; amending Minnesota Statutes 1986, sections 48.93, subdivision 3; and 48.99, subdivision 1.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Pappas, Jefferson, Trimble and Johnson, R., introduced:

H. F. No. 1338, A bill for an act relating to education; establishing a pilot truancy prevention program; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 124.

The bill was read for the first time and referred to the Committee on Education.

Kelso, Stanius and Vellenga introduced:

H. F. No. 1339, A bill for an act relating to human services; requiring the commissioner of human services to initiate contested case hearings on nursing home appeals within a certain time period; amending Minnesota Statutes 1986, section 256B.50, subdivision 1.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Quist, Vanasek, Rodosovich and Jensen introduced:

H. F. No. 1340, A bill for an act relating to taxation; sales; changing the requirements for designation of a distressed county for purposes of the capital equipment exemption; amending Minnesota Statutes 1986, section 297A.257, subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes.

Quist introduced:

H. F. No. 1341, A bill for an act relating to education; providing aid for teachers in a district's gifted and talented program; appropriating money; amending Minnesota Statutes 1986, section 124.247, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 124.

The bill was read for the first time and referred to the Committee on Education.

Scheid, Osthoff, Jacobs, Bennett and Quinn introduced:

H. F. No. 1342, A bill for an act relating to intoxicating liquor; requiring cities to issue off-sale wine licenses to general food stores in the metropolitan area upon application; imposing restrictions; amending Minnesota Statutes 1986, sections 340A.101, subdivision

29; and 340A.412, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 340A.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Jaros, Munger, Murphy, Sarna and Rukavina introduced:

H. F. No. 1343, A bill for an act relating to public safety; providing an exception from certain regulations for steam turbines which receive steam from remote municipal facilities; amending Minnesota Statutes 1986, section 183.56.

The bill was read for the first time and referred to the Committee on Commerce.

Dauner and Kludt introduced:

H. F. No. 1344, A bill for an act relating to the city of Sabin; providing for apportionment of debt service levy in rural and urban service districts in the city; permitting inclusion of platted land in a rural service district in the city.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Kinkel; Johnson, R.; Rose and Anderson, G., introduced:

H. F. No. 1345, A bill for an act relating to game and fish; authorizing annual and 14-day husband and wife angling licenses; amending Minnesota Statutes 1986, section 97A.475, subdivision 7.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Frederick introduced:

H. F. No. 1346, A bill for an act relating to crime; imposing criminal penalties on persons who sign certain documents with a false or fictitious name; amending Minnesota Statutes 1986, section 171.22.

The bill was read for the first time and referred to the Committee on Judiciary.

Jefferson, Kelso and Stanius introduced:

H. F. No. 1347, A bill for an act relating to human services; exempting nursing homes from the prepayment demonstration project; amending Minnesota Statutes 1986, section 256B.69, subdivisions 2 and 3.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Kelly introduced:

H. F. No. 1348, A bill for an act relating to retirement; public employees retirement association; authorizing coverage for employees of the St. Paul Ramsey Medical Center commission; amending Minnesota Statutes 1986, section 246A.12, subdivisions 5, 6, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Jennings, Gruenes and Jefferson introduced:

H. F. No. 1349, A bill for an act relating to human services; allowing certain exceptions to the moratorium on nursing home beds; allowing upgrading of certified boarding care beds to skilled nursing beds; requiring the development of criteria to determine the need for additional nursing home beds; allowing nursing homes to reduce the number of beds in each room; providing for relocation procedures for a nursing home terminated from participation in the medical assistance program; amending Minnesota Statutes 1986, sections 144A.071, subdivisions 2, 3, 4, and by adding a subdivision; and 256B.48, subdivision 1a.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Clark, Otis, Greenfield and McLaughlin introduced:

H. F. No. 1350, A bill for an act relating to jobs and training; establishing limits for rates under the child care sliding fee program; amending Minnesota Statutes 1986, section 268.91, subdivision 8.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Tunheim, Sparby and Battaglia introduced:

H. F. No. 1351, A bill for an act relating to natural resources; authorizing the taking of elk and amending related laws; authorizing compensation for certain crop damage caused by elk; appropriating money; amending Minnesota Statutes 1986, sections 97A.421, subdivision 6; 97A.431; 97A.465, subdivisions 1 and 3; 97A.471, subdivision 3; 97A.475, subdivision 2; 97A.525, subdivision 1; 97A.535; and 97B.201; proposing coding for new law in Minnesota Statutes, chapters 3 and 97B.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Clark, Greenfield, Jefferson and McLaughlin introduced:

H. F. No. 1352, A bill for an act relating to appropriations; providing funding for the establishment of a community-based juvenile residential correctional facility to serve American Indian juveniles in Hennepin county.

The bill was read for the first time and referred to the Committee on Judiciary.

Greenfield and Clark introduced:

H. F. No. 1353, A bill for an act relating to human services; creating a work incentive subsidized housing program for AFDC recipients; appropriating money; amending Minnesota Statutes 1986, section 256.736, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Greenfield introduced:

H. F. No. 1354, A bill for an act relating to children; providing for protective supervision of children who are dependent because of the minority of a parent; amending Minnesota Statutes 1986, sections 260.015, subdivision 6; 260.155, by adding a subdivision; and 260.191, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Judiciary.

Greenfield introduced:

H. F. No. 1355, A bill for an act relating to the city of Minneapolis; giving the city certain powers pertaining to conventions and tourism activities.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Greenfield, Clark and Vellenga introduced:

H. F. No. 1356, A bill for an act relating to health; authorizing the board of medical examiners to release certain information about disciplinary investigations and proceedings; amending Minnesota Statutes 1986, section 147.01, subdivision 4.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Greenfield and Jefferson introduced:

H. F. No. 1357, A bill for an act relating to human services; clarifying inpatient hospital rate determinations; amending Minnesota Statutes 1986, section 256.969, subdivision 3.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Greenfield and Clark introduced:

H. F. No. 1358, A bill for an act relating to human services; establishing limits for rates under the child care sliding fee program; amending Minnesota Statutes 1986, section 268.91, subdivision 8.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Greenfield, Murphy, Jennings, Jefferson and Onnen introduced:

H. F. No. 1359, A bill for an act relating to human services; authorizing Minnesota supplemental aid for a licensed boarding care facility; amending Minnesota Statutes 1986, section 256D.37, subdivision 1.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Dille, Schoenfeld, Wenzel and Uphus introduced:

H. F. No. 1360, A bill for an act relating to agriculture; appropriating money for control of pseudorabies in swine herds.

The bill was read for the first time and referred to the Committee on Agriculture.

Clark introduced:

H. F. No. 1361, A bill for an act relating to public utilities; increasing time that public utilities commission must approve or deny certificate of need; authorizing commission to recover costs of evaluating need for large energy facility; amending Minnesota Statutes 1986, sections 216B.243, subdivision 5; and 216B.62, subdivisions 2, 6, and by adding a subdivision; repealing Minnesota Statutes 1986, section 216B.243, subdivision 6.

The bill was read for the first time and referred to the Committee on Regulated Industries.

McLaughlin and Jacobs introduced:

H. F. No. 1362, A bill for an act relating to utilities; providing for expedited hearings by public utilities commission to review adjustments to rates of public utilities and telephone companies due to tax reform act; providing for repeal.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Winter introduced:

H. F. No. 1363, A bill for an act relating to education; appropriating money for Worthington community college to join certain telecommunications networks.

The bill was read for the first time and referred to the Committee on Higher Education.

Thiede introduced:

H. F. No. 1364, A bill for an act relating to taxation; income; excluding net capital gain.

The bill was read for the first time and referred to the Committee on Taxes.

Valento introduced:

H. F. No. 1365, A bill for an act relating to liquor; authorizing the city of Little Canada to issue two additional on-sale licenses.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Kinkel, Simoneau, Sarna, Bennett and Jacobs introduced:

H. F. No. 1366, A bill for an act relating to occupations and professions; requiring the licensing of interior designers; defining the practice of interior design; providing for exemptions; providing for administration of licensing requirements; amending Minnesota Statutes 1986, sections 214.01, subdivision 3; 214.04, subdivision 3; 326.02, subdivision 1, and by adding a subdivision; 326.03, subdivision 1, and by adding a subdivision; 326.04; 326.05; 326.06; 326.07; 326.08, subdivision 2; 326.09; 326.10, subdivisions 1, 2, 2a, and by adding a subdivision; 326.11, subdivision 1; 326.12; 326.13; and 326.14.

The bill was read for the first time and referred to the Committee on Commerce.

Welle, Lasley, Simoneau, Tompkins and Price introduced:

H. F. No. 1367, A bill for an act relating to retirement; establishing a voluntary retirement plan for certain qualified employees of public and private ambulance services; proposing coding for new law as Minnesota Statutes, chapter 353A.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Tunheim, Battaglia and Kinkel introduced:

H. F. No. 1368, A bill for an act relating to education; providing categorical aids and certain levy replacement money for Pine Point School; amending Minnesota Statutes 1986, section 128B.03, by adding subdivisions.

The bill was read for the first time and referred to the Committee on Education.

Tunheim, Battaglia and Olsen, S., introduced:

H. F. No. 1369, A bill for an act relating to education; appropriating money for Indian education at the Grand Portage school.

The bill was read for the first time and referred to the Committee on Education.

Kelso and Jensen introduced:

H. F. No. 1370, A bill for an act relating to Scott county; authorizing the issuance of county bonds for capital improvements.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Knuth and Kelly introduced:

H. F. No. 1371, A bill for an act relating to courts; specifying certain locations for holding court in Ramsey county; providing for the disposition of fees and fines from the courts in Ramsey county; amending Minnesota Statutes 1986, section 488A.20, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 488A.

The bill was read for the first time and referred to the Committee on Judiciary.

Riveness, McLaughlin, Dorn, Rukavina and Knuth introduced:

H. F. No. 1372, A bill for an act relating to taxation; property tax refund; updating references to federal law; expanding the definition of household income; requiring filing with the income tax return; requiring additional reporting by landlords; requiring auditing of claims; allowing the right to the refund to lapse if the claimant cannot be located; repealing obsolete provisions; increasing penalties; appropriating money; amending Minnesota Statutes 1986, sections 290A.03, subdivisions 3, 8, and by adding a subdivision; 290A.06; 290A.18; and 290A.19; repealing Minnesota Statutes 1986, section 290A.04, subdivisions 2e and 2g.

The bill was read for the first time and referred to the Committee on Taxes.

Simoneau; Nelson, D.; Kludt; Jefferson and Trimble introduced:

H. F. No. 1373, A bill for an act relating to taxation; property tax refund; updating references to federal law; expanding the definition

of household income; requiring filing with the income tax return; requiring additional reporting by landlords; requiring auditing of claims; allowing the right to the refund to lapse if the claimant cannot be located; repealing obsolete provisions; increasing penalties; appropriating money; amending Minnesota Statutes 1986, sections 290A.03, subdivisions 3, 8, and by adding a subdivision; 290A.06; 290A.18; and 290A.19; repealing Minnesota Statutes 1986, section 290A.04, subdivisions 2e and 2g.

The bill was read for the first time and referred to the Committee on Taxes.

Simoneau introduced:

H. F. No. 1374, A bill for an act relating to the office of the attorney general; removing the numerical limit on the number of assistant attorneys general; authorizing the attorney general to delegate contract review duties; amending Minnesota Statutes 1986, section 8.02, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 8.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Jacobs and Bennett introduced:

H. F. No. 1375, A bill for an act relating to alcoholic beverages; restricting sales to tax delinquent licensees; limiting imports by individuals; maximum volume for volume prices; purchases by delinquent licensees; restricting employment of minors in nonintoxicating liquor premises; repealing nondiscriminatory price law; amending Minnesota Statutes 1986, sections 297A.151, subdivisions 2 and 3; 297C.09; 340A.302, subdivision 1; 340A.312, subdivision 2; 340A.318, subdivisions 1 and 3; and 340A.411, by adding a subdivision; repealing Minnesota Statutes 1986, section 340A.307, subdivision 3.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Hartle introduced:

H. F. No. 1376, A bill for an act relating to state lands; directing sale and conveyance of certain state-owned lands to the city of Owatonna.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Hartle introduced:

H. F. No. 1377, A bill for an act relating to local government; removing limitations on tax adjustments related to annexations; amending Minnesota Statutes 1986, section 414.035.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Clark introduced:

H. F. No. 1378, A bill for an act relating to utilities; energy; establishing a least-cost electrical energy pilot project; appropriating money; amending Minnesota Statutes 1986, section 216B.241, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Greenfield, Norton, Clark and Jaros introduced:

H. F. No. 1379, A bill for an act relating to crimes; sexual conduct; prohibiting sexual penetration in a public place; abolishing the crimes of consensual sodomy, fornication, and adultery; proposing coding for new law in Minnesota Statutes, chapter 609; repealing Minnesota Statutes 1986, sections 609.293; 609.34; and 609.36.

The bill was read for the first time and referred to the Committee on Judiciary.

Reding, Norton, Knuth and Dorn introduced:

H. F. No. 1380, A bill for an act relating to state government; appropriating money to fund a nonprofit institute for invention and innovation; proposing coding for new law in Minnesota Statutes, chapter 138.

The bill was read for the first time and referred to the Committee on Future and Technology.

Clark introduced:

H. F. No. 1381, A bill for an act relating to occupational safety and health; requiring training for employees of nursing homes and

correction facilities for exposure to infectious agents; amending Minnesota Statutes 1986, section 182.653, subdivision 4f.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Clark introduced:

H. F. No. 1382, A bill for an act relating to occupations and professionals; establishing a system of licensure for acupuncture practitioners; proposing coding for new law in Minnesota Statutes, chapter 148.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Jennings introduced:

H. F. No. 1383, A bill for an act relating to utilities; imposing minimum requirements for coin-operated telephones; providing that free or reduced telephone rates for employees of telephone companies not be paid for by ratepayers; providing for public utilities commission to reopen telephone rate case; requiring application for rehearing before judicial review; amending Minnesota Statutes 1986, sections 237.01, subdivision 2, and by adding a subdivision; and 237.14; proposing coding for new law in Minnesota Statutes, chapter 237.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Jennings introduced:

H. F. No. 1384, A bill for an act relating to utilities; providing for investigation by and limited proceedings in certain cases before the public utilities commission; providing for triennial rate filing; prohibiting commission from ordering interim rate schedule for six months after final determination in previously filed rate change, with exceptions; providing that management practices be a factor in determining rates; providing for limited hearings in certain circumstances; allowing the commission to order refunds of discriminatory rates; providing that appellants have ten days to apply for rehearing of commission order; providing for commission review of sales or acquisitions of utilities located outside of the state under certain circumstances; prohibiting utility from shutting off gas or electric service to tenant when utility contracted for service with defaulting landlord; exempting small utilities and telephone companies from indirect cost assessments; amending Minnesota Statutes 1986, sec-

tions 216.13; 216.14; 216.15; 216.16; 216B.16, subdivision 3, and by adding subdivisions; 216B.17, subdivision 1; 216B.23, subdivision 1; 216B.27, subdivisions 1 and 2; 216B.50, subdivision 1; 216B.62, subdivision 3; 237.075, subdivision 3, and by adding subdivisions; 237.081, subdivision 1a; 237.295, subdivision 2; and 325E.025, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 216B and 237.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Clark; Olson, K.; Otis and Jennings introduced:

H. F. No. 1385, A bill for an act relating to job creation; allowing commissioner of jobs and training to contract with service providers to deliver wage subsidies; requiring that a certain percentage of wage subsidy money be allocated to priority groups; allowing eligible local service units to retain a certain percentage of money repaid by employers receiving wage subsidies; appropriating money; amending Minnesota Statutes 1986, sections 268.673, subdivision 5, and by adding a subdivision; 268.6751, subdivision 1; 268.676, subdivision 1; 268.677, subdivision 1; 268.678, subdivision 4; and 268.681, subdivisions 2 and 3.

The bill was read for the first time and referred to the Committee on Economic Development and Housing.

Anderson, R., introduced:

H. F. No. 1386, A bill for an act relating to veterans; authorizing the housing and care of veterans in nonmetropolitan residential treatment centers; proposing coding for new law in Minnesota Statutes, chapters 198 and 253.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Nelson, D., introduced:

H. F. No. 1387, A bill for an act relating to health-care information; providing conditions for the disclosure of health-care information; enacting the Uniform Health-Care Information Act; providing penalties; proposing coding for new law as Minnesota Statutes, chapter 143.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Jefferson, Gutknecht, O'Connor, Clark and Simoneau introduced:

H. F. No. 1388, A bill for an act relating to state government; establishing a certification process in the department of transportation for set-aside programs; authorizing rulemaking; proposing coding for new law in Minnesota Statutes, chapter 161.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Nelson, D., and Vellenga introduced:

H. F. No. 1389, A bill for an act relating to firearms; allowing possession of machine guns by ammunition manufacturers for testing purposes only; amending Minnesota Statutes 1986, section 609.67, subdivision 3.

The bill was read for the first time and referred to the Committee on Judiciary.

Ogren introduced:

H. F. No. 1390, A bill for an act relating to utilities; providing for representation of small business by attorney general in certain proceedings relating to utility rates, service, and other matters; amending Minnesota Statutes 1986, section 8.33.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Welle, Wagenius, Rest, Quinn and Dempsey introduced:

H. F. No. 1391, A bill for an act relating to certain commercial transactions; adopting an article of the uniform commercial code that governs leases; amending Minnesota Statutes 1986, section 336.1-201; proposing coding for new law in Minnesota Statutes, chapter 336.

The bill was read for the first time and referred to the Committee on Commerce.

#### HOUSE ADVISORIES

The following House Advisories were introduced:

Clark; Johnson, R.; Jefferson and McLaughlin introduced:

H. A. No. 11, A proposal to study ways to ensure adequate funding for American Indian housing programs.

The advisory was referred to the Committee on Economic Development and Housing.

Clark; Nelson, K., and McLaughlin introduced:

H. A. No. 12, A proposal to study the feasibility of alternative school schedules for American Indians during the ricing season.

The advisory was referred to the Committee on Education.

Clark; McLaughlin; Nelson, K.; Jefferson and Price introduced:

H. A. No. 13, A proposal to study the feasibility of full funding for alternative schools.

The advisory was referred to the Committee on Education.

Segal introduced:

H. A. No. 14, A proposal to study school bus safety.

The advisory was referred to the Committee on Transportation.

### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 127, A bill for an act relating to nonprofit corporations; adoption services corporations; providing that pledges to make contributions to reimburse the corporation for expenses shall be voidable at the option of the person making the pledge and payment of expenses shall not be a prerequisite to providing adoption services; amending Minnesota Statutes 1986, section 317.65, subdivision 7.

PATRICK E. FLAHAVEN, Secretary of the Senate

## CONCURRENCE AND REPASSAGE

Krueger moved that the House concur in the Senate amendments to H. F. No. 127 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 127, A bill for an act relating to nonprofit corporations; adoption services corporations; providing that pledges to make contributions to reimburse the corporation for expenses shall be voidable at the option of the person making the pledge and payment of expenses shall not be a prerequisite to providing adoption services; amending Minnesota Statutes 1986, section 317.65, subdivision 7.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Larsen	Onnen	Seaberg
Anderson, R.	Gruenes	Lasley	Orenstein	Segal
Battaglia	Gutknecht	Lieder	Osthoff	Shaver
Bauerly	Hartle	Long	Otis	Simoneau
Beard	Haukoos	Marsh	Ozment	Skoglund
Begich	Heap	McDonald	Pappas	Solberg
Bennett	Himle	McEachern	Pauly	Sparby
Bertram	Hugoson	McKasy	Pelowski	Stanius
Blatz	Jacobs	McLaughlin	Peterson	Steensma
Boo	Jaros	McPherson	Poppenhagen	Svigum
Brown	Jefferson	Milbert	Price	Swenson
Burger	Jennings	Miller	Quinn	Thiede
Carlson, D.	Jensen	Minne	Redalen	Tjornhom
Carlson, L.	Johnson, A.	Morrison	Reding	Tompkins
Carruthers	Johnson, R.	Munger	Rest	Trimble
Clark	Johnson, V.	Murphy	Rice	Uphus
Clausnitzer	Kahn	Nelson, C.	Richter	Valento
Cooper	Kalis	Nelson, D.	Riveness	Vanasek
Dauner	Kelly	Nelson, K.	Rodosovich	Vellenga
DeBlieck	Kelso	Neuenschwander	Rose	Voss
Dempsey	Kinkel	O'Connor	Rukavina	Wagenius
Dille	Kludt	Ogren	Sarna	Waltman
Dorn	Knickerbocker	Olsen, S.	Schafer	Welle
Forsythe	Knuth	Olson, E.	Scheid	Wenzel
Frederick	Kostohryz	Olson, K.	Schoenfeld	Wynia
Frerichs	Krueger	Omann	Schreiber	Spk. Norton

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 73, 128 and 397.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 133, 291, 440 and 333.

PATRICK E. FLAHAVEN, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 73, A bill for an act relating to game and fish; authorizing nonresident high school foreign exchange students to obtain resident licenses to take deer by archery; amending Minnesota Statutes 1986, section 97A.455.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

S. F. No. 128, A bill for an act relating to liquor; authorizing municipalities to permit holders of both on-sale wine and nonintoxicating malt liquor licenses to sell intoxicating malt liquors; amending Minnesota Statutes 1986, section 340A.404, subdivision 5; repealing Laws 1979, chapter 200.

The bill was read for the first time.

Jaros moved that S. F. No. 128 and H. F. No. 447, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 397, A bill for an act relating to elections; setting times for changing election precincts and redistricting certain election districts; amending Minnesota Statutes 1986, sections 204B.14, subdivision 3; and 375.025, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 204B.

The bill was read for the first time.

Scheid moved that S. F. No. 397 and H. F. No. 651, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 133, A resolution memorializing the President and Congress to enact legislation to exempt nonprofit organizations from the federal excise tax and the unrelated business income tax on charitable gambling it conducts.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

S. F. No. 291, A bill for an act relating to intoxicating liquor; allowing counties to issue seasonal intoxicating liquor licenses subject to certain restrictions; amending Minnesota Statutes 1986, section 340A.404, subdivision 6.

The bill was read for the first time.

Tunheim moved that S. F. No. 291 and H. F. No. 603, now on the Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 440, A bill for an act relating to statutes; removing certain substantive gender references in Minnesota Statutes; amending Minnesota Statutes 1986, sections 13.83, subdivision 2; 88.11, subdivision 1; 176.111, subdivisions 3, 15, and 21; 218.021, subdivision 2; 252.07; 315.44; 315.48; 353.01, subdivision 2b; 358.14; 387.15; 387.16; 540.05; 548.06; 593.01, subdivision 1; 631.412; 641.06; 641.14; and 642.08; repealing Minnesota Statutes 1986, sections 176.011, subdivision 13; 315.49; 382.17; 459.16; and 593.02.

The bill was read for the first time and referred to the Committee on Judiciary.

S. F. No. 333, A bill for an act relating to game and fish; allowing raccoon dog field trials to tree raccoons during certain periods by permit; amending Minnesota Statutes 1986, section 97B.621, subdivision 2.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

### CONSENT CALENDAR

S. F. No. 279 was reported to the House.

Carlson, D., moved to amend S. F. No. 279, as follows:

Page 1, line 11, after "effect" delete "the day following final enactment" and insert "January 1, 1987."

The motion prevailed and the amendment was adopted.

S. F. No. 279, A bill for an act relating to the city of Brook Park; raising the city debt limit.

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 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Gruenes	Lieder	Otis	Simoneau
Anderson, R.	Gutknecht	Long	Ozment	Skoglund
Battaglia	Hartle	Marsh	Pappas	Solberg
Bauerly	Haukoos	McDonald	Pauly	Sparby
Beard	Heap	McEachern	Pelowski	Stanius
Bennett	Himle	McKasy	Peterson	Steensma
Bertram	Hugoson	McLaughlin	Poppenhagen	Sviggum
Bishop	Jacobs	McPherson	Price	Swenson
Blatz	Jaros	Milbert	Quinn	Thiede
Boo	Jefferson	Miller	Quist	Tjornhom
Brown	Jennings	Minne	Redalen	Tompkins
Burger	Jensen	Morrison	Reding	Trimble
Carlson, D.	Johnson, A.	Munger	Rest	Uphus
Carlson, L.	Johnson, R.	Murphy	Rice	Valento
Carruthers	Johnson, V.	Nelson, C.	Richter	Vanasek
Clark	Kahn	Nelson, D.	Riveness	Vellenga
Clausnitzer	Kalis	Nelson, K.	Rodosovich	Voss
Cooper	Kelly	Neuenschwander	Rose	Wagenius
Dauner	Kelso	O'Connor	Rukavina	Waltman
DeBlicek	Kinkel	Ogren	Sarna	Welle
Dempsey	Kludt	Olsen, S.	Schafer	Wenzel
Dille	Knickerbocker	Olson, E.	Scheid	Winter
Dorn	Knuth	Olson, K.	Schoenfeld	Wynia
Forsythe	Kostohryz	Omann	Schreiber	Spk. Norton
Frederick	Krueger	Onnen	Seaberg	
Frerichs	Larsen	Orenstein	Segal	
Greenfield	Lasley	Osthoff	Shaver	

The bill was passed, as amended, and its title agreed to.

S. F. No. 653, A resolution memorializing the Union of Soviet Socialist Republics to grant exit visas to Jewish prisoners of conscience.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 0 nays as follows:

## Those who voted in the affirmative were:

Anderson, G.	Frerichs	Larsen	Onnen	Simoneau
Anderson, R.	Greenfield	Lasley	Orenstein	Skoglund
Battaglia	Gruenes	Lieder	Otis	Solberg
Bauerly	Gutknecht	Long	Ozment	Sparby
Beard	Hartle	Marsh	Pappas	Stanius
Begich	Haukoos	McDonald	Pauly	Steensma
Bennett	Heap	McEachern	Pelowski	Sviggum
Bertram	Himle	McKasy	Poppenhagen	Swenson
Bishop	Hugoson	McLaughlin	Price	Thiede
Blatz	Jacobs	McPherson	Quinn	Tjornhom
Boo	Jefferson	Milbert	Quist	Tompkins
Brown	Jennings	Miller	Redalen	Tunheim
Burger	Jensen	Minne	Reding	Uphus
Carlson, D.	Johnson, A.	Morrison	Rest	Valento
Carlson, L.	Johnson, R.	Munger	Rice	Vanasek
Carruthers	Johnson, V.	Murphy	Richter	Vellenga
Clark	Kahn	Nelson, C.	Riveness	Voss
Clausnitzer	Kalis	Nelson, D.	Rodsoovich	Wagenius
Cooper	Kelly	Nelson, K.	Rose	Waltman
Dauner	Kelso	Neuenschwander	Sarna	Welle
DeBlicke	Kinkel	O'Connor	Schafer	Wenzel
Dempsey	Kludt	Ogren	Schoenfeld	Winter
Dille	Knickerbocker	Olsen, S.	Schreiber	Wynia
Dorn	Knuth	Olsen, E.	Seaberg	Spk. Norton
Forsythe	Kostohryz	Olson, K.	Segal	
Frederick	Krueger	Omann	Shaver	

The bill was passed and its title agreed to.

S. F. No. 529, A bill for an act relating to human services; regulating work activities of handicapped persons in state facilities; amending Minnesota Statutes 1986, section 246.56, subdivision 2.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

## Those who voted in the affirmative were:

Anderson, G.	Cooper	Jaros	Lieder	O'Connor
Anderson, R.	Dauner	Jefferson	Long	Ogren
Battaglia	DeBlicke	Jennings	Marsh	Olsen, S.
Bauerly	Dempsey	Jensen	McDonald	Olson, K.
Beard	Dille	Johnson, R.	McEachern	Omann
Begich	Dorn	Johnson, V.	McKasy	Onnen
Bennett	Forsythe	Kahn	McLaughlin	Orenstein
Bertram	Frederick	Kalis	McPherson	Otis
Bishop	Frerichs	Kelly	Milbert	Ozment
Blatz	Greenfield	Kelso	Miller	Pauly
Boo	Gruenes	Kinkel	Minne	Pelowski
Brown	Gutknecht	Kludt	Morrison	Peterson
Burger	Hartle	Knickerbocker	Munger	Poppenhagen
Carlson, D.	Haukoos	Knuth	Murphy	Price
Carlson, L.	Heap	Kostohryz	Nelson, C.	Quinn
Carruthers	Himle	Krueger	Nelson, D.	Quist
Clark	Hugoson	Larsen	Nelson, K.	Redalen
Clausnitzer	Jacobs	Lasley	Neuenschwander	Reding

Rest	Schafer	Solberg	Tompkins	Wagenius
Rice	Schoenfeld	Sparby	Trimble	Waltman
Richter	Schreiber	Stanius	Tunheim	Welle
Riveness	Seaberg	Steensma	Uphus	Wenzel
Rodosovich	Segal	Sviggum	Valento	Winter
Rose	Shaver	Swenson	Vanasek	Wynia
Rukavina	Simoneau	Thiede	Vellenga	Spk. Norton
Sarna	Skoglund	Tjornhom	Voss	

The bill was passed and its title agreed to.

H. F. No. 286, A bill for an act relating to witnesses; removing the presumption against the competency of certain witnesses; amending Minnesota Statutes 1986, section 595.02, 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 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Larsen	Osthoff	Segal
Anderson, R.	Gruenes	Lasley	Otis	Shaver
Battaglia	Gutknecht	Lieder	Ozment	Simoneau
Bauerly	Hartle	Long	Pappas	Skoglund
Begich	Haukoos	Marsh	Pauly	Solberg
Bennett	Heap	McDonald	Pelowski	Sparby
Bertram	Himle	McEachern	Peterson	Stanius
Bishop	Hugoson	McKasy	Poppenhagen	Steensma
Blatz	Jacobs	McLaughlin	Price	Sviggum
Boo	Jaros	Milbert	Quinn	Swenson
Brown	Jefferson	Miller	Quist	Thiede
Burger	Jennings	Minne	Redalen	Tjornhom
Carlson, D.	Jensen	Morrison	Reding	Tompkins
Carlson, L.	Johnson, A.	Munger	Rest	Trimble
Carruthers	Johnson, R.	Murphy	Rice	Tunheim
Clark	Johnson, V.	Nelson, C.	Richter	Uphus
Clausnitzer	Kahn	Nelson, D.	Riveness	Valento
Cooper	Kalis	Nelson, K.	Rodosovich	Vanasek
Dauner	Kelly	Neuenschwander	Rose	Vellenga
DeBlieck	Kelso	O'Connor	Rukavina	Voss
Dempsey	Kinkel	Ogren	Sarna	Wagenius
Dille	Kludt	Olsen, S.	Schafer	Waltman
Dorn	Knickerbocker	Olsen, K.	Scheid	Welle
Forsythe	Knuth	Ormann	Schoenfeld	Wenzel
Frederick	Kostohryz	Onnen	Schreiber	Winter
Frerichs	Krueger	Orenstein	Seaberg	Wynia
				Spk. Norton

The bill was passed and its title agreed to.

H. F. No. 854, A bill for an act relating to judgments; clarifying the procedure and cost for filing foreign judgments; clarifying the procedure to be used in securing a judgment and execution; amending Minnesota Statutes 1986, sections 548.27; 548.30; 549.09; and 550.04.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Gruenes	Lasley	Orenstein	Segal
Anderson, R.	Gutknecht	Lieder	Osthoff	Shaver
Battaglia	Hartle	Long	Otis	Simoneau
Bauerly	Haukoos	Marsh	Ozment	Skoglund
Beard	Heap	McDonald	Pappas	Solberg
Begich	Himle	McEachern	Pauly	Sparby
Bennett	Hugoson	McKasy	Pelowski	Stanius
Bertram	Jacobs	McLaughlin	Peterson	Steensma
Blatz	Jaros	McPherson	Poppenhagen	Sviggum
Boo	Jefferson	Milbert	Price	Swenson
Brown	Jennings	Miller	Quinn	Thiede
Burger	Jensen	Minne	Quist	Tjornhom
Carlson, L.	Johnson, A.	Morrison	Redalen	Tompkins
Carruthers	Johnson, R.	Munger	Reding	Trimble
Clark	Johnson, V.	Murphy	Rest	Tunheim
Clausnitzer	Kahn	Nelson, C.	Rice	Uphus
Cooper	Kalis	Nelson, D.	Richter	Valento
Dauner	Kelly	Neuenschwander	Riveness	Vanasek
DeBlicek	Kelso	Rodovich	Rodosovich	Vellenga
Dempsey	Kinkel	O'Connor	Rukavina	Voss
Dille	Kludt	Ogren	Sarna	Wagenius
Dorn	Knickerbocker	Olsen, S.	Schafer	Waltman
Forsythe	Knuth	Olson, E.	Scheid	Welle
Frederick	Kostohryz	Olson, K.	Schoenfeld	Wenzel
Frerichs	Krueger	Omann	Schreiber	Winter
Greenfield	Larsen	Onnen	Seaberg	Wynia
				Spk. Norton

The bill was passed and its title agreed to.

S. F. No. 499, A bill for an act relating to real property; providing for prima facie effect of certain statements in an acknowledgment; authorizing owners to create tenancies in common by direct conveyances to themselves and others; permitting the severance of joint tenancies by direct conveyances between spouses; providing for time limits upon actions relating to certain estates in real property; providing for the discharge of prior judgments against bankrupt debtors; providing for validation of certain conveyances executed by religious corporations; amending Minnesota Statutes 1986, sections 500.19, subdivision 4; 519.06; 519.09; and 519.101; Laws 1971, chapter 26; proposing coding for new law in Minnesota Statutes, chapters 358 and 548; repealing Minnesota Statutes 1986, section 548.18.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Gruenes	Lieder	Otis	Simoneau
Anderson, R.	Gutknecht	Long	Ozment	Skoglund
Battaglia	Hartle	Marsh	Pappas	Solberg
Bauerly	Haukoos	McDonald	Pauly	Sparby
Beard	Heap	McEachern	Pelowski	Stanius
Begich	Himle	McKasy	Peterson	Steenma
Bennett	Hugoson	McLaughlin	Poppenhagen	Sviggun
Bertram	Jacobs	McPherson	Price	Swenson
Blatz	Jaros	Milbert	Quinn	Thiede
Boo	Jefferson	Miller	Quist	Tjornhom
Brown	Jennings	Minne	Redalen	Tompkins
Burger	Jensen	Morrison	Reding	Trimble
Carlson, D.	Johnson, A.	Munger	Rest	Uphus
Carlson, L.	Johnson, R.	Murphy	Rice	Valento
Carruthers	Johnson, V.	Nelson, C.	Richter	Vanasek
Clark	Kahn	Nelson, D.	Riveness	Vellenga
Clausnitzer	Kalis	Nelson, K.	Rodosovich	Voss
Cooper	Kelly	Neuenschwander	Rose	Wagenius
Dauner	Kelso	O'Connor	Rukavina	Waltman
DeBlicke	Kinkel	Ogren	Sarna	Welle
Dempsey	Kludt	Olsen, S.	Schafer	Wenzel
Dille	Knickerbocker	Olson, E.	Scheid	Winter
Dorn	Knuth	Olson, K.	Schoenfeld	Wynia
Forsythe	Kostohryz	Omann	Schreiber	Spk. Norton
Frederick	Krueger	Onnen	Seaberg	
Frerichs	Larsen	Orenstein	Segal	
Greenfield	Lasley	Osthoff	Shaver	

The bill was passed and its title agreed to.

### CALENDAR

S. F. No. 137, A bill for an act relating to agriculture; clarifying the exceptions to prohibition against manufacture of food from adulterated milk or cream; amending Minnesota Statutes 1986, section 32.21, subdivision 2.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 134 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Burger	Forsythe	Jaros	Kludt
Anderson, R.	Carlson, D.	Frederick	Jefferson	Knickerbocker
Battaglia	Carlson, L.	Frerichs	Jennings	Knuth
Bauerly	Carruthers	Greenfield	Jensen	Kostohryz
Beard	Clark	Gruenes	Johnson, A.	Krueger
Begich	Clausnitzer	Gutknecht	Johnson, R.	Larsen
Bennett	Cooper	Hartle	Johnson, V.	Lasley
Bertram	Dauner	Haukoos	Kahn	Lieder
Bishop	DeBlicke	Heap	Kalis	Long
Blatz	Dempsey	Himle	Kelly	Marsh
Boo	Dille	Hugoson	Kelso	McDonald
Brown	Dorn	Jacobs	Kinkel	McEachern

McKasy	Olsen, S.	Quinn	Schreiber	Trimble
McLaughlin	Olson, E.	Quist	Seaberg	Tunheim
McPherson	Olson, K.	Redalen	Segal	Uphus
Milbert	Omann	Reding	Shaver	Valento
Miller	Onnen	Rest	Simoneau	Vanasek
Minne	Orenstein	Rice	Skoglund	Vellenga
Morrison	Osthoff	Richter	Solberg	Voss
Munger	Otis	Riveness	Sparby	Wagenius
Murphy	Ozment	Rodosovich	Stanius	Waltman
Nelson, C.	Pappas	Rose	Steensma	Welle
Nelson, D.	Pauly	Rukavina	Sviggum	Wenzel
Nelson, K.	Pelowski	Sarna	Swenson	Winter
Neuenschwander	Peterson	Schafer	Thiede	Wynia
O'Connor	Poppenhagen	Scheid	Tjornhom	Spk. Norton
Ogren	Price	Schoenfeld	Tompkins	

The bill was passed and its title agreed to.

H. F. No. 257, A bill for an act relating to state government; requiring the board of investments to adopt an investment policy; authorizing certain investments by the board of investments; providing that certain state employees who are eligible to retire are eligible for state-paid insurance benefits; modifying definition of terms and conditions of employment for public employees; amending Minnesota Statutes 1986, sections 11A.04; 11A.24, subdivisions 2, 4, 5, and 6; 11A.25; 43A.24, subdivision 2; and 179A.03, subdivision 19.

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 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Forsythe	Knickerbocker	O'Connor	Riveness
Anderson, R.	Frederick	Knuth	Ogren	Rodosovich
Battaglia	Frerichs	Kostohryz	Olsen, S.	Rose
Bauerly	Greenfield	Krueger	Olson, E.	Rukavina
Beard	Gruenes	Larsen	Olson, K.	Sarna
Begich	Gutknecht	Lasley	Omann	Schafer
Bennett	Hartle	Lieder	Onnen	Scheid
Bertram	Haukoos	Long	Orenstein	Schoenfeld
Bishop	Heap	Marsh	Osthoff	Schreiber
Blatz	Himle	McDonald	Otis	Seaberg
Boo	Hugoson	McEachern	Ozment	Segal
Brown	Jacobs	McKasy	Pappas	Shaver
Burger	Jaros	McLaughlin	Pauly	Simoneau
Carlson, D.	Jefferson	McPherson	Pelowski	Skoglund
Carlson, L.	Jensen	Milbert	Peterson	Solberg
Carruthers	Johnson, A.	Miller	Poppenhagen	Sparby
Clark	Johnson, R.	Minne	Price	Stanius
Clausnitzer	Johnson, V.	Morrison	Quinn	Steensma
Cooper	Kahn	Munger	Quist	Sviggum
Dauner	Kalis	Murphy	Redalen	Swenson
DeBlieck	Kelly	Nelson, C.	Reding	Thiede
Dempsey	Kelso	Nelson, D.	Rest	Tjornhom
Dille	Kinkel	Nelson, K.	Rice	Tompkins
Dorn	Kludt	Neuenschwander	Richter	Trimble

Tunheim	Vanasek	Wagenius	Wenzel	Spk. Norton
Uphus	Vellenga	Waltman	Winter	
Valento	Voss	Welle	Wynia	

The bill was passed and its title agreed to.

H. F. No. 660, A bill for an act relating to government data practices; providing an exception to the nondisclosure of welfare data to law enforcement officers in certain cases; amending Minnesota Statutes 1986, section 13.46, subdivision 2.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 121 yeas and 9 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Forsythe	Knickerbocker	Omann	Seaberg
Anderson, R.	Frederick	Knuth	Onnen	Segal
Battaglia	Frerichs	Lasley	Orenstein	Shaver
Bauerly	Greenfield	Lieder	Otis	Simoneau
Beard	Gruenes	Long	Ozment	Skoglund
Begich	Gutknecht	Marsh	Pauly	Solberg
Bennett	Hartle	McDonald	Pelowski	Sparby
Bertram	Haukoos	McEachern	Peterson	Stanius
Bishop	Heap	McKasy	Poppenhagen	Sviggum
Blatz	Himle	McLaughlin	Quinn	Swenson
Boo	Hugoson	McPherson	Quist	Thiede
Brown	Jacobs	Milbert	Redalen	Tjornhom
Burger	Jaros	Miller	Reding	Tompkins
Carlson, D.	Jefferson	Minne	Rest	Tunheim
Carlson, L.	Jennings	Morrison	Richter	Uphus
Carruthers	Jensen	Munger	Riveness	Valento
Clark	Johnson, A.	Murphy	Rodosovich	Vanasek
Clausnitzer	Johnson, R.	Nelson, C.	Rose	Vellenga
Cooper	Johnson, V.	Neuenschwander	Rukavina	Wagenius
Dauner	Kahn	O'Connor	Sarna	Waltman
DeBlieck	Kalis	Ogren	Schafer	Welle
Dempsey	Kelly	Olsen, S.	Scheid	Wenzel
Dille	Kelso	Olson, E.	Schoenfeld	Winter
Dorn	Kinkel	Olson, K.	Schreiber	Wynia
				Spk. Norton

Those who voted in the negative were:

Kludt	Larsen	Pappas	Steensma	Voss
Kostohryz	Nelson, D.	Rice	Trimble	

The bill was passed and its title agreed to.

S. F. No. 306, A bill for an act relating to local government; removing the compensation limitation for members of statutory city park boards; amending Minnesota Statutes 1986, section 412.501.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Larsen	Orenstein	Simoneau
Anderson, R.	Gruenes	Lasley	Otis	Skoglund
Battaglia	Gutknecht	Lieder	Ozment	Solberg
Bauerly	Hartle	Long	Pauly	Sparby
Beard	Haukoos	Marsh	Pelowski	Stanius
Begich	Heap	McDonald	Peterson	Steensma
Bennett	Himle	McEachern	Price	Sviggum
Bertram	Hugoson	McKasy	Quinn	Swenson
Bishop	Jacobs	McLaughlin	Quist	Thiede
Blatz	Jaros	McPherson	Redalen	Tjornhom
Boo	Jefferson	Milbert	Reding	Tompkins
Brown	Jennings	Miller	Rest	Trimble
Burger	Jensen	Minne	Rice	Tunheim
Carlson, D.	Johnson, A.	Morrison	Richter	Uphus
Carlson, L.	Johnson, R.	Munger	Riveness	Valento
Carruthers	Johnson, V.	Murphy	Rodosovich	Vanasek
Clark	Kahn	Nelson, C.	Rose	Vellenga
Clausnitzer	Kalis	Nelson, D.	Rukavina	Voss
Cooper	Kelly	Neuenschwander	Sarna	Wagenius
Dauner	Kelso	O'Connor	Schafer	Waltman
DeBlieck	Kinkel	Ogren	Scheid	Welle
Dempsey	Kludt	Olsen, S.	Schoenfeld	Wenzel
Dille	Knickerbocker	Olson, E.	Schreiber	Winter
Dorn	Knuth	Olson, K.	Seaberg	Wynia
Forsythe	Kostohryz	Omann	Segal	Spk. Norton
Frerichs	Krueger	Onnen	Shaver	

The bill was passed and its title agreed to.

H. F. No. 294, A bill for an act relating to intoxicating liquor; authorizing counties to issue temporary on-sale licenses; amending Minnesota Statutes 1986, section 340A.404, subdivision 10.

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 5 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Carlson, L.	Gruenes	Johnson, V.	Long
Anderson, R.	Carruthers	Gutknecht	Kahn	Marsh
Battaglia	Clark	Hartle	Kalis	McDonald
Bauerly	Clausnitzer	Haukoos	Kelly	McKasy
Beard	Cooper	Heap	Kelso	McLaughlin
Begich	Dauner	Himle	Kinkel	McPherson
Bennett	DeBlieck	Hugoson	Kludt	Milbert
Bertram	Dempsey	Jacobs	Knickerbocker	Miller
Bishop	Dille	Jaros	Knuth	Minne
Blatz	Dorn	Jefferson	Kostohryz	Morrison
Boo	Forsythe	Jennings	Krueger	Munger
Brown	Frederick	Jensen	Larsen	Murphy
Burger	Frerichs	Johnson, A.	Lasley	Nelson, C.
Carlson, D.	Greenfield	Johnson, R.	Lieder	Neuenschwander

O'Connor	Pelowski	Rose	Sparby	Voss
Ogren	Peterson	Rukavina	Stanius	Wagenius
Olsen, S.	Price	Sarna	Steensma	Waltman
Olson, E.	Quinn	Scheid	Sviggum	Welle
Olson, K.	Quist	Schoenfeld	Swenson	Wenzel
Omann	Redalen	Schreiber	Tjornhom	Winter
Orenstein	Reding	Seaberg	Trimble	Wynia
Osthoff	Rest	Segal	Tunheim	Spk. Norton
Otis	Rice	Shaver	Uphus	
Ozment	Richter	Simoneau	Valento	
Pappas	Riveness	Skoglund	Vanasek	
Pauly	Rodosovich	Solberg	Vellenga	

Those who voted in the negative were:

McEachern	Nelson, D.	Onnen	Schafer	Thiede
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The bill was passed and its title agreed to.

H. F. No. 342, A bill for an act relating to insurance; providing for premium reductions for automobile insurance for senior insureds who complete an approved accident prevention course; lowering the minimum age of eligibility; amending Minnesota Statutes 1986, section 65B.28.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Larsen	Onnen	Segal
Anderson, R.	Gruenes	Lasley	Orenstein	Shaver
Battaglia	Gutknecht	Lieder	Osthoff	Simoneau
Bauerly	Hartle	Long	Otis	Skoglund
Beard	Haukoos	Marsh	Ozment	Solberg
Begich	Heap	McDonald	Pappas	Sparby
Bennett	Himle	McEachern	Pauly	Stanius
Bertram	Hugoson	McKasy	Pelowski	Steensma
Bishop	Jacobs	McLaughlin	Peterson	Sviggum
Blatz	Jaros	McPherson	Poppenhagen	Swenson
Boo	Jefferson	Milbert	Price	Thiede
Brown	Jennings	Miller	Quinn	Tjornhom
Burger	Jensen	Minne	Quist	Tompkins
Carlson, D.	Johnson, A.	Morrison	Redalen	Trimble
Carlson, L.	Johnson, R.	Munger	Reding	Tunheim
Carruthers	Johnson, V.	Murphy	Rest	Uphus
Clark	Kahn	Nelson, C.	Rice	Valento
Clausnitzer	Kalis	Nelson, D.	Richter	Vanasek
Cooper	Kelly	Nelson, K.	Riveness	Vellenga
DeBlicck	Kelso	Neuenschwander	Rodosovich	Voss
Dempsey	Kinkel	O'Connor	Rose	Wagenius
Dille	Kludt	Ogren	Sarna	Waltman
Dorn	Knickerbocker	Olsen, S.	Schafer	Welle
Forsythe	Knuth	Olson, E.	Schoenfeld	Wenzel
Frederick	Kostohryz	Olson, K.	Schreiber	Winter
Frerichs	Krueger	Omann	Seaberg	Wynia
				Spk. Norton

Those who voted in the negative were:

Dauner            Scheid

The bill was passed and its title agreed to.

H. F. No. 354, A bill for an act relating to state government; providing for a job class entitled chiropractor in the state civil service; proposing coding for new law in Minnesota Statutes, chapter 43A.

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 125 yeas and 5 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Frerichs	Larsen	Onnen	Seaberg
Anderson, R.	Greenfield	Lasley	Orenstein	Shaver
Battaglia	Gruenes	Lieder	Osthoff	Simoneau
Bauerly	Gutknecht	Long	Otis	Skoglund
Beard	Hartle	Marsh	Ozment	Solberg
Begich	Heap	McDonald	Pappas	Stanius
Bennett	Himle	McEachern	Pauly	Steensma
Bertram	Hugoson	McKasy	Pelowski	Sviggum
Bishop	Jacobs	McLaughlin	Peterson	Swenson
Blatz	Jaros	McPherson	Price	Tjornhom
Boo	Jefferson	Milbert	Quinn	Tompkins
Brown	Jennings	Miller	Quist	Trimble
Burger	Jensen	Minne	Redalen	Tunheim
Carlson, D.	Johnson, A.	Morrison	Reding	Uphus
Carlson, L.	Johnson, R.	Munger	Rest	Valento
Carruthers	Johnson, V.	Murphy	Richter	Vanasek
Clark	Kahn	Nelson, C.	Riveness	Vellenga
Clausnitzer	Kalis	Nelson, D.	Rodosovich	Voss
Cooper	Kelly	Nelson, K.	Rose	Wagenius
Dauner	Kelso	Neuenschwander	Rukavina	Waltman
DeBlick	Kinkel	O'Connor	Sarna	Welle
Dempsey	Kludt	Ogren	Schafer	Wenzel
Dille	Knuth	Olson, E.	Scheid	Winter
Dorn	Kostohryz	Olson, K.	Schoenfeld	Wynia
Frederick	Krueger	Omann	Schreiber	Spk. Norton

Those who voted in the negative were:

Forsythe            Haukoos            Knickerbocker    Poppenhagen    Segal

The bill was passed and its title agreed to.

H. F. No. 554, A bill for an act relating to natural resources; changing certain provisions relating to state park motor vehicle permits; amending Minnesota Statutes 1986, section 85.05, subdivision 2.

The bill was read for the third time 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 4 nays as follows:

Those who voted in the affirmative were:

Battaglia	Gruenes	Lieder	Ozment	Shaver
Bauerly	Gutknecht	Long	Pappas	Simoneau
Beard	Hartle	Marsh	Pauly	Skoglund
Begich	Haukoos	McEachern	Pelowski	Solberg
Bennett	Heap	McKasy	Peterson	Sparby
Bertram	Himle	McLaughlin	Poppenhagen	Stanius
Bishop	Hugoson	McPherson	Price	Steensma
Blatz	Jacobs	Milbert	Quinn	Sviggum
Boo	Jaros	Minne	Quist	Swenson
Brown	Jensen	Morrison	Redalen	Thiede
Burger	Johnson, A.	Munger	Reding	Tjornhom
Carlson, L.	Johnson, R.	Murphy	Rest	Tompkins
Carruthers	Johnson, V.	Nelson, C.	Rice	Trimble
Clark	Kahn	Nelson, D.	Richter	Tunheim
Clausnitzer	Kalis	Nelson, K.	Riveness	Uphus
Cooper	Kelly	Neuenschwander	Rodosovich	Valento
Dauner	Kelso	O'Connor	Rose	Vanasek
DeBlieck	Kinkel	Ogren	Rukavina	Vellenga
Dempsey	Kludt	Olsen, S.	Sarna	Voss
Dille	Knickerbocker	Olson, E.	Schafer	Wagenius
Dorn	Knuth	Olson, K.	Scheid	Waltman
Forsythe	Kostohryz	Omann	Schoenfeld	Welle
Frederick	Krueger	Onnen	Schreiber	Wenzel
Frerichs	Larsen	Orenstein	Seaberg	Winter
Greenfield	Lasley	Otis	Segal	Wynia
				Spk. Norton

Those who voted in the negative were:

Carlson, D.	McDonald	Miller	Osthoff
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The bill was passed and its title agreed to.

H. F. No. 653, A bill for an act relating to wild animals; use of lights in taking or in tending traps; length of otter season; setting traps near water; amending Minnesota Statutes 1986, sections 97B.081; 97B.921; 97B.931; and 97B.945.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 121 yeas and 9 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Bishop	Clark	Frederick	Hugoson
Anderson, R.	Blatz	Clausnitzer	Frerichs	Jacobs
Battaglia	Boo	Cooper	Greenfield	Jaros
Bauerly	Brown	Dauner	Gruenes	Jefferson
Beard	Burger	Dempsey	Hartle	Jennings
Begich	Carlson, D.	Dille	Haukoos	Jensen
Bennett	Carlson, L.	Dorn	Heap	Johnson, A.
Bertram	Carruthers	Forsythe	Himle	Johnson, R.

Johnson, V.	McLaughlin	Onnen	Rodosovich	Trimble
Kahn	McPherson	Orenstein	Rose	Tunheim
Kalis	Milbert	Otis	Rukavina	Uphus
Kelly	Miller	Ozment	Sarna	Valento
Kelso	Minne	Pauly	Schafer	Vanasek
Kinkel	Morrison	Pelowski	Schoenfeld	Vellenga
Kludt	Munger	Peterson	Schreiber	Voss
Knickerbocker	Murphy	Poppenhagen	Seaberg	Waltman
Knuth	Nelson, C.	Price	Shaver	Welle
Kostohryz	Nelson, D.	Quinn	Solberg	Wenzel
Krueger	Nelson, K.	Quist	Sparby	Winter
Lasley	Neuenschwander	Redalen	Steensma	Wynia
Lieder	O'Connor	Reding	Sviggum	Spk. Norton
Marsh	Ogren	Rest	Swenson	
McDonald	Olsen, S.	Rice	Thiede	
McEachern	Olson, E.	Richter	Tjornhom	
McKasy	Omman	Riveness	Tompkins	

Those who voted in the negative were:

DeBlicek	Larsen	Pappas	Simoneau	Wagenius
Gutknecht	Osthoff	Segal	Stanius	

The bill was passed and its title agreed to.

H. F. No. 721, A bill for an act relating to human services; providing for the recovery of medical assistance overpayments; amending Minnesota Statutes 1986, section 256B.0641, by adding a subdivision.

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 134 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Dille	Kalis	Morrison	Poppenhagen
Anderson, R.	Dorn	Kelly	Munger	Price
Battaglia	Forsythe	Kelso	Murphy	Quinn
Bauerly	Frederick	Kinkel	Nelson, C.	Quist
Beard	Frerichs	Kludt	Nelson, D.	Redalen
Begich	Greenfield	Knickerbocker	Nelson, K.	Reding
Bennett	Gruenes	Knuth	Neuenschwander	Rest
Bertram	Gutknecht	Kostohryz	O'Connor	Rice
Bishop	Hartle	Krueger	Ogren	Richter
Blatz	Haukoos	Larsen	Olsen, S.	Riveness
Boo	Heap	Lasley	Oison, E.	Rodosovich
Brown	Himle	Lieder	Olson, K.	Rose
Burger	Hugoson	Long	Omman	Rukavina
Carlson, D.	Jacobs	Marsh	Onnen	Sarna
Carlson, L.	Jaros	McDonald	Orenstein	Schafer
Carruthers	Jefferson	McEachern	Osthoff	Scheid
Clark	Jennings	McKasy	Otis	Schoenfeld
Clausnitzer	Jensen	McLaughlin	Ozment	Schreiber
Cooper	Johnson, A.	McPherson	Pappas	Seaberg
Dauner	Johnson, R.	Milbert	Pauly	Segal
DeBlicek	Johnson, V.	Miller	Pelowski	Shaver
Dempsey	Kahn	Minne	Peterson	Simoneau

Skoglund	Sviggum	Trimble	Vellenga	Wenzel
Solberg	Swenson	Tunheim	Voss	Winter
Sparby	Thiede	Uphus	Wagenius	Wynia
Stanius	Tjornhom	Valento	Waltman	Spk. Norton
Steensma	Tompkins	Vanasek	Welle	

The bill was passed and its title agreed to.

H. F. No. 735, A bill for an act relating to liquor; removing a restriction on issuance of off-sale licenses in Kanabec county; amending Minnesota Statutes 1986, section 340A.405, subdivision 2.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Lasley	Otis	Skoglund
Anderson, R.	Gruenes	Lieder	Ozment	Solberg
Battaglia	Gutknecht	Long	Pappas	Sparby
Bauerly	Hartle	Marsh	Pauly	Stanius
Beard	Haukoos	McDonald	Pelowski	Steensma
Begich	Heap	McEachern	Peterson	Sviggum
Bennett	Himle	McKasy	Poppenhagen	Swenson
Bertram	Hugoson	McLaughlin	Price	Thiede
Bishop	Jacobs	McPherson	Quinn	Tjornhom
Blatz	Jaros	Milbert	Quist	Tompkins
Boo	Jefferson	Miller	Redalen	Trimble
Brown	Jennings	Minne	Reding	Tunheim
Burger	Jensen	Munger	Rest	Uphus
Carlson, D.	Johnson, A.	Murphy	Rice	Valento
Carlson, L.	Johnson, R.	Nelson, C.	Riveness	Vanasek
Carruthers	Johnson, V.	Nelson, D.	Rodosovich	Vellenga
Clark	Kahn	Nelson, K.	Rose	Voss
Clausnitzer	Kalis	Neuenschwander	Rukavina	Wagenius
Cooper	Kelly	O'Connor	Sarna	Waltman
Dauner	Kelso	Ogren	Schafer	Welle
DeBlieck	Kinkel	Olsen, S.	Scheid	Wenzel
Dempsey	Kludt	Olsen, E.	Schoenfeld	Winter
Dille	Knickerbocker	Olson, K.	Schreiber	Wynia
Dorn	Knuth	Omann	Seaberg	Spk. Norton
Forsythe	Kostohryz	Onnen	Segal	
Frederick	Krueger	Orenstein	Shaver	
Frerichs	Larsen	Osthoff	Simoneau	

The bill was passed and its title agreed to.

S. F. No. 38, A bill for an act relating to alcoholic beverages; permitting certain transactions by brewers and wholesalers; authorizing cities to issue temporary off-sale licenses for the sale of vintage wine at auctions; amending Minnesota Statutes 1986, sections 340A.308; and 340A.405, by adding a subdivision.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 109 yeas and 22 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Forsythe	Knuth	Olson, K.	Segal
Anderson, R.	Frederick	Kostohryz	Omann	Shaver
Battaglia	Greenfield	Krueger	Orenstein	Simoneau
Bauerly	Gruenes	Larsen	Osthoff	Solberg
Begich	Gutknecht	Lieder	Otis	Sparby
Bennett	Hartle	Long	Ozment	Steensma
Bertram	Heap	Marsh	Pappas	Swenson
Bishop	Himle	McKasy	Pelowski	Tjornhom
Blatz	Jacobs	McLaughlin	Poppenhagen	Tompkins
Boo	Jaros	Milbert	Price	Trimble
Brown	Jefferson	Miller	Quist	Tunheim
Burger	Jennings	Minne	Reding	Uphus
Carlson, D.	Jensen	Morrison	Rest	Vanasek
Carlson, L.	Johnson, A.	Munger	Rice	Vellenga
Carruthers	Johnson, R.	Murphy	Riveness	Voss
Clark	Kahn	Nelson, C.	Rodosovich	Wagenius
Clausnitzer	Kalis	Nelson, D.	Rose	Welle
Cooper	Kelly	Nelson, K.	Rukavina	Wenzel
Dauner	Kelso	Neuenschwander	Scheid	Winter
DeBlicek	Kinkel	Ogren	Schoenfeld	Wynia
Dille	Kludt	Olsen, S.	Schreiber	Spk. Norton
Dorn	Knickerbocker	Olson, E.	Seaberg	

Those who voted in the negative were:

Beard	Johnson, V.	O'Connor	Sarna	Valento
Dempsey	Lasley	Onnen	Schafer	Waltman
Frerichs	McDonald	Pauly	Stanius	
Haukoos	McEachern	Quinn	Swiggum	
Hugoson	McPherson	Redalen	Thiede	

The bill was passed and its title agreed to.

S. F. No. 117, A bill for an act relating to liquor; authorizing St. Louis county to issue one off-sale liquor license.

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 4 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Boo	DeBlicek	Haukoos	Johnson, V.
Anderson, R.	Brown	Dempsey	Heap	Kahn
Battaglia	Burger	Dille	Himle	Kalis
Bauerly	Carlson, D.	Dorn	Hugoson	Kelly
Beard	Carlson, L.	Forsythe	Jacobs	Kelso
Begich	Carruthers	Frederick	Jaros	Kinkel
Bennett	Clark	Frerichs	Jennings	Kludt
Bertram	Clausnitzer	Gruenes	Jensen	Knickerbocker
Bishop	Cooper	Gutknecht	Johnson, A.	Knuth
Blatz	Dauner	Hartle	Johnson, R.	Kostohryz

Krueger	Nelson, C.	Pauly	Schoenfeld	Tunheim
Larsen	Nelson, D.	Pelowski	Seaberg	Valento
Lasley	Nelson, K.	Peterson	Segal	Vanasek
Lieder	Neuenschwander	Poppenhagen	Shaver	Vellenga
Long	O'Connor	Price	Simoneau	Voss
Marsh	Ogren	Quinn	Skoglund	Wagenius
McDonald	Olsen, S.	Quist	Solberg	Waltman
McKasy	Olson, E.	Redalen	Sparby	Welle
McLaughlin	Olson, K.	Reding	Stanius	Wenzel
McPherson	Omamn	Rest	Steensma	Winter
Milbert	Onnen	Rice	Sviggum	Wynia
Miller	Orenstein	Riveness	Swenson	Spk. Norton
Minne	Osthoff	Rodosovich	Thiede	
Morrison	Otis	Rose	Tjornhom	
Munger	Ozment	Rukavina	Tompkins	
Murphy	Pappas	Scheid	Trimble	

Those who voted in the negative were:

McEachern	Sarna	Schafer	Schreiber
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The bill was passed and its title agreed to.

S. F. No. 245, A bill for an act relating to intoxicating liquor; authorizing the city of Moorhead to issue an on-sale intoxicating liquor license to the Red River Valley Center-Hjemkomst Heritage Interpretive Center.

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 4 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Gruenes	Long	Pauly	Sviggum
Anderson, R.	Gutknecht	Marsh	Pelowski	Swenson
Battaglia	Hartle	McEachern	Peterson	Tjornhom
Bauerly	Haukoos	McKasy	Price	Tompkins
Beard	Heap	McLaughlin	Quinn	Trimble
Begich	Himle	McPherson	Quist	Tunheim
Bennett	Jacobs	Milbert	Redalen	Uphus
Bertram	Jaros	Miller	Reding	Valento
Blatz	Jefferson	Minne	Rest	Vanasek
Boo	Jennings	Morrison	Rice	Vellenga
Brown	Jensen	Murphy	Riveness	Voss
Burger	Johnson, A.	Nelson, C.	Rodosovich	Wagenius
Carlson, D.	Johnson, R.	Nelson, D.	Rose	Waltman
Carlson, L.	Johnson, V.	Nelson, K.	Rukavina	Welle
Carruthers	Kahn	Neuenschwander	Sarna	Wenzel
Clark	Kalis	O'Connor	Scheid	Winter
Clausnitzer	Kelly	Ogren	Schoenfeld	Wynia
Cooper	Kelso	Olsen, S.	Schreiber	Spk. Norton
Dauner	Kinkel	Olson, E.	Seaberg	
DeBlieck	Kludt	Olson, K.	Segal	
Dempsey	Knickerbocker	Omamn	Shaver	
Dille	Knuth	Onnen	Simoneau	
Dorn	Kostohryz	Orenstein	Skoglund	
Forsythe	Krueger	Osthoff	Solberg	
Frederick	Larsen	Otis	Sparby	
Frerichs	Lasley	Ozment	Stanius	
Greenfield	Lieder	Pappas	Steensma	

Those who voted in the negative were:

Hugoson          McDonald          Schafer          Thiede

The bill was passed and its title agreed to.

The Speaker called Long to the chair.

### GENERAL ORDERS

Pursuant to Rules of the House, the House resolved itself into the Committee of the Whole with Long in the Chair for consideration of bills pending on General Orders of the day. After some time spent therein the Committee arose.

#### REPORT OF THE COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following recommendations of the Committee were reported to the House:

H. F. Nos. 269, 591 and 555 were recommended to pass.

H. F. Nos. 189, 42, 392 and 454 were recommended for progress.

H. F. Nos. 137 and 227 were recommended for progress retaining their places on General Orders.

H. F. No. 397 was recommended for progress retaining its place on General Orders until Monday, April 20, 1987.

H. F. No. 469 which it recommended to pass with the following amendment offered by Rice:

Page 1, line 11, reinstate "at least"

On the motion of Vanasek the report of the Committee of the Whole was adopted.

#### ROLL CALLS IN COMMITTEE OF THE WHOLE

Pursuant to rule 1.6, the following roll call was taken in the Committee of the Whole:

Kahn moved to amend H. F. No. 269, the first engrossment, as follows:

Page 1, line 13, delete "or on foot"

Amend the title as follows:

Page 1, line 4, after "persons" delete "on foot or"

The question was taken on the Kahn amendment and the roll was called. There were 58 yeas and 61 nays as follows:

Those who voted in the affirmative were:

Beard	Forsythe	Kinkel	Pappas	Sparby
Bennett	Frederick	Larsen	Quist	Stanius
Blatz	Greenfield	Lieder	Redalen	Sviggunn
Boo	Gruenes	McKasy	Rest	Tjornhom
Carlson, D.	Himle	McLaughlin	Riveness	Tompkins
Carlson, L.	Jefferson	McPherson	Rodosovich	Trimble
Carruthers	Johnson, A.	Milbert	Rose	Uphus
Clark	Johnson, R.	Morrison	Rukavina	Vanasek
Cooper	Kahn	Nelson, D.	Sarna	Vellenga
Dauner	Kalis	Nelson, K.	Seaberg	Wynia
Dille	Kelly	Omann	Simoneau	
Dorn	Kelso	Orenstein	Skoglund	

Those who voted in the negative were:

Anderson, R.	Haukoos	McEachern	Pelowski	Swenson
Battaglia	Heap	Miller	Peterson	Thiede
Bauerly	Hugoson	Minne	Poppenhagen	Tunheim
Begich	Jacobs	Murphy	Quinn	Valento
Bertram	Jensen	Nelson, C.	Reding	Wagenius
Bishop	Johnson, V.	Neuenschwander	Rice	Waltman
Brown	Kludt	O'Connor	Richter	Welle
Burger	Knickerbocker	Ogren	Schafer	Wenzel
Clausnitzer	Kostohryz	Olsen, S.	Scheid	Winter
DeBlieck	Krueger	Olsen, E.	Schreiber	
Dempsey	Lasley	Olsen, K.	Shaver	
Frerichs	Marsh	Onnen	Solberg	
Gutknecht	McDonald	Pauly	Steensma	

The motion did not prevail and the amendment was not adopted.

## MOTIONS AND RESOLUTIONS

Begich moved that the name of Battaglia be stricken and the name of Scheid be added as an author on H. F. No. 14. The motion prevailed.

Kelly moved that his name be stricken and the name of Milbert be added as chief author on H. F. No. 143. The motion prevailed.

Kelso moved that her name be stricken as an author on H. F. No. 871. The motion prevailed.

Kelly moved that the name of Clark be added as an author on H. F. No. 1217. The motion prevailed.

Knuth moved that the name of Trimble be added as an author on H. F. No. 1218. The motion prevailed.

Wenzel moved that the names of Omann, Bertram and Peterson be added as authors on H. F. No. 1223. The motion prevailed.

Tompkins moved that the names of Wynia and Carlson, L., be added as authors on H. F. No. 1225. The motion prevailed.

Miller moved that the names of Valento and Tjornhom be added as authors on H. F. No. 1235. The motion prevailed.

Shaver moved that the name of Valento be added as an author on H. F. No. 1240. The motion prevailed.

Schoenfeld moved that the name of Otis be added as an author on H. F. No. 1253. The motion prevailed.

Nelson, D., moved that H. F. No. 373 be recalled from the Committee on Environment and Natural Resources and be re-referred to the Committee on Metropolitan Affairs. The motion prevailed.

McLaughlin moved that H. F. No. 857 be recalled from the Committee on Health and Human Services and be re-referred to the Committee on Economic Development and Housing. The motion prevailed.

Scheid moved that H. F. No. 1204 be recalled from the Committee on Local and Urban Affairs and be re-referred to the Committee on Judiciary. The motion prevailed.

Solberg moved that H. F. No. 1181 be recalled from the Committee on Environment and Natural Resources and be re-referred to the Committee on Appropriations. The motion prevailed.

Nelson, C., moved that H. F. No. 1188 be recalled from the Committee on Economic Development and Housing and be re-referred to the Committee on Commerce. The motion prevailed.

Solberg moved that H. F. No. 1302 be recalled from the Committee on Local and Urban Affairs and be re-referred to the Committee on Economic Development and Housing. The motion prevailed.

Pappas moved that H. F. No. 1315 be recalled from the Committee on Governmental Operations and be re-referred to the Committee on Future and Technology. The motion prevailed.

Norton; Vanasek; Voss; Anderson, G., and Nelson, K., introduced:

House Resolution No. 37, A House resolution setting the maximum limit on taxes and appropriations for the biennium.

#### SUSPENSION OF RULES

Vanasek moved that the rules be so far suspended that House Resolution No. 37 be now considered and be placed upon its adoption. The motion prevailed.

#### HOUSE RESOLUTION NO. 37

A House resolution setting the maximum limit on taxes and appropriations for the biennium.

*Be It Resolved* by the House of Representatives that the sum of \$11,291,000,000 is the maximum limit on appropriations for the purposes of expenditures and transfers from the general fund for the fiscal years of 1988 and 1989. This limit is adopted under House Rule 5.10.

*Be It Further Resolved* that the Legislature finds that a budget reserve of the sum of \$250,000,000 is necessary.

*Be It Further Resolved* that the sum of (1) the unreserved general fund balance at the end of fiscal year 1987, (2) taxes for purposes of general fund expenditures and transfers for the fiscal years of 1988 and 1989, and (3) nontax general fund revenues for the fiscal years of 1988 and 1989 shall not exceed the amount of \$11,541,000,000. This limit is adopted under House Rule 5.10.

Vanasek moved that House Resolution No. 37 be now adopted.

A roll call was requested and properly seconded.

#### CALL OF THE HOUSE

On the motion of Schreiber and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

Anderson, G.	Boo	DeBlieck	Hartle	Johnson, A.
Anderson, R.	Brown	Dempsey	Haukoos	Johnson, R.
Battaglia	Burger	Dille	Heap	Johnson, V.
Bauerly	Carlson, D.	Dorn	Himle	Kalis
Beard	Carlson, L.	Forsythe	Hugoson	Kelly
Begich	Carruthers	Frederick	Jacobs	Kelso
Bennett	Clark	Frerichs	Jaros	Kinkel
Bertram	Clausnitzer	Greenfield	Jefferson	Kludt
Bishop	Cooper	Gruenes	Jennings	Knickerbocker
Blatz	Dauner	Gutknecht	Jensen	Knuth

Kostohryz	Munger	Pappas	Sarna	Thiede
Krueger	Murphy	Pauly	Schafer	Tjornhom
Larsen	Nelson, C.	Pelowski	Scheid	Tompkins
Lasley	Nelson, D.	Peterson	Schoenfeld	Trimble
Lieder	Nelson, K.	Poppenhagen	Schreiber	Tunheim
Long	Neuenschwander	Price	Seaberg	Uphus
Marsh	O'Connor	Quinn	Segal	Valento
McDonald	Ogren	Quist	Shaver	Vanasek
McEachern	Olsen, S.	Redalen	Simoneau	Voss
McKasy	Olson, K.	Reding	Skoglund	Wagenius
McLaughlin	Omman	Rest	Solberg	Waltman
McPherson	Onnen	Rice	Sparby	Welle
Milbert	Orenstein	Richter	Stanisus	Wenzel
Miller	Osthoff	Rodosovich	Steenasma	Winter
Minne	Otis	Rose	Sviggum	Wynia
Morrison	Ozment	Rukavina	Swenson	Spk. Norton

Vanasek 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.

Schreiber moved to amend House Resolution No. 37, as follows:

Page 1, line 6, strike "11,291,000,000" and insert "10,609,000,000"

Page 1, line 17, strike "11,541,000,000" and insert "10,859,000,000"

Page 1, after line 18, insert:

*"Be It Further Resolved* that the House of Representatives concurs with the Governor's recommendations that:

(1) any or all revenue increases resulting from federal income tax changes be returned to Minnesota income taxpayers; and

(2) net nondedicated general fund revenue generated from the state's individual income tax after refunds not exceed the sum of \$4,560,700,000 for the fiscal years 1988 and 1989.

*Be It Further Resolved* that the House of Representatives opposes the Governor's recommendation to not transfer the Motor Vehicle Excise Tax in the 1988-89 biennium and that the transfer should take place as designed by Minnesota Laws 1986, Chapter 297B.09, subdivision 1.

*Be It Further Resolved* that, if any law is enacted to require that taxes currently collected by the state be collected instead by local governments, the maximum limits on general fund taxes and appropriations be reduced by the amount by which the enactment would reduce general fund tax collections for the fiscal years 1988 and 1989."

A roll call was requested and properly seconded.

The question was taken on the Schreiber amendment and the roll was called.

Vanasek moved that those not voting be excused from voting. The motion prevailed.

There were 52 yeas and 82 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Dille	Johnson, V.	Ozment	Stanius
Bennett	Forsythe	Knickerbocker	Pauly	Swiggum
Bertram	Frederick	Marsh	Poppenhagen	Swenson
Bishop	Frerichs	McDonald	Quist	Thiede
Blatz	Gruenes	McKasy	Redalen	Tjornhom
Boo	Gutknecht	McPherson	Richter	Tompkins
Burger	Hartle	Miller	Rose	Uphus
Carlson, D.	Haukoos	Morrison	Schafer	Waltman
Clausnitzer	Heap	Olsen, S.	Schreiber	
Cooper	Himle	Omann	Seaberg	
Dempsey	Hugoson	Onnen	Shaver	

Those who voted in the negative were:

Anderson, G.	Jensen	McLaughlin	Pelowski	Sparby
Battaglia	Johnson, A.	Milbert	Peterson	Steenasma
Bauerly	Johnson, R.	Minne	Price	Trimble
Beard	Kahn	Munger	Quinn	Tunheim
Begich	Kalis	Murphy	Reding	Valento
Brown	Kelly	Nelson, C.	Rest	Vanasek
Carlson, L.	Kelso	Nelson, D.	Rice	Vellenga
Carruthers	Kinkel	Nelson, K.	Riveness	Voss
Clark	Kludt	Neuenschwander	Rodosovich	Wagenius
Dauner	Knuth	O'Connor	Rukavina	Welle
DeBlicek	Kostohryz	Ogren	Sarna	Wenzel
Dorn	Krueger	Olson, E.	Scheid	Winter
Greenfield	Larsen	Olson, K.	Schoenfeld	Wynia
Jacobs	Lasley	Orenstein	Segal	Spk. Norton
Jaros	Lieder	Osthoff	Simoneau	
Jefferson	Long	Otis	Skoglund	
Jennings	McEachern	Pappas	Solberg	

The motion did not prevail and the amendment was not adopted.

Himle and Schreiber moved to amend House Resolution No. 37, as follows:

Page 1, after line 18, insert:

*“Be It Further Resolved* that the maximum limit on appropriations for expenditures and transfers from the general fund includes the expenditures for programs and functions that are detailed in the governor’s biennial budget recommendation for the general fund. If a program is modified so that a direct expenditure program as

detailed in the governor's budget is converted to a tax expenditure program, the expenditures for the program remain subject to the maximum limit on appropriations from the general fund for expenditures and transfers."

A roll call was requested and properly seconded.

The question was taken on the Himle and Schreiber amendment and the roll was called.

Vanasek moved that those not voting be excused from voting. The motion prevailed.

There were 51 yeas and 78 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Frederick	Marsh	Poppenhagen	Swenson
Bennett	Frerichs	McDonald	Quist	Thiede
Bishop	Gruenes	McKasy	Redalen	Tjornhom
Blatz	Gutknecht	McPherson	Richter	Tompkins
Boo	Hartle	Miller	Rose	Uphus
Burger	Haukoos	Morrison	Schafer	Valento
Carlson, D.	Heap	Olsen, S.	Schreiber	Waltman
Clausnitzer	Himle	Omann	Seaberg	
Dempsey	Hugoson	Onnen	Shaver	
Dille	Johnson, V.	Ozment	Stanius	
Forsythe	Knickerbocker	Pauly	Sviggum	

Those who voted in the negative were:

Anderson, G.	Jefferson	McEachern	Pappas	Solberg
Battaglia	Jensen	McLaughlin	Pelowski	Sparby
Bauerly	Johnson, A.	Milbert	Peterson	Steensma
Beard	Johnson, R.	Minne	Price	Trimble
Begich	Kahn	Munger	Quinn	Tunheim
Bertram	Kalis	Murphy	Reding	Vanasek
Brown	Kelso	Nelson, C.	Rest	Vellenga
Carlson, L.	Kinkel	Nelson, D.	Rice	Voss
Carruthers	Kludt	Nelson, K.	Riveness	Wagenius
Clark	Knuth	Neuenschwander	Rodosovich	Welle
Cooper	Kostohryz	O'Connor	Rukavina	Wenzel
Dauner	Krueger	Ogren	Sarna	Winter
DeBlicke	Larsen	Olson, E.	Scheid	Wynia
Dorn	Lasley	Olson, K.	Segal	Spk. Norton
Greenfield	Lieder	Orenstein	Simoneau	
Jacobs	Long	Otis	Skoglund	

The motion did not prevail and the amendment was not adopted.

The question recurred on the Vanasek motion that House Resolution No. 37 be now adopted and the roll was called.

Vanasek moved that those not voting be excused from voting. The motion prevailed.

There were 71 yeas and 61 nays as follows:

## Those who voted in the affirmative were:

Anderson, G.	Jensen	McLaughlin	Peterson	Sparby
Battaglia	Johnson, A.	Milbert	Price	Trimble
Beard	Johnson, R.	Minne	Quinn	Tunheim
Begich	Kahn	Munger	Reding	Vanasek
Brown	Kalis	Murphy	Rest	Vellenga
Carlson, L.	Kelly	Nelson, D.	Rice	Voss
Carruthers	Kinkel	Nelson, K.	Riveness	Wagenius
Clark	Knuth	Neuenschwander	Rodosovich	Welle
Dauner	Kostohryz	O'Connor	Rukavina	Wenzel
DeBlicek	Krueger	Ogren	Sarna	Wynia
Dorn	Larsen	Olson, E.	Schoenfeld	Spk. Norton
Greenfield	Lasley	Olson, K.	Segal	
Jacobs	Lieder	Orenstein	Simoneau	
Jaros	Long	Otis	Skoglund	
Jefferson	McEachern	Pappas	Solberg	

## Those who voted in the negative were:

Anderson, R.	Forsythe	Kludt	Pauly	Sviggum
Bauerly	Frederick	Knickerbocker	Pelowski	Swenson
Bennett	Frerichs	Marsh	Poppenhagen	Thiede
Bertram	Gruenes	McDonald	Quist	Tjornhom
Bishop	Gutknecht	McKasy	Redalen	Tompkins
Blatz	Hartle	McPherson	Richter	Uphus
Boo	Haukoos	Miller	Rose	Valento
Burger	Heap	Morrison	Schafer	Waltman
Carlson, D.	Himle	Nelson, C.	Schreiber	Winter
Clausnitzer	Hugoson	Olsen, S.	Seaberg	
Cooper	Jennings	Omann	Shaver	
Dempsey	Johnson, V.	Onnen	Stanius	
Dille	Kelso	Ozment	Steensma	

The motion prevailed and House Resolution No. 37 was adopted.

O'Connor moved that H. F. No. 475 be recalled from the Committee on Taxes and be re-referred to the Committee on Appropriations. The motion prevailed.

Wenzel moved that H. F. No. 1135 be returned to its author. The motion prevailed.

## ADJOURNMENT

Vanasek moved that when the House adjourns today it adjourn until 2:00 p.m., Wednesday, April 1, 1987. The motion prevailed.

Vanasek moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:00 p.m., Wednesday, April 1, 1987.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

## STATE OF MINNESOTA

## SEVENTY-FIFTH SESSION—1987

## TWENTY-SEVENTH DAY

SAINT PAUL, MINNESOTA, WEDNESDAY, APRIL 1, 1987

The House of Representatives convened at 2:00 p.m. and was called to order by Fred C. Norton, Speaker of the House.

Prayer was offered by Father Thomas Hunstiger, Parish of the Holy Spirit, St. Paul, Minnesota.

The roll was called and the following members were present:

Anderson, G.	Greenfield	Lasley	Orenstein	Seaberg
Anderson, R.	Gruenes	Lieder	Osthoff	Segal
Battaglia	Gutknecht	Long	Otis	Shaver
Bauerly	Hartle	Marsh	Ozment	Simoneau
Beard	Haukoos	McDonald	Pappas	Skoglund
Begich	Heap	McEachern	Pauly	Solberg
Bennett	Hugoson	McKasy	Pelowski	Sparby
Bertram	Jacobs	McLaughlin	Peterson	Stanius
Bishop	Jaros	McPherson	Poppenhagen	Steensma
Boo	Jefferson	Milbert	Price	Svigum
Brown	Jennings	Miller	Quinn	Swenson
Burger	Jensen	Minne	Quist	Thiede
Carlson, D.	Johnson, A.	Morrison	Redalen	Tjornhom
Carlson, L.	Johnson, R.	Munger	Reding	Tompkins
Carruthers	Johnson, V.	Murphy	Rest	Trimble
Clark	Kahn	Nelson, C.	Rice	Tunheim
Clausnitzer	Kalis	Nelson, D.	Richter	Valento
Cooper	Kelly	Nelson, K.	Riveness	Vanasek
Dauner	Kelso	Neuenschwander	Rodosovich	Vellenga
DeBlieck	Kinkel	O'Connor	Rose	Voss
Dempsey	Kludt	Ogren	Rukavina	Wagenius
Dille	Knickerbocker	Olsen, S.	Sarna	Waltman
Dorn	Knuth	Olsen, E.	Schafer	Welle
Forsythe	Kostohryz	Olson, K.	Scheid	Wenzel
Fröderick	Krueger	Omänn	Schoenfeld	Winter
Frerichs	Larsen	Onnen	Schreiber	Wynia
				Spk. Norton

A quorum was present.

Blatz and Himle were excused.

Uphus was excused until 3:15 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Minne moved that further reading of the Journal be dispensed

with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

#### REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 737, 889, 450, 651, 799, 750, 564 and 469 and S. F. Nos. 128, 397, 133, 291, 73, 440, 333 and 403 have been placed in the members' files.

S. F. No. 291 and H. F. No. 603, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Tunheim moved that S. F. No. 291 be substituted for H. F. No. 603 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 128 and H. F. No. 447, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Jaros moved that the rules be so far suspended that S. F. No. 128 be substituted for H. F. No. 447 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 397 and H. F. No. 651, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Scheid moved that the rules be so far suspended that S. F. No. 397 be substituted for H. F. No. 651 and that the House File be indefinitely postponed. The motion prevailed.

#### REPORTS OF STANDING COMMITTEES

Beginch from the Committee on Labor-Management Relations to which was referred:

H. F. No. 26, A bill for an act relating to workers' compensation; providing for the organization and powers of the state compensation insurance fund; appropriating money; amending Minnesota Stat-

utes 1986, sections 11A.24, subdivision 6; 176A.02, subdivision 1; 176A.04; and 176A.11.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 11A.24, subdivision 4, is amended to read:

Subd. 4. [OTHER OBLIGATIONS.] The state board may invest funds in bankers acceptances, certificates of deposit, commercial paper, mortgage participation certificates and pools, repurchase agreements and reverse repurchase agreements, guaranteed investment contracts, and savings accounts, and guaranty fund certificates, surplus notes, or debentures of domestic mutual insurance companies if they conform to the following provisions:

(a) bankers acceptances of United States banks shall be limited to those eligible for purchase by the Federal Reserve System;

(b) certificates of deposit shall be limited to those issued by banks and savings institutions that meet the collateral requirements established in section 9.031, unless sufficient volume is unavailable at competitive interest rates. In that event, noncollateralized certificates of deposit may be purchased from United States banks and savings institutions that are rated in the highest quality category by a nationally recognized rating agency;

(c) commercial paper shall be limited to those issued by United States corporations or their Canadian subsidiaries, shall be of the highest quality and mature in 270 days or less;

(d) mortgage participation or pass through certificates evidencing interests in pools of first mortgages or trust deeds on improved real estate located in the United States where the loan to value ratio for each loan as calculated in accordance with section 61A.28, subdivision 3 does not exceed 80 percent for fully amortizable residential properties and in all other respects meets the requirements of section 61A.28, subdivision 3. In addition the state board may purchase from the Minnesota housing finance agency all or any part of any pool of residential mortgages, not in default, which has previously been financed by the issuance of bonds or notes of the agency. The state board may also enter into a commitment with the agency, at the time of any issue of bonds or notes, to purchase at a specified future date, not exceeding 12 years from the date of the issue, the amount of mortgage loans then outstanding and not in default, which have been made or purchased from the proceeds of the bonds or notes. The state board may charge reasonable fees for any such commitment, and may agree to purchase the mortgage loans at a price such that the yield thereon to the state board will, in its

judgment, be comparable to that available on similar mortgage loans at the date of the bonds or notes. The state board may also enter into agreements with the agency for the investment of any portion of the funds of the agency for such period, with such withdrawal privileges, and at such guaranteed rate of return, if any, as may be agreed between the state board and the agency.

(e) collateral for repurchase agreements and reverse repurchase agreements shall be limited to letters of credit and securities authorized in this section;

(f) guaranteed investment contracts shall be limited to those issued by insurance companies rated in the top four quality categories by a nationally recognized rating agency;

(g) savings accounts shall be limited to those fully insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation.

Sec. 2. Minnesota Statutes 1986, section 176A.02, subdivision 1, is amended to read:

Subdivision 1. [FUND CREATED.] The fund is created as a nonprofit independent public corporation for the purpose of insuring employers against liability for personal injuries for which their employees may be entitled to benefits under chapter 176. The fund shall be organized as a domestic mutual insurance company.

Sec. 3. Minnesota Statutes 1986, section 176A.02, subdivision 2, is amended to read:

Subd. 2. [BOARD OF DIRECTORS.] The board of directors consists of seven members and the commissioner of labor and industry and manager of the fund who shall be an ex officio member members. Each director shall hold office until a successor is appointed and qualifies. Each director shall represent a policyholder and may be an employee of a policyholder. A policyholder may designate a person to represent them on the board. The initial board of directors shall be appointed by the governor and shall consist of seven members, and the commissioner of labor and industry. Each member of the initial board shall be either an employer or employee. If the fund is operational and issuing policies upon the expiration of the terms of the initial board and thereafter, the governor shall appoint every other director until the governor has made four appointments. The remaining three directors shall be chosen by the fund's policyholders. In addition to the commissioner, no more than one member of the board shall be a representative of a governmental entity. At least two members of the board shall represent private, for profit, enterprises. No member of the board may represent or be an employee of an insurance company.

The membership terms shall be as provided in section 15.0575. The membership compensation shall be set by the board.

The board shall annually elect a chair from among its members and other officers it deems necessary for the performance of its duties.

Sec. 4. Minnesota Statutes 1986, section 176A.04, is amended to read:

176A.04 [GENERAL POWERS.]

For the purpose of exercising the specific powers granted in this chapter and effectuating the other purposes of this chapter, the fund:

- (a) may sue and be sued;
- (b) may have a seal and alter it at will;
- (c) may make, amend, and repeal rules relating to the conduct of the business of the fund;
- (d) may enter into contracts relating to the administration of the fund;
- (e) may rent, lease, buy, or sell property in its own name and may construct or repair buildings necessary to provide space for its operations;
- (f) may declare a dividend when there is an excess of assets over liabilities, and minimum surplus requirements as consistent with chapter 60A;
- (g) may pay medical expenses, rehabilitation expenses, compensation due claimants of insured employers, pay salaries, and pay administrative and other expenses;
- (h) may hire personnel and set salaries and compensation; and
- (i) may perform all other functions and exercise all other powers of a domestic mutual insurance company that are necessary or appropriate, or convenient to administer the fund.

Amend the title as follows:

Page 1, line 4, delete "appropriating money;"

Page 1, line 6, delete "6" and insert "4" and delete "subdivision 1;" and insert "subdivisions 1 and 2; and" and delete "; and 176A.11"

With the recommendation that when so amended the bill pass.

The report was adopted.

Beginch from the Committee on Labor-Management Relations to which was referred:

H. F. No. 234, A bill for an act relating to employment; establishing unpaid leave of absences for new parents; setting conditions on return from leave; creating a cause of action; prohibiting cost of parental leave from increasing unemployment insurance experience rating; amending Minnesota Statutes 1986, section 268.06; proposing coding for new law in Minnesota Statutes, chapter 181.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [181.93] [DEFINITIONS.]

Subdivision 1. [SCOPE.] For the purposes of sections 1 to 6, the following terms have the meanings given to them in this section.

Subd. 2. [EMPLOYEE.] “Employee” means a person who performs services for hire, whether full time or less than full time on a regular basis, for an employer, unless the services are performed by an independent contractor.

Subd. 3. [EMPLOYER.] “Employer” means a person or entity which employs ten or more individuals to perform a service for hire and includes individual, corporation, partnership, association, non-profit organization, group of persons, state, county, town, city, school district, or other governmental subdivision.

Sec. 2. [181.94] [PARENTING LEAVE.]

Subdivision 1. [ONE-YEAR LEAVE; BIRTH OR ADOPTION.] An employer must grant an unpaid leave of absence to an employee who is a natural or adoptive parent in conjunction with the birth or adoption of a child. The length of the leave shall be determined by the employee, but may not exceed 26 weeks.

Subd. 2. [30-DAY LEAVE; MISCARRIAGE; DEATH.] An employer must grant an unpaid leave of absence of up to 30 days, as determined by the employee, to an employee who is a prospective or new parent in conjunction with a miscarriage or stillbirth during the pregnancy or neonatal death within 90 days of birth.

Subd. 3. [START OF LEAVE.] The leave shall begin at a time requested by the employee. The employer may adopt reasonable policies governing the timing of requests for unpaid leave. The leave may begin not more than six months after the birth or adoption.

Subd. 4. [NO EMPLOYER RETRIBUTION.] An employer shall not penalize an employee for requesting or obtaining a leave of absence as provided by this section.

Subd. 5. [CONTINUED INSURANCE.] The employer shall continue to make coverage available to the employee, while on leave of absence, under any group insurance policy, group subscriber contract, or health care plan for the employee and any dependents. Nothing in this section requires the employer to pay the costs of the insurance or health care while the employee is on leave of absence.

Sec. 3. [181.95] [REINSTATEMENT AFTER LEAVE.]

Subdivision 1. [COMPARABLE POSITION.] An employee returning from a leave of absence shall be entitled to return to employment in the employee's former position or in a position of comparable duties, number of hours, and pay. An employee returning from a leave of absence longer than one month must notify a supervisor at least two weeks prior to return from leave.

If, during the leave, the employer experiences a layoff and the employee would have lost a position had the employee not been on leave, pursuant to the good faith operation of a bona fide seniority system under a collective bargaining agreement, the employee is not entitled to reinstatement in the former or comparable position. In such circumstances, the employee retains all rights under the collective bargaining agreement as if the employee had not taken the leave.

Subd. 2. [PAY; BENEFITS; ON RETURN.] An employee returning from a leave of absence shall return to work at the same rate of pay the employee had been receiving when the leave commenced, plus any automatic adjustments in the employee's pay scale that occurred during leave period. The employee returning from a leave shall retain all accrued preleave benefits of employment and seniority, as if there had been no interruption in service; provided that nothing in sections 1 to 5 prevents the accrual of benefits or seniority during the leave pursuant to a collective bargaining or other agreement between the employer and employees.

Subd. 3. [PART-TIME RETURN.] An employee, by agreement with the employer, may return to work part-time during the leave period without forfeiting the right to return to employment at the end of the leave period, as provided in sections 1 to 6.

Sec. 4. [181.96] [USE OF SICK LEAVE.]

An employee may use sick leave benefits for absences due to the illness of a minor or dependent child on the same terms that the employee may use sick leave benefits for the employee's own illness. For the purposes of this section, the term "sick leave benefits" does not mean short or long term disability benefits.

Sec. 5. [181.97] [RELATIONSHIP TO OTHER LEAVE.]

The length of leave provided by this law may be reduced by any period of paid parental or disability leave provided by the employer, so that the total leave does not exceed 26 weeks.

Nothing in sections 1 to 5 prevents any employer from providing parental leave benefits in addition to those provided in sections 1 to 5 or otherwise affects an employee's rights with respect to any other employment benefit.

Sec. 6. [181.98] [INDIVIDUAL REMEDIES.]

In addition to any remedies otherwise provided by law, any person injured by a violation of sections 1 to 5 may bring a civil action to recover any and all damages recoverable at law, together with costs and disbursements, including reasonable attorney's fees, and may receive injunctive and other equitable relief as determined by a court.

Sec. 7. Minnesota Statutes 1986, section 268.06, subdivision 5, is amended to read:

Subd. 5. [BENEFITS CHARGED AS AND WHEN PAID.] Benefits paid to an individual pursuant to a valid claim shall be charged against the account of the individual's employer as and when paid, except that benefits paid to an individual who earned base period wages for part-time employment shall not be charged to an employer that is liable for payments in lieu of contributions or to the experience rating account of an employer if the employer: (1) provided weekly base period part-time employment; (2) continues to provide weekly employment equal to at least 90 percent of the part-time employment provided in the base period; and (3) is an interested party because of the individual's loss of other employment. The amount of benefits so chargeable against each base period employer's account shall bear the same ratio to the total benefits paid to an individual as the base period wage credits of the individual earned from such employer bear to the total amount of base period wage credits of the individual earned from all the individual's base period employers.

In making computations under this provision, the amount of wage credits if not a multiple of \$1, shall be computed to the nearest multiple of \$1.

Benefits shall not be charged to an employer that is liable for payments in lieu of contributions or to the experience rating account of an employer for unemployment, (1) that is directly caused by a major natural disaster declared by the president pursuant to section 102(2) of the Disaster Relief Act of 1974 (United States Code, title 42, section 5122(2)), if the unemployed individual would have been eligible for disaster unemployment assistance with respect to that unemployment but for the individual's receipt of unemployment insurance benefits; or (2) that is directly caused by a fire, flood, or act of God where 70 percent or more of the employees employed in the affected location become unemployed as a result and the employer substantially reopens its operations in that same area within 360 days of the fire, flood, or act of God; provided that benefits shall be charged to the employer's account, under clause (2), where the unemployment is caused by the willful act of the employer or a person acting on behalf of the employer; or (3) that results from the termination of an individual who was hired to replace an employee who was on a parental leave of absence granted under section 2, if the replacement worker was terminated because of, and within ten days of, the employee's return to work after the leave."

Amend the title as follows:

Page 1, line 7, after "268.06" insert " , subdivision 5"

With the recommendation that when so amended the bill pass.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 235, A bill for an act relating to independent school district No. 763; permitting the district to mail certain information instead of publishing it.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 123.33, is amended by adding a subdivision to read:

Subd. 11a. [MAILING OF PROCEEDINGS.] If a school board of a district that has no newspaper with its known office of issue or a secondary office located within the boundaries of the district, and no newspaper that is distributed to more than one-third of the residences in the district determines that mailing a summary of its proceedings would be more economical than publication of the

proceedings and that it would adequately inform the public, it may mail a summary of its proceedings to each residence in the district that can be identified as a homestead from the property tax records and to each other residence in the district that the board can identify. The county shall make the property tax records available to the board for this purpose. The board shall keep a copy of the summary of the proceedings as part of its records. The decision of a school board to mail summaries, rather than publish the proceedings under this subdivision shall be presumed valid, subject to challenge by a court action."

Delete the title and insert:

"A bill for an act relating to education; allowing certain districts to mail summaries of the school board proceedings rather than publish them; amending Minnesota Statutes 1986, section 123.33, by adding a subdivision."

With the recommendation that when so amended the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 238, A bill for an act relating to retirement; removing age limits on commencement of membership in firefighters relief associations; amending Minnesota Statutes 1986, section 424.04.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 485, A bill for an act relating to agriculture; strengthening the pesticide laws; imposing penalties; appropriating money; amending Minnesota Statutes 1986, sections 18A.21, subdivisions 1, 4, 5, 7, 8, 10, 12, 16, 19, 20, 21, 22, 23, 27, 29, 30, 31, 32, 33, 34, 35, 36, and by adding subdivisions; 18A.22, subdivisions 1, 2, 5, 7, and 8; 18A.23; 18A.24; 18A.25; 18A.27; 18A.28, subdivisions 1, 2, 3, 4, and by adding a subdivision; 18A.29, subdivisions 1, 3, and by adding subdivisions; 18A.30; 18A.31; 18A.32; 18A.33; 18A.34; 18A.35; 18A.37; 18A.39; 18A.41; 18A.42; 18A.43; 18A.44; and 18A.45; proposing coding for new law in Minnesota Statutes, chap-

ter 18A; repealing Minnesota Statutes 1986, sections 18A.26; 18A.28, subdivisions 5 and 6; 18A.29, subdivision 2; and 18A.36.

Reported the same back with the following amendments:

Page 1, line 30, delete "may" and insert "shall"

Page 2, after line 10, insert:

"It is not the intent of this subdivision to preempt local responsibilities for zoning, fire codes, or hazardous waste disposal."

Page 6, line 12, before the period insert "or as a traditional exchange of services without financial compensation"

Page 15, line 26, delete "public" and insert "surface"

Page 20, line 32, after the period insert "The commissioner shall make available a standard, single page, recordkeeping form which may be used by persons with responsibility for record keeping."

Page 24, after line 22, insert:

"The commissioner shall set forth a minimum period of suspension of license or certification for the application of pesticides by overspray, drift, or target site spray upon humans done in a grossly negligent or intentional manner."

Page 25, after line 5, insert:

"Persons applying pesticides through an irrigation system must obtain a permit from the commissioner. Applications must be on forms provided by the commissioner. The initial application for a permit must be accompanied by a fee of \$50 for each well to be used in chemigation. In case of two or more wells protected by the same anti-pollution devices, a single permit is required. The fee is not refundable. The commissioner shall, by rule, develop specific requirements for implementation of a program to regulate chemigation."

Page 25, line 28, delete "conform" and insert "be in concurrence"

Page 26, after line 24, insert:

"Sec. 63. [18A.315] [PESTICIDE APPLICATION IN CITIES.]

Subdivision 1. [DEFINITION.] For purposes of this section "city" means statutory and home rule charter cities of the first and second class as defined under section 410.01, or cities within the metropolitan area as defined under section 473.121, subdivision 2.

Subd. 2. [AUTHORITY.] A city may enact an ordinance containing the pesticide application warning information contained in subdivision 3, including their own licensing, warning time, penalty, and enforcement provisions. No city may enact an ordinance that contains more restrictive or less restrictive pesticide application warning information than is contained in subdivision 3.

Subd. 3. [WARNING SIGNS FOR PESTICIDE APPLICATION.]

(a) All commercial or noncommercial applicators who apply pesticides to turf areas outdoors are required to post or affix warning signs, valid for up to 72 hours following application, on the street frontage of the property so treated.

(b) Warning signs must project a minimum of 18 inches above the top of the grass line. The warning signs must be of a material rain-resistant for at least a 72-hour period.

(c) The following information must be printed on the sign in contrasting colors and capitalized letters measuring at least one-half inch, or in a similar format as may be approved by the commissioner. The sign shall provide the following information:

(1) The name of the company applying the pesticide or if not applied by a company, the name of the person, firm, corporation, business, governmental unit or agency thereof, or educational institution.

(2) The following language: "This area chemically treated. Keep children and pets off until ....." (Time as required by local ordinance), or a universally accepted symbol and text approved by the commissioner which is recognized as having the same meaning or intent as specified in this subdivision. In addition, the sign may include the name of the pesticide used.

(d) The sign shall be posted on a lawn or yard no closer than two feet from the sidewalk or right-of-way and no further than five feet from the sidewalk or right-of-way. In the case of parks, golf courses, athletic fields, or other similar property the warning signs shall also be posted immediately adjacent to areas within the property where pesticides have been applied and at or near the entrance to the property."

Page 29, line 30, after "dealers" insert "or persons employed by them or otherwise working under their supervision"

Page 29, line 32, delete everything after "chapter" and insert a period

Page 29, delete line 33

Page 36, after line 14, insert:

"All money paid as just compensation under clause (2) shall be deposited into the game and fish fund pursuant to section 97A.055."

Renumber the sections in sequence

Correct internal references

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Agriculture.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 602, A bill for an act relating to health; creating an exception to the nursing home moratorium for a facility operated on the Red Lake Indian Reservation; amending Minnesota Statutes 1986, section 144A.071, subdivision 3.

Reported the same back with the following amendments:

Page 3, delete lines 9 to 15, and insert:

"(g) to certify or license new beds in a new facility on the Red Lake Indian Reservation for which payments will be made under the Indian Health Care Improvement Act, Public Law Number 94-437, at the rates specified in United States Code, title 42, section 1396d(b)."

With the recommendation that when so amended the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 626, A bill for an act relating to natural resources; establishing a program for the management and enhancement of native prairie land; proposing coding for new law in Minnesota Statutes, chapter 84.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [84.961] [PRAIRIE LAND MANAGEMENT.]

Subdivision 1. [NATIVE PRAIRIE VALUES.] The commissioner of natural resources must recognize the value of native prairie land by taking into consideration the wildlife, scientific, erosion control, educational, and recreational benefits of native prairie.

Subd. 2. [PLANNING.] The commissioner must plan for management, development, and restoration of:

(1) prairie land under the commissioner's jurisdiction; and

(2) prairie landscape reserves, comprised of an integrated network of protected prairie lands, prairie restoration sites, and private prairie lands.

Subd. 3. [PRAIRIE LANDSCAPE RESERVES.] The commissioner must develop and manage permanent prairie landscape reserves to maintain the native plant and animal populations, landscape features, and habitat types that are characteristic of intact native prairie ecosystems. Management practices may include haying and grazing.

Subd. 4. [PRAIRIE BIOLOGIST.] The position of prairie biologist is established in the department of natural resources to plan, develop, and manage native prairie reserves and prairie land under this section. The prairie biologist shall be located within the central part of the prairie region and be under the supervision of the scientific and natural areas program.

Sec. 2. [84.963] [PRAIRIE PLANT SEED PRODUCTION AREAS.]

The commissioner of natural resources shall study the feasibility of establishing private or public prairie plant seed production areas within prairie land locations. If prairie plant seed production is feasible, the commissioner may aid the establishment of production areas. The commissioner may enter cost-share or sharecrop agreements with landowners having easements for conservation purposes of ten or more years on their land to commercially produce prairie plant seed of Minnesota origin. The commissioner may only aid prairie plant seed production areas on agricultural land used to produce crops before December 23, 1985, and cropped three out of five years between 1981 and 1985.”

Delete the title and insert:

“A bill for an act relating to natural resources; establishing a program for the management and enhancement of prairie land and

native prairie reserves; proposing coding for new law in Minnesota Statutes, chapter 84.”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 656, A bill for an act relating to public safety; regulating high pressure piping and pipefitters; providing penalties; amending Minnesota Statutes 1986, sections 326.461, subdivision 2; 326.47, subdivision 3; 326.48, subdivision 1; 326.50; 326.51; proposing coding for new law in Minnesota Statutes, chapter 326.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1986, section 326.461, subdivision 2, is amended to read:

Subd. 2. [HIGH PRESSURE PIPING.] “High pressure piping” means all high pressure piping used in the installation of hot water or steam heating boilers, any systems of piping hot water or other medium used for heating that exceed 30 p.s.i. gage and or 250 degrees Fahrenheit, or any system of high pressure steam piping, but shall not include any high pressure piping under the direct jurisdiction of the United States.

Sec. 2. Minnesota Statutes 1986, section 326.47, subdivision 3, is amended to read:

Subd. 3. [SURCHARGE.] For the purpose of defraying the cost of administering sections 326.46 to ~~326.48~~ 326.52, there is imposed on all municipalities except municipalities which have a letter of agreement with the department of labor and industry to perform inspections, a surcharge on the filing fees, inspection fees and permits issued after December 31, 1984, in connection with the construction or installation of high pressure piping systems. The surcharge shall be ~~two percent of the fees collected set by the commissioner pursuant to section 16A.128,~~ but shall not be less than \$10 \$25, nor greater than ~~\$2,000~~ \$5,000. All surcharges collected under this section must be paid to the commissioner for deposit in the state treasury for credit to the special revenue fund.

Sec. 3. Minnesota Statutes 1986, section 326.48, subdivision 1, is amended to read:

Subdivision 1. No person, firm, or corporation shall engage in or work at the business of a contracting pipefitter or journeyman pipefitter unless licensed to do so by the department of labor and industry. No license shall be required for repairs on existing installations. A contracting pipefitter may also work as a journeyman pipefitter.

No person, firm, or corporation shall engage in the business of installing high pressure piping, nor install high pressure piping in connection with the dealing in and selling of high pressure pipe material and supplies, unless, at all times, a licensed pipefitter, who shall be responsible for proper installation, is in charge of the high pressure pipefitting work of the person, firm, or corporation.

The department of labor and industry shall prescribe rules, not inconsistent herewith, for the examination and licensing of pipefitting pipefitters and for issuance of permits for the installation of high pressure piping.

An employee performing the duties of inspector for the department of labor and industry in regulating pipefitting shall not receive time credit for the inspection duties when making an application for a license required by this section.

Sec. 4. Minnesota Statutes 1986, section 326.50, is amended to read:

#### 326.50 [APPLICATION; FEES.]

Application for a pipefitter's license shall be made to the department of labor and industry, with fees. Unless entitled to a renewal, The applicant shall be licensed only after passing a satisfactory an examination by the examiners showing fitness department of labor and industry. Fees for journeymen for examination and renewal, and for master pipefitters for examination and renewal and conditions for renewal of journeyman and contracting pipefitter's licenses shall be set by the commissioner under chapter 14 and section 16A.128. Licenses shall expire December 31, but may be renewed upon application made the following January or February; but, if in February, only upon payment of an additional fee set by the commissioner under section 16A.128.

The commissioner may issue a temporary license to a qualified individual with specific skills that a contractor or employer requires to construct or install a high pressure piping system. A temporary license must be renewed every 12 months. No individual may hold a temporary license for high pressure pipefitting for more than 36 months. The fee for a temporary license and for renewal of a

temporary license shall be set by the commissioner under section 16A.128.

Sec. 5. Minnesota Statutes 1986, section 326.51, is amended to read:

326.51 [DEPARTMENT MAY REVOKE LICENSES.]

The department may revoke or suspend, for cause, any license obtained through error or fraud, or if the licensee is shown to be incompetent, or for a second willful violation of any of its rules and regulations applicable to such work. The licensee shall have notice, in writing, enumerating the charges, and be entitled to a hearing by the commissioner on at least five ten days' notice, with the right to produce testimony. The commissioner may appoint, in writing, any competent person to take testimony, who shall have power to administer oaths, issue subpoenas, and compel the attendance of witnesses. The decision of the commissioner shall be based on the testimony and records. The hearing shall be held pursuant to chapter 14. The commissioner shall issue a final order based on testimony and the record at hearing. One year from the date of revocation application may be made for a new license.

Sec. 6. [326.521] [VIOLATIONS; PENALTY PROVISIONS.]

Unless otherwise specifically provided, any violation of any provision or requirement of sections 326.46 to 326.52 is a misdemeanor.

Sec. 7. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

With the recommendation that when so amended the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 803, A bill for an act relating to commerce; creating a legislative commission to study government and business competition; prescribing its duties.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 816, A bill for an act relating to drivers' licenses; traffic regulations; requiring courts to furnish information relating to previous convictions without charge in gross misdemeanor prosecutions of the driving while under the influence law; imposing a penalty on person who violates conditions attached to limited driver's license; amending Minnesota Statutes 1986, sections 169.121, subdivision 3; 171.17; and 171.30, by adding a subdivision.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 849, A bill for an act relating to Indian child welfare; establishing direct grants to tribal governments, Indian social service organizations, and local social service agencies to fund Indian child welfare programs; establishing an Indian child welfare advisory council; amending Minnesota Statutes 1986, sections 257.35; and 257.351, subdivision 15, and by adding subdivisions; 257.354, subdivision 4, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 257; repealing Minnesota Statutes 1986, section 245.76.

Reported the same back with the following amendments:

Page 5, line 11, delete the first comma and insert "and" and delete "and chemical abuse"

Page 6, delete lines 13 to 16

Page 7, line 16, delete "two-thirds" and insert "four-fifths"

Page 7, line 35, delete "and" and insert "or"

Page 8, line 2, delete "A grant must not be greater than \$100,000."

Page 8, line 10, delete "one-third" and insert "one-fifth"

Page 8, line 21, delete "create" and insert "appoint"

Page 8, line 27, before the period insert "who are authorized by tribal resolution, one representative from the Duluth Urban Indian Community, three representatives from the Minneapolis Urban Indian Community, and two representatives from the St. Paul Urban

Indian Community. Representatives from the urban Indian communities must be selected through an open appointments process under section 15.0597"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 879, A bill for an act relating to public improvements; appropriating money for a Red Lake tribal archives, library, and interpretive center.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 923, A bill for an act relating to human services; regulating budgets and procedures of human services boards; amending Minnesota Statutes 1986, sections 402.02, subdivision 2; 402.05, subdivision 1a; and 402.062, subdivisions 1 and 2; repealing Minnesota Statutes 1986, section 402.095.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 946, A bill for an act relating to employment; prohibiting residency requirements for employees; proposing coding for new law in Minnesota Statutes, chapter 181.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 947, A bill for an act relating to state lands; authorizing a private sale of certain tax-forfeited land in St. Louis county.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 955, A bill for an act relating to port authority powers for the city of Roseville; amending Laws 1985, chapter 301, section 3.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 1049, A bill for an act relating to labor; regulating the administration of the occupational safety and health act; clarifying employee rights to sue; amending Minnesota Statutes 1986, sections 182.659, subdivisions 6 and 8; 182.661, by adding a subdivision; 182.666, subdivisions 1, 2, 4, 5, and 6; and 182.669, subdivision 1.

Reported the same back with the following amendments:

Page 1, line 12, after "refusal" insert "or anticipated refusal, based on an employer's refusal to permit entrance on a prior occasion,"

With the recommendation that when so amended the bill pass.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1097, A bill for an act relating to Dakota county; authorizing the issuance of bonds for capital improvements and an annual levy for capital improvements and debt retirement.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 1119, A bill for an act relating to state lands; permitting the sale of certain land in St. Louis county.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1163, A bill for an act relating to local government; authorizing cities to impose a street access charge and providing for its collection; proposing coding for new law in Minnesota Statutes, chapter 471.

Reported the same back with the following amendments:

Page 1, line 17, delete "shall" and insert "may"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Transportation.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 1197, A bill for an act relating to statutes; revising the text of certain laws to remove redundant and obsolete language, to simplify grammar and syntax, and to improve the style of language without causing changes in the meaning of the laws; amending Minnesota Statutes 1986, chapters 84A; 105; 112; 274; 276; 352; 352B; 365; 430; and 447.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 26, 234, 235, 238, 602, 656, 816, 923, 946, 947, 955, 1049, 1119 and 1197 were read for the second time.

**SECOND READING OF SENATE BILLS**

S. F. Nos. 291, 128 and 397 were read for the second time.

**INTRODUCTION AND FIRST READING  
OF HOUSE BILLS**

The following House Files were introduced:

Carruthers, Greenfield, Orenstein, Seaberg and McKasy introduced:

H. F. No. 1392, A bill for an act relating to business corporations; regulating the organization and operation of business corporations; providing for indemnification; providing voting rights; providing for the value, issuance, pledging, and acquisition of shares; and providing for payment on the return of shares; amending Minnesota Statutes 1986, sections 302A.011, subdivision 40; 302A.111, subdivisions 2 and 3; 302A.137; 302A.161, subdivision 22; 302A.201, subdivision 2; 302A.255, subdivision 1; 302A.405, subdivisions 1 and 2; 302A.409, subdivision 3; 302A.413, subdivision 5; 302A.433, subdivision 3; 302A.435, subdivision 2; 302A.437, subdivision 2; 302A.447, subdivision 7; 302A.455; 302A.457, subdivisions 1 and 2; 302A.473, subdivisions 1, 5, 6, and 7; 302A.501, subdivision 1; 302A.521, subdivisions 1, 8, and by adding a subdivision; and 302A.553, subdivision 1.

The bill was read for the first time and referred to the Committee on Commerce.

Carruthers, Greenfield, Orenstein, Seaberg and McKasy introduced:

H. F. No. 1393, A bill for an act relating to business corporations; regulating mergers and exchanges; amending Minnesota Statutes 1986, sections 302A.471, subdivisions 1 and 3; 302A.601, subdivision 2; 302A.611; 302A.613; 302A.615; 302A.631; and 302A.641, subdivision 1.

The bill was read for the first time and referred to the Committee on Commerce.

Nelson, D.; Skoglund; Clark; Ozment and Rose introduced:

H. F. No. 1394, A bill for an act relating to public safety; establishing the fire safety cigarette act; prohibiting the sale of

cigarettes and little cigars that do not meet certain standards for fire safety; proposing coding for new law in Minnesota Statutes, chapter 299F.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Simoneau, Pappas and Blatz introduced:

H. F. No. 1395, A bill for an act relating to children; creating an office for children in the state planning agency; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 116K.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Carruthers, Blatz, Vanasek and Kelly introduced:

H. F. No. 1396, A bill for an act relating to civil actions; clarifying the statute of limitations applicable to actions regarding manufacturers or suppliers of material containing asbestos; proposing coding for new law in Minnesota Statutes, chapter 541.

The bill was read for the first time and referred to the Committee on Judiciary.

Rice, Sarna, Begich and Riveness introduced:

H. F. No. 1397, A bill for an act relating to transportation; providing that private carriers in the construction industry comply with certain rules regarding drivers and vehicles; prescribing certain lease agreements; amending Minnesota Statutes 1986, sections 221.025; and 221.031, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 221.

The bill was read for the first time and referred to the Committee on Transportation.

Skoglund and Long introduced:

H. F. No. 1398, A bill for an act relating to taxation; increasing the rate of taxes on cigarettes and tobacco products; amending Minne-

sota Statutes 1986, sections 297.02, subdivision 1; 297.03, subdivision 5; 297.32, subdivisions 1 and 2; and 297.35, subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes.

Otis and Trimble introduced:

H. F. No. 1399, A bill for an act relating to economic development; authorizing certain entities involved in economic development to participate in secondary markets; authorizing the use of appropriated money for secondary market purposes; amending Minnesota Statutes 1986, sections 116M.04, by adding a subdivision; 116M.08, by adding a subdivision; 362A.03, by adding a subdivision; 458.192, by adding a subdivision; 458C.14, by adding a subdivision; and 462.445, subdivision 4.

The bill was read for the first time and referred to the Committee on Economic Development and Housing.

Rest, Scheid, Pappas and Jaros introduced:

H. F. No. 1400, A bill for an act relating to taxation; property tax refund; updating references to federal law; expanding the definition of household income; requiring filing with the income tax return; requiring additional reporting by landlords; requiring auditing of claims; allowing the right to the refund to lapse if the claimant cannot be located; repealing obsolete provisions; increasing penalties; appropriating money; amending Minnesota Statutes 1986, sections 290A.03, subdivisions 3, 8, and by adding a subdivision; 290A.06; 290A.18; and 290A.19; repealing Minnesota Statutes 1986, section 290A.04, subdivisions 2e and 2g.

The bill was read for the first time and referred to the Committee on Taxes.

Reding, Simoneau and Gutknecht introduced:

H. F. No. 1401, A bill for an act relating to retirement; excluding volunteer firefighters from membership in the public employees retirement association and the police and fire fund; amending Minnesota Statutes 1986, sections 353.01, subdivisions 2b, 10, and by adding a subdivision; and 353.64, subdivision 1.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Kelso, Vellenga, Orenstein and Jefferson introduced:

H. F. No. 1402, A bill for an act relating to human services; changing the limitation on residential services; amending Minnesota Statutes 1986, section 252.291, subdivision 2.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Scheid, O'Connor and Begich introduced:

H. F. No. 1403, A bill for an act relating to firefighters; requiring payment of death, disability, and survivor benefits to firefighters suffering from occupationally related cancer.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Gruenes introduced:

H. F. No. 1404, A bill for an act relating to commerce; franchises; regulating nonrenewals; requiring prior notice of nonrenewal; amending Minnesota Statutes 1986, section 80C.14.

The bill was read for the first time and referred to the Committee on Commerce.

Peterson introduced:

H. F. No. 1405, A bill for an act relating to the city of Princeton; providing for the apportionment of certain sale proceeds constituting delinquent tax increment revenues to the city.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

McLaughlin and Wagenius introduced:

H. F. No. 1406, A bill for an act relating to metropolitan government; providing for fees at the international airport; proposing coding for new law in Minnesota Statutes, chapter 473.

The bill was read for the first time and referred to the Committee on Metropolitan Affairs.

Kahn; Nelson, K.; Schafer and Sparby introduced:

H. F. No. 1407, A bill for an act relating to environment; establishing a siting process for a low-level radioactive waste facility; providing for volunteer sites and an alternative site selection process; establishing a siting board; appropriating money; amending Minnesota Statutes 1986, sections 116C.832, subdivision 1, and by adding subdivisions; 116C.834, subdivision 1; and 116C.842, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 116C.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Schafer and Olsen, S., introduced:

H. F. No. 1408, A bill for an act relating to education; increasing the aid and levy for programs for handicapped adults; appropriating money; amending Minnesota Statutes 1986, sections 121.88, subdivision 7; 124.271, subdivisions 2b and 7; and 275.125, subdivision 8.

The bill was read for the first time and referred to the Committee on Education.

Rose; Sparby; Munger; Johnson, R., and Kostohryz introduced:

H. F. No. 1409, A bill for an act relating to game and fish; designation and use of waterfowl feeding or resting areas; amending Minnesota Statutes 1986, section 97A.095, subdivision 2.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Jacobs; Ogren; Bennett; Olsen, S., and Quinn introduced:

H. F. No. 1410, A bill for an act relating to utilities; establishing citizen commission to study competition between utilities and private business in the sale and service of gas and electric appliances; appropriating money.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Rest, Long, McPherson, Wagenius and Skoglund introduced:

H. F. No. 1411, A bill for an act relating to wild animals; directing a report to the legislature on raptor population; appropriating funds.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Battaglia introduced:

H. F. No. 1412, A bill for an act relating to state land; authorizing private sale of certain tax-forfeited land in Lake county to city of Two Harbors.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Miller introduced:

H. F. No. 1413, A bill for an act relating to the city of Redwood Falls; authorizing an economic development authority to construct and furnish buildings; authorizing the authority to issue general obligation bonds subject to a reverse referendum; authorizing the establishment of certain economic development districts.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Miller introduced:

H. F. No. 1414, A bill for an act relating to the city of Redwood Falls; authorizing all property in the city to be assessed at a flat dollar amount per parcel for an infrastructure fund levy.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Schafer, Hugoson and Dempsey introduced:

H. F. No. 1415, A bill for an act relating to taxation; sales; changing the requirements for designation of a distressed county for purposes of the capital equipment exemption; amending Minnesota Statutes 1986, section 297A.257, subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes.

Nelson, K., introduced:

H. F. No. 1416, A bill for an act relating to the city of Minneapolis; providing for the appointment of the director of the office of emergency preparedness; amending Laws 1969, chapter 937, section 1, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Segal and Clark introduced:

H. F. No. 1417, A bill for an act relating to human services; providing for hospice care payments under medical assistance; amending Minnesota Statutes 1986, section 256B.02, subdivision 8.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Sviggum, Heap and McDonald introduced:

H. F. No. 1418, A bill for an act relating to crimes; imposing criminal penalties on persons who advocate or promote the doctrine of criminal syndicalism and incite imminent lawless activity; proposing coding for new law in Minnesota Statutes, chapter 609.

The bill was read for the first time and referred to the Committee on Judiciary.

Orenstein, Dempsey, Clark, McLaughlin and Norton introduced:

H. F. No. 1419, A bill for an act relating to human rights; requiring certain boards and commissions to develop certain programs for persons subject to prejudice and discrimination; changing certain procedures in cases before the department of human rights; amending Minnesota Statutes 1986, sections 3.922, subdivision 6; 3.9222, by adding a subdivision; 3.9223, subdivision 3; 3.9225, subdivision 3; 3.9226, subdivision 3; 256.482, subdivision 5; 363.05, subdivision 1; 363.06, subdivisions 1 and 4; 363.071; 363.072, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 363.

The bill was read for the first time and referred to the Committee on Judiciary.

McDonald and Valento introduced:

H. F. No. 1420, A bill for an act relating to public safety; allowing bureau of criminal apprehension to permit amateur radio operators to use radio equipment capable of receiving police emergency radio frequency; amending Minnesota Statutes 1986, section 299C.37, subdivision 3.

The bill was read for the first time and referred to the Committee on Judiciary.

Carruthers, Skoglund, Hartle and Quinn introduced:

H. F. No. 1421, A bill for an act relating to insurance; regulating the formation and operation of risk retention groups; prescribing the powers and duties of the commissioner; defining terms; prescribing penalties; proposing coding for new law as Minnesota Statutes, chapter 60E.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Simoneau, Kahn, Carruthers, Kelly and Bishop introduced:

H. F. No. 1422, A bill for an act relating to courts; authorizing additional judgeships in certain judicial districts; authorizing imposition of a judicial fee in civil actions; increasing the amount of penalty assessment levied for traffic offenses; amending Minnesota Statutes 1986, sections 2.722, subdivision 1; and 626.861, subdivisions 1 and 3; proposing coding for new law in Minnesota Statutes, chapter 480.

The bill was read for the first time and referred to the Committee on Judiciary.

McEachern, Jensen, Bauerly and Johnson, A., introduced:

H. F. No. 1423, A bill for an act relating to traffic regulations; requiring school buses on one-way, separated roads with shoulders to load and unload without flashing lights; amending Minnesota Statutes 1986, section 169.44, subdivision 2.

The bill was read for the first time and referred to the Committee on Transportation.

Greenfield introduced:

H. F. No. 1424, A bill for an act relating to human services; improving the availability of special needs payments for child care provided to AFDC recipients; amending Minnesota Statutes 1986, section 256.736, subdivision 8.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Murphy; Scheid; Johnson, A., and Pappas introduced:

H. F. No. 1425, A bill for an act relating to state contracts; requiring bidders on state construction contracts to submit lists of subcontractors and prohibiting subcontracts with persons not listed; providing penalties; amending Minnesota Statutes 1986, sections 16B.07, by adding a subdivision; and 161.32, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Dempsey, Haukoos, Battaglia, Munger and Jennings introduced:

H. F. No. 1426, A bill for an act relating to taxation; allowing certain persons to claim property tax refunds due to decedents; amending Minnesota Statutes 1986, section 290A.18.

The bill was read for the first time and referred to the Committee on Taxes.

Jefferson introduced:

H. F. No. 1427, A bill for an act relating to health care; regulating prepayment demonstration projects; requiring demonstration providers to follow certain claims settlement practices when contracting with other health care and social service practitioners to provide services to enrollees; regulating appeals; amending Minnesota Statutes 1986, section 256B.69, subdivisions 6 and 11.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Jefferson introduced:

H. F. No. 1428, A bill for an act relating to human services; providing a five-day deadline for expedited issuance of food stamps; amending Minnesota Statutes 1986, section 393.07, subdivision 10a.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Nelson, K., introduced:

H. F. No. 1429, A bill for an act relating to education; providing tier revenue for learning year programs; appropriating money; amending Minnesota Statutes 1986, sections 124.223; 124.225, subdivision 1; 124A.01; and 275.125, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 124A.

The bill was read for the first time and referred to the Committee on Education.

Rukavina, Jaros, Munger, Battaglia and Begich introduced:

H. F. No. 1430, A bill for an act relating to utilities; requiring the public utilities commission to annually review authorized rates of return; requiring the commission to consider nonutility income under certain circumstances; amending Minnesota Statutes 1986, section 216B.16, by adding subdivisions.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Sviggum and McEachern introduced:

H. F. No. 1431, A bill for an act relating to education; eliminating comparable high school courses from eligible courses under the post-secondary enrollment options program; amending Minnesota Statutes 1986, section 123.3514, subdivision 6, and by adding subdivisions.

The bill was read for the first time and referred to the Committee on Education.

Rest, McPherson and Nelson, K., introduced:

H. F. No. 1432, A bill for an act relating to education; directing the Minnesota academic excellence foundation to establish a state academic league; appropriating money; amending Minnesota Stat-

utes 1986, section 121.612, subdivisions 3 and 5; proposing coding for new law in Minnesota Statutes, chapter 121.

The bill was read for the first time and referred to the Committee on Education.

Otis; Nelson, K.; Olsen, S.; Bennett and Segal introduced:

H. F. No. 1433, A bill for an act relating to education; creating a Minnesota challenger memorial math and science teaching scholarship fund; providing state matching funds for private contributions; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 125.

The bill was read for the first time and referred to the Committee on Education.

Cooper, Bishop, Greenfield, Kelly and Welle introduced:

H. F. No. 1434, A bill for an act relating to child abuse; authorizing the department of human services to establish a 24-hour toll-free hotline; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 626.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Cooper, Schoenfeld, Sparby, Steensma and Wenzel introduced:

H. F. No. 1435, A bill for an act relating to agriculture; providing for reduction of payment adjustment obligations; authorizing principal buy-down for certain loans; establishing a special fund; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 41.

The bill was read for the first time and referred to the Committee on Agriculture.

Rukavina; Begich; Carlson, D.; Johnson, A., and Rose introduced:

H. F. No. 1436, A bill for an act relating to game and fish; allowing elderly deer hunters to take one deer of either sex; amending Minnesota Statutes 1986, section 97A.451, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Begich introduced:

H. F. No. 1437, A bill for an act relating to motor vehicles; providing for refund of excise tax on motor vehicle to manufacturer under certain circumstances; amending Minnesota Statutes 1986, section 297B.031.

The bill was read for the first time and referred to the Committee on Taxes.

Welle introduced:

H. F. No. 1438, A bill for an act relating to human services; establishing requirements for rate appeals for intermediate care facilities for persons with mental retardation and related conditions; amending Minnesota Statutes 1986, section 256B.501, subdivision 3, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Rice, Battaglia, Sarna and Beard introduced:

H. F. No. 1439, A bill for an act relating to labor; making collective bargaining agreements binding upon transferee employers; defining transferee employer; creating certain exclusions; requiring the disclosure of collective bargaining agreements; providing for enforcement procedures; proposing coding for new law in Minnesota Statutes, chapter 179.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Waltman introduced:

H. F. No. 1440, A bill for an act relating to environment; requiring certain conditions for the location of a county landfill by use of eminent domain; amending Minnesota Statutes 1986, section 400.04, subdivision 2, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

McLaughlin, Orenstein and Schoenfeld introduced:

H. F. No. 1441, A bill for an act relating to human services; providing for welfare reform; requiring commissioner of human

services to establish demonstration project and seek legislative waiver.

The bill was read for the first time and referred to the Committee on Health and Human Services.

McLaughlin introduced:

H. F. No. 1442, A bill for an act relating to Gillette Children's Hospital; clarifying the hospital's exemption from certain tax provisions; amending Minnesota Statutes 1986, section 250.05, by adding subdivisions.

The bill was read for the first time and referred to the Committee on Taxes.

Osthoff, Kelly and Trimble introduced:

H. F. No. 1443, A bill for an act relating to retirement; St. Paul police relief association and St. Paul fire department relief association; authorizing the voluntary consolidation of those local relief associations with the public employees police and fire fund; authorizing the individual election of applicable benefit coverage upon the consolidation of those relief associations; amending Minnesota Statutes 1986, sections 353.01, subdivisions 2b, 10, and 16; 353.271; 353.64, subdivision 1; and 353.65, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 353; proposing coding for new law as Minnesota Statutes, chapters 353A and 353B.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Solberg; Kinkel; Nelson, C.; Richter and Neuenschwander introduced:

H. F. No. 1444, A bill for an act relating to towns; providing procedures for their organization and dissolution; amending Minnesota Statutes 1986, sections 365.45; 368.47; and 379.01.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Winter, Frederick, DeBlicek, Schoenfeld and Redalen introduced:

H. F. No. 1445, A bill for an act relating to agriculture; appropriating money for a deficiency in the appropriation for farmer-lender mediation.

The bill was read for the first time and referred to the Committee on Agriculture.

McLaughlin, Orenstein and Schoenfeld introduced:

H. F. No. 1446, A bill for an act relating to welfare reform; providing a corporate income tax credit for contributions to programs to reduce public assistance caseloads; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 290.

The bill was read for the first time and referred to the Committee on Health and Human Services.

#### HOUSE ADVISORIES

The following House Advisories were introduced:

Johnson, A.; Kalis; Blatz and Kelly introduced:

H. A. No. 15, A proposal to study limited drivers' licenses.

The advisory was referred to the Committee on Transportation.

Trimble; Otis; McPherson; Nelson, K., and Kelso introduced:

H. A. No. 16, A proposal to study parent involvement in public school decision-making.

The advisory was referred to the Committee on Education.

#### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 364, A bill for an act relating to cemeteries; increasing the limit on the permanent care and improvement fund; amending Minnesota Statutes 1986, section 306.41.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 400, A bill for an act relating to game and fish; authorizing commissioner to allow a person to take two deer; amending Minnesota Statutes 1986, section 97B.301, subdivision 4.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Nelson, D., moved that the House concur in the Senate amendments to H. F. No. 400 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 400, A bill for an act relating to game and fish; authorizing commissioner to allow a person to take two deer; amending Minnesota Statutes 1986, section 97B.301, subdivision 4.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 114 yeas and 5 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Gruenes	Larsen	Omann	Seaberg
Anderson, R.	Gutknecht	Lasley	Onnen	Segal
Battaglia	Hartle	Lieder	Orenstein	Simoneau
Bauerly	Haukoos	Long	Ozment	Skoglund
Beard	Heap	Marsh	Pappas	Solberg
Begich	Hugoson	McDonald	Pauly	Sparby
Bennett	Jacobs	McEachern	Pelowski	Steensma
Bertram	Jaros	McKasy	Peterson	Thiede
Bishop	Jefferson	McLaughlin	Poppenhagen	Tjornhom
Burger	Jensen	McPherson	Price	Tompkins
Carlson, D.	Johnson, A.	Milbert	Quinn	Trimble
Carlson, L.	Johnson, R.	Miller	Redalen	Tunheim
Carruthers	Johnson, V.	Minne	Reding	Valento
Clark	Kahn	Morrison	Rest	Vanasek
Clausnitzer	Kalis	Munger	Rice	Vellenga
Cooper	Kelly	Murphy	Richter	Voss
Dauncr	Kelso	Nelson, D.	Rodosovich	Wagenius
Dempsey	Kinkel	Nelson, K.	Rose	Welle
Dille	Kludt	Neuenschwander	Rukavina	Wenzel
Dorn	Knickerbocker	O'Connor	Sarna	Winter
Forsythe	Knuth	Ogren	Schafer	Wynia
Frerichs	Kostohryz	Olsen, S.	Scheid	Spk. Norton
Greenfield	Krueger	Olson, E.	Schreiber	

Those who voted in the negative were:

Boo

DeBlieck

Osthoff

Stanius

Sviggum

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 369, A bill for an act relating to human rights; changing certain requirements related to disabled persons; amending Minnesota Statutes 1986, sections 363.01, subdivision 25; 363.02, subdivision 3; and 363.03, subdivision 5.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Greenfield moved that the House concur in the Senate amendments to H. F. No. 369 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 369, A bill for an act relating to human rights; changing certain requirements related to disabled persons; amending Minnesota Statutes 1986, sections 363.01, subdivision 25; 363.02, subdivision 3; and 363.03, subdivision 5.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Cooper	Jaros	Larsen	Nelson, D.
Anderson, R.	Dauner	Jefferson	Lasley	Nelson, K.
Battaglia	DeBlieck	Jennings	Lieder	Neuenschwander
Bauerly	Dempsey	Jensen	Long	O'Connor
Beard	Dille	Johnson, A.	Marsh	Ogren
Begich	Dorn	Johnson, R.	McDonald	Olsen, S.
Bennett	Forsythe	Johnson, V.	McEachern	Olson, E.
Bertram	Frederick	Kahn	McKasy	Olson, K.
Bishop	Frerichs	Kalis	McLaughlin	Omann
Boo	Greenfield	Kelly	McPherson	Onnen
Brown	Gruenes	Kelso	Milbert	Orenstein
Burger	Gutknecht	Kinkel	Miller	Osthoff
Carlson, D.	Hartle	Kludt	Minne	Ozment
Carlson, L.	Haukoos	Knickerbocker	Morrison	Pappas
Carruthers	Heap	Knuth	Munger	Pauly
Clark	Hugoson	Kostohryz	Murphy	Pelowski
Clausnitzer	Jacobs	Krueger	Nelson, C.	Peterson

Poppenhagen	Rodosovich	Segal	Swenson	Voss
Price	Rose	Simoneau	Thiede	Wagenius
Quinn	Rukavina	Skoglund	Tjornhom	Waltman
Redalen	Sarna	Solberg	Tompkins	Welle
Reding	Schafer	Sparby	Trimble	Wenzel
Rest	Scheid	Stanius	Tunheim	Winter
Rice	Schreiber	Steensma	Valento	Wynia
Richter	Seaberg	Svigum	Vellenga	Spk. Norton

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 121, 324 and 420.

PATRICK E. FLAHAVEN, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 121, A bill for an act relating to traffic regulations; clarifying that a child under four is not required to use a seat belt; imposing penalty for failure to wear seat belt; amending Minnesota Statutes 1986, section 169.686, subdivision 1.

The bill was read for the first time and referred to the Committee on Judiciary.

S. F. No. 324, A bill for an act relating to traffic regulations; removing exemptions regarding alcohol- or controlled substance-related activities of persons engaged in work upon the highway; amending Minnesota Statutes 1986, section 169.03, subdivision 6.

The bill was read for the first time and referred to the Committee on Judiciary.

S. F. No. 420, A bill for an act relating to crimes; metropolitan transit; authorizing peace officers hired by the metropolitan transit commission to make arrests within the metropolitan area; amending Minnesota Statutes 1986, section 629.40, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Metropolitan Affairs.

### CONSENT CALENDAR

H. F. No. 750, A bill for an act relating to state lands; authorizing sale of certain tax-forfeited lands that border public water in East Grand Forks, Polk county.

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 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Larsen	Onnen	Seaberg
Anderson, R.	Gruenes	Lasley	Orenstein	Segal
Battaglia	Gutknecht	Lieder	Osthoff	Simoneau
Bauerly	Hartle	Long	Otis	Skoglund
Beard	Haukoos	Marsh	Ozment	Solberg
Begich	Heap	McDonald	Pappas	Sparby
Bennett	Hugoson	McEachern	Pauly	Stanius
Bertram	Jacobs	McKasy	Pelowski	Steensma
Bishop	Jaros	McLaughlin	Peterson	Sviggum
Boo	Jefferson	McPherson	Popenhagen	Swenson
Burger	Jennings	Milbert	Price	Thiede
Carlson, D.	Jensen	Miller	Quinn	Tjornhom
Carlson, L.	Johnson, A.	Minne	Redalen	Tompkins
Carruthers	Johnson, R.	Morrison	Reding	Trimble
Clark	Johnson, V.	Munger	Rest	Tunheim
Clausnitzer	Kahn	Murphy	Rice	Valento
Cooper	Kalis	Nelson, C.	Richter	Vanasek
Dauner	Kelly	Nelson, D.	Rodosovich	Vellenga
DeBlieck	Kelso	Nelson, K.	Rose	Voss
Dempsey	Kinkel	Neuenschwander	Rukavina	Wagenius
Dille	Kludt	O'Connor	Sarna	Waltman
Dorn	Knickerbocker	Ogren	Schafer	Welle
Forsythe	Knuth	Olsen, S.	Scheid	Wenzel
Frederick	Kostohryz	Olson, E.	Schoenfeld	Winter
Frerichs	Krueger	Omann	Schreiber	Wynia
				Spk. Norton

The bill was passed and its title agreed to.

H. F. No. 889, A bill for an act relating to local government; providing notice conditions for town road contracts; amending Minnesota Statutes 1986, section 160.17, subdivision 2.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Anderson, G.	Beard	Bishop	Carlson, D.	Clausnitzer
Anderson, R.	Begich	Boo	Carlson, L.	Cooper
Battaglia	Bennett	Brown	Carruthers	Dauner
Bauerly	Bertram	Burger	Clark	DeBlieck

Dempsey	Kalis	Morrison	Price	Stanius
Dille	Kelly	Munger	Quinn	Steensma
Dorn	Kelso	Murphy	Quist	Sviggun
Forsythe	Kinkel	Nelson, C.	Redalen	Swenson
Frederick	Kludt	Nelson, D.	Reding	Thiede
Frerichs	Knickerbocker	Nelson, K.	Rest	Tjornhom
Greenfield	Knuth	Neuenschwander	Rice	Tompkins
Gruenes	Kostohryz	O'Connor	Richter	Trimble
Gutknecht	Krueger	Ogren	Rodosovich	Tunheim
Hartle	Larsen	Olsen, S.	Rose	Valento
Haukoos	Lasley	Olson, E.	Rukavina	Vanasek
Heap	Lieder	Olson, K.	Sarna	Vellenga
Hugoson	Long	Omann	Schafer	Voss
Jacobs	Marsh	Onnen	Scheid	Wagenius
Jaros	McDonald	Orenstein	Schoenfeld	Waltman
Jefferson	McEachern	Otis	Schreiber	Welle
Jennings	McKasy	Ozment	Seaberg	Wenzel
Jensen	McLaughlin	Pappas	Segal	Winter
Johnson, A.	McPherson	Pauly	Simoneau	Wynia
Johnson, R.	Milbert	Pelowski	Skoglund	Spk. Norton
Johnson, V.	Miller	Peterson	Solberg	
Kahn	Minne	Poppenhagen	Sparby	

Those who voted in the negative were:

Osthoff

The bill was passed and its title agreed to.

S. F. No. 403, A bill for an act relating to newspapers; providing that only qualified newspapers may accept legal notices for publication; amending Minnesota Statutes 1986, section 331A.02, 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 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	DeBlieck	Johnson, A.	McDonald	Olson, E.
Anderson, R.	Dempsey	Johnson, R.	McEachern	Olson, K.
Battaglia	Dille	Johnson, V.	McKasy	Omann
Bauerly	Dorn	Kahn	McLaughlin	Onnen
Beard	Forsythe	Kalis	McPherson	Orenstein
Begich	Frederick	Kelly	Milbert	Osthoff
Bennett	Frerichs	Kelso	Miller	Otis
Bertram	Greenfield	Kinkel	Minne	Ozment
Bishop	Gruenes	Kludt	Morrison	Pappas
Boo	Hartle	Knickerbocker	Munger	Pauly
Brown	Haukoos	Knuth	Murphy	Pelowski
Burger	Heap	Kostohryz	Nelson, C.	Peterson
Carlson, D.	Hugoson	Krueger	Nelson, D.	Poppenhagen
Carlson, L.	Jacobs	Larsen	Nelson, K.	Price
Carruthers	Jaros	Lasley	Neuenschwander	Quinn
Clark	Jefferson	Lieder	O'Connor	Quist
Clausnitzer	Jennings	Long	Ogren	Redalen
Cooper	Jensen	Marsh	Olsen, S.	Reding

Rest	Schoenfeld	Stanius	Tunheim	Wenzel
Rice	Schreiber	Steensma	Valento	Winter
Richter	Seaberg	Sviggun	Vanasek	Wynia
Rodosovich	Segal	Swenson	Vellenga	Spk. Norton
Rose	Simoneau	Thiede	Voss	
Rukavina	Skoglund	Tjornhom	Wagenius	
Sarna	Solberg	Tompkins	Waltman	
Schafer	Sparby	Trimble	Welle	

The bill was passed and its title agreed to.

## CALENDAR

H. F. No. 269, A bill for an act relating to traffic regulations; extending prohibition against wearing headphones while operating motor vehicle to include bicycles and persons on foot or on rollerskates; amending Minnesota Statutes 1986, section 169.471, subdivision 2.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 56 yeas and 69 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Jensen	Munger	Price	Swenson
Battaglia	Johnson, A.	Murphy	Reding	Trimble
Begich	Johnson, R.	Nelson, C.	Rice	Tunheim
Bishop	Kahn	Nelson, D.	Richter	Wagenius
Clark	Kalis	Nelson, K.	Riveness	Wenzel
DeBlicek	Kludt	Olsen, S.	Scheid	Winter
Dille	Knickerbocker	Olson, E.	Seaberg	Wynia
Dorn	Larsen	Olson, K.	Segal	Spk. Norton
Forsythe	Lieder	Orenstein	Simoneau	
Greenfield	McLaughlin	Osthoff	Skoglund	
Jaros	Milbert	Pappas	Sparby	
Jefferson	Minne	Peterson	Steensma	

Those who voted in the negative were:

Anderson, G.	Frerichs	Krueger	Onnen	Schoenfeld
Bauerly	Gruenes	Lasley	Otis	Schreiber
Beard	Gutknecht	Long	Ozment	Solberg
Bennett	Hartle	Marsh	Pauly	Stanius
Bertram	Haukoos	McDonald	Pelowski	Sviggun
Brown	Hugoson	McEachern	Poppenhagen	Thiede
Burger	Jacobs	McKasy	Quinn	Tjornhom
Carlson, L.	Jennings	McPherson	Quist	Tompkins
Carruthers	Johnson, V.	Miller	Redalen	Valento
Clausnitzer	Kelly	Morrison	Rest	Vanasek
Cooper	Kelso	Neuenschwander	Rodosovich	Voss
Dauner	Kinkel	O'Connor	Rukavina	Waltman
Dempsey	Knuth	Ogren	Sarna	Welle
Frederick	Kostohryz	Omamn	Schafer	

The bill was not passed.

H. F. No. 469, A bill for an act relating to food licenses; regulating certain vending machine inspection fees; amending Minnesota Statutes 1986, section 28A.09, 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 118 yeas and 6 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Frederick	Larsen	Orenstein	Seaberg
Anderson, R.	Greenfield	Lasley	Otis	Segal
Battaglia	Gruenes	Lieder	Ozment	Simoneau
Bauerly	Gutknecht	Long	Pappas	Sparby
Beard	Hartle	Marsh	Pauly	Stanius
Begich	Haukoos	McEachern	Pelowski	Steensma
Bennett	Heap	McKasy	Peterson	Sviggum
Bertram	Jacobs	McPherson	Poppenhagen	Swenson
Bishop	Jaros	Milbert	Price	Thiede
Boo	Jefferson	Miller	Quinn	Tjornhom
Brown	Jennings	Minne	Quist	Tompkins
Burger	Jensen	Morrison	Riedalen	Trimble
Carlson, D.	Johnson, A.	Munger	Reding	Tunheim
Carlson, L.	Johnson, R.	Murphy	Rice	Valento
Carruthers	Johnson, V.	Nelson, C.	Richter	Vanasek
Clark	Kalis	Nelson, D.	Riveness	Vellenga
Clausnitzer	Kelly	Nelson, K.	Rodosovich	Voss
Cooper	Kelso	Neuenschwander	Rose	Welle
Dauner	Kinkel	O'Connor	Rukavina	Wenzel
DeBlieck	Kludt	Ogren	Sarna	Winter
Dempsey	Knickerbocker	Olsen, S.	Schafer	Wymia
Dille	Knuth	Olson, E.	Scheid	Spk. Norton
Dorn	Kostohryz	Olson, K.	Schoenfeld	
Forsythe	Krueger	Onnen	Schreiber	

Those who voted in the negative were:

Hugoson	McDonald	Omam	Osthoff	Solberg
				Waltman

The bill was passed and its title agreed to.

H. F. No. 591, A bill for an act relating to human services; authorizing the commissioner to make direct payments to shelter facilities; allowing facilities providing shelter services to women and children to appeal the denial of general assistance payments; amending Minnesota Statutes 1986, sections 256.01, subdivision 2; and 256D.05, by adding a subdivision.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 0 nays as follows:

## Those who voted in the affirmative were:

Anderson, G.	Gruenes	Lieder	Osthoff	Simoneau
Anderson, R.	Gutknecht	Long	Otis	Skoglund
Battaglia	Hartle	Marsh	Ozment	Solberg
Bauerly	Haukoos	McDonald	Pappas	Sparby
Beard	Heap	McEachern	Pauly	Stanius
Begich	Hugoson	McKasy	Pelowski	Steenasma
Bennett	Jacobs	McLaughlin	Peterson	Sviggum
Bertram	Jaros	McPherson	Poppenhagen	Swenson
Boo	Jefferson	Milbert	Price	Thiede
Brown	Jennings	Miller	Quinn	Tjornhom
Burger	Jensen	Minne	Quist	Tompkins
Carlson, D.	Johnson, A.	Morrison	Redalen	Trimble
Carlson, L.	Johnson, R.	Munger	Reding	Tunheim
Carruthers	Johnson, V.	Murphy	Rest	Valento
Clark	Kahn	Nelson, C.	Rice	Vanasek
Clausnitzer	Kalis	Nelson, D.	Richter	Vellenga
Cooper	Kelly	Nelson, K.	Riveness	Voss
Dauner	Kelso	Neuenschwander	Rodosovich	Wagenius
DeBlicck	Kinkel	O'Connor	Rose	Waltman
Dempsey	Kludt	Ogren	Rukavina	Welle
Dille	Knickerbocker	Olsen, S.	Sarna	Wenzel
Dorn	Knuth	Olsen, E.	Schafer	Winter
Forsythe	Kostohryz	Olson, K.	Scheid	Wynia
Frederick	Krueger	Omann	Schoenfeld	Spk. Norton
Frerichs	Larsen	Onnen	Schreiber	
Greenfield	Lasley	Orenstein	Seaberg	

The bill was passed and its title agreed to.

H. F. No. 555 was reported to the House.

## UNANIMOUS CONSENT

Carruthers requested unanimous consent to offer an amendment. The request was granted.

Carruthers moved to amend H.F. No. 555, the first engrossment, as follows:

Page 1, line 13, delete "an" and insert "a lawful"

The motion prevailed and the amendment was adopted.

H. F. No. 555, A bill for an act relating to crimes; prohibiting giving peace officers false names; prescribing penalties; proposing coding for new law in Minnesota Statutes, chapter 609.

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 128 yeas and 0 nays as follows:

## Those who voted in the affirmative were:

Anderson, G.	Gutknecht	Long	Otis	Simoneau
Anderson, R.	Hartle	Marsh	Ozment	Skoglund
Battaglia	Haukoos	McDonald	Pappas	Solberg
Bauerly	Heap	McEachern	Pauly	Sparby
Beard	Hugoson	McKasy	Pelowski	Stanisus
Begich	Jacobs	McLaughlin	Peterson	Steensma
Bennett	Jaros	McPherson	Poppenhagen	Swiggum
Bertram	Jefferson	Milbert	Quinn	Swenson
Boo	Jennings	Miller	Quist	Thiede
Brown	Jensen	Minne	Redalen	Tjornhom
Carlson, D.	Johnson, A.	Morrison	Reding	Tompkins
Carlson, L.	Johnson, R.	Munger	Rest	Trimble
Carruthers	Johnson, V.	Murphy	Rice	Tunheim
Clark	Kahn	Nelson, C.	Richter	Valento
Clausnitzer	Kalis	Nelson, D.	Riverness	Vanasek
Cooper	Kelly	Nelson, K.	Rodosovich	Vellenga
Dauner	Kelso	Neuenschwander	Rose	Voss
DeBlieck	Kinkel	O'Connor	Rukavina	Wagenius
Dempsey	Kludt	Ogren	Sarna	Waltman
Dille	Knickerbocker	Olsen, S.	Schafer	Welle
Dorn	Knuth	Olson, E.	Scheid	Wenzel
Forsythe	Kostohryz	Olson, K.	Schoenfeld	Winter
Frederick	Krueger	Omann	Schreiber	Wynia
Ferichs	Larsen	Onnen	Seaberg	Spk. Norton
Greenfield	Lasley	Orenstein	Segal	
Gruenes	Lieder	Osthoff	Shaver	

The bill was passed, as amended, and its title agreed to.

Winter was excused between the hours of 3:20 p.m. and 3:55 p.m.  
Ozment was excused at 4:30 p.m.

### GENERAL ORDERS

Pursuant to Rules of the House, the House resolved itself into the Committee of the Whole with Norton in the Chair for consideration of bills pending on General Orders of the day. Long presided during a portion of the meeting of the Committee of the Whole. After some time spent therein the Committee arose.

#### REPORT OF THE COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following recommendations of the Committee were reported to the House:

H. F. Nos. 580, 813 and 799 were recommended to pass.

H. F. No. 454 was recommended for progress.

S. F. No. 397 was recommended for progress.

H. F. Nos. 137 and 189 were recommended for progress retaining their places on General Orders.

H. F. No. 227 was recommended for progress retaining its place on General Orders until Friday, May 8, 1987.

H. F. No. 649 was recommended for progress until Wednesday, April 15, 1987.

H. F. No. 392 was recommended for re-referral to the Committee on Appropriations.

S. F. No. 128 which it recommended to pass with the following amendment offered by Jaros:

Amend the title as follows:

Page 1, line 6, delete "repealing" and insert "and"

Page 1, line 7, before the period insert ", section 1"

H. F. No. 42, the first engrossment, which it recommended to pass with the following amendment offered by Bishop:

Page 2, line 35, after "has" insert "reason to believe" and delete the balance of the line

Page 2, delete line 36

Page 3, line 1, delete "those facts in light of experience,"

H. F. No. 450, the first engrossment, which it recommended to pass with the following amendment offered by Bertram:

Page 4, line 15, delete "subdivision" and insert "section"

H. F. No. 564, the first engrossment, which it recommended to pass with the following amendment offered by Onnen:

Page 2, line 35, after "generation" insert "which requires additional diversion of water"

On the motion of Vanasek the report of the Committee of the Whole was adopted.

## ROLL CALLS IN COMMITTEE OF THE WHOLE

Pursuant to rule 1.6, the following roll calls were taken in the Committee of the Whole:

Clausnitzer and Dille moved to amend H. F. No. 42, the first engrossment, as follows:

Page 2, delete lines 31 to 36

Page 3, delete lines 1 to 4 and insert:

“Subdivision 1. [WRITTEN POLICY.] (a) An employer shall not require an employee or job applicant to submit to drug testing except pursuant to a written policy, which shall be provided to job applicants who have been offered employment and employees upon adoption of the policy or when the individual is offered employment, if the policy was previously adopted.

(b) The drug testing policy must, at a minimum, set forth the following information:

(1) the employees or job applicants subject to testing under the policy;

(2) the circumstances that would give rise to drug testing;

(3) the right of an employee or job applicant to refuse testing and the consequences of a refusal;

(4) any disciplinary or other adverse personnel action that may be taken following a positive test result; and

(5) the procedures for explaining the test results; the right to a retest under section 4, subdivision 2; and any other appeals procedure.”

Page 5, delete lines 3 to 20

Page 5, line 21, delete “9” and insert “8”

The question was taken on the Clausnitzer and Dille amendment and the roll was called. There were 65 yeas and 65 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Bishop	Dempsey	Gruenes	Hugoson
Anderson, R.	Boo	Dille	Gutknecht	Jennings
Bauerly	Burger	Forsythe	Hartle	Jensen
Bennett	Carlson, D.	Frederick	Haukoos	Johnson, V.
Bertram	Clausnitzer	Frerichs	Heap	Kalis

Knickerbocker	Morrison	Pauly	Schafer	Swenson
Krueger	Nelson, C.	Pelowski	Schoenfeld	Thiede
Lieder	Neuenschwander	Poppenhagen	Schreiber	Tjornhom
Marsh	Olsen, S.	Quist	Seaberg	Tompkins
McDonald	Olson, E.	Redalen	Shaver	Uphus
McKasy	Omann	Richter	Sparby	Valento
McPherson	Onnen	Rodosovich	Stanius	Waltman
Miller	Ozment	Rose	Sviggum	Wenzel

Those who voted in the negative were:

Battaglia	Jaros	Long	Osthoff	Simoneau
Beard	Jefferson	McEachern	Pappas	Skoglund
Begich	Johnson, A.	McLaughlin	Peterson	Solberg
Brown	Johnson, R.	Milbert	Price	Steensma
Carlson, L.	Kahn	Minne	Quinn	Trimble
Carruthers	Kelly	Munger	Reding	Tunheim
Clark	Kelso	Murphy	Rest	Vanasek
Cooper	Kinkel	Nelson, D.	Rice	Vellenga
Dauner	Kludt	Nelson, K.	Riveness	Voss
DeBlieck	Knuth	O'Connor	Rukavina	Wagenius
Dorn	Kostohryz	Ogren	Sarna	Welle
Greenfield	Larsen	Olson, K.	Scheid	Wynia
Jacobs	Lasley	Orenstein	Segal	Spk. Norton

The motion did not prevail and the amendment was not adopted.

Sviggum moved to amend H. F. No. 42, the first engrossment, as follows:

Page 2, delete section 2

Pages 2 to 3, delete section 3, subdivisions 1 to 3

Renumber the sections accordingly and correct internal cross-references

The question was taken on the Sviggum amendment and the roll was called. There were 59 yeas and 69 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Frederick	Knickerbocker	Omann	Sparby
Anderson, R.	Frerichs	Krueger	Onnen	Stanius
Bauerly	Gruenes	Lieder	Ozment	Sviggum
Bennett	Gutknecht	Marsh	Pauly	Swenson
Bertram	Hartle	McDonald	Poppenhagen	Thiede
Brown	Haukoos	McKasy	Quist	Tjornhom
Burger	Heap	McPherson	Redalen	Tompkins
Carlson, D.	Hugoson	Miller	Richter	Uphus
Clausnitzer	Jennings	Morrison	Rose	Valento
Dempsey	Jensen	Nelson, C.	Schafer	Waltman
Dille	Johnson, V.	Neuenschwander	Schreiber	Wenzel
Forsythe	Kalis	Olsen, S.	Shaver	

Those who voted in the negative were:

Battaglia	Carlson, L.	Cooper	Greenfield	Jefferson
Beard	Carruthers	Dauner	Jacobs	Johnson, A.
Begich	Clark	Dorn	Jaros	Johnson, R.

Kahn	McLaughlin	Orenstein	Riveness	Trimble
Kelly	Milbert	Osthoff	Rodosovich	Tunheim
Kelso	Minne	Otis	Rukavina	Vanasek
Kinkel	Munger	Pappas	Sarna	Vellenga
Kludt	Murphy	Pelowski	Scheid	Voss
Knuth	Nelson, D.	Peterson	Schoenfeld	Wagenius
Kostohryz	Nelson, K.	Price	Segal	Welle
Larsen	O'Connor	Quinn	Simoneau	Winter
Lasley	Ogren	Reding	Skoglund	Wynia
Long	Olson, E.	Rest	Solberg	Spk. Norton
McEachern	Olson, K.	Rice	Steensma	

The motion did not prevail and the amendment was not adopted.

The question was taken on the motion to recommend passage of H. F. No. 42, the first engrossment, as amended, and the roll was called. There were 84 yeas and 45 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Jefferson	Minne	Peterson	Sparby
Battaglia	Jensen	Morrison	Price	Stanius
Beard	Johnson, A.	Munger	Quinn	Steensma
Begich	Johnson, R.	Murphy	Reding	Swenson
Bishop	Kahn	Nelson, C.	Rest	Tompkins
Brown	Kelly	Nelson, D.	Rice	Trimble
Burger	Kelso	Nelson, K.	Riveness	Tunheim
Carlson, L.	Kinkel	Neuenschwander	Rodosovich	Vanasek
Carruthers	Kludt	O'Connor	Rukavina	Vellenga
Clark	Knuth	Ogren	Sarna	Voss
Cooper	Kostohryz	Olson, E.	Scheid	Wagenius
Dauner	Krueger	Olson, K.	Schoenfeld	Welle
DeBlick	Larsen	Orenstein	Seaberg	Wenzel
Dorn	Lasley	Osthoff	Segal	Winter
Greenfield	Long	Otis	Simoneau	Wynia
Jacobs	McLaughlin	Pappas	Skoglund	Spk. Norton
Jaros	Milbert	Pelowski	Solberg	

Those who voted in the negative were:

Anderson, G.	Forsythe	Johnson, V.	Olsen, S.	Rose
Bauerly	Frederick	Kalis	Omann	Schafer
Bennett	Frerichs	Knickerbocker	Onnen	Schreiber
Bertram	Gruenes	Lieder	Ozment	Sviggum
Boo	Gutknecht	Marsh	Pauly	Thiede
Carlson, D.	Hartle	McDonald	Poppenhagen	Tjornhom
Clausnitzer	Haukoos	McKasy	Quist	Uphus
Dempsey	Heap	McPherson	Redalen	Valento
Dille	Hugoson	Miller	Richter	Waltman

The motion prevailed.

The following conference committee report was received:

#### CONFERENCE COMMITTEE REPORT ON H. F. NO. 1

A bill for an act relating to agriculture; extending and financing the interest rate buy-down program; establishing benefit limits;

appropriating money; amending Laws 1986, chapter 398, article 23, section 1, subdivisions 5 and 6, and by adding a subdivision; and section 3, subdivision 5.

March 31, 1987

The Honorable Fred C. Norton  
Speaker of the House of Representatives

The Honorable Jerome M. Hughes  
President of the Senate

We, the undersigned conferees for H. F. No. 1, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H. F. No. 1 be further amended as follows:

Delete everything after the enacting clause and insert:

**"FARM OPERATING LOAN INTEREST BUY-DOWN PROGRAM**

**Section 1. [DEFINITIONS.]**

Subdivision 1. [APPLICABILITY.] The definitions in this section apply to sections 1 to 7 and 10. The definitions in this section also apply to sections 8 and 9 unless a different definition is provided in section 8.

Subd. 2. [APPROVED ADULT FARM MANAGEMENT PROGRAM.] "Approved adult farm management program" means a farm management training program designed for persons currently engaged in farming that has been approved by the commissioner under section 4, subdivision 3.

Subd. 3. [COMMISSIONER.] "Commissioner" means the commissioner of commerce.

Subd. 4. [COMMISSIONER'S INTEREST INDEX.] "Commissioner's interest index" means an interest rate that is 3.3 percent above the current lending rate of the Federal Intermediate Credit Bank to production credit associations as certified each month by the commissioner.

Subd. 5. [ELIGIBLE BORROWER.] "Eligible borrower" means a farmer who applies to a lender for a farm operating loan and meets all qualifications established in section 2 and any further qualifications that may be established in the guidelines adopted by the commissioner under section 4, subdivision 1.

An eligible borrower must complete a loan application with a participating lender between January 1, 1987, and December 31, 1987.

Subd. 6. [FARM OPERATING LOAN.] "Farm operating loan" means an original, extended, or renegotiated loan or line of credit obtained by a farmer from a lender for the purpose of financing the operations of a farm. A farm operating loan includes an open line of credit even though the maximum principal amount of the line of credit may not be drawn at any one time. A farm operating loan eligible for interest rate buy-down must have a maturity date of June 30, 1988, or earlier.

Subd. 7. [FARMER.] "Farmer" means a state resident or a domestic family farm corporation as defined in Minnesota Statutes, section 500.24, subdivision 2, operating a farm within the state.

Subd. 8. [INTEREST RATE BUY-DOWN.] "Interest rate buy-down" means a reduction in the effective interest rate on a farm operating loan to an eligible borrower due to partial payment of interest costs by the commissioner and partial reduction of interest costs by the participating lender.

Subd. 9. [LENDER.] "Lender" means a bank, a credit union, or a savings and loan association chartered by the state or federal government, a unit of the farm credit system, the Federal Deposit Insurance Corporation, or another financial institution approved by the commissioner.

Subd. 10. [PARTICIPATING LENDER.] "Participating lender" means a lender who has been granted participating lender status by the commissioner.

## Sec. 2. [FARMER ELIGIBILITY.]

Subdivision 1. [DEBT-TO-ASSET RATIO.] Only a farmer with a debt-to-asset ratio exceeding 50 percent at the time of application for a farm operating loan is an eligible borrower for purposes of interest rate buy-down. The debt-to-asset ratio of a farmer must be determined by the lender. A debt-to-asset ratio determined by a lender is deemed to be reasonable and accurate without further audit or substantiation.

Subd. 2. [ASSESSMENT OF CONTINUED VIABILITY.] Only a farmer determined by the lender to have a reasonable opportunity for long-term financial viability in the farmer's current farm operation is an eligible borrower. A determination of financial viability by a lender is deemed to be reasonable and accurate without further audit or substantiation.

Subd. 3. [ENROLLMENT IN ADULT FARM MANAGEMENT PROGRAM.] To be an eligible borrower, a farmer shall agree to enroll in an approved adult farm management program if enrollment is required by the lender and an approved program is offered not more than 50 miles from the farmer's residence. The approved adult farm management program must bill the lender for one-half of the course tuition.

Sec. 3. [LENDER ELIGIBILITY; OBLIGATIONS.]

Subdivision 1. [ELIGIBLE PARTICIPATING LENDER STATUS.] A lender who meets the requirements established by the commissioner must be certified as a participating lender.

Subd. 2. [PARTIAL PAYMENT FOR ADULT FARM MANAGEMENT TRAINING.] A participating lender shall require an eligible borrower to enroll in an approved adult farm management program and agree to pay one-half of the enrollment and tuition costs of the program for an eligible borrower approved by the commissioner for interest rate buy-down unless the participating lender determines an approved adult farm management program would not benefit the borrower. A participating lender is not required to assist with enrollment or tuition costs for a period longer than the term of the farm operating loan, and a lender is not required to assist with the enrollment and tuition costs for more than one individual for each farm operating loan.

If a participating lender determines that enrollment in an adult farm management program would not benefit the borrower or an approved adult farm management program is not located within 50 miles from the debtor's residence, the lender shall explain the reasons to the borrower in writing and indicate the determination on the application for Program A or Program B.

Subd. 3. [RECEIPT OF APPLICATIONS FOR INTEREST RATE BUY-DOWN.] (a) A participating lender shall receive and evaluate loan applications from a farmer:

(1) who has transacted farm-related borrowing with a lender within the previous three years;

(2) who has not previously established farm-related borrowing; or

(3) whose previous lender is no longer in the business of making farm-related loans.

(b) In determining whether to make a farm operating loan to a farmer, the participating lender may use criteria in addition to those in section 2.

Subd. 4. [MAXIMUM INTEREST RATE.] To qualify for interest rate buy-down payments, a participating lender shall offer to make a farm operating loan to an eligible borrower at a rate of interest equivalent to that offered to other farmers having similar security and financial status, but the interest rate may not exceed the current commissioner's interest index. The commissioner may use appropriate means to verify that the operating loan interest rate available to an eligible borrower is substantially the same as that available to other borrowers.

Sec. 4. [RESPONSIBILITIES OF THE COMMISSIONER.]

Subdivision 1. [ADOPTION OF PROGRAM GUIDELINES.] Within 30 days after the effective date of sections 1 to 9, the commissioner shall adopt and make available to the public guidelines for Programs A and B. The commissioner shall adopt guidelines for Program B, coordinate Program B with the Federal Operating Loan Program, and make the benefits of Program B additive to the Federal Operating Loan Program. Adoption of the program guidelines is not subject to Minnesota Statutes, chapter 14.

Subd. 2. [PREPARATION AND DISTRIBUTION OF LENDER PARTICIPATION FORMS.] The commissioner shall prepare and distribute forms and instructions for Programs A and B to all lenders in the state.

Subd. 3. [APPROVAL OF ADULT FARM MANAGEMENT PROGRAMS.] The commissioner, in consultation with the commissioner of agriculture, shall prepare a list of adult farm management training programs approved for eligible borrowers and distribute the list to all participating lenders.

Subd. 4. [APPROVAL OF APPLICATIONS FOR BUY-DOWN PAYMENT.] (a) The commissioner shall review within five working days of submission by a participating lender a properly completed application for interest rate buy-down payments on a farm operating loan made to a farmer. If a qualified lender does not receive written notice that the commissioner has denied interest rate buy-down payments within seven working days, the farmer is an eligible borrower and interest rate buy-down payments on the farm operating loan are approved by the commissioner.

(b) The commissioner shall not approve concurrent participation of an eligible borrower under both Program A and Program B.

(c) All applications received by the commissioner after appropriated interest rate buy-down program funds for Program A or Program B have been encumbered must be returned immediately to the lender with an explanation that interest buy-down payments are denied due to prior commitment of available program funds.

(d) For an application for Program B, the commissioner shall send the lender a preliminary commitment for the interest payment within ten days after receiving the Program B application. The preliminary commitment may be used by the lender to qualify for the Federal Operating Loan Program. A preliminary commitment is for the 1987 and 1988 crop years. The commitment for the 1988 crop year is dependent on approval of the lender's and borrower's application to the Federal Operating Loan Program for at least crop years 1987 and 1988.

Subd. 5. [BUY-DOWN PAYMENTS TO PARTICIPATING LENDERS.] The commissioner shall pay one-half of the expected interest rate buy-down amount when requested by the participating lender, but not more than 60 days after the loan was approved by the commissioner, and the balance within 30 days after the loan matures. All interest buy-down payments under this act must be made by joint-payee checks in the name of the participating lender and the eligible borrower.

If a participating lender obtains a conditional commitment for guarantee or contract for guarantee from the FmHA, the commissioner shall make the state Program B interest buy-down payment as necessary to accommodate the FmHA commitment or contract.

#### PROGRAM A; STATE-LENDER INTEREST RATE BUY-DOWN

Sec. 5. [PROGRAM A; STATE-LENDER INTEREST RATE BUY-DOWN.]

Subdivision 1. [APPLICATION.] To be eligible for state interest rate buy-down payments under Program A, a participating lender must submit to the commissioner a properly completed application form for each eligible farm operating loan.

Sec. 6. [STATE CONTRIBUTION TO INTEREST BUY-DOWN; PROGRAM A.]

As provided in section 4, subdivision 7, the commissioner shall pay under Program A to a participating lender for the first \$60,000 of an approved farm operating loan made to an eligible borrower an amount equal to an annual rate of 2.8 percent interest on the loan, but the payment may not exceed \$2,520 per farm operating loan.

Sec. 7. [LENDER CONTRIBUTION TO INTEREST BUY-DOWN; PROGRAM A.]

A participating lender shall provide a reduction in interest rate for the first \$60,000 of an approved farm operating loan made to an eligible borrower in an amount equal to an annual rate of at least 1.7 percent interest on the loan.

PROGRAM B; STATE LENDER-FmHA  
INTEREST RATE BUY-DOWN

Sec. 8. [DEFINITIONS.]

Subdivision 1. [APPLICATION.] The definitions in this section apply to sections 8 and 9.

Subd. 2. [ELIGIBLE BORROWER.] "Eligible borrower" means a farmer who applies to a lender for a farm operating loan between the dates January 1, 1987, and December 31, 1988, and who meets all qualifications established in section 2 and any further qualifications that may be established in the program guidelines adopted by the commissioner under section 4, subdivision 1.

Subd. 3. [FARM OPERATING LOAN.] "Farm operating loan" means an original, extended, or renegotiated loan or line of credit obtained by a farmer from a lender to finance the operations of a farm for one operating season. A farm operating loan includes an open line of credit even though the maximum principal amount of the line of credit may not be drawn at any one time. A farm operating loan eligible for interest rate buy-down must have a maturity date of June 30, 1989, or earlier.

Subd. 4. [FEDERAL OPERATING LOAN PROGRAM.] "Federal Operating Loan Program" means the Guaranteed Operating Loan Program together with the Interest Rate Buy-Down Program administered by the FmHA as described in Code of Federal Regulations, title 7, section 1980, subpart B.

Subd. 5. [FmHA.] "FmHA" means the Farmers Home Administration of the United States Department of Agriculture.

Subd. 6. [FmHA BUY-DOWN AGREEMENT.] "FmHA Buy-Down Agreement" means Form FmHA 1980-58 or a replacement of that form, which is an agreement between a lending institution, a farmer, and the FmHA under which the FmHA agrees to give the lending institution an interest buy-down grant in partial reimbursement of a write-down by the lending institution of the interest rate on the farmer's operating loan under the Federal Operating Loan Program.

Sec. 9. [STATE-LENDER-FmHA INTEREST RATE BUY-DOWN.]

Subdivision 1. [APPLICATION.] To be eligible for Program B, a participating lender shall submit an application for Program B to the commissioner and an application to FmHA under subdivision 2. The lender may indicate on the application for Program B that the lender and borrower will apply to the FmHA Federal Operating Loan Program for more than one year and would desire a commit-

ment for Program B for more than one crop year, ending December 31, 1988.

Subd. 2. [APPLICATION TO FmHA.] (a) The lender and an eligible borrower shall apply to FmHA for a guarantee of the proposed farm operating loan under the Federal Operating Loan Program.

(b) If the application is approved, the lender shall submit a copy of the FmHA buy-down agreement to the commissioner. Upon receipt of the FmHA buy-down agreement, the commissioner shall pay the lender \$50 for preparation costs. If the loan preparation was done by a person or entity not otherwise compensated by the lender for preparing the loan application, the lender shall remit the \$50 to the person or entity actually preparing the loan application. If the application is denied, the lender shall submit a copy of the denial to the commissioner. If the application is denied, the commissioner shall consider the Program B application as an application for Program A and make interest buy-down payments to the lender and eligible borrower as if the application were originally submitted for Program A, unless the lender has indicated that the loan is not to be considered under Program A.

Subd. 3. [STATE CONTRIBUTION TO PROGRAM B INTEREST BUY-DOWN.] Under Program B, the commissioner shall pay to a participating lender interest at a rate of 2.8 percent per year for the first \$60,000 of a farm operating loan made to an eligible borrower during the term of the loan, if the loan is approved under the Federal Operating Loan Program. The payment to a participating lender may not exceed \$2,520 per eligible borrower per calendar year, exclusive of the loan preparation fee.

Subd. 4. [LENDER CONTRIBUTION TO PROGRAM B INTEREST BUY-DOWN.] A participating lender shall reduce the interest charged to an eligible borrower on a farm operating loan so that the reduction in interest rate provided by the lender and the FmHA together is at least 1.7 percent per year for the first \$60,000 of the loan.

#### Sec. 10. [APPROPRIATION.]

Subdivision 1. [APPROPRIATION.] \$17,000,000 is appropriated from the general fund for fiscal year 1987 to the commissioner of commerce for the interest rate buy-down program. The appropriation is available for the fiscal year ending June 30 in the years indicated to pay amounts due under approved applications received during that calendar year. Any unencumbered balance remaining in a fiscal year must not be canceled and remains available to pay amounts due under approved applications received during the rest of that calendar year. The appropriation for Program B is available until June 30, 1989, to pay amounts due under approved applica-

tions received during calendar year 1987 or 1988.

	<u>1987</u>	<u>1988</u>
<u>(a) Program B, including loan preparation costs under section 5, subdivision 2</u>	<u>\$ 1,500,000</u>	<u>\$1,500,000</u>
<u>(b) Program A, including up to \$100,000 for administrative costs of the commissioner of commerce for Programs A and B</u>	<u>\$14,000,000</u>	

Subd. 2. [PRIORITIES; LIMITATION.] Applications take priority in the order they were received by the commissioner. The commissioner shall not approve an application for a program once the appropriation for that program has been committed.

Subd. 3. [SPILLOVER.] If, at any time more than 180 days after the effective date of this act, the appropriation for either Program A or Program B for calendar year 1987 is insufficient, the appropriation for the other program is available for it. Any unencumbered balance remaining at the end of a calendar year must not be canceled but must be added to the appropriations for Program B in the next calendar year.

Subd. 4. [OTHER APPROPRIATIONS ADDED.] Any unencumbered balance from the interest buy-down program under Laws 1986, chapter 398, article 29, section 1, subdivision 3, or from any appropriation added to it, remaining on August 1, 1987, must not be canceled but must be transferred and added equally to the appropriations for Program A and Program B that are available for the rest of calendar year 1987.

Subd. 5. [FARM LOAN INTEREST BUY-DOWN.] \$14,000,000 is appropriated from the general fund for fiscal year 1987 to the commissioner of commerce to make payments under the farm loan interest buy-down program under Laws 1986, chapter 398, article 23. This appropriation is added to the appropriation in Laws 1986, chapter 398, article 29, section 1, subdivision 3. Payment from the commissioner must be made by joint-payee check in the name of the participating lender and the borrower.

Sec. 11. Laws 1986, chapter 398, article 23, section 4, is amended by adding a subdivision to read:

Subd. 7. [COMMISSIONER'S DISCRETION FOR CERTAIN BORROWERS.] Notwithstanding section 1, subdivision 5, the commissioner may consider a farmer an eligible borrower if the farmer applies to the lender before January 1, 1986, and complies with the remaining provisions of this article.

**Sec. 12. [EFFECTIVE DATE.]**

Sections 1 to 11 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to agriculture; extending and financing the interest rate buy-down program; establishing benefit limits; appropriating money; amending Laws 1986, chapter 398, article 23, section 4, by adding a subdivision."

We request adoption of this report and repassage of the bill.

House Conferees: KATY OLSON, STEVE WENZEL, VIRGIL J. JOHNSON, GLEN H. ANDERSON AND JERRY SCHOENFELD.

Senate Conferees: C. R. (CHUCK) DAVIS, GARY DeCRAMER AND LeROY STUMPF.

Olson, K., moved that the report of the Conference Committee on H. F. No. 1 be adopted and that the bill be repassed as amended by the Conference Committee.

**POINT OF ORDER**

Schreiber raised a point of order pursuant to rule 6.11, paragraph 3, relating to Conference Committees. The Speaker ruled the point of order well taken.

**SUSPENSION OF RULES**

Vanasek moved that rule 6.11 be so far suspended that the Conference Committee report on H. F. No. 1 be now considered. The motion prevailed.

The question recurred on the Olson, K., motion that the report of the Conference Committee on H. F. No. 1 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 1, A bill for an act relating to agriculture; extending and financing the interest rate buy-down program; establishing benefit limits; appropriating money; amending Laws 1986, chapter 398, article 23, section 1, subdivisions 5 and 6, and by adding a subdivision; and section 3, subdivision 5.

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 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Lieder	Osthoff	Shaver
Anderson, R.	Gruenes	Long	Otis	Simoneau
Battaglia	Gutknecht	Marsh	Pappas	Skoglund
Bauerly	Hartle	McDonald	Pauly	Solberg
Beard	Haukoos	McEachern	Pelowski	Sparby
Begich	Heap	McKasy	Peterson	Stanius
Bennett	Hugoson	McLaughlin	Poppenhagen	Steensma
Bertram	Jacobs	McPherson	Price	Sviggum
Bishop	Jaros	Milbert	Quinn	Swenson
Boo	Jefferson	Miller	Quist	Thiede
Brown	Jennings	Minne	Redalen	Tjornhom
Burger	Jensen	Morrison	Reding	Tompkins
Carlson, D.	Johnson, A.	Munger	Rest	Trimble
Carlson, L.	Johnson, R.	Murphy	Rice	Tunheim
Carruthers	Johnson, V.	Nelson, C.	Richter	Uphus
Clark	Kahn	Nelson, D.	Riveness	Valento
Clausnitzer	Kalis	Nelson, K.	Rodosovich	Vanasek
Cooper	Kelly	Neuenschwander	Rose	Vellenga
Dauner	Kelso	O'Connor	Rukavina	Voss
DeBlieck	Kinkel	Ogren	Sarna	Wagenius
Dempsey	Kludt	Olsen, S.	Schafer	Waltman
Dille	Knickerbocker	Olson, E.	Scheid	Welle
Dorn	Knuth	Olson, K.	Schoenfeld	Wenzel
Forsythe	Kostohryz	Omann	Schreiber	Winter
Frederick	Krueger	Onnen	Seaberg	Wynia
Frerichs	Larsen	Orenstein	Segal	Spk. Norton

The bill was repassed, as amended by Conference, and its title agreed to.

#### MOTION FOR RECONSIDERATION

Vanasek moved that the vote whereby H. F. No. 269 was not passed earlier today on the Calendar be now reconsidered.

A roll call was requested and properly seconded.

The question was taken on the Vanasek motion and the roll was called. There were 116 yeas and 9 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Carruthers	Hartle	Kahn	Lieder
Battaglia	Clark	Haukoos	Kalis	Long
Bauerly	Cooper	Heap	Kelly	McDonald
Beard	Dauner	Hugoson	Kelso	McEachern
Begich	DeBlieck	Jacobs	Kinkel	McLaughlin
Bennett	Dille	Jaros	Kludt	McPherson
Bertram	Dorn	Jefferson	Knickerbocker	Milbert
Bishop	Forsythe	Jennings	Knuth	Minne
Brown	Frederick	Jensen	Kostohryz	Morrison
Burger	Greenfield	Johnson, A.	Krueger	Munger
Carlson, D.	Gruenes	Johnson, R.	Larsen	Murphy
Carlson, L.	Gutknecht	Johnson, V.	Lasley	Nelson, C.

Nelson, D.	Pauly	Rose	Sparby	Voss
Nelson, K.	Pelowski	Rukavina	Stanius	Wagenius
O'Connor	Peterson	Sarna	Steenma	Waltman
Ogren	Price	Schafer	Svigum	Welle
Olsen, S.	Quinn	Scheid	Swenson	Wenzel
Olson, E.	Redalen	Schoenfeld	Tompkins	Winter
Olson, K.	Reding	Seaberg	Trimble	Wynia
Omann	Rest	Segal	Tunheim	Spk. Norton
Orenstein	Rice	Shaver	Uphus	
Osthoff	Richter	Simoneau	Valento	
Otis	Riveness	Skoglund	Vanasek	
Pappas	Rodosovich	Solberg	Vellenga	

Those who voted in the negative were:

Clausnitzer	Frerichs	Miller	Schreiber	Tjornhom
Dempsey	Marsh	Onnen	Thiede	

The motion prevailed.

H. F. No. 269 was reported to the House.

Kahn moved that H. F. No. 269 be returned to General Orders. The motion prevailed.

## MOTIONS AND RESOLUTIONS

Tunheim moved that the name of Trimble be added as an author on H. F. No. 879. The motion prevailed.

Skoglund moved that his name be stricken as an author on H. F. No. 953. The motion prevailed.

Osthoff moved that the name of Sarna be added as an author on H. F. No. 1138. The motion prevailed.

Pappas moved that the name of Rest be added as an author on H. F. No. 1214. The motion prevailed.

Jefferson moved that the name of Quist be added as an author on H. F. No. 1323. The motion prevailed.

Shaver moved that the name of Neuenschwander be added as an author on H. F. No. 1333. The motion prevailed.

Kinkel moved that the name of Neuenschwander be added as an author on H. F. No. 1345. The motion prevailed.

Kelly moved that the name of Simoneau be added as an author on H. F. No. 1348. The motion prevailed.

Clark moved that the name of Otis be added as an author on H. F. No. 1378. The motion prevailed.

Reding moved that the name of Heap be added as an author on H. F. No. 1380. The motion prevailed.

McPherson moved that H. F. No. 998 be recalled from the Committee on Higher Education and be re-referred to the Committee on Agriculture. The motion prevailed.

#### ADJOURNMENT

Vanasek moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:00 p.m., Thursday, April 2, 1987.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

## STATE OF MINNESOTA

## SEVENTY-FIFTH SESSION—1987

## TWENTY-EIGHTH DAY

SAINT PAUL, MINNESOTA, THURSDAY, APRIL 2, 1987

The House of Representatives convened at 2:00 p.m. and was called to order by Fred C. Norton, Speaker of the House.

Prayer was offered by the Reverend Howard C. Gravrock, former House Chaplain, Edina, Minnesota.

The roll was called and the following members were present:

Anderson, G.	Greenfield	Lieder	Otis	Simoneau
Anderson, R.	Grunes	Long	Ozment	Skoglund
Battaglia	Gutknecht	Marsh	Pappas	Solberg
Bauerly	Hartle	McDonald	Pauly	Sparby
Beard	Haukoos	McEachern	Pelowski	Stanius
Begich	Heap	McKasy	Peterson	Steensma
Bennett	Himle	McLaughlin	Poppenhagen	Sviggum
Bertram	Hugoson	McPherson	Price	Swenson
Bishop	Jacobs	Milbert	Quinn	Thiede
Blatz	Jaros	Miller	Quist	Tjornhom
Boo	Jefferson	Minne	Redalen	Tompkins
Brown	Jennings	Morrison	Reding	Trimble
Burger	Jensen	Munger	Rest	Tunheim
Carlson, D.	Johnson, A.	Murphy	Rice	Uphus
Carlson, L.	Johnson, R.	Nelson, C.	Richter	Valento
Carruthers	Johnson, V.	Nelson, D.	Riveness	Vanasek
Clark	Kahn	Nelson, K.	Rodosovich	Vellenga
Clausnitzer	Kalis	Neuenschwander	Rose	Voss
Cooper	Kelso	O'Connor	Rukavina	Wagenius
Dauner	Kinkel	Ogren	Sarna	Waltman
DeBlieck	Kludt	Olsen, S.	Schafer	Welle
Dempsey	Knickerbocker	Olson, E.	Scheid	Wenzel
Dille	Knuth	Olson, K.	Schoenfeld	Winter
Dorn	Kostohryz	Omann	Schreiber	Wynia
Forsythe	Krueger	Onnen	Seaberg	Spk. Norton
Frederick	Larsen	Orenstein	Segal	
Frerichs	Lasley	Osthoff	Shaver	

A quorum was present.

The Chief Clerk proceeded to read the Journal of the preceding day. Vanasek moved that further reading of the Journal be dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

## REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 238, 816, 923, 946, 947, 955, 1119, 26, 234, 602, 656, 1049, 555, 42, 450, 235, 564 and 1197 and S. F. Nos. 121, 324, 420 and 128 have been placed in the members' files.

## REPORTS OF STANDING COMMITTEES

McEachern from the Committee on Education to which was referred:

H. F. No. 96, A bill for an act relating to the state high school league; requiring the league to arrange certain conference memberships; providing standards; amending Minnesota Statutes 1986, section 129.121, subdivision 1, and by adding a subdivision.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 338, A bill for an act relating to retirement; authorizing a certain Stearns county historical society employee to retain membership in the public employees retirement association.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 391, A bill for an act relating to crimes; defining measurement and purity requirements of controlled substances for criminal and tax law purposes; amending Minnesota Statutes 1986, sections 152.15, subdivision 1; 297D.01, subdivision 3; and 297D.07.

Reported the same back with the following amendments:

Page 2, line 27, after "a" insert "detectable"

Page 2, after line 29, insert:

"Sec. 2. Minnesota Statutes 1986, section 152.15, subdivision 4, is amended to read:

Subd. 4. Any person 18 years of age or over who violates section 152.09, subdivision 1, clause (1), by distributing a controlled substance listed in schedule I or II which is a narcotic drug to a person under 18 years of age who is at least three years younger, or by using or employing a person under 18 years of age to distribute a controlled substance listed in schedule I or II which is a narcotic drug, is punishable by the fine authorized by subdivision 1, clause (1) or (2), by a term of imprisonment of up to twice that authorized by subdivision 1, clause (1) or (2), or by both. Any person 18 years of age or over who violates section 152.09, subdivision 1, by distributing any other controlled substance listed in schedules I, II, III, IV, and V, ~~except marijuana,~~ to a person under 18 years of age who is at least three years younger, or by using or employing a person under the age of 18 years to distribute any other controlled substance listed in schedules I, II, III, IV, and V, is punishable by the fine authorized by subdivision 1, clause (3), (4), or (5), by a term of imprisonment up to twice that authorized by subdivision 1, clause (3), (4), or (5), or both."

Page 3, line 5, after "a" insert "detectable"

Page 3, line 15, after "a" insert "detectable"

Page 3, after line 16, insert:

"Sec. 5. [EFFECTIVE DATE.]

Sections 1, 3, and 4 are effective August 1, 1987. Section 2 is effective August 1, 1987, and applies to crimes committed on or after that date."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon insert "increasing penalties for distributing controlled substances to a minor or employing a minor to distribute controlled substances;"

Page 1, line 5, delete "subdivision 1" and insert "subdivisions 1 and 4"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 427, A bill for an act relating to public safety; providing that violation of local DWI ordinance is counted for purposes of driver's license revocation; providing that courts must report juvenile traffic violations to the department of public safety; amending Minnesota Statutes 1986, sections 169.121, subdivision 4; 171.16, subdivision 5; 171.17; and 260.161, by adding a subdivision; repealing Minnesota Statutes 1986, section 260.193, subdivision 9.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Otis from the Committee on Economic Development and Housing to which was referred:

H. F. No. 508, A bill for an act relating to housing; providing for administration of the state's low-income housing credit; authorizing the Minnesota housing finance agency to participate in certain housing construction projects and in certain nonprofit corporations; authorizing the sale or rental of certain housing property; providing definitions; providing for the issuance of certain bonds and notes; amending Minnesota Statutes 1986, sections 462A.03, subdivision 14; 462A.05, subdivisions 14, 21, and by adding subdivisions; 462A.06, subdivisions 7 and 12; 462A.08, subdivisions 1 and 3; and 462A.18, subdivision 2.

Reported the same back with the following amendments:

Pages 1 and 2, delete section 2

Page 3, line 36, delete "build,"

Page 4, line 7, delete "built,"

Page 5, delete lines 3 to 12 and insert:

"Subd. 27. The agency, or the corporations referred to in subdivision 26, may acquire property or property interests under subdivisions 25 and 26 and section 462A.06, subdivision 7, for the following purposes: (1) to protect a loan or grant in which the agency or corporation has an interest; or (2) to preserve for the use of low-and moderate-income persons or families multifamily housing previously financed by the agency which is benefited by federal housing assistance payments or other rental subsidy or interest reduction contracts. Property or property interests acquired for the purpose

specified in clause (1) may be acquired by foreclosure, deed in lieu of foreclosure, or otherwise.

The management of multifamily properties acquired by the agency or the corporations referred to in subdivision 26 pursuant to clause (2) shall be undertaken, as soon after acquisition as is practicable, by entities other than the agency or such corporations on a fee basis. Properties acquired pursuant to clause (2) shall be available for sale by the agency or such corporations at purchase prices and upon such terms as are mutually agreeable to the parties."

Page 7, after line 31, insert:

"Sec. 12. [462A.221] [DEFINITIONS.]

Subdivision 1. [TERMS.] For purposes of sections 12 to 15, the following terms have the meaning given them.

Subd. 2. [CITY.] "City" means a statutory or home rule charter city.

Subd. 3. [HOUSING AND REDEVELOPMENT AUTHORITY.] "Housing and redevelopment authority" means a housing and redevelopment authority established pursuant to section 462.425, or other law, or any other municipal department, agency, or authority which exercises the powers of a housing and redevelopment authority pursuant to section 462.425 or other law.

Sec. 13. [462A.222] [LOW-INCOME HOUSING CREDITS.]

Subdivision 1. [CREDIT RESERVATIONS.] The agency shall reserve a portion of the annual state ceiling for low-income housing credits provided under section 42 of the Internal Revenue Code of 1986 to (1) cities with a population of at least 50,000 that have a housing and redevelopment authority; and (2) counties with a population of 100,000 or more that have a housing and redevelopment authority. A city or county is eligible to receive a reserved portion of the state ceiling under this subdivision if it submits a written request to the agency within 45 days after the effective date of sections 11 to 15 to act as a designated housing credit agency as provided in section 42 of the Internal Revenue Code of 1986. A city or county may designate its housing and redevelopment authority as the agency to receive reserved low-income housing credits on behalf of the city or county. The city of Minneapolis or the city of Saint Paul may designate the Minneapolis/Saint Paul housing finance board to receive reserved low-income housing credits on behalf of each city.

Subd. 2. [CREDIT FORMULA.] The agency shall reserve to each eligible city and county an amount equal to the greater of (1) twice

the product obtained by multiplying \$1.125 by the population of the city or county, or (2) 90 percent of the total state ceiling for low-income housing credits, multiplied by a fraction that has as its numerator the number of rental units located within the city or county and that has as its denominator the total number of rental units located within the state. For purposes of this subdivision, the state demographer shall provide population and rental unit estimates to the agency.

**Subd. 3. [RETURN OF RESERVED CREDITS.]** Unused portions of the state ceiling for low-income housing credits reserved to cities and counties for allocation may be returned at any time to the agency for allocation. On or before October 1 of each calendar year, each city and county acting as a housing credit agency or the Minneapolis/Saint Paul housing finance board, must submit a written notice to the agency of the portion of the low-income housing credit ceiling reserved to it which has not been allocated. The unallocated credit must then be allocated by the agency as provided in section 14.

**Sec. 14. [462A.223] [MINNESOTA HOUSING FINANCE AGENCY; DESIGNATED AGENCY.]**

**Subdivision 1. [CREDITS TO QUALIFIED NONPROFIT ORGANIZATIONS.]** The agency is designated as a housing credit agency with authority to provide low-income housing credits for projects involving qualified nonprofit organizations under sections 501(c)(3) and 501(c)(4) of the Internal Revenue Code of 1986. The agency shall provide the ten percent minimum amount of the state ceiling required by section 42 of the Internal Revenue Code of 1986 for application to such projects.

**Subd. 2. [DESIGNATED AGENCY.]** The agency is designated as a housing credit agency to allocate the portion of the state ceiling for low-income housing credits (1) not reserved to cities and counties under section 13; (2) not accepted for allocation by eligible cities and counties; (3) returned to the agency for allocation; and (4) not otherwise reserved to the agency for allocation under subdivision 1. Low-income housing credits shall be allocated by the agency on a statewide basis. The agency shall make no allocation for projects located within the jurisdiction of the cities or counties that have received credits under section 13, subdivision 1, until the amounts reserved to the cities and counties for allocation have been allocated or returned to the agency for allocation.

**Sec. 15. [462A.225] [STATE REGISTER NOTICE.]**

The agency shall publish in the State Register all data relating to the state ceiling, state demographer population and rental unit estimates, and other information or procedures specified in section 42 of the Internal Revenue Code of 1986, applicable United States

Treasury Department regulations, and this subdivision that the agency considers pertinent to the distribution of low-income housing credits. Publications under this section are not subject to chapter 14.

Page 7, line 33, delete "12" and insert "15"

Renumber the sections in sequence

Correct the internal references

Amend the title as follows:

Page 1, line 13, before the period, insert "; proposing coding for new law in Minnesota Statutes, chapter 462A"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 561, A bill for an act relating to government data; providing for access to data by protection and advocacy systems; amending Minnesota Statutes 1986, section 13.89.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 590, A bill for an act relating to crimes; sentencing; allowing the extension of a stay of execution in misdemeanor cases involving driving under the influence and fifth degree assault; amending Minnesota Statutes 1986, section 609.135, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, line 11, delete the headnote and insert "[TWO YEAR STAY OF SENTENCE.]"

Page 1, line 12, delete "extend a" and after "stay" insert "imposition or execution of sentence for"

Page 1, line 14, after the second "or" insert "if the conviction is"

Page 1, line 16, delete everything after the period and insert "If the stay is for more than one year, the court shall require unsupervised probation after the first year unless it holds a hearing after the first year and finds that supervised probation is warranted for all or part of the second year of the stay."

Page 1, delete lines 17 to 19

Amend the title as follows:

Page 1, line 2, delete "the extension" and insert "a two year stay of sentence"

Page 1, line 3, delete everything before "in"

With the recommendation that when so amended the bill pass.

The report was adopted.

Otis from the Committee on Economic Development and Housing to which was referred:

H. F. No. 609, A bill for an act relating to government data practices; giving the department of energy and economic development access to certain employment data; amending Minnesota Statutes 1986, section 268.12, subdivision 12.

Reported the same back with the following amendments:

Page 2, line 32, after "(g)" insert "For internal use only,"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Judiciary.

The report was adopted.

Otis from the Committee on Economic Development and Housing to which was referred:

H. F. No. 673, A bill for an act relating to housing; creating advisory task force in the state pollution control agency to study and

advise on moisture and air quality problems in single-family homes; requiring reports; appropriating money.

Reported the same back with the following amendments:

Page 2, after line 8, insert:

“(6) an employee of the department of health, appointed by the commissioner of health;”

Page 2, line 9, delete “(6)” and insert “(7)”

Page 2, line 12, delete “(7)” and insert “(8)”

Page 2, line 14, delete “(8)” and insert “(9)”

Page 2, line 16, delete “(9)” and insert “(10)”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 690, A bill for an act relating to traffic regulations; requiring a blood or urine test when there is probable cause to believe there is impairment by a controlled substance; requiring alternative test to be offered under certain conditions; amending Minnesota Statutes 1986, section 169.123, subdivisions 2 and 2a.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 692, A bill for an act relating to public safety; providing for access to criminal justice datacommunications network and defining purposes for its use; amending Minnesota Statutes 1986, sections 299C.46, subdivision 3; and 299C.48.

Reported the same back with the following amendments:

Page 1, after line 8, insert:

“Section 1. Minnesota Statutes 1986, section 297B.12, is amended to read:

297B.12 [PRIVATE NATURE OF INFORMATION.]

It shall be unlawful for the motor vehicle registrar, deputy registrars or any other public official or employee to divulge or otherwise make known in any manner any particulars disclosed in any purchaser's certificate or any information concerning affairs of any person making such certificate acquired from the purchaser's records, officers or employees except in connection with state or federal tax proceedings, an investigation related to suspected motor vehicle theft conducted by a licensed peace officer or federal agent, or upon request of the person named on the certificate. Nothing herein contained should be construed to prohibit the publishing of statistics so classified as not to disclose the identity of particular purchasers' certificates and the contents thereof. Any person violating the provisions of this section shall be guilty of a gross misdemeanor.”

Page 2, line 12, strike “MUNICIPALITIES” and insert “AUTHORIZED AGENCY”

Renumber the remaining sections

Amend the title as follows:

Page 1, line 4, after the semicolon insert “providing access to motor vehicle excise tax data;”

Page 1, line 5, after “sections” insert “297B.12;”

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 704, A bill for an act relating to public safety; providing for the mandatory surrender of registration plates and certificates of motor vehicles operated by repeat DWI offenders; providing for administrative and judicial review; amending Minnesota Statutes 1986, sections 168.041; 169.123, subdivisions 5b, 5c, and 6; 169.1261; and 171.29, by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 168.041, is amended to read:

**168.041 [IMPOUNDING REGISTRATION PLATES AND CERTIFICATES.]**

Subdivision 1. When any person is convicted of driving a motor vehicle after the suspension ~~or~~, revocation or cancellation of the ~~drivers~~ driver's license or driving privileges of such person, the court shall require the registration plates and registration ~~certificates~~ certificate of any motor vehicle involved in such violation owned by such person or registered in that person's name to be surrendered to the court. Upon surrender thereof the court shall issue a receipt therefor.

If the violator is not the owner of ~~such~~ the motor vehicle, the court shall require the registration plates and ~~the~~ registration certificate of any motor vehicle used by the violator, with the permission of the owner who had knowledge of the fact that the violator's ~~drivers~~ driver's license had been revoked or suspended prior to the commission of the offense, to be surrendered to the court.

Subd. 2. If any person is convicted of violating any law or municipal ordinance, except parking laws or ordinances, regulating the operation of motor vehicles on the streets or highways, and the record of ~~such~~ the person so convicted shows a previous conviction for driving after suspension or revocation of the person's driver's license or driving privileges, the court may direct the commissioner of public safety to suspend the driver's license of ~~such~~ the person for not exceeding one year. The court may also require the registration plates and registration ~~certificates~~ certificate of any motor ~~vehicles~~ vehicle owned by the violator or registered in the violator's name to be surrendered to the court.

Subd. 3. Except as otherwise provided in subdivision 3a, if a person is convicted of any offense which makes mandatory the revocation of the ~~drivers~~ person's driver's license of ~~such~~ person, or is convicted of driving a motor vehicle without having a valid driver's license in force, the court may require the registration plates and registration ~~certificates~~ certificate of any motor vehicle owned by such person or any motor ~~vehicles~~ vehicle registered in that person's name to be surrendered to the court.

Subd. 3a. If a person's driver's license or driving privileges are revoked pursuant to a second violation of section 169.121 or 169.123 within five years, or a third or subsequent violation of section 169.121 or 169.123 within ten years, the court shall issue an impoundment order requiring the surrender of the registration plates and registration certificate of any motor vehicle owned by, registered, or leased in the name of the violator, including vehicles registered or leased jointly in the name of the violator and the

violator's spouse. The court shall also issue an impoundment order requiring the surrender of the registration plates and registration certificate of any motor vehicle involved in the violation that is not owned by, registered or leased in the name of the violator or jointly in the name of the violator and the violator's spouse, if the prosecution proves that the owner of the motor vehicle knew that the vehicle was being driven, operated, or physically controlled in violation of section 169.121. The requirement that the court issue an impoundment order does not apply to rental motor vehicles, as defined in subdivision 10, that are involved in the violation, leased in the name of the violator, or leased jointly in the name of the violator and the violator's spouse. An impoundment order must be issued under this subdivision when the person appears in court on any criminal charge or civil driver's license matter arising out of the incident resulting in the most recent license revocation. If no criminal charge or civil license matter is initiated in court, the attorney general may request an impoundment order under this subdivision in municipal or county court, or the unified district court in the jurisdiction where the violation of section 169.121 or 169.123 occurred.

Subd. 4. Except as provided in subdivision 6 or subdivision 7, the court shall retain custody of the surrendered plates and certificates. Within three days after the court issues an impoundment order, the registration plates and certificates must be surrendered to the court. The court either must destroy surrendered registration plates within seven days and forward surrendered registration certificates to the registrar of motor vehicles or it may retain custody of the surrendered plates and certificates. Except as provided in subdivision 5, 6, or 7, no new registration plates may be issued to the person, violator, or owner until such time as the driver's driver's license of the person, violator, or owner has been reissued or reinstated.

Subd. 5. At the time of ordering the surrender of the registration plates and registration certificates of a violator or owner, the court shall notify the registrar of motor vehicles of that fact. Except as provided in subdivision 6 or subdivision 7, no new or duplicate registration plates or new registration certificates shall be issued to such violator or owner until the surrendered plates and certificates are returned to the violator or owner by the court. If the driver's license revocation that is the basis for an impoundment order is rescinded, the registrar of motor vehicles must issue new plates and the certificate for the vehicle at no cost, when the registrar receives an application that includes a copy of the order rescinding the driver's license revocation.

Subd. 6. (a) Any such violator or owner may apply to the registrar of motor vehicles commissioner for new registration plates which shall bear a special series number which may of numbers or letters so as to be readily identified by traffic law enforcement officers. A fee of \$5 shall accompany the application. The registrar of motor

vehicles shall forthwith notify the court of such application. The court may return the registration certificate of such violator or owner to the registrar of motor vehicles, together with its consent to the issuance of such registration plates to such violator or owner. Thereupon the registrar of motor vehicles shall issue such new registration plates. The commissioner may authorize the issuance of special plates if (1) a member of the person's, violator's, or owner's household has a valid driver's license, or (2) the person, violator, or owner has a limited license issued under section 171.30. The commissioner may issue the special plates on payment of a \$20 fee for each vehicle for which special plates are requested.

(b) Until the drivers driver's license of such person, violator, or owner is reinstated or reissued, the person, violator, or owner must inform the commissioner that an impoundment order is in effect when requesting any new registration plates issued to the violator or to an owner whose plates have been impounded shall bear a special series number.

Subd. 7. If An owner wishes to may not sell a motor vehicle during the time its registration plates and registration certificate are impounded have been ordered surrendered or during the time its registration plates bear a special series number of numbers or letters, unless the owner may apply applies to the court which impounded such plates and certificate, for consent to transfer title to the motor vehicle. If the court is satisfied that the proposed sale is in good faith and for a valid consideration, that the owner will thereby be deprived of the custody and control of the motor vehicle, and that the sale is not for the purpose of circumventing the provisions of this section, it may certify its consent to the registrar of motor vehicles and return the impounded registration plates and certificates. If during The registrar shall then transfer the registration certificate to the new owner upon proper application and issue new registration plates. After the time the registration plates and certificate of registration are impounded have been ordered surrendered to the court under this section, if the title to said motor vehicle is transferred by the foreclosure of a chattel mortgage, the cancellation of a conditional sales contract, a sale upon execution, or by decree or order of a court of competent jurisdiction, the court shall order the license plates and registration certificate surrendered to the new owner and notify the registrar of motor vehicles of such action. The registrar of motor vehicles shall then transfer the registration plates and registration certificates certificate and issue new registration plates to the new owner.

Subd. 8. Nothing contained in this section is intended to change or modify any provision of this chapter, with respect to the taxation of motor vehicles or the time within which the taxes thereon shall must be paid.

Subd. 9. Any person who fails to surrender any impounded registration plates or registration certificates certificate to the court

upon demand ~~or~~ under this section, who operates any motor vehicle on a street or highway at a time when a court has ordered the surrender of its registration plates and registration certificate, or who fails to comply with subdivision 6, paragraph (b), is guilty of a misdemeanor.

Subd. 10. As used in subdivision 3a, "rental motor vehicle" means a passenger vehicle, truck, motorcycle, or motorized bicycle which is one of a fleet of two or more vehicles that are rented for periods of 30 days or less.

Sec. 2. Minnesota Statutes 1986, section 169.123, subdivision 5b, is amended to read:

Subd. 5b. [ADMINISTRATIVE REVIEW.] At any time during a period of revocation imposed under this section and of impoundment under section 168.041 a person may request in writing a review of the order of revocation or impoundment by the commissioner of public safety. Upon receiving a request the commissioner or the commissioner's designee shall review the order, the evidence upon which the order was based, and any other material information brought to the attention of the commissioner, and determine whether sufficient cause exists to sustain the order. Within 15 days of receiving the request the commissioner shall report in writing the results of the review. The review provided in this subdivision is not subject to the contested case provisions of the administrative procedure act in sections 14.01 to 14.70. As a result of this review, if the commissioner finds that the owner's driver's license or driving privileges were not revoked under this section or section 169.121, the owner was not and is not a member of the revoked operator's household, and the owner had no knowledge that the vehicle was being driven, operated, or physically controlled in violation of section 169.121, the commissioner may authorize the issuance at no cost of new registration plates and a registration certificate to the owner of the vehicle, or may authorize the return of the owner's former registration plates and registration certificate if custody of them was retained by the court under section 168.041, subdivision 4.

The availability of administrative review for an order of revocation shall have no effect upon the availability of judicial review under this section.

Sec. 3. Minnesota Statutes 1986, section 169.123, subdivision 5c, is amended to read:

Subd. 5c. [PETITION FOR JUDICIAL REVIEW.] Within 30 days following receipt of a notice and order of revocation pursuant to this section, or while an impoundment order is in effect under section 168.041, a person may petition the court for review. The petition shall be filed with the court administrator of county or municipal court in the county where the alleged offense occurred, together with

proof of service of a copy on the commissioner of public safety, and accompanied by the standard filing fee for civil actions. No responsive pleading shall be required of the commissioner of public safety, and no court fees shall be charged for the appearance of the commissioner of public safety in the matter.

The petition shall be captioned in the name of the person making the petition as petitioner and the commissioner of public safety as respondent. The petition shall state with specificity the grounds upon which the petitioner seeks rescission of the order of revocation or denial or the order of impoundment.

The filing of the petition shall not stay the revocation or denial or the impoundment order. The reviewing court may order a stay of the balance of the revocation or impoundment if the hearing has not been conducted within 60 days after filing of the petition upon terms the court deems proper. Judicial reviews shall be conducted according to the rules of civil procedure.

Sec. 4. Minnesota Statutes 1986, section 169.123, subdivision 6, is amended to read:

Subd. 6. [HEARING.] A hearing under this section shall be before a municipal or county judge, in any county in the judicial district where the alleged offense occurred. The hearing shall be to the court and may be conducted at the same time and in the same manner as hearings upon pretrial motions in the criminal prosecution under section 169.121, if any. The hearing shall be recorded. The commissioner of public safety shall appear and be represented by the attorney general or through the prosecuting authority for the jurisdiction involved.

The hearing shall be held at the earliest practicable date, and in any event no later than 60 days following the filing of the petition for review. The judicial district administrator shall establish procedures to ensure efficient compliance with the provisions of this subdivision. To accomplish this, the administrator may, whenever possible, consolidate and transfer review hearings among the county courts within the judicial district.

The scope of the hearing shall be limited to the issues of:

(1) whether the peace officer had probable cause to believe the person was driving, operating, or in physical control of a motor vehicle while under the influence of alcohol or a controlled substance, and whether the person was lawfully placed under arrest for violation of section 169.121, or the person was involved in a motor vehicle accident or collision resulting in property damage, personal injury or death, or the person refused to take a screening test provided for by section 169.121, subdivision 6, or the screening test

was administered and recorded an alcohol concentration of 0.10 or more; and

(2) whether at the time of the request for the test the peace officer informed the person of the person's rights and the consequences of taking or refusing the test as required by subdivision 2; and

(3) either (a) whether the person refused to permit the test, or (b) whether a test was taken and the test results indicated an alcohol concentration of 0.10 or more at the time of testing, and whether the testing method used was valid and reliable, and whether the test results were accurately evaluated.

It shall be an affirmative defense for the petitioner to prove that, at the time of the refusal, the petitioner's refusal to permit the test was based upon reasonable grounds.

Certified or otherwise authenticated copies of laboratory or medical personnel reports, records, documents, licenses and certificates shall be admissible as substantive evidence.

The court shall order either that the revocation or impoundment be rescinded or sustained and forward the order to the commissioner of public safety. The court shall file its order within 14 days following the hearing. If the revocation is sustained, the court shall also forward the person's driver's license or permit to the commissioner of public safety for further action by the commissioner of public safety if the license or permit is not already in the commissioner's possession. If the impoundment is sustained, the court shall also direct the petitioner to forward the registration plates and registration certificate to the court for further action if the plates and certificate are not already in the court's possession. Proof of all of the following is an affirmative defense to an impoundment order:

(1) the petitioner is the owner of the vehicle;

(2) the petitioner's driver's license or operating privileges were not revoked under this section or section 169.121;

(3) the petitioner was not and is not a member of the revoked operator's household; and

(4) the petitioner had no knowledge that the vehicle was being driven, operated, or physically controlled in violation of section 169.121.

Sec. 5. Minnesota Statutes 1986, section 169.1261, is amended to read:

**169.1261 [REINSTATEMENT OF DRIVING PRIVILEGES; NOTICE.]**

Upon expiration of any period of revocation under section 169.121 or 169.123, or of impoundment under section 168.041, the commissioner of public safety shall notify the person of the terms upon which driving privileges can be reinstated, and new registration plates and registration certificate issued, which terms are: (1) successful completion of a driving test and proof of compliance with any terms of alcohol treatment or counseling previously prescribed, if any; and (2) any other requirements imposed by the commissioner and applicable to that particular case. The commissioner shall also notify the person that if driving is resumed without reinstatement of driving privileges, and issuance of new registration plates and registration certificate, the person will be subject to criminal penalties.

Sec. 6. Minnesota Statutes 1986, section 171.29, is amended by adding a subdivision to read:

Subd. 3. A person whose driver's license has been revoked under section 169.121 or 169.123 must not be issued another driver's license at the end of the revocation period unless the person has complied with all applicable registration plate impoundment provisions of section 168.041.

**Sec. 7. [DESTRUCTION OF STORED LICENSE PLATES.]**

License plates surrendered to courts before the effective date of section 1 may be destroyed.

**Sec. 8. [EVALUATION.]**

The commissioner of public safety shall monitor and evaluate the implementation and effects of the registration plate impoundment provisions of sections 1 to 7, and shall submit a written report to the legislature by January 1, 1989, containing the commissioner's findings and recommendations.

**Sec. 9. [EFFECTIVE DATE.]**

Sections 1 to 8 are effective August 1, 1987, and apply to violations committed on or after that date."

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 806, A bill for an act relating to human services; requiring certain written reports of abuse within 72 hours; requiring county attorneys to be on child protection teams; requiring specific investigations of certain abuse cases; amending Minnesota Statutes 1986, sections 626.556, subdivisions 7, 10, and 10a; and 626.558, subdivision 1.

Reported the same back with the following amendments:

Page 2, line 18, delete everything after the period and insert "If the report alleges a violation of a criminal statute involving sexual abuse or physical abuse, the local law enforcement agency and local welfare agency shall coordinate the planning and execution of their respective investigation and assessment efforts to avoid a duplication of fact-finding efforts and multiple interviews. Each agency shall prepare a separate report of the results of its investigation."

Page 2, delete lines 19 to 21

Page 2, line 22, delete everything before "When"

Page 6, line 1, after "appropriate" insert "human service"

Page 6, after line 2, insert:

"Sec. 5. Minnesota Statutes 1986, section 626.558, subdivision 2, is amended to read:

Subd. 2. [DUTIES OF TEAM.] The duties of a multidisciplinary child protection team shall be a consultant may include, but are not limited to, providing public and professional education; developing prevention, intervention, and treatment resources; and providing case consultation to the local welfare agency to better enable the agency to carry out its child protection functions pursuant to section 626.556 and the community social services act. Case consultation shall be performed by a committee of the team consisting of those members who represent social services, law enforcement, the county attorney, health care, education, and those persons directly involved in an individual case as determined by the other members of the case consultation committee.

As used in this subdivision, "case consultation" means a case review process in which recommendations are made concerning services to be provided to the identified children and family.

Sec. 6. Minnesota Statutes 1986, section 626.558, subdivision 3, is amended to read:

Subd. 3. [INFORMATION SHARING.] When performing the duty of case consultation, all records collected and maintained by the local welfare agency pursuant to section 626.556 may be made available to the ~~child protection~~ case consultation committee of the team. Any member of the ~~child protection team case consultation committee~~ may share information acquired in the member's professional capacity with the team committee for the purpose of aiding the ~~team committee~~ in its function."

Amend the title as follows:

Page 1, line 7, delete "subdivision" and insert "subdivisions"

Page 1, line 8, before the period insert ", 2, and 3"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 841, A bill for an act relating to utilities; providing for prevention of unlawful meter bypass, tampering, and use; providing remedies; proposing coding for new law in Minnesota Statutes, chapter 325E.

Reported the same back with the following amendments:

Page 2, line 22, delete "and"

Page 2, line 24, before the period insert "; and the trial costs and witness fees"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 941, A bill for an act relating to crimes; prohibiting killing or injuring a police dog involved in law enforcement investigation or apprehension; prescribing penalties; amending Minnesota Statutes 1986, section 609.595, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, line 12, after "Whoever" insert "intentionally"

Page 1, line 13, delete "and" and insert "or"

Page 1, line 14, delete "direction" and insert "control"

Page 1, line 18, after "Whoever" insert "intentionally" and delete "substantial or"

Page 1, line 20, delete "and" and insert "or"

With the recommendation that when so amended the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 996, A bill for an act relating to natural resources; providing a program for the control of noxious weeds; appropriating money; amending Minnesota Statutes 1986, sections 18.291; and 18.311; proposing coding for new law in Minnesota Statutes, chapter 86.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 1024, A bill for an act relating to human rights; regulating access to public accommodation by certain persons and guide dogs; amending Minnesota Statutes 1986, sections 256C.02; and 363.03, subdivision 10.

Reported the same back with the following amendments:

Page 1, line 25, strike "guide" and insert "service"

Page 2, line 3, delete "guide" and insert "service"

Page 2, line 5, after "ear," insert "service,"

Page 2, line 15, after "ear" insert a new comma

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 1031, A bill for an act relating to liens; labor and material; regulating the attachment of these liens; providing that visible staking of the premises does not constitute the actual and visible beginning of the improvement; amending Minnesota Statutes 1986, section 514.05.

Reported the same back with the following amendments:

Page 1, line 11, reinstate the stricken language and delete the new language

Page 1, line 12, delete "referred to in"

Page 1, lines 13 to 19, reinstate the stricken language and delete the new language

Page 1, line 20, after "without" insert "actual or" and reinstate the stricken "shall attach"

Page 1, lines 21 and 22, reinstate the stricken language and delete the new language

Page 2, line 2, reinstate the stricken language and delete the new language

Page 2, line 11, delete "or" and insert a new comma

Page 2, line 12, delete "or" and insert "and" and delete "does" and insert "do"

Page 2, line 15, after "person" insert "or the notice provision"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 1034, A bill for an act relating to crimes; repealing the requirement that the department of public safety must keep a record of all first convictions for the crime of possessing a small amount of marijuana; amending Minnesota Statutes 1986, section 152.15, subdivision 2.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 1077, A bill for an act relating to retirement; conforming mandatory retirement provisions for public employees to the federal Age Discrimination in Employment Amendments of 1986; amending Minnesota Statutes 1986, sections 43A.34, subdivisions 1 and 4; 181.81, subdivision 1; 181.811; 354.44, subdivision 1a; 354A.21; 422A.09, subdivision 3; and 423.076; repealing Minnesota Statutes 1986, sections 125.12, subdivision 5; and 473.419.

Reported the same back with the following amendments:

Page 9, line 25, strike "may"

Page 9, line 26, strike "be established" and insert "that was in effect on March 3, 1983,"

Page 9, line 29, after "6" insert "may be retained"

Page 9, line 31, after "sections" insert "43A.34, subdivision 2,"

Amend the title as follows:

Page 1, line 9, after "sections" insert "43A.34, subdivision 2;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 1159, A bill for an act relating to retirement; public pension plan or fund assets; prohibiting certain transfers or uses of assets; proposing coding for new law in Minnesota Statutes, chapter 356.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [356.615] [LIMITATION ON USE OF PUBLIC PENSION PLAN ASSETS.]

(a) Money held by or credited to a public pension plan as assets, including employer and employee contributions, state aid, appropriations from the state or a governmental subdivision, and accrued earnings on investments, constitutes a dedicated fund. The dedi-

cated fund may be used exclusively to pay retirement annuities, service pensions, disability benefits, survivor benefits, refunds of contributions, or other benefits provided under the benefit plan document or documents governing the public pension plan and to pay reasonable administrative expenses approved by the governing board of the public pension plan or by another appropriate authority. No assets of a public pension plan may be loaned or transferred to the state or a governmental subdivision or be used to fund an unfunded actuarial accrued liability in another public pension plan or fund, whether or not the plan providing the assets consolidates or has consolidated with the plan receiving the assets. Nothing in this section prohibits a public pension plan or the state board of investment, whichever applies, from investing assets of a plan as authorized by law, including the investment of the assets of public pension plans by the state board of investment in a commingled investment fund.

(b) A public pension plan for purposes of this section means any pension plan or fund specified in section 356.20, subdivision 2, or 356.30, subdivision 3, or any retirement or pension plan or fund, including a supplemental retirement plan or fund, established, maintained, or supported by any governmental subdivision or public body whose revenues are derived from taxation, fees, assessments, or from other public sources."

With the recommendation that when so amended the bill pass.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 1191, A bill for an act relating to driver's licenses; providing for a medical alert identifier; amending Minnesota Statutes 1986, section 171.07, by adding a subdivision.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 1297, A bill for an act relating to agriculture; providing a computerized system for notification of security interests in farm products; providing a computerized filing system and central data base for uniform commercial code financing statements and lien statements; imposing a penalty; appropriating money; proposing

coding for new law in Minnesota Statutes, chapter 336; and proposing coding for new law as Minnesota Statutes, chapter 336A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [336.9-411] [COMPUTERIZED FILING SYSTEM.]

(a) The secretary of state shall develop and implement a statewide computerized filing system to accumulate and disseminate information relative to lien statements, financing statements, and other uniform commercial code documents. The computerized filing system must allow information to be entered and retrieved from the computerized filing system by county recorders.

(b) County recorders shall enter information relative to lien statements, financing statements, and other uniform commercial code documents filed in their offices into a central data base maintained by the secretary of state. The information must be entered under the rules of the secretary of state.

(c) The secretary of state may allow private parties to have electronic-view-only access to the computerized filing system on a fee basis. If the computerized filing system allows a form of electronic access to information regarding the obligations of debtors, the access must be available 24 hours a day, every day of the year.

(d) The secretary of state shall adopt rules to implement the computerized filing system. The secretary of state may adopt permanent and emergency rules. The rules must:

(1) allow filings to be made at the offices of all county recorders and the secretary of state's office as required by section 336.9-401;

(2) establish a central data base for all information relating to liens and security interests that are filed at the offices of county recorders and the secretary of state;

(3) provide procedures for entering data into a central data base;

(4) allow the offices of all county recorders and the secretary of state's office to add, modify, and delete information in the central data base as required by the uniform commercial code;

(5) allow the offices of all county recorders and the secretary of state's office to have access to the central data base for review and search capabilities;

(6) require the secretary of state to maintain the central data base;

(7) provide security and protection of all information in the central data base and monitor the central data base to ensure that unauthorized entry is not allowed;

(8) require standardized information for entry into the central data base;

(9) prescribe an identification procedure for debtors and secured parties that will enhance lien and financing statement searches;

(10) provide a system for coding information on collateral; and

(11) prescribe a procedure for phasing-in or converting from the existing filing system to a computerized filing system.

Sec. 2. [336.9-412] [LIABILITY FOR INFORMATION ERRORS.]

(a) Except as provided in (b), the state, the secretary of state, counties, county recorders, and their employees and agents are immune from liability that occurs as a result of errors in or omissions from information provided from the computerized filing system, if the debtor name provided on the filing or search request is not the debtor's true and complete name.

(b) A person who enters or alters information in the central data base without authorization, or knowingly provides false information, is guilty of a gross misdemeanor.

Sec. 3. [336.9-413] [UNIFORM COMMERCIAL CODE ACCOUNT.]

(a) The uniform commercial code account is established as an account in the state treasury.

(b) The filing officer with whom a financing statement or continuation statement is filed, or to whom a request for search is made, shall collect a \$2 surcharge on each filing or search. By June 1 and December 1 of each year, each county recorder shall forward the accumulated receipts from the surcharge to the secretary of state.

(c) The surcharge amounts received from county recorders and the surcharge amounts collected by the secretary of state's office must be deposited in the state treasury and credited to the uniform commercial code account.

(d) Fees that are not expressly set by statute but are charged by the secretary of state to offset the costs of providing a service under sections 1 to 3 must be deposited in the state treasury and credited to the uniform commercial code account.

(e) Money in the uniform commercial code account is continuously appropriated to the secretary of state to implement and maintain the computerized uniform commercial code filing system under sections 1 to 3.

Sec. 4. [APPROPRIATION.]

Subdivision 1. [UNIFORM COMMERCIAL CODE ACCOUNT.] \$..... is appropriated from the general fund for transfer to the uniform commercial code account for implementation and maintenance of the computerized uniform commercial code filing system to be available until expended.

Subd. 2. [REIMBURSEMENT.] The appropriation in subdivision 1 must be reimbursed from the uniform commercial code account to the general fund by June 30, 1989.

Subd. 3. [COMPLEMENT.] The approved complement of the office of the secretary of state is increased by ..... persons.

Sec. 5. [EFFECTIVE DATE.]

Subdivision 1. [GENERALLY.] Sections 1 to 4 are effective the day after enactment except as provided in subdivisions 2 and 3.

Subd. 2. [COMPUTERIZED FILING SYSTEM.] The computerized filing system under section 1 must be implemented by the secretary of state and operational by November 1, 1988, and the provisions of section 1 relating to the computerized filing system are effective on the date that the secretary of state notifies the public and the filing officers that the computerized filing system is operational. The secretary of state must give notice of the system being operational at least 30 days before the operational date.

Subd. 3. [FILING AND SEARCH SURCHARGE.] The filing and search fee surcharge under section 3, paragraph (b), is effective for filings and search requests made on or after July 1, 1987."

Delete the title and insert:

"A bill for an act relating to the uniform commercial code; providing a computerized filing system and central data base for uniform commercial code financing statements and lien statements; imposing a penalty; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 336."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

S. F. No. 440, A bill for an act relating to statutes; removing certain substantive gender references in Minnesota Statutes; amending Minnesota Statutes 1986, sections 13.83, subdivision 2; 88.11, subdivision 1; 176.111, subdivisions 3, 15, and 21; 218.021, subdivision 2; 252.07; 315.44; 315.48; 353.01, subdivision 2b; 358.14; 387.15; 387.16; 540.05; 548.06; 593.01, subdivision 1; 631.412; 641.06; 641.14; and 642.08; repealing Minnesota Statutes 1986, sections 176.011, subdivision 13; 315.49; 382.17; 459.16; and 593.02.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1986, section 13.83, subdivision 2, is amended to read:

Subd. 2. [PUBLIC DATA.] Unless specifically classified otherwise by state statute or federal law, the following data created or collected by a medical examiner or coroner on a deceased individual is public: name of the deceased; date of birth; date of death; address; sex; race; citizenship; height; weight; hair color; eye color; build; complexion; age, if known, or approximate age; identifying marks, scars and amputations; a description of the decedent's clothing; marital status; location of death including name of hospital where applicable; name of spouse; whether or not the decedent ever served in the armed forces of the United States; social security number; occupation; business; father's name (also birth name, if different); mother's ~~maiden~~ name (also birth name, if different); birthplace; birthplace of parents; cause of death; ~~causes of~~ cause of death; whether an autopsy was performed and if so, whether it was conclusive; date and place of injury, if applicable, including work place; how injury occurred; whether death was caused by accident, suicide, homicide, or was of undetermined cause; certification of attendance by physician; physician's name and address; certification by coroner or medical examiner; name and signature of coroner or medical examiner; type of disposition of body; burial place name and location, if applicable; date of burial, cremation or removal; funeral home name and address; and name of local register or funeral director.

Sec. 2. Minnesota Statutes 1986, section 88.11, subdivision 1, is amended to read:

Subdivision 1. At any time forest officers, with the approval of the commissioner, may employ suitable persons to prevent and extinguish any fires. Each forest officer so employed shall be supplied with the necessary equipment. The commissioner, or any forest officer, may summon any ~~male~~ person of the age of 18 years and upward to assist in stopping any fire burning in the district under the care of such state employee and may incur any other necessary

and reasonable expense for this purpose, but shall promptly report the matter to the next superior officer or other state employee over the forest officer.

Sec. 3. Minnesota Statutes 1986, section 176.111, subdivision 15, is amended to read:

Subd. 15. [REMOTE DEPENDENTS.] If the deceased employee leaves no surviving spouse or child or ~~husband or~~ parent entitled to any payment under this chapter, but leaves a grandparent, grandchild, brother, sister, mother-in-law, or father-in-law wholly dependent on the employee for support, there shall be paid to such dependent, if but one, 30 percent of the weekly wage at the time of injury of the deceased, or if more than one, 35 percent of the weekly wage at the time of the injury of the deceased, divided among them share and share alike.

Sec. 4. Minnesota Statutes 1986, section 176.111, subdivision 21, is amended to read:

Subd. 21. [DEATH, BENEFITS; COORDINATION WITH GOVERNMENTAL SURVIVOR BENEFITS.] The following provision shall apply to any dependent entitled to receive weekly compensation benefits under this section as the result of the death of an employee, and who is also receiving or entitled to receive benefits under any government survivor program:

The combined total of weekly government survivor benefits and workers' compensation death benefits provided under this section shall not exceed 100 percent of the weekly wage being earned by the deceased employee at the time of the injury causing death; provided, however, that no state workers' compensation death benefit shall be paid for any week in which the survivor benefits paid under the federal program, by themselves, exceed 100 percent of such weekly wage provided, however, the workers' compensation benefits payable to a dependent surviving spouse shall not be reduced on account of any governmental survivor benefits payable to decedent's children if the support of the children is not the responsibility of the dependent surviving spouse.

For the purposes of this subdivision "dependent" means dependent surviving spouse together with all dependent children and any other dependents. For the purposes of this subdivision, mother's or father's insurance benefits received pursuant to United States Code, title 42, section 402(g), are benefits under a government survivor program.

Sec. 5. Minnesota Statutes 1986, section 218.021, subdivision 2, is amended to read:

Subd. 2. Nothing herein shall prohibit carriage, storage or handling of property free or at reduced rates for the United States, the

state, or any governmental subdivision thereof, ministers of religion, sisters of charity persons who have taken a vow of poverty as members of a religious order, missionaries, students of educational institutions or inmates of charitable institutions, or for charitable purposes, or for exhibition at fairs or at expositions, nor prohibit the interchange of freight transportation and message service between railroad, motor bus and telegraph companies.

Sec. 6. Minnesota Statutes 1986, section 252.07, is amended to read:

252.07 [SHERIFF, EXPENSES.]

In any county where the sheriff receives a salary in full compensation for official services performed for the county, the sheriff shall receive no additional compensation for services performed under the provisions of sections 252.06 to 252.08, but shall be reimbursed by the county wherein such person with mental retardation was committed for the necessary expenses incurred by the sheriff in taking charge of and transporting such person to a state hospital and the subsistence of the sheriff and such person while enroute.

In any county where the sheriff does not receive a salary the sheriff shall be paid \$5 a day for the time necessarily employed in performance of the service, together with expenses incurred in taking charge of and transporting such person to such state hospital and the subsistence of the sheriff and such person while enroute.

When the person with mental retardation is ~~a female not the same sex as the sheriff~~, the sheriff shall appoint some suitable ~~woman person of the same sex as the person with mental retardation~~ to act instead. ~~Such woman~~ The appointee shall exercise all the powers vested in the sheriff and shall be paid \$5 per day for the time necessarily employed in the performance of such service, together with expenses incurred by her in taking charge of and transporting such person to such state hospital and the subsistence of herself and such person both while enroute.

Sec. 7. Minnesota Statutes 1986, section 315.44, is amended to read:

315.44 [YOUNG MEN'S CHRISTIAN ASSOCIATION YMCA, YWCA; FORMATION, CERTIFICATE.]

Three or more persons may form a corporation known as a Young Men's Christian Association, or a Young Women's Christian Association by adopting, signing, and acknowledging a certificate of incorporation containing:

- (1) the names and places of residence of the incorporators;

(2) the name of the corporation, the location of its principal place of business, and the period of its duration;

(3) the objects of its organization expressly stated;

(4) the number of its directors, not less than five, who shall manage its affairs, how and when elected, and the time and place of annual meetings; and

(5) the terms of admission to active membership.

The certificate must be in duplicate, and one filed with the secretary of state and the other with the county recorder of the county of its principal place of business.

Sec. 8. Minnesota Statutes 1986, section 315.48, is amended to read:

315.48 [REINCORPORATION.]

A religious society now conducting its affairs as a Young Men's Christian Association or a Young Women's Christian Association may reincorporate under sections 315.44 to 315.47. The new certificate of incorporation must be executed by all the directors of the association. Upon reincorporation the property of the society passes to and vests in the corporation so formed.

Sec. 9. Minnesota Statutes 1986, section 353.01, subdivision 2b, is amended to read:

Subd. 2b. [EXCLUDED EMPLOYEES.] The following persons are excluded from the meaning of "public employee":

(a) Persons employed for professional services where such service is incidental to regular professional duties.

(b) Election officers.

(c) Independent contractors and their employees.

(d) Patient and inmate help in governmental subdivision charitable, penal and correctional institutions.

(e) Members of boards, commissions, bands and others who serve the governmental subdivision intermittently.

(f) Employees who hold positions of an essentially temporary or seasonal character, provided such employment does not continue for a period in excess of 120 working days in any calendar year. Immediately following the expiration of such 120 working days if

such employees continue in public service and earn in excess of \$325 in any one calendar month, the department heads must then report all such employees for membership and must cause employee contributions to be made on behalf of such employees in accordance with section 353.27, subdivision 4, and they shall remain members until termination of public service.

(g) Part-time employees who receive monthly compensation not exceeding \$325, and part-time employees and elected officials whose annual compensation is stipulated in advance to be not more than \$3,900 per year, except that members shall continue their membership until termination of public service.

(h) Persons who first occupy an elected office after March 1, 1978, the compensation for which does not exceed \$325 per month.

(i) Emergency employees who are employed by reason of work caused by fire, flood, storm or similar disaster.

(j) Employees who by virtue of their employment are required to contribute to any other pension, relief or retirement fund established for the benefit of officers and employees of a governmental subdivision, except as an act of the legislature has specifically enabled participation by employees of a designated governmental subdivision in a plan supplemental to the public employees retirement association; provided that this clause shall not prevent a person from contributing to the public employees retirement association and also belonging to or contributing to another public pension fund for other service occurring during the same period of time.

(k) Police matrons employed in a police department of any city who are transferred to the jurisdiction of a joint city and county detention and corrections authority.

(l) Chaplains and nuns who have taken a vow of poverty as members of a religious order Persons who are excluded from coverage under the federal old age, survivors, disability and health insurance program for the performance of service as specified in United States Code, Title 42, section 410(a) (8) (A), as amended through January 1, 1987.

(m) Full-time students who are enrolled and are regularly attending classes at an accredited school, college or university; provided, no person employed full time by a governmental subdivision shall be exempt under this paragraph.

(n) Resident physicians, medical interns and pharmacist interns who are serving in public hospitals.

(o) Appointed or elected officers, paid entirely on a fee basis, and who were not members on June 30, 1971.

(p) Nothing in Laws 1973, chapter 753 shall be interpreted to impair or revoke any option exercised under Laws 1963, chapter 793.

(q) Persons employed in subsidized on-the-job training, work experience or public service employment as enrollees under the federal Comprehensive Employment and Training Act from and after March 30, 1978, unless the person has as of the later of March 30, 1978 or the date of employment sufficient service credit in the retirement fund to meet the minimum vesting requirements for a deferred retirement annuity, or the employer agrees in writing on forms prescribed by the executive director to make the required employer contributions, including any employer additional contributions, on account of that person from revenue sources other than funds provided under the federal Comprehensive Training and Employment Act, or the person agrees in writing on forms prescribed by the executive director to make the required employer contributions in addition to the required employee contribution.

(r) Town, city or county assessors elected or appointed pursuant to chapter 273 who do not receive compensation in excess of \$325 per month from any one employing governmental subdivision or who are employed pursuant to an employment contract which sets forth the total compensation to be paid and the length of service, not to exceed three months in duration, required for the performance of the contract and which was entered into in advance of the commencement of employment.

(s) A person holding a part time adult supplementary vocational technical school license who renders part time teaching service in a vocational technical school if (1) the service is incidental to the person's regular nonteaching occupation; and (2) the applicable vocational technical school stipulates annually in advance that the part time teaching service will not exceed 300 hours in a fiscal year; and (3) the part time teaching service actually does not exceed 300 hours in a fiscal year.

(t) A person exempt from licensure pursuant to section 125.031.

Sec. 10. Minnesota Statutes 1986, section 358.14, is amended to read:

358.14 [MARRIED PERSONS.]

No separate examination of a ~~married woman~~ each spouse shall be required, but if husband and wife join in and acknowledge the execution of any instrument, they shall be described in the certificate of acknowledgment as husband and wife; and, if they acknowledge it before different officers, or before the same officer at different

times, each shall be described in the certificate as the spouse of the other.

Sec. 11. Minnesota Statutes 1986, section 387.15, is amended to read:

387.15 [WOMEN MAY BE APPOINTED DEPUTY SHERIFFS TEMPORARY JURY BAILIFFS.]

If the sex of any juror is different from the sex of all available jury bailiffs, the presiding judge of any district court at any time before the return of a verdict by a petit jury composed of both men and women, serving upon a case pending therein, by order issued to the sheriff and entered upon the minutes of the court, may direct the sheriff to appoint a female person of the juror's sex who is a legal voter of the county as special deputy sheriff or bailiff to serve until the discharge of such jury from further service upon the pending case. The appointment shall forthwith be made and entered upon the minutes of the court and before entering upon the performance of her duties, the person so appointed shall take and subscribe the oath by law required of deputy sheriffs and file the same with the court administrator.

Sec. 12. Minnesota Statutes 1986, section 387.16, is amended to read:

387.16 [CHARGE OF PETIT JURIES.]

Upon taking the oath by law required by officers in charge of petit juries the person so appointed may be directed by the court to have charge of such jury conjointly with the male a deputy sheriff or bailiff of the other sex performing such duty. Female Special deputy sheriffs and bailiffs so appointed shall in all things perform the duties and be subject to the penalties by law prescribed for other officers having charge of petit juries.

Sec. 13. Minnesota Statutes 1986, section 540.05, is amended to read:

540.05 [MARRIED WOMAN PERSON MAY SUE OR BE SUED ALONE.]

In cases where the husband spouse, except for the marriage relation, would not be a necessary party, a married woman person may sue and be sued as if unmarried and without joining her husband the spouse. If a woman marry person marries and at the same time takes a new name while a party to a pending action, she the person shall thereafter be designated by her married the new name.

Sec. 14. Minnesota Statutes 1986, section 548.06, is amended to read:

548.06 [DAMAGES FOR LIBEL.]

In an action for damages for the publication of a libel in a newspaper, the plaintiff shall recover no more than special damages, unless a retraction be demanded and refused as hereinafter provided. The plaintiff shall serve upon the publisher at the principal place of publication, a notice, specifying the statements claimed to be libelous, and requesting that the same be withdrawn. If a retraction thereof be not published on the same page and in the same type and the statement headed in 18 point type or larger "RETRACTION," as were the statements complained of, in a regular issue thereof published within one week after such service, the plaintiff may allege such notice, demand, and failure to retract in the complaint and recover both special and general damages, if the cause of action be maintained. If such retraction be so published, the plaintiff may still recover general damages, unless the defendant shall show that the libelous publication was made in good faith and under a mistake as to the facts. If the plaintiff was a candidate for office at the time of the libelous publication, no retraction shall be available unless published on the same page and in the same type and the statement headed in 18-point type or larger "RETRACTION," as were the statements complained of, in a regular issue thereof published within one week after such service and in a conspicuous place on the editorial page, nor if the libel was published within one week next before the election. This section shall not apply to any libel imputing unchastity to a woman.

Sec. 15. Minnesota Statutes 1986, section 593.01, subdivision 1, is amended to read:

Subdivision 1. Notwithstanding any law or rule of court to the contrary, a petit jury is a body of six ~~men or women, or both~~, persons impaneled and sworn in any court to try and determine, by a true and unanimous verdict, any question or issue of fact in a civil or criminal action or proceeding, according to law and the evidence as given them in court.

Sec. 16. Minnesota Statutes 1986, section 631.412, is amended to read:

631.412 [~~REQUIRING A WOMAN CUSTODIAL SAME SEX ESCORT FOR WOMEN INMATES WHO ARE BEING TRANSFERRED.~~]

When a sheriff or other correctional officer has custody of a ~~woman~~ person charged with or convicted of a crime and transfers that ~~woman~~ person more than 25 miles, that sheriff or other correctional officer shall provide the transferee with a ~~woman~~ custodial escort of

the same sex as the transferee. A sheriff may employ, when the occasion exists, a suitable ~~woman~~ person to carry out this section. The expenses of the ~~woman's~~ person's employment must be paid out of county funds not otherwise appropriated.

Sec. 17. Minnesota Statutes 1986, section 641.06, is amended to read:

641.06 [APPOINTMENT OF EMPLOYEES; COMPENSATION.]

The sheriff of ~~every~~ a county maintaining a jail, if a male, shall appoint a competent woman as jail guard women's jailer, who, under the sheriff's direction, shall have exclusive charge of all female prisoners. ~~Jail guards and~~ The sheriff, if a female, shall appoint a competent man as men's jailer, who, under the sheriff's direction, shall have exclusive charge of all male prisoners. Jailers shall hold office during the pleasure of the sheriff and may be removed at any time by the sheriff.

Sec. 18. Minnesota Statutes 1986, section 641.14, is amended to read:

641.14 [JAILS, HOW KEPT.]

The sheriff of each county shall have charge of the jail, and be responsible for its condition. ~~No Male and female prisoner prisoners shall be kept in the same room with a male prisoner separate rooms.~~ No minor under 18 years shall be kept in the same room with adult prisoners. No insane prisoner shall be kept in the same room with any other prisoner. No person awaiting trial shall be kept in a room with a person convicted of a crime. No person awaiting trial shall be kept in a room with another person awaiting trial unless consistent with the person's safety, health and welfare. So far as construction of the jail will permit, and so far as consistent with prisoners' security, safety, health and welfare, strict separation of prisoners shall be maintained.

Sec. 19. Minnesota Statutes 1986, section 642.08, is amended to read:

642.08 [MATRON JAILER FOR OPPOSITE SEX; COMPENSATION, DUTIES.]

The chief executive officer of every city having a lockup shall appoint some competent ~~woman~~ person of good character and of the sex other than that of the chief of police or marshal as matron a jailer, who shall have exclusive charge of all females persons of the jailer's sex committed thereto, and see that they are kept in a room separate from male prisoners of the other sex. ~~She~~ The jailer shall receive such compensation as the governing body shall determine,

not less than \$5 for each day or fraction thereof during which a female prisoner of the jailer's sex is confined therein.

Sec. 20. [REPEALER.]

Minnesota Statutes 1986, sections 176.011, subdivision 13; 315.49; 382.17; and 593.02 are repealed."

Delete the title and insert:

"A bill for an act relating to statutes; removing certain substantive gender references in Minnesota Statutes; amending Minnesota Statutes 1986, sections 13.83, subdivision 2; 88.11, subdivision 1; 176.111, subdivisions 15 and 21; 218.021, subdivision 2; 252.07; 315.44; 315.48; 353.01, subdivision 2b; 358.14; 387.15; 387.16; 540.05; 548.06; 593.01, subdivision 1; 631.412; 641.06; 641.14; and 642.08; repealing Minnesota Statutes 1986, sections 176.011, subdivision 13; 315.49; 382.17; and 593.02."

With the recommendation that when so amended the bill pass.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 96, 338, 391, 427, 561, 590, 690, 692, 704, 806, 841, 941, 1024, 1031, 1034, 1077 and 1159 were read for the second time.

## SECOND READING OF SENATE BILLS

S. F. No. 440 was read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Begich, Battaglia, Minne, Solberg and Rukavina introduced:

H. F. No. 1447, A bill for an act relating to employment; providing for distribution of certain taconite tax proceeds to iron range resources and rehabilitation board for the purposes of funding an employment program and a research and development program; appropriating money; amending Minnesota Statutes 1986, section

298.28, subdivisions 4, 7, 10, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 298.

The bill was read for the first time and referred to the Committee on Economic Development and Housing.

Nelson, K., and McEachern introduced:

H. F. No. 1448, A bill for an act relating to education; increasing gifted and talented aid to districts offering advanced placement or international baccalaureate programs; appropriating money; amending Minnesota Statutes 1986, section 124.247, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Education.

Schoenfeld, Brown and Kalis introduced:

H. F. No. 1449, A bill for an act relating to agriculture; clarifying and amending the required offer of the state, a federal agency, or a corporation to offer a lease or sale of agricultural land to the immediately preceding owner; clarifying and amending provisions relating to designating a homestead and allowing designation of separate agricultural tracts in foreclosure proceedings; prohibiting waiver of statutory rights of debtors and allowing damages against persons who violate waiver prohibitions; amending Minnesota Statutes 1986, sections 500.24, subdivisions 2, 6, and by adding a subdivision; and 582.041, subdivisions 1, 2, 3, and 5; proposing coding for new law in Minnesota Statutes, chapters 550 and 582.

The bill was read for the first time and referred to the Committee on Agriculture.

Simoneau, Begich and Murphy introduced:

H. F. No. 1450, A bill for an act relating to workers' compensation; requiring security of self-insurers; regulating special compensation fund assessments and liability; creating a self-insurer insolvency fund; authorizing certain inspections; providing penalties; amending Minnesota Statutes 1986, sections 176.041, subdivision 4, and by adding a subdivision; 176.129, subdivisions 3 and 13; 176.131, subdivisions 1, 1a, and 8; 176.132, subdivision 1; 176.181, subdivision 3; 176.182; 176.183, subdivisions 1a and 2; 176.225, subdivision

2; proposing coding for new law in Minnesota Statutes, chapters 60A and 176.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Rice; Schreiber; Nelson, D.; Kalis and Begich introduced:

H. F. No. 1451, A bill for an act relating to environment; requiring vehicle weighing scales at sanitary landfills; amending Minnesota Statutes 1986, section 169.872, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Johnson, A.; Begich and Murphy introduced:

H. F. No. 1452, A bill for an act relating to unemployment compensation; limiting recovery of overpayments due to agency error; limiting amount of setoff from current benefit amount; amending Minnesota Statutes 1986, section 268.18, subdivision 1.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Reding introduced:

H. F. No. 1453, A bill for an act relating to economic development; providing for review of state-funded scientific and technologically related research; creating a division of science and technology within the department of energy and economic development; creating research review committees and providing for their powers and duties; amending Minnesota Statutes 1986, section 116J.01, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 116J; repealing Minnesota Statutes 1986, section 116J.94.

The bill was read for the first time and referred to the Committee on Future and Technology.

Otis, Kelly, Vellenga, Marsh and Gruenes introduced:

H. F. No. 1454, A bill for an act relating to corrections; authorizing the commissioner of corrections to contract for an inmate visitation

program; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 243.

The bill was read for the first time and referred to the Committee on Judiciary.

Nelson, K.; McEachern; Olsen, S.; Gruenes and Otis introduced:

H. F. No. 1455, A bill for an act relating to education; authorizing 30 new comprehensive arts planning sites to be designated every two years; appropriating money; amending Minnesota Statutes 1986, sections 129B.17; 129B.20, subdivision 1; and 129B.21.

The bill was read for the first time and referred to the Committee on Education.

Jacobs and Begich introduced:

H. F. No. 1456, A bill for an act relating to traffic regulations; setting speed limit of 65 miles per hour on rural interstate highways; amending Minnesota Statutes 1986, section 169.14, subdivision 2; repealing Minnesota Statutes 1986, section 169.141.

The bill was read for the first time and referred to the Committee on Transportation.

Battaglia, Otis, Ogren, Vellenga and Clark introduced:

H. F. No. 1457, A bill for an act relating to education; authorizing aid for certain nonpublic tribal schools; appropriating money; amending Minnesota Statutes 1986, section 124.175; proposing coding for new law in Minnesota Statutes, chapter 124.

The bill was read for the first time and referred to the Committee on Education.

Long introduced:

H. F. No. 1458, A bill for an act relating to costs and attorney fees; defining terms for the purpose of the equal access to justice act; amending Minnesota Statutes 1986, section 3.761, subdivisions 3 and 6.

The bill was read for the first time and referred to the Committee on Judiciary.

## MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 202, A bill for an act relating to corporations; providing for modification of the personal liability of directors; amending Minnesota Statutes 1986, sections 300.45; and 300.64, by adding a subdivision.

PATRICK E. FLAHAVEN, Secretary of the Senate

### CONCURRENCE AND REPASSAGE

Carruthers moved that the House concur in the Senate amendments to H. F. No. 202 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 202, A bill for an act relating to corporations; providing for modification of the personal liability of directors of certain corporations and fraternal benefit societies; authorizing certain advances by fraternal benefit societies; amending Minnesota Statutes 1986, sections 64B.08, by adding subdivisions; 300.45; and 300.64, by adding a subdivision.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Carruthers	Hartle	Kalis	McDonald
Anderson, R.	Clark	Haukoos	Kelly	McEachern
Battaglia	Clausnitzer	Heap	Kelso	McKasy
Bauerly	Cooper	Himle	Kinkel	McLaughlin
Beard	Dauner	Hugoson	Kludt	McPherson
Begich	DeBlieck	Jacobs	Knickerbocker	Milbert
Bennett	Dempsey	Jaros	Knuth	Miller
Bertram	Dorn	Jefferson	Kostohryz	Minne
Blatz	Forsythe	Jennings	Krueger	Morrison
Boo	Frederick	Jensen	Larsen	Munger
Brown	Frerichs	Johnson, A.	Lasley	Murphy
Burger	Greenfield	Johnson, R.	Lieder	Nelson, C.
Carlson, D.	Gruenes	Johnson, V.	Long	Nelson, D.
Carlson, L.	Gutknecht	Kahn	Marsh	Nelson, K.

Neuenschwander	Pauly	Rodosovich	Solberg	Vanasek
O'Connor	Pelowski	Rose	Sparby	Vellenga
Ogren	Peterson	Rukavina	Stanius	Voss
Olsen, S.	Poppenhagen	Sarna	Steensma	Wagenius
Olson, E.	Price	Schafer	Sviggum	Waltman
Olson, K.	Quinn	Scheid	Swenson	Welle
Omann	Quist	Schoenfeld	Thiede	Wenzel
Onnen	Redalen	Schreiber	Tjornhom	Winter
Orenstein	Reding	Seaberg	Tompkins	Wynia
Osthoff	Rest	Segal	Trimble	Spk. Norton
Otis	Rice	Shaver	Tunheim	
Ozment	Richter	Simoneau	Uphus	
Pappas	Riveness	Skoglund	Valento	

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 23, A bill for an act relating to health; requiring hospitals to establish a protocol to obtain organs for transplantation; proposing coding for new law in Minnesota Statutes, chapter 525.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Kahn moved that the House concur in the Senate amendments to H. F. No. 23 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 23, A bill for an act relating to health; requiring hospitals to establish a protocol to obtain organs for transplantation; proposing coding for new law in Minnesota Statutes, chapter 525.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Brown	Dauner	Greenfield	Jacobs
Battaglia	Burger	DeBleck	Gruenes	Jaros
Beard	Carlson, D.	Dempsey	Gutknecht	Jefferson
Begich	Carlson, L.	Dille	Hartle	Jennings
Bennett	Carruthers	Dorn	Haukoos	Jensen
Bertram	Clark	Forsythe	Heap	Johnson, A.
Blatz	Clausnitzer	Frederick	Himle	Johnson, R.
Boo	Cooper	Frerichs	Hugoson	Johnson, V.

Kahn	McPherson	Osthoff	Rukavina	Tompkins
Kalis	Milbert	Otis	Sarna	Trimble
Kelly	Miller	Ozment	Schafer	Tunheim
Kelso	Minne	Pappas	Scheid	Uphus
Kinkel	Morrison	Pauly	Schoenfeld	Valento
Kludt	Munger	Pelowski	Schreiber	Vanasek
Knickerbocker	Murphy	Peterson	Seaberg	Vellenga
Knuth	Nelson, C.	Poppenhagen	Segal	Voss
Kostohryz	Nelson, D.	Price	Shaver	Wagenius
Krueger	Nelson, K.	Quinn	Simoneau	Waltman
Larsen	Neuenschwander	Quist	Skoglund	Welle
Lasley	O'Connor	Redalen	Solberg	Wenzel
Lieder	Ogren	Reding	Sparby	Winter
Long	Olsen, S.	Rest	Stanius	Wynia
Marsh	Olson, E.	Rice	Steensma	Spk. Norton
McDonald	Olson, K.	Richter	Sviggum	
McEachern	Omann	Riveness	Swenson	
McKasy	Onnen	Rodosovich	Thiede	
McLaughlin	Orenstein	Rose	Tjornhom	

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 348, A bill for an act relating to Cook county; permitting the sale of certain land.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Battaglia moved that the House concur in the Senate amendments to H. F. No. 348 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 348, A bill for an act relating to state lands; allowing the private sale of certain land in Cook county.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 129 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Anderson, G.	Beard	Bishop	Burger	Clark
Anderson, R.	Begich	Blatz	Carlson, D.	Clausnitzer
Battaglia	Bennett	Boo	Carlson, L.	Cooper
Bauerly	Bertram	Brown	Carruthers	Dauner

DeBlieck	Kahn	Morrison	Quinn	Stanius
Dempsey	Kalis	Munger	Quist	Steensma
Dille	Kelly	Murphy	Redalen	Svigum
Dorn	Kelso	Nelson, C.	Reding	Swenson
Forsythe	Kinkel	Nelson, D.	Rest	Thiede
Frederick	Kludt	Nelson, K.	Richter	Tjornhom
Frerichs	Knickerbocker	Neuenschwander	Riveness	Tompkins
Greenfield	Knuth	O'Connor	Rodosovich	Trimble
Gruenes	Kostohryz	Ogren	Rose	Tunheim
Gutknecht	Krueger	Olsen, S.	Rukavina	Uphus
Hartle	Larsen	Olson, E.	Sarna	Valento
Haukoos	Lasley	Olson, K.	Schafer	Vanasek
Heap	Lieder	Omann	Scheid	Vellenga
Himle	Long	Onnen	Schoenfeld	Voss
Hugoson	Marsh	Orenstein	Schreiber	Wagenius
Jacobs	McDonald	Ozment	Seaberg	Waltman
Jaros	McEachern	Pappas	Segal	Welle
Jefferson	McKasy	Pauly	Shaver	Wenzel
Jensen	McPherson	Pelowski	Simoneau	Winter
Johnson, A.	Milbert	Peterson	Skoglund	Wynia
Johnson, R.	Miller	Poppenhagen	Solberg	Spk. Norton
Johnson, V.	Minne	Price	Sparby	

Those who voted in the negative were:

Rice

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 11, A bill for an act relating to tax forfeited land; providing for the sale of a certain tract.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Begich moved that the House concur in the Senate amendments to H. F. No. 11 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 11, A bill for an act relating to state land; allowing the private sale of a certain tract in St. Louis county.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Lasley	Otis	Simoneau
Anderson, R.	Gruenes	Lieder	Ozment	Skoglund
Battaglia	Gutknecht	Long	Pappas	Solberg
Bauerly	Hartle	Marsh	Pauly	Sparby
Beard	Haukoos	McDonald	Pelowski	Stanius
Begich	Heap	McEachern	Peterson	Steensma
Bennett	Himle	McKasy	Poppenhagen	Sviggum
Bertram	Hugoson	McLaughlin	Price	Swenson
Bishop	Jacobs	McPherson	Quinn	Thiede
Blatz	Jaros	Milbert	Quist	Tjornhom
Boo	Jefferson	Miller	Redalen	Tompkins
Brown	Jennings	Minne	Reding	Trimble
Burger	Jensen	Morrison	Rest	Tunheim
Carlson, D.	Johnson, A.	Munger	Rice	Uphus
Carlson, L.	Johnson, R.	Murphy	Richter	Valento
Carruthers	Johnson, V.	Nelson, C.	Riveness	Vanasek
Clark	Kahn	Nelson, D.	Rodosovich	Vellenga
Clausnitzer	Kalis	Nelson, K.	Rose	Voss
Cooper	Kelly	Neuenschwander	Rukavina	Wagenius
Dauner	Kelso	O'Connor	Sarna	Waltman
DeBlieck	Kinkel	Ogren	Schafer	Welle
Dempsey	Kludt	Olsen, S.	Scheid	Wenzel
Dille	Knickerbocker	Olson, E.	Schoenfeld	Winter
Dorn	Knuth	Olson, K.	Schreiber	Wynia
Forsythe	Kostohryz	Omamn	Seaberg	Spk. Norton
Frederick	Krueger	Onnen	Segal	
Frerichs	Larsen	Orenstein	Shaver	

The bill was repassed, as amended by the Senate, and its title agreed to.

## CALENDAR

S. F. No. 291, A bill for an act relating to intoxicating liquor; allowing counties to issue seasonal intoxicating liquor licenses subject to certain restrictions; amending Minnesota Statutes 1986, section 340A.404, subdivision 6.

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 124 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Burger	Forsythe	Jacobs	Kludt
Anderson, R.	Carlson, D.	Frederick	Jaros	Knickerbocker
Battaglia	Carlson, L.	Frerichs	Jensen	Knuth
Bauerly	Clark	Greenfield	Johnson, A.	Krueger
Beard	Clausnitzer	Gruenes	Johnson, R.	Larsen
Begich	Cooper	Gutknecht	Johnson, V.	Lasley
Bertram	Dauner	Hartle	Kahn	Lieder
Bishop	DeBlieck	Haukoos	Kalis	Long
Blatz	Dempsey	Heap	Kelly	Marsh
Boo	Dille	Himle	Kelso	McDonald
Brown	Dorn	Hugoson	Kinkel	McEachern

McKasy	Olsen, S.	Quinn	Schreiber	Trimble
McPherson	Olson, E.	Quist	Seaberg	Tunheim
Milbert	Olson, K.	Redalen	Segal	Uphus
Miller	Omman	Reding	Shaver	Valento
Minne	Onnen	Rest	Simoneau	Vanasek
Morrison	Orenstein	Rice	Skoglund	Vellenga
Munger	Otis	Riveness	Solberg	Wagenius
Murphy	Ozment	Rodosovich	Sparby	Waltman
Nelson, C.	Pappas	Rose	Steenasma	Welle
Nelson, D.	Pauly	Rukavina	Sviggum	Wenzel
Nelson, K.	Pelowski	Sarna	Swenson	Winter
Neuenschwander	Peterson	Schafer	Thiede	Wynia
O'Connor	Poppenhagen	Scheid	Tjornhom	Spk. Norton
Ogren	Price	Schoenfeld	Tompkins	

The bill was passed and its title agreed to.

S. F. No. 128, A bill for an act relating to liquor; authorizing municipalities to permit holders of both on-sale wine and nonintoxicating malt liquor licenses to sell intoxicating malt liquors; amending Minnesota Statutes 1986, section 340A.404, subdivision 5; repealing Laws 1979, chapter 200.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 122 yeas and 5 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Frerichs	Lasley	Orenstein	Simoneau
Anderson, R.	Greenfield	Lieder	Otis	Solberg
Battaglia	Gruenes	Long	Ozment	Sparby
Bauerly	Gutknecht	Marsh	Pappas	Stanius
Beard	Hartle	McDonald	Pauly	Steenasma
Begich	Haukoos	McEachern	Pelowski	Sviggum
Bennett	Heap	McKasy	Peterson	Swenson
Bertram	Himle	McPherson	Poppenhagen	Tjornhom
Bishop	Hugoson	Milbert	Price	Tompkins
Blatz	Jacobs	Miller	Quinn	Trimble
Boo	Jaros	Minne	Redalen	Tunheim
Brown	Jefferson	Morrison	Reding	Uphus
Burger	Jensen	Munger	Rest	Valento
Carlson, D.	Johnson, R.	Murphy	Rice	Vanasek
Carlson, L.	Johnson, V.	Nelson, C.	Riveness	Vellenga
Carruthers	Kahn	Nelson, D.	Rodosovich	Voss
Clark	Kalis	Nelson, K.	Rose	Wagenius
Clausnitzer	Kelly	Neuenschwander	Rukavina	Welle
Cooper	Kelso	O'Connor	Sarna	Wenzel
Dauner	Kinkel	Ogren	Scheid	Winter
DeBlicek	Kludt	Olsen, S.	Schoenfeld	Wynia
Dille	Knickerbocker	Olson, E.	Schreiber	Spk. Norton
Dorn	Knuth	Olson, K.	Seaberg	
Forsythe	Krueger	Omman	Segal	
Frederick	Larsen	Onnen	Shaver	

Those who voted in the negative were:

Dempsey	Johnson, A.	Schafer	Thiede	Waltman
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The bill was passed and its title agreed to.

H. F. No. 42, A bill for an act relating to employment; regulating substance abuse testing of employees and job applicants; proposing coding for new law in Minnesota Statutes, chapter 181.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 83 yeas and 51 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Jennings	Milbert	Peterson	Sparby
Beard	Johnson, A.	Minne	Price	Stanius
Begich	Johnson, R.	Morrison	Quinn	Steensma
Bishop	Kahn	Munger	Reding	Swenson
Brown	Kelly	Murphy	Rest	Tompkins
Burger	Kelso	Nelson, C.	Rice	Trimble
Carlson, L.	Kinkel	Nelson, D.	Riveness	Tunheim
Carruthers	Kludt	Nelson, K.	Rodosovich	Vanasek
Clark	Knuth	O'Connor	Rukavina	Vellenga
Cooper	Kostohryz	Ogren	Sarna	Voss
Dauner	Krueger	Olson, E.	Scheid	Wagenius
DeBlicek	Larsen	Olson, K.	Schoenfeld	Welle
Dorn	Lasley	Orenstein	Seaberg	Winter
Greenfield	Lieder	Osthoff	Segal	Wynia
Jacobs	Long	Otis	Simoneau	Spk. Norton
Jaros	McEachern	Pappas	Skoglund	
Jefferson	McLaughlin	Pelowski	Solberg	

Those who voted in the negative were:

Anderson, G.	Forsythe	Johnson, V.	Onnen	Svigum
Battaglia	Frederick	Kalis	Ozment	Thiede
Bauerly	Frerichs	Knickerbocker	Pauly	Tjornhom
Bennett	Gruenes	Marsh	Poppenhagen	Uphus
Bertram	Gutknecht	McDonald	Quist	Valento
Blatz	Hartle	McKasy	Redalen	Waltman
Boo	Haukoos	McPherson	Richter	Wenzel
Carlson, D.	Heap	Miller	Rose	
Clausnitzer	Himle	Neuenschwander	Schafer	
Dempsey	Hugoson	Olsen, S.	Schreiber	
Dille	Jensen	Omann	Shaver	

The bill was passed and its title agreed to.

H. F. No. 580, A bill for an act relating to human rights; changing certain requirements relating to disabled persons; amending Minnesota Statutes 1986, sections 363.02, subdivisions 1 and 5; 363.03, subdivision 1; and 363.116.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

## Those who voted in the affirmative were:

Anderson, G.	Frerichs	Lasley	Orenstein	Shaver
Anderson, R.	Greenfield	Lieder	Osthoff	Simoneau
Battaglia	Gruenes	Long	Otis	Skoglund
Bauerly	Gutknecht	Marsh	Ozment	Solberg
Beard	Hartle	McDonald	Pauly	Sparby
Begich	Haukoos	McEachern	Pelowski	Stanius
Bennett	Heap	McKasy	Peterson	Steenasma
Bertram	Himle	McLaughlin	Poppenhagen	Sviggum
Bishop	Hugoson	McPherson	Price	Thiede
Blatz	Jacobs	Milbert	Quinn	Tjornhom
Boo	Jefferson	Miller	Quist	Tompkins
Brown	Jennings	Minne	Redalen	Trimble
Burger	Jensen	Morrison	Reding	Tunheim
Carlson, D.	Johnson, R.	Munger	Rest	Uphus
Carlson, L.	Johnson, V.	Murphy	Rice	Valento
Carruthers	Kahn	Nelson, C.	Richter	Vanasek
Clark	Kalis	Nelson, D.	Riveness	Vellenga
Clausnitzer	Kelly	Nelson, K.	Rodosovich	Voss
Cooper	Kelso	Neuenschwander	Rose	Wagenius
Dauner	Kinkel	O'Connor	Rukavina	Waltman
DeBlicke	Kludt	Ogren	Sarna	Welle
Dempsey	Knickerbocker	Olsen, S.	Schafer	Wenzel
Dille	Knuth	Olsen, E.	Scheid	Winter
Dorn	Kostohryz	Olsen, K.	Schoenfeld	Wynia
Forsythe	Krueger	Omann	Seaberg	Spk. Norton
Frederick	Larsen	Onnen	Segal	

The bill was passed and its title agreed to.

H. F. No. 813, A bill for an act relating to bicycles; requiring bicycles using a shoulder of a roadway to ride in the same direction as adjacent vehicular traffic; redefining the term roadway; defining the term shoulder; allowing designation of bikeways by resolution or ordinance; adopting additional definitions of bicycle terms; amending Minnesota Statutes 1986, sections 85.016; 160.02, by adding a subdivision; 160.263, subdivisions 2 and 3; 160.264; 160.265; 169.01, subdivisions 31 and 62, and by adding subdivisions; and 169.222, subdivision 4; repealing Minnesota Statutes 1986, section 160.263, 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 125 yeas and 0 nays as follows:

## Those who voted in the affirmative were:

Anderson, G.	Blatz	Dauner	Gutknecht	Jensen
Anderson, R.	Brown	DeBlicke	Hartle	Johnson, A.
Battaglia	Burger	Dempsey	Haukoos	Johnson, R.
Bauerly	Carlson, D.	Dille	Heap	Johnson, V.
Beard	Carlson, L.	Dorn	Himle	Kahn
Begich	Carruthers	Forsythe	Hugoson	Kalis
Bennett	Clark	Frerichs	Jaros	Kelly
Bertram	Clausnitzer	Greenfield	Jefferson	Kelso
Bishop	Cooper	Gruenes	Jennings	Kinkel

Kludt	Minne	Otis	Rose	Tjornhom
Knickerbocker	Morrison	Ozment	Rukavina	Tompkins
Knuth	Munger	Pappas	Sarna	Trimble
Kostohryz	Murphy	Pauly	Schafer	Tunheim
Krueger	Nelson, C.	Pelowski	Scheid	Uphus
Larsen	Nelson, D.	Peterson	Schoenfeld	Valento
Lasley	Nelson, K.	Price	Schreiber	Vanasek
Lieder	Neuenschwander	Quinn	Seaberg	Vellenga
Long	O'Connor	Quist	Segal	Voss
Marsh	Ogren	Redalen	Simoneau	Wagenius
McDonald	Olsen, S.	Reding	Solberg	Waltman
McEachern	Olson, K.	Rest	Sparby	Welle
McKasy	Omann	Rice	Stanius	Wenzel
McPherson	Onnen	Richter	Steensma	Winter
Milbert	Orenstein	Riveness	Sviggum	Wynia
Miller	Osthoff	Rodosovich	Thiede	Spk. Norton

The bill was passed and its title agreed to.

H. F. No. 450, A bill for an act relating to commerce; regulating the advertisement of interest rates of investment products; proposing coding for new law in Minnesota Statutes, chapter 45.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Anderson, G.	Frerichs	Krueger	Omann	Schreiber
Anderson, R.	Greenfield	Larsen	Onnen	Seaberg
Battaglia	Gruenes	Lasley	Orenstein	Segal
Bauerly	Gutknecht	Lieder	Osthoff	Simoneau
Beard	Hartle	Long	Otis	Skoglund
Begich	Haukoos	Marsh	Pappas	Solberg
Bennett	Heap	McDonald	Pauly	Sparby
Bertram	Himle	McEachern	Pelowski	Stanius
Bishop	Hugoson	McKasy	Peterson	Steensma
Blatz	Jacobs	McLaughlin	Poppenhagen	Sviggum
Boo	Jaros	McPherson	Price	Swenson
Brown	Jefferson	Milbert	Quinn	Thiede
Burger	Jennings	Miller	Quist	Tjornhom
Carlson, D.	Jensen	Minne	Redalen	Tompkins
Carlson, L.	Johnson, A.	Morrison	Reding	Trimble
Carruthers	Johnson, R.	Munger	Rest	Tunheim
Clark	Johnson, V.	Murphy	Rice	Uphus
Clausnitzer	Kahn	Nelson, C.	Richter	Valento
Cooper	Kalis	Nelson, D.	Riveness	Vanasek
Dauner	Kelly	Nelson, K.	Rodosovich	Vellenga
DeBlicck	Kelso	Neuenschwander	Rose	Voss
Dempsey	Kinkel	O'Connor	Rukavina	Wagenius
Dille	Kludt	Ogren	Sarna	Waltman
Dorn	Knickerbocker	Olsen, S.	Schafer	Welle
Forsythe	Knuth	Olson, E.	Scheid	Wenzel
Frederick	Kostohryz	Olson, K.	Schoenfeld	Winter
				Wynia
				Spk. Norton

Those who voted in the negative were:

Ozment

The bill was passed and its title agreed to.

H. F. No. 564, A resolution memorializing the Federal Energy Regulatory Commission; expressing the Legislature's opposition to the installation of additional hydropower generating facilities at the Falls of St. Anthony in Minneapolis, Minnesota.

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 116 yeas and 12 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Frerichs	Larsen	Onnen	Simoneau
Anderson, R.	Greenfield	Lasley	Orenstein	Skoglund
Battaglia	Gruenes	Lieder	Otis	Solberg
Bauerly	Gutknecht	Long	Ozment	Sparby
Beard	Hartle	Marsh	Pappas	Stanisus
Begich	Heap	McEachern	Pauly	Steenma
Bennett	Himle	McKasy	Pelowski	Sviggum
Bertram	Jacobs	McLaughlin	Peterson	Swenson
Bishop	Jefferson	Milbert	Poppenhagen	Thiede
Blatz	Jennings	Minne	Price	Tjornhom
Brown	Jensen	Morrison	Quinn	Tompkins
Burger	Johnson, A.	Munger	Quist	Trimble
Carlson, L.	Johnson, R.	Murphy	Reding	Tunheim
Carruthers	Johnson, V.	Nelson, C.	Rest	Uphus
Clark	Kahn	Nelson, D.	Rice	Valento
Cooper	Kalis	Nelson, K.	Riveness	Vanasek
Dauner	Kelly	Neuenschwander	Rodosovich	Vellenga
DeBlicke	Kelso	O'Connor	Rukavina	Voss
Dempsey	Kinkel	Ogren	Sarna	Wagenius
Dille	Kludt	Olsen, S.	Schafer	Welle
Dorn	Knuth	Olson, E.	Scheid	Wenzel
Forsythe	Kostohryz	Olson, K.	Schoenfeld	Winter
Frederick	Krueger	Omann	Segal	Wynia
				Spk. Norton

Those who voted in the negative were:

Carlson, D.	Hugoson	McPherson	Redalen
Clausnitzer	Knickerbocker	Miller	Schreiber
Haukoos	McDonald	Osthoff	Waltman

The bill was passed and its title agreed to.

H. F. No. 799, A bill for an act relating to Koochiching county; permitting the county to establish a bidstead development authority.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Lasley	Orenstein	Seaberg
Anderson, R.	Gruenes	Lieder	Osthoff	Segal
Battaglia	Gutknecht	Long	Otis	Shaver
Bauerly	Hartle	Marsh	Ozment	Simoneau
Beard	Haukoos	McDonald	Pappas	Skoglund
Begich	Heap	McEachern	Pauly	Solberg
Bennett	Himle	McKasy	Pelowski	Sparby
Bertram	Hugoson	McLaughlin	Peterson	Stanius
Bishop	Jacobs	McPherson	Poppenhagen	Steensma
Blatz	Jaros	Milbert	Price	Sviggum
Brown	Jefferson	Miller	Quinn	Swenson
Burger	Jennings	Minne	Quist	Tjornhom
Carlson, D.	Jensen	Morrison	Redalen	Tompkins
Carlson, L.	Johnson, A.	Munger	Reding	Trimble
Carruthers	Johnson, R.	Murphy	Rest	Tunheim
Clark	Johnson, V.	Nelson, C.	Rice	Uphus
Clausnitzer	Kalis	Nelson, D.	Richter	Valento
Cooper	Kelly	Nelson, K.	Rivenness	Vanasek
Dauner	Kelso	Neuenschwander	Rodosovich	Vellenga
DeBlieck	Kinkel	O'Connor	Rose	Wagenius
Dempsey	Kludt	Ogren	Rukavina	Waltman
Dille	Knickerbocker	Olsen, S.	Sarna	Welle
Dorn	Knuth	Olsen, E.	Schafer	Wenzel
Forsythe	Kostohryz	Olson, K.	Scheid	Winter
Frederick	Krueger	Omann	Schoenfeld	Wynia
Frerichs	Larsen	Onnen	Schreiber	Spk. Norton

The bill was passed and its title agreed to.

### GENERAL ORDERS

Pursuant to Rules of the House, the House resolved itself into the Committee of the Whole with Norton in the Chair for consideration of bills pending on General Orders of the day. After some time spent therein the Committee arose.

#### REPORT OF THE COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following recommendations of the Committee were reported to the House:

H. F. Nos. 137, 189, 454 and 269 were recommended for progress retaining their places on General Orders.

S. F. No. 397 which it recommended to pass with the following amendment offered by Scheid:

Page 1, line 24, after "redistricted" delete the remainder of the line and insert "until precinct boundaries are re-established under section 204B.14, subdivision 3, paragraph (c) or by May 10 in a year ending in two, whichever comes first"

Page 1, line 25, delete "is prohibited"

Page 2, line 27, after “(c)” delete “Precinct” and insert “City precinct”

On the motion of Vanasek the report of the Committee of the Whole was adopted.

## MOTIONS AND RESOLUTIONS

Johnson, A., moved that the name of Johnson, R., be added as an author on House Advisory No. 15. The motion prevailed.

Lasley moved that the names of Peterson, Jennings and Jensen be added as authors on H. F. No. 1207. The motion prevailed.

Lasley moved that the name of Schafer be added as an author on H. F. No. 1276. The motion prevailed.

Jefferson moved that the name of O'Connor be added as an author on H. F. No. 1335. The motion prevailed.

Tunheim moved that the name of Johnson, R., be added as an author on H. F. No. 1351. The motion prevailed.

Dille moved that the name of Kalis be added as an author on H. F. No. 1360. The motion prevailed.

Simoneau moved that the names of Trimble and Clark be added as authors on H. F. No. 1395. The motion prevailed.

Skoglund moved that the name of Clark be added as an author on H. F. No. 1398. The motion prevailed.

Scheid moved that the names of Segal and Clark be added as authors on H. F. No. 1403. The motion prevailed.

Segal moved that the name of Ogren be added as an author on H. F. No. 1417. The motion prevailed.

McLaughlin moved that the name of Clark be added as an author on H. F. No. 1441. The motion prevailed.

McLaughlin moved that the name of Segal be added as an author on H. F. No. 1446. The motion prevailed.

Clark moved that H. F. No. 1081 be recalled from the Committee on Health and Human Services and be re-referred to the Committee on Future and Technology. The motion prevailed.

## ADJOURNMENT

Bishop moved to amend the Journal of the House for the 27th day, as follows:

Page 1224, under the order of business "Reports of Chief Clerk", insert the following language:

"We once had a House Clerk named Ed

Whose voice made a noise as he read

His opinions on Rules were incredible jewels

At least so the old members said.

One day this particular fellow

Was feeling a little bit mellow

While reading the Journal some gas quite internal

Caused Ed to literally bellow.

Then up stood a member named Bob

Who felt it would then be his job

As new majority leader to help the old journal reader

But the scene then dissolved to a mob.

The Speaker then spoke to the rest of the folk

It's a little bit late  
For the actual date,  
But this is an April Fool's Joke!"

The motion prevailed and the amendment was adopted.

Vanasek moved that when the House adjourns today it adjourn until 2:00 p.m., Monday, April 6, 1987. The motion prevailed.

Vanasek moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:00 p.m., Monday, April 6, 1987.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

## STATE OF MINNESOTA

## SEVENTY-FIFTH SESSION—1987

## TWENTY-NINTH DAY

SAINT PAUL, MINNESOTA, MONDAY, APRIL 6, 1987

The House of Representatives convened at 2:00 p.m. and was called to order by Fred C. Norton, Speaker of the House.

Prayer was offered by the Reverend Heather Bjork, Golden Valley United Methodist Church, Golden Valley, Minnesota.

The roll was called and the following members were present:

Anderson, G.	Greenfield	Lieder	Otis	Skoglund
Anderson, R.	Gruenes	Long	Ozment	Solberg
Battaglia	Gutknecht	Marsh	Pappas	Sparby
Bauerly	Hartle	McDonald	Pauly	Stanius
Beard	Haukoos	McEachern	Pelowski	Steensma
Begich	Heap	McKasy	Peterson	Sviggum
Bennett	Himle	McLaughlin	Poppenhagen	Swenson
Bertram	Hugoson	McPherson	Price	Thiede
Bishop	Jacobs	Milbert	Quinn	Tjornhom
Blatz	Jaros	Miller	Quist	Tompkins
Boo	Jefferson	Minne	Redalen	Trimble
Brown	Jennings	Morrison	Reding	Tunheim
Burger	Jensen	Munger	Rest	Uphus
Carlson, D.	Johnson, A.	Murphy	Richter	Valento
Carlson, L.	Johnson, R.	Nelson, C.	Riveness	Vanasek
Carruthers	Johnson, V.	Nelson, D.	Rodosovich	Vellenga
Clark	Kahn	Nelson, K.	Rose	Voss
Clausnitzer	Kalis	Neuenschwander	Rukavina	Wagenius
Cooper	Kelly	O'Connor	Sarna	Waltman
Dauner	Kelso	Ogren	Schafer	Welle
DeBlicke	Kinkel	Olsen, S.	Scheid	Wenzel
Dempsey	Khudt	Olson, E.	Schoenfeld	Winter
Dille	Knuth	Olson, K.	Schreiber	Wynia
Dorn	Kostohryz	Omann	Seaberg	Spk. Norton
Forsythe	Krueger	Onnen	Segal	
Frederick	Larsen	Orenstein	Shaver	
Frerichs	Lasley	Osthoff	Simoneau	

A quorum was present.

Knickerbocker and Rice were excused.

The Chief Clerk proceeded to read the Journal of the preceding day. Simoneau moved that further reading of the Journal be dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

## REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 96, 338, 427, 561, 690, 1034, 391, 590, 704, 841, 941, 1024, 1031, 1077, 1159, 692 and 806 and S. F. Nos. 440 and 397 have been placed in the members' files.

**REPORTS OF STANDING COMMITTEES**

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 43, A bill for an act relating to motor vehicles; providing for special license plates for Vietnam era veterans; amending Minnesota Statutes 1986, section 168.12, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, line 14, after "July 1, 1978," insert "was discharged under honorable conditions"

Page 1, after line 19, insert:

"The veteran shall have a certified copy of the veteran's discharge papers, indicating character of discharge, at the time of application."

Page 1, line 20, delete "adjutant general" and insert "commissioner of veterans affairs"

Page 1, line 23, delete "adjutant general" and insert "commissioner of veterans affairs"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Transportation.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 97, A bill for an act relating to public improvements; providing for loans for firefighting facilities; providing for a state

bond issue; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 16B.

Reported the same back with the following amendments:

Page 1, line 19, delete "nine percent" and insert "....."

Page 2, line 5, delete "\$10,000,000" and insert "\$5,000,000"

Page 2, line 14, delete "\$10,000,000" and insert "\$5,000,000"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 177, A bill for an act relating to human services; reducing state aid for general assistance to counties that fail to provide literacy training; requiring certain recipients of general assistance to attend adult literacy training; amending Minnesota Statutes 1986, sections 256D.03, subdivision 2; and 256D.05, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 256D.03, subdivision 2, is amended to read:

Subd. 2. After December 31, 1980, state aid shall be paid to local agencies for 75 percent of all general assistance grants up to the standards of section 256D.01, subdivision 1a, and according to procedures established by the commissioner, except that, after December 31, 1987, state aid is reduced to 65 percent of all general assistance grants if the local agency does not make occupational or vocational literacy training available and accessible to recipients who are eligible for assistance under section 256D.05, subdivision 1, paragraph (a), clause (15).

After December 31, 1986, state aid must be paid to local agencies for 65 percent of work readiness assistance paid under section 256D.051 if the county does not have an approved and operating community investment program.

Any local agency may, from its own resources, make payments of general assistance: (a) at a standard higher than that established by the commissioner without reference to the standards of section 256D.01, subdivision 1; or, (b) to persons not meeting the eligibility standards set forth in section 256D.05, subdivision 1, but for whom the aid would further the purposes established in the general assistance program in accordance with rules promulgated by the commissioner pursuant to the administrative procedure act.

Sec. 2. Minnesota Statutes 1986, section 256D.05, subdivision 1, is amended to read:

Subdivision 1. [ELIGIBILITY.] (a) Each person or family whose income and resources are less than the standard of assistance established by the commissioner shall be eligible for and entitled to general assistance if the person or family is:

(1) a person who is suffering from a permanent or temporary illness, injury, or incapacity which is medically certified and which prevents the person from obtaining or retaining employment;

(2) a person whose presence in the home on a substantially continuous basis is required because of the certified illness, injury, incapacity, or the age of another member of the household;

(3) a person who has been placed in a licensed or certified facility for purposes of physical or mental health or rehabilitation, or in an approved chemical dependency domiciliary facility, if the placement is based on illness or incapacity and is pursuant to a plan developed or approved by the local agency through its director or designated representative;

(4) a person who resides in a shelter facility described in subdivision 3;

(5) a person who is or may be eligible for displaced homemaker services, programs, or assistance under section 268.96, but only if that person is enrolled as a full-time student;

(6) a person who is unable to secure suitable employment due to inability to communicate in the English language, provided that the person is not an illegal alien, and who, if assigned to a language skills program by the local agency, is participating in that program;

(7) a person not described in clause (1) or (3) who is diagnosed by a licensed physician or licensed consulting psychologist as mentally retarded or mentally ill, and that condition prevents the person from obtaining or retaining employment;

(8) a person who has an application pending for the social security disability program or the program of supplemental security income for the aged, blind, and disabled, or who has been terminated from either program and has an appeal from that termination pending;

(9) a person who is unable to obtain or retain employment because advanced age significantly affects the person's ability to seek or engage in substantial work;

(10) a person completing a secondary education program;

(11) a family with one or more minor children; provided that, if all the children are six years of age or older, all the adult members of the family register for and cooperate in the work readiness program under section 256D.051; and provided further that, if one or more of the children are under the age of six and if the family contains more than one adult member, all the adult members except one adult member register for and cooperate in the work readiness program under section 256D.051. The adult members required to register for and cooperate with the work readiness program are not eligible for financial assistance under section 256D.051, except as provided in section 256D.051, subdivision 6, and shall be included in the general assistance grant. If an adult member fails to cooperate with requirements of section 256D.051, the local agency shall not take that member's needs into account in making the grant determination. The time limits of section 256D.051, subdivisions 4 and 5, do not apply to people eligible under this clause.

(12) a person who has substantial barriers to employment, including but not limited to factors relating to work or training history, as determined by the local agency in accordance with permanent or emergency rules adopted by the commissioner after consultation with the commissioner of jobs and training;

(13) a person who is certified by the commissioner of jobs and training before August 1, 1985, as lacking work skills or training or as being unable to obtain work skills or training necessary to secure employment, as defined in a permanent or emergency rule adopted by the commissioner of jobs and training in consultation with the commissioner; ~~or~~

(14) a person who is determined by the local agency, in accordance with emergency and permanent rules adopted by the commissioner, to be ~~functionally illiterate or learning disabled; or~~

(15) a person who is determined by the local agency, in accordance with emergency and permanent rules adopted by the commissioner, to be functionally illiterate, provided that the person complies with literacy training requirements set by the local agency under section 3.

(b) The following persons or families with income and resources that are less than the standard of assistance established by the commissioner are eligible for and entitled to a maximum of six months of general assistance during any consecutive 12-month period, after registering with and completing six months in a work readiness program under section 256D.051:

(1) a person who has borderline mental retardation; and

(2) a person who exhibits perceptible symptoms of mental illness as certified by a qualified professional but who is not eligible for general assistance under paragraph (a), because the mental illness interferes with the medical certification process; provided that the person cooperates with social services, treatment, or other plans developed by the local agency to address the illness.

In order to retain eligibility under this paragraph, a recipient must continue to cooperate with work and training requirements as determined by the local agency.

Sec. 3. [256D.0505] [LITERACY TRAINING FOR RECIPIENTS.]

Subdivision 1. [OCCUPATIONAL AND VOCATIONAL PROGRAMS.] The local agency must work with local educational institutions and job training programs in the identification, development, and utilization of occupational and vocational literacy programs for general assistance recipients. Occupational and vocational literacy programs are programs which provide literacy training to adults who lack formal education or job skills. The programs emphasize particular language and reading skills needed for successful job performance.

Subd. 2. [ASSESSMENT AND ASSIGNMENT.] The local agency must:

(1) assess existing reading level, learning disabilities, reading potential, and vocational or occupational interests of people eligible under section 256D.05, subdivision 1, paragraph (a), clause (15);

(2) assign suitable recipients to openings in occupational and vocational literacy programs;

(3) if no openings are available in accessible occupational or vocational literacy programs, assign suitable recipients to openings in other accessible literacy training programs; and

(4) reassign to another literacy program any recipient who does not complete an assigned program and who wishes to try another program.

Subd. 3. [SERVICES PROVIDED.] The local agency must provide child care and transportation to enable people to participate in literacy training under this section.

Subd. 4. [PAYMENT OF GENERAL ASSISTANCE.] The local agency must provide assistance under section 256D.05, subdivision 1, paragraph (a), clause (15) to people who:

(1) participate in a literacy program assigned under subdivision 2. To "participate" means to attend regular classes, complete assignments, and make progress toward literacy goals;

(2) despite participation for a period of six months or more, fail to progress in assigned literacy programs;

(3) are not assigned to literacy training because there is no program available or accessible to them; or

(4) have failed for good cause to complete an assigned literacy program.

Subd. 5. [REASSESSMENT AND LITERACY REFERRAL.] (a) When a person is no longer functionally illiterate under rules adopted by the commissioner or is terminated for failure to comply with literacy training requirements, the local agency must assess the person's eligibility for general assistance under the remaining provisions of section 256D.05, subdivision 1, paragraph (a). The local agency must refer to the work readiness program under section 256D.051 all people not eligible for general assistance.

(b) The local agency may also refer for voluntary work readiness services all recipients who reach a level of literacy that may allow successful participation in job training, provided that the job training does not interfere with a recipient's participation in literacy training. However, referral under this clause does not affect general assistance eligibility.

Subd. 6. [RIGHT TO NOTICE AND HEARING.] The local agency shall provide notice and opportunity for hearings for adverse actions under this section according to sections 256D.10 and 256D.101.

Subd. 7. [COSTS.] The state shall reimburse local agencies for the costs of providing child care and transportation under this section.

Sec. 4. Minnesota Statutes 1986, section 256D.051, subdivision 2, is amended to read:

Subd. 2. [LOCAL AGENCY DUTIES.] (a) The local agency shall provide to registrants under subdivision 1 a work readiness program. The work readiness program must include:

(1) an employability assessment and development plan in which the local agency estimates the length of time it will take the registrant to obtain employment;

(2) referral to available employment assistance programs including the Minnesota employment and economic development program;

(3) a job search program; and

(4) other activities designed by the local agency to prepare the registrant for permanent employment.

In order to allow time for job search, the local agency shall not require an individual to participate in the work readiness program for more than 32 hours a week. The local agency shall require an individual to spend at least eight hours a week in job search or other work readiness program activities.

(b) The local agency may provide a work readiness program to recipients under section 256D.05, subdivision 1, paragraph (b) and shall provide a work readiness program to recipients referred under section 3, subdivision 5, paragraph (b).

#### Sec. 5. [APPROPRIATION.]

\$..... is appropriated to the commissioner of human services for use in providing state aid under section 1."

Delete the title and insert:

"A bill for an act relating to human services; reducing state aid for general assistance to counties that fail to provide literacy training; requiring certain recipients of general assistance to attend adult literacy training; setting forth requirements for literacy training programs; appropriating money; amending Minnesota Statutes 1986, sections 256D.03, subdivision 2; 256D.05, subdivision 1; and 256D.051, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 256D."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 200, A bill for an act relating to the child abuse reporting act; providing a standard for the disclosure of the reporter's name; amending Minnesota Statutes 1986, section 626.556, subdivision 11.

Reported the same back with the following amendments:

Page 2, line 15, strike everything after "confidential"

Page 2, line 16, strike "individual subject of the record upon" and delete the new language

Page 2, delete line 17

Page 2, line 18, delete "faith" and after the period insert "The subject of the report may compel disclosure of the name of the reporter only with the consent of the reporter or upon a written finding by the court that the report was false and that there is evidence that the report was made in bad faith. This subdivision does not alter disclosure responsibilities or obligations under the rules of criminal procedure."

Page 3, after line 13, insert:

"Sec. 2. Minnesota Statutes 1986, section 626.557, subdivision 12, is amended to read:

Subd. 12. [RECORDS.] (a) Each licensing agency shall maintain summary records of reports of alleged abuse or neglect and alleged violations of the requirements of this section with respect to facilities or persons licensed or credentialed by that agency. As part of these records, the agency shall prepare an investigation memorandum. Notwithstanding section 13.46, subdivision 3, the investigation memorandum shall be accessible to the public pursuant to section 13.03 and a copy shall be provided to any public agency which referred the matter to the licensing agency for investigation. It shall contain a complete review of the agency's investigation, including but not limited to: the name of any facility investigated; a statement of the nature of the alleged abuse or neglect or other violation of the requirements of this section; pertinent information obtained from medical or other records reviewed; the investigator's name; a summary of the investigation's findings; a statement of whether the report was found to be substantiated, inconclusive, or false; and a statement of any action taken by the agency. The investigation memorandum shall be written in a manner which protects the identity of the reporter and of the vulnerable adult and may not contain the name or, to the extent possible, the identity of the alleged perpetrator or of those interviewed during the investigation. During the licensing agency's investigation, all data collected pursuant to this section shall be classified as investigative data pursuant to section 13.39. After the licensing agency's investigation is complete, the data on individuals collected and maintained shall be private data on individuals. All data collected pursuant to this section shall be made available to prosecuting authorities and law enforcement officials, local welfare agencies, and licensing agencies investigating the alleged abuse or neglect. ~~Notwithstanding any law to the contrary, the name of the reporter shall be disclosed only upon a finding by the court that the report was false and made in bad faith. The subject of the report may compel disclosure of the name of the reporter only with the consent~~

of the reporter or upon a written finding by the court that the report was false and that there is evidence that the report was made in bad faith. This subdivision does not alter disclosure responsibilities or obligations under the rules of criminal procedure.

(b) Notwithstanding the provisions of section 138.163:

(1) all data maintained by licensing agencies, treatment facilities, or other public agencies which relate to reports which, upon investigation, are found to be false may be destroyed two years after the finding was made;

(2) all data maintained by licensing agencies, treatment facilities, or other public agencies which relate to reports which, upon investigation, are found to be inconclusive may be destroyed four years after the finding was made;

(3) all data maintained by licensing agencies, treatment facilities, or other public agencies which relate to reports which, upon investigation, are found to be substantiated may be destroyed seven years after the finding was made.”

Delete the title and insert:

“A bill for an act relating to abuse and neglect reporting; providing a standard for the disclosure of a reporter’s name under the child abuse reporting act and the vulnerable adults reporting act; amending Minnesota Statutes 1986, sections 626.556, subdivision 11; and 626.557, subdivision 12.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Skoglund from the Committee on Financial Institutions and Insurance to which was referred:

H. F. No. 291, A bill for an act relating to financial institutions; regulating incorporations and operations of banks; requiring approval of certain insider agreements; regulating acquisitions by bank holding companies; authorizing the commissioner to borrow money to satisfy obligations of certain closed institutions; regulating claims against liquidated institutions; providing for the organization of credit unions; regulating interest and dividends paid on deposits; regulating industrial loan and thrifts; providing for the submission of certain reports; requiring the periodic examination of collection agencies; regulating consumer deficiency judgments; modifying the examination requirement for safe deposit companies and insurance premium finance companies; regulating motor vehi-

cle installment sales; regulating bank applications; amending Minnesota Statutes 1986, sections 46.041; 46.042; 46.07, subdivision 2; 46.131, subdivision 9; 47.10, by adding a subdivision; 47.205, subdivision 2; 48.055, subdivision 5; 48.15, subdivision 2; 48.51; 48.92, subdivision 10; 48.97, subdivision 2; 48.98, subdivision 1; 48.99, subdivisions 1 and 2; 49.04, subdivision 1; 49.05, by adding a subdivision; 49.24, subdivision 5; 52.01; 52.02, subdivision 3; 52.09, subdivision 2; 52.18; 53.04, subdivision 5; 53.09, subdivision 2; 55.095; 55.15; 59A.06, subdivision 3; 168.66, subdivisions 5 and 9; 168.705; 168.71; 168.72, subdivision 1; 168.73; 168.74; 332.29, subdivision 1; 325G.22, subdivision 1; repealing Minnesota Statutes 1986, sections 48.60 and 55.13.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

## “ARTICLE 1

### SUPERVISORY CLARIFICATION ACT

Section 1. Minnesota Statutes 1986, section 46.042, is amended to read:

#### 46.042 [NOTICE AND HEARING, WHEN NOT GIVEN.]

The commissioner of commerce may dispense with the notice and hearing provided for by section 46.041 if application is made for the incorporation of a new bank to take over the assets of one or more existing banks or if the application contemplates the reorganization of a national bank into a state bank in the same locality, or where the application is made for the incorporation of a new bank in the same locality coincidental with the closing of an existing bank by the commissioner or federal authorities. This section does not increase the number of banks in the community affected.

Sec. 2. Minnesota Statutes 1986, section 46.07, subdivision 2, is amended to read:

#### 46.07 [RECORDS.]

Subd. 2. [CONFIDENTIAL RECORDS.] The commissioner shall divulge facts and information obtained in the course of examining financial institutions under the commissioner's supervision only when and to the extent required or permitted by law to report upon or take special action regarding the affairs of an institution, or ordered by a court of law to testify or produce evidence in a civil or criminal proceeding, except that the commissioner may furnish information as to matters of mutual interest to an official or

examiner of the federal reserve system, the federal deposit insurance corporation, the federal savings and loan insurance corporation, the national credit union administration, comptroller of the currency, a legally constituted state credit union share insurance corporation approved under section 52.24, the issuer of a commitment for insurance or guarantee of the certificates of an industrial loan and thrift company approved under section 53.10, or state and federal law enforcement agencies. The commissioner shall not be required to disclose the name of a debtor of a financial institution under the commissioner's supervision, or anything relative to the private accounts, ownership, or transactions of an institution, or any fact obtained in the course of an examination thereof, except as herein provided. For purposes of this subdivision, a subpoena is not an order of a court of law. These records are classified confidential or protected nonpublic for purposes of the Minnesota government data practices act and their destruction, as prescribed in section 46.21, is exempt from the provisions of chapter 138 and Laws 1971, chapter 529, so far as their deposit with the state archives.

Sec. 3. Minnesota Statutes 1986, section 46.131, subdivision 9, is amended to read:

Subd. 9. These assessments or fees shall be paid by the institution examined within 20 days after a statement of the amount has been submitted to the institution examined by the commissioner of commerce and, if not so paid, shall bear interest at the discount rate charged member banks for borrowing from the Federal Reserve Bank of interest provided for by section 549.09. The penalty shall be payable to the commissioner on request.

Sec. 4. [46.15] [CERTAIN SECURITIES DEPOSITED WITH STATE TREASURER.]

All securities required or permitted by law to be assigned to and deposited with the commissioner of commerce for any purpose shall, after the effective date of this section, be assigned to and deposited with the state treasurer, who shall give a receipt therefor. This receipt must be filed with the commissioner of commerce, in lieu of the securities, and in this case neither the commissioner of commerce nor the commissioner's bonding agents shall be responsible for the safekeeping of these securities. The state treasurer shall perform all the duties with regard to the safekeeping of these securities which the commissioner of commerce is now required to perform. The state treasurer is subject to the same obligations and under the same liability, with reference to the safekeeping of these securities, as the commissioner of commerce. The state treasurer shall accept, release, surrender, and permit substitutions of securities assigned to and deposited with the state treasurer under the provisions of Laws 1923, chapter 155, upon order of the commissioner of commerce.

Sec. 5. Minnesota Statutes 1986, section 47.10, subdivision 3, is amended to read:

Subd. 3. [LEASEHOLD PLACE OF BUSINESS; APPROVAL OF CERTAIN LEASE AGREEMENTS.] No bank, trust company, savings bank, or building and loan association may acquire property and improvements of any nature for its place of business by lease agreement if the lessor has an existing direct or indirect interest in the management or ownership of the bank, trust company, savings bank, or building and loan association unless approved without prior written approval by the commissioner. This includes subsequent amendments and associated personal property leases leasehold improvements.

Sec. 6. Minnesota Statutes 1986, section 47.10, is amended by adding a subdivision to read:

Subd. 4. [APPROVAL OF CERTAIN INSIDER AGREEMENTS.] No bank, trust company, savings bank, or savings association may purchase or sell real property, personal property, improvements or equipment of a value of \$25,000 or more if the purchaser or seller other than the bank, trust company, savings bank, or savings association has an existing direct or indirect interest in the institution without prior written approval by the commissioner.

Sec. 7. Minnesota Statutes 1986, section 47.204, subdivision 1, is amended to read:

Subdivision 1. [NO USURY LIMITS.] Notwithstanding any law to the contrary, no limitation on the rate or amount of interest, discount points, finance charges or other charges shall apply to a loan, mortgage, credit sale or advance which would have been exempt from the laws of this state pursuant to Public Law Number 96-221, title V, part A, section 501, as amended as of June 2, 1981, but for section 47.203 and which is made in this state after June 2, 1981 and before August 1, 1987.

Sec. 8. Minnesota Statutes 1986, section 47.205, subdivision 2, is amended to read:

Subd. 2. [ASSIGNMENT OR SALE OF MORTGAGE LOANS.] If the servicing of mortgage loans financing one-to-four family owner occupied residences located in this state is sold or assigned to another person:

(1) the selling lender shall notify the mortgagor of the sale no less more than ten days after the actual date of transfer. The notification must include the name, address, and telephone number of the person who will assume responsibility for servicing and accept payments for the mortgage loan and the notification must also include a detailed written financial breakdown, including but not

limited to, interest rate, monthly payment amount, and current escrow balance;

(2) the purchasing lender shall issue corrected coupon or payment books, if used, and shall provide notification to the mortgagor within 20 days after the first payment to the purchasing lender is due, of the name, address, and telephone number of the person from whom the mortgagor can receive information regarding the servicing of the loan, and shall inform the mortgagor of any changes made regarding the mortgage escrow accounts or servicing requirements including, but not limited to, interest rate, monthly payment amount, and current escrow balance; and

(3) the purchasing lender shall respond within 15 business days to a written request for information from a mortgagor. A written response must include the telephone number of the company representative who can assist the mortgagor.

Sec. 9. Minnesota Statutes 1986, section 47.205, subdivision 4, is amended to read:

Subd. 4. [PENALTIES.] If a lender fails to comply with the requirements of subdivisions 2 and 3, the lender is liable to the mortgagor for \$500 per occurrence, in addition to actual damages caused by the violation. In addition, the lender is liable to the mortgagor for \$500 per occurrence if the violation of subdivision 2 or 3 was due to the lender's failure to exercise reasonable care.

Sec. 10. [47.76] [TRANSFER OF ACCOUNTS PROHIBITED; NOTICE ON CLOSING.]

(a) No financial institution shall initiate a transfer of a deposit account to another deposit account bearing different identification information or which is subject to different terms without first obtaining the written consent of the deposit account holder.

(b) No financial institution shall initiate a close of a deposit account without first sending the deposit account holder by certified mail a notice of intent to close the deposit account. The notice must be sent to the deposit account holder's last known address on file with the financial institution at least 60 days before the financial institution closes the deposit account.

Sec. 11. Minnesota Statutes 1986, section 48.055, subdivision 5, is amended to read:

Subd. 5. Any preferred stock issued by a state bank shall be part of its capital stock structure, and the terms "capital stock" or "capital" in any laws of this state pertaining to state banks shall be deemed to also include and apply to preferred stock; ~~except that only~~

stock issued with or having succeeded to voting rights shall qualify a director under the provisions of section 48.06.

Sec. 12. Minnesota Statutes 1986, section 48.15, subdivision 2, is amended to read:

Subd. 2. The department of commerce may, by majority vote of its members, which shall include the affirmative vote of the commissioner of commerce, may authorize banks organized under the laws of this state to engage in any banking activity in which banks subject to the jurisdiction of the federal government may hereafter be authorized to engage by federal legislation, ruling, or regulation. The commission may not authorize state banks as defined by section 48.01, to engage in any banking activity prohibited by the laws of this state.

Sec. 13. Minnesota Statutes 1986, section 48.51, is amended to read:

#### 48.51 [DEMAND DEPOSITS DEFINED.]

For the purpose of this section and section 48.50, all deposits are payable on demand except:

(1) Those deposits which are evidenced by a negotiable or nonnegotiable instrument which provides on its face that the amount of the deposit is payable:

(a) on a certain date, specified in the instrument, not less than 14 days after the date of the deposit; or (b) at the expiration of a specified period not less than 14 days after the date of the instrument; or (c) upon written notice to be given not less than 14 days before the date of repayment.

(2) Those deposits which may not be withdrawn within 14 days of the making thereof.

(3) Those deposits which may not be withdrawn within 14 days of the giving of notice of an intended withdrawal.

(4) Those deposits in which the above 14-day minimums are in conflict with instruments authorized by the depository institutions deregulation committee's regulations authorized by title II, Depository Institutions Deregulation and Monetary Control Act of 1980, Public Law Number 96-221 federal law or regulations.

Sec. 14. Minnesota Statutes 1986, section 48.61, subdivision 3, is amended to read:

Subd. 3. The bank or trust company may invest not to exceed ten percent of its capital and surplus in shares of stock in any banks or bank holding companies wherein the ownership of stock in the banks or bank holding companies is restricted to bank holding companies or banks authorized to do business in the state of Minnesota.

Sec. 15. Minnesota Statutes 1986, section 48.61, subdivision 5, is amended to read:

Subd. 5. In the absence of an express provision to the contrary, whenever any statute, rule, charter, trust indenture, authorizing resolution, or other instrument governing the investment of funds of a banking institution, as defined in section 48.01, subdivision 2, directs, requires, authorizes, or permits direct investment in certain obligations of the United States or obligations, the payment of the principal of and interest on which is unconditionally guaranteed by the United States, investment in these obligations may be made either directly or in the form of securities of, or other interests in, an investment company (1) registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933, and (2) whose investments are limited to these obligations and repurchase agreements fully collateralized by these obligations, if the repurchase agreements are entered into only with those primary reporting dealers that report to the Federal Reserve Bank of New York and with the 100 largest United States commercial banks.

Investment company shares authorized pursuant to this subdivision shall Shares of investment companies whose portfolios contain investments which are subject to limits under other state law or rule as direct investments may only be held in an amount not exceed in excess of 20 percent of the banks' capital stock and paid in surplus in each such investment company. These obligations shall be carried at the lower of cost or market on the banks' books and adjusted to market on a quarterly basis.

Sec. 16. Minnesota Statutes 1986, section 48.92, subdivision 10, is amended to read:

Subd. 10. [EQUITY CAPITAL.] "Equity capital" means the sum of common stock, preferred stock, and paid in surplus, reserves for loss loans and undivided profits.

Sec. 17. Minnesota Statutes 1986, section 48.97, subdivision 2, is amended to read:

Subd. 2. [INVESTMENT; REPORTING REQUIREMENTS.] Each financial institution located in this state owned by an interstate bank holding company shall fully and accurately disclose in an annual report to the commissioner of commerce for each calendar

year the dollar value and volume of loans by zip code or census tract beginning with the year ending December 31, 1987, approved in the previous year in nonreal estate commercial and farm lending categories established by the commissioner. Lending categories must be delineated in sufficient detail to evaluate the lender's loan performance. Loan categories may include: demand or accrual notes, installment loans, equipment loans, inventory or accounts receivable loans, small business administration loans, and FmHA guaranteed loans. Housing loans must be disclosed statewide in the same manner and form as required by the Federal Home Mortgage Disclosure Act. The annual report must also disclose by zip code or census tract the dollar value and volume of deposits received during the previous year. The annual report must also disclose information by the categories required in section 48.991 demonstrating that developmental loans of a sufficient quantity are being made. The report must be accompanied by a copy of the most recent disclosures required under the Federal Community Reinvestment Act and the most recent Quarterly Statement of Income and Conditions.

Sec. 18. Minnesota Statutes 1986, section 48.98, subdivision 1, is amended to read:

Subdivision 1. [PUBLIC INFORMATION.] Notwithstanding the Minnesota government data practices act, chapter 13, and consistent with federal law, the commissioner shall make available to the public at reasonable cost copies of all applications, including supporting documents and any other information required to be submitted to the commissioner.

Sec. 19. Minnesota Statutes 1986, section 48.99, subdivision 1, is amended to read:

Subdivision 1. [APPLICATION CRITERIA FOR APPROVAL.] Pursuant to the present requirement of the United States Code, title 12, section 1842(d) and notwithstanding any other provision of state law, a reciprocating state any bank holding company, or any subsidiary of the a bank holding company, may acquire a bank located in this state where the commissioner has determined that a merger, consolidation, or purchase of assets and assumption of liabilities is necessary and in the public interest to prevent the probable failure of a bank or is made for the incorporation of a new bank in the same locality coincidental with the closing of an existing bank by the commissioner or federal authorities and does not increase the number of banks in the community affected. The acquisition is subject to the prior written approval of the commissioner of an application submitted under this section and after the following considerations:

- (1) the financial and managerial resources of the applicant;

(2) the future prospects of the applicant and the state bank or its subsidiary whose assets, interest in, or shares it will acquire;

(3) the financial history of the applicant;

(4) whether the acquisition or holding may result in undue concentration of resources or substantial lessening of competition in this state;

(5) the convenience and needs of the public of this state; and

(6) whether the acquisition or holding will strengthen the financial condition of the state bank.

Sec. 20. Minnesota Statutes 1986, section 49.04, subdivision 1, is amended to read:

Subdivision 1. [COMMISSIONER TAKING POSSESSION; GROUNDS FOR; RIGHTS OF THIRD PARTIES.] When it shall appear to the commissioner that any financial institution has violated its charter, or any law of the state, or is conducting its business in an unsafe or unauthorized manner, or that its capital is impaired, or if it or any of its controlling officers shall refuse to submit its books, papers, and concerns to the inspection of the commissioner, or any duly authorized assistant, or if any of its officers shall refuse to be examined upon oath touching its concerns, or if it shall suspend payment of its obligations, or furnish reason for the commissioner concluding that it is in an unsound or unsafe condition to transact the business for which it was organized, or that it is unsafe and inexpedient for it to continue business, or if it shall neglect or refuse to observe a proper order of the commissioner, the commissioner may forthwith take possession of its property and business including forfeiture of its certificate of authorization and retain this possession until it shall resume business or its affairs be finally liquidated, as herein provided. On taking possession of the property and business of any such financial institution, the commissioner shall forthwith give notice of that fact to any and all financial institutions or other corporations, associations, partnerships, and individuals holding, or in possession of, any of its assets. No financial institution or other corporation, association, partnership, or individual knowing of such taking possession by the commissioner, or notified, as aforesaid, shall have a lien or charge for any payment, advance, or clearance thereafter made, or liability thereafter incurred against any of the assets of the financial institution of whose property and business the commissioner shall have taken possession, as aforesaid. The financial institution may, with the consent of the commissioner, resume business upon such conditions as may be approved by the commissioner. Upon taking possession of the property and business of the financial institution, the commissioner is authorized to collect moneys due to it and to do such other acts as are necessary to conserve its assets and business, and shall

proceed to liquidate the affairs thereof, if in the commissioner's opinion it cannot safely resume business, as hereinafter provided.

Sec. 21. Minnesota Statutes 1986, section 49.05, is amended by adding a subdivision to read:

Subd. 7. [COMMISSIONER MAY BORROW MONEY.] With respect to a banking institution which is or may be closed on account of inability to meet the demands of its depositors or by action of the commissioner or of a court or by action of its directors, or, in the event of its insolvency or suspension, the commissioner may borrow from the Federal Deposit Insurance Corporation and furnish any part or all of the assets of the institution to the corporation as security for a loan from same. The order of a court of record of competent jurisdiction shall be first obtained approving this loan. The commissioner or receiver or liquidator appointed by the commissioner upon the order of a court of record of competent jurisdiction may sell to the corporation any part or all of the assets of the institution.

The provisions of this section shall not be construed to limit the power of any banking institution, or the commissioner, to pledge or sell assets in accordance with any other law of this state.

Sec. 22. Minnesota Statutes 1986, section 49.24, subdivision 5, is amended to read:

Subd. 5. [REJECTION OF CLAIMS; ACTIONS; LIMITATIONS.] If the commissioner doubts the justice or validity of any claim, the commissioner may reject the same in whole or in part and serve notice of such rejection upon the claimant, either by mail or personally. An affidavit of the service of such notice made according to law shall be filed with the commissioner. An action upon a claim so rejected must be brought within 60 days after such service and the filing of proof thereof. The venue of such action shall be in the county in which such financial institution had its principal place of business prior to liquidation, and such action shall be brought jointly against the financial institution and the commissioner or receiver or liquidator appointed by the commissioner as statutory liquidator thereof. Any person having a claim against such financial institution which is not presented and filed within the time fixed in the notice to creditors may thereafter present the same and the commissioner shall allow or reject the same in whole or in part and give notice of any rejection, as hereinbefore provided. Suit on any such claim not filed within the time fixed by the notice which is rejected must be brought within 30 days after the service and filing of proof of such rejection. Any claim not filed within the time fixed in the notice to creditors but later received and filed as by this section provided and duly allowed, shall participate and share in such dividends only as shall be paid from the proceeds of those assets remaining undistributed at the time of filing of such claim, and any claim not

filed prior to the declaration of a final dividend shall be barred. No action shall be commenced against any such financial institution after possession of the business and property thereof has been taken by the commissioner on any claim until such claim has been filed with and rejected, in whole or in part, by the commissioner. As to any action pending at the time the commissioner takes possession of the business and property of such financial institution which has been stayed by order of the court, a claim may be filed for the subject matter of said action. If the claim be allowed, the action shall terminate and be dismissed without costs and disbursements, but, if rejected in whole or in part, the stay order shall be vacated, and the action may continue. No interest shall be allowed or paid on any deposit or other claim from and after the closing of the financial institution and the taking over of the same by the commissioner for purposes of liquidation.

Sec. 23. Minnesota Statutes 1986, section 51A.58, is amended to read:

#### 51A.58 [INTERSTATE BRANCHING.]

An association may, by acquisition, merger, or consolidation, establish or operate branch offices in any reciprocating state, and a savings and loan association chartered in ~~the any reciprocating state~~ may establish branch offices in this state. A savings and loan holding company with its headquarters in this state may acquire by "direct or indirect ownership or control of voting shares of" a savings and loan association or savings bank located in any reciprocating state. For the purposes of this section, "reciprocating state" is: (1) a state that authorizes the establishment of branch offices in that state by an association located in this state, the acquisition of savings and loan associations and savings banks located in that state by a savings and loan holding company with its headquarters in this state, under conditions no more restrictive than those imposed by the laws of Minnesota as determined by the commissioner of commerce; and (2) limited to the states specifically enumerated as reciprocating states in section 48.92, subdivision 7.

The commissioner of commerce shall adopt rules to provide that procedural requirements equivalent to those contained in sections 48.90 to 48.991 apply to reciprocal interstate branching and acquisitions by savings and loan associations.

Sec. 24. Minnesota Statutes 1986, section 52.01, is amended to read:

#### 52.01 [ORGANIZATION.]

Any seven residents of the state may apply to the commissioner of commerce for permission to organize a credit union.

A credit union is a cooperative society, incorporated for the two-fold purpose of promoting thrift among its members and creating a source of credit for them at legitimate rates of interest for provident purposes.

A credit union is organized in the following manner:

(1) The applicants execute, in duplicate, a certificate of organization by the terms of which they agree to be bound, which shall state:

- (a) the name and location of the proposed credit union;
- (b) the names and addresses of the subscribers to the certificate and the number of shares subscribed by each;

(2) The applicants submit the following in the form prescribed by the commissioner of commerce:

- (a) a statement of the common bond of the proposed credit union;
- (b) the number of potential members;
- (c) the geographic dispersion of the potential members;
- (d) evidence of interest, including willingness of potential members to assume responsibility for leadership and service;
- (e) a two-year forecast of probable levels of assets, shares and deposits, and income and expense;
- (f) the availability of other credit union services to the potential members;
- (g) other information the commissioner requires;

(3) They next prepare and adopt bylaws for the general governance of the credit union consistent with the provisions of this chapter, and execute them in duplicate;

(4) The certificate and the bylaws, both executed in duplicate, are forwarded to the commissioner of commerce with a \$100 application fee;

(5) The commissioner of commerce shall, within 60 days of the receipt of the certificate, the information required by paragraph (2), and the bylaws, and a commitment for insurance of accounts as required by section 52.24, subdivision 2, determine whether they comply with the provisions of this chapter, and whether or not the organization of the credit union in question would benefit its

members, be economically feasible, and be consistent with the purposes of this chapter;

(6) Thereupon the commissioner of commerce shall notify the applicants of the decision. If it is favorable, the commissioner shall upon receipt of a commitment for insurance of accounts as required by section 52.24, subdivision 2, issue a certificate of approval, attached to the duplicate certificate of organization, and return them with the duplicate bylaws to the applicants. If it is unfavorable, the applicants may, within 60 days after the decision, appeal for a review in a court of competent jurisdiction;

(7) The applicants shall thereupon file the duplicate of the certificate of organization, with the certificate of approval attached thereto, with the secretary of state, who shall make a record of the certificate and return it, with a certificate of record attached thereto, to the commissioner of commerce for permanent records; and

(8) Thereupon the applicants shall be a credit union incorporated in accordance with the provisions of this chapter.

In order to simplify the organization of credit unions, the commissioner of commerce shall prepare approved forms of certificate of organization and bylaws, consistent with this chapter, which may be used by credit union incorporators for their guidance, and on written application of seven residents of the state, shall supply them without charge with a blank certificate of organization and a copy of the form of suggested bylaws.

Sec. 25. Minnesota Statutes 1986, section 52.02, subdivision 3, is amended to read:

Subd. 3. [APPROVAL.] Amendments to the certificate of organization or bylaws must be approved by the commissioner of commerce before they become operative. The commissioner shall not unreasonably withhold approval if the amendments do not violate any provision of this chapter or other state law. In any event, the commissioner shall approve or disapprove the proposed amendment within 60 days of the date the proposed amendment is submitted to the commissioner by the credit union. In case of disapproval the credit union shall have the right to appeal to a court of competent jurisdiction within the time limits stated in section 52.01, clause (5) (6). In case any amendment to the certificate of organization is adopted, the resolution, containing a full text of the amendment and verified by its president or treasurer and approved by the commissioner of commerce, shall be recorded in the office of the secretary of state.

Sec. 26. Minnesota Statutes 1986, section 52.09, subdivision 2, is amended to read:

Subd. 2. [PARTICULAR DUTIES.] The directors shall manage the affairs of the credit union and shall:

(1) act on applications for membership. This power may be delegated to a membership chair who serves at the pleasure of the board of directors and is subject to its rules. An application must contain a certification signed by the membership chair or a member of the board showing the basis of membership;

(2) determine interest rates on loans and on deposits. The interest period on deposits may be on a daily, monthly, quarterly, semiannual or annual basis, and may be paid on all deposits whether or not the deposits have been withdrawn during the interest period. Interest may be computed on a daily basis. At the discretion of the board of directors, interest need not be paid on deposit accounts of less than \$10;

(3) fix the amount of the surety bond required of all officers and employees handling money;

(4) declare dividends and transmit to the members recommended amendments to the bylaws;

(5) fill vacancies in the board and in the credit committee until successors are chosen and qualify at the next annual meeting;

(6) limit the number of shares and deposits which may be owned by a member, not to exceed ten percent of the outstanding shares and deposits, or \$2,000, whichever is larger, and the maximum individual loan which can be made with and without security, including liability indirectly as a comaker, guarantor, or endorser to ten percent of outstanding shares and deposits. The ten percent share and deposit limitation is not applicable to the Minnesota corporate credit union, or to credit unions insured by the National Credit Union Administration;

(7) have charge of investments including loans to members, unless a credit committee is established pursuant to section 52.08 or paragraph (13) of this subdivision;

(8) fix the salaries of the treasurer and other employees, which must be on a fixed monthly or annual basis, in dollars (not percentage);

(9) designate the depository institution in which the funds of the credit union will be deposited;

(10) authorize the officers of the credit union to borrow money from any source, as provided in section 52.15;

(11) with the permission of the commissioner of commerce, suspend any member of the credit committee or supervisory committee if it deems this action necessary to the proper conduct of the credit union, and call the members together to act on the suspension within a reasonable time after the suspension. The members at the meeting may, by majority vote of those present, sustain the suspension and remove the committee members permanently or may reinstate the committee members;

(12) provide financial assistance to the supervisory committee in carrying out its audit responsibilities;

(13) if the bylaws so provide and no credit committee has been elected pursuant to section 52.08, appoint a credit manager or a credit committee of not less than three members; and

(14) to establish different classes of shares.

Sec. 27. Minnesota Statutes 1986, section 52.18, is amended to read:

#### 52.18 [DIVIDENDS.]

The directors of a credit union may, on a daily, monthly, quarterly, semiannual, or annual basis as its board of directors may determine, declare and pay a dividend from net earnings or accumulated net undivided profits remaining after statutory reserve has been set aside, which dividend may be paid on all shares whether or not they have been withdrawn during the dividend period. Dividends may be computed on a daily basis. The board of directors may classify its share accounts according to character, amount and duration and declare dividends which may be at variable rates with due regard to the conditions that pertain to each class of shares, or pay no dividend at all. A dividend shall be uniform within a classification. ~~At the discretion of the board of directors dividends may not be declared or paid on share accounts of less than \$10.~~ Shares which become fully paid up during a dividend period shall be entitled to a proportional part of the dividend calculated from the first day of the month following the payment in full. For the purpose of this section, shares which become fully paid up by the fifteenth day of any month may be treated as being paid up from the first day of the month.

Sec. 28. Minnesota Statutes 1986, section 53.04, subdivision 3a, is amended to read:

Subd. 3a. (a) The right to make loans, secured or unsecured, at the rates and on the terms and other conditions permitted licensees under chapter 56. Loans made under the authority of section 56.125 must be in amounts in compliance with section 53.05, clause (7). All other loans made under the authority of chapter 56 must be in amounts in compliance with section 53.05, clause (7), or 56.131,

subdivision 1, paragraph (a), whichever is less. The right to extend credit or lend money and to collect and receive charges therefor as provided by chapter 334, or in lieu thereof to charge, collect, and receive interest at the rate of 21.75 percent per annum, including the right to contract for, charge, and collect all other charges including discount points, fees, late payment charges, and insurance premiums on the loans to the same extent permitted on loans made under the authority of chapter 56, regardless of the amount of the loan. The provisions of sections 47.20 and 47.21 do not apply to loans made under this subdivision, except as specifically provided in this subdivision. Nothing in this subdivision is deemed to supersede, repeal, or amend any provision of section 53.05. A licensee making a loan under this chapter secured by a lien on real estate shall comply with the requirements of section 47.20, subdivision 8.

(b) Loans made under this subdivision at a rate of interest not in excess of that provided for in paragraph (a) may be secured by real or personal property, or both. ~~If the proceeds of a loan made after August 1, 1987 are used in whole or in part to satisfy the balance owed on a contract for deed, the rate of interest charged on the loan must not exceed the rate provided in section 47.20, subdivision 4a.~~ If the proceeds of a loan secured by a first lien on the borrower's primary residence are used to finance the purchase of the borrower's primary residence, the loan must comply with the provisions of section 47.20.

(c) A loan made under this subdivision that is secured by real estate and that is in a principal amount of \$7,500 or more and a maturity of 60 months or more may contain a provision permitting discount points, if the loan does not provide a loan yield in excess of the maximum rate of interest permitted by this subdivision. Loan yield means the annual rate of return obtained by a licensee computed as the annual percentage rate is computed under Federal Regulation Z. If the loan is prepaid in full, the licensee must make a refund to the borrower to the extent that the loan yield will exceed the maximum rate of interest provided by this subdivision when the prepayment is taken into account.

(d) An agency or instrumentality of the United States government or a corporation otherwise created by an act of the United States Congress or a lender approved or certified by the secretary of housing and urban development, or approved or certified by the administrator of veterans affairs, or approved or certified by the administrator of the farmers home administration, or approved or certified by the federal home loan mortgage corporation, or approved or certified by the federal national mortgage association, that engages in the business of purchasing or taking assignments of mortgage loans and undertakes direct collection of payments from or enforcement of rights against borrowers arising from mortgage loans, is not required to obtain a certificate of authorization under this chapter in order to purchase or take assignments of mortgage

loans from persons holding a certificate of authorization under this chapter.

Sec. 29. Minnesota Statutes 1986, section 53.04, subdivision 5, is amended to read:

Subd. 5. The right, with the consent of the department of commerce, to (1) sell and issue for investment certificates of indebtedness, under any descriptive name, which may bear interest, if any, as their terms provide, and which may require the payment to the company of amounts, from time to time as their terms provide, and permit the withdrawal of amounts paid on them, in whole or in part, from time to time, and the credit of amounts thereon upon conditions set forth therein; and (2) receive savings accounts or savings deposits. ~~No certificate of indebtedness shall have a surrender value which is less than the total amount paid to the company therefor.~~

Sec. 30. Minnesota Statutes 1986, section 53.09, subdivision 2, is amended to read:

Subd. 2. [REPORT TO COMMISSIONER.] (1) Each industrial loan and thrift company shall annually on or before the first day of February file a report with the commissioner stating in detail, under appropriate heads, its assets and liabilities at the close of business on the last day of the preceding calendar year. This report shall be made under oath in the form prescribed by the commissioner and published once, at the expense of the industrial loan and thrift company, in a newspaper of the county of its location, and proof thereof filed immediately with the commissioner of commerce.

(2) Each industrial loan and thrift company which holds authority to accept accounts pursuant to section 53.04, subdivision 5, shall in place of the requirement in clause (1) submit the reports and make the publication required of state banks pursuant to section 48.48.

(2) (3) Within 30 days following a change in controlling ownership of the capital stock of an industrial loan and thrift company, it shall file a written report with the commissioner stating in detail the nature of such change in ownership.

Sec. 31. Minnesota Statutes 1986, section 55.15, is amended to read:

#### 55.15 [APPLICATION.]

This chapter shall not be held or construed as limiting, restricting, or in any way affecting the operation or management of safe deposit boxes or vaults, or a safe deposit business, by any savings bank, bank, or trust company. If any bank, savings bank, or trust company elects to transact the business of a safe deposit company under the

provisions of this chapter, it shall so notify the commissioner of commerce and thereafter the provisions of sections 55.02 and 55.10 to ~~55.13~~ 55.12 shall apply to such safe deposit business and said bank, savings bank, or trust company shall have the benefit thereof. The provisions of sections 55.03 to 55.09 and the provisions of section 55.095 shall not apply to a bank, savings bank, or trust company carrying on the business of a safe deposit company.

Sec. 32. Minnesota Statutes 1986, section 56.12, is amended to read:

**56.12 [ADVERTISING; TAKING OF SECURITY; PLACE OF BUSINESS.]**

No licensee shall advertise, print, display, publish, distribute, or broadcast, or cause or permit to be advertised, printed, displayed, published, distributed, or broadcast, in any manner any statement or representation with regard to the rates, terms, or conditions for the lending of money, credit, goods, or things in action which is false, misleading, or deceptive. The commissioner may order any licensee to desist from any conduct which the commissioner shall find to be a violation of the foregoing provisions.

The commissioner may require that rates of charge, if stated by a licensee, be stated fully and clearly in such manner as the commissioner may deem necessary to prevent misunderstanding thereof by prospective borrowers. In lieu of the disclosure requirements of this section and section 56.14, a licensee may give the disclosures required by the federal Truth-in-Lending Act.

A licensee may take a lien upon real estate as security for any loan exceeding \$2,700 in principal amount made under this chapter. The provisions of sections 47.20 and 47.21 do not apply to loans made under this chapter, except as provided in this section. No loan secured by a first lien on a borrower's primary residence shall be made pursuant to this section if the proceeds of the loan are used to finance the purchase of the borrower's primary residence, unless:

(1) the proceeds of the loan are used to finance the purchase of a manufactured home; or

(2) the proceeds of the loan are used in whole or in part to satisfy the balance owed on a contract for deed. ~~The rate of interest charged on such a loan made after August 1, 1987, shall not exceed the rate provided in section 47.20, subdivision 4a.~~

If the proceeds of the loan are used to finance the purchase of the borrower's primary residence, the licensee shall consent to the subsequent transfer of the real estate if the existing borrower continues after transfer to be obligated for repayment of the entire remaining indebtedness. The licensee shall release the existing

borrower from all obligations under the loan instruments, if the transferee (1) meets the standards of credit worthiness normally used by persons in the business of making loans, including but not limited to the ability of the transferee to make the loan payments and satisfactorily maintain the property used as collateral, and (2) executes an agreement in writing with the licensee whereby the transferee assumes the obligations of the existing borrower under the loan instruments. Any such agreement shall not affect the priority, validity or enforceability of any loan instrument. A licensee may charge a fee not in excess of one-tenth of one percent of the remaining unpaid principal balance in the event the loan is assumed by the transferee and the existing borrower continues after the transfer to be obligated for repayment of the entire assumed indebtedness. A licensee may charge a fee not in excess of one percent of the remaining unpaid principal balance in the event the remaining indebtedness is assumed by the transferee and the existing borrower is released from all obligations under the loan instruments, but in no event shall the fee exceed \$150.

A licensee making a loan under this chapter secured by a lien on real estate shall comply with the requirements of section 47.20, subdivision 8.

No licensee shall conduct the business of making loans under this chapter within any office, room, or place of business in which any other business is solicited or engaged in, or in association or conjunction therewith, if the commissioner finds that the character of the other business is such that it would facilitate evasions of this chapter or of the rules lawfully made hereunder. The commissioner may promulgate rules dealing with such other businesses.

No licensee shall transact the business or make any loan provided for by this chapter under any other name or at any other place of business than that named in the license. No licensee shall take any confession of judgment or any power of attorney. No licensee shall take any note or promise to pay that does not accurately disclose the principal amount of the loan, the time for which it is made, and the agreed rate or amount of charge, nor any instrument in which blanks are left to be filled in after execution. Nothing herein is deemed to prohibit the making of loans by mail.

Sec. 33. Minnesota Statutes 1986, section 325G.36, is amended to read:

**325G.36 [WAIVERS VOID.]**

**Subdivision 1.** Any provision of a consumer contract which waives or attempts to waive any provision of sections 325G.29 to 325G.36 is void.

Subd. 2. Any provision of a consumer credit transaction contract which waives or attempts to waive any provision of section 325G.22 is void.

Subd. 3. Any provision of a contract which waives or attempts to waive a consumer's rights in a consumer credit transaction is void and renders the contract voidable at the option of the consumer.

Sec. 34. Minnesota Statutes 1986, section 332.29, subdivision 1, is amended to read:

Subdivision 1. The commissioner ~~may from time to time~~ shall examine the books and records of every licensee hereunder and of any person engaged in the business of debt prorating service as defined in section 332.13 at least once every 18 calendar months. The commissioner once during any calendar year, may require the submission of an audit prepared by a certified public accountant of the books and records of each licensee hereunder. If the licensee has, within one year previous to the commissioner's demand, had an audit prepared for some other purpose, this audit may be submitted to satisfy the requirement of this section. The commissioner may investigate any complaint concerning violations of sections 332.12 to 332.29 and may require the attendance and sworn testimony of witnesses and the production of documents.

Sec. 35. Minnesota Statutes 1986, section 336.9-501, is amended to read:

336.9-501 [DEFAULT; PROCEDURE WHEN SECURITY AGREEMENT COVERS BOTH REAL AND PERSONAL PROPERTY.]

(1) When a debtor is in default under a security agreement, a secured party has the rights and remedies provided in this part and except as limited by subsection (3) those provided in the security agreement. The secured party may reduce a claim to judgment, foreclose, or otherwise enforce the security interest by any available judicial procedure. If the collateral is documents the secured party may proceed either as to the documents or as to the goods covered thereby. A secured party in possession has the rights, remedies, and duties provided in section 336.9-207. The rights and remedies referred to in this subsection are cumulative.

(2) After default, the debtor has the rights and remedies provided in this part, those provided in the security agreement, and those provided in section 336.9-207.

(3) To the extent that they give rights to the debtor and impose duties on the secured party, the rules stated in the subsections referred to below may not be waived or varied except as provided with respect to compulsory disposition of collateral (subsection (3) of

section 336.9-504 and section 336.9-505) and with respect to redemption of collateral (section 336.9-506) but the parties may by agreement determine the standards by which the fulfillment of these rights and duties is to be measured if such standards are not manifestly unreasonable:

(a) Subsection (2) of section 336.9-502 and subsection (2) of section 336.9-504 insofar as they require accounting for surplus proceeds of collateral;

(b) Subsection (3) of section 336.9-504 and subsection (1) of section 336.9-505 which deal with disposition of collateral;

(c) Subsection (2) of section 336.9-505 which deals with acceptance of collateral as discharge of obligation;

(d) Section 336.9-506 which deals with redemption of collateral; and

(e) Subsection (1) of section 336.9-507 which deals with the secured party's liability for failure to comply with this part.

(4) If the security agreement covers both real and personal property, the secured party may proceed under this part as to the personal property or may proceed as to both the real and the personal property in accordance with the secured party's rights and remedies in respect of the real property in which case the provisions of this part do not apply.

(5) When a secured party has reduced a claim to judgment the lien of any levy which may be made upon collateral by virtue of any execution based upon the judgment shall relate back to the date of the perfection of the security interest in such collateral. A judicial sale, pursuant to such execution, is a foreclosure of the security interest by judicial procedure within the meaning of this section, and the secured party may purchase at the sale and thereafter hold the collateral free of any other requirements of this article.

(6) A person may not begin to enforce a security interest in collateral that is agricultural property subject to sections 583.20 to 583.32 that has secured a debt of more than \$5,000 unless: a mediation notice under subsection (7) is served on the debtor and a copy filed with the director; and the debtor and creditor have completed mediation under sections 583.20 to 583.32.

(7) A mediation notice under subsection (6) must contain the following notice with the blanks properly filled in.

"TO: ....(Name of Debtor)....

YOU HAVE DEFAULTED ON THE ....(Debt in Default).... SECURED BY AGRICULTURAL PROPERTY DESCRIBED AS ....(Reasonable Description of Agricultural Property Collateral)....

AS A SECURED PARTY, ....(Name of Secured Party).... INTENDS TO ENFORCE THE SECURITY AGREEMENT AGAINST THE AGRICULTURAL PROPERTY DESCRIBED ABOVE BY REPOSSESSING, FORECLOSING ON, OR OBTAINING A COURT JUDGMENT AGAINST THE PROPERTY.

YOU HAVE THE RIGHT TO HAVE THE DEBT REVIEWED FOR MEDIATION. IF YOU PARTICIPATE IN MEDIATION, THE DIRECTOR OF THE AGRICULTURAL EXTENSION SERVICE WILL PROVIDE A CREDIT ANALYST TO HELP YOU TO PREPARE FINANCIAL INFORMATION. MEDIATION WILL ATTEMPT TO ARRIVE AT AN AGREEMENT FOR HANDLING FUTURE FINANCIAL RELATIONS.

TO HAVE THE DEBT REVIEWED FOR MEDIATION YOU MUST FILE A MEDIATION REQUEST WITH THE DIRECTOR ....(Date of 14 Days after Service of the Mediation Notice).... THE MEDIATION REQUEST FORM IS AVAILABLE AT ANY COUNTY RECORDER'S OR COUNTY EXTENSION OFFICE.

FROM: ....(Name and Address of Secured Party)....”

(8) Any provision of a security agreement which waives or attempts to waive a debtor's rights established under this chapter or other law is void and renders the security agreement voidable at the option of the debtor. Any secured party which is a party to a security agreement which contains such a provision shall be subject to the liabilities set forth in section 336.9-507.

Sec. 36. [REPEALER.]

Minnesota Statutes 1986, sections 48.60 and 55.13, are repealed.

Sec. 37. [EFFECTIVE DATE.]

Section 23 is effective the day following final enactment.

## ARTICLE 2

### REGULATORY REDUCTION ACT

Section 1. Minnesota Statutes 1986, section 55.095, is amended to read:

## 55.095 [DUTIES OF COMMISSIONER OF COMMERCE.]

Every safe deposit company is at all times under the supervision and subject to the control of the commissioner of commerce. The commissioner's examiners shall visit at least once each year each commissioner may at any time examine a licensed safe deposit company licensed by the commissioner to ascertain whether the safe deposit company is complying with the provisions of this chapter and whether its methods and systems are in accordance with law and designed to protect the property of persons doing business with it. For each examination the commissioner shall charge the actual expenses of examination. If the commissioner of commerce determines that the safe deposit company is violating the provisions of this chapter, any law of the state, or has engaged or the commissioner has reason to believe that a licensee is about to engage in an unlawful, unsafe, or unsound practice in the conduct of its business, the commissioner may proceed pursuant to sections 46.24 to 46.33 or serve notice on the safe deposit company of intention to revoke the license, stating in general the grounds therefor and giving reasonable opportunity to be heard. If for a period of 15 days after the notice, the violation continues, the commissioner of commerce may revoke the license and take possession of the business and property of the safe deposit company and maintain possession until the time the commissioner permits it to continue business, or its affairs are finally liquidated. The liquidation must proceed pursuant to sections 49.04 to 49.32.

Sec. 2. Minnesota Statutes 1986, section 59A.06, subdivision 3, is amended to read:

Subd. 3. The commissioner shall may at any time make an examination of the affairs, business, office and records of each licensee at least once each year. Each licensee shall pay to the commissioner the actual costs of examination as well as amounts required under section 46.131, and the commissioner may maintain an action for the recovery of such costs in any court of competent jurisdiction.

Sec. 3. Minnesota Statutes 1986, section 168.66, subdivision 5, is amended to read:

Subd. 5. "Motor vehicle" means any device propelled or drawn by any power other than muscular power, in, upon, or by which any person or property is, or may be transported or drawn upon a highway, excepting building and road construction equipment not subject to motor vehicle registration fees, snowmobiles, three-wheel off-road vehicles, boat, snowmobile, and other utility trailers, farm tractors, and agricultural machinery not designed primarily for highway transportation, but which may incidentally transport persons or property on a public highway, or any other device which may not be lawfully operated upon a highway at the time of sale.

Sec. 4. Minnesota Statutes 1986, section 168.66, subdivision 9, is amended to read:

Subd. 9. "Cash sale price" means the price at which the seller would in good faith sell to the buyer, and the buyer would in good faith buy from the seller, the motor vehicle which is the subject matter of the retail installment contract, if such sale were a sale for cash, instead of a retail installment sale. The cash sale price may include any taxes, charges for delivery, servicing, repairing or improving the motor vehicle, including accessories and their installation, and any other charges agreed upon between the parties. The cash price may not include a documentary fee or document administration fee in excess of \$25 for services actually rendered to, for, or on behalf of, the retail buyer in preparing, handling, and processing documents relating to the motor vehicle and the closing of the retail sale.

Sec. 5. Minnesota Statutes 1986, section 168.705, is amended to read:

168.705 [EXAMINATIONS, SPECIAL INVESTIGATIONS, COSTS.]

For the purpose of discovering violations of sections 168.66 to 168.77 or securing information lawfully required by the administrator hereunder, the administrator may, at any time, either personally or by a person or persons duly designated by the administrator, investigate the conditional sales contracts and business related to the conditional sales contracts and examine the books, accounts, records, and files used therein, of every licensee and of every person who shall be engaged in the business of a sales finance company, whether the person shall act as principal or agent, or under or without the authority of sections 168.66 to 168.77. For that purpose, the administrator and the administrator's duly designated representative shall have free access to the offices and places of business, books, accounts, papers, records, files, safes, and vaults of all these persons. The administrator and all persons duly designated by the administrator shall have authority to require the attendance of and to examine, under oath, all persons whomsoever whose testimony the administrator may require relative to the conditional sales contract or the business or to the subject matter of any examination, investigation, or hearing.

The administrator shall may make an examination of the affairs, business, office, and records of each licensee at least once every two calendar years. Each licensee shall pay to the administrator an amount as may be required under section 46.131, and the administrator licensees as often as considered necessary. The commissioner may assess a fee covering the necessary costs of an examination or special investigation under this section, section 168.69, or reports filed under section 168.706. The fee is payable to the commissioner

on the commissioner's request for payment. The commissioner may maintain an action for the recovery of the costs in any court of competent jurisdiction.

Sec. 6. Minnesota Statutes 1986, section 168.71, is amended to read:

168.71 [RETAIL INSTALLMENT CONTRACTS.]

(a) (1) Every retail installment contract shall be in writing, shall contain all the agreements of the parties, shall be signed by the retail buyer and seller, and a copy thereof shall be furnished to such retail buyer at the time of the execution of the contract.

(2) No provisions for confession of judgment or power of attorney therefor contained in any retail installment contract or contained in a separate agreement relating thereto, shall be valid or enforceable.

(3) The holder of a precomputed retail installment contract may, if the contract so provides, collect a delinquency and collection charge on each installment in arrears for a period not less than ten days in an amount not in excess of five percent of each installment or \$5, whichever is the less. In addition to such delinquency and collection charge, the retail installment contract, whether interest-bearing or precomputed, may provide for the payment of attorneys' fees not exceeding 15 percent of the amount due and payable under such contract where such contract is referred to an attorney not a salaried employee of the holder of the contract for collection plus the court costs.

(4) Unless written notice has been given to the retail buyer of actual or intended assignment of a retail installment contract, payment thereunder or tender thereof made by the retail buyer to the last known holder of such contract shall be binding upon all subsequent holders or assignees.

(5) Upon written request from the retail buyer, the holder of the retail installment contract shall give or forward to the retail buyer a written statement of the dates and amounts of payments and the total amount unpaid under such contract. A retail buyer shall be given a written receipt for any payment when made in cash.

(b) The retail installment contract shall contain the following items:

(1) The cash sale price of the motor vehicle which is the subject matter of the retail installment contract;

(2) The amount of the retail buyer's down payment, whether made in money or goods, or partly in money or partly in goods;

(3) The difference between items one and two;

(4) The charge, if any, included in the transaction for any insurance and other benefits, specifying the types of coverage and benefits taxes, fees, and charges that actually are or will be paid to public officials or government agencies for perfecting, releasing, or satisfying a security interest;

(5) Principal balance, which is the sum of item three and item four;

(6) The amount of the time price differential; The disclosures required by the federal Truth-in-Lending Act

(7) The time balance payable by the retail buyer to the retail seller and the number of installment payments required and the amount of each installment expressed in dollars or percentages; and date of each payment necessary finally to pay the time balance which is the sum of item five and item six.

Provided, however, that said items one to seven inclusive need not be stated in the sequence or order set forth above and that additional items may be included which serve to explain the calculations involved in determining the stated time balance to be paid by the retail buyer.

(c) Every retail seller or sales finance company, if a charge for insurance on the motor vehicle is included in a retail installment contract shall within 30 days after execution of the retail installment contract send or cause to be sent to the retail buyer a policy or policies or certificate of insurance, which insurance shall be written by a company authorized to do business in this state, clearly setting forth the amount of the premium, the kind or kinds of insurance and the scope of the coverage and all the terms, exceptions, limitations, restrictions and conditions of the contract or contracts of the insurance. The buyer of a motor vehicle under a retail installment contract shall have the privilege of purchasing such insurance from an agent or broker of the buyer's own selection and selecting an insurance company mutually acceptable to the seller and the buyer; provided, however, that the inclusion of the cost of the insurance premium in the retail installment contract when the buyer selects the agent, broker or company, shall be optional with the seller.

(d) Any sales finance company hereunder may purchase or acquire from any retail seller any retail installment contract on such terms and conditions as may be mutually agreed upon between them.

(e) An acknowledgment by the retail buyer of the delivery of any such copy or notice as required in subsection (a) of this section contained in the body of the statement or contract shall be conclu-

sive proof of delivery in any action or proceeding by or against any assignee of a retail installment contract.

Sec. 7. Minnesota Statutes 1986, section 168.72, subdivision 1, is amended to read:

Subdivision 1. (a) The time price differential authorized by sections 168.66 to 168.77 in a retail installment sale may not exceed the following simple interest annual percentage rates:

Class 1. Any motor vehicle designated by the manufacturer by a year model of the same or not more than one year prior to the year in which the sale is made - \$10 per \$100 18 percent per year.

Class 2. Any motor vehicle designated by the manufacturer by a year model of two or three years prior to the year in which the sale is made - \$11 per \$100 19.75 percent per year.

Class 3. Any motor vehicle not in Class 1 or Class 2 - \$13 per \$100 23.25 percent per year plus a flat charge of \$3 for each retail installment sale.

(b) The time price differential must be computed on the principal balance outstanding from time to time as originally determined under section 168.71, clause (b) and must be computed at the rate indicated on contracts payable in successive monthly installment payments substantially equal in amount extending for a period of one year. For purposes of this subdivision and section 168.73, contracts payable in successive monthly installment payments include those where the first installment is scheduled for not less than 15 days nor more than one month and 15 days from the date of the contract. On contracts providing for installment payments extending for a period less than or greater than one year, the time price differential must be computed proportionately.

(c) When a retail installment contract provides for unequal or irregular installment payments, the time price differential is at the effective rate provided in clause (a) hereof, having due regard for the irregular schedule of payment. Retail installment contracts may be interest-bearing or precomputed. For precomputed retail installment contracts, the time price differential may be calculated in advance on the assumption that all scheduled payments will be made when due. The effect of prepayment in full is governed by section 168.73. To compute time for the purpose of calculating interest under this section and section 168.73, a day may be considered  $\frac{1}{30}$  of a month when calculation is made for a fraction of a calendar month. A year is 12 calendar months. A calendar month is that period from a given date in one month to the same numbered date in the following month, and if there is no same-numbered date, to the last day of the following month. When a period of time

includes a whole month and a fraction of a month, the fraction of a month is considered to follow the whole month.

(d) (c) The time price differential is inclusive of all charges incident to investigating and making the contract, and for the extension of the credit provided for in the contract and no fee, commission, expense or other charge whatsoever may be taken, received, reserved or contracted for except as provided in sections 168.66 to 168.77.

Sec. 8. Minnesota Statutes 1986, section 168.72, subdivision 4, is amended to read:

Subd. 4. A sale of a manufactured home made after July 31, 1983, is governed by the provisions of subdivision 1 for purposes of determining the lawful time price differential rate, except that the maximum time differential for a class I manufactured home may not exceed \$8 per \$100 18 percent per year. A retail installment sale of a manufactured home that imposes a time price differential rate that is greater than the rate permitted by this subdivision is lawful and enforceable in accordance with its terms until the indebtedness is fully satisfied if the rate was lawful when the sale was made.

Sec. 9. Minnesota Statutes 1986, section 168.73, is amended to read:

168.73 [PREPAYMENT IN FULL, REFUND CREDITS, ALLOWANCE.]

Notwithstanding the provisions of any retail installment contract to the contrary, any retail buyer may pay in full at any time before maturity the debt of any retail installment contract and without penalty. In so paying such debt the retail buyer shall receive a refund credit thereon for such anticipation of payments. The amount of such refund shall represent at least as great a proportion of the original time price differential after first deducting from such time price differential an acquisition cost of \$15, as the sum of the periodic time balances calculated according to the actuarial method and after the month in which date prepayment is made, bears to the sum of all the periodic time balances under the schedule of payments in the original contract.

Where the amount of the credit for anticipation of payment is less than \$1, no refund need be made.

The actuarial method means the method of allocating payments on a contract between the principal amount and time price differential whereby a payment is applied first to the accumulated time price differential and then to the unpaid principal balance based on the original payment schedule.

Sec. 10. Minnesota Statutes 1986, section 168.74, is amended to read:

168.74 [EXTENSION OF SCHEDULES, PAYMENTS.]

The holder of a precomputed retail installment contract, may, upon written agreement with the retail buyer, extend the ~~schedules~~ scheduled due date, or defer the ~~schedules~~ scheduled payment of all or part of any installment payment or payments, or renew the balance of such contract. In any such case the holder may restate the amount of the installments and the time schedule therefor, and collect as a refinance charge for such extension, deferment or renewal, a flat service fee not to exceed \$5 and a total additional charge not exceeding ~~an amount equal to one percent per month~~ the simple interest annual percentage rate under the original retail installment contract calculated on the respective descending balances computed from the date of such extension, deferment or renewal.

Sec. 11. [EFFECTIVE DATE.]

Sections 1, 2, 3, and 5 of this article are effective July 1, 1987.  
Sections 4, 6, 7, 8, 9, and 10 are effective January 1, 1988.

ARTICLE 3

APPLICATION PARITY ACT

Section 1. Minnesota Statutes 1986, section 46.041, is amended to read:

46.041 [BANK APPLICATIONS.]

Subdivision 1. [~~FILING; FEE; HEARING PUBLIC INSPEC-~~  
~~TION.]~~ The incorporators of a bank proposed to be organized under the laws of this state shall execute and acknowledge a written application in the form prescribed by the commissioner of commerce. The application must be signed by two or more of the incorporators and request a certificate authorizing the proposed bank to transact business at the place and in the name stated in the application. The applicant shall file the application with the department with a \$1,000 filing fee and a \$500 investigation fee. The fees must be turned over by the commissioner to the state treasurer and credited to the general fund. ~~Thereupon the applicant shall within 30 days of the receipt of the form prescribed by the commissioner, publish a notice of the filing of the application in a newspaper published in the municipality in which the proposed bank is to be located, and if there is no such newspaper, then at the county seat of the county in which the bank is proposed to be located. The notice shall be in the~~

form prescribed by the commissioner and, in addition to the publication, the applicant shall mail a copy of the notice by certified mail to every bank located within three miles of the proposed location of the bank. If an application is contested, 50 percent of an additional fee equal to the actual costs incurred by the department of commerce in approving or disapproving the application, payable to the state treasurer and credited by the treasurer to the general fund, must be paid by the applicant and 50 percent equally by the intervening parties. The application file must be public, with the exception of financial data on individuals which is private under the Minnesota government data practices act.

Subd. 2. [UNCONTESTED NOTICE OF FILING APPLICATION APPROVAL ORDER; PUBLICATION.] If no objection is received by the commissioner within 21 days after the publication and mailing of the notices, the commissioner may issue an order approving the application without a hearing if it is found that the applicant meets the conditions in section 46.044. Otherwise the commissioner must deny the application. Upon notice of acceptance of an application as complete in all respects for filing, the applicant shall within 30 days of the receipt of the form prescribed by the commissioner, publish a notice of the filing of the application, in a newspaper published in the municipality in which the proposed bank is to be located, and if there is no such newspaper, then at the county seat of the county in which the bank is proposed to be located. The notice must be in the form prescribed by the commissioner and, in addition to the publication, the applicant shall mail a copy of the notice by certified mail to every bank located within three miles of the proposed location of the bank.

Subd. 3. [OBJECTIONS; COMMENTS, REQUESTS FOR HEARING.] If the application is contested, the commissioner shall fix a time, within 60 days after the filing of the objection for a hearing, and the record of the hearing shall be considered by the commissioner in deciding whether or not the application shall be granted. A notice of the hearing must be published in the form prescribed by the commissioner in some newspaper published in the municipality in which the proposed bank is to be located, and if there is no such newspaper, then at the county seat of the county in which the bank is proposed to be located. The notice shall be published once, at the expense of the applicants, not less than 30 days prior to the date of the hearing. At the hearing the commissioner shall consider the application and hear the applicants and such witnesses as may appear in favor of or against the granting of the application of the proposed bank. The hearing shall be conducted by the commissioner in accordance with the provisions of sections 14.01 to 14.70. Within 21 days after the notice of application has been published, any person may submit to the commissioner either or both written comments on an application and a written request for a hearing on the application. The request must state the nature of the issues or facts to be presented and the reasons why written submissions would

be insufficient to make an adequate presentation to the commissioner. Comments challenging the legality of an application should be submitted separately in writing.

Written requests for hearing must be evaluated by the commissioner who may grant or deny the request. A hearing must generally be granted only if it is determined that written submissions would be inadequate or that a hearing would otherwise be beneficial to the decision-making process. A hearing may be limited to issues considered material by the commissioner.

If a request for a hearing has been denied, the commissioner shall notify the applicant and all interested persons stating the reasons for denial. Interested parties may submit to the commissioner with simultaneous copies to the applicant additional written comments on the application within 14 days after the date of the notice of denial. The applicant shall be provided an additional seven days after the 14-day deadline has expired within which to respond to any comments submitted within the 14-day period. A copy of any response submitted by the applicant shall also be mailed simultaneously by the applicant to the interested parties. The commissioner may waive the additional seven-day comment period if so requested by the applicant.

Subd. 4. [HEARING.] In any case in which the commissioner grants a request for a hearing, the commissioner shall fix a time for a hearing conducted pursuant to chapter 14 to decide whether or not the application will be granted. A notice of the hearing must be published by the applicant in the form prescribed by the commissioner in a newspaper published in the municipality in which the proposed bank is to be located, and if there is no such newspaper, then at the county seat of the county in which the bank is proposed to be located. The notice must be published once, at the expense of the applicants, not less than 30 days prior to the date of the hearing. At the hearing the commissioner shall consider the application and hear the applicants and witnesses that appear in favor of or against the granting of the application of the proposed bank. If an application is contested, 50 percent of an additional fee equal to the actual costs incurred by the department of commerce in approving or disapproving the application, payable to the state treasurer and credited by the treasurer to the general fund, must be paid by the applicant and 50 percent equally by the intervening parties.

Subd. 5. [APPROVAL, DISAPPROVAL, AFTER HEARING.] If, upon the hearing or upon other information submitted, it appears to the commissioner that the application should be granted, the commissioner shall, not later than 90 days after the hearing, and after the applicants have otherwise complied with the provisions of law applicable to the organization of a bank, including the provisions herein contained, make and file in the commissioner's office a written order directing the issuance of a certificate of authorization

as provided by law. If the certificate of authorization is not activated within a period of 12 months from date of issuance, the commissioner may upon written notice to the applicants request a new hearing. If the commissioner decides that the application should not be granted, the commissioner shall deny the application and make a written order to that effect, file it in the commissioner's office, and forthwith give notice thereof by certified mail to one of the incorporators named in the application for the proposed bank, addressed to the incorporator at the address stated in the application. Thereupon the commissioner shall refuse to issue the certificate of authorization to the proposed bank.

Sec. 2. [EFFECTIVE DATE.]

This article is effective the day following final enactment and applies to pending applications at that time if any notice of the filing of the application has not been fully published.

Delete the title and insert:

"A bill for an act relating to financial institutions; regulating incorporations and operations of banks; requiring approval of certain insider agreements; regulating acquisitions by bank holding companies; authorizing the commissioner to borrow money to satisfy obligations of certain closed institutions; regulating bank or trust company investments; regulating claims against liquidated institutions; providing for the organization of credit unions; regulating interest and dividends paid on deposits; regulating industrial loan and thrifts; providing for the submission of certain reports; modifying the maximum allowable interest rate on certain loans used to satisfy the balances owed on contracts for deed; requiring the periodic examination of collection agencies; regulating consumer deficiency judgments; modifying the examination requirement for safe deposit companies and insurance premium finance companies; regulating motor vehicle installment sales; regulating bank applications; amending Minnesota Statutes 1986, sections 46.041; 46.042; 46.07, subdivision 2; 46.131, subdivision 9; 47.10, subdivision 3, and by adding a subdivision; 47.204, subdivision 1; 47.205, subdivisions 2 and 4; 48.055, subdivision 5; 48.15, subdivision 2; 48.51; 48.61, subdivisions 3 and 5; 48.92, subdivision 10; 48.97, subdivision 2; 48.98, subdivision 1; 48.99, subdivision 1; 49.04, subdivision 1; 49.05, by adding a subdivision; 49.24, subdivision 5; 51A.58; 52.01; 52.02, subdivision 3; 52.09, subdivision 2; 52.18; 53.04, subdivisions 3a and 5; 53.09, subdivision 2; 55.095; 55.15; 56.12; 59A.06, subdivision 3; 168.66, subdivisions 5 and 9; 168.705; 168.71; 168.72, subdivisions 1 and 4; 168.73; 168.74; 325G.36; 332.29, subdivision 1; and 336.9-501; proposing coding for new law in Minnesota Statutes, chapters 46 and 47; repealing Minnesota Statutes 1986, sections 48.60 and 55.13."

With the recommendation that when so amended the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 298, A bill for an act relating to hazardous waste; requiring a license for the transportation of hazardous waste; providing for license administration suspension, and revocation; requiring rulemaking; providing penalties; specifying articles which may be carried as household goods; revising fees for certain motor carrier permits and certificates; amending Minnesota Statutes 1986, sections 221.011, subdivisions 23 and 31; 221.033, by adding a subdivision; 221.061; 221.121, subdivision 7, and by adding a subdivision; 221.131, subdivisions 2 and 3; 221.291, subdivision 3; 221.296, subdivision 5; and 221.60, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 221.

Reported the same back with the following amendments:

Page 1, delete section 1

Page 2, line 3, delete everything before the period and insert "section 116.07, subdivision 4"

Page 2, line 8, delete "4 and 5" and insert "3 and 4"

Page 3, line 3, delete "decal is" and insert "decals are"

Page 3, line 6, after the period insert "The licensee must obtain new decals each year."

Page 3, line 9, delete "after notice and hearing"

Page 3, line 14, after "may" insert ", after notice and opportunity for hearing,"

Page 3, line 15, delete "4" and insert "3"

Page 3, delete lines 23 to 36 and insert:

(1) the danger of exposing the public to toxic or hazardous substances;

(2) the condition of vehicles used by the licensee to transport hazardous waste;

(3) the history of past violations, including the similarity of the most recent violation and the violation to be penalized, the time elapsed since the last violation, the number of previous violations,

and the response of the person to the most recent violation identified; and

(4) other factors the commissioner considers relevant.

(b) The commissioner shall revoke by order, without a hearing, the license and vehicle identification decals of a licensee who fails to renew a license or fails to maintain insurance as required by this section. Revocation under this paragraph shall continue until the licensee renews the license and provides the commissioner with proof of insurance required under this section."

Page 4, before line 1, insert:

"Sec. 5. [221.037] [ADMINISTRATIVE PENALTIES.]

Subdivision 1. [AUTHORITY TO ISSUE PENALTY ORDERS.] The commissioner may issue an order requiring violations to be corrected and administratively assessing monetary penalties for a violation of section 2, of a material term or condition of a license issued under section 3, or of a rule or order of the commissioner relating to the transportation of hazardous waste. An order shall be issued as provided in this section.

Subd. 2. [ELECTION OF PENALTIES.] The commissioner shall not both assess an administrative penalty under this section and seek a criminal sanction under section 221.291, subdivision 3, for violations arising out of the same inspection or audit.

Subd. 3. [AMOUNT OF PENALTY; CONSIDERATIONS.] (a) The commissioner may issue an order assessing a penalty up to a maximum of \$10,000 for all violations identified during a single inspection or audit.

(b) In determining the amount of a penalty; the commissioner shall consider:

(1) the willfulness of the violation;

(2) the gravity of the violation, including damage to humans, animals, air, water, land, or other natural resources of the state;

(3) the history of past violations, including the similarity of the most recent violation and the violation to be penalized, the time elapsed since the last violation, the number of previous violations, and the response of the person to the most recent violation identified;

(4) the economic benefit gained by the person by allowing or committing the violation; and

(5) other factors as justice may require, if the commissioner specifically identifies the additional factors in the commissioner's order.

Subd. 4. [CONTENTS OF ORDER.] An order assessing an administrative penalty under this section shall include:

(1) a concise statement of the facts alleged to constitute a violation;

(2) a reference to the section of the statute, rule, order, or material term or condition of a license that has been violated;

(3) a statement of the amount of the administrative penalty to be imposed and the factors upon which the penalty is based; and

(4) a statement of the person's right to review of the order.

Subd. 5. [ORDER.] (a) The commissioner may issue an order assessing a penalty and requiring the violations cited in the order to be corrected within 30 calendar days from the date the order was received.

(b) The person to whom the order was issued shall provide information to the commissioner before the 31st day after the order was received demonstrating that the violation has been corrected or that appropriate steps toward correcting the violation have been taken. The commissioner shall determine whether the violation has been corrected and notify the person subject to the order of the commissioner's determination.

Subd. 6. [PENALTY.] (a) Except as provided in paragraph (b), if the commissioner determines that the violation has been corrected or appropriate steps have been taken to correct the action, the penalty must be forgiven. Unless the person requests review of the order under subdivision 7 or 8 before the penalty is due, the penalty in the order is due and payable:

(1) on the 31st day after the order was received, if the person subject to the order fails to provide information to the commissioner showing that the violation has been corrected or that appropriate steps have been taken toward correcting the violation; or

(2) on the 20th day after the receipt of a notice by the person subject to the order of the commissioner's determination under subdivision 5, paragraph (b), that information supplied to the commissioner is not sufficient to show that the violation has been corrected or that appropriate steps have been taken toward correcting the violation.

(b) For a repeated or serious violation, the commissioner may issue a corrective order with a penalty that will not be forgiven after the corrective action is taken. The penalty is due by 30 days after the order was received unless review of the order under subdivision 7 or 8 has been sought.

(c) Interest at the rate established in section 549.09 begins to accrue on penalties under this subdivision on the day after the penalty would otherwise be due and payable in the absence of a request for a hearing under subdivision 7 or 8.

Subd. 7. [EXPEDITED ADMINISTRATIVE HEARING.] (a) Within 30 days after the date on which an order was received, or within 20 days after the receipt of a notice that the commissioner has determined that a violation has not been corrected or appropriate steps have not been taken, the person subject to an order under this section may request an expedited hearing. The person to whom the order is directed and the commissioner are the parties to the expedited hearing. The commissioner must notify the person to whom the order is directed of the time and place of the hearing at least 20 days before the hearing. The expedited hearing must be held within 30 days after a request for hearing has been filed with the commissioner unless the parties agree to a later date.

(b) All written arguments must be submitted within ten days following the close of the hearing. The hearing shall be conducted under the conference contested case rules of the office of administrative hearings, as modified by this subdivision. The office of administrative hearings may, in consultation with the department, adopt rules specifically applicable to cases under this section.

(c) The administrative law judge shall issue a report making recommendations to the commissioner within 30 days following the close of the record. The administrative law judge may not recommend a change in the amount of the proposed penalty unless the administrative law judge determines that, based on the factors in subdivision 3, the amount of the penalty is unreasonable.

(d) If the administrative law judge makes a finding that the hearing was requested solely for purposes of delay or that the hearing request was frivolous, the commissioner may add to the amount of the penalty the costs charged to the department by the office of administrative hearings for the hearing.

(e) If a hearing has been held, the commissioner may not issue a final order until at least five days after receipt of the report of the administrative law judge. The person subject to the order may, within those five days, comment to the commissioner on the recommendations and the commissioner shall consider the comments. The final order may be appealed in the manner provided in sections 14.63 to 14.69.

(f) If a hearing has been held and a final order issued by the commissioner, the penalty shall be paid by the 15th day after the final order was mailed, together with interest accruing at the rate established in section 549.09 from 31 days after the original order was received.

Subd. 8. [DISTRICT COURT HEARING.] Within 30 days after the receipt of an order, or within 20 days after the receipt of a notice that the commissioner has determined that a violation has not been corrected or appropriate steps have not been taken, the person subject to a corrective order under this section may file a petition in district court for review of the order. The petition shall be filed with the court administrator with proof of service on the commissioner. The petition shall be captioned in the name of the person making the petition as petitioner and the commissioner as respondent. The petition shall state with specificity the grounds upon which the petitioner seeks rescission of the order, including the facts upon which each claim is based. At trial the state must establish by a preponderance of the evidence the existence of the violation upon which the order was based.

Subd. 9. [ENFORCEMENT.] (a) The attorney general may proceed on behalf of the state to enforce penalties that are due and payable under this section in any manner provided by law for the collection of debts.

(b) The attorney general may petition the district court to file the administrative order as an order of the court. At any court hearing, the only issues parties may contest are procedural and notice issues. Once entered, the administrative order may be enforced in the same manner as a final judgment of the district court.

(c) If a person fails to pay the penalty, the attorney general may bring a civil action in district court seeking payment of the penalties, injunctive, or other appropriate relief including monetary damages, attorney fees, costs, and interest.

Subd. 10. [REVOCATION AND SUSPENSION OF PERMIT.] If a person does not pay a penalty due and payable under this section, the department may revoke or refuse to reissue or renew a license issued by the department under section 3.

Subd. 11. [CUMULATIVE REMEDY.] The authority of the department to issue a corrective order assessing penalties is in addition to other remedies available under statutory or common law. The payment of a penalty does not preclude the use of other enforcement provisions in connection with the violation for which the penalty was assessed."

Page 6, line 31, delete everything before "be"

Page 7, lines 30 to 34, delete section 15

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 9, delete "subdivisions 23 and" and insert "subdivision"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 308, A bill for an act relating to crimes; including live performances in the statute regulating exposure of minors to sexually provocative material; amending Minnesota Statutes 1986, sections 617.291, subdivision 2; and 617.294.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 617.291, is amended to read:

Subdivision 1. In enacting sections 617.291 to 617.297 the legislature declares its purposes and intent to be as follows:

There exists an urgent need to prevent ~~commercial~~ exposure of minors to sexually provocative written, photographic, printed, sound or published materials or plays, dances, or other exhibitions presented before an audience as these are hereafter defined in sections 617.291 to 617.297 and which are hereby declared to be harmful to minors.

Subd. 2. It is in the best interest of the health, welfare and safety of the citizens of this state, and especially of minors within the state, that commercial dissemination or dissemination without monetary consideration in a place of public accommodation of such sexually provocative written, photographic, printed, sound or published materials or of plays, dances, or other exhibitions presented before an audience which are deemed harmful to minors, be restricted to persons over the age of 17 years; or, if available to minors under the age of 18 years, that the availability of such materials be restricted to sources within established and recognized schools, churches,

museums, medical clinics and physicians, hospitals, public libraries, or government sponsored organizations.

Sec. 2. Minnesota Statutes 1986, section 617.294, is amended to read:

**617.294 [COMMERCIAL EXHIBITION PROHIBITED.]**

It is unlawful for any person knowingly to exhibit for a monetary consideration to a minor or knowingly to sell to a minor an admission ticket or pass or knowingly to admit a minor, whether or not for a monetary consideration, to premises whereon a place of public accommodation where there is exhibited, a motion picture, show or other presentation or a play, dance, or other exhibition presented before an audience which, in whole or in part, depicts nudity, sexual conduct, or, sadomasochistic abuse and which is harmful to minors."

Amend the title as follows:

Page 1, line 5, delete ", subdivision 2"

With the recommendation that when so amended the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 332, A bill for an act relating to environment; authorizing the pollution control agency to issue administrative orders assessing penalties; establishing a hearing procedure; providing for the distribution and expenditure of monetary penalties; proposing coding for new law in Minnesota Statutes, chapter 116.

Reported the same back with the following amendments:

Page 1, line 13, after "for" insert "hazardous waste"

Page 1, delete lines 14 to 17 and insert "under section 115.061 or chapter 116, including a standard, rule, variance, order, stipulation agreement, or material terms or conditions of a permit issued or adopted by the agency"

Page 1, line 18, delete "chapters" and insert "provisions"

Page 2, delete lines 6 and 7 and insert:

“(3) the economic benefit gained by the person by allowing or committing the violation.”

Page 3, line 6, after the period insert “If the director determines that the violation has been corrected or appropriate steps have been taken to correct the action, the penalty must be forgiven.”

Page 3, line 23, after “penalty” insert “that will not be forgiven”

Page 3, after line 31, insert:

“In addition to review under paragraph (a) or (b), the director is authorized to enter into mediation concerning any order issued under this section if the director and the person to whom the order is issued both agree to mediation.”

Page 3, line 35, after “hearing” insert “to review the order”

Page 4, delete lines 9 to 12

Page 4, line 13, delete “(v)” and insert “(iv)”

Page 4, line 15, delete “(vi)” and insert “(v)”

Page 4, line 18, delete “(vii)” and insert “(vi)”

Page 4, lines 21 and 22, delete “the director has committed an abuse of discretion in setting”

Page 4, line 22, after “penalty” insert “is unreasonable”

Page 4, line 23, delete “(viii)” and insert “(vii)”

Page 5, after line 3, insert:

“At trial the director must establish by a preponderance of the evidence that a violation subject to this section and for which the petitioner is responsible occurred, that the factors listed in subdivision 2 were considered when the penalty amount was determined, and that the penalty amount is justified by those factors. In addition, if the director immediately assesses a penalty as provided for under subdivision 4, paragraph (c), the director must establish by a preponderance of the evidence that the immediate imposition of the penalty was justified.”

Page 5, delete lines 32 to 36

Page 6, delete lines 1 to 23

Page 6, line 24, delete "(e)" and insert "(b)"

Page 6, line 29, delete "(f)" and insert "(c)"

With the recommendation that when so amended the bill pass.

The report was adopted.

Osthoff from the Committee on Metropolitan Affairs to which was referred:

H. F. No. 373, A bill for an act relating to metropolitan water management; authorizing county ground water plans; requiring consistency of watershed and ground water plans; amending Minnesota Statutes 1986, sections 473.875; 473.876, by adding subdivisions; and 473.878, subdivisions 3, 5, 6, 7, and 9; proposing coding for new law in Minnesota Statutes, chapter 473.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Environment and Natural Resources.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 404, A bill for an act relating to railroads; requiring stop signs at railroad crossings; amending Minnesota Statutes 1986, sections 219.17; and 219.20.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 169.28, is amended to read:

169.28 [CERTAIN VEHICLES TO STOP AT RAILROADS.]

Subdivision 1. [STOP REQUIRED.] The driver of any motor vehicle carrying passengers for hire, or of any school bus whether carrying passengers or not, or of any vehicle carrying explosive substances or flammable liquids, or liquid gas under pressure as a cargo or part of a cargo, before crossing at grade any track or tracks of a railroad, shall stop the vehicle not less than ten feet from the nearest rail of the railroad and while so stopped shall listen and look in both directions along the track for any approaching train, and for

signals indicating the approach of a train, except as hereinafter provided, and shall not proceed until safe to do so.

No stop need be made at any crossing where a police officer or a traffic-control signal directs traffic to proceed.

No stop need be made at a crossing on a rail line on which service has been abandoned and where a sign erected in conformance with section 169.06 and bearing the word "Exempt" has been installed, unless directed otherwise by a flagger. The installation or presence of an exempt sign shall not relieve any driver of the duty to use due care.

This section shall not apply at street railway grade crossings within a business or residence district.

A school bus shall not be flagged across railroad grade crossings except at those railroad grade crossings that the local school administrative officer may designate.

Subd. 2. [EXEMPT CROSSINGS.] The commissioner may designate a crossing on a rail line on which service has been abandoned, or a crossing that the commissioner determines is used by a train fewer than five times a year and upon which the operating speed of the trains is ten miles per hour or less, as an exempt crossing. The commissioner shall direct the railroad to erect at the crossing signs conforming with section 169.06 and bearing the word "Exempt."

A train shall not proceed across an exempt crossing unless a police officer or a railroad employee is present to direct traffic.

A vehicle required under subdivision 1 to stop at grade crossings need not stop at a crossing marked as exempt unless directed otherwise by a police officer or a railroad employee.

The installation or presence of an exempt sign does not relieve a driver of the duty to use due care.

Sec. 2. Minnesota Statutes 1986, section 219.20, is amended to read:

#### 219.20 [STOP SIGNS.]

Subdivision 1. [WHEN INSTALLATION REQUIRED; PROCEDURE.] At each grade crossing where, because of the dangers attendant upon its use, the reasonable protection of life and property makes it necessary for persons approaching the crossing to stop before crossing the railroad tracks, stop signs must be installed. The commissioner may designate a crossing requiring this additional protection When the government entity responsible for a road that

crosses a railroad track deems it necessary to install stop signs at that crossing, it shall petition the commissioner to order the installation of the stop signs. The commissioner shall respond to the petition by investigating the conditions at the crossing to determine the appropriate warning signs and devices to be installed at the crossing. On determining, after an investigation following a petition from a governmental agency or subdivision or on the commissioner's own motion, that stop signs should be installed at a crossing, the commissioner shall designate the crossing as a stop crossing and shall notify the railway company operating the railroad at the crossing of this designation. Within 30 days after notification, the railway company shall erect the uniform stop crossing signs in conspicuous places on each side of the crossing on the home crossing signs in accordance with the commissioner's order.

Subd. 2. [STOPPING DISTANCES.] When a stop sign has been erected at a railroad crossing, the driver of a vehicle approaching a railroad crossing shall stop within 50 feet, but not less than ten feet, from the nearest track of the crossing and shall proceed only upon exercising due care.

Sec. 3. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to railroads; providing for designation of exempt railroad grade crossings; requiring stop signs at railroad grade crossings; amending Minnesota Statutes 1986, sections 169.28; and 219.20."

With the recommendation that when so amended the bill pass.

The report was adopted.

Osthoff from the Committee on Metropolitan Affairs to which was referred:

H. F. No. 499, A bill for an act relating to metropolitan government; changing the treatment of current value credits and modifying the cost allocation system of the metropolitan waste control commission; providing for a reserve fund for the commission; authorizing appointment of advisory committees by the commission; authorizing an implementation period for transition to a new cost allocation system; amending Minnesota Statutes 1986, sections 473.511, subdivision 4; and 473.517, subdivisions 1, 2, 3, and 9;

repealing Minnesota Statutes 1986, section 473.517, subdivisions 4, 5, and 7.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 514, A bill for an act relating to school districts; permitting school district employees to participate in the state insurance plan; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 43A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [43A.315] [EMPLOYEES OF SCHOOL DISTRICTS.]

Subdivision 1. [DEFINITIONS.] In this section, the definitions in this subdivision apply.

(a) [COMMISSIONER.] “Commissioner” means the commissioner of the department of employee relations.

(b) [EMPLOYEE.] “Employee” means (1) a person who is a public employee within the definition of section 179A.03, subdivision 14, and is employed by an eligible employer; or (2) a person employed by another public educational employer approved by the commissioner of employee relations.

(c) [ELIGIBLE EMPLOYER.] “Eligible employer” means one of the following: a school district as defined in section 120.02; an educational cooperative service unit as defined in section 123.58; an intermediate district as defined in section 136C.02, subdivision 7; a cooperative center for vocational education as defined in section 123.351; a regional management information center as defined in section 121.935; or an education unit organized under the joint powers act, section 471.59.

(d) [EXCLUSIVE REPRESENTATIVE.] “Exclusive representative” means an exclusive representative as defined in section 179A.03, subdivision 8.

Subd. 2. [SCHOOL EMPLOYEE PARTICIPATION.] Participation in the basic benefits plan offered according to subdivision 3 is subject to the conditions in this subdivision.

(a) Each exclusive representative for an eligible employer determines whether the employees it represents will participate. The exclusive representative shall give notice to the employer of its determination to participate in the hospital, medical, life, and dental package before the execution of a new collective bargaining agreement or by April 1 of an odd-numbered year, whichever occurs first. The employer and the exclusive representative may by mutual consent make a determination at a later date to participate during the annual enrollment period established by the commissioner. By April 1 of an odd-numbered year, the employer must determine whether its employees who are not represented by an exclusive representative will participate in the hospital, medical, life, and dental package. Either all or none of an employer's unrepresented employees must participate.

(b) The decision to participate is for a three-year term if coverage begins in an even-numbered year and a four-year term if coverage begins in an odd-numbered year. Participation is automatically renewed for an additional four-year term unless the exclusive representative, or the employer in the case of unrepresented employees, gives the commissioner notice of withdrawal.

(c) The exclusive representative shall give notice of intent to withdraw to the commissioner before execution of a new collective bargaining agreement to cover the date on which the term of participation expires, or April 1 of the year in which the term of participation expires, whichever is first. If there is no exclusive representative, the employer shall notify the commissioner by April 1 of the year in which participation expires. A group that withdraws shall wait two years before rejoining.

(d) Each participating employer shall notify the commissioner of the individuals who will be participating within two weeks of receiving notice of intent to participate and within two weeks of deciding that its unrepresented employees will participate. The employer shall also submit other information as required by the commissioner for administration of this plan.

Subd. 3. [BENEFITS.] By January 1, 1989, the commissioner of employee relations shall offer a basic benefits plan as provided to employees covered by section 43A.18, subdivision 2, or as modified by the commissioner, in consultation with a labor-management committee appointed by the commissioner. The plan shall include employee hospital, medical, dental, and life insurance for employees and hospital and medical benefits for dependents. Health maintenance organization options and other delivery system options, if they are available, cost effective, and capable of servicing a group of

this size, shall be provided. Plans with different deductible amounts may be offered. Participation in optional coverages provided by the plan may be determined by collective bargaining agreements. For employees not represented by an exclusive representative, the employer may offer the optional coverages to eligible employees and their dependents provided in the plan.

Subd. 4. [PREMIUMS.] Premiums, including an administration fee, shall be established by the commissioner of employee relations. Each eligible employer shall pay monthly the amounts due for employee benefits including the amounts under subdivision 5 to the commissioner on or before the dates established by the commissioner. Failure to pay may result in cancellation of the benefits. The proportions of premium paid by the employer and employee are subject to collective bargaining.

Subd. 5. [FRINGE BENEFIT FUND.] A school employee fringe benefit fund is established in the state treasury. The deposits consist of the premiums received from employers participating in the plan. All money in the fund is appropriated to the commissioner to pay insurance premiums, approved claims, refunds, administrative costs, and other related service costs. The commissioner shall reserve an amount of money to cover the estimated cost of claims incurred but unpaid. The state board of investment shall invest the money according to section 11A.24. Investment income and losses attributable to the fund shall be credited to the fund.

Subd. 6. [CONTINUATION OF COVERAGE.] (a) A participating employee who is laid off or placed on unrequested leave may elect to continue the fringe benefit coverage. This coverage is at the expense of the employee unless otherwise provided by a collective bargaining agreement. Coverage continues until one of the following occurs: (1) the employee is reemployed and eligible for health care coverage under a group policy; or (2) the insurance continuation periods required by state and federal laws expire.

(b) A participating employee who retires and is receiving an annuity or is eligible for and has applied for an annuity under chapter 352, 353, 354, or 354A is eligible to continue to participate in the group hospital, medical, and dental coverage at premiums established by the commissioner. This participation is at the retiree's expense, unless otherwise provided by a collective bargaining agreement. An employer shall notify an employee of this option no later than the effective date of retirement. The retired employee must notify the employer within 30 days after the effective date of retirement of intent to exercise this option.

A spouse of a deceased retired employee may purchase the benefits provided at premiums established by the commissioner if the employee received an annuity under chapter 352, 353, 354, or 354A and if the spouse was a dependent under the retired employee's coverage

under this section at the time of the death of the retired employee. Coverage under this paragraph must be coordinated with relevant insurance benefits provided through the federally sponsored Medicare program.

(c) The benefits may continue in the event of a strike permitted by section 179A.18, if the exclusive representative chooses to have coverage continue and the employee pays the total monthly premiums when due.

(d) A person who desires to participate under paragraphs (a) to (c) shall notify the employer or former employer of intent to participate according to timelines established by the commissioner. The employer shall notify the commissioner, and coverage shall begin as soon as permitted by the commissioner. Persons participating under these paragraphs shall make required premium payments in the time and manner established by the employer or the commissioner.

Subd. 7. [LABOR MANAGEMENT COMMITTEE.] A labor management committee of equal numbers of employees and employers or their representatives shall be appointed by the commissioner of employee relations. The committee shall study issues relating to the insurance plan including, but not limited to, flexible benefits, utilization review, quality assessment, and cost efficiency.

Sec. 2. [APPROPRIATION.]

\$...... is appropriated in fiscal year 1988 from the general fund to the commissioner of employee relations to establish the fringe benefit plan. The appropriation is available until June 30, 1989.

Sec. 3. [EFFECTIVE DATE.]

Section 1 is effective July 1, 1987, except that benefit coverage established in subdivision 3 is effective September 1, 1989."

Amend the title as follows:

Page 1, line 3, delete "the" and insert "a"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Education.

The report was adopted.

Jaros from the Committee on Higher Education to which was referred:

H. F. No. 520, A bill for an act relating to education; appropriating money to the state university board for women's intercollegiate athletic programs.

Reported the same back with the following amendments:

Page 1, line 11, after "board" insert "and state community college board"

Amend the title as follows:

Page 1, line 3, after "board" insert "and state community college board"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 534, A bill for an act relating to the collection and dissemination of data; classifying data; proposing classifications of data as private, nonpublic, and protected nonpublic; clarifying issues relating to the administration of data; amending Minnesota Statutes 1986, sections 13.03, subdivision 3; 13.04, subdivision 2; 13.38, by adding a subdivision; 13.39, subdivision 3; 13.43, by adding a subdivision; 13.46, subdivisions 1, 2, 7, and by adding a subdivision; and 13.76; proposing coding for new law in Minnesota Statutes, chapter 13; repealing Minnesota Statutes 1986, section 13.89.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 13.03, subdivision 3, is amended to read:

Subd. 3. [REQUEST FOR ACCESS TO DATA.] Upon request to a responsible authority or designee, a person shall be permitted to inspect and copy public government data at reasonable times and places, and, upon request, shall be informed of the data's meaning. If a person requests access for the purpose of inspection, the responsible authority may not assess a charge or require the requesting person to pay a fee to inspect data. The responsible authority or designee shall provide copies of public government data upon request. If a person requests copies, the responsible authority may require the requesting person to pay the actual costs of searching for and retrieving government data and for making, certifying and compiling the copies of the data but may not charge for separating public from not public data. If the responsible authority or designee is not able to provide copies at the time a request is made, copies shall be supplied as soon as reasonably possible.

When a request under this subdivision involves any person's receipt of copies of public government data that has commercial value and is an entire formula, pattern, compilation, program, device, method, technique, process, data base, or system developed with a significant expenditure of public funds by the agency, the responsible authority may charge a reasonable fee for the information in addition to the costs of making, certifying, and compiling the copies. Any fee charged must be clearly demonstrated by the agency to relate to the actual development costs of the information. The responsible authority, upon the request of any person, shall provide sufficient documentation to explain and justify the fee being charged.

If the responsible authority or designee determines that the requested data is classified so as to deny the requesting person access, the responsible authority or designee shall inform the requesting person of the determination either orally at the time of the request, or in writing as soon after that time as possible, and shall cite the specific statutory section, temporary classification, or specific provision of federal law on which the determination is based. Upon the request of any person denied access to data, the responsible authority or designee shall certify in writing that the request has been denied and cite the specific statutory section, temporary classification, or specific provision of federal law upon which the denial was based.

Sec. 2. Minnesota Statutes 1986, section 13.04, subdivision 2, is amended to read:

Subd. 2. [INFORMATION REQUIRED TO BE GIVEN INDIVIDUAL.] An individual asked to supply private or confidential data concerning the individual shall be informed of: (a) the purpose and intended use of the requested data within the collecting state agency, political subdivision, or statewide system; (b) whether the individual may refuse or is legally required to supply the requested data; (c) any known consequence arising from supplying or refusing to supply private or confidential data; and (d) the identity of other persons or entities authorized by state or federal law to receive the data. This requirement shall not apply when an individual is asked to supply investigative data, pursuant to section 13.82, subdivision 5, to a law enforcement officer.

~~The commissioner of revenue may place the notice required under this subdivision in the individual income tax or property tax refund instructions instead of on these forms.~~

Sec. 3. Minnesota Statutes 1986, section 13.05, subdivision 4, is amended to read:

Subd. 4. [LIMITATIONS ON COLLECTION AND USE OF DATA.] Private or confidential data on an individual shall not be

collected, stored, used or disseminated by political subdivisions, statewide systems or state agencies for any purposes other than those stated to the individual at the time of collection in accordance with section 13.04, except as provided in this subdivision.

(a) Data collected prior to August 1, 1975, and which have not been treated as public data, may be used, stored, and disseminated for the purposes for which the data was originally collected or for purposes which are specifically approved by the commissioner as necessary to public health, safety, or welfare.

(b) Private or confidential data may be used and disseminated to individuals or agencies specifically authorized access to that data by state, local, or federal law ~~subsequent to~~ enacted or promulgated after the collection of the data.

(c) Private or confidential data may be used and disseminated to individuals or agencies subsequent to the collection of the data when the responsible authority maintaining the data has requested approval for a new or different use or dissemination of the data and that request has been specifically approved by the commissioner as necessary to carry out a function assigned by law.

(d) Private data may be used by and disseminated to any person or agency if the individual subject or subjects of the data have given their informed consent. Whether a data subject has given informed consent shall be determined by rules of the commissioner. Informed consent shall not be deemed to have been given by an individual subject of the data by the signing of any statement authorizing any person or agency to disclose information about the individual to an insurer or its authorized representative, unless the statement is:

(1) In plain language;

(2) Dated;

(3) Specific in designating the particular persons or agencies the data subject is authorizing to disclose information about the data subject;

(4) Specific as to the nature of the information the subject is authorizing to be disclosed;

(5) Specific as to the persons or agencies to whom the subject is authorizing information to be disclosed;

(6) Specific as to the purpose or purposes for which the information may be used by any of the parties named in clause (5), both at the time of the disclosure and at any time in the future;

(7) Specific as to its expiration date which should be within a reasonable period of time, not to exceed one year except in the case of authorizations given in connection with applications for life insurance or noncancelable or guaranteed renewable health insurance and identified as such, two years after the date of the policy.

Sec. 4. Minnesota Statutes 1986, section 13.38, is amended to read:

13.38 [HEALTH DATA.]

Subdivision 1. [PRIVATE DATA DEFINITIONS.] The following data created, collected and maintained by the department of health, political subdivisions, or statewide systems are classified as private, pursuant to section 13.02, subdivision 12: data on individual patients pertaining to the investigation and study of nonsexually transmitted diseases, except that the data may be made public to diminish a threat to the public health As used in this section:

(a) "Commissioner" means the commissioner of health.

(b) "Health data" means data on individuals created, collected, received, or maintained by the department of health, political subdivisions, or statewide systems relating to the identification, description, prevention, and control of disease or as part of an epidemiologic investigation the commissioner designates as necessary to analyze, describe, or protect the public health.

Subd. 2. [CONFIDENTIAL DATA ON INDIVIDUALS.] The following data created, collected and maintained by a department of health operated by the state or a political subdivision are classified as confidential, pursuant to section 13.02, subdivision 3: investigative files on individuals maintained by the department in connection with the epidemiologic investigation of sexually transmitted diseases, provided that information may be released to the individual's personal physician and to a health officer, as defined in section 145.01, for the purposes of treatment, continued medical evaluation and control of the disease Notwithstanding the provisions of section 13.05, subdivision 9, health data is private data on individuals and shall not be disclosed except as follows:

(a) By the commissioner or board of health to the data subject's physician as necessary to locate or identify a case, carrier, or suspect case as defined by the commissioner through rule, to establish a diagnosis, to provide treatment, to identify persons at risk of illness, or to conduct an epidemiologic investigation.

(b) With the approval of the commissioner, to appropriate parties to locate or identify a case, carrier, or suspect case as defined by the commissioner through rule, or to alert persons who may be at risk of

illness, to control or to prevent the spread of disease or to diminish the threat to the public health.

Subd. 3. [HEALTH SUMMARY DATA.] Data collected on individuals under section 145.413 are confidential data on individuals, except that summary data may be provided under section 13.05, subdivision 7.

Sec. 5. Minnesota Statutes 1986, section 13.39, subdivision 3, is amended to read:

Subd. 3. [INACTIVE INVESTIGATIVE DATA.] Inactive civil investigative data are public, unless the release of the data would jeopardize another pending civil legal action, and except for those portions of a civil investigative file that are classified as not public data by this chapter or other law. Any civil investigative data presented as evidence in court or made part of a court record shall be public. Civil investigative data become inactive upon the occurrence of any of the following events:

- (1) a decision by the state agency, political subdivision, or statewide system or by the chief attorney acting for the state agency, political subdivision, or statewide system not to pursue the civil action;
- (2) expiration of the time to file a complaint under the statute of limitations or agreement applicable to the civil action; or
- (3) exhaustion of or expiration of rights of appeal by either party to the civil action.

Data determined to be inactive under clause (1) may become active if the state agency, political subdivision, statewide system, or its attorney decides to renew the civil action.

Sec. 6. Minnesota Statutes 1986, section 13.41, subdivision 4, is amended to read:

Subd. 4. [PUBLIC DATA.] Licensing agency minutes, application data on licensees, orders for hearing, findings of fact, conclusions of law and specification of the final disciplinary action contained in the record of the disciplinary action are classified as public, pursuant to section 13.02, subdivision 15. The entire record concerning the disciplinary proceeding is public data pursuant to section 13.02, subdivision 15, in those instances where there is a public hearing concerning the disciplinary action. The license numbers, the license status, and continuing education records issued or maintained by the board of peace officer standards and training are classified as public data, pursuant to section 13.02, subdivision 15.

Sec. 7. Minnesota Statutes 1986, section 13.43, is amended by adding a subdivision to read:

Subd. 8. [EMPLOYMENT AND TRAINING PROGRAM DATA.] All data on individuals who apply for or who are enrolled in employment and training programs funded with federal, state, or local resources or a combination of those resources shall be considered personnel data as that term is defined in subdivision 1.

Sec. 8. Minnesota Statutes 1986, section 13.46, subdivision 7, is amended to read:

Subd. 7. [MENTAL HEALTH CENTER DATA.] (a) Mental health data are private data on individuals and shall not be disclosed, except:

(1) pursuant to section 13.05, as determined by the responsible authority for the community mental health center, mental health division, or provider;

(2) pursuant to court order;

(3) pursuant to a statute specifically authorizing access to or disclosure of mental health data; or

(4) with the consent of the client or patient.

(b) An agency of the welfare system may not require an individual to consent to the release of mental health data as a condition for receiving services or for reimbursing a community mental health center, mental health division of a county, or provider under contract to deliver mental health services.

Sec. 9. Minnesota Statutes 1986, section 13.46, is amended by adding a subdivision to read:

Subd. 11. [NURSING HOME APPRAISALS.] Names, addresses, and other data that could identify nursing homes selected as part of a random sample to be appraised by the department of human services in its rate setting process are classified as protected nonpublic data until the sample has been completed.

Sec. 10. [13.501] [SCHOOL DISTRICT APPRAISAL DATA.]

Appraisals or estimates of the value of school district property made or obtained by or on behalf of the school district or its personnel for the purposes of establishing or negotiating the price at which property designated for sale will be sold or offered for sale are classified as nonpublic data until the occurrence of any of the events set forth in section 13.50, subdivision 2.

## Sec. 11. [13.531] [FARM ASSISTANCE DATA.]

The following data collected and maintained by counties that provide assistance to individual farmers who are experiencing economic or emotional distress is classified as private data: financial history, including listings of assets and debts, and personal and emotional status information.

## Sec. 12. [13.551] [CLASSIFICATION OF SAINT PAUL PORT AUTHORITY DATA.]

The following data not on individuals collected and maintained by the Saint Paul port authority are classified as protected nonpublic, until 30 days before the date of a hearing on a proposed sale pursuant to section 458.196: financial studies and reports that are part of appraisers' estimates of value of or concerning projects as defined in chapter 474, prepared by personnel of the port authority or independent accountants, consultants, and appraisers for the purpose of marketing by sale or lease a project which the port authority has acquired or repossessed as the result of the default under and the termination of a revenue agreement as defined in chapter 474.

## Sec. 13. [13.691] [PUBLIC EMPLOYEES RETIREMENT ASSOCIATION DATA.]

The following data on individual beneficiaries and survivors of public employment retirement association members are classified as private: home address, date of birth, direct deposit account number, and tax withholding data.

Sec. 14. Minnesota Statutes 1986, section 13.76, is amended to read:

## 13.76 [DEPARTMENT OF ENERGY AND ECONOMIC DEVELOPMENT DATA.]

Subdivision 1. [DEVELOPMENT LOAN DATA.] All financial information on individuals and business entities including, but not limited to, credit reports, financial statements, and net worth calculations, that are contained in applications received by the department of energy and economic development in its administration of the certified state development loan program are classified as private data with regard to data on individuals, and as nonpublic data with regard to data not on individuals.

Subd. 2. [FINANCIAL INCENTIVE DATA.] Data collected by the department of energy and economic development relating to financial incentives offered by private businesses and organizations, other

than state government, to companies for locating their proposed business operations in Minnesota are classified as nonpublic data.

Sec. 15. [13.762] [DEPARTMENT OF PUBLIC SERVICE DATA.]

All data collected by the department of public service that would reveal the identities of tenants who make complaints regarding energy efficiency standards for rental housing are classified as private data.

Sec. 16. [13.771] [HAZARDOUS SUBSTANCE INJURY COMPENSATION BOARD DATA.] The following data on individuals filing claims for compensation with the hazardous substance injury compensation board for injury from hazardous substances are classified as confidential while the claim is being investigated and private after a decision is made by the board about the claim: all medical data provided to the board by the claimant or providers of health care to the claimant, including reports of physical examinations, mental health treatment, hospital care, physical therapy, laboratory testing, X-ray studies, and prescriptions; and all financial data provided to the board by the claimant or the claimant's employer, insurance carrier, or other provider of benefits, including state or federal tax forms, W-2 forms, salary records, records of insurance payments, unemployment or disability benefits.

The name and address of the individual filing the claim, the amount of any award made for injury, and the board's basis for making the award are public data after the award has been made. Such data shall remain private data where claimant obtains no award."

Delete the title and insert:

"A bill for an act relating to the collection and dissemination of data; classifying data; proposing classifications of data as private, nonpublic, and protected nonpublic; clarifying issues relating to the administration of data; amending Minnesota Statutes 1986, sections 13.03, subdivision 3; 13.04, subdivision 2; 13.05, subdivision 4; 13.38; 13.39, subdivision 3; 13.41, subdivision 4; 13.43, by adding a subdivision; 13.46, subdivision 7, and by adding a subdivision; and 13.76; proposing coding for new law in Minnesota Statutes, chapter 13."

With the recommendation that when so amended the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 556, A bill for an act relating to human services; establishing difficulty of care payments for children in foster care;

amending Minnesota Statutes 1986, section 256.82, subdivision 3, and by adding a subdivision.

Reported the same back with the following amendments:

Page 1, line 18, delete "is authorized to" and insert "shall"

With the recommendation that when so amended the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 578, A bill for an act relating to state government; adding certain emergency personnel to the list of people eligible for benefits from the peace officers benefit fund; amending Minnesota Statutes 1986, section 176B.01, subdivision 2.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 606, A bill for an act relating to environment; establishing a petroleum tank release cleanup program; authorizing state action to prevent or correct health and environmental damage resulting from releases from petroleum storage tanks; establishing a petroleum tank release cleanup fund; establishing a petroleum tank release compensation board; authorizing reimbursement from the fund; requiring rulemaking; providing for administration by the pollution control agency and the department of commerce; requiring certification of tank installers; appropriating money; amending Minnesota Statutes 1986, sections 116.48, subdivision 4; and 296.13; proposing coding for new law as Minnesota Statutes, chapter 115C.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [115C.01] [CITATION.]

Sections 1 to 10 may be cited as the petroleum tank release cleanup act.

Sec. 2. [115C.02] [DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] The definitions in this section apply to sections 2 to 10.

Subd. 2. [AGENCY.] "Agency" means the pollution control agency.

Subd. 3. [BOARD.] "Board" means the petroleum tank release compensation board established under section 7.

Subd. 4. [CORRECTIVE ACTION.] "Corrective action" means an action taken to minimize, eliminate, or cleanup a release to protect the public health and welfare or the environment.

Subd. 5. [DIRECTOR.] "Director" means the director of the pollution control agency.

Subd. 6. [FUND.] "Fund" means the petroleum tank release cleanup fund established under section 8.

Subd. 7. [OPERATOR.] "Operator" means a person in control of, or having responsibility for, the daily operation of a tank.

Subd. 8. [OWNER.] "Owner" means a person who holds title to, controls, or possesses an interest in a tank. The term "owner" does not include a person who holds an interest in a tank solely for financial security, unless through foreclosure or other related actions the holder of a security interest has taken possession of the tank.

Subd. 9. [PERSON.] "Person" means an individual, partnership, association, public or private corporation, or other legal entity, including the United States government, an interstate commission or other body, the state and any agency, board, bureau, office, department, or political subdivision of the state.

Subd. 10. [PETROLEUM.] "Petroleum" means:

(1) gasoline and fuel oil as defined in section 296.01, subdivisions 3 and 4;

(2) crude oil or a fraction of crude oil that is liquid at a temperature of 60 degrees Fahrenheit and pressure of 14.7 pounds per square inch absolute; and

(3) constituents of gasoline and fuel oil under clause (1) and crude oil under clause (2).

Subd. 11. [POLITICAL SUBDIVISION.] "Political subdivision" means a county, town, or a statutory or home rule charter city.

Subd. 12. [RELEASE.] "Release" means a spilling, leaking, emitting, discharging, escaping, leaching, or disposing of petroleum from a tank into the environment whether occurring before or after the effective date of sections 1 to 10 but does not include discharges or designed venting allowed under agency rules.

Subd. 13. [RESPONSIBLE PERSON.] "Responsible person" means a person who is an owner or operator of a tank at any time during or after the release.

Subd. 14. [TANK.] "Tank" means any one or a combination of containers, vessels, and enclosures, including structures and appurtenances connected to them, that is, or has been, used to contain or dispense petroleum.

"Tank" does not include:

(1) a mobile storage tank used for transporting petroleum from one location to another; or

(2) pipeline facilities, including gathering lines, regulated under the Natural Gas Pipeline Safety Act of 1968, United States Code, title 49, chapter 24, or the Hazardous Liquid Pipeline Safety Act of 1979, United States Code, title 49, chapter 29.

Sec. 3. [115C.03] [RESPONSE TO RELEASES.]

Subdivision 1. [CORRECTIVE ACTION ORDERS.] (a) If there is a release, the director may order a responsible person to take reasonable and necessary corrective actions. The director must notify the owner of real property where corrective action is ordered to be taken that responsible persons have been ordered to take corrective action and that the owner's cooperation will be required for responsible persons to take that action.

(b) If the director has ordered a responsible person to take a corrective action under paragraph (a), a political subdivision may not request or order the person to take an action that conflicts with or is more restrictive than the action ordered by the director.

Subd. 2. [AGENCY AND COMPELLED PERFORMANCE CORRECTIVE ACTIONS.] The agency may take corrective action or request the attorney general bring an action to compel performance of a corrective action if:

(1) a responsible person cannot be identified;

(2) an identified responsible person cannot or will not comply with the order issued under subdivision 1; or

(3) an administrative or judicial proceeding on an order issued under subdivision 1 is pending.

Subd. 3. [EMERGENCY CORRECTIVE ACTION.] To assure an adequate response to a release, the director may take corrective action without following the procedures of subdivision 1 if the director determines that the release constitutes a clear and immediate danger requiring immediate action to prevent, minimize, or mitigate damage to the public health and welfare or the environment. Before taking an action under this subdivision, the director shall make all reasonable efforts, taking into consideration the urgency of the situation, to order a responsible person to take a corrective action and notify the owner of real property where the corrective action is to be taken.

Subd. 4. [RELEASE IS A PUBLIC NUISANCE.] A release is a public nuisance and may be enjoined in an action, in the name of the state, brought by the attorney general.

Subd. 5. [INVESTIGATIONS.] If the director has reason to believe that a release has occurred, the director may undertake reasonable investigations necessary to identify the existence, source, nature, and extent of a release, the responsible persons, and the extent of danger to the public health and welfare or the environment.

Subd. 6. [DUTY TO PROVIDE INFORMATION.] A person who the director has reason to believe is a responsible person, or the owner of real property where corrective action is ordered to be taken, or who might otherwise have information concerning a release, shall, when requested by the director or any member, employee, or agent of the agency who is authorized by the director, furnish to the director any information that person may have or may reasonably obtain that is relevant to the release.

Subd. 7. [ACCESS TO INFORMATION AND PROPERTY.] The director or any member, employee, or agent of the agency authorized by the director, may, upon presentation of official agency credentials, take any of the following actions:

(1) examine and copy any books, papers, records, memoranda, or data of any person who has a duty to provide information to the director under subdivision 6; and

(2) enter upon public or private property for the purpose of taking action authorized by this section, including obtaining information from a person who has a duty to provide the information under subdivision 6, conducting surveys and investigations, and taking corrective action.

Subd. 8. [CLASSIFICATION OF DATA.] Except as otherwise provided in this subdivision, data obtained from a person under

subdivision 6 or 7 is public data as defined in section 13.02. Upon certification by the subject of the data that the data relates to sales figures, processes or methods of production unique to that person, or information that would tend to adversely affect the competitive position of that person, the director shall classify the data as private or nonpublic data as defined in section 13.02. Data classified as private or nonpublic under this subdivision may be disclosed when relevant in a proceeding under sections 3 to 10.

Sec. 4. [115C.04] [LIABILITY FOR RESPONSE COSTS.]

Subdivision 1. [CORRECTIVE ACTION LIABILITY.] A responsible person is liable for the cost of the corrective action taken by the agency under section 3, subdivisions 2 and 3, including the cost of investigating the release and administrative and legal expenses, if:

(1) the responsible person has failed to take a corrective action ordered by the director and the agency has taken the action;

(2) the agency has taken corrective action in an emergency under section 3, subdivision 2; or

(3) the agency has taken corrective action because a responsible person could not be identified.

Subd. 2. [AVOIDANCE OF LIABILITY.] (a) A responsible person may not avoid the liability by means of any conveyance of any right, title, or interest in real property; or by any indemnification, hold harmless agreement, or similar agreement.

(b) This subdivision does not:

(1) prohibit a person who may be liable from entering an agreement by which the person is insured, held harmless, or indemnified for part or all of the liability;

(2) prohibit the enforcement of an insurance, hold harmless, or indemnification agreement; or

(3) bar a cause of action brought by a person who may be liable or by an insurer or guarantor, whether by right of subrogation or otherwise.

Subd. 3. [AGENCY COST RECOVERY.] Reasonable and necessary expenses incurred by the agency in taking a corrective action, including costs of investigating a release and administrative and legal expenses, may be recovered in a civil action in district court brought by the attorney general against a responsible person. The agency's certification of expenses is prima facie evidence that the

expenses are reasonable and necessary. Expenses that are recovered under this section shall be deposited in the fund.

Sec. 5. [115C.05] [CIVIL PENALTY.]

The agency may enforce section 3 using the actions and remedies authorized under section 115.071, subdivision 3. The civil penalties recovered by the state shall be credited to the fund.

Sec. 6. [115C.06] [EFFECT ON OTHER LAW.]

Subdivision 1. [ACTIONS UNDER CHAPTER 115B.] Sections 3 to 10 do not limit any actions initiated by the agency under chapter 115B.

Subd. 2. [DUTY TO NOTIFY AND TAKE ACTION FOR RELEASE.] Sections 3 to 10 do not limit a person's duty to notify the agency and take action related to a release as provided under section 115.061.

Sec. 7. [115C.07] [PETROLEUM TANK RELEASE COMPENSATION BOARD.]

Subdivision 1. [ESTABLISHMENT.] The petroleum tank release compensation board is established. The members of the board shall consist of the director of the pollution control agency, the commissioner of the department of commerce, two representatives from the petroleum industry, and one representative from the insurance industry. The governor shall appoint the members from the insurance and petroleum industry. The filling of positions reserved for industry representatives, vacancies, membership terms, payment of compensation and expenses, and removal of members is governed by section 15.0575. The governor shall designate the chair of the board.

Subd. 2. [STAFF.] The commissioner of commerce shall provide staff to support the activities of the board.

Subd. 3. [RULES.] (a) The board shall adopt rules regarding its practices and procedures, the form and procedure for applications for compensation from the fund, procedures for investigation of claims and specifying the costs that are eligible for reimbursement from the fund.

(b) The board may adopt emergency rules under this subdivision for one year after the effective date of this section.

Sec. 8. [115C.08] [PETROLEUM TANK RELEASE CLEANUP FUND.]

Subdivision 1. [ESTABLISHMENT.] The petroleum tank release cleanup fund is established as an account in the state treasury.

Subd. 2. [REVENUE SOURCES.] Revenue from the following sources shall be deposited in the state treasury and credited to the fund:

- (1) the proceeds of the fee imposed by subdivision 4;
- (2) money recovered by the state under sections 4, 5, and 14, including administrative expenses, civil penalties, and money paid under an agreement, stipulation, or settlement;
- (3) interest attributable to investment of money in the fund;
- (4) money received by the board and agency in the form of gifts, grants other than federal grants, reimbursements, or appropriations from any source intended to be used for the purposes of the fund; and
- (5) fees charged for the operation of the tank installer certification program established under section 14.

Subd. 3. [IMPOSITION OF FEE.] The board shall continuously monitor the amount of money in the fund and shall notify the commissioner of revenue if the unexpended balance of the fund at any time falls below \$1,000,000. If the balance in the fund falls below \$1,000,000, the commissioner of revenue shall impose the fee established in subdivision 4 for a period of one month, within 60 days of receiving notice from the board.

Subd. 4. [PETROLEUM TANK RELEASE CLEANUP FEE.] A petroleum tank release cleanup fee is imposed on the use of tanks. The fee shall be collected in the manner provided in sections 296.13 and 296.14. The fee shall be calculated at a rate of \$10 per 1,000 gallons of petroleum products as defined in section 296.01, subdivision 2, rounded to the nearest 1,000 gallons. A distributor who fails to pay the fee imposed under this section is subject to the penalties provided in section 296.15.

Subd. 5. [EXPENDITURES.] Money in the fund may only be spent:

- (1) to administer the petroleum tank release cleanup program established in sections 3 to 10;
- (2) for agency administrative costs under sections 3 to 6 and section 14 and costs of corrective action taken by the agency under section 3, including investigations;

(3) for costs of recovering expenses of corrective actions under section 4; and

(4) for training, certification, rulemaking, and regulation under section 14, and under sections 116.46 to 116.50.

Sec. 9. [115C.09] [CORRECTIVE ACTION REIMBURSEMENT TO RESPONSIBLE PERSONS.]

Subdivision 1. [REIMBURSABLE CORRECTIVE ACTIONS.] The board shall provide partial reimbursement for the cost of corrective action to eligible responsible persons for releases reported after the effective date of sections 1 to 10.

Subd. 2. [RESPONSIBLE PERSON ELIGIBILITY.] (a) A responsible person who has taken corrective action in response to a release reported after the effective date of sections 1 to 10 may apply to the board for partial reimbursement under subdivision 3 and rules adopted by the board.

(b) A reimbursement may not be made unless the board determines that:

(1) the director has determined that the corrective action has adequately addressed the release and that the release no longer poses a threat to public health and welfare or the environment;

(2) at the time of the release the tank was in compliance with state and federal rules and regulations applicable to the tank, including rules or regulations relating to financial responsibility;

(3) the agency was given notice of the release as required by section 115.061;

(4) the responsible person, to the extent possible, fully cooperated with the agency in responding to the release; and

(5) if the responsible person is an operator, the person exercised due care with regard to operation of the tank, including maintaining inventory control procedures.

Subd. 3. [REIMBURSEMENT.] (a) The board shall reimburse a responsible person who is eligible under subdivision 2 from the fund for 75 percent of the portion of the total corrective action costs greater than \$10,000 and less than \$100,000.

(b) A reimbursement may not be made from the fund under this subdivision until the board has determined that the costs for which reimbursement is requested were actually incurred and were reasonable.

(c) Money in the fund is continuously appropriated to the board to make reimbursements under this section.

Subd. 4. [REIMBURSEMENT DOES NOT AFFECT OTHER LIABILITY.] The right to apply for reimbursement and the receipt of reimbursement does not limit the liability of a responsible person for damages or costs incurred by a person or the state as a result of a release.

Sec. 10. [115C.10] [FUNDING OF AGENCY ACTIONS.]

Subdivision 1. [PAYMENT FROM THE FUND.] (a) If the cost of authorized actions under section 3 exceeds the amount appropriated to the agency for the actions and amounts awarded to the agency from the federal government, the agency may apply to the board for money to pay for the actions from the fund. The board shall pay the agency the cost of the proposed actions under section 3 if the board finds that the conditions for the agency to be paid from the fund have been met, and that an adequate amount exists in the fund to pay for the corrective action.

(b) Money in the fund is continuously appropriated to the board for the purpose of this subdivision.

Subd. 2. [FEDERAL FUNDS.] The director shall take actions needed to obtain federal funding to carry out the provisions of the petroleum tank release cleanup act.

Sec. 11. Minnesota Statutes 1986, section 116.46, is amended by adding a subdivision to read:

Subd. 1a. [ABOVEGROUND STORAGE TANK.] "Aboveground storage tank" means any one or a combination of containers, vessels, and enclosures, including structures and appurtenances connected to them, that is used to contain or dispense regulated substances, and that is not an underground storage tank.

Sec. 12. Minnesota Statutes 1986, section 116.46, is amended by adding a subdivision to read:

Subd. 2a. [INSTALLER.] "Installer" means a person who places, constructs, or repairs an aboveground or underground storage tank, or permanently takes an aboveground or underground storage tank out of service.

Sec. 13. Minnesota Statutes 1986, section 116.48, subdivision 4, is amended to read:

Subd. 4. [DEPOSIT INFORMATION.] Beginning January 1, 1986, on the effective date of this section and until July 1, 1987, a

person who deposits transfers the title to regulated substances in to be placed directly into an underground storage tank must inform the owner or operator in writing of the notification requirement of this section.

Sec. 14. [116.501] [TANK INSTALLERS TRAINING AND CERTIFICATION.]

Subdivision 1. [REQUIREMENT.] (a) After the effective date of rules adopted under subdivision 3, a person may not install, repair, or take an aboveground or underground storage tank permanently out of service without first obtaining a certification of competence issued by the agency.

(b) The agency shall conduct examinations to test the competence of applicants for certification, issue documentation of certification, and require certification to be renewed at reasonable intervals. The agency may conduct training programs for installers.

Subd. 2. [FEES.] The agency may charge fees as are necessary to cover the actual costs of processing applications, conducting examinations, issuing and renewing certificates, and providing training programs. The fees received under this section shall be credited to the petroleum tank release cleanup fund.

Subd. 3. [RULES.] The agency shall adopt rules containing standards of competence for installers and to implement this section.

Sec. 15. [INITIAL FUNDING FOR PETROLEUM TANK RELEASE CLEANUP FUND.]

To provide the initial funding for the petroleum tank release cleanup fund, the commissioner of revenue shall impose the fee established in section 8, subdivision 4, in the months of September and October 1987 for collection during the months of October and November 1987.

Sec. 16. [APPROPRIATION.]

Subdivision 1. [PETROLEUM TANK RELEASE CLEANUP FUND.] (a) \$..... is appropriated from the general fund to the petroleum tank release cleanup fund.

(b) The appropriation in paragraph (a) shall be reimbursed to the general fund from the petroleum tank release cleanup fund by June 30, 1988.

Subd. 2. [POLLUTION CONTROL AGENCY.] (a) The following amounts are appropriated from the petroleum tank release cleanup fund for the fiscal years indicated:

	<u>1988</u>	<u>1989</u>
<u>Pollution Control Agency</u>		
<u>Administration</u>	\$.....	\$.....
<u>Corrective/Investigative</u>		
<u>Action Costs</u>	\$.....	\$.....

(b) Expenses incurred by the agency under section 3 shall be paid by the agency from the appropriation under this subdivision. Before using this appropriation, the agency shall use any federal money available to pay for corrective actions, except that the fund may be used to pay any state match required by federal law. The director shall report to the petroleum tank release compensation board describing the corrective or investigative action being taken, the reason that the appropriation is being used to pay for that action, and an estimate of the cost of that action.

(c) The approved complement of the agency is increased by .... positions in fiscal year 1988 and by ... additional positions in fiscal year 1989.

Subd. 3. [DEPARTMENT OF COMMERCE.] The following amounts are appropriated from the petroleum tank release cleanup fund for the fiscal years indicated:

	<u>1988</u>	<u>1989</u>
<u>Department of Commerce</u>		
<u>Administration</u>	\$.....	\$.....

The approved complement of the department of commerce is increased by .... positions.

Subd. 4. [PETROLEUM TANK RELEASE COMPENSATION BOARD.] The following amounts are appropriated from the petroleum tank release cleanup fund for the fiscal years indicated:

	<u>1988</u>	<u>1989</u>
<u>Petroleum Tank Release</u>		
<u>Compensation Board</u>		
<u>Administration</u>	\$.....	\$.....

Sec. 17. [EFFECTIVE DATE.]

Sections 1 to 14 are effective the day following final enactment. Sections 15 and 16 are effective July 1, 1987."

Delete the title and insert:

"A bill for an act relating to environment; establishing a petroleum tank release cleanup program; authorizing state action to prevent or correct health and environmental damage resulting from releases from petroleum storage tanks; establishing a petroleum tank release cleanup fund; establishing a petroleum tank release compensation board; authorizing reimbursement from the fund; requiring rulemaking; providing for administration by the pollution control agency and the department of commerce; requiring certification of tank installers; appropriating money; amending Minnesota Statutes 1986, sections 116.46, by adding subdivisions; and 116.48, subdivision 4; proposing coding for new law as Minnesota Statutes, chapter 115C; proposing coding for new law in Minnesota Statutes, chapter 116."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 629, A bill for an act relating to traffic regulations; providing for handicapped license plate and handicapped parking certificate conferring certain parking privileges; establishing designated handicapped parking spaces; providing penalties; amending Minnesota Statutes 1986, sections 168.021, subdivisions 1, 1a, 3, and 5; 169.345; and 169.346, subdivisions 1 and 3; repealing Minnesota Statutes 1986, section 168.021, subdivision 7.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 168.021, subdivision 1, is amended to read:

Subdivision 1. [SPECIAL PLATES; APPLICATION FOR ISSUANCE.] When a motor vehicle registered under section 168.017, or a self-propelled recreational vehicle, is owned or primarily operated by a physically handicapped person, the owner may apply for and secure from the registrar of motor vehicles two license number plates with attached emblems, one plate to be attached to the front, and one to the rear of the vehicle. Application for issuance of these the plates must be made at the time of renewal or first application for registration. When the owner first applies for the plates, and whenever the plates must be replaced, the owner must submit a physician's statement on a form developed by the commissioner under section 169.345.

Sec. 2. Minnesota Statutes 1986, section 168.021, subdivision 1a, is amended to read:

Subd. 1a. [SCOPE OF PRIVILEGE.] If ~~any a~~ physically handicapped person parks a vehicle displaying license plates described in this section or any person parks ~~such a the~~ vehicle while ~~transporting~~ for a physically handicapped person, that person shall be entitled to ~~courtesy in the parking of park~~ the vehicle and be relieved of any liability with respect to parking except as provided in sections 169.32 and 169.34; provided that any municipal governing body may, by ordinance, prohibit parking on any street or highway for the purpose of creating a fire lane, or to provide for the accommodation of heavy traffic during morning and afternoon rush hours and the privileges extended to handicapped persons shall not apply on streets or highways where and at the time parking is prohibited. The license plates specified in this section shall also serve to identify vehicles properly parked in designated handicapped parking spaces, as provided in section 169.346 as provided in section 169.345.

Sec. 3. Minnesota Statutes 1986, section 168.021, subdivision 2, is amended to read:

Subd. 2. [DESIGN OF PLATES; FURNISHING BY REGISTRAR.] The registrar of motor vehicles shall design and furnish two license number plates with attached emblems to each ~~such~~ eligible owner. The emblem ~~shall~~ must bear the internationally accepted wheelchair symbol, as designated in section 16.8632, approximately three inches square. The emblem ~~shall~~ must be of such size as large enough to be visible plainly from a distance of 50 feet. Applicants An applicant eligible for ~~these~~ the special plates shall pay the motor vehicle registration fee authorized by law less a credit of \$1 for each month registered.

Sec. 4. Minnesota Statutes 1986, section 168.021, subdivision 3, is amended to read:

Subd. 3. [PENALTIES FOR UNAUTHORIZED USE OF PLATE PLATES.] A person who ~~appropriates or~~ uses the ~~plate~~ plates provided ~~in~~ under this section ~~upon~~ on a motor vehicle ~~other than~~ as authorized by in violation of this section is guilty of a gross misdemeanor, and is subject to a fine of \$500. This subdivision does not preclude a person who is not physically handicapped from operating a vehicle ~~upon which~~ these bearing the plates are displayed ~~where~~ if the person is the owner of the vehicle and permits its operation by a physically handicapped person, or ~~where~~ if the person operates the vehicle with the consent of the owner who is physically handicapped. A ~~nonhandicapped~~ driver who is not handicapped is not entitled to the parking privileges provided in this section and in section 169.346 unless transporting parking the vehicle for a physically handicapped person.

Sec. 5. Minnesota Statutes 1986, section 168.021, subdivision 5, is amended to read:

Subd. 5. [DEFINITIONS.] For the purposes of this section, a the term "physically handicapped person" means a person who has sustained an amputation or material disability of either or both arms or legs, or who has been otherwise disabled in any manner, rendering it difficult and burdensome for the person to walk has the meaning given it in section 169.345.

Sec. 6. Minnesota Statutes 1986, section 168.021, subdivision 6, is amended to read:

Subd. 6. [~~DRIVERS DRIVER'S LICENSE LAW NOT AFFECTED.~~] Nothing in this section shall be construed to revoke, limit, or amend any of the terms of the drivers license law chapter 171.

Sec. 7. Minnesota Statutes 1986, section 169.345, is amended to read:

169.345 [PARKING PRIVILEGES FOR PHYSICALLY HANDICAPPED.]

Subdivision 1. [SCOPE OF PRIVILEGE.] Any physically handicapped person who displays prominently upon the vehicle parked by or under the direction and for the use of the handicapped person, A vehicle that prominently displays the distinguishing certificate specified in authorized by this section shall be entitled to courtesy in the parking of the vehicle and be relieved of any liability with respect to parking except as provided in sections 169.32 and 169.34; provided that any municipal governing body, or bears license plates issued under section 168.021, may be parked by or for a physically handicapped person:

(1) in a designated handicapped parking space, as provided in section 169.346;

(2) in a limited time parking space without regard to the posted time limit; and

(3) in a metered parking space without obligation to pay the meter fee.

Notwithstanding clauses (1) to (3), this section does not permit parking in areas prohibited by sections 169.32 and 169.34, in designated no parking spaces, or in parking spaces reserved for specified purposes or vehicles. A local governmental unit may, by ordinance, prohibit parking on any street or highway for the purpose of creating to create a fire lane, or to provide for the accommodation

of accommodate heavy traffic during morning and afternoon rush hours and the privileges extended to such handicapped persons shall not these ordinances also apply on streets or highways where and at such time parking is prohibited. The certificate specified in this section shall also serve to identify vehicles properly parked in designated handicapped parking spaces as provided in section 169.346 to physically handicapped persons.

Subd. 2. [DEFINITIONS.] For the purpose of this section "physically handicapped person" means any a person who has sustained an amputation or material disability of either or both arms or legs, or who has been otherwise disabled in any manner rendering it difficult and burdensome to walk:

(1) because of disability cannot walk without significant risk of falling;

(2) because of disability cannot walk 200 feet without stopping to rest;

(3) because of disability cannot walk without the aid of another person, a walker, a cane, crutches, braces, a prosthetic device, or a wheelchair;

(4) is restricted by a respiratory disease to such an extent that the person's forced (respiratory) expiratory volume for one second, when measured by spirometry, is less than one meter;

(5) has an arterial oxygen tension ( $P_{A}O_2$ ) of less than 60 mm/hg on room air at rest;

(6) uses portable oxygen; or

(7) has a cardiac condition to the extent that the person's functional limitations are classified in severity as class III or class IV according to standards set by the American Heart Association.

Subd. 2a. [PHYSICIAN'S STATEMENT.] The commissioner shall develop a form for the physician's statement. The statement must be signed by a licensed physician who certifies that the applicant is a physically handicapped person as defined in subdivision 2. The commissioner may request additional information from the physician if needed to verify the applicant's eligibility. The physician's statement must specify whether the disability is permanent or temporary, and if temporary, the opinion of the physician as to the duration of the disability. A physician who fraudulently certifies to the commissioner that a person is a physically handicapped person as defined in subdivision 2, and that the person is entitled to the license plates authorized by section 168.021 or to the certificate

authorized by this section, is guilty of a misdemeanor and is subject to a fine of \$500.

Subd. 3. [IDENTIFYING CERTIFICATE.] (a) The division of driver and vehicle services in the department of public safety shall issue without charge a special identifying certificate for a marked motor vehicle to any when a physically handicapped applicant upon submission by the applicant of a certificate by a qualified physician to the division that the applicant is a physically handicapped person within the meaning of subdivision 2 submits a physician's statement. The commissioner shall issue a single type of certificate to both permanently and temporarily physically handicapped persons. The certificate is valid for the duration of the person's disability, as specified in the physician's statement, up to a maximum of five years. A person with a disability of longer duration will be required to renew the certificate for additional periods of time, up to five years each, as specified in the physician's statement.

(b) Upon submission of satisfactory evidence When the commissioner is satisfied that a motor vehicle is used primarily for the purpose of transporting physically handicapped persons within the meaning of subdivision 2, the division may issue without charge a special identifying certificate or insignia for the vehicle. The operator of the a vehicle, when displaying the certificate or insignia, has the same parking privileges provided in subdivision 1 for the physically handicapped during the period while the vehicle is in use for transporting physically handicapped persons. The certificate issued to a person transporting physically handicapped persons must be renewed every third year. On application and renewal, the person must present evidence that the vehicle continues to be used for transporting physically handicapped persons.

The commissioner of public safety shall determine the form, size and promulgate rules governing their issuance and use necessary to carry out the provisions of this section. The physician's certificate shall specify whether the disability is permanent or temporary, and if temporary, the opinion of the physician as to the duration of the disability. The commissioner may issue special identifying certificates to temporarily physically handicapped persons for limited periods of time.

(c) A certificate must be made of plastic or similar durable material, must be distinct from certificates issued before December 31, 1987, and must bear its expiration date prominently on its face. The commissioner may charge a fee of \$5 for issuance or renewal of a certificate, and a fee of \$5 for a duplicate to replace a lost, stolen, or damaged certificate.

Subd. 4. [UNAUTHORIZED USE; REVOCATION; PENALTY.] If the police of the state or any city, or other local government shall find a peace officer finds that the certificate is being improperly

used, they the officer shall report the violation to the division of driver and vehicle services in the department of public safety any violation and the commissioner of public safety may remove revoke the privilege certificate. A person who uses the certificate in violation of this section is guilty of a misdemeanor and is subject to a fine of \$500.

Sec. 8. Minnesota Statutes 1986, section 169.346, is amended to read:

**169.346 [PARKING FOR PHYSICALLY HANDICAPPED; PROHIBITIONS; PENALTIES.]**

Subdivision 1. [PARKING CRITERIA.] ~~No~~ A person shall not park a motor vehicle in or obstruct access to a parking space designated and reserved for the physically handicapped, on either private or public property, ~~or shall not park a motor vehicle in or obstruct access to an area designated by a local governmental unit as a handicapped transfer zone, and shall not exercise the parking privilege provided in section 169.345, unless:~~

~~(a)~~ (1) that person is a physically handicapped person as defined in section 169.345, subdivision 2, or the person is transporting or parking a vehicle for a physically handicapped person; and

~~(b)~~ (2) the vehicle visibly displays the certificate or one of the following: a license plate issued to physically handicapped persons or the under section 168.021, a certificate issued to persons transporting physically handicapped persons by the department of public safety pursuant to under section 169.345, subdivision 3, or 168.021, or if the vehicle visibly displays an equivalent certificate, insignia, or license plate issued by another state or one of its political subdivisions.

Subd. 2. [SIGNS; PARKING SPACES TO BE FREE OF OBSTRUCTIONS.] (a) Handicapped parking spaces must be designated and identified by the posting of signs incorporating the international symbol of access in white on blue and indicating that the parking space is reserved for the handicapped persons with vehicles displaying the required certificate, license plates, or insignia. Signs must also indicate the fine for violation provided in subdivision 3. Spaces which have been that are clearly identified for handicapped parking by signs which that are not in compliance with the design standards as set forth in this subdivision shall also be deemed designated and reserved for the physically handicapped for the purposes of this section. A sign posted for the purpose of this section must be visible from inside a vehicle parked in the space, be kept clear of snow or other obstructions which block its visibility, and be nonmovable or only movable by authorized persons.

(b) The owner of the property on which the designated parking space is located shall ensure that the space is kept free of obstruction. If the owner or manager allows the space to be blocked by snow, merchandise, or similar obstructions for 24 hours after receiving a warning from a police officer, the property owner or manager is guilty of a misdemeanor and subject to a fine of \$500.

Subd. 3. [PENALTY.] Any A person who violates the provisions of subdivision 1 is guilty of a petty misdemeanor and shall be fined not less than \$25 nor more than \$100. This subdivision shall be enforced in the same manner as parking ordinances or regulations are enforced in the governmental subdivision in which the violation occurs. Law enforcement officers have the authority to tag vehicles parked on either private or public property in violation of the provisions of subdivision 1. A physically handicapped person, or a person parking a vehicle for a handicapped person, who is charged with violating subdivision 1 because the person parked in a handicapped parking space without the required certificate or insignia license plates shall not be convicted upon producing if the person produces in court or prior to before the court appearance the required certificate or insignia evidence that the person has been issued license plates under section 168.021, and demonstrates entitlement to the certificate or insignia plates at the time of arrest or tagging.

Sec. 9. [TRANSITION.]

From January 1, 1988, to December 31, 1988, the owner of a vehicle with license plates issued under Minnesota Statutes, section 168.021 before January 1, 1988, must reapply for the plates and submit the physician's statement required under Minnesota Statutes, section 169.345, subdivision 2a, to the commissioner when the registration for the plates expires. A certificate issued under Minnesota Statutes, section 169.345 before January 1, 1988, expires on December 31, 1988, unless it is reissued by the commissioner before that date. The commissioner of public safety shall develop and implement an informational campaign to notify the public and holders of certificates and license plates issued before January 1, 1988, of the need to reapply for certificates and license plates and of other changes made by sections 1 to 8 in the certificate and license plate program for physically handicapped persons. The council for the handicapped shall assist the commissioner and officials charged with enforcing municipal parking restrictions in the implementation of sections 1 to 8.

Sec. 10. [REPEALER.]

Minnesota Statutes 1986, section 168.021, subdivision 7, is repealed.

Sec. 11. [EFFECTIVE DATE.]

Sections 1 to 9 are effective December 31, 1987."

Delete the title and insert:

"A bill for an act relating to public safety; parking for handicapped persons; imposing a fine for violations of handicapped parking provisions; providing penalties; amending Minnesota Statutes 1986, section 168.021, subdivisions 1, 1a, 2, 3, 5, and 6; 169.345; and 169.346; repealing Minnesota Statutes 1986, section 168.021, subdivision 7."

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 643, A bill for an act relating to domestic abuse; prohibiting modification or vacation of certain orders for protection in a marriage dissolution proceeding; providing that certain actions are not violations of an order for protection; requiring written notice to respondents of penalties for violation of an order; requiring notice to peace officers; amending Minnesota Statutes 1986, sections 518.131, subdivision 2; and 518B.01, subdivisions 4, 6, 14, and by adding a subdivision.

Reported the same back with the following amendments:

Page 1, line 24, delete "chapter 518B" and insert "section 518B.01, subdivision 6, clause (a)"

Page 1, line 26, after "abuse" insert ", except that the court may hear a motion for modification or vacation of an order for protection concurrently with a proceeding for dissolution of marriage upon notice of motion and hearing. The notice required by court rule shall not be waived. If the proceedings are consolidated and the motion to modify or vacate is granted, a separate order for modification or vacation of an order for protection shall be issued"

Page 2, line 23, after "(b)" insert "if the respondent is avoiding personal service by concealment or otherwise"

Page 3, line 34, after "separation" insert "except that the court may hear a motion for modification or vacation of an order for protection concurrently with a proceeding for dissolution of marriage upon notice of motion and hearing. The notice required by court rule shall not be waived. If the proceedings are consolidated and the motion to modify or vacate is granted, a separate order for modification or vacation of an order for protection shall be issued"

Page 4, line 35, delete “(a)”

Page 5, line 4, delete “and”

Page 5, after line 4, insert:

“(2) the respondent is forbidden to enter or stay at the petitioner’s residence for any reason, even if invited to do so by the petitioner, and in no event will the order be voided; and”

Page 5, line 5, delete “(2)” and insert “(3)”

Page 5, delete lines 9 to 12

With the recommendation that when so amended the bill pass.

The report was adopted.

Osthoff from the Committee on Metropolitan Affairs to which was referred:

H. F. No. 654, A bill for an act relating to metropolitan government; providing for the composition of the metropolitan airports commission; amending Minnesota Statutes 1986, section 473.604, subdivision 1.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 677, A bill for an act relating to education; requiring school districts to establish local literacy policies and standards for high school graduation; amending Minnesota Statutes 1986, section 126.66, by adding a subdivision.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 683, A bill for an act relating to the organization and operation of state government; adding members to the board of animal health; modifying and clarifying the powers of the board; regulating dealers; prescribing a civil penalty; amending Minnesota Statutes 1986, sections 35.02, subdivision 1; 347.31; 347.32; 347.33; 347.34; 347.35; 347.37; 347.38; 347.39; and 347.40; proposing coding for new law in Minnesota Statutes, chapter 346.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [346.55] [CIVIL LIABILITY.]

Subdivision 1. [PENALTY.] The transfer by a person other than the owner of a dog or cat to a dealer, the possession of a dog or cat by a dealer without the permission of the owner, or the transfer of a dog or cat by a dealer to an institution without the permission of the owner is prohibited. Nothing in this section prohibits the transfer of a dog or cat to a dealer if the dog or cat is removed from a property by or at the request of a person in possession of the property. For the purpose of this subdivision, "dealer" and "institution" have the meanings given them in section 2.

A person who transfers or possesses a dog or cat without claim of right with intent to deprive the owner permanently of possession of the dog or cat violates this section and is liable for a civil penalty of up to \$1,000 per dog or cat for each violation. In bringing a civil action under this section the charging attorney shall consider, and in imposing a fine the court shall consider:

- (1) the history of previous violations;
- (2) the number of violations;
- (3) the degree of willfulness of the violation;
- (4) the good faith of the dealer;
- (5) the good faith of the person delivering the dog or cat to the dealer; and
- (6) the gravity of the violation.

A fine paid by the defendant in a criminal action that arose from the same violation may not be applied toward payment of the civil penalty under this subdivision.

Subd. 2. [JURISDICTION.] Notwithstanding sections 487.15, 488A.01, and 488A.18, the county and municipal courts may hear, try, and determine actions started under this section. Trials under this section must be to the court, sitting without a jury.

Subd. 3. [APPEARANCES.] Notwithstanding section 8.01, county or city attorneys may appear for the board of animal health in civil actions started under this section at the request of the attorney general. All actions under this section must be brought in the name of the state of Minnesota with the consent of the board of animal health.

Subd. 4. [VENUE.] Civil actions under this section may be started in any county in which the animal in question was transferred or possessed, or from which the dog or cat was removed without the permission of the lawful owner.

Subd. 5. [FINES.] Fines collected under this section must be disposed of as follows:

(a) If the violation occurs in the county, and the county attorney appears in the action, 50 percent to the county and 50 percent to the state.

(b) If the violation occurs within the municipality, and the city attorney appears in the action, 50 percent to the city and 50 percent to the state.

(c) If the attorney general appears in the action, all penalties imposed and fines collected must be credited to the general fund in the state treasury.

Subd. 6. [JOINT LIABILITY.] All licensees and colicensees under sections 347.32 to 347.34 are jointly and severally liable under this section.

Sec. 2. Minnesota Statutes 1986, section 347.31, is amended to read:

**347.31 [REGULATION OF DOG KENNELS; DEFINITIONS.]**

Subdivision 1. [TERMS.] For the purpose of sections 347.31 to 347.40 the terms defined in this section shall have the meanings given to them.

Subd. 2. [DOG KENNEL.] "Dog Kennel" means any place, building, tract of land, abode, or vehicle wherein or whereupon dogs or cats are kept, congregated, or confined, such if the dogs having been or cats were obtained from municipalities, dog pounds, dog auctions, or by advertising for unwanted dogs or cats, or dogs or cats strayed,

abandoned, or stolen, and if the dogs or cats will be transferred to a dealer or institution. "Dog Kennel" does not mean include a dog pound owned and operated by any political subdivision of the state. "Kennel" does not include a person's home where dogs or cats are kept as pets or a county humane society formed under section 343.10.

Subd. 3. [PREMISES.] The word "Premises" means any building, structure, shelter, or land wherein or whereon dogs or cats are kept or confined.

Subd. 4. [DEALER.] "Dealer" means a public or private agency, person, society, or corporation that is licensed or is required to be licensed as a "Class B dealer" under Public Law Number 89-544, as amended.

Subd. 5. [INSTITUTION.] "Institution" means a school or college of agriculture, veterinary medicine, medicine, pharmacy, dentistry, or other educational or scientific organization properly concerned with the investigation of living organisms, instruction concerning the structure or functions of living organisms, or the cause, prevention, control, or cure of diseases or abnormal conditions of human beings or animals.

Subd. 6. [POUND.] "Pound" means a facility for the holding of dogs and cats owned and operated by or under contract to a political subdivision of the state that is subject to section 35.71.

Sec. 3. Minnesota Statutes 1986, section 347.32, is amended to read:

**347.32 [LICENSE FOR DOG KENNEL OR DEALER.]**

No person, firm, or corporation shall establish, maintain, conduct, or operate a dog kennel or operate as a dealer within this state without first obtaining a license therefor from the board of animal health. The license shall be issued for a term of one year.

Each license issued to a for-profit corporation must include as colicensees each officer of the corporation.

Sec. 4. Minnesota Statutes 1986, section 347.33, is amended to read:

**347.33 [LICENSING PROCEDURES; INSPECTIONS; ADMINISTRATION.]**

Subdivision 1. [APPLICATION.] The application for a license to operate and maintain a dog kennel or operate as a dealer shall be

made to the board of animal health, in the manner prescribed by rules of the board.

Subd. 2. [CONTENTS.] The application for a license shall be in writing and on a form as the board may by rule provide, and shall set forth:

(1) The full name and address of the applicant or applicants, or names and addresses of the partners if the applicant is a partnership, or the names and addresses of the officers if the applicant is a corporation, and the address of the corporation.

(2) The legal description or, in its place, the address and specific location of the site, lot, field, or tract of land upon which it is proposed to operate and maintain a dog kennel.

Subd. 3. [FEES; ISSUANCE OF LICENSE.] The annual license fee is \$10 for each kennel or dealer licensed. All license fees collected by the board shall be deposited in the state treasury and credited to the general fund.

When application is made to the board, complete in the manner set forth by rule to be issued by the board, and upon payment of the license fee, the license shall be issued by the board if, after inspection of the premises, the board determines that the dog kennel or dealer complies with sections 347.31 to 347.40 and the rules promulgated pursuant to it those sections.

Sec. 5. Minnesota Statutes 1986, section 347.34, is amended to read:

#### 347.34 [LICENSES REQUIRED.]

It shall be unlawful for any person, firm, or corporation to establish, maintain, conduct, carry on, or operate a dog kennel or operate as a dealer without first having received a license to maintain, conduct, carry on, and operate a dog kennel, or operate as a dealer, duly signed and executed in the name of the state of Minnesota and signed by the board of animal health. The license shall be conspicuously displayed upon the licensed premises.

All licenses issued under sections 347.31 to 347.40 shall be personal to the licensee and be nontransferable.

Sec. 6. Minnesota Statutes 1986, section 347.35, is amended to read:

#### 347.35 [BOARD OF ANIMAL HEALTH AUTHORIZED TO PROMULGATE RULES.]

The board of animal health shall promulgate rules as it deems necessary for the operation of dog kennels and dealers and the enforcement of sections 347.31 to 347.40 which shall be in addition to rules established herein. The rules adopted by the board with respect to licensing, inspection, and enforcement of civil penalties must provide for cooperation with the United States Department of Agriculture animal plant health inspection service program and for reference of complaints to local enforcement authorities. Rules may must include, but are not limited to, requirements governing the care of dogs and cats, minimum conditions, and maintenance of quarters and dog kennels, the humane treatment of dogs and cats while in the dog kennels, maintenance of detailed records showing the person from whom any dog or cat aged over three months has been received, including address, drivers license number or social security number, and to whom it has been transferred, and preservation of the records for a minimum period of two years. The kennel or dealer is responsible for making a reasonable attempt to ensure the accuracy of the data collected.

A payment from a dealer to a person from whom the dealer buys dogs or cats must be by check, payable only to that person. The check must contain the dealer's name and address.

Sec. 7. Minnesota Statutes 1986, section 347.37, is amended to read:

347.37 [PUBLIC ACCESS; NOTICE; INSPECTION; ENFORCEMENT.]

The board of animal health shall cause to be inspected from time to time all dog kennels and dealers licensed hereunder and all records required by sections 347.31 to 347.40 to be kept by the licensees.

Any duly authorized agent of the board, any sheriff, or sheriff's deputy, or police officer, or state humane agent appointed pursuant to section 343.01; is granted the power and the authority to enter upon the premises of any dog kennel or dealer at any time during the daylight hours for the purposes herein set forth, and for the purposes of inspecting the compliance with the provisions of sections 346.55, 347.31 to 347.40 and the rules issued pursuant thereto, and for the purposes of enforcing sections 346.55, or 347.31 to 347.40.

Each kennel and dealer shall post a conspicuous notice in a format no less than 24 by 36 inches and easily readable by the general public, that states: (1) that the person is a licensed kennel or dealer in dogs and cats; (2) that dogs and cats left with the kennel or dealer may be used for research purposes; and (3) the hours the kennel or dealer is open to the public. The notice must be placed in at least two locations on the premises, one of which must be on or near the exterior mail delivery point and one of which must be at the

regularly used point of exchange of dogs and cats. A person may view dogs and cats in the custody of a kennel or dealer during the time the premises is open to the public. Dealers and kennels are required to be open to the public on a regular basis at least four hours between 7:00 a.m. and 10:00 p.m. on at least four of the seven days of each week including at least one Saturday or Sunday. Any advertisement placed by a kennel or dealer seeking dogs or cats must inform the public that dogs and cats brought to the kennel or dealer may be used for research purposes.

Sec. 8. Minnesota Statutes 1986, section 347.38, is amended to read:

#### 347.38 [REVOCAION OF LICENSE.]

The board of animal health may as hereinafter set forth revoke or suspend the license of any person, firm, or corporation, for violation of sections 346.55 and 347.31 to 347.40 or the rules issued pursuant to sections 347.31 to 347.40.

Upon written complaint made to the board by any person, firm, or corporation alleging any violation of this law sections 347.31 to 347.40 or any rules pursuant thereto by any licensee, the board may cause an investigation to be made upon matters related in said complaint.

Thereupon the board shall in its discretion either dismiss the complaint or require the kennel or dealer against whom the complaint is made to correct the conditions or violations complained of within ten days after receipt of written notice of the same. If upon termination of the ten day period the licensee has failed to correct or to remedy the violation or violations of sections 346.55 or 347.31 to 347.40 or any rules pursuant thereto, or if the board considers it appropriate under the circumstances the board shall, upon a minimum of 30 days' notice to the licensee, conduct a hearing for the purpose of determining whether the license to operate a kennel or as a dealer should be revoked or temporarily suspended for a period not to exceed six months. If after notice and hearing the board finds that any provision of sections 346.55 or 347.31 to 347.40 has been violated by the licensee or any rule issued by the board has been violated by the licensee, the board may revoke and suspend the license. The suspension shall not exceed a period of six months possession or transfer of a dog or cat by a dealer to an institution, without the permission of the owner, failure of a dealer or kennel to keep accurate data as required in section 347.35, or failure of a dealer or kennel to permit access to its premises as required in section 347.37, is grounds for license revocation. The licensee whose license is revoked or suspended may within 20 days after the board's decision appeal to the district court. The district court shall upon 20 days' notice to the board hear the appeal within 45 days after the filing of the appeal. On the hearing of the appeal the court shall

review the decision of the board in a manner as though reviewed by certiorari, except that new or additional evidence may be taken, if in the opinion of the court additional evidence is necessary or proper to the disposition of the case.

Sec. 9. Minnesota Statutes 1986, section 347.39, is amended to read:

347.39 [PENALTIES.]

Violation of any provision of sections 347.31 to 347.40 or of any rule of the board of animal health issued pursuant to sections 347.31 to 347.40, or the operation of a kennel or as a dealer without a license, or ~~the~~ operation of a kennel or as a dealer after revocation of a license or during a period of suspension, shall constitute a misdemeanor.

Sec. 10. Minnesota Statutes 1986, section 347.40, is amended to read:

347.40 [EXCEPTIONS.]

Sections 347.31 to 347.40 shall in no way apply to any veterinarian licensed to practice in the state of Minnesota who keeps, congregates, or confines dogs or cats in the normal pursuit of the practice of veterinary medicine.

~~The provisions of sections 347.31 to 347.40 shall not apply to any institution licensed to obtain animals under the provisions of section 35.71, and to any person licensed under Public Law Number 89-544, the federal Laboratory Animal Welfare Act.~~

Sec. 11. [APPROPRIATION.]

There is appropriated from the general fund to the board of animal health the sum of \$..... for the purposes of this act for the biennium ending June 30, 1989.

Amend the title as follows:

Page 1, lines 3 and 4, delete "adding members to the board of animal health;"

Page 1, line 6, before "amending" insert "appropriating money;"

Page 1, line 7, delete "35.02, subdivision 1;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 705, A bill for an act relating to traffic regulations; requiring certain persons convicted of DWI or a DWI-related offense to undergo chemical use assessment; imposing an assessment on persons convicted of DWI for the purpose of financing these assessments; appropriating money; amending Minnesota Statutes 1986, sections 169.121, by adding a subdivision; 169.124; 169.125; and 169.126.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1986, section 169.121, is amended by adding a subdivision to read:

Subd. 5a. [PENALTY ASSESSMENT.] When a court sentences a person convicted of violating this section or section 169.129, or convicted of another offense arising out of the circumstances surrounding the initial charge under this section or section 169.129, it shall impose a penalty assessment of \$75. This section applies when sentence is executed, stayed, or suspended. The court may not waive payment or authorize payment of the penalty assessment in installments unless it makes written findings on the record that the convicted person is indigent or that the penalty assessment would create undue hardship for the convicted person or that person's immediate family.

The court shall collect and forward to the commissioner of finance the total amount of the penalty assessment and the commissioner shall credit the money to the drinking and driving repeat offense prevention account created in section 169.126, subdivision 4a.

The penalty assessment required under this section is in addition to the penalty assessment or surcharge required by section 609.101.

Sec. 2. Minnesota Statutes 1986, section 169.124, is amended to read:

169.124 [ALCOHOL SAFETY PROGRAM.]

Subdivision 1. [COUNTY BOARD.] The county board of every county having a population of more than 10,000 shall and the county board of every county having a population of less than 10,000 may establish an alcohol safety program designed to provide alcohol

problem ~~assessment~~ screening and evaluation of persons convicted of one of the offenses enumerated in section 169.126, subdivision 1.

Subd. 2. [PRELIMINARY SCREENING.] The A preliminary alcohol problem ~~assessment~~ screening shall be conducted under the direction of the court and by such persons or agencies as the court deems qualified to provide the alcohol problem ~~assessment~~ screening and ~~assessment~~ screening report as described in section 169.126. The alcohol problem ~~assessment~~ screening may be conducted by court services probation officers having the required knowledge and skills in the ~~assessment~~ screening of alcohol problems, by alcoholism counselors, by persons conducting court sponsored driver improvement clinics if in the judgment of the court such persons have the required knowledge and skills in the assessment of alcohol problems, by appropriate staff members of public or private alcohol treatment programs and agencies or mental health clinics, by court approved volunteer workers such as members of alcoholics anonymous, or by such other qualified persons as the court may direct. The commissioner of public safety shall provide the courts with information and assistance in establishing alcohol problem ~~assessment~~ screening programs suited to the needs of the area served by each court. The commissioner shall consult with the alcohol and other drug abuse section in the department of human services and with local community mental health boards in providing such information and assistance to the courts. The commissioner of public safety shall promulgate rules and standards, consistent with this subdivision, for reimbursement under the provisions of subdivision 3. The promulgation of such rules and standards shall not be subject to chapter 14.

Subd. 3. [COST.] The cost of alcohol problem ~~assessment~~ screening outlined in this section shall be borne by the county. Upon application by the county to the commissioner of public safety, the commissioner shall reimburse the county up to 50 percent of the cost of each alcohol problem ~~assessment~~ screening not to exceed \$25 in each case. Payments shall be made annually and prorated if insufficient funds are appropriated.

Sec. 3. Minnesota Statutes 1986, section 169.125, is amended to read:

169.125 [COUNTY COOPERATION.]

County boards may enter into an agreement to establish a regional alcohol problem ~~assessment~~ screening alcohol safety program. County boards may contract with other counties and agencies for alcohol problem ~~assessment~~ screening services.

Sec. 4. Minnesota Statutes 1986, section 169.126, is amended to read:

## 169.126 [ALCOHOL PROBLEM ASSESSMENT SCREENING.]

Subdivision 1. [SCREENING REQUIREMENT.] An alcohol problem assessment screening shall be conducted in counties of more than 10,000 population and an assessment a screening report submitted to the court by the county agency administering the alcohol safety counseling program when:

(a) The defendant is convicted of an offense described in section 169.121; or

(b) The defendant is arrested for committing an offense described in section 169.121, is not convicted therefor, but is convicted of another offense arising out of the circumstances surrounding such arrest.

Subd. 2. [EVALUATION.] The assessment screening report shall contain an evaluation of the convicted defendant concerning the defendant's prior traffic record, characteristics and history of alcohol problems, and amenability to rehabilitation through the alcohol safety program. The assessment screening report shall include a recommendation as to a treatment or rehabilitation program for the defendant. The assessment screening report shall be classified as private data on individuals as defined in section 13.02, subdivision 12.

Subd. 3. [REPORT PREPARATION.] The assessment screening report required by this section shall be prepared by a person knowledgeable in diagnosis of chemical dependency.

Subd. 4. [CHEMICAL USE ASSESSMENT.] The court shall give due consideration to the agency's assessment report (a) Except as otherwise provided in paragraph (d), when an alcohol problem screening shows that the defendant has an identifiable chemical use problem, the court shall require the defendant to undergo a comprehensive chemical use assessment conducted by an assessor qualified under Minnesota Rules, part 9530.6615, subpart 2. An appointment for the defendant to undergo the chemical use assessment shall be made by the court, a court services probation officer, or the court administrator as soon as possible but in no case more than one week after the defendant's court appearance. The comprehensive chemical use assessment must be completed no later than two weeks after the appointment date.

(b) The chemical use assessment report must include a recommended level of care for the defendant in accordance with the criteria contained in Minnesota Rules, parts 9530.6600 to 9530.6655. If a level of care is recommended, the court shall either require such care as a condition of probation or suspension of all or part of the sentence, or shall execute sentence.

(c) The state shall reimburse the county for the entire cost of each chemical use assessment and report at a rate established by the department of human services up to a maximum of \$100 in each case. The county may not be reimbursed for the cost of any chemical use assessment or report not completed within the time limit provided in this subdivision. Reimbursement to the county must be made from the special account established in subdivision 4a.

(d) If the preliminary alcohol problem screening is conducted by an assessor qualified under Minnesota Rules, part 9530.6615, subpart 2, consists of a comprehensive chemical use assessment of the defendant, and complies with the chemical use assessment report requirements of paragraph (b), it is a chemical use assessment for the purposes of this section and the court may not require the defendant to undergo a second chemical use assessment under paragraph (a). If the report recommends a level of care for the defendant, the court shall either require such care as a condition of probation or suspension of all or part of the sentence, or shall execute sentence. The state shall reimburse counties for the cost of alcohol problem screenings that qualify as chemical use assessments under this paragraph in the manner provided in paragraph (c) in lieu of the reimbursement provisions of section 169.124, subdivision 3.

Subd. 4a. [DRINKING AND DRIVING REPEAT OFFENSE PREVENTION ACCOUNT.] A special account is established in the state treasury known as the drinking and driving repeat offense prevention account. Money credited to the account is appropriated continuously to the commissioner of public safety and shall be spent by the commissioner to reimburse counties for the entire cost of each chemical use assessment and report completed within the time limit provided under subdivision 4, not more than \$100 in each case.

Subd. 4b. [EVALUATION.] The commissioner of public safety shall, with the assistance of the department of human services and the state planning agency, monitor and evaluate the implementation and effects of the alcohol safety programs required in sections 169.124 to 169.126 and shall submit a written report to the legislature by January 1, 1989, containing the commissioner's findings and recommendations.

Subd. 5. [EXCEPTION TO SCREENING OR ASSESSMENT.] Whenever a person is convicted of a second or subsequent offense described in subdivision 1 and the court is either provided with an appropriate treatment or rehabilitation recommendation from sources other than the alcohol problem screening or chemical use assessment provided for in this section, or has sufficient knowledge both of the person's need for treatment and an appropriate treatment or rehabilitation plan, and the court finds that requiring an alcohol problem screening or chemical use assessment would not

substantially aid the court in sentencing, such an alcohol problem screening or chemical use assessment need not be conducted.

Subd. 6. [APPLICABILITY.] This section shall not apply to persons who are not residents of the state of Minnesota at the time of the offense and at the time of the alcohol problem assessment screening.

Sec. 5. Minnesota Statutes 1986, section 260.193, subdivision 8, is amended to read:

Subd. 8. If the juvenile court finds that the child is a juvenile major highway or water traffic offender, it may make any one or more of the following dispositions of the case:

(a) Reprimand the child and counsel with the child and the parents;

(b) Continue the case for a reasonable period under such conditions governing the child's use and operation of any motor vehicles or boat as the court may set;

(c) Require the child to attend a driver improvement school if one is available within the county;

(d) Recommend to the department of public safety suspension of the child's driver's license as provided in section 171.16;

(e) If the child is found to have committed two moving highway traffic violations or to have contributed to a highway accident involving death, injury, or physical damage in excess of \$100, the court may recommend to the commissioner of public safety or to the licensing authority of another state the cancellation of the child's license until the child reaches the age of 18 years, and the commissioner of public safety is hereby authorized to cancel the license without hearing. At any time before the termination of the period of cancellation, the court may, for good cause, recommend to the commissioner of public safety, or to the licensing authority of another state, that the child's license be returned, and the commissioner of public safety is authorized to return the license;

(f) Place the child under the supervision of a probation officer in the child's own home under conditions prescribed by the court including reasonable rules relating to operation and use of motor vehicles or boats directed to the correction of the child's driving habits;

(g) Require the child to pay a fine of up to \$700. The court shall order payment of the fine in accordance with a time payment

schedule which shall not impose an undue financial hardship on the child;

(h) If the court finds that the child committed an offense described in section 169.121, the court shall order that an alcohol problem screening be conducted and a screening report submitted to the court in the manner prescribed in section 169.126. Except as otherwise provided in section 169.126, subdivision 4, paragraph (d), if the alcohol problem screening shows that the child has an identifiable chemical use problem, the court shall require the child to undergo a comprehensive chemical use assessment in accordance with section 169.126, subdivision 4. If the chemical use assessment recommends a level of care for the child, the court shall require that level of care in its disposition order. In addition, the court may require any child ordered to undergo a chemical use assessment to pay a penalty assessment of \$75. The court shall forward the penalty assessment to the commissioner of finance to be credited to the special account created in section 169.126, subdivision 4a. The state shall reimburse counties for the total cost of the chemical use assessment in the manner provided in section 169.126, subdivision 4."

Amend the title as follows:

Page 1, line 3, after "offense" insert "and certain juveniles adjudicated for a DWI offense"

Page 1, line 4, delete "an" and insert "a penalty"

Page 1, line 5, after "DWI" insert "or a DWI-related offense, and juveniles adjudicated for a DWI offense"

Page 1, line 6, after "these" insert "chemical use"

Page 1, line 8, delete "and" and before the period insert "; and 260.193, subdivision 8"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Jaros from the Committee on Higher Education to which was referred:

H. F. No. 716, A bill for an act relating to education; state university board; allowing a choice from among three low bidders in

capital projects; proposing coding for new law in Minnesota Statutes, chapter 136.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 136.142, is amended by adding a subdivision to read:

Subd. 1a. [LITIGATION PROCEEDS.] Notwithstanding other law to the contrary, the state university board may retain funds received from successful litigation by or against the board. Awards made to the state or the board resulting from litigation against or by the board shall be retained by the board to the credit of the account from which the litigation was originally funded.

Sec. 2. Minnesota Statutes 1986, section 136.24, is amended by adding a subdivision to read:

Subd. 3. [DIRECT PURCHASE OF EQUIPMENT.] The state university board may directly buy scientific and technical equipment and related supplies without complying with chapter 16B. In formulating procedures to administer this subdivision, the board must ensure that purchases are made through a competitive process and that practices are used that will assist in the economic development of small businesses and small businesses owned and operated by socially or economically disadvantaged persons.

Sec. 3. [136.27] [CAPITAL PROJECTS BIDDING PROCEDURES.]

In awarding contracts for capital projects under section 16B.09, the board must consider the documentation provided by the bidders regarding their qualifications including evidence of having successfully completed similar work, or delivering services or products comparable to that being requested. The board shall formulate procedures to administer this section which include practices that will assist in the economic development of small businesses and small businesses owned and operated by socially or economically disadvantaged persons.

Sec. 4. [136.28] [STATE UNIVERSITY CONSTRUCTION.]

Subdivision 1. [FUNDING.] Notwithstanding any other law to the contrary, the state university board may accept money from nonstate sources if the money is dedicated to university building projects. The building projects may be built on state-owned land.

Subd. 2. [SUPERVISION.] Notwithstanding sections 16B.24, 16B.30, 16B.31, and other law to the contrary, the state university board shall supervise and control the preparation of plans and specifications for the construction, alteration, enlargement, and repair and betterment of state university buildings and structures funded according to subdivision 1. The state university board shall advertise for bids and award the contracts, supervise and inspect the work, approve necessary changes in the plans and specifications, approve estimates for payment, and accept the improvements when completed according to the plans and specifications.

Subd. 3. [LAND PURCHASE.] (a) Notwithstanding section 16B.04 or other law to the contrary, the state university board may buy land as it determines necessary for the effective management of the system and its programs.

(b) The board shall make written request to the department of administration, real estate management division, indicating the need to buy property, specifying the property to be bought, and indicating the source and sufficiency of money needed for the acquisition.

(c) The real estate management division shall proceed with acquisition as follows:

(1) The title to the property shall be examined by an attorney for the division, whereupon a field title report shall be prepared by the division based on information from the owner or a representative of the owner. The purpose and nature of the acquisition shall be explained to the owner at the time of the field title interview. If there are occupied buildings involved, a relocation study shall be made to ensure that those displaced can be relocated without undue hardship.

(2) A legal description of the property shall be written. If necessary, a written engineering assessment shall be obtained from the state architect's office.

(3) The property to be acquired shall be appraised. The appraiser shall be selected by the director or the assistant director and may be a state employee or a fee appraiser selected from a list of qualified fee appraisers maintained by the division. The fee to be paid to the appraiser shall be as agreed upon between the appraiser and the director or the assistant director.

(4) The appraisal shall be reviewed by members of the division staff. Where the appraisal is deemed satisfactory, the appraisal amount that is deemed to represent value, and damages, where applicable, shall be certified by the director or the assistant director.

(5) Instruments appropriate for the acquisition shall be requested from the attorney general's office.

(6) A direct purchase offer shall be submitted to the property owner. If possible and practical, the offer shall be submitted in person. A detailed explanation of the state's acquisition policies and of the owner's options shall be made to the owner, including, where applicable, a full explanation of relocation benefits available to the owner.

(7) If the owner accepts the offer, the property shall be bought. The division shall be responsible for proper execution of instruments, the closing of the transaction, the recording of instruments, the payment to the owner, relocation assistance to the owner, and removal of buildings, if applicable.

Subd. 4. [LAND TRADE.] Notwithstanding chapter 16B or other law to the contrary, the state university board may trade land owned by the state but under the control of the board for real property of equal or greater value as it determines necessary for the management of its property or programs. The procedure for the trade must follow that determined for the board acquisition of real property in subdivision 3.

Subd. 5. [LEGISLATIVE CONSULTATION.] Before taking action under subdivision 2, 3, or 4, the state university board shall consult with the chairs of the senate finance committee and the house appropriations committee about the proposed action."

Delete the title and insert:

"A bill for an act relating to education; appropriating funds from litigation to the state university board; authorizing the board to directly purchase equipment; clarifying that the state university board may consider the qualifications of bidders in capital project awards; allowing the board to receive nonstate funds for building on state land and to control bidding, contract awards, and construction; authorizing the board to buy land; requiring the real estate management division of the department of administration to perform certain duties; authorizing the board to trade state land; requiring legislative consultation before the board proceeds with construction, land purchases, or trades; amending Minnesota Statutes 1986, sections 136.142, by adding a subdivision; 136.24, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 136."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Osthoff from the Committee on Metropolitan Affairs to which was referred:

H. F. No. 755, A bill for an act relating to the metropolitan government; authorizing municipalities in the metropolitan area to adopt ordinances related to aircraft noise; proposing coding for new law in Minnesota Statutes, chapter 473.

Reported the same back with the following amendments:

Page 1, line 20, after "buildings" insert "in and around the noise zone"

Page 1, delete line 25

Page 2, delete lines 1 and 2

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 765, A bill for an act relating to human services; mandating a comprehensive system of mental health services; amending Minnesota Statutes 1986, sections 245.713, subdivision 2; 256B.19, subdivision 1, and by adding a subdivision; 256D.03, subdivision 4; 256D.06, subdivisions 3 and 6; 256D.37, subdivision 1; 256E.03, subdivision 2; 256E.06, by adding a subdivision; 256E.07, by adding a subdivision; and 256E.12, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 245; repealing Minnesota Statutes 1986, sections 245.69, subdivision 1a; 245.713, subdivisions 1 and 3; 245.73; and 256E.12.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [245.461] [POLICY AND CITATION.]

Subdivision 1. [CITATION.] Sections 1 to 25 may be cited as the "Minnesota comprehensive mental health act."

Subd. 2. [MISSION STATEMENT.] The commissioner shall create and ensure a unified, accountable, comprehensive mental health service system that:

(1) recognizes the right of people with mental illness to control their own lives as fully as possible;

(2) promotes the independence and safety of people with mental illness;

(3) reduces chronicity of mental illness;

(4) reduces abuse of people with mental illness;

(5) provides services designed to:

(i) increase the level of functioning of people with mental illness or restore them to a previously held higher level of functioning;

(ii) stabilize individuals with mental illness;

(iii) prevent the development and deepening of mental illness;

(iv) support and assist individuals in resolving emotional problems that impede their functioning;

(v) promote higher and more satisfying levels of emotional functioning; and

(vi) promote sound mental health; and

(6) provides a quality of service that is effective, efficient, appropriate, and consistent with contemporary professional standards in the field of mental health.

Subd. 3. [REPORT.] By February 15, 1988, and annually after that until February 15, 1990, the commissioner shall report to the legislature on all steps taken and recommendations for full implementation of sections 1 to 25 and on additional resources needed to further implement those sections.

Sec. 2. [245.462] [DEFINITIONS.]

Subdivision 1. [DEFINITIONS.] The definitions in this section apply to sections 1 to 25.

Subd. 2. [ACUTE CARE HOSPITAL INPATIENT TREATMENT.] "Acute care hospital inpatient treatment" means short-term medical, nursing, and psychosocial services provided in an acute care hospital licensed under chapter 144.

Subd. 3. [CASE MANAGEMENT ACTIVITIES.] "Case management activities" means activities that are part of the community

support services program as defined in subdivision 6 and are designed to help people with serious and persistent mental illness in gaining access to needed medical, social, educational, vocational, and other necessary services as they relate to the client's mental health needs. Case management activities include obtaining a diagnostic assessment, developing an individual community support plan, referring the person to needed mental health and other services, coordinating services, and monitoring the delivery of services.

Subd. 4. [CASE MANAGER.] "Case manager" means an individual authorized by the county board to provide case management activities as part of a community support services program. A case manager must be qualified at the mental health practitioner level, skilled in the process of identifying and assessing a wide range of client needs, and knowledgeable about local community resources and how to use those resources for the benefit of the client.

Subd. 5. [COMMISSIONER.] "Commissioner" means the commissioner of human services.

Subd. 6. [COMMUNITY SUPPORT SERVICES PROGRAM.] "Community support services program" means services, other than inpatient or residential treatment services, provided or coordinated by an identified program and staff under the clinical supervision of a mental health professional designed to help people with serious and persistent mental illness to function and remain in the community. A community support services program includes case management activities provided to persons with serious and persistent mental illness, client outreach, medication management, assistance in independent living skills, development of employability and supportive work opportunities, crisis assistance, psychosocial rehabilitation, help in applying for government benefits, and the development, identification, and monitoring of living arrangements.

Subd. 7. [COUNTY BOARD.] "County board" means the county board of commissioners or board established pursuant to the joint powers act, section 471.59, or the human services board act, sections 402.01 to 402.10.

Subd. 8. [DAY TREATMENT SERVICES.] "Day treatment services" means a structured program of intensive therapeutic and rehabilitative services at least one day a week for a minimum three-hour time block that is provided within a group setting by a multidisciplinary staff under the clinical supervision of a mental health professional. Day treatment services are not a part of inpatient or residential treatment services, but may be part of a community support services program.

Subd. 9. [DIAGNOSTIC ASSESSMENT.] "Diagnostic assessment" means a written summary of the history, diagnosis, strengths,

vulnerabilities, and general service needs of a person with mental illness using diagnostic, interview, and other relevant mental health techniques provided by a mental health professional used in developing an individual treatment plan or individual community support plan.

Subd. 10. [EDUCATION AND PREVENTION SERVICES.] "Education and prevention services" means services designed to educate the general public or special high-risk target populations about mental illness, to increase the understanding and acceptance of problems associated with mental illness, to increase people's awareness of the availability of resources and services, and to improve people's skills in dealing with high-risk situations known to affect people's mental health and functioning.

Subd. 11. [EMERGENCY SERVICES.] "Emergency services" means an immediate response service available on a 24-hour, seven-day-a-week basis for persons having a psychiatric crisis or emergency.

Subd. 12. [INDIVIDUAL COMMUNITY SUPPORT PLAN.] "Individual community support plan" means a written plan developed by a case manager on the basis of a diagnostic assessment. The plan identifies specific services needed by a person with serious and persistent mental illness to develop independence or improved functioning in daily living, health and medication management, social functioning, interpersonal relationships, financial management, housing, transportation, and employment.

Subd. 13. [INDIVIDUAL PLACEMENT AGREEMENT.] "Individual placement agreement" means a written agreement or supplement to a service contract entered into between the county board and a service provider on behalf of an individual client to provide residential treatment services.

Subd. 14. [INDIVIDUAL TREATMENT PLAN.] "Individual treatment plan" means a written plan of intervention, treatment, and services for a person with mental illness that is developed by a service provider under the clinical supervision of a mental health professional on the basis of a diagnostic assessment. The plan identifies goals and objectives of treatment, treatment strategy, a schedule for accomplishing treatment goals and objectives, and the individual responsible for providing treatment to the person with mental illness.

Subd. 15. [LOCAL MENTAL HEALTH PROPOSAL.] "Local mental health proposal" means the proposal developed by the county board, reviewed by the commissioner, and described in section 18.

Subd. 16. [MENTAL HEALTH FUND.] "Mental health fund" means the state appropriation made to carry out sections 1 to 25 and

the mental health share of Minnesota's allocation under title XX and United States Code, title 42, sections 300X to 300X-9, as described in section 19.

Subd. 17. [MENTAL HEALTH PRACTITIONER.] "Mental health practitioner" means a person providing services to persons with mental illness who is qualified in at least one of the following ways:

(1) holds a bachelor's degree in one of the behavioral sciences or related fields from an accredited college or university, and has 2,000 hours of supervised experience in the delivery of services to persons with mental illness;

(2) has 6,000 hours of supervised experience in the delivery of services to persons with mental illness;

(3) is a graduate student in one of the behavioral sciences or related fields formally assigned to an agency or facility for clinical training by an accredited college or university;

(4) holds a master's or other graduate degree in one of the behavioral sciences or related fields from an accredited college or university with less than 4,000 hours post-master's experience in the treatment of mental illness; or

(5) for purposes of case management only, has education or supervised experience less than in clauses (1) to (4) but receives 40 hours of training before assuming duties as a mental health practitioner and receives weekly face-to-face supervision regarding the provision of services to persons with mental illness from the mental health professional supervising the community support program.

Subd. 18. [MENTAL HEALTH PROFESSIONAL.] "Mental health professional" means a person providing clinical services in the treatment of mental illness who is qualified in at least one of the following ways:

(1) in psychiatric nursing: a registered nurse with a master's degree in one of the behavioral sciences or related fields from an accredited college or university or its equivalent, who is licensed under sections 148.171 to 148.285, with at least 4,000 hours of post-master's supervised experience in the delivery of clinical services in the treatment of mental illness;

(2) in clinical social work: a person with a master's degree in social work from an accredited college or university, with at least 4,000 hours of post-master's supervised experience in the delivery of clinical services in the treatment of mental illness;

(3) in psychology: a psychologist licensed under sections 148.88 to 148.98 who has stated to the board of psychology competencies in the diagnosis and treatment of mental illness;

(4) in psychiatry: a physician licensed under chapter 147 and certified by the American board of psychiatry and neurology or eligible for board certification in psychiatry; or

(5) in allied fields: a person with a master's degree from an accredited college or university in one of the behavioral sciences or related fields, with at least 4,000 hours of post-master's supervised experience in the delivery of clinical services in the treatment of mental illness.

Subd. 19. [MENTAL HEALTH SERVICES.] "Mental health services" means all of the treatment services and management activities that are provided to persons with mental illness and are described in sections 8 to 16.

Subd. 20. [MENTAL ILLNESS.] (a) "Mental illness" means an organic disorder of the brain or a clinically significant disorder of thought, mood, perception, orientation, memory, or behavior that is listed in the clinical manual of the International Classification of Diseases (ICD-9-CM), current edition, code range 290.0 to 302.99 or 306.0 to 316.0 or the corresponding code in the American Psychiatric Association's Diagnostic and Statistical Manual of Mental Disorders (DSM-MD), current edition, Axes I, II, or III, and that seriously limits a person's capacity to function in primary aspects of daily living such as personal relations, living arrangements, work, and recreation.

(b) A "person with acute mental illness" means a person who has a mental illness that is serious enough to require prompt intervention.

(c) For purposes of sections 1 to 25, a "person with serious and persistent mental illness" means a person who has a mental illness and meets at least one of the following criteria:

(1) The person has undergone two or more episodes of inpatient care for a mental illness within the preceding 24 months.

(2) The person has experienced a continuous psychiatric hospitalization or residential treatment exceeding six months' duration within the preceding 12 months.

(3) The person has had a history of recurring inpatient or residential treatment episodes of a frequency described in clause (1) or (2), but not within the preceding 24 months. There must also be a written opinion of a mental health professional stating that the

person is reasonably likely to have future episodes requiring inpatient or residential treatment unless an ongoing community support services program is provided.

Subd. 21. [OUTPATIENT SERVICES.] "Outpatient services" means mental health services, excluding day treatment and community support services programs, provided by or under the clinical supervision of a mental health professional to persons with a mental illness who live outside a hospital or residential treatment setting. Outpatient services include clinical activities such as individual, group, and family therapy; individual treatment planning; diagnostic assessments; medication management; and psychological testing.

Subd. 22. [REGIONAL TREATMENT CENTER INPATIENT SERVICES.] "Regional treatment center inpatient services" means the medical, nursing, or psychosocial services provided in a regional treatment center operated by the state.

Subd. 23. [RESIDENTIAL TREATMENT.] "Residential treatment" means a 24-hour-a-day residential program under the clinical supervision of a mental health professional, other than an acute care hospital or regional treatment center, which must be licensed as a residential treatment facility for mentally ill persons under Minnesota Rules, parts 9520.0500 to 9520.0690 for adults, 9545.0900 to 9545.1090 for children, or other rule adopted by the commissioner.

Subd. 24. [SERVICE PROVIDER.] "Service provider" means either a county board or an individual or agency including a regional treatment center under contract with the county board that provides mental health services funded by sections 1 to 25.

Subd. 25. [CLINICAL SUPERVISION.] "Clinical supervision," when referring to the responsibilities of a mental health professional, means the oversight responsibility of a mental health professional for individual treatment plans, service delivery, and program activities. Clinical supervision may be accomplished by full or part-time employment of or contracts with mental health professionals. Clinical supervision must be documented by the mental health professional cosigning individual treatment plans and evidence of input into service delivery and program development.

Sec. 3. [245.463] [PLANNING FOR A MENTAL HEALTH SYSTEM.]

Subdivision 1. [PLANNING EFFORT.] Starting on the effective date of sections 1 to 25 and ending June 30, 1988, the commissioner and the county agencies shall plan for the development of a unified, accountable, and comprehensive statewide mental health system. The system must be planned and developed by stages until it is operating at full capacity.

Subd. 2. [TECHNICAL ASSISTANCE.] The commissioner shall provide ongoing technical assistance to county boards to develop local mental health proposals as specified in section 18, to improve system capacity and quality. The commissioner and county boards shall exchange information as needed about the numbers of persons with mental illness residing in the county and extent of existing treatment components locally available to serve the needs of those persons. County boards shall cooperate with the commissioner in obtaining necessary planning information upon request.

Sec. 4. [245.464] [COORDINATION OF MENTAL HEALTH SYSTEM.]

Subdivision 1. [MENTAL HEALTH FUND.] Effective July 1, 1988, a mental health fund is established under the supervision of the commissioner. The commissioner shall use the mental health fund to help county boards develop, maintain, and fund affordable and locally available mental health services in accordance with sections 1 to 25 and local mental health service proposals approved by the commissioner.

Subd. 2. [SUPERVISION.] The commissioner shall supervise the development and coordination of locally available mental health services by the county boards in a manner consistent with sections 1 to 25. The commissioner shall coordinate locally available services with those services available from the regional treatment center serving the area. The commissioner shall review local mental health service proposals developed by county boards as specified in section 18, allocate mental health funds to county boards according to section 19, and provide technical assistance to county boards in developing and maintaining locally available mental health services. The commissioner shall monitor the county board's progress in developing its full system capacity and quality through ongoing review of the county board's mental health proposals, quarterly reports, and other information as required by sections 1 to 25.

Subd. 3. [PRIORITIES.] By January 1, 1990, the commissioner shall require that each of the treatment services and management activities described in sections 8 to 16 are developed for persons with mental illness within available resources based on the following ranked priorities:

- (1) the provision of locally available emergency services;
- (2) the provision of locally available services to all persons with serious and persistent mental illness and all persons with acute mental illness;
- (3) the provision of specialized services regionally available to meet the special needs of all persons with serious and persistent mental illness and all persons with acute mental illness;

(4) the provision of locally available services to persons with other mental illness; and

(5) the provision of education and preventive mental health services targeted at high-risk populations.

Sec. 5. [245.465] [DUTIES OF COUNTY BOARD.]

The county board in each county shall use its share of the mental health fund allocated by the commissioner according to a biennial local mental health service proposal approved by the commissioner. The county board must:

(1) develop and coordinate a system of affordable and locally available mental health services in accordance with sections 6 to 14;

(2) provide for case management services to persons with serious and persistent mental illness in accordance with section 15;

(3) provide for screening of persons specified in section 16 upon admission to a residential treatment facility or acute care hospital inpatient, or informal admission to a regional treatment center; and

(4) prudently administer grants and purchase-of-service contracts that the county board determines are necessary to fulfill its responsibilities under sections 1 to 25.

Sec. 6. [245.466] [LOCAL SERVICE DELIVERY SYSTEM.]

Subdivision 1. [DEVELOPMENT OF SERVICES.] The county board in each county is responsible for using the mental health fund to develop and coordinate a system of locally available and affordable mental health services. The county board may provide some or all of the mental health services and activities specified in subdivision 2 directly through a county agency or under contracts with other individuals or agencies. A county or counties may enter into an agreement with a regional treatment center to enable the county or counties to provide the treatment services in subdivision 2. Services provided through an agreement between a county and a regional treatment center must meet the same requirements as services from other service providers. County boards shall demonstrate their continuous progress toward full implementation of sections 1 to 25 during the period July 1, 1987 to January 1, 1990. County boards must develop fully each of the treatment services and management activities prescribed by sections 1 to 25 by January 1, 1990, according to the priorities established in section 4 and local mental health services proposal approved by the commissioner under section 18.

Subd. 2. [MENTAL HEALTH SERVICES.] The mental health service system developed by each county board must include the following treatment services:

- (1) education and prevention services in accordance with section 8;
- (2) emergency services in accordance with section 9;
- (3) outpatient services in accordance with section 10;
- (4) community support program services in accordance with sections 11 and 15;
- (5) residential treatment services in accordance with section 12;
- (6) acute care hospital inpatient treatment services in accordance with section 13; and
- (7) regional treatment center inpatient services in accordance with section 14.

Subd. 3. [LOCAL CONTRACTS.] Effective January 1, 1988, the county board shall review all proposed county agreements, grants, or other contracts related to mental health services for funding from any local, state, or federal governmental sources. Contracts with service providers must:

- (1) name the commissioner as a third party beneficiary;
- (2) identify monitoring and evaluation procedures not in violation of the Minnesota government data practices act, chapter 13, which are necessary to ensure effective delivery of quality services;
- (3) include a provision that makes payments conditional on compliance by the contractor and all subcontractors with sections 1 to 25 and all other applicable laws, rules, and standards; and
- (4) require financial controls and auditing procedures.

Subd. 4. [JOINT COUNTY MENTAL HEALTH AGREEMENTS.] In order to provide efficiently the services required by sections 1 to 25, counties are encouraged to join with one or more county boards to establish a multicounty local mental health authority pursuant to the joint powers act, section 471.59, the human service board act, sections 402.01 to 402.10, community mental health center provisions, section 245.62, or enter into multicounty mental health agreements. Participating county boards shall establish acceptable ways of apportioning the cost of the services.

Subd. 5. [LOCAL ADVISORY COUNCIL.] The county board, individually or in conjunction with other county boards, shall establish a local mental health advisory council or mental health subcommittee of an existing advisory council. The council's members must reflect a broad range of community interests. They must include at least one consumer, one family member of a person with mental illness, one mental health professional, and one community support services program representative. The local mental health advisory council or mental health subcommittee of an existing advisory council shall meet at least quarterly to review, evaluate, and make recommendations regarding the local mental health system. Annually, the local advisory council or mental health subcommittee of an existing advisory council shall arrange for input from the regional treatment center review board regarding coordination of care between the regional treatment center and community-based services. The county board shall consider the advice of its local mental health advisory council or mental health subcommittee of an existing advisory council in carrying out its authorities and responsibilities.

Subd. 6. [OTHER LOCAL AUTHORITY.] The county board may establish procedures and policies that are not contrary to those of the commissioner or sections 1 to 25 regarding local mental health services and facilities. The county board shall perform other acts necessary to carry out sections 1 to 25.

Sec. 7. [245.467] [QUALITY OF SERVICES.]

Subdivision 1. [CRITERIA.] Mental health services required by this chapter must be:

- (1) based, when feasible, on research findings;
- (2) based on individual clinical needs, cultural and ethnic needs, and other special needs of individuals being served;
- (3) provided in the most appropriate, least restrictive setting available to the county board;
- (4) accessible to all age groups;
- (5) delivered in a manner that provides accountability;
- (6) provided by qualified individuals as required in this chapter;
- (7) coordinated with mental health services offered by other providers; and
- (8) provided under conditions which protect the rights and dignity of the individuals being served.

Subd. 2. [DIAGNOSTIC ASSESSMENT.] All providers of residential, acute care hospital inpatient and regional treatment centers must complete a diagnostic assessment for each of their clients within five days of admission. Providers of outpatient and day treatment services must complete a diagnostic assessment within ten days of admission. In cases where a diagnostic assessment is available and has been completed within 90 days preceding admission, only updating is necessary.

Subd. 3. [INDIVIDUAL TREATMENT PLANS.] All providers of outpatient, residential, acute care hospital inpatient and all regional treatment centers must develop an individual treatment plan for each of their clients. The individual treatment plan must be based on a diagnostic assessment. To the extent possible, the client shall be involved in all phases of developing and implementing the individual treatment plan. The individual treatment plan must be developed within ten days of client intake and reviewed every 90 days thereafter.

Sec. 8. [245.468] [EDUCATION AND PREVENTION SERVICES.]

By July 1, 1988, county boards must provide or contract for education and prevention services to persons residing in the county. Education and prevention services must be designed to:

(1) convey information regarding mental illness and treatment resources to the general public or special high-risk target groups;

(2) increase understanding and acceptance of problems associated with mental illness;

(3) improve people's skills in dealing with high-risk situations known to have an impact on people's mental health functioning; and

(4) prevent development or deepening of mental illness.

Sec. 9. [245.469] [EMERGENCY SERVICES.]

Subdivision 1. [AVAILABILITY OF EMERGENCY SERVICES.] By July 1, 1988, county boards must provide or contract for enough emergency services within the county to meet the needs of persons in the county who are experiencing an emotional crisis or mental illness. Clients may be required to pay a fee based on their ability to pay. Emergency services must include assessment, intervention, and appropriate case disposition. Emergency services must:

(1) promote the safety and emotional stability of people with mental illness or emotional crises;

(2) minimize further deterioration of people with mental illness or emotional crises;

(3) help people with mental illness or emotional crises to obtain ongoing care and treatment; and

(4) prevent placement in settings that are more intensive, costly, or restrictive than necessary and appropriate to meet client needs.

Subd. 2. [SPECIFIC REQUIREMENTS.] The county board shall require that all service providers of emergency services provide immediate direct access to mental health professionals during regular business hours. For evenings, weekends, and holidays, the service may be by direct toll free telephone access to a mental health professional, a mental health practitioner, or a designated person with training in human services who is under the supervision of a mental health professional. Whenever emergency service during nonbusiness hours is provided by anyone other than a mental health professional, a mental health professional must be available for consultation within 30 minutes.

Sec. 10. [245.470] [OUTPATIENT SERVICES.]

Subdivision 1. [AVAILABILITY OF OUTPATIENT SERVICES.] By July 1, 1988, county boards must provide or contract for enough outpatient services within the county to meet the needs of persons with mental illness residing in the county. Clients may be required to pay a fee based on their ability to pay. Outpatient services include:

(1) conducting diagnostic assessments;

(2) conducting psychological testing;

(3) developing or modifying individual treatment plans;

(4) making referrals and recommending placements as appropriate;

(5) treating a person's mental health needs through therapy;

(6) prescribing and managing medication; and

(7) preventing placement in settings that are more intensive, costly, or restrictive than necessary and appropriate to meet client needs.

Subd. 2. [SPECIFIC REQUIREMENTS.] The county board shall require that all service providers of outpatient services:

(1) meet the professional qualifications contained in sections 1 to 25;

(2) use a multidisciplinary mental health professional staff including at a minimum, arrangements for psychiatric consultation, licensed consulting psychologist consultation, and other necessary multidisciplinary mental health professionals;

(3) develop individual treatment plans;

(4) provide initial appointments within three weeks, except in emergencies where there must be immediate access as described in section 9; and

(5) establish fee schedules approved by the county board that are based on a client's ability to pay.

Sec. 11. [245.471] [COMMUNITY SUPPORT SERVICES PROGRAM.]

Subdivision 1. [AVAILABILITY OF COMMUNITY SUPPORT SERVICES PROGRAM.] By July 1, 1988, county boards must provide or contract for sufficient community support services within the county to meet the needs of persons with serious and persistent mental illness residing in the county. Clients may be required to pay a fee. The county board shall require that all service providers of community support services set fee schedules approved by the county board which are based on the client's ability to pay. The community support services program must be designed to improve the ability of persons with serious and persistent mental illness to:

(1) work in a regular or supported work environment;

(2) handle basic activities of daily living;

(3) participate in leisure time activities;

(4) set goals and plans;

(5) obtain and maintain appropriate living arrangements; and

(6) reduce the use of more intensive, costly, or restrictive placements both in number of admissions and lengths of stay as determined by client need.

Subd. 2. [CASE MANAGEMENT ACTIVITIES.] (a) By January 1, 1989, case management activities must be developed as part of the community support program available to all persons with serious and persistent mental illness residing in the county. Staffing ratios must be sufficient to serve the needs of the clients. The case

manager must at a minimum qualify as a mental health practitioner.

(b) All providers of case management activities must develop an individual community support plan. The individual community support plan must state for each of their clients:

(1) the goals of each service;

(2) the activities for accomplishing each goal;

(3) a schedule for each activity; and

(4) the frequency of face-to-face client contacts, as appropriate to client need and the implementation of the community support plan.

The individual community support plan must incorporate the individual treatment plan. The individual treatment plan may not be a substitute for the development of an individual community support plan. The individual community support plan must be developed within 30 days of client intake and reviewed every 90 days after it is developed. The case manager is responsible for developing the individual community support plan based on a diagnostic assessment and for implementing and monitoring the delivery of services according to the individual community support plan. To the extent possible, the person with serious and persistent mental illness, the person's family, advocates, service providers, and significant others must be involved in all phases of development and implementation of the individual community support plan.

Subd. 3. [DAY TREATMENT ACTIVITIES PROVIDED.] (a) By July 1, 1989, day treatment activities must be developed as a part of the community support program available to persons with serious and persistent mental illness residing in the county. Day treatment services must be available to persons with serious and persistent mental illness residing in the county as part of the community support program of each county. Clients may be required to pay a fee. Day treatment services must be designed to:

(1) provide a structured environment for treatment;

(2) provide family and community support;

(3) prevent placement in settings that are more intensive, costly, or restrictive than necessary and appropriate to meet client need; and

(4) establish fee schedules approved by the county board that are based on a client's ability to pay.

(b) County boards may request a waiver from including day treatment services if they can document that:

(1) an alternative plan of care exists through the county's community support program for clients who would otherwise need day treatment services;

(2) that day treatment, if included, would be duplicative of other components of the community support program; and

(3) that county demographics and geography make the provision of day treatment services cost ineffective and unfeasible.

Subd. 4. [BENEFITS ASSISTANCE.] By July 1, 1988, help in applying for federal benefits, including supplemental security income, medical assistance, and Medicare, must be offered as a part of the community support program available to individuals with serious and persistent mental illness for whom the county is financially responsible and who may qualify for these benefits. The county board must offer help in applying for federal benefits to all persons with serious and persistent mental illness.

Sec. 12. [245.472] [RESIDENTIAL TREATMENT SERVICES.]

Subdivision 1. [AVAILABILITY OF RESIDENTIAL TREATMENT SERVICES.] By July 1, 1988, county boards must provide or contract for enough residential treatment services to meet the needs of all persons with mental illness residing in the county. Residential treatment services include both intensive and structured residential treatment with length of stay based on client residential treatment need. Services must be as close to the county as possible. Residential treatment must be designed to:

(1) prevent placement in settings that are more intensive, costly, or restrictive than necessary and appropriate to meet client needs;

(2) help clients achieve the highest level of independent living;

(3) help clients gain the necessary skills to be referred to a community support services program or outpatient services; and

(4) stabilize crisis admissions.

Subd. 2. [SPECIFIC REQUIREMENTS.] Providers of residential services must be licensed under applicable rules adopted by the commissioner and must be clinically supervised by a mental health professional.

Sec. 13. [245.473] [ACUTE CARE HOSPITAL INPATIENT SERVICES.]

Subdivision 1. [AVAILABILITY OF ACUTE CARE INPATIENT SERVICES.] By July 1, 1988, county boards must make available through contract or direct provision enough acute care hospital inpatient treatment services as close to the county as possible to meet the needs of persons with mental illness residing in the county. Acute care hospital inpatient treatment services must be designed to:

(1) stabilize the medical condition of people with acute or serious and persistent mental illness;

(2) improve functioning; and

(3) facilitate appropriate referrals, follow-up, and placements.

Subd. 2. [SPECIFIC REQUIREMENTS.] Providers of acute care hospital inpatient services must meet applicable standards established by the commissioner of health.

Sec. 14. [245.474] [REGIONAL TREATMENT CENTER INPATIENT SERVICES.]

Subdivision 1. [AVAILABILITY OF REGIONAL TREATMENT CENTER INPATIENT SERVICES.] By July 1, 1987, the commissioner shall make sufficient regional treatment center inpatient services available to people with mental illness throughout the state. Regional treatment centers are responsible to:

(1) stabilize the medical condition of the person with mental illness;

(2) improve functioning;

(3) strengthen family and community support; and

(4) facilitate appropriate discharge, aftercare, and follow-up placements in the community.

Subd. 2. [QUALITY OF SERVICE.] The commissioner shall biennially determine the needs of all mentally ill patients served by regional treatment centers by administering a client-based evaluation system. The client-based evaluation system must include at least the following independent measurements: behavioral development assessment; habilitation program assessment; medical needs assessment; maladaptive behavioral assessment; and vocational behavior assessment. The commissioner shall propose staff ratios to the legislature for the mental health and support units in regional treatment centers as indicated by the results of the client-based evaluation system. The proposed staffing ratios shall include professional, nursing, direct care, medical, clerical, and support staff based

on the client-based evaluation system. The commissioner shall recompute staffing ratios and recommendations on a biennial basis.

**Sec. 15. [245.475] [COUNTY RESPONSIBILITY TO PROVIDE COMMUNITY SUPPORT SERVICES.]**

Subdivision 1. [CLIENT ELIGIBILITY.] The county board shall provide case management and other appropriate community support services to all persons with serious and persistent mental illness. Persons who qualify for general assistance or general assistance medical care under chapter 256D and who apply to the county board for services under this section or section 16 shall have their case management and community support services funded through the mental health fund if neither third party, medical assistance, nor client fees are available to cover the cost of service. Case management services provided to people with serious and persistent mental illness eligible for medical assistance must be billed to the medical assistance program under section 28.

Subd. 2. [DESIGNATION OF CASE MANAGER.] The county board shall designate a case manager within five working days after receiving an application for community support services or immediately after authorizing payment for residential, acute care hospital inpatient, or regional treatment center services under section 16.

The county board shall send a written notice to the applicant and the applicant's representative, if any, that identifies the designated case manager.

Subd. 3. [DIAGNOSTIC ASSESSMENT.] The case manager shall promptly arrange for a diagnostic assessment of the applicant when one is not available as described in section 7, subdivision 2, to determine the applicant's eligibility as a person with serious and persistent mental illness for community support services. The county board shall notify in writing the applicant and the applicant's representative, if any, if the applicant is determined ineligible for community support services.

Subd. 4. [COMMUNITY SUPPORT SERVICES.] Upon a determination of eligibility for community support services, the case manager shall develop an individual community support plan as specified in section 11, subdivision 2, paragraph (b), arrange and authorize payment for appropriate community support services, review the client's progress, and monitor the provision of services. If services are to be provided in a host county that is not the county of financial responsibility, the case manager shall consult with the host county and obtain a letter demonstrating the concurrence of the host county regarding the provision of services.

**Sec. 16. [245.476] [SCREENING FOR INPATIENT AND RESIDENTIAL TREATMENT.]**

Subdivision 1. [CLIENT ELIGIBILITY.] The county board shall pay the cost of residential and acute care hospital inpatient services determined by the county board to be necessary under subdivision 2 to all persons with mental illness who apply to the county board for services under this section and qualify for general assistance, general assistance medical care, and Minnesota supplemental aid under chapter 256D, except for those persons who are eligible for medical assistance coverage of inpatient hospital services under chapter 256B.

Subd. 2. [SCREENING REQUIRED.] By January 1, 1989, the county board shall screen all persons before they may be admitted for treatment of mental illness to a residential treatment facility, an acute care hospital inpatient, or informally admitted to a regional treatment center if the mental health fund, medical assistance, or the regional treatment center account is used to pay for the services. Screening prior to admission must occur within ten days. If a person is admitted for treatment of mental illness on an emergency basis to a residential facility or acute care hospital or held for emergency care by a regional treatment center under section 253B.05, subdivision 1, screening must occur within five days of the admission. Persons must be screened within ten days before or within five days after admission to ensure that: (1) an admission is necessary, (2) the length of stay is as short as possible consistent with individual client need, and (3) a case manager is immediately assigned to individuals with serious and persistent mental illness and an individual community support plan is developed. A county board representative authorized to approve the use of the mental health fund must be involved in the placement decision when the mental health professional conducting the screening is not a county employee authorized to approve the use of the mental health fund. The screening process and placement decision must be documented.

Subd. 3. [QUALIFICATIONS.] Screening for residential and inpatient services must be conducted by a mental health professional. Mental health professionals providing screening for inpatient and residential services must not be financially affiliated with any acute care inpatient hospital, residential treatment facility, or regional treatment center.

Subd. 4. [INDIVIDUAL PLACEMENT AGREEMENT.] The county board shall enter into an individual placement agreement with a provider of residential services to a person eligible for services under this section. The agreement must specify the payment rate and terms and conditions of county payment for the placement.

Sec. 17. [245.477] [APPEALS.]

Any person whose application for mental health services under section 15 or 16 is denied, not acted upon with reasonable prompt-

ness, or whose services are suspended, reduced, or terminated may contest that action before the state agency as specified in section 256.045.

Sec. 18. [245.478] [LOCAL MENTAL HEALTH PROPOSAL.]

Subdivision 1. [TIME PERIOD.] The first local mental health proposal period is from July 1, 1988, to December 31, 1989. The county board shall submit its first proposal to the commissioner by January 1, 1988. Subsequent proposals must be on the same two-year cycle as community social service plans required by section 256E.09. The proposal must be made available upon request to all residents of the county at the same time it is submitted to the commissioner.

Subd. 2. [PROPOSAL CONTENT.] The local mental health proposal must include:

(1) the local mental health advisory council's or mental health subcommittee of an existing advisory council's report on unmet needs and any other needs assessment used by the county board in preparing the local mental health proposal;

(2) a description of the local mental health advisory council's or the mental health subcommittee of an existing advisory council's involvement in preparing the local mental health proposal and methods used by the county board to obtain participation of citizens, mental health professionals, and providers in development of the local mental health proposal;

(3) information for the preceding year, including the actual number of clients who received each of the mental health services listed in sections 8 to 16, and actual expenditures and revenues for each mental health service;

(4) for the first proposal period only, information for the year during which the proposal is being prepared:

(i) a description of the current mental health system identifying each mental health service listed in sections 8 to 16;

(ii) a description of each service provider, including a listing of the professional qualifications of the staff involved in service delivery, that is either the sole provider of one of the treatment services or management activities described in sections 8 to 16 or that provides over \$10,000 of mental health services per year;

(iii) a description of how the mental health services in the county are unified and coordinated;

(iv) the estimated number of clients receiving each mental health service;

(v) estimated expenditures and revenues for each mental health service; and

(5) the following information describing how the county board intends to meet the requirements of sections 1 to 25 during the proposal period:

(i) specific objectives and outcome goals for each mental health service listed in sections 8 to 16;

(ii) a description of each service provider, including county agencies, contractors, and subcontractors, that is expected to either be the sole provider of one of the treatment services or management activities described in sections 8 to 16 or to provide over \$10,000 of mental health services per year, including a listing of the professional qualifications of the staff involved in service delivery;

(iii) a description of how the mental health services in the county will be unified and coordinated;

(iv) the estimated number of clients who will receive each mental health service; and

(v) estimated expenditures and revenues for each mental health service.

Subd. 3. [PROPOSAL FORMAT.] The local mental health proposal must be made in a format prescribed by the commissioner.

Subd. 4. [PROVIDER APPROVAL.] The commissioner's review of the local mental health proposal must include a review of the qualifications of each service provider required to be identified in the local mental health proposal under subdivision 2. The commissioner may reject a county board's proposal for a particular provider if:

(1) the provider does not meet the professional qualifications contained in sections 1 to 25;

(2) the provider does not possess adequate fiscal stability or controls to provide the proposed services as determined by the commissioner; or

(3) the provider is not in compliance with other applicable state laws or rules.

Subd. 5. [SERVICE APPROVAL.] The commissioner's review of the local mental health proposal must include a review of the appropriateness of the amounts and types of mental health services in the local mental health proposal. The commissioner may reject the county board's proposal if the commissioner determines that the amount and types of services proposed are not cost effective, do not meet client needs, or do not comply with sections 1 to 25.

Subd. 6. [PROPOSAL APPROVAL.] The commissioner shall review each local mental health proposal within 90 days and work with the county board to make any necessary modifications to comply with sections 1 to 25. After the commissioner has approved the proposal, the county board is eligible to receive an allocation from the mental health fund as described in section 19.

Subd. 7. [PARTIAL OR CONDITIONAL APPROVAL.] If the local mental health proposal is in substantial, but not in full compliance with sections 1 to 25 and necessary modifications cannot be made before the proposal period begins, the commissioner may grant partial or conditional approval and withhold a proportional share of the county board's mental health fund allocation until full compliance is achieved.

Subd. 8. [AWARD NOTICE.] Upon approval of the county board proposal, the commissioner shall send a notice of approval for funding. The notice must specify any conditions of funding and is binding on the county board. Failure of the county board to comply with the approved proposal and funding conditions may result in withholding or repayment of funds as specified in section 21.

Subd. 9. [PLAN AMENDMENT.] If the county board finds it necessary to make significant changes in the approved local proposal, it must present the proposed changes to the commissioner for approval at least 60 days before the changes take effect. "Significant changes" means:

(1) the county board proposes to provide a mental health service through a provider other than the provider listed for that service in the approved local proposal;

(2) the county board expects the total annual expenditures for any single mental health service to vary more than ten percent from the amount in the approved local proposal;

(3) the county board expects a combination of changes in expenditures per mental health service to exceed more than ten percent of the total mental health services expenditures; or

(4) the county board proposes a major change in the specific objectives and outcome goals listed in the approved local proposal.

## Sec. 19. [245.479] [MENTAL HEALTH FUND.]

Subdivision 1. [DEFINITION.] For purposes of this section, "net cost" means the county board's expenditures for services to persons with mental illness, less all offsetting credits other than the mental health fund itself. These offsetting credits include refunds, cancellations, third-party fees, recoveries and similar funds, and state and federal funds other than the mental health fund. These offsetting credits do not include state equalization aid or county board tax dollars. "Net cost" does not include the county share for medical assistance or for inpatient treatment at a state regional treatment center. County expenditures for facilities for emotionally disturbed children licensed under Minnesota Rules, parts 9545.0900 to 9545.1090, are considered expenditures for services to persons with mental illness.

Subd. 2. [PAYMENT LIMITS.] Payments to each county from the mental health fund are limited to the lesser of:

(1) 75 percent of the county's net cost as defined in subdivision 1 and as described in the approved local proposal; or

(2) the total allocated under subdivisions 4 to 7.

Subd. 3. [TIME PERIOD FOR ALLOCATIONS.] The first allocations from the mental health fund must be for the six-month period July 1 to December 31, 1988. Later allocations must be on a calendar year basis.

Subd. 4. [BASE LEVEL ALLOCATIONS.] Each county's annual allocation from the mental health fund must include an amount at least equal to the sum of the following amounts for persons with mental illness who were the financial responsibility of the county board:

(1) the state funds expended by or for the county board under Minnesota Statutes 1986, sections 245.73 and 256E.12 in fiscal year 1987, with the exclusion of grants made for special one-time projects, the exclusion of grants for programs closed in 1987 and 1988, and with the addition of an annualized equivalent of grants made for new programs opening in 1987 or 1988;

(2) the federal mental health block grant funds allocated for the county board under Minnesota Statutes 1986, section 245.713, subdivision 1, in calendar year 1987;

(3) the state funds expended by or for the county board under Minnesota Statutes 1986, sections 256D.06 and 256D.37, for negotiated rates for adults with mental illness in facilities licensed under Minnesota Rules, parts 9520.0500 to 9520.0690 in fiscal year 1987,

minus funds expended for facilities closed in 1987 or 1988, plus an annualized equivalent for new facilities approved by the commissioner to open in 1987 or 1988;

(4) the state funds expended by or for the county board under Minnesota Statutes 1986, section 256D.03, for mental health services excluding drugs provided in fiscal year 1986, under the general assistance medical care program; and

(5) 20 percent of the county board's community social services allocation under Minnesota Statutes 1986, section 256E.06 for calendar year 1987.

Subd. 5. [TITLE XX ALLOCATION.] In addition to the allocation under subdivision 4, 20 percent of each county's title XX allocation under section 256E.07 is designated for mental health and is considered a part of the mental health fund.

Subd. 6. [ALLOCATION OF INCREASED FUNDS.] If the state-wide total available for allocation under this section is more than the amount in subdivision 4 and the reserve fund in subdivision 7, the increased funds must be distributed on the basis of the number of persons residing in each county as determined by the most recent data of the state demographer.

Subd. 7. [RESERVE FUND.] The commissioner shall set aside up to five percent of each mental health fund appropriation for a reserve fund. In addition, the reserve fund must include funds returned from counties under section 22. The commissioner shall make allocations from the reserve fund on the following criteria:

(1) the approved local proposal must show that the county board's allocation under subdivisions 4 to 6 will be less than 70 percent of the county board's net cost, or the county board provides new information showing that an unexpected increase in the need or cost of mental health services will result in the county board's mental health fund allocation falling below 70 percent of the county board's net cost;

(2) based on past performance, the county board must demonstrate ability to use funds in a cost-effective way to provide quality services;

(3) the county board and its contractors must use third-party fees, appropriate client fees, and other alternate funds wherever reasonably possible; and

(4) the county board has chosen services and vendors that are cost effective and appropriate to client needs.

Subd. 8. [PAYMENTS TO COUNTY BOARDS.] After the commissioner has approved an allocation from the mental health fund, payments must be on a quarterly basis. Each payment must include the estimated mental health fund share for the current quarter and an adjustment based on the actual mental health fund share for the preceding quarter. The commissioner shall make a payment only after receiving a completed expenditure report for the preceding quarter.

Subd. 9. [MAINTENANCE OF EFFORT.] If the county board's share of the net costs, as determined under subdivision 2, is less than the base level in subdivision 10, the state payment which would otherwise be made under subdivision 2 must be reduced by an amount equal to one-half of the reduction in county tax dollars.

Subd. 10. [COUNTY TAX DOLLARS BASE LEVEL.] The base level of county tax dollars for mental health services for each county includes the total expenditures shown in the county's approved 1987 Community Social Services Act plan under "State CSSA, Title XX and County Tax" for services to persons with mental illness:

(1) plus the total for Rule 5 facilities under target populations other than mental illness in the approved 1987 CSSA plan,

(2) minus the county share for regional treatment center services as identified in the approved 1987 CSSA plan for services to persons with mental illness,

(3) minus 20 percent of the county's state CSSA and title XX allocation for calendar year 1987,

(4) plus the county match for the general assistance, Minnesota supplemental aid, and general assistance medical care state funds, as identified in subdivision 4.

Subd. 11. [COUNTY OF FINANCIAL RESPONSIBILITY.] For purposes of section 16, the county of financial responsibility is the same as that for community social services under section 256E.08, subdivision 7. Disputes between counties regarding financial responsibility must be resolved by the commissioner in accordance with section 256D.18, subdivision 4.

Sec. 20. [245.481] [TRANSFER OF FUNDS.]

Subdivision 1. [BETWEEN APPROPRIATIONS.] To establish the mental health fund, the appropriations for fiscal year 1989 must include a transfer of funds into the mental health fund from the appropriations under sections 256D.03, 256D.06, 256D.37, and 256E.06; and Minnesota Statutes 1986, sections 245.73 and 256E.12. The amount transferred must be based on the statewide

total of the base level amounts identified from these appropriations for each county under section 19, subdivision 4. The commissioner may adjust the transfers in the appropriation bill for fiscal year 1989 if new data regarding the base level amounts demonstrates that a different proportion of the affected appropriation is being used for services to persons with mental illness. The amount transferred must include an adjustment to reflect relevant legislative changes in each appropriation from the base period to fiscal year 1989.

Subd. 2. [CSSA AND GAMC TRANSFER.] One-fourth of the annual amounts that would otherwise be transferred under subdivision 1 from the appropriations for community social services and general assistance medical care must be retained by those appropriations to pay for obligations from the preceding fiscal year. The remaining transfer to the mental health fund must be completed in fiscal year 1990.

Subd. 3. [BETWEEN FISCAL YEARS.] Funds appropriated to the commissioner for mental health services for fiscal year 1988 are available for expenditure in fiscal year 1989.

Subd. 4. [LATER APPROPRIATIONS.] Each appropriation for the mental health fund after fiscal year 1989 shall include an increase at least equal to the projected increase in overall national consumer prices as determined by the commissioner of finance.

Subd. 5. [TRANSFER OF INCREASED SHARE OF INPATIENT COSTS.] At the beginning of fiscal year 1990 and each later year, the commissioner shall:

(1) estimate the total receipts from counties for mental health inpatient services under sections 246.54 and 256B.19;

(2) subtract from the total receipts in clause (1) an estimate of what the receipts would have been under Minnesota Statutes 1986, sections 246.54 and 256B.19; and

(3) transfer state funds equal to the increased receipts calculated in clause (2) from the medical assistance account to the mental health fund appropriation. The transfer shall increase the amount otherwise available for allocation to counties under section 19, subdivision 6. Allocations from this transfer are not subject to the maintenance of effort requirements in section 19, subdivision 9.

Sec. 21. [245.482] [REPORTING AND EVALUATION.]

Subdivision 1. [FISCAL REPORTS.] The commissioner shall develop a unified format for quarterly fiscal reports that will include information that the commissioner determines necessary to carry out sections 1 to 25 and section 256E.08. The county board shall

submit a completed fiscal report in the required format no later than 15 days after the end of each quarter.

Subd. 2. [PROGRAM REPORTS.] The commissioner shall develop a unified format for a semiannual program report that will include information that the commissioner determines necessary to carry out sections 1 to 25 and section 256E.10. The county board shall submit a completed program report in the required format no later than 75 days after each six-month period.

Subd. 3. [PROVIDER REPORTS.] The commissioner may develop a format and procedures for direct reporting from providers to the commissioner to include information that the commissioner determines necessary to carry out sections 1 to 25. In particular, the provider reports must include aggregate information by county of residence about mental health services paid for by funding sources other than counties.

Subd. 4. [INACCURATE OR INCOMPLETE REPORTS.] The commissioner shall promptly notify a county or provider if a required report is clearly inaccurate or incomplete. The commissioner may delay all or part of a mental health fund payment if an appropriately completed report is not received as required by this section.

Subd. 5. [STATEWIDE EVALUATION.] The commissioner shall use the county and provider reports required by this section to complete the statewide report required in section 1.

Sec. 22. [245.483] [TERMINATION OR RETURN OF AN ALLOCATION.]

Subdivision 1. [FUNDS NOT NEEDED.] If the commissioner determines that funds are not needed to carry out an approved local proposal, or that a county board's projected expenditures will not be sufficient to qualify for its entire mental health fund allocation, and if the county board agrees the funds are not needed, the county board shall immediately return the unneeded funds. County board agreement is not needed when the county's final expenditure report for the year indicates that the county's actual expenditures were not sufficient to qualify for its entire mental health fund allocation.

Subd. 2. [FUNDS NOT PROPERLY USED.] If the commissioner determines that a county is not meeting the requirements of sections 1 to 25 or that funds are not being used according to the approved local proposal, all or part of the mental health fund allocation may be terminated upon 30 days notice to the county board. The commissioner may require repayment of any funds not used according to the approved local proposal. If the commissioner receives a written appeal from the county board within the 30-day period, opportunity for a hearing under the Minnesota administra-

tive procedure act, chapter 14, must be provided before the allocation is terminated or is required to be repaid. The 30-day period begins when the county board receives the commissioner's notice by certified mail.

Subd. 3. [USE OF RETURNED FUNDS.] The commissioner may reallocate the funds returned under subdivision 1 or 2 through the reserve fund under section 19, subdivision 7.

Subd. 4. [DELAYED PAYMENTS.] If the commissioner finds that a county board or its contractors are not in compliance with the approved local proposal or sections 1 to 25, the commissioner may delay all or part of the quarterly mental health fund payment until the county board and its contractors meet the requirements. The commissioner shall not delay a payment longer than three months without first issuing a notice under subdivision 2 that all or part of the allocation will be terminated or required to be repaid. After this notice is issued, the commissioner may continue to delay the payment until completion of the hearing in subdivision 2.

Subd. 5. [STATE ASSUMPTION OF RESPONSIBILITY.] If the commissioner determines that services required by sections 1 to 25 will not be provided by the county board in the manner or to the extent required by sections 1 to 25, the commissioner shall contract directly with providers to ensure that clients receive appropriate services. In this case, the commissioner shall use the county board's mental health fund allocation to the extent necessary to carry out the county's responsibilities under sections 1 to 25. In addition, the commissioner shall transfer from the county's community social service allocation under Minnesota Statutes 1986, section 256E.06, an amount equal to the county match which would otherwise have been required by sections 1 to 25. The commissioner shall work with the county board to allow for a return of authority and responsibility to the county board as soon as compliance with sections 1 to 25 can be assured.

Sec. 23. [245.484] [RULES.]

The commissioner shall adopt permanent rules as necessary to carry out this act.

Sec. 24. [245.485] [NO RIGHT OF ACTION.]

Sections 1 to 23 do not independently establish a right of action on behalf of recipients of services or service providers against a county board or the commissioner. A claim for monetary damages must be brought under section 3.736 or 3.751.

Sec. 25. [LIMITED APPROPRIATIONS.]

Nothing in sections 1 to 24 shall be construed to require the commissioner or county boards to fund services beyond the limits of legislative appropriations.

Sec. 26. Minnesota Statutes 1986, section 245.713, subdivision 2, is amended to read:

Subd. 2. [TOTAL FUNDS AVAILABLE; REDUCTIONS ALLOCATION.] The amount of funds available for allocation to counties for use by qualified community mental health centers shall be the total amount of Funds granted to the state by the federal government under United States Code, title 42, sections 300X to 300X-9 each federal fiscal year for mental health services reduced by the sum of the following shall be allocated as follows:

(a) Any amount set aside by the commissioner of human services for Indian ~~tribal~~ organizations within the state, which funds shall not duplicate any direct federal funding of Indian ~~tribal~~ organizations and which funds shall ~~not exceed 12~~ be at least 25 percent of the total ~~block grant~~ federal allocation to the state for mental health services; provided that sufficient applications for funding are received by the commissioner which meet the specifications contained in requests for proposals and, money from this source may be used for special committees to advise the commissioner on mental health programs and services for American Indians and other minorities or underserved groups; and, For purposes of this subdivision, "Indian organization" means an Indian tribe or band or an organization providing mental health services which is legally incorporated as a nonprofit organization registered with the secretary of state and governed by a board of directors having at least a majority of Indian directors.

(b) Any amount calculated into the base of the block grant that is made available by the commissioner for qualified community mental health centers that were receiving grants for operations or other continuing grant obligations defined in United States Code, title 42, sections 300X to 300X-9 immediately prior to its enactment.

(e) An amount not to exceed ten percent of the total allocation for mental health services to be retained by the commissioner for administration.

~~(d)~~ (c) Any amount permitted under federal law which the commissioner approves for demonstration or research projects for severely disturbed children and adolescents, the underserved, special populations or multiply disabled mentally ill persons. The groups to be served, the extent and nature of services to be provided, the amount and duration of any grant awards are to be based on criteria set forth in the Alcohol, Drug Abuse and Mental Health Block Grant Law, United States Code, title 42, sections 300X to 300X-9, and on state policies and procedures determined necessary by the commis-

sioner. Grant recipients must comply with applicable state and federal requirements and demonstrate fiscal and program management capabilities that will result in provision of quality, cost-effective services.

(e) (d) The amount required under federal law, for federally mandated expenditures.

(e) An amount not to exceed ten percent of the total allocation for mental health services to be retained by the commissioner for planning and evaluation.

Sec. 27. Minnesota Statutes 1986, section 256B.02, subdivision 8, is amended to read:

Subd. 8. [MEDICAL ASSISTANCE; MEDICAL CARE.] "Medical assistance" or "medical care" means payment of part or all of the cost of the following care and services for eligible individuals whose income and resources are insufficient to meet all of this cost:

(1) Inpatient hospital services. A second medical opinion is required prior to reimbursement for elective surgeries. The commissioner shall publish in the State Register a proposed list of elective surgeries that require a second medical opinion prior to reimbursement. The list is not subject to the requirements of sections 14.01 to 14.70. The commissioner's decision whether a second medical opinion is required, made in accordance with rules governing that decision, is not subject to administrative appeal;

(2) Skilled nursing home services and services of intermediate care facilities, including training and habilitation services, as defined in section 256B.50, subdivision 1, for persons with mental retardation or related conditions who are residing in intermediate care facilities for persons with mental retardation or related conditions. Medical assistance must not be used to pay the costs of nursing care provided to a patient in a swing bed as defined in section 144.562;

(3) Physicians' services;

(4) Outpatient hospital or nonprofit community health clinic services or physician-directed clinic services. The physician-directed clinic staff shall include at least two physicians, one of whom is on the premises whenever the clinic is open, and all services shall be provided under the direct supervision of the physician who is on the premises. Hospital outpatient departments are subject to the same limitations and reimbursements as other enrolled vendors for all services, except initial triage, emergency services, and services not provided or immediately available in clinics, physicians' offices, or by other enrolled providers. "Emergency services" means those medical services required for the immediate diagnosis and treat-

ment of medical conditions that, if not immediately diagnosed and treated, could lead to serious physical or mental disability or death or are necessary to alleviate severe pain. Neither the hospital, its employees, nor any physician or dentist, shall be liable in any action arising out of a determination not to render emergency services or care if reasonable care is exercised in determining the condition of the person, or in determining the appropriateness of the facilities, or the qualifications and availability of personnel to render these services consistent with this section;

(5) Community mental health center services, as defined in rules adopted by the commissioner pursuant to section 256B.04, subdivision 2, and provided by a community mental health center as defined in section 245.62, subdivision 2;

(6) Home health care services;

(7) Private duty nursing services;

(8) Physical therapy and related services;

(9) Dental services, excluding cast metal restorations;

(10) Laboratory and X-ray services;

(11) The following if prescribed by a licensed practitioner: drugs, eyeglasses, dentures, and prosthetic devices. The commissioner shall designate a formulary committee which shall advise the commissioner on the names of drugs for which payment shall be made, recommend a system for reimbursing providers on a set fee or charge basis rather than the present system, and develop methods encouraging use of generic drugs when they are less expensive and equally effective as trademark drugs. The commissioner shall appoint the formulary committee members no later than 30 days following July 1, 1981. The formulary committee shall consist of nine members, four of whom shall be physicians who are not employed by the department of human services, and a majority of whose practice is for persons paying privately or through health insurance, three of whom shall be pharmacists who are not employed by the department of human services, and a majority of whose practice is for persons paying privately or through health insurance, a consumer representative, and a nursing home representative. Committee members shall serve two-year terms and shall serve without compensation. The commissioner may establish a drug formulary. Its establishment and publication shall not be subject to the requirements of the administrative procedure act, but the formulary committee shall review and comment on the formulary contents. Prior authorization may be required by the commissioner, with the consent of the drug formulary committee, before certain formulary drugs are eligible for payment. The formulary shall not include: drugs or products for which there is no federal funding; over-the-counter drugs, except for

antacids, acetaminophen, family planning products, aspirin, insulin, prenatal vitamins, and vitamins for children under the age of seven; or any other over-the-counter drug identified by the commissioner, in consultation with the appropriate professional consultants under contract with or employed by the state agency, as necessary, appropriate and cost effective for the treatment of certain specified chronic diseases, conditions or disorders, and this determination shall not be subject to the requirements of chapter 14, the administrative procedure act; nutritional products, except for those products needed for treatment of phenylketonuria, hyperlysinemia, maple syrup urine disease, a combined allergy to human milk, cow milk, and soy formula, or any other childhood or adult diseases, conditions, or disorders identified by the commissioner as requiring a similarly necessary nutritional product; anorectics; and drugs for which medical value has not been established. Separate payment shall not be made for nutritional products for residents of long-term care facilities; payment for dietary requirements is a component of the per diem rate paid to these facilities. Payment to drug vendors shall not be modified before the formulary is established except that the commissioner shall not permit payment for any drugs which may not by law be included in the formulary, and the commissioner's determination shall not be subject to chapter 14, the administrative procedure act. The commissioner shall publish conditions for prohibiting payment for specific drugs after considering the formulary committee's recommendations.

The basis for determining the amount of payment shall be the actual acquisition costs of the drugs plus a fixed dispensing fee established by the commissioner. Actual acquisition cost includes quantity and other special discounts except time and cash discounts. Establishment of this fee shall not be subject to the requirements of the administrative procedure act. Whenever a generically equivalent product is available, payment shall be on the basis of the actual acquisition cost of the generic drug, unless the prescriber specifically indicates "dispense as written" on the prescription as required by section 151.21, subdivision 2.

Notwithstanding the above provisions, implementation of any change in the fixed dispensing fee which has not been subject to the administrative procedure act shall be limited to not more than 180 days, unless, during that time, the commissioner shall have initiated rulemaking through the administrative procedure act;

(12) Diagnostic, screening, and preventive services;

(13) Health care prepayment plan premiums and insurance premiums if paid directly to a vendor and supplementary medical insurance benefits under Title XVIII of the Social Security Act;

(14) Abortion services, but only if one of the following conditions is met:

(a) The abortion is a medical necessity. "Medical necessity" means (1) the signed written statement of two physicians indicating the abortion is medically necessary to prevent the death of the mother, and (2) the patient has given her consent to the abortion in writing unless the patient is physically or legally incapable of providing informed consent to the procedure, in which case consent will be given as otherwise provided by law;

(b) The pregnancy is the result of criminal sexual conduct as defined in section 609.342, clauses (c), (d), (e)(i), and (f), and the incident is reported within 48 hours after the incident occurs to a valid law enforcement agency for investigation, unless the victim is physically unable to report the criminal sexual conduct, in which case the report shall be made within 48 hours after the victim becomes physically able to report the criminal sexual conduct; or

(c) The pregnancy is the result of incest, but only if the incident and relative are reported to a valid law enforcement agency for investigation prior to the abortion;

(15) Transportation costs incurred solely for obtaining emergency medical care or transportation costs incurred by nonambulatory persons in obtaining emergency or nonemergency medical care when paid directly to an ambulance company, common carrier, or other recognized providers of transportation services. For the purpose of this clause, a person who is incapable of transport by taxicab or bus shall be considered to be nonambulatory;

(16) To the extent authorized by rule of the state agency, costs of bus or taxicab transportation incurred by any ambulatory eligible person for obtaining nonemergency medical care;

(17) Personal care attendant services provided by an individual, not a relative, who is qualified to provide the services, where the services are prescribed by a physician in accordance with a plan of treatment and are supervised by a registered nurse. Payments to personal care attendants shall be adjusted annually to reflect changes in the cost of living or of providing services by the average annual adjustment granted to vendors such as nursing homes and home health agencies; and

(18) To the extent authorized by rule of the state agency, case management services to persons with serious and persistent mental illness; and

(19) Any other medical or remedial care licensed and recognized under state law unless otherwise prohibited by law, except licensed chemical dependency treatment programs or primary treatment or extended care treatment units in hospitals that are covered under Laws 1986, chapter 394, sections 8 to 20. The commissioner shall include chemical dependency services in the state medical assis-

tance plan for federal reporting purposes, but payment must be made under Laws 1986, chapter 394, sections 8 to 20.

Sec. 28. Minnesota Statutes 1986, section 256D.03, subdivision 4, is amended to read:

Subd. 4. [GENERAL ASSISTANCE MEDICAL CARE; SERVICES.] (a) Reimbursement under the general assistance medical care program shall be limited to the following categories of service: inpatient hospital care, outpatient hospital care, services provided by medicare certified rehabilitation agencies, prescription drugs, equipment necessary to administer insulin and diagnostic supplies and equipment for diabetics to monitor blood sugar level, eyeglasses and eye examinations provided by a physician or optometrist, hearing aids, prosthetic devices, laboratory and X-ray services, physician's services, medical transportation, chiropractic services as covered under the medical assistance program, podiatric services, and dental care. In addition, payments of state aid shall be made for ~~day treatment services provided by a mental health center established under sections 245.61 to 245.69, subdivision 1, and funded through chapter 256E and for~~ prescribed medications for persons who have been diagnosed as mentally ill as necessary to prevent more restrictive institutionalization.

(b) In order to contain costs, the commissioner of human services shall select vendors of medical care who can provide the most economical care consistent with high medical standards and shall where possible contract with organizations on a prepaid capitation basis to provide these services. The commissioner shall consider proposals by counties and vendors for prepaid health plans, competitive bidding programs, block grants, or other vendor payment mechanisms designed to provide services in an economical manner or to control utilization, with safeguards to ensure that necessary services are provided. Before implementing prepaid programs in counties with a county operated or affiliated public teaching hospital or a hospital or clinic operated by the University of Minnesota, the commissioner shall consider the risks the prepaid program creates for the hospital and allow the county or hospital the opportunity to participate in the program in a manner that reflects the risk of adverse selection and the nature of the patients served by the hospital, provided the terms of participation in the program are competitive with the terms of other participants considering the nature of the population served. Payment for services provided pursuant to this subdivision shall be as provided to medical assistance vendors of these services under section 256B.02, subdivision 8. The rates payable under this section must be calculated according to section 256.966, subdivision 2.

(c) The commissioner of human services may reduce payments provided under sections 256D.01 to 256D.21 and 261.23 in order to

remain within the amount appropriated for general assistance medical care, within the following restrictions.

For the period July 1, 1985, to December 31, 1985, reductions below the cost per service unit allowable under section 256.966, are permitted only as follows: payments for inpatient and outpatient hospital care provided in response to a primary diagnosis of chemical dependency or mental illness may be reduced no more than 30 percent; payments for all other inpatient hospital care may be reduced no more than 20 percent. Reductions below the payments allowable under general assistance medical care for the remaining general assistance medical care services allowable under this subdivision may be reduced no more than ten percent.

For the period January 1, 1986 to December 31, 1986, reductions below the cost per service unit allowable under section 256.966 are permitted only as follows: payments for inpatient and outpatient hospital care provided in response to a primary diagnosis of chemical dependency or mental illness may be reduced no more than 20 percent; payments for all other inpatient hospital care may be reduced no more than 15 percent. Reductions below the payments allowable under general assistance medical care for the remaining general assistance medical care services allowable under this subdivision may be reduced no more than five percent.

For the period January 1, 1987 to June 30, 1987, reductions below the cost per service unit allowable under section 256.966 are permitted only as follows: payments for inpatient and outpatient hospital care provided in response to a primary diagnosis of chemical dependency or mental illness may be reduced no more than 15 percent; payments for all other inpatient hospital care may be reduced no more than ten percent. Reductions below the payments allowable under medical assistance for the remaining general assistance medical care services allowable under this subdivision may be reduced no more than five percent.

There shall be no copayment required of any recipient of benefits for any services provided under this subdivision. A hospital receiving a reduced payment as a result of this section may apply the unpaid balance toward satisfaction of the hospital's bad debts.

(d) Any county may, from its own resources, provide medical 5 payments for which state payments are not made.

(e) Chemical dependency services that are reimbursed under Laws 1986, chapter 394, sections 8 to 20, must not be reimbursed under general assistance medical care.

(f) Mental health services that are reimbursed under the mental health fund, sections 1 to 25, must not be reimbursed under general assistance medical care.

Sec. 29. Minnesota Statutes 1986, section 256D.06, subdivision 3, is amended to read:

Subd. 3. When a general assistance grant is used to pay a negotiated rate for a recipient living in a room and board arrangement or congregate living care, or when a recipient is living in a state hospital or, nursing home, or facility for adults with mental illness licensed under Minnesota Rules, parts 9520.0500 to 9520.0690, the recipient shall receive an allowance for clothing and personal needs and the allowance shall not be less than that authorized for a medical assistance recipient pursuant to section 256B.35.

Sec. 30. Minnesota Statutes 1986, section 256D.06, subdivision 6, is amended to read:

Subd. 6. General assistance funds may be paid to cover the cost of room and board needs of for persons who are eligible for general assistance and who are placed by the county in a licensed facility for the purpose of receiving physical, mental health, or rehabilitative care, except for adults with mental illness in a facility licensed under Minnesota Rules, parts 9520.0500 to 9520.0690.

Sec. 31. Minnesota Statutes 1986, section 256D.37, subdivision 1, is amended to read:

Subdivision 1. (a) For all individuals who apply to the appropriate local agency for supplemental aid, the local agency shall determine whether the individual meets the eligibility criteria prescribed in subdivision 2. For each individual who meets the relevant eligibility criteria prescribed in subdivision 2, the local agency shall certify to the commissioner the amount of supplemental aid to which the individual is entitled in accordance with all of the standards in effect December 31, 1973, for the appropriate categorical aid program.

(b) When a recipient is an adult with mental illness in a facility licensed under Minnesota Rules, parts 9520.0500 to 9520.0690, a resident of a state hospital or a dwelling with a negotiated rate, the recipient is not eligible for a shelter standard, a basic needs standard, or for special needs payments. The state standard of assistance for those recipients is the clothing and personal needs allowance for medical assistance recipients under section 256B.35. Minnesota supplemental aid may be paid to negotiated rate facilities at the rates in effect on March 1, 1985, for services provided under the supplemental aid program to residents of the facility, up to the maximum negotiated rate specified in this section. The rate for room and board for a licensed facility must not exceed \$800. The maximum negotiated rate does not apply to a facility that, on August 1, 1984, was licensed by the commissioner of health only as a boarding care home, certified by the commissioner of health as an intermediate care facility, and Minnesota supplemental aid may not

be used to pay a negotiated rate for adults with mental illness in a facility licensed by the commissioner of human services under Minnesota Rules, parts 9520.0500 to 9520.0690. The following facilities are exempt from the limit on negotiated rates and must be reimbursed for documented actual costs, until June 30, 1987:

(1) a facility that only provides services to persons with mental retardation; and

(2) a facility not certified to participate in the medical assistance program that is licensed as a boarding care facility as of March 1, 1985, and only provides care to persons aged 65 or older. Beginning July 1, 1987, these facilities are subject to applicable supplemental aid limits, and mental retardation facilities must meet all applicable licensing and reimbursement requirements for programs for persons with mental retardation. The negotiated rates may be paid for persons who are placed by the local agency or who elect to reside in a room and board facility or a licensed facility for the purpose of receiving physical, mental health, or rehabilitative care, provided the local agency agrees that this care is needed by the person. When Minnesota supplemental aid is used to pay a negotiated rate, the rate payable to the facility must not exceed the rate paid by an individual not receiving Minnesota supplemental aid. To receive payment for a negotiated rate, the dwelling must comply with applicable laws and rules establishing standards necessary for health, safety, and licensure. The negotiated rate must be adjusted by the annual percentage change in the urban consumer price index (CPI-U) for Minneapolis-St. Paul as published by the Bureau of Labor Statistics between the previous two Octobers, new series index (1967-100). In computing the amount of supplemental aid under this section, the local agency shall deduct from the gross amount of the individual's determined needs all income, subject to the criteria for income disregards in effect December 31, 1973, for the appropriate categorical aid program, except that the earned income disregard for disabled persons who are not residents of long-term care facilities shall must be the same as the earned income disregard available to disabled persons in the supplemental security income program, and all actual work expenses shall must be deducted when determining the amount of income for the individual. From ~~and~~ after the first of the month in which an effective application is filed, the state and the county shall share responsibility for the payment of the supplemental aid to which the individual is entitled under this section as provided in section 256D.36.

Sec. 32. Minnesota Statutes 1986, section 256E.03, subdivision 2, is amended to read:

Subd. 2. "Community social services" means services provided or arranged for by county boards to fulfill the responsibilities pre-

scribed in section 256E.08, subdivision 1 to the following groups of persons:

(a) families with children under age 18, who are experiencing child dependency, neglect or abuse, and also pregnant adolescents, adolescent parents under the age of 18, and their children;

(b) persons who are under the guardianship of the commissioner of human services as dependent and neglected wards;

(c) adults who are in need of protection and vulnerable as defined in section 626.557;

(d) persons age 60 and over who are experiencing difficulty living independently and are unable to provide for their own needs;

~~(e) emotionally disturbed children and adolescents, chronically and acutely mentally ill persons who are unable to provide for their own needs or to independently engage in ordinary community activities;~~

~~(f) persons with mental retardation as defined in section 252A.02, subdivision 2, or with related conditions as defined in section 252.27, subdivision 1, who are unable to provide for their own needs or to independently engage in ordinary community activities;~~

~~(g) (f) drug dependent and intoxicated persons as defined in section 254A.02, subdivisions 5 and 7, and persons at risk of harm to self or others due to the ingestion of alcohol or other drugs;~~

~~(h) (g) parents whose income is at or below 70 percent of the state median income and who are in need of child care services in order to secure or retain employment or to obtain the training or education necessary to secure employment; and~~

~~(i) (h) other groups of persons who, in the judgment of the county board, are in need of social services.~~

Community social services do not include public assistance programs known as aid to families with dependent children, Minnesota supplemental aid, medical assistance, general assistance, general assistance medical care, or community health services authorized by sections 145.911 to 145.922.

Sec. 33. Minnesota Statutes 1986, section 256E.06, is amended by adding a subdivision to read:

Subd. 2b. [CALCULATION OF PREVIOUS YEAR'S ALLOCATION.] For allocations during the first year after the effective date of the mental health fund under section 19, the previous year's

allocation under subdivision 2 must be adjusted to exclude the mental health share of the state community social services allocation, as defined in section 19.

Sec. 34. Minnesota Statutes 1986, section 256E.07, is amended by adding a subdivision to read:

Subd. 1c. [MENTAL HEALTH ALLOCATION.] Twenty percent of each county's title XX allocation under subdivisions 1 to 1b is designated for services to persons with mental illness and is considered a part of the mental health fund under section 19.

Sec. 35. Minnesota Statutes 1986, section 256E.12, subdivision 3, is amended to read:

Subd. 3. The commissioner shall allocate grants under this section to finance up to 90 percent of each county's costs for services for chronically mentally ill persons. The commissioner shall promulgate emergency and permanent rules to govern grant applications, approval of applications, allocation of grants, and maintenance of financial statements by grant recipients. The commissioner shall require collection of data and periodic reports as the commissioner deems necessary to demonstrate the effectiveness of the services in helping chronically mentally ill persons remain and function in their own communities. The commissioner shall report to the legislature no later than January 15, 1983 on the effectiveness of the experimental program and shall make recommendations regarding making this program an integral part of the social development programs administered by counties. The experimental program shall expire no later than June 30, 1987 1988.

Sec. 36. [REPEALER.]

Minnesota Statutes 1986, section 245.69, subdivision 1a, is repealed effective immediately on final enactment. Minnesota Statutes 1986, sections 245.713, subdivisions 1 and 3; 245.73; and 256E.12, are repealed effective July 1, 1988.

Sec. 37. [EFFECTIVE DATE.]

Sections 1 to 14, 17 and 18, 23 to 26, and 35 are effective immediately upon final enactment. Sections 15 and 16, 19 to 22, and 27 to 34 are effective July 1, 1988.

Delete the title and insert:

"A bill for an act relating to human services; mandating a comprehensive system of mental health services; amending Minnesota Statutes 1986, sections 245.713, subdivision 2; 256B.02, subdivision 8; 256D.03, subdivision 4; 256D.06, subdivisions 3 and 6;

256D.37, subdivision 1; 256E.03, subdivision 2; 256E.06, by adding a subdivision; 256E.07, by adding a subdivision; and 256E.12, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 245; repealing Minnesota Statutes 1986, sections 245.69, subdivision 1a; 245.713, subdivisions 1 and 3; 245.73; and 256E.12.”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 772, A bill for an act relating to retirement; establishing a voluntary retirement plan for certain qualified employees of public and private ambulance services; proposing coding for new law as Minnesota Statutes, chapter 353A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [353A.01] [LEGISLATIVE FINDINGS.]

The legislature finds that retirement plans for ambulance service personnel are presently inadequate and that a workable type of defined contribution plan for ambulance service personnel involving voluntary participation by ambulance service personnel and ambulance service would prove beneficial in attracting and retaining competent personnel and would probably result in net savings to ambulance services through reduced training expenses. The legislature also finds that portability and maximum state and federal tax exemptions are essential features of any plan.

Sec. 2. [353A.02] [AMBULANCE SERVICE PERSONNEL RETIREMENT PLAN.]

Subdivision 1. [ESTABLISHMENT.] There is established an ambulance service personnel retirement plan, to be administered by the public employees retirement association under supervision of the association board of directors. To assist the board in governing the operations of the plan, an advisory committee of not more than seven members who are representative of private and governmental ambulance service operators, and ambulance service personnel may be established.

Subd. 2. [PERSONNEL ELIGIBLE FOR COVERAGE.] Coverage under the retirement plan shall be open to the basic and advanced

life support emergency medical service personnel of any public or privately operated ambulance service that elects to participate. Emergency medical service personnel who are currently covered by a public or private pension plan because of their emergency medical services employment or their provision of emergency medical services and first response personnel are not eligible to participate in the plan.

Sec. 3. [353A.03] [ELECTION OF COVERAGE.]

Each public or private ambulance service with eligible personnel has the option of electing participation for the ambulance service in the plan. Coverage for an ambulance service, once elected, shall not thereafter be discontinued. Eligible ambulance service personnel have an option to participate or decline participation if the service elects coverage. An individual election to participate must be made within 30 days of the ambulance service's choosing coverage or within 30 days of first employment by or first joining the ambulance service, whichever is later. An individual election is irrevocable thereafter during the person's continuation of employment or membership in the ambulance service.

Sec. 4. [353A.04] [FUNDING OF PLAN.]

Funding of benefits under the plan shall be provided by a public or private ambulance service that elects to participate, except that qualified personnel who are paid salaries for their services may elect to make a member contribution in an amount not to exceed the ambulance service contribution. Ambulance service contributions on behalf of salaried employees shall be a fixed percentage of salary. In the case of ambulance services utilizing volunteer or largely uncompensated personnel, the ambulance service may assign a unit value for each call or each period of alert duty for the purpose of computing ambulance service contributions.

Sec. 5. [353A.05] [CONTRIBUTIONS TO PLAN.]

Ambulance service contributions to the plan may be made from any source of funds available to the ambulance service. Contributions shall be remitted monthly to the association together with any made contributions paid or withheld during the preceding month. Contributions shall be credited to the individual account of each participating ambulance service member.

Sec. 6. [353A.06] [INVESTMENT OF FUNDS.]

Subdivision 1. [INVESTMENT.] Ambulance service contributions after the deduction of an amount for administrative expenses and member contributions shall be remitted to the state board of investment for investment in the Minnesota supplemental investment fund established by section 11A.17.

Subd. 2. [INVESTMENT OPTIONS.] A participant may elect to purchase shares in one or a combination of the income share account, the growth share account, the money market account, the bond market account, or the common stock index account established in section 11A.17. The participant may elect to participate in one or more of the investment accounts in the fund by specifying the percentage of contributions to be used to purchase shares in each of the accounts.

Twice in any calendar year, a participant may indicate in writing a choice of options for subsequent purchases of shares. Thereafter, until a different written indication is made by the participant, the executive director of the association shall purchase shares in the supplemental investment fund as selected by the participant. If no initial option is chosen, 100 percent income shares shall be purchased for a participant.

A change in choice of investment option shall be effective no later than the first pay date first occurring after 30 days following the receipt of the request for a change.

Twice in any calendar year, a participant or former participant may also change the investment options selected for all or a portion of the participant's shares previously purchased. However, if a partial transfer is made, a minimum of \$500 must be transferred and a minimum balance of \$500 must remain in the previously selected investment option. A change is restricted to a transfer from one or more accounts to a single account. Changes in investment options for the participant's shares shall be effected as soon as cash flow to an account practically permits, but not later than six months after the requested change.

Subd. 3. [ADMINISTRATIVE EXPENSES.] An amount for administrative expenses, not to exceed two percent of the dollar amount of an ambulance service contribution, as established annually by the executive director of the public employees retirement association, shall be deducted from each ambulance service contribution made in order to defray the expenses of the public employees retirement association in administering the plan.

Sec. 7. [353A.07] [REPORTING BY AMBULANCE SERVICES.]

The executive director of the public employees retirement association shall prescribe the form of monthly and any other reports required from an ambulance service and the election forms required from ambulance service members. Ambulance service forms shall contain names, identification numbers, amount of contribution by and on behalf of each member, and such other data as is required to keep an accurate account of the account value of each participating ambulance service member.

## Sec. 8. [353A.08] [BENEFITS.]

Subdivision 1. [TYPE OF PLAN; UNIFORMITY.] The plan is a defined contribution plan where the benefits payable upon retirement, death, or withdrawal when permitted, are determined by the value of accumulated contributions plus a proportionate share of investment income of the fund credited to each individual account. Each ambulance service shall determine eligibility for participation subject to terms of this act. Eligibility standards shall be uniform among all ambulance service personnel of an ambulance service electing to participate.

Subd. 2. [AGE; VESTING.] Normal retirement age is 50 years. Early retirement is not allowed. Sixty months of service credit are required for the vesting of retirement benefits. No minimum period of service is required for vesting of death benefits. Withdrawal of or a retirement benefit based on employee contributions plus accrued investment income, if any, shall vest immediately. Upon completion of 60 months of service under the plan with one or more ambulance services, a participant terminating active service prior to age 50 shall be entitled to receive the value of the ambulance service member's individual account upon or after attaining age 50. An application by or on behalf of the ambulance service member shall be filed prior to the payment of any benefit.

Subd. 3. [FORM OF BENEFIT.] A retirement benefit shall be payable in a lump sum equal to the value of a participant's account at the date of retirement and may be rolled over into another qualified plan at the option of the member. As an alternative to a lump sum distribution, the member may choose to have the association use the total account value to purchase an annuity payable at a designated age from an insurance company licensed to do business in the state.

Subd. 4. [DISABILITY OR DEATH.] No disability coverage shall be provided by the plan. In the event of the death of an active participant with any credited service or a deferred participant under age 50, the total value of the account shall be paid in a lump sum to the designated beneficiary or, if none, the heirs at law of the decedent.

Subd. 5. [FORFEITURES.] The account value of any participant terminating service prior to acquiring a vested interest or of a participant who dies leaving no designated beneficiary or heirs at law shall be returned to the public employees retirement association and credited against future ambulance service contributions by the applicable ambulance service or services after the expiration of two years from the date of termination or death.

## Sec. 9. [353A.09] [PORTABILITY.]

Qualified ambulance service personnel who change employment or membership among participating ambulance services may continue participation in the plan without penalty or forfeiture after their interest vests. Qualified ambulance service personnel who change employment or membership to nonparticipating ambulance service shall not be subject to the forfeiture provided for in subdivision 5.

Sec. 10. [353A.10] [TAX QUALIFICATION.]

The public employees retirement association shall adopt rules required for administration of the plan. The proposed plan shall be formulated and adopted in accordance with applicable restrictions and standards of the Internal Revenue Code and rulings and regulations of the Internal Revenue Service in order to assure the tax exempt status of the plan as a qualified pension plan. Contributions by ambulance service personnel and by private ambulance service operators shall only be accepted after approval by the Internal Revenue Service.

Sec. 11. [353A.11] [NOT CONSIDERED A LOCAL PLAN.]

The plan shall not be considered a local governmental pension plan or fund for purposes of section 356.25."

With the recommendation that when so amended the bill pass.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 790, A bill for an act relating to human services; continuing funding for autopsies on deceased medical assistance recipients who were victims of Alzheimer's disease; appropriating money.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 804, A bill for an act relating to peace officers; providing money to train conservation officers employed by the commissioner

of natural resources; amending Minnesota Statutes 1986, section 609.101.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 97A.065, subdivision 2, is amended to read:

Subd. 2. [FINES AND FORFEITED BAIL.] (a) Fines and forfeited bail collected from prosecutions of violations of the game and fish laws, sections 84.09 to 84.15, and 84.81 to 84.88, chapter 34B, and any other law relating to wild animals, and aquatic vegetation must be paid to the treasurer of the county where the violation is prosecuted. The county treasurer shall submit one-half of the receipts to the commissioner and credit the balance to the county general revenue fund except as provided in ~~paragraph~~ paragraphs (b) and (c).

(b) The commissioner must reimburse a county, from the game and fish fund, for the cost of keeping prisoners prosecuted for violations under this section if the county board, by resolution, directs: (1) the county treasurer to submit all fines and forfeited bail to the commissioner; and (2) the county auditor to certify and submit monthly itemized statements to the commissioner.

(c) The county treasurer shall indicate the amount of the receipts that are assessments or surcharges imposed under section 609.101 and shall submit all of those receipts to the commissioner. The receipts must be credited to the game and fish fund to provide peace officer training for persons employed by the commissioner who are licensed under section 626.84, subdivision 1, clause (c), and who possess peace officer authority for the purpose of enforcing game and fish laws.

Sec. 2. Minnesota Statutes 1986, section 609.101, is amended to read:

#### 609.101 [SURCHARGE ON FINES, ASSESSMENTS.]

When a court sentences a person convicted of a felony, gross misdemeanor, or misdemeanor, other than a petty misdemeanor such as a traffic or parking violation, and if the sentence does not include payment of a fine, the court shall impose an assessment of not less than \$25 nor more than \$50. If the sentence for the felony, gross misdemeanor, or misdemeanor includes payment of a fine of any amount, including a fine of less than \$100, the court shall impose a surcharge on the fine of ten percent of the fine. This section applies whether or not the person is sentenced to imprisonment and

when the sentence is suspended. The court may, upon a showing of indigency or undue hardship upon the convicted person or the person's immediate family, waive payment or authorize payment of the assessment or surcharge in installments unless it makes written findings on the record that the convicted person is indigent or that the assessment or surcharge would create undue hardship for the convicted person or that person's immediate family; however, if the court waives payment or authorizes payment in installments, it shall state in writing on the record the reasons for its action.

Except for amounts imposed for violations of the game and fish laws and related laws, which are otherwise provided for in section 97A.065, subdivision 2, the court shall collect and forward to the commissioner of finance the total amount of the assessment or surcharge and the commissioner shall credit all money so forwarded to a crime victim and witness account, which is established as a special account in the state treasury.

Money credited to the crime victim and witness account may be appropriated for but is not limited to the following purposes:

(1) use for crime victim reparations under sections 611A.51 to 611A.68;

(2) use by the crime victim and witness advisory council established under section 611A.71; and

(3) to supplement the federally funded activities of the crime victim ombudsman under section 611A.74.

If the convicted person is sentenced to imprisonment, the chief executive officer of the correctional facility in which the convicted person is incarcerated may collect the assessment or surcharge from any earnings the inmate accrues for work performed in the correctional facility and forward the amount to the commissioner of finance, indicating the part that was imposed for violations described in section 97A.065, subdivision 2, which must be credited to the game and fish fund.

Sec. 3. Minnesota Statutes 1986, section 626.861, subdivision 4, is amended to read:

Subd. 4. [PEACE OFFICERS TRAINING ACCOUNT.] Receipts from penalty assessments must be credited to a peace officers training account in the special revenue fund. Money credited to the peace officers training account may be appropriated for but not limited to the following purposes, among others:

(a) Up to ten percent may be provided for reimbursement to board approved skills courses in proportion to the number of students successfully completing the board's skills licensing examination.

(b) ~~Assessments related to violations described in section 97.49, subdivision 5, are appropriated to provide peace officer training for persons employed by the commissioner of natural resources who are licensed under section 626.84, subdivision 1, clause (e), and who possess peace officer authority for the purpose of enforcing game and fish laws.~~

(c) The balance may be used to pay each local unit of government an amount in proportion to the number of licensed peace officers and constables employed, at a rate to be determined by the board. The disbursed amount must be used exclusively for reimbursement of the cost of in-service training required under this chapter and chapter 214.

Sec. 4. [EFFECTIVE DATE.]

This act is effective July 1, 1987.

Delete the title and insert:

"A bill for an act relating to peace officer training; providing money to train conservation officers employed by the commissioner of natural resources; amending Minnesota Statutes 1986, sections 97A.065, subdivision 2; 609.101; and 626.861, subdivision 4."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Beginch from the Committee on Labor-Management Relations to which was referred:

H. F. No. 823, A bill for an act relating to labor; prohibiting certain terminations; requiring notice of reasons for terminations; proposing coding for new law in Minnesota Statutes, chapter 181.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [181.931] [DEFINITIONS.]

Subdivision 1. [GENERALLY.] For the purpose of sections 1 to 5 the terms defined in this section have the meanings given them.

Subd. 2. [EMPLOYEE.] "Employee" means a person who performs services for hire in Minnesota for an employer. Employee does not include an independent contractor.

Subd. 3. [EMPLOYER.] "Employer" means any person having one or more employees in Minnesota and includes the state and any political subdivision of the state.

Sec. 2. [181.932] [DISCLOSURE OF INFORMATION BY EMPLOYEES.]

Subdivision 1. [PROHIBITED ACTION.] An employer shall not discharge, discipline, threaten, otherwise discriminate against, or penalize an employee regarding the employee's compensation, terms, conditions, location, or privileges of employment because:

(a) the employee, or a person acting on behalf of an employee, in good faith, reports a violation or suspected violation of any federal or state law or rule adopted pursuant to law to an employer or to any governmental body or law enforcement official;

(b) the employee is requested by a public body or office to participate in an investigation, hearing, inquiry; or

(c) the employee refuses to participate in any activity that the employee, in good faith, believes violates any state or federal law or rule or regulation adopted pursuant to law.

Subd. 2. [DISCLOSURE OF IDENTITY.] No public official or law enforcement official shall disclose, or cause to disclose, the identity of any employee making a report or providing information under subdivision 1 without the employee's consent unless the investigator determines that disclosure is necessary for prosecution. If the disclosure is necessary for prosecution, the employee shall be informed prior to the disclosure.

Subd. 3. [FALSE DISCLOSURES.] This section does not permit an employee to make statements or disclosures knowing that they are false or that they are in reckless disregard of the truth.

Subd. 4. [COLLECTIVE BARGAINING RIGHTS.] This section does not diminish or impair the rights of a person under any collective bargaining agreement.

Subd. 5. [CONFIDENTIAL INFORMATION.] This section does not permit disclosures that would violate federal or state law or diminish or impair the rights of any person to the continued protection of confidentiality of communications provided by common law.

## Sec. 3. [181.933] [NOTICE OF TERMINATION.]

Subdivision 1. [NOTICE REQUIRED.] An employee who has been involuntarily terminated may, within five working days following such termination, request in writing that the employer inform the employee of the reason for the termination. Within five working days following receipt of such request, an employer shall inform the terminated employee in writing of the truthful reason for the termination.

Subd. 2. [DEFAMATION ACTION PROHIBITED.] No communication of the statement furnished by the employer to the employee under subdivision 1 may be made the subject of any action for libel, slander, or defamation by the employee against the employer.

## Sec. 4. [181.934] [EMPLOYEE NOTICE.]

The department of labor and industry shall promulgate rules for notification of employees by employers of an employee's rights under sections 1 to 5.

## Sec. 5. [181.935] [INDIVIDUAL REMEDIES; PENALTY.]

(a) In addition to any remedies otherwise provided by law, an employee injured by a violation of section 2 may bring a civil action to recover any and all damages recoverable at law, together with costs and disbursements, including reasonable attorney's fees, and may receive such injunctive and other equitable relief as determined by the court.

(b) An employer who failed to notify, as required under section 3 or 4, an employee injured by a violation of section 2 is subject to a civil penalty of \$25 a day not to exceed \$750 per injured employee."

Delete the title and insert:

"A bill for an act relating to labor; prohibiting certain terminations; requiring notice of reasons for terminations; providing a penalty; proposing coding for new law in Minnesota Statutes, chapter 181."

With the recommendation that when so amended the bill pass.

The report was adopted.

Osthoff from the Committee on Metropolitan Affairs to which was referred:

H. F. No. 826, A bill for an act relating to metropolitan government; authorizing the acquisition and betterment of regional recre-

ation open space lands by the metropolitan council and metropolitan area local government units; authorizing the issuance of state bonds; appropriating money.

Reported the same back with the following amendments:

Page 1, line 24, after the period insert:

“Sec. 3. [USE OF PROCEEDS.]”

Page 2, line 12, delete “3” and insert “4”

Page 2, line 13, delete “2” and insert “3”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 827, A bill for an act relating to utilities; providing for initial and continuing education of public utilities commissioners; lengthening the time period for preparation for a hearing on territorial disputes; raising dollar limit on value of property that public utility may transfer without commission approval; amending Minnesota Statutes 1986, sections 216A.03, by adding subdivisions; 216B.43; and 216B.50, subdivision 1.

Reported the same back with the following amendments:

Page 1, line 27, after “meetings” insert “held within this state”

Page 2, line 3, delete everything after the period

Page 2, delete line 4

Page 2, line 5, delete “meeting.”

Page 2, delete lines 16 to 18

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 829, A bill for an act relating to human services; establishing the office of assistant commissioner of mental health; establishing a state advisory council on mental health; creating a mental health division in the department of human services; amending Minnesota Statutes 1986, section 245.69; proposing coding for new law in Minnesota Statutes, chapter 245.

Reported the same back with the following amendments:

Page 1, line 21, after "illness" insert "in both community programs and regional treatment centers"

Page 1, delete lines 26 and 27

Page 2, delete lines 1 to 7

Renumber the remaining clauses

Page 2, line 9, delete "psychiatric" and insert "mental health"

Page 2, line 18, delete "the commissioner deems necessary to carry out" and insert "directed by the legislature"

Page 2, line 19, delete everything before the semicolon

Page 3, delete lines 31 to 36 and insert:

"(3) one member of each of the four core mental health professional disciplines (psychiatry, psychology, social work, nursing);

(4) providers of mental health services;

(5) consumers of mental health services;

(6) family members of persons with mental illness;

(7) legislators;

(8) social service agency directors;

(9) county commissioners; and"

Page 4, delete lines 1 to 18

Page 4, line 19, delete everything before "as" and insert:

“(10) other members reflecting a broad range of community interests”

Pages 5 to 8, delete section 3

Amend the title as follows:

Page 1, line 6, delete everything after the semicolon

Page 1, line 7, delete “245.69;”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 836, A bill for an act relating to natural resources; revising the boundary of Lost River State Forest; amending Minnesota Statutes 1986, section 89.021, subdivision 59.

Reported the same back with the following amendments:

Page 3, line 6, delete “the north one-half” and insert “government lots 1 and 2”

With the recommendation that when so amended the bill pass.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 839, A bill for an act relating to public safety; local emergency telephone service; requiring automatic location identification for public safety answering points serving 50,000 telephones or more; increasing fee to cover service cost; amending Minnesota Statutes 1986, sections 403.02, subdivision 6, and by adding a subdivision; and 403.11, subdivision 1.

Reported the same back with the following amendments:

Page 1, lines 22 to 25, delete the new language and insert:

“Minimum 911 service also includes the provision of automatic location identification if the public safety answering point has the capability of providing that service.”

Page 2, delete section 3

Amend the title as follows:

Page 1, line 4, delete “serving 50,000”

Page 1, delete line 5

Page 1, line 6, delete “cost” and delete “sections” and insert “section”

Page 1, line 7, delete the semicolon and insert a period

Page 1, delete line 8

With the recommendation that when so amended the bill pass.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 845, A bill for an act relating to commerce; consumer protection; requiring the repair, refund, or replacement of new motor vehicles under certain circumstances; prescribing certain arbitration procedures for all automobile manufacturers doing business and offering express warranties on their vehicles sold in Minnesota; amending Minnesota Statutes 1986, section 325F.665.

Reported the same back with the following amendments:

Page 2, line 21, strike “procedure or”

Page 4, line 5, delete “shall have” and insert “has”

Page 5, line 32, delete “shall” and insert “does”

Page 6, line 26, delete “shall have” and insert “has”

Page 6, line 35, delete “shall” and insert “must”

Page 7, line 8, after “consumer” insert “as set forth in subdivision 3”

Page 8, line 8, strike “PROCEDURE” and insert “MECHANISM”

Page 8, line 14, strike "procedure" and insert "mechanism located in the state of Minnesota"

Page 8, line 19, strike "procedure" and insert "mechanism"

Page 8, line 21, delete "procedure" and insert "mechanism"

Page 8, line 23, strike "procedure" and delete "or"

Page 8, line 35, delete "mechanism from considering" and insert "consideration of"

Page 9, line 3, strike "procedure" and insert "mechanism"

Page 9, line 16, strike the comma

Page 9, lines 19 and 20, delete "procedure" and insert "mechanism's meeting"

Page 9, line 29, after "to" insert "appear and"

Page 9, line 30, after "presentation" insert "in the state of Minnesota"

Page 9, line 31, after "alone" insert "or by telephone"

Page 9, line 35, delete "shall" and insert "may"

Page 10, line 11, delete "shall" and insert "must"

Page 10, line 27, delete "procedure" and insert "mechanism"

Page 10, line 28, delete "shall" and insert "may"

Page 10, line 32, delete "procedure" and insert "mechanism"

Page 11, line 1, delete "procedure" and insert "mechanism" and delete "shall" and insert "must"

Page 11, line 4, delete "PROCEDURE" and insert "MECHANISM"

Page 11, lines 11 and 25, delete "procedure" and insert "mechanism"

Page 11, line 27, delete "that is"

Page 12, line 10, after "consumer" insert a semicolon

Page 12, line 11, after "that" insert a comma

Page 12, line 24, delete "shall" and insert "may"

Page 12, after line 25, insert:

"Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective August 1, 1987, and shall apply to all motor vehicles which are still under an express manufacturer's warranty and were originally delivered to the consumer during the previous one-year period."

Amend the title as follows:

Page 1, line 5, delete "procedures" and insert "mechanisms"

With the recommendation that when so amended the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 859, A bill for an act relating to the department of finance; clarifying and correcting miscellaneous provisions to improve the administration of the department and of state government; appropriating money; amending Minnesota Statutes 1986, sections 3C.12, subdivision 2; 16A.06, by adding a subdivision; 16A.126, subdivision 2; 16A.127, subdivision 3; 16A.275; 16A.36, subdivision 2; 16A.41, subdivision 1; 16A.85, by adding a subdivision; and 116J.36, subdivision 6.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 866, A bill for an act relating to public safety; establishing the "McGruff" symbol as the sign for a safe house for children;

creating a safe house program; proposing coding for new law in Minnesota Statutes, chapter 299A.

Reported the same back with the following amendments:

Page 1, line 16, delete "provide" and insert "make available"

Page 1, line 17, delete "all"

Page 1, line 21, after "(4)" insert "require local law enforcement agencies to"

Page 1, line 24, after the period insert "The background checks must include, but are not limited to, checks of the criminal history files maintained by the bureau of criminal apprehension."

Page 1, delete line 25

Page 2, delete lines 1 to 4 and insert:

"Subd. 3. [DISPLAY OF SYMBOL.] A person may not display the "McGruff" symbol on the person's house in a manner that is visible from the outside of the house unless approved as a safe house by a local law enforcement agency and the law enforcement agency supplies the symbol to the person. The symbol is the property of the law enforcement agency, and a person must return the symbol to the law enforcement agency if the agency determines that the house no longer qualifies as a "McGruff" house. Violation of this subdivision is a misdemeanor."

Page 2, lines 5 and 6, delete "school districts and"

Amend the title as follows:

Page 1, line 4, after "program;" insert "providing penalties;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 886, A bill for an act relating to natural resources; conservation reserve program; definitions, eligibility for inclusion, applications, agreements, payments, and other terms and conditions; appropriating funds; amending Minnesota Statutes 1986, sections 40.41; 40.42, subdivision 5, and by adding a subdivision;

40.43, subdivisions 2, 5, 6, and 7; 40.44, subdivisions 2 and 3; 40.45; 84.943, subdivision 1; 84.944, subdivision 1; 84.95, by adding a subdivision; 105.391, subdivision 3; and 105.392, subdivisions 1, 2, 3, 4, 5, and 6.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1986, section 40.41, is amended to read:

40.41 [PURPOSE AND POLICY.]

It is the purposes of sections 40.41 to 40.45 to keep certain marginal agricultural land out of crop production or pasture to protect soil and water quality and support fish and wildlife habitat. It is state policy to encourage the retirement of marginal, highly erodible land, particularly land adjacent to public waters and drainage systems, from crop production and to reestablish a cover of perennial vegetation.

Sec. 2. Minnesota Statutes 1986, section 40.42, subdivision 5, is amended to read:

Subd. 5. [LANDOWNER.] “Landowner” means a Minnesota resident who owns or is a buyer under a contract for deed, of land that qualifies as a family farm, a family farm corporation or an authorized farm corporation under section 500.24, subdivision 2 individuals, family farm, family farm corporations as defined under section 500.24, subdivision 2, paragraph (c), and authorized farm corporations as defined under section 500.24, subdivision 2, paragraph (d), which either own eligible land or are purchasing eligible land under a contract for deed.

Sec. 3. Minnesota Statutes 1986, section 40.42, is amended by adding a subdivision to read:

Subd. 7. [WETLAND.] “Wetland” means land that has a predominance of hydric soils and that is inundated or saturated by surface or groundwater at a frequency and duration sufficient to support, or that periodically does support, a predominance of hydrophytic vegetation typically adapted for life in saturated soil conditions.

Sec. 4. Minnesota Statutes 1986, section 40.42, is amended by adding a subdivision to read:

Subd. 8. [WINDBREAK.] “Windbreak” means a strip or belt of trees, shrubs, or grass barriers at least six rows deep and within 300 feet of the right-of-way of a highway.

Sec. 5. Minnesota Statutes 1986, section 40.43, subdivision 2, is amended to read:

Subd. 2. [ELIGIBLE LAND.] Land may be placed in the conservation reserve program if the land:

(1) is marginal agricultural land, or is adjacent to marginal agricultural land and is either beneficial to resource protection or necessary for efficient recording of the land description, or consists of a drained wetland, or is a windbreak. Cropland adjacent to the restored wetland may also be enrolled to the extent of up to four acres of cropland for each acre of wetland restored;

(2) was owned by the applicant landowner on January 1, 1985, or for an application made on or after January 1, 1988, was owned by the applicant landowner, or a parent or other blood relative of the landowner, for at least three years before the date of application;

(3) is at least five acres in size, or is a whole field as defined by the United States Agricultural Stabilization and Conservation Services;

(4) is not set aside, enrolled or diverted under another federal or state government program; and

(5) was in agricultural crop production or pasture for at least two years during the period 1981 to 1985.

The eligible enrolled land of a landowner may not exceed 20 percent of the landowner's total agricultural land acreage in the state, if the landowner owns at least 200 acres of agricultural land as defined by section 500.24, subdivision 2. If a landowner owns less than 200 acres of agricultural land the amount that may be enrolled in the conservation reserve is:

(a) all agricultural land owned, if 20 acres or less; or

(b) if the total agricultural land owned is more than 20 acres but less than 200 acres, 20 acres plus ten percent of the balance of the agricultural land.

In selecting land for enrollment in the program, highest priority must be given to permanent easements that are consistent with the purposes stated in section 40.41.

Sec. 6. Minnesota Statutes 1986, section 40.43, subdivision 5, is amended to read:

Subd. 5. [AGREEMENTS BY LANDOWNER.] The commissioner may enroll eligible land in the conservation reserve program by

signing an agreement in recordable form with a landowner in which the landowner agrees:

(1) to convey to the state a conservation easement that is not subject to any prior title, lien, or encumbrance;

(2) to seed the land subject to the conservation easement, as specified in the agreement, to establish and maintain perennial cover of either a grass-legume mixture or native grasses for the term of the easement, at seeding rates determined by the commissioner; or to plant trees or carry out other long-term capital improvements approved by the commissioner for soil and water conservation or wildlife management;

(3) to restore any drained wetland and to convey to the state a permanent easement for the wetland;

(4) that other land supporting natural vegetation owned or leased as part of the same farm operation during the term of the easement, if it supports natural vegetation or has not been used in agricultural crop production ~~or pasture~~, will not be converted to agricultural crop production or pasture; and

~~(4)~~ (5) to the enforcement of the terms of the easement and agreements in this subdivision by an action for specific performance, a mandatory injunction, or for damages in an amount not to exceed the total amount paid by the state to the landowner under subdivision 6, with interest from the date of each default under the agreement.

Sec. 7. Minnesota Statutes 1986, section 40.43, subdivision 6, is amended to read:

Subd. 6. [PAYMENTS FOR CONSERVATION EASEMENTS AND ESTABLISHMENT OF COVER.] The commissioner must make the following payments to the landowner for the conservation easement and agreement:

(1) to establish the perennial cover or other improvements required by the agreement, up to 75 percent of the total eligible cost not to exceed \$75 per acre for limited duration easements, and 100 percent of the total eligible cost not to exceed \$100 per acre for perpetual easements;

(2) for the cost of planting trees required by the agreement, up to \$75 75 percent of the total eligible cost not to exceed \$200 per acre for limited duration easements, and 100 percent of the total eligible cost not to exceed \$300 per acre for perpetual easements;

(3) for a permanent easement, 70 percent of the township average equalized estimated market value of agricultural property as established by the commissioner of revenue at the time ~~the~~ of easement is ~~conveyed~~ application; and

(4) for an easement of limited duration, 90 percent of the present value of the average of the ~~acceptable~~ accepted bids for the federal conservation reserve program, as contained in Public Law Number 99-198, in the relevant geographic area and on bids ~~made immediately prior to when~~ accepted at the time of easement is ~~conveyed~~. ~~If federal bid figures have not been determined for the area, or the federal program has been discontinued, the rate paid shall~~ application; or

(5) an alternative payment system for easements based on cash rent or a similar system as may be determined by the commissioner.

The commissioner may not pay more than \$50,000 to a landowner for all the landowner's conservation easements and agreements.

Sec. 8. Minnesota Statutes 1986, section 40.43, subdivision 7, is amended to read:

Subd. 7. [EASEMENT RENEWAL.] When a conservation easement of limited duration expires, a new conservation easement and agreement for an additional period of not less than ten years may be acquired by agreement of the commissioner and the landowner, under the terms of this section. The commissioner may adjust payment rates as a result of renewing an agreement and conservation easement only after examining the condition of the established cover, conservation practices, and land values.

Sec. 9. Minnesota Statutes 1986, section 40.44, subdivision 2, is amended to read:

Subd. 2. [TECHNICAL ASSISTANCE.] The commissioners of agriculture and natural resources must provide necessary technical assistance to landowners enrolled in the conservation reserve program. The commissioner of natural resources must provide technical advice and assistance to the commissioner on (1) the form and content of the conservation easement and agreement; and on; (2) forestry and agronomic practices; and (3) hydrologic and hydraulic design relating to the establishment and maintenance of permanent cover, or other conservation improvements. The commissioner of transportation must provide technical advice and assistance to the commissioners of agriculture and natural resources on the planting of windbreaks adjacent to highways. The commissioners of agriculture and natural resources shall jointly prepare an informational booklet on the conservation reserve program and other state and federal programs for land acquisition, conservation, and retirement to be made available to eligible landowners and the general public.

Sec. 10. Minnesota Statutes 1986, section 40.44, subdivision 3, is amended to read:

Subd. 3. [SUPPLEMENTAL CONSERVATION PAYMENTS.] The commissioner may supplement ~~cost-share~~ payments made under ~~other federal land retirement programs; up to \$75 an acre;~~ to the extent of available appropriations other than bond proceeds. The supplemental ~~cost-share~~ payments must be used to establish perennial cover on land enrolled or increase payments for land enrollment in programs approved by the commissioner, including the federal conservation reserve program and federal and state waterbank programs program.

Sec. 11. Minnesota Statutes 1986, section 40.45, is amended to read:

#### 40.45 [RULEMAKING.]

The commissioner shall adopt rules ~~and is authorized to adopt to implement this program. The emergency rules in order to implement sections 40.41 to 40.45 adopted August 27, 1986, shall remain valid until permanent rules are established but not longer than December 31, 1987.~~ The rules must include standards for tree planting so that planting does not conflict with existing electrical lines, telephone lines, rights-of-way, or drainage ditches.

Sec. 12. Minnesota Statutes 1986, section 84.943, subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT.] The Minnesota critical habitat private sector matching account is established as a separate account in the state treasury ~~reinvest in Minnesota resources fund established under section 84.95. The account shall be administered by the commissioner of natural~~ resources as provided in this section.

Sec. 13. Minnesota Statutes 1986, section 84.944, subdivision 1, is amended to read:

Subdivision 1. [ACQUISITION CONSIDERATIONS.] In determining what critical natural habitat shall be acquired or improved, the commissioner shall consider:

(1) the significance of the land or water as existing or potential habitat for fish and wildlife and providing fish and wildlife oriented recreation;

(2) the significance of the land, water, or habitat improvement to maintain or enhance native plant, fish, or wildlife species designated as endangered or threatened under section 97.488;

(3) the presence of native ecological communities that are now uncommon or diminishing; and

(4) the significance of the land, water or habitat improvement to protect or enhance natural features within or contiguous to natural areas including fish spawning areas, wildlife management areas, scientific and natural areas, riparian habitat and fish and wildlife management projects.

Based on the above clauses, the commissioner by order promulgated under section 97A.051, subdivision 3, must establish a process to prioritize what critical habitat shall be acquired or improved.

Sec. 14. Minnesota Statutes 1986, section 84.95, is amended by adding a subdivision to read:

Subd. 3. [WORK PLAN.] By February 1 of each year the commissioner of natural resources, in consultation with the commissioner of agriculture, must present a written work plan for expenditure of money from the reinvest in Minnesota resources fund for the next fiscal year to the senate and house committees on agriculture and environment and natural resources for their review and comment. Any recommendations to the commissioners by the committees must be returned to the commissioners by March 15. By April 30 of each year the commissioner must make the work plan, with any revisions, available to the public for comment. In so doing, the commissioner must hold at least three public meetings to inform the public of the work plan; one meeting to be held in the Twin Cities metropolitan area, the others at non-Twin Cities locations, one each in northern and southern Minnesota. By January 15 of each year, the commissioner must prepare a written progress report on projects undertaken and money encumbered during the fiscal year just ended, and must transmit the report to the above committees and make the report available to the public.

Sec. 15. [84.959] [FINDINGS.]

The legislature finds that native prairie is found primarily on marginal lands poorly suited to grain production and provides important wildlife, scientific, erosion control, educational, and recreational values.

Sec. 16. [84.96] [NATIVE PRAIRIE BANK.]

Subdivision 1. [ESTABLISHMENT.] The commissioner shall establish a native prairie bank, determine where native prairie land is located in the state, and prescribe eligibility requirements for inclusion of land in the native prairie bank.

Subd. 2. [DEFINITION.] For the purposes of this section, "native prairie" means land that has never been plowed, with less than ten percent tree cover and with predominantly native prairie vegetation.

Subd. 3. [EASEMENT ACQUISITION.] (a) The commissioner may acquire native prairie for conservation purposes by entering into easements with landowners. The easements must be conservation easements as defined in section 84C.01, clause (1), except the easements may be made possessory as well as nonpossessory if agreed upon by the landowner and the commissioner.

(b) The easements may be permanent or of limited duration. Highest priority must be given to permanent easements consistent with the purposes of this section. Easements of limited duration must be for at least 20 years, with provision for renewal for at least another 20-year period. For easements of limited duration, the commissioner may reexamine and adjust the payment rates at the beginning of any renewal period after considering current land and crop values.

Subd. 4. [EASEMENT AGREEMENT.] (a) In the easement between the commissioner and an owner, the owner must agree:

(1) to place in the program for the period of the easement eligible native prairie areas designated by the owner, including prairie covered by a federal or state easement that allows agricultural use and desirable land adjacent to the prairie as determined by the commissioner;

(2) not to alter the native prairie by plowing, heavy grazing, seeding to nonnative grasses or legumes, spraying with large amounts of herbicides, or otherwise destroying the native prairie character of the easement area, except mowing the native prairie tract for wild hay may qualify for easement as determined by the commissioner;

(3) to implement the native prairie conservation and development plan as provided in the easement agreement, unless a requirement in the easement agreement is waived or modified by the commissioner;

(4) to forfeit all rights to further payments under the terms of the easement and to refund to the state all payments received under the easement if the easement is violated at any time when the owner has control of the land subject to the easement, if the commissioner determines that the violation warrants termination of the easement, or if the commissioner determines that the violation does not warrant termination of the easement, the commissioner may determine refunds or payment adjustments to be paid by the commissioner;

(5) not to adopt a practice specified by the commissioner in the easement as a practice that would tend to defeat the purposes of the easement; and

(6) to additional provisions included in the easement that the commissioner determines are desirable.

(b) In return for the easement of the owner, the commissioner shall make payments as provided in subdivision 5 and may provide advice on conservation and development practices on the native prairie in the easement and adjacent areas.

Subd. 5. [PAYMENTS.] (a) The commissioner must make payments to the landowner under this subdivision for the easement.

(b) For a permanent easement, the commissioner must pay 50 percent of the average equalized estimated market value of cropland in the township as established by the commissioner of revenue for the time period when the application is made.

(c) For an easement of limited duration, the landowner shall receive:

(1) a lump sum payment equal to the present value of the annual payments for the term of the easement; or

(2) an annual payment equal to 50 percent of the mean adjusted cash rental for cropland in the county as established by the commissioner of revenue for the time period when the application is made.

(d) To maintain and protect native prairies, the commissioner may enter into easements that allow selected agricultural practices. Payment must be based on paragraph (b) or (c) but may be reduced due to the agricultural practices allowed after negotiation with the landowner.

Subd. 6. [RENEWAL.] An easement agreement may be renewed at the end of the agreement period for an additional period of 20 years by mutual agreement of the commissioner and the owner, subject to any rate redetermination by the commissioner.

Subd. 7. [EASEMENT RUNS WITH LAND.] If during the agreement period the owner sells or otherwise disposes of the ownership or right of occupancy of the land, the new owner must continue the agreement under the same terms or conditions.

Subd. 8. [MODIFICATION AND TERMINATION BY AGREEMENT.] The commissioner may terminate an easement agreement by mutual agreement with the owner if the commissioner determines that the termination would be in the public interest. The

commissioner may agree to modifications of agreements if the commissioner determines the modification is desirable to implement the native prairie program.

Subd. 9. [RULES.] The commissioner of natural resources may adopt rules that include the procedures and payment rates to implement this section.

Sec. 17. Minnesota Statutes 1986, section 105.391, subdivision 3, is amended to read:

Subd. 3. Except as provided below, no public waters or wetlands shall be drained, and no permit authorizing drainage of public waters or wetlands shall be issued, unless the public waters or wetlands being drained are replaced by public waters or wetlands which that will have equal or greater public value. However, after a state waterbank program has been established, Wetlands which are eligible for inclusion in that program, the drainage of which is lawful, feasible, and practical and would provide high quality cropland and that is the projected land use, as determined by the commissioner, may be drained without a permit and without replacement of wetlands of equal or greater public value if the commissioner does not elect, within 60 days of the receipt of an application for a permit to drain the wetlands, to either (1) place the wetlands in the state waterbank program under section 105.392, or (2) acquire it in fee pursuant to section 97A.145, or (3) indemnify the landowner through any other appropriate means, including but not limited to conservation restrictions, easements, leases, or any applicable federal program. The applicant, if not offered a choice of the above alternatives, is entitled to drain the wetlands involved.

In addition, the owner or owners of lands underlying wetlands situated on privately owned lands may apply to the commissioner for a permit to drain the wetlands at any time after the expiration of ten years following the original designation thereof. Upon receipt of an application, the commissioner shall review the current status and conditions of the wetlands. If the commissioner finds that the current status or conditions are such that it appears likely that the economic or other benefits to the owner or owners which would result from drainage would exceed the public benefits of maintaining the wetlands, the commissioner shall grant the application and issue a drainage permit. If the application is denied, no additional application shall be made until the expiration of an additional ten years.

Sec. 18. Minnesota Statutes 1986, section 105.392, subdivision 1, is amended to read:

Subdivision 1. The legislature finds that it is in the public interest to preserve the wetlands of the state and thereby to conserve surface waters, to maintain and improve water quality, preserve wildlife

habitat, to reduce runoff, to provide for floodwater retention, to reduce stream sedimentation, to contribute to improved subsurface moisture, to enhance the natural beauty of the landscape, and to promote comprehensive and total water management planning. Therefore, the commissioner of natural resources is authorized to promulgate rules, which shall include the procedures and payment rates designed to effectuate the terms of this section. This program is intended to supplement and complement the federal water bank program and the payment rates established shall be at least equal to the federal rates existing at the time any agreements are entered into.

Sec. 19. Minnesota Statutes 1986, section 105.392, subdivision 2, is amended to read:

Subd. 2. For the conservation of wetlands, whether or not included in the definition contained in section 105.37, subdivision 15, the commissioner shall have authority to may acquire wetlands in fee pursuant to section 97A.145, or may enter into easement agreements with landowners for the conservation of wetlands and other waters. These easement agreements shall be conservation easements, as defined in section 84C.01, paragraph (1), but, in addition, may be made possessory as well as nonpossessory if agreed upon by the landowner and the commissioner. These agreements shall be entered into for a period of not less than ten years, with provision for renewal for additional not less than ten year ten-year periods, or the agreements may provide that the easement will be permanent in duration. The commissioner may reexamine the payment rates at the beginning of any ten year renewal period in the light of the then giving consideration to current land and crop values and make needed adjustments in rates for any renewal period.

Wetlands eligible for inclusion in the waterbank program shall have all the following characteristics as determined by the commissioner: (a) type 3, 4, or 5 as defined in United States Fish and Wildlife Service Circular No. 39 (1971 edition); (b) its drainage is lawful, feasible, and practical; and (c) its drainage would provide high quality cropland and that is the projected land use. Waters which have the foregoing characteristics but are less than ten acres in size in unincorporated areas or less than 2½ acres in size in incorporated areas shall also be eligible for inclusion in the waterbank program, at the discretion of the commissioner.

Sec. 20. Minnesota Statutes 1986, section 105.392, subdivision 3, is amended to read:

Subd. 3. In the easement agreement between the commissioner and an owner, the owner shall agree:

(1) to place in the program for the period of the agreement eligible wetland areas the owner designates, which areas may include

wetlands covered by a federal or state government easement ~~which that~~ permits agricultural use, together with such adjacent areas as determined desirable by the commissioner;

(2) not to drain, burn, fill, or otherwise destroy the wetland character of such areas, nor to use such areas for agricultural purposes, as determined by the commissioner;

(3) to effectuate the wetland conservation and development plan for the land in accordance with the terms of the agreement, unless any requirement thereof is waived or modified by the commissioner;

(4) to forfeit all rights to further payments or grants under the agreement and to refund to the state all payments or grants received thereunder upon violating the agreement at any stage during the time the owner has control of the land subject to the agreement if the commissioner determines that the violation is of such a nature as to warrant termination of the agreement, or to make refunds or accept such payment adjustments as the commissioner may deem appropriate if the commissioner determines that the violation by the owner does not warrant termination of the agreement;

~~(5) upon transfer of right and interest in the land subject to the agreement during the agreement period, to forfeit all rights to further payments or grants under the agreement and refund to the state all payments or grants received thereunder during the year of the transfer unless the transferee of any such land agrees with the commissioner to assume all obligations of the agreement;~~

(6) not to adopt any practice specified by the commissioner in the agreement as a practice which would tend to defeat the purposes of the agreement; and

~~(7)~~ (6) to additional provisions which the commissioner determines are desirable and includes in the agreement to effectuate the purposes of the program or to facilitate its administration.

Sec. 21. Minnesota Statutes 1986, section 105.392, subdivision 4, is amended to read:

Subd. 4. In return for the easement agreement of the owner, the commissioner shall (1) make an annual payment to the owner for the period of the agreement at the rate as the commissioner determines to be fair and reasonable in consideration of the obligations undertaken by the owner; and (2) must provide advice on conservation and development practices on the wetlands and adjacent areas for the purposes of this section as the commissioner determines to be appropriate. In making the determination, the commissioner shall consider, among other things, the rate of compensation necessary to encourage owners of wetlands to participate in the waterbank program. The commissioner must make the following payments to

the landowner for the easement agreement: (1) for a permanent easement, 50 percent of the average equalized estimated market value of cropland in the township as established by the commissioner of revenue for the time period when the application is made; (2) for an easement of limited duration, an annual payment of 50 percent of the mean adjusted cash rental for cropland in the county, as established by the commissioner of revenue for the time period when the application is made; and (3) for an easement of limited duration, the landowner may elect to receive a lump sum payment, the amount of which shall be the present value of the annual payments for the term of the easement.

Sec. 22. Minnesota Statutes 1986, section 105.392, subdivision 5, is amended to read:

Subd. 5. Any easement agreement may be renewed or extended at the end of the agreement period for an additional period of ten years by mutual agreement of the commissioner and the owner, subject to any rate redetermination by the commissioner. If during the agreement period the owner sells or otherwise disposes of the ownership or right of occupancy of the land, the new owner ~~may must~~ continue ~~such~~ the agreement under the same terms or conditions, or enter into a new agreement in accordance with the provisions of this section, including the provisions for renewal and adjustment of payment rates, or may choose not to participate in the program, except any water designated as wetlands shall not be drained.

Sec. 23. Minnesota Statutes 1986, section 105.392, subdivision 6, is amended to read:

Subd. 6. The commissioner may terminate any easement agreement by mutual agreement with the owner if the commissioner determines that the termination would be in the public interest, and may agree to any modification of agreements the commissioner may determine to be desirable to carry out the purposes of the program or facilitate its administration.

Sec. 24. [BONDS AUTHORIZED.]

The commissioner of finance upon request of the governor shall sell and issue bonds of the state in an amount up to \$36,000,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.641 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7. The proceeds of the bonds, except accrued interest and any premium received on the sale of the bonds, must be credited to a bond proceeds account in the reinvest in Minnesota resources fund.

Sec. 25. [APPROPRIATIONS.]

Subdivision 1. [APPROPRIATION TO RESOURCES FUND.] There is appropriated to the reinvest in Minnesota resources fund, other than the bond proceeds account within that fund, any money appropriated by law.

Subd. 2. [BOND PROCEEDS APPROPRIATION.] \$36,000,000 is appropriated from the bond proceeds account of the reinvest in Minnesota resources fund to the agencies and account for the purposes specified in this section.

Subd. 3. [COMMISSIONER OF AGRICULTURE.] \$22,403,000 is appropriated to the commissioner of agriculture:

(a) from the bond proceeds account of the reinvest in Minnesota resources fund for the conservation reserve program under section 40.43, to be available until expended \$20,000,000

(b) from the general fund for technical assistance and administration of the conservation reserve program to be available until June 30, 1989 \$ 2,403,000

\$2,000,000 of this appropriation must be distributed to soil and water conservation districts.

The approved complement of the department of agriculture is increased by four positions in the classified service.

Subd. 4. [COMMISSIONER OF NATURAL RESOURCES.] \$16,500,000 is appropriated to the commissioner of natural resources:

(a) from the bond proceeds account of the reinvest in Minnesota resources fund for fish and wildlife habitat improvements and acquisition of interests in land under the comprehensive fish and wildlife management plan under section 84.942, to be available until expended. The commissioner shall provide the necessary professional services for the performance of duties under this clause from the amount appropriated for the various purposes \$12,000,000

(b) from the bond proceeds account of the reinvest in Minnesota resources

fund for aspen recycling under section 88.80, to be available until expended

\$ 1,500,000

(c) from the bond proceeds account of the reinvest in Minnesota resources fund for transfer to the critical habitat private sector matching account

\$ 2,500,000

(d) from the bond proceeds account of the reinvest in Minnesota resources fund for the native prairie bank program

\$ 500,000

The approved complement of the department of natural resources is increased by 12 positions in the unclassified service and eight positions in the classified service.

Subd. 5. \$1,600,000 is appropriated to the commissioner of natural resources from the general fund for the administration of projects included in clauses (a), (b), and (c) of subdivision 4."

Amend the title as follows:

Page 1, line 5, after "conditions;" insert "native prairie bank program;"

Page 1, line 7, delete "a subdivision" and insert "subdivisions"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 909, A bill for an act relating to waters; changing the posting and publication of notice requirements for aeration operations by a permittee of the commissioner of natural resources; providing an exclusion from government tort liability; amending Minnesota Statutes 1986, sections 3.736, subdivision 3; and 378.22, subdivisions 2 and 3.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Judiciary.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 915, A bill for an act relating to environment; authorizing an assessment against public utilities to finance the state costs of controlling acid deposition; amending Minnesota Statutes 1986, section 116C.69, subdivision 3.

Reported the same back with the following amendments:

Page 1, line 17, after the period strike "The" and insert "An assessment may not be made if the annual assessment due would be less than \$50. Until June 30, 1992, the"

Page 1, lines 24 and 25, strike "This amount shall be certified to the board by the executive director of the pollution control agency." and insert "A work plan and budget shall be submitted annually to the board which shall take public testimony on the budget and work plan. The board must approve the work plan and budget before an assessment is levied. The work plan and budget must be submitted to the board by June 30, 1987."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 916, A bill for an act relating to the department of administration; amending, creating, and deleting various duties of the commissioner of administration; creating the productivity loan fund; providing definitions; amending Minnesota Statutes 1986, sections 4.31, subdivisions 1 and 5; 14.04; 16B.08, subdivisions 3 and 7; 16B.09, subdivision 1; 16B.24, subdivision 6; 16B.29; 16B.51, subdivision 3; 138.17, subdivision 7; and 139.19; amending Laws 1979, chapter 333, section 18; proposing coding for new law in Minnesota Statutes, chapter 16B; repealing Minnesota Statutes 1986, section 138.22.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 4.31, subdivision 1, is amended to read:

Subdivision 1. There is created in the office of the ~~governor~~ commissioner the office of on volunteer services, hereafter referred

to as "the office." The office shall be under the supervision and administration of an executive director to be appointed by the ~~governor~~ commissioner and hereinafter referred to as "director." ~~The director shall be regarded as an employee of the governor.~~ The office shall operate as a state information center for volunteer programs and needed services that could be delivered by volunteer programs. Any person or public or private agency may request information on the availability of volunteer programs relating to specific services, and may report to the director whenever a volunteer program is needed or desired.

Sec. 2. Minnesota Statutes 1986, section 4.31, is amended by adding a subdivision to read:

Subd. 3a. The director may charge a fee for services provided to state agencies, political subdivisions, private and nonprofit organizations, and individuals. Fees collected by the office shall be deposited in the state treasury and are continually appropriated to the office for the purposes of this section.

Sec. 3. Minnesota Statutes 1986, section 4.31, subdivision 5, is amended to read:

Subd. 5. The commissioner of administration shall appoint an advisory committee of not more than 21 members, at least one member from each economic development region, to advise and make recommendations to the commissioner and the director of volunteer services. ~~Notwithstanding this numerical limitation, members currently serving on an advisory group to the office of volunteer services shall complete their prescribed terms of office; thereafter, appointments of successors shall be made so as to be consistent with the numerical limitation contained in this section.~~ Membership terms, compensation, removal and filling of vacancies of members and expiration of the advisory committee shall be as provided in section 15.059; provided, that members shall not be eligible for a per diem.

Sec. 4. Minnesota Statutes 1986, section 14.04, is amended to read:

#### 14.04 [AGENCY ORGANIZATION; GUIDEBOOK.]

To assist interested persons dealing with it, each agency shall, in a manner prescribed by the commissioner of administration, prepare a description of its organization, stating the process whereby the public may obtain information or make submissions or requests. The commissioner of administration shall publish these descriptions at least ~~in once every odd-numbered year~~ four years commencing in 1981 in a guidebook of state agencies. Notice of the publication of the guidebook shall be published in the State Register.

Sec. 5. Minnesota Statutes 1986, section 16B.06, subdivision 4, is amended to read:

Subd. 4. [SUBJECT TO AUDIT.] A contract or any disbursement of public funds to a provider of services or a grantee, made by or under the supervision of the commissioner, an agency, or any county or unit of local government shall include, expressly or impliedly, an audit clause that provides that the books, records, documents, and accounting procedures and practices of the contractor or other party, relevant to the contract or transaction are subject to examination by the contracting agency, and either the legislative auditor or the state auditor as appropriate.

Sec. 6. Minnesota Statutes 1986, section 16B.08, subdivision 3, is amended to read:

Subd. 3. [AUCTION IN LIEU OF BIDS.] The commissioner, in lieu of advertising for bids, may sell buildings and other personal property owned by the state and not needed for public purposes at public auction to the highest responsible bidder. A sale under this subdivision may not be made until publication of notice of the sale in a newspaper of general circulation in the area where the property is located and any other advertising the commissioner directs. Any of the property may be withdrawn from the sale prior to the completion of the sale unless the auction has been announced to be without reserve. If the sale is made at public auction a duly licensed auctioneer must be retained to conduct the sale. The auctioneer's fees and other administrative costs of the auction must be paid from the proceeds from which an amount sufficient to pay them is appropriated.

Sec. 7. Minnesota Statutes 1986, section 16B.08, subdivision 7, is amended to read:

Subd. 7. [SPECIFIC PURCHASES.] (a) The following may be purchased without regard to the competitive bidding requirements of this chapter:

(1) fiber used in the manufacture of binder twine, ply twines, and rope at the state correctional facilities;

(2) merchandise for resale at state park refectories or facility operations;

(3) (2) farm and garden products, which may be sold at the prevailing market price on the date of the sale;

(4) (3) meat for other state institutions from the vocational school maintained at Pipestone by independent school district No. 583; and

~~(5)~~ (4) furniture from the Minnesota correctional facility—St. Cloud facilities.

(b) Supplies, materials, or equipment to be used in the operation of a hospital licensed under sections 144.50 to 144.56 that are purchased under a shared service purchasing arrangement whereby more than one hospital purchases supplies, materials, or equipment with one or more other hospitals, either through one of the hospitals or through another entity, may be purchased without regard to the competitive bidding requirements of this chapter if the following conditions are met:

(1) the hospital's governing authority authorizes the arrangement;

(2) the shared services purchasing program purchases items available from more than one source on the basis of competitive bids or competitive quotations of prices; and

(3) the arrangement authorizes the hospital's governing authority or its representatives to review the purchasing procedures to determine compliance with these requirements.

Sec. 8. Minnesota Statutes 1986, section 16B.09, subdivision 1, is amended to read:

Subdivision 1. [LOWEST RESPONSIBLE BIDDER.] All state contracts and purchases made by or under the supervision of the commissioner or an agency for which competitive bids are required must be awarded to the lowest responsible bidder, taking into consideration conformity with the specifications, terms of delivery, and other conditions imposed in the call for bids. The commissioner may decide which is the lowest responsible bidder for all purchases and may use the principles of life cycle costing, where appropriate, in determining the lowest overall bid. As to contracts other than for purchases, the head of the interested agency shall make the decision, subject to the approval of the commissioner. Any or all bids may be rejected. In a case where competitive bids are required and where all bids are rejected, new bids, if solicited, must be called for as in the first instance, unless otherwise provided by law.

Sec. 9. Minnesota Statutes 1986, section 16B.17, subdivision 2, is amended to read:

Subd. 2. [PROCEDURE FOR CONSULTANT AND PROFESSIONAL AND/TECHNICAL SERVICES CONTRACTS.] Before approving a proposed state contract for consultant services or professional and technical services the commissioner must determine, at least, that:

(1) all provisions of section 16B.19 and subdivision 3 of this section have been verified or complied with;

(2) the work to be performed under the contract is necessary to the agency's achievement of its statutory responsibilities, and there is statutory authority to enter into the contract;

(3) the contract will not establish an employment relationship between the state or the agency and any persons performing under the contract;

(4) no current state employees will engage in the performance of the contract, unless the tasks performed and area of expertise used under the contract are substantially different from those used as a state employee;

(5) no state agency has previously performed or contracted for the performance of tasks which would be substantially duplicated under the proposed contract; and

(6) the contracting agency has specified a satisfactory method of evaluating and using the results of the work to be performed.

Sec. 10. Minnesota Statutes 1986, section 16B.24, subdivision 6, is amended to read:

Subd. 6. [PROPERTY RENTAL.] (a) [LEASES.] The commissioner shall rent land and other premises when necessary for state purposes. The commissioner may lease rent land or premises for five years or less, subject to cancellation upon 30 days written notice by the state for any reason except rental of other land or premises for the same use except that when a relocation project requires more than 100,000 square feet of leased space and the commissioner determines that a longer lease term is in the best economic interests of the state, the lease may be executed for a term not to exceed ten years. All leases shall provide that the state may terminate the lease or reduce the amount of space rented upon 60 days' written notice to the lessor in the event that the state tenant loses state or federal funding necessary for the continuation of the lease. The commissioner may not rent non-state-owned land and buildings or substantial portions of land or buildings within the capitol area as defined in section 15.50 unless the commissioner first consults with the capitol area architectural and planning board. Lands needed by the department of transportation for storage of vehicles or road materials may be rented for five years or less, such leases for terms over two years being subject to cancellation upon 30 days written notice by the state for any reason except rental of other land or premises for the same use.

(b) [USE VACANT PUBLIC SPACE.] No agency may initiate or renew a lease for space for its own use in a private building unless

the commissioner has thoroughly investigated presently vacant space in public buildings, such as closed school buildings, and found that none is available.

(c) [PREFERENCE FOR CERTAIN BUILDINGS.] For needs beyond those which can be accommodated in state owned buildings, the commissioner shall acquire and utilize space in suitable buildings of historical, architectural, or cultural significance for the purposes of this subdivision unless use of that space is not feasible, prudent and cost effective compared with available alternatives. Buildings are of historical, architectural, or cultural significance if they are listed on the national register of historic places, designated by a state or county historical society, or designated by a municipal preservation commission.

Sec. 11. Minnesota Statutes 1986, section 16B.29, is amended to read:

16B.29 [STATE SURPLUS PROPERTY; DISPOSAL.]

The commissioner may do any of the following to dispose of supplies, materials, and equipment which are surplus, obsolete, or unused: (1) transfer it to or between state agencies; (2) transfer it to local government units in Minnesota and other institutions and organizations in Minnesota authorized by federal law to accept surplus property and charge a fee to cover expenses incurred by the commissioner in making the property available to these units; or (3) sell it. The commissioner must make proper adjustments in the accounts and appropriations of the agencies concerned. When the commissioner sells the supplies, materials and equipment, the proceeds of the sale are continually appropriated to the agency for whose account the sale was made, to be used and expended by the agency to purchase similar needed supplies, materials and equipment at any time during the biennium in which the sale occurred.

Sec. 12. Minnesota Statutes 1986, section 16B.39, is amended by adding a subdivision to read:

Subd. 1a. [ENDOWMENT FUND.] The commissioner of administration may establish an endowment fund to reward state agencies and their employees for improving productivity and service quality. The commissioner shall use gift money to establish the fund. The interest earnings are appropriated to the commissioner to make agency and employee awards. The commissioner shall establish an advisory task force of state employees and private individuals to recommend criteria for granting rewards and to recommend award recipients.

Sec. 13. [16B.405] [SOFTWARE SALES.]

Subdivision 1. [AUTHORIZATION.] Notwithstanding any other law, and for the purpose of offsetting the department of administration's software development costs through the sale of products developed, the commissioner may sell or license computer software products or systems developed by the commissioner or custom developed by a vendor, through whatever sales method the commissioner considers appropriate. Prices for the software products or systems may be based on market considerations.

Subd. 2. [SOFTWARE SALE FUND.] Proceeds of the sale or licensing of software products or systems by the commissioner shall be credited to the computer services revolving fund. If a state agency other than the department of administration has contributed to the development of software sold or licensed under this section, the commissioner may reimburse the agency by discounting computer services provided to that agency.

Sec. 14. [16B.481] [FEES FOR TRAINING AND MAINTENANCE.]

The commissioner may charge state agencies and political subdivisions a fee for the cost of energy conservation training and preventive maintenance programs. Fees collected by the commissioner shall be deposited in the state treasury and are continually appropriated to the commissioner to pay the cost of the training and maintenance programs.

Sec. 15. Minnesota Statutes 1986, section 16B.51, subdivision 3, is amended to read:

Subd. 3. [SALE OF PUBLICATIONS.] The commissioner may sell official reports, documents, and other publications of all kinds, may delegate their sale to state agencies, and may establish facilities for their sale within the department of administration and elsewhere within the state service. The commissioner may remit a portion of the price of any publication to the agency producing the publication.

Sec. 16. [16B.531] [TRAVEL SERVICES.]

The commissioner may offer a centralized travel service to all state departments and agencies and may, in connection with that service, accept payments from travel agencies under contracts for the provision of travel services. The payments shall be deposited in the motor pool revolving account, created by section 16B.54, subdivision 8, and shall be used for the expenses of managing the centralized travel service. Revenues in excess of the management costs of the centralized service shall be returned to the general fund.

Sec. 17. [16B.86] [PRODUCTIVITY LOAN FUND.]

Subdivision 1. [ESTABLISHMENT.] The productivity loan fund is created as a special account in the state treasury. The money in the fund is continually appropriated to the commissioner of administration and may be spent only for the purposes provided in subdivision 2.

Subd. 2. [PURPOSES FOR WHICH MONEY MAY BE SPENT.] The money in the fund may be used only for loans to finance agency projects that will result in either reduced operating costs or increased revenues, or both, for a state agency. As used in this section, "agency" means any department, agency, board, council, or authority of the executive branch of state government.

**Sec. 18. [16B.87] [AWARD AND REPAYMENT OF PRODUCTIVITY LOANS.]**

Subdivision 1. [COMMITTEE.] The productivity loan committee is established. The committee consists of the commissioners of administration, finance, revenue, and employee relations, and the state planning director. The commissioner of administration shall serve as chair of the committee. The members serve without compensation or reimbursement for expenses.

Subd. 2. [AWARD AND TERMS OF LOANS.] An agency shall apply for a loan on a form provided for that purpose by the commissioner of administration. The committee shall review applications for loans and shall award any loan based upon criteria adopted by the committee. The committee shall determine the amount, interest, and other terms of the loan. The time for repayment of a loan shall not exceed five years.

Subd. 3. [REPAYMENT.] An agency receiving a loan under this section shall repay the loan according to the terms of the loan agreement. The principle and interest shall be paid to the commissioner of administration who shall deposit it in the productivity loan fund.

Subd. 4. [REPORT.] The commissioner of administration shall submit an annual report to the governor and the chairs of the house appropriations and senate finance committees, reporting the amount and conditions of any loan and other matters concerning the operation of the committee.

Sec. 19. Minnesota Statutes 1986, section 138.17, subdivision 7, is amended to read:

Subd. 7. [RECORDS MANAGEMENT PROGRAM.] A records management program for the application of efficient and economical management methods to the creation, utilization, maintenance, retention, preservation, and disposal of official records shall be administered by the commissioner of administration. The state

records center which stores and services state records not in state archives shall be administered by the commissioner of administration. The commissioner of administration is empowered to (1) establish standards, procedures, and techniques for effective management of government records, (2) make continuing surveys of paper work operations, and (3) recommend improvements in current records management practices including the use of space, equipment, and supplies employed in creating, maintaining, preserving and disposing of government records. It shall be the duty of the head of each state agency and the governing body of each county, municipality, and other subdivision of government to cooperate with the commissioner in conducting surveys and to establish and maintain an active, continuing program for the economical and efficient management of the records of each agency, county, municipality, or other subdivision of government. When requested by the commissioner, public officials shall assist in the preparation of an inclusive inventory of records in their custody, to which shall be attached a schedule, approved by the head of the governmental unit or agency having custody of the records and the commissioner, establishing a time period for the retention or disposal of each series of records. When the schedule is unanimously approved by the records disposition panel, the head of the governmental unit or agency having custody of the records may dispose of the type of records listed in the schedule at a time and in a manner prescribed in the schedule for particular records which were created after the approval. A list of records disposed of pursuant to this subdivision shall be forwarded to the commissioner and the archivist by the head of the governmental unit or agency. The archivist shall maintain a list of all records destroyed.

Sec. 20. Minnesota Statutes 1986, section 139.19, is amended to read:

**139.19 [GENERAL NONCOMMERCIAL RADIO STATION GRANTS.]**

Subdivision 1. [PURPOSE.] The purposes of this section are to facilitate the use of the noncommercial radio station as a community resource by providing financial assistance to noncommercial radio stations serving Minnesota citizens.

Subd. 2. [DEFINITIONS.] As used in this section, the terms defined in this subdivision have the meanings given them.

(a) "Corporation for Public Broadcasting" means the nonprofit organization established pursuant to United States Code, title 47, section 396.

(b) "Federal Communications Commission" means the federal agency established pursuant to United States Code, title 47, section 151.

(c) "Licensee" means the individual or business entity to whom the Federal Communications Commission has issued the license to operate a noncommercial radio station.

(d) "Noncommercial radio station" means a station ~~holding a license or operating under program test authority~~ operated by a licensee as a noncommercial educational radio station under a license or program test authority from the Federal Communications Commission as a noncommercial educational radio station, licensed to a community within the state and serving a segment of the population of the state.

~~(d)~~ (e) "Operating income" may include:

- (1) individual and other community contributions;
- (2) all grants received from the Corporation for Public Broadcasting;
- (3) grants received from foundations, corporations, or federal, state, or local agencies or other sources for the purpose of programming or general operating support;
- (4) interest income;
- (5) earned income;
- (6) employee salaries paid through the federal Comprehensive Employment Training Act, or other similar public employment programs, provided that only salary expended for employee duties directly relating to radio station operations shall be counted;
- (7) employee salaries paid through supporting educational institutions, provided that only salary expended for employee duties directly relating to radio station operations shall be counted;
- (8) direct operating costs provided by supporting educational institutions; and
- (9) no more than \$15,000 in volunteer time calculated at the federal minimum wage.

The following are specifically excluded in determining a station's operating income:

- (1) dollar representations in ~~in-kind~~ assistance from any source except as stipulated in clauses (8) and (9) above;
- (2) grants or contributions from any source for the purpose of purchasing capital improvements or equipment; and

(3) noncommercial radio station grants received in the previous fiscal year pursuant to this section.

Subd. 3. [STATION ELIGIBILITY.] To qualify for a grant under this section, ~~a noncommercial radio station~~ the licensee shall:

(a) Hold a valid noncommercial educational radio station license or program test authority from the Federal Communications Commission;

(b) Have facilities adequate to provide local program production and origination;

(c) Employ a minimum of two full time professional radio staff persons or the equivalent in part-time staff and agree to employ a minimum of two full time professional radio staff persons or the equivalent in part-time staff throughout the fiscal year of the grant;

(d) Maintain a minimum daily broadcasting schedule of (1) the maximum allowed by its Federal Communications Commission license or (2) 12 hours a day during the first year of eligibility for state assistance, 15 hours a day during the second year of eligibility and 18 hours a day during the third and following years of eligibility;

(e) Broadcast 365 days a year or the maximum number of days allowed by its Federal Communications Commission license;

(f) Have a daily broadcast schedule devoted primarily to programming that serves ascertained community needs of an educational, informational or cultural nature within its primary signal area; however, a program schedule of a main channel carrier designed to further the principles of one or more particular religious philosophies or including 25 percent or more religious programming on a broadcast day does not meet this criterion, nor does a program schedule of a main channel carrier designed primarily for in-school or professional in-service audiences;

(g) Originate significant, locally produced programming designed to serve its community of license;

(h) Have a total annual operating income and budget of at least \$50,000;

(i) Have either a board of directors representing the community or a community advisory board that conducts advisory board meetings that are open to the public;

(j) Have a board of directors that: (1) holds the portion of any meeting relating to the management or operation of the radio

station open to the public and (2) permits any person to attend any meeting of the board without requiring a person, as a condition to attendance at the meeting, to register the person's name or to provide any other information; and

(k) Have met the criteria in clauses (a) to (j) for six months before it is eligible for state assistance under this section.

The commissioner shall accept the judgment of Corporation for Public Broadcasting accepted audit when it is available on a station's eligibility for assistance under the criteria of this subdivision. If the applicant station is not qualified for assistance from the Corporation for Public Broadcasting, an independent audit is required.

Subd. 4. [APPLICATION.] To be eligible for a grant under this section, a station licensee shall submit an application to the commissioner within the deadline prescribed by the commissioner. It shall also submit, within the deadline prescribed by the commissioner, its audited financial records for the fiscal year preceding the year for which the grant will be made.

Subd. 5. [GRANTS.] (a) The commissioner shall determine eligibility for grants and the allocation of grant money on the basis of audited financial records of the station to receive the grant funds for the applicant station's fiscal year preceding the year in which the grant is made, as well as on the basis of the other requirements set forth in this section. The commissioner shall annually distribute grants to all stations that comply with the eligibility requirements and apply for which a licensee applies for a grant. The commissioner may promulgate rules to implement this section. For this purpose the commissioner may promulgate emergency rules pursuant to sections 14.29 to 14.36. An applicant's share of the grant money shall be based on:

(1) The amount received in the preceding year by the station to which the grant would be distributed in private nontax generated contributions from sources within the state; no contributions made for the purpose of capital expenditures shall be counted; and

(2) The dollar value in the preceding year of contributions of volunteer time to station operations, provided that the volunteer time was not used for the purpose of raising money for the station. Volunteer time shall be valued at the federal minimum wage per hour. A station's total allocation for volunteer time shall not exceed 20 percent of its total grant pursuant to this section.

(b) The commissioner shall match every verified contribution dollar under paragraph (a), clause (1) and volunteer time dollar, as calculated under paragraph (a), clause (2), with two state dollars for each eligible applicant until the applicant station to which the grant

is distributed has received \$10,000 in grant money under this section, and thereafter grant money shall be distributed on a dollar for dollar basis until the total amount appropriated for that year has been distributed equally among all applicants stations. A station may receive state matching money only until the station's total verified contribution and volunteer time has been matched or the amount of the grant received equals one-third of the station's total operating income for the previous fiscal year.

(c) A station may use grant money under this section for any radio station expenses.

Subd. 6. [AUDIT.] A station that receives a grant under this section shall have an audit of its financial records made by an independent auditor or Corporation for Public Broadcasting accepted audit at the end of the fiscal year for which it received the grant. The audit shall include a review of station promotion, operation, and management and an analysis of the station's use of the grant money. A copy of the audit shall be filed with the commissioner.

Sec. 21. Minnesota Statutes 1986, section 248.07, subdivision 8, is amended to read:

Subd. 8. [USE OF REVOLVING FUND, LICENSES FOR OPERATION OF VENDING MACHINES.] The revolving fund created by Laws 1947, chapter 535, section 5, is continued as provided in this subdivision and shall be known as the revolving fund for vocational rehabilitation of the blind. It shall be used for the purchase of equipment and supplies for establishing and operating of vending stands by blind persons. All income, receipts, earnings, and federal grants due to the operation thereof shall also be paid into the fund. All interest earned on money accrued in the fund shall be credited to the fund by the state treasurer. All equipment, supplies, and expenses for setting up these stands shall be paid for from the fund. Authority is hereby given to the commissioner to use the money available in the revolving fund for the establishment, operation and supervision of vending stands by blind persons for the following purposes: (1) purchase, upkeep and replacement of equipment; (2) purchase of initial and replacement stock of supplies and merchandise; (3) expenses incidental to the setting up of new stands and improvement of old stands; (4) purchase of general liability insurance as deemed advisable for any vending stand by the commissioner; (5) reimbursement to individual blind vending operators for reasonable travel and maintenance expenses incurred in attending supervisory meetings as called by the commissioner; (6) purchase of fringe benefits for blind vending operators and their employees such as group health insurance, retirement program, vacation or sick leave assistance provided that the purchase of any fringe benefit is approved by a majority vote of blind vending operators licensed pursuant to this subdivision after the commissioner provides to each

blind vending operator information on all matters relevant to the fringe benefits. Fringe benefits shall be paid only from assessments of operators for specific benefits, gifts to the fund for fringe benefit purposes, and vending income which is not assignable to an individual stand.

The commissioner shall issue each license for the operation of a vending stand or vending machine for an indefinite period but may terminate any license in the manner provided. In granting licenses for new or vacated stands preference on the basis of seniority of experience in operating stands under the control of the commissioner shall be given to capable operators who are deemed competent to handle the enterprise under consideration. Application of this preference shall not prohibit the commissioner from selecting an operator from the community in which the stand is located.

Sec. 22. Laws 1979, chapter 333, section 18, is amended to read:

Sec. 18. [ADMINISTRATION.]

General Operations and Management	15,136,500	15,595,900
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Approved Complement - 956

General - 485
Special - 11
Federal - 7
Revolving - 453

The amounts that may be expended from this appropriation for each program are as follows:

Management Services

\$ 3,311,200	\$ 3,493,300
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The commissioner of administration shall transfer two positions from management analysis to records management to allow the department to meet its responsibilities for records management. These positions may revert to management analysis when they are no longer needed to meet those responsibilities.

Real Property Management

\$ 7,804,200	\$ 7,780,900
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The commissioner of administration shall charge the department of transportation and the iron range resources and rehabilitation board for engineering services performed on behalf of these agencies.

The unencumbered balance in appropriation accounts 16078:14-11 and 16072:14-11 shall be canceled on July 1, 1979.

## State Agency Services

\$ 1,224,400      \$ 1,222,000  
For 1979 - \$169,200

\$169,200 is available as an advance appropriated from the general fund to the surplus property revolving fund. Of this amount, \$67,700 is immediately available for payment of outstanding obligations, \$40,000 is immediately available as working capital, and \$61,500 is available for the reduction of obligations incurred between March 1, 1979, and February 29, 1980.

The commissioner of administration shall provide a monthly report to the commissioner of finance consisting of: an operations statement, a balance sheet, an analysis of changes in retained earnings, and a source and use of funds statement. The commissioner of finance is responsible for approving the allotment of the \$61,500 portion of the advance appropriation and shall give his approval when potential deficiencies are forecast. If it appears that the \$61,500 portion of the advance appropriation will be exhausted prior to January 15, 1980, the commissioner of finance shall promptly notify the governor and the legislative advisory commission of the need for an additional advance appropriation.

The commissioner of administration shall by January 15, 1980, provide copies of all monthly reports through the period ending December 31, 1979, to the senate finance committee and the house appropriations committee. The commissioner of finance shall by January 15, 1980, recommend the continuance or discontinuance of the federal surplus property activity to the committee on finance in the senate and the committee on appropriations of the house of representatives.

The advance of \$169,200 shall be returned in full or in increments to the general fund from the surplus property revolving fund when the commissioner of finance determines that retained earnings are in excess of the working capital requirements of the surplus property revolving fund. In the event the surplus property revolving fund is discontinued, any portion of the advance of \$169,200 that has not been returned to the general fund shall, immediately upon liquidation of assets, be paid to the general fund.

## Public Services

\$ 1,748,900      \$ 2,053,400

\$37,000 the first year and \$40,700 the second year is for the state contribution to the National Conference of State Legislatures.

\$43,900 each year is for the state contribution to the Council of State Governments.

\$6,500 each year is for the expenses of the Interstate Cooperation Commission.

\$5,000 each year is for the Minnesota state employees band.

General Support

\$ 1,047,800      \$ 1,046,300

The commissioner of administration with the approval of the commissioner of finance may transfer unencumbered balances not specified for a particular purpose among the above programs. Transfers shall be reported forthwith to the committee on finance of the senate and the committee on appropriations of the house of representatives.

Sec. 23. [TRANSITION.]

An incumbent of an unclassified position which is placed in the classified services as a result of section 1 shall be appointed to the position in the classified service in the job without a competitive or qualifying exam.

Sec. 24. [INSTRUCTION TO REVISOR.]

The revisor of statutes shall renumber Minnesota Statutes, section 4.31, subdivisions 1 and 5, in chapter 16B.

Sec. 25. [REPEALER.]

Minnesota Statutes 1986, sections 16B.39, subdivision 1; and 138.22, are repealed.

Sec. 26. [EFFECTIVE DATE.]

Sections 6, 11, 14, and 16 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to state government; amending, creating, and deleting various duties of the commissioner of administration; creating the productivity loan fund; providing definitions; requiring interest earned on the revolving fund for vocational rehabilitation of the blind to be credited to the fund; amending Minnesota Statutes 1986, sections 4.31, subdivisions 1, 5, and by adding a subdivision; 14.04; 16B.06, subdivision 4; 16B.08, subdivisions 3 and 7; 16B.09, subdivision 1; 16B.17, subdivision 2; 16B.24, subdivision 6; 16B.29; 16B.39, by adding a subdivision; 16B.51, subdivision 3; 138.17, subdivision 7; 139.19; 248.07, subdivision 8; and Laws 1979, chapter 333, section 18; proposing coding for new

law in Minnesota Statutes, chapter 16B; repealing Minnesota Statutes 1986, sections 16B.39, subdivision 1; and 138.22.”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 924, A bill for an act relating to corrections; removing the Minnesota correctional industries from state competitive bidding requirements; amending Minnesota Statutes 1986, section 241.27, subdivision 2.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 936, A bill for an act relating to public employees; creating a statewide public employees insurance plan; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 43A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [43A.316] [PUBLIC EMPLOYEES INSURANCE PLAN.]

Subdivision 1. [INTENT.] The legislature finds that the creation of a statewide plan to provide public employees and other eligible persons with life insurance and hospital, medical, and dental benefit coverage through provider organizations would result in a greater utilization of government resources and would advance the health and welfare of the citizens of the state.

Subd. 2. [DEFINITIONS.] For the purpose of this section, the terms defined in this subdivision have the meaning given them.

(a) [COMMISSIONER.] “Commissioner” means the commissioner of the department of employee relations.

(b) [EMPLOYEE.] “Employee” means (1) a person who is a public employee within the definition of section 179A.03, subdivision 14, and is employed by an eligible employer or (2) a person employed by a labor organization or employee association certified as an exclusive representative of employees of an eligible employer or by another public employer approved by the commissioner.

(c) [ELIGIBLE EMPLOYER.] “Eligible employer” means

(1) a public employer within the definition of section 179A.03, subdivision 15, that is a town, county, city, school district as defined in section 120.02, educational cooperative service unit as defined in section 123.58, intermediate district as defined in section 136C.02, subdivision 7, cooperative center for vocational education as defined in section 123.351, regional management information center as defined in section 121.935, or an education unit organized under the joint powers action, section 471.59; or

(2) an exclusive representative of employees, as defined in paragraph (b); or

(3) another public employer approved by the commissioner.

(d) [EXCLUSIVE REPRESENTATIVE.] “Exclusive representative” means an exclusive representative as defined in section 179A.03, subdivision 8.

(e) [LABOR-MANAGEMENT COMMITTEE.] “Labor-management committee” means the committee established by subdivision 4.

(f) [PLAN.] “Plan” means the statewide public employees insurance plan created by subdivision 3.

Subd. 3. [PUBLIC EMPLOYEE INSURANCE PLAN.] There is created the “public employee insurance plan.” The commissioner shall be the administrator of the plan. The commissioner shall model the plan after the plan established in section 43A.18, subdivision 2, but may modify that plan, in consultation with the labor-management committee. The commissioner may, if feasible, include the participants in the plan established by this subdivision in the plan established for state employees, after consulting with exclusive representatives of state employees and with the labor-management committee.

Subd. 4. [LABOR-MANAGEMENT COMMITTEE.] There is created a labor-management committee of ten members appointed by the commissioner. The labor-management committee shall consist of five members who represent employees, including at least one retired employee, and five members who represent eligible employ-

ers. The commissioner shall consult with the labor-management committee in major decisions that affect the plan. The committee shall study issues relating to the insurance plan including, but not limited to, flexible benefits, utilization review, quality assessment, and cost efficiency.

Subd. 5. [PUBLIC EMPLOYEE PARTICIPATION.] Participation in the plan is subject to the conditions in this subdivision.

(a) Each exclusive representative for an eligible employer determines whether the employees it represents shall participate in the plan. The exclusive representative must give the employer notice of intent to participate at least 90 days before the expiration date of the collective bargaining agreement preceding the collective bargaining agreement that covers the date of entry into the plan. The exclusive representative and the eligible employer shall give notice to the commissioner of the determination to participate in the plan at least 90 days prior to entry into the plan. Entry into the plan shall be according to a schedule established by the commissioner.

(b) Employees not represented by exclusive representatives may become members of the plan upon a determination of an eligible employer to include these employees in the plan. Either all or none of the employer's unrepresented employees must participate. The eligible employer shall give at least 90 days' notice to the commissioner prior to entering the plan. Entry into the plan shall be according to a schedule established by the commissioner.

(c) Participation in the plan shall be for a three-year term if coverage begins in an even-numbered year and a four-year term if coverage begins in an odd-numbered year. Participation is automatically renewed for an additional four-year term unless the exclusive representative, or the employer for unrepresented employees, gives the commissioner notice of withdrawal at least 90 days prior to expiration of the participation period. A group that withdraws must wait two years before rejoining.

(d) The exclusive representative shall give the employer notice of intent to withdraw at least 90 days before the expiration date of a collective bargaining agreement that includes the date on which the term of participation expires.

(e) Each participating eligible employer shall notify the commissioner of names of individuals who will be participating within two weeks of the commissioner receiving notice of the parties' intent to participate. The employer must also submit other information as required by the commissioner for administration of the plan.

Subd. 6. [COVERAGE.] By January 1, 1989, the commissioner shall announce the benefits of the plan. The plan shall include employee hospital, medical, dental, and life insurance for employees

and hospital and medical benefits for dependents. Health maintenance organization options and other delivery system options shall be provided if they are available, cost effective, and capable of servicing the number of people covered in the plan. Participation in optional coverages may be provided by collective bargaining agreements. For employees not represented by an exclusive representative, the employer may offer the optional coverages to eligible employees and their dependents provided in the plan.

Subd. 7. [PREMIUMS.] The proportion of premium paid by the employer and employee is subject to collective bargaining. Premiums, including an administration fee, shall be established by the commissioner. Each eligible employer shall pay monthly the amounts due for employee benefits including the amounts under subdivision 8 to the commissioner on or before the dates established by the commissioner. Failure to pay may result in cancellation of the benefits.

Subd. 8. [CONTINUATION OF COVERAGE.] (a) A participating employee who is laid off or is on unrequested leave may elect to continue the plan coverage. This coverage is at the expense of the employee unless otherwise provided by a collective bargaining agreement. Premiums for these employees shall be established by the commissioner. Coverage continues until one of the following occurs:

(1) the employee is reemployed and eligible for health care coverage under a group policy; or

(2) the insurance continuation periods required by state and federal laws expire.

(b) A participating employee who retires and is receiving an annuity or is eligible for and has applied for an annuity under chapter 352, 352B, 352C, 352D, 353, 354, 354A, 356, 422A, 423, 423A, 424, or 490 is eligible to continue participation in the plan. The payment of premiums is as the exclusive representative, the eligible employer, and participating employee's pension fund administrator shall agree. An employer shall notify an employee of this option no later than the effective date of retirement. The retired employee shall notify the employer within 30 days of the effective date of retirement of intent to exercise this option.

The spouse of a deceased retired employee may purchase the benefits provided at premiums established by the commissioner if the deceased retired employee received an annuity under chapter 352, 353, 354, 354A, 356, 422A, 423, 423A, or 424 and if the spouse was a dependent under the retired employee's coverage under this section at the time of the death of the retired employee. Coverage under this paragraph shall be coordinated with relevant insurance

benefits provided through the federally sponsored Medicare program.

(c) The plan benefits shall continue in the event of strike permitted by section 179A.18, if the exclusive representative chooses to have coverage continue and the employee pays the total monthly premiums when due.

(d) A person who desires to participate under paragraphs (a) to (c) shall notify the eligible employer or former employer of intent to participate according to rules established by the commissioner. The eligible employer shall notify the commissioner, and coverage shall begin as soon as the commissioner permits.

Persons participating under these paragraphs shall make appropriate premium payments in the time and manner established by the commissioner.

Subd. 9. [INSURANCE TRUST FUND.] An insurance trust fund is established in the state treasury. The deposits consist of the premiums received from employers participating in the plan. All money in the fund is appropriated to the commissioner to pay insurance premiums, approved claims, refunds, administrative costs, and other related service costs. The commissioner shall reserve an amount of money to cover the estimated costs of claims incurred but unpaid. The state board of investment shall invest the money according to section 11A.24. Investment income and losses attributable to the fund shall be credited to the fund.

#### Sec. 2. [APPROPRIATION.]

\$. .... is appropriated in fiscal year 1988 from the general fund to the commissioner of employee relations to establish the fringe benefit plan. The appropriation is available until June 30, 1989.

#### Sec. 3. [EFFECTIVE DATE.]

Section 1 is effective July 1, 1987, except that benefit coverage for employees of school districts, educational cooperative service units, intermediate districts, cooperative centers for vocational education, regional management information centers, and education units organized under the joint powers act is effective September 1, 1989, and benefit coverage for all other employees is effective January 1, 1991."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 948, A bill for an act relating to state government; providing for affirmative action improvements; regulating job eligibility lists; providing for the title of state agency heads; regulating hiring and personnel practices; amending Minnesota Statutes 1986, sections 15.06, subdivision 1; 15.46; 43A.08, subdivision 1; 43A.13, subdivisions 1 and 7; 43A.18, subdivision 4; 43A.191, subdivision 3; 43A.24, subdivision 2; 43A.30, subdivision 4; 43A.33, subdivision 3; 43A.34, subdivision 3; repealing Minnesota Statutes 1986, sections 15.45, subdivision 3; 15.47; and 43A.34, subdivisions 1 and 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1986, section 15.06, subdivision 1, is amended to read:

Subdivision 1. [APPLICABILITY.] This section applies to the following departments or agencies: the departments of administration, agriculture, commerce, corrections, jobs and training, education, employee relations, energy and economic development, finance, health, human rights, labor and industry, natural resources, public safety, ~~public welfare~~ public service, human services, revenue, transportation, and veterans affairs; the housing finance, state planning, and pollution control agencies; the office of commissioner of iron range resources and rehabilitation; the bureau of mediation services; and their successor departments and agencies. The heads of the foregoing departments or agencies are referred to in this section as “commissioners.”

Sec. 2. Minnesota Statutes 1986, section 15.46, is amended to read:

15.46 [PREVENTIVE HEALTH SERVICES FOR STATE EMPLOYEES.]

The commissioner of the department of employee relations may establish and operate a program of preventive health services for state employees, and shall provide such staff, equipment, and facilities as are necessary therefor. The commissioner shall develop these services in accordance with ~~and limited to~~ the accepted practices of and standards for occupational preventive health services in the state of Minnesota. Specific services shall be directed to the work environment and to the health of the employee in relation to the job. The commissioner shall cooperate with the department of health as well as other private and public community agencies providing health, safety, employment, and welfare services.

Sec. 3. Minnesota Statutes 1986, section 43A.08, subdivision 1, is amended to read:

Subdivision 1. [UNCLASSIFIED POSITIONS.] Unclassified positions are held by employees who are:

- (a) chosen by election or appointed to fill an elective office;
- (b) heads of agencies required by law to be appointed by the governor or other elective officers, and the executive or administrative heads of departments, bureaus, divisions and institutions specifically established by law in the unclassified service;
- (c) deputy and assistant agency heads, and one confidential secretary in the agencies listed in subdivision 1a;
- (d) the confidential secretary to each of the elective officers of this state and, for the secretary of state, state auditor, and state treasurer, an additional deputy, clerk, or employee;
- (e) intermittent help employed by the commissioner of public safety to assist in the issuance of vehicle licenses;
- (f) employees in the offices of the governor and of the lieutenant governor, and one confidential employee for the governor in the office of the adjutant general;
- (g) employees of the legislature and of legislative committees or commissions; provided that employees of the legislative audit commission, except for the legislative auditor, the deputy legislative auditors, and their confidential secretaries, shall be employees in the classified service;
- (h) presidents, vice presidents, deans, other managers and professionals in academic and academic support programs, administrative or service faculty, teachers, research assistants and student employees eligible under terms of the federal economic opportunity act work study program in the state universities and community colleges. This paragraph shall not be construed to include the custodial, clerical or maintenance employees, or any professional or managerial employee performing duties in connection with the business administration of these institutions.
- (i) officers and enlisted persons in the national guard;
- (j) attorneys, legal assistants, examiners, and three confidential employees appointed by the attorney general or employed with the attorney general's authorization;

(k) judges and all employees of the judicial branch, referees, receivers, jurors, and notaries public, except referees and adjusters employed by the department of labor and industry;

(l) members of the state patrol; provided that selection and appointment of state patrol troopers shall be made in accordance with applicable laws governing the classified service;

(m) chaplains employed by the state;

(n) examination monitors and intermittent training instructors employed by the departments of employee relations and commerce and by professional examining boards;

(o) student workers; and

(p) employees unclassified pursuant to other statutory authority.

Sec. 4. Minnesota Statutes 1986, section 43A.13, subdivision 1, is amended to read:

#### 43A.13 [CERTIFICATION OF ELIGIBLES.]

Subdivision 1. [GENERAL.] Upon request of an appointing authority the commissioner shall certify eligibles from an eligible list determined appropriate by the commissioner, or as provided in collective bargaining agreements, rules or section 43A.04, subdivision 4. The commissioner may limit certification to those eligibles who meet special qualifications documented by an appointing authority and approved by the commissioner as essential job-related and necessary for satisfactory performance of a specific vacant position. The commissioner shall certify qualified available eligibles as provided in this section. Where the vacancy to be filled is in a position covered by a collective bargaining agreement, the list of certified eligibles shall be made available upon request to the exclusive representative as defined in sections 179A.01 to 179A.25.

Sec. 5. Minnesota Statutes 1986, section 43A.13, subdivision 7, is amended to read:

Subd. 7. [EXPANDED CERTIFICATION.] When the commissioner determines that a disparity as defined in rules exists between an agency's work force and its affirmative action plan approved in accordance with section 43A.19, the commissioner shall ensure to the extent possible that eligibles who are members of the protected groups for which the disparity exists are certified for appointment. When fewer than three two eligibles of all each protected group group for which a disparity has been determined to exist would be certified under subdivisions 4 and 5, the commissioner shall certify as many additional two eligibles from all of the protected groups for

~~which disparities have been determined to exist as are necessary to bring the number of such protected group eligibles certified to an aggregate total of three from each protected group for which a disparity exists. Implementation of this subdivision shall not be deemed a violation of other provisions of Laws 1981, chapter 210 or 363.~~

Sec. 6. Minnesota Statutes 1986, section 43A.18, subdivision 4, is amended to read:

Subd. 4. [PLANS NOT ESTABLISHED BUT APPROVED BY COMMISSIONER.] Notwithstanding any other law to the contrary, total compensation for employees listed in this subdivision shall be set by appointing authorities within the limits of compensation plans that have been approved by the commissioner before becoming effective.

(a) Total compensation for employees who are not covered by a collective bargaining agreement in the offices of the governor, lieutenant governor, attorney general, secretary of state, state auditor and state treasurer shall be determined by the governor, lieutenant governor, attorney general, secretary of state, state auditor and state treasurer, respectively.

(b) Total compensation for unclassified positions pursuant to section 43A.08, subdivision 1, clause (h), in the higher education coordinating board, and in the state board of vocational technical education shall be determined by the state university board and the state board for community colleges, the higher education coordinating board, and the state board of vocational technical education, respectively.

(c) Total compensation for classified administrative law judges in the office of administrative hearings shall be determined by the chief administrative law judge.

Sec. 7. Minnesota Statutes 1986, section 43A.191, subdivision 3, is amended to read:

Subd. 3. [SANCTIONS AND INCENTIVES.] (a) The director of equal employment opportunity shall annually audit the record of each agency to determine the rate of compliance with annual hiring goals of each goal unit and to evaluate the agency's overall progress toward its affirmative action goals and objectives.

(b) By ~~January~~ February 1 of each year, the commissioner shall submit a report on affirmative action progress of each agency and the state as a whole to the governor and to the finance committee of the senate, the appropriations committee of the house of representatives, and the governmental operations committees of both houses of the legislature. The report must include each agency's rate of

compliance with annual hiring goals. In addition, any agency in which less than 75 percent of the interim hiring goals in any goal unit were unmet that has not met its affirmative action hiring goals, that fails to make an affirmative action hire, or fails to justify its nonaffirmative action hire in 25 percent or more of the appointments made in the previous calendar year must be designated in the report as an agency not in compliance with affirmative action requirements.

(c) The commissioner shall study methods to improve the performance of agencies not in compliance with affirmative action requirements. By January 15, 1986, the commissioner shall submit to the legislature a proposal for improving compliance rates. This proposal must include penalties for noncompliance.

(d) The commissioner shall establish a program to recognize agencies that have made significant and measurable progress toward achieving affirmative action objectives.

Sec. 8. Minnesota Statutes 1986, section 43A.24, subdivision 2, is amended to read:

Subd. 2. [OTHER ELIGIBLE PERSONS.] The following persons are eligible for state paid life insurance and hospital, medical and dental benefits as determined in applicable collective bargaining agreements or by the commissioner or by plans pursuant to section 43A.18, subdivision 6, or by the board of regents for employees of the University of Minnesota not covered by collective bargaining agreements. Coverages made available, including optional coverages, are as contained in the plan established pursuant to section 43A.18, subdivision 2.

(a) A member of the state legislature, provided that changes in benefits resulting in increased costs to the state shall not be effective until expiration of the term of the members of the existing house of representatives. An eligible member of the state legislature may decline to be enrolled for state paid coverages by filing a written waiver with the commissioner. The waiver shall not prohibit the member from enrolling the member or dependents for optional coverages, without cost to the state, as provided for in section 43A.26. A member of the state legislature who returns from a leave of absence to a position previously occupied in the civil service shall be eligible to receive the life insurance and hospital, medical and dental benefits to which the position is entitled;

(b) a permanent employee of the legislature or a permanent employee of a permanent study or interim committee or commission or a state employee on leave of absence to work for the legislature, during a regular or special legislative session;

(c) a judge of the appellate courts or an officer or employee of these courts; a judge of the district court, a judge of county court, a judge of county municipal court, or a judge of probate court; a district administrator; and an employee of the office of the district administrator of the fifth or the eighth judicial districts;

(d) A salaried employee of the public employees retirement association;

(e) a full-time military or civilian officer or employee in the unclassified service of the department of military affairs whose salary is paid from state funds;

(f) a salaried employee of the Minnesota historical society, whether paid from state funds or otherwise, who is not a member of the governing board;

(g) an employee of the regents of the University of Minnesota; and

(h) notwithstanding section 43A.27, subdivision 3, an employee of the state of Minnesota or the regents of the University of Minnesota who is at least 60 and not yet 65 years of age on July 1, 1982 who is otherwise eligible for employee and dependent insurance and benefits pursuant to section 43A.18 or other law, who has at least 20 years of service and retires, earlier than required, within 60 days of March 23, 1982; or an employee who is at least 60 and not yet 65 years of age on July 1, 1982 who has at least 20 years of state service and retires, earlier than required, from employment at Rochester state hospital after July 1, 1981; or an employee who is at least 55 and not yet 65 years of age on July 1, 1982 and is covered by the Minnesota state retirement system correctional employee retirement plan or the state patrol retirement fund; who has at least 20 years of state service and retires, earlier than required, within 60 days of March 23, 1982. For purposes of this clause, a person retires when the person terminates active employment in state or University of Minnesota service and applies for a retirement annuity. Eligibility shall cease when the retired employee attains the age of 65, or when the employee chooses not to receive the annuity that the employee has applied for. The retired employee shall be eligible for coverages to which the employee was entitled at the time of retirement, subject to any changes in coverage through collective bargaining or plans established pursuant to section 43A.18, for employees in positions equivalent to that from which retired, provided that the retired employee shall not be eligible for state-paid life insurance. Coverages shall be coordinated with relevant health insurance benefits provided through the federally sponsored medicare program.

Sec. 9. Minnesota Statutes 1986, section 43A.30, subdivision 4, is amended to read:

Subd. 4. [EMPLOYEE INSURANCE TRUST FUND.] The commissioner of employee relations may direct that all or a part of the amounts paid for life insurance, hospital, medical, and dental benefits, and optional coverages authorized for eligible employees and other eligible persons be deposited by the state in an employee insurance trust fund in the state treasury, from which the approved claims of eligibles are to be paid. Investment income and investment losses attributable to the investment of the fund shall be credited to the fund. There is appropriated from the fund to the commissioner of finance amounts needed to pay the approved claims of eligibles, related service charges, insurance premiums, and refunds. The commissioner shall not market or self-insure life insurance or optional coverages. Nothing in this subdivision precludes the commissioner from determining plan design, providing informational materials, or communicating with employees about coverages.

Sec. 10. Minnesota Statutes 1986, section 43A.33, subdivision 3, is amended to read:

Subd. 3. [PROCEDURES.] Procedures for discipline and discharge of employees covered by collective bargaining agreements shall be governed by the agreements. Procedures for employees not covered by a collective bargaining agreement shall be governed by this subdivision and by the commissioner's and managerial plans.

(a) For discharge, suspension without pay or demotion, no later than the effective date of such action, a permanent classified employee not covered by a collective bargaining agreement shall be given written notice by the appointing authority. ~~The written notice shall include a statement of the nature of the disciplinary action, the specific reasons for the action, the effective date of the action and a statement informing the employee of the employee's right to reply within five working days following the receipt of the notice in writing or, upon request, in person, to the appointing authority or the authority's designee. The appointing authority shall respond within ten working days following receipt of the employee's reply or of the personal meeting. If the employee receives a negative reply or no reply from the appointing authority, the employee shall have 30 calendar days following the expiration of the ten working day response period to appeal the action to the office of administrative hearings. The content of that notice as well as the employee's right to reply to the appointing authority shall be as prescribed in the grievance procedure contained in the applicable plan established pursuant to section 43A.18.~~ The notice shall also include a statement that the employee may elect to appeal the action to the office of administrative hearings within 30 calendar days following the effective date of the disciplinary action. A copy of the notice and the employee's reply, if any, shall be filed by the appointing authority with the commissioner no later than ten calendar days following the effective date of the disciplinary action. The commissioner shall have final authority to decide whether the appointing authority

shall settle the dispute prior to the hearing provided under subdivision 4.

(b) For discharge, suspension or demotion of an employee serving an initial probationary period, and for noncertification in any subsequent probationary period, grievance procedures shall be as provided in the plan established pursuant to section 43A.18.

(c) Any permanent employee who is covered by a collective bargaining agreement may elect to appeal to the chief administrative law judge within 30 days following the effective date of the discharge, suspension or demotion if the collective bargaining agreement provides that option. In no event may an employee use both the procedure under this section and the grievance procedure available pursuant to sections 179A.01 to 179A.25.

Sec. 11. Minnesota Statutes 1986, section 43A.34, subdivision 1, is amended to read:

Subdivision 1. [MANDATORY RETIREMENT AGE.] Employees in the executive branch who are subject to the provisions of the Minnesota state retirement system or the teacher's retirement association and who are serving as faculty members or administrators under a contract of unlimited terms or similar arrangement providing for unlimited tenure at an institution of higher education, as defined in section 1201(a) of the federal Higher Education Act of 1965, as amended through January 1, 1987, must retire from employment by the state upon reaching the age of 70, except as provided in other law. Other employees in the executive branch who are subject to the provisions of the Minnesota state retirement system or the teacher's retirement association, except as provided in subdivision 3 or 4, or as provided in section 354.44, subdivision 1a, shall not be subject to a mandatory retirement age provision.

Sec. 12. Minnesota Statutes 1986, section 43A.34, subdivision 3, is amended to read:

Subd. 3. [CORRECTIONAL PERSONNEL EXEMPTED.] Notwithstanding the provisions of subdivision 1, Any employee of the state of Minnesota in a covered classification as defined in section 352.91, who is a member of the special retirement program for correctional personnel established pursuant to sections 352.90 to 352.95, may elect or be required to retire from employment in the covered correctional position upon reaching the age of 55 years.

A correctional employee occupying a position covered by provisions of section 352.91, desiring employment beyond the conditional mandatory retirement age shall, at least 30 days prior to the date of reaching the conditional mandatory retirement age of 55 years, and annually thereafter, request in writing to the employee's appointing authority authorization to continue in employment in the covered

position. Upon receiving the request, the appointing authority shall have a medical examination made of the employee. If the results of the medical examination establish the mental and physical ability of the employee to continue the duties of employment, the employee shall be continued in employment for the following year. If the determination of the appointing authority based upon the results of the physical examination is adverse, the disposition of the matter shall be decided by the commissioner of corrections or, for employees of the Minnesota security hospital, the commissioner of human services. Based on the information provided, the decision of the applicable commissioner shall be made in writing and shall be final.

Sec. 13. Minnesota Statutes 1986, section 43A.34, subdivision 4, is amended to read:

Subd. 4. [STATE PATROL, CONSERVATION AND CRIME BUREAU OFFICERS EXEMPTED.] Notwithstanding any provision to the contrary, (a) conservation officers and crime bureau officers who were first employed on or after July 1, 1973 and who are members of the state patrol retirement fund by reason of their employment, and members of the Minnesota state patrol division of the department of public safety who are members of the state patrol retirement association by reason of their employment, shall not continue employment after attaining the age of 60 years, except for a fractional portion of one year that will enable the employee to complete the employee's next full year of allowable service as defined pursuant to section 352B.01, subdivision 3; and (b) conservation officers and crime bureau officers who were first employed and are members of the state patrol retirement fund by reason of their employment before July 1, 1973, shall not continue employment after attaining the age specified in subdivision 1 of 70 years.

Sec. 14. [WAIVER OF STATUTES, RULES, AND ADMINISTRATIVE PROCEDURES FOR EXPERIMENTAL OR RESEARCH PROJECTS.]

The commissioner of employee relations may conduct experimental or research projects designed to improve recruitment, selection, referral, or appointment processes for the filling of state classified positions.

The commissioner of employee relations shall meet and confer with the exclusive bargaining representatives of state employees concerning the design and implementation of experimental and research projects under this section.

Any provision of Minnesota Statutes, sections 43A.09 to 43A.15, associated personnel rules adopted under section 43A.04, subdivision 3, or administrative procedures established under section 43A.04, subdivision 4, is waived for the purpose of these projects. This waiver is limited to no more than five percent of appointments

made under the waived provisions in the preceding fiscal year. The commissioner shall report by March 1, 1988, and January 15, 1989, to the legislative commission on employee relations the results of the experimental or research projects.

Sec. 15. [INSTRUCTION TO REVISOR.]

In the next edition of Minnesota Statutes, the revisor of statutes shall substitute the term "commissioner" for the term "director" whenever used to refer to the head of the state planning agency, housing finance agency, pollution control agency, department of public service, or bureau of mediation services. No substantive change is intended by the substitution of terms.

Sec. 16. [REPEALER.]

Minnesota Statutes 1986, sections 15.45, subdivision 3; 15.47; and 43A.34, subdivision 2, are repealed. Section 14 is repealed July 1, 1989."

Delete the title and insert:

"A bill for an act relating to state government; providing for affirmative action improvements; regulating job eligibility lists; providing for the title of state agency heads; giving the commissioner of health access to private or confidential data on individual state employees for purposes of epidemiologic studies; setting a mandatory age for certain employees and abolishing it for others; regulating hiring and personnel practices; amending Minnesota Statutes 1986, sections 15.06, subdivision 1; 15.46; 43A.08, subdivision 1; 43A.13, subdivisions 1 and 7; 43A.18, subdivision 4; 43A.191, subdivision 3; 43A.24, subdivision 2; 43A.30, subdivision 4; 43A.33, subdivision 3; 43A.34, subdivisions 1, 3, and 4; repealing Minnesota Statutes 1986, sections 15.45, subdivision 3; 15.47; and 43A.34, subdivision 2."

With the recommendation that when so amended the bill pass.

The report was adopted.

Jaros from the Committee on Higher Education to which was referred:

H. F. No. 970, A bill for an act relating to education; requiring the higher education coordinating board to provide education and training information; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 136A.

Reported the same back with the following amendments:

Page 2, line 27, after "admission requirements," insert "student placement,"

Page 3, line 21, after "administrators;" insert "community education programs;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Jaros from the Committee on Higher Education to which was referred:

H. F. No. 983, A bill for an act relating to education; adding post-secondary vocational technical representation to UFARS and ESV computer councils; authorizing certain state board of vocational technical education powers; changing certain state director duties; clarifying school days; amending Minnesota Statutes 1986, sections 121.901, subdivision 1; 121.934, subdivisions 1 and 2; 123.37, subdivision 1a; 136C.04, subdivision 12, and by adding a subdivision; 136C.13, by adding a subdivision; 136C.15; 136C.29, subdivision 5; and 136C.35; repealing Minnesota Statutes 1986, section 136C.32.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 15.014, subdivision 3, is amended to read:

Subd. 3. [TASK FORCE FOR CURRICULUM DEVELOPMENT PURPOSES.] In addition to the task forces for which compensation of members is authorized in subdivision 2, the state board of education and the state board of vocational technical education may each create not to exceed ten task forces, to be compensated as provided in section 15.059, subdivision 6. A task force created pursuant to this subdivision shall be for curriculum development purposes only and shall expire within one year after its creation. The task force shall report to the state board before its expiration or upon the completion of its task, whichever occurs first.

Sec. 2. Minnesota Statutes 1986, section 120.05, is amended to read:

120.05 [PUBLIC SCHOOLS.]

Subdivision 1. [CLASSIFICATION.] For the purpose of administration all public schools are classified under the following heads, provided the requirements in subdivision 2 are met:

- (1) Elementary,
- (2) Middle school,
- (3) Secondary,
- (4) Vocational center school,
- (5) ~~Area vocational~~ Technical school institute.

Subd. 2. [DEFINITIONS.] (1) Elementary school means any school with building, equipment, courses of study, class schedules, enrollment of pupils ordinarily in grades one through six or any portion thereof and staff meeting the standards established by the state board of education.

(a) The state board of education shall not close a school or deny any state aids to a district for its elementary schools because of enrollment limitations classified in accordance with the provisions of subdivision 2, clause (1).

(2) Middle school means any school other than a secondary school giving an approved course of study in a minimum of three consecutive grades above fourth but below tenth with building, equipment, courses of study, class schedules, enrollment and staff meeting the standards established by the state board of education.

(3) Secondary school means any school with building, equipment, courses of study, class schedules, enrollment of pupils ordinarily in grades seven through twelve or any portion thereof and staff meeting the standards established by the state board of education.

(4) A vocational center school is one serving a group of secondary schools with approved areas of secondary vocational training and offering vocational secondary and adult programs necessary to meet local needs and meeting standards established by the state board of education.

(5) ~~An area vocational~~ A technical school institute is a school operated according to the standards established by the state board of vocational technical education.

Sec. 3. Minnesota Statutes 1986, section 121.901, subdivision 1, is amended to read:

Subdivision 1. There is created an advisory council on uniform financial accounting and reporting standards, composed of 13 members appointed as follows:

(1) Two employees of the state department of education appointed by the commissioner of education;

(2) An employee of the office of state auditor appointed by the state auditor;

(3) One licensed certified public accountant appointed by the state board of education;

(4) ~~Nine~~ Eight persons who are representative of the various size school districts in the state and who are public school employees whose positions involve activities related to school financing and accounting, appointed by the state board; and

(5) One person representing post-secondary vocational technical education appointed by the state director of vocational technical education.

Professional associations composed of persons eligible to be appointed under clauses (3) and (4) may recommend nominees from their associations to the state board.

Sec. 4. Minnesota Statutes 1986, section 121.933, is amended to read:

**121.933 [STATEWIDE MANAGEMENT INFORMATION SYSTEM; DELEGATION OF POWERS AND DUTIES.]**

Subdivision 1. [PERMITTED DELEGATIONS.] The state board of vocational technical education, the state board of education, and the department may provide, by the delegation of powers and duties or by contract, for the implementation and technical support of ESV-IS and SDE-IS, including the development of applications software pursuant to section 121.931, subdivision 5, by the Minnesota educational computing consortium, by a regional management information center or by any other appropriate provider.

Subd. 2. [PROHIBITED DELEGATIONS.] The state board of vocational technical education, the state board of education, and the department may not delegate to the Minnesota educational computing consortium any of their powers and duties to develop policy and to plan for ESV-IS and SDE-IS, to monitor and enforce compliance with rules and data standards, or to approve the actions of districts and regions. Powers and duties which may not be delegated include the powers and duties in sections 121.931, subdivisions 3, 4, 6, 7, and 8 and 121.932, subdivisions 1 and 2.

Sec. 5. Minnesota Statutes 1986, section 121.934, subdivision 1, is amended to read:

Subdivision 1. [CREATION.] An advisory council to the state board consisting of ~~11~~ 12 members appointed by the governor is hereby established. Membership terms, compensation of members, removal of members, and the filling of membership vacancies shall be as provided in section 15.059. The governor is encouraged to solicit the suggestions of the state board, the governing boards of regional management information centers, and school boards in selecting members of the council.

Sec. 6. Minnesota Statutes 1986, section 121.934, subdivision 2, is amended to read:

Subd. 2. [MEMBERSHIP.] The council shall be composed of:

(a) four representatives of school districts, including one school district administrator from a rural school district, one school district administrator from an urban school district, one school board member from a rural school district, and one school board member from an urban school district;

(b) three persons employed in management positions in the private sector, at least two of whom are data processing managers or hold an equivalent position in the private sector;

(c) three persons employed in management positions in the public sector other than elementary, secondary, or vocational education, at least two of whom are data processing managers or hold an equivalent position in the public sector; and

(d) one person from the general public; and

(e) one person representing post-secondary vocational technical education.

Members selected pursuant to clauses (b) and (c) shall not be employees or board members of local school districts or the department of education. The council shall include at least one resident of each congressional district.

Sec. 7. Minnesota Statutes 1986, section 123.37, subdivision 1a, is amended to read:

Subd. 1a. The board may authorize its superintendent or business manager, or technical institute director in those districts operating a technical institute, to lease, purchase, and contract for goods and services within the budget as approved by the board, provided that any transaction in an amount exceeding the minimum amount for

which bids are required must first be specifically authorized by the board and must fulfill all other applicable requirements in subdivision 1.

Sec. 8. Minnesota Statutes 1986, section 126.12, subdivision 2, is amended to read:

Subd. 2. Except for technical institutes, every Saturday shall be a school holiday, except that school may be held on a Saturday if necessary to meet the requirement in section 124.19 of making a good faith attempt to make up time lost on account of circumstances which were beyond the control of the school board. The school board shall determine the number of school days of each school year on or before April 1 of the calendar year in which such school year commences.

Sec. 9. Minnesota Statutes 1986, section 136C.04, subdivision 12, is amended to read:

Subd. 12. [PROGRAMS AND COURSES.] The state board shall approve, disapprove, and coordinate programs and courses. The state board shall adopt policies that include at least minimum class sizes and placement ratios. After consultation with affected school boards, the state board may add, eliminate, transfer, or change programs and courses as it determines advisable. The state board shall consider the integrated services of secondary, post-secondary, and adult vocational education when it reviews intermediate district programs and courses.

In the case of intermediate districts, the state board may apply the following criteria when adding, eliminating, transferring, or changing programs and courses:

(a) the school board may be allowed to continue offering integrated secondary, post-secondary, and adult programs; and

(b) the school board may determine the use of facilities and equipment for secondary, post-secondary, adult, and special education programs and educational services for low incidence populations.

Sec. 10. Minnesota Statutes 1986, section 136C.04, is amended by adding a subdivision to read:

Subd. 19. [GIFTS; BEQUESTS.] The state board may receive and accept on behalf of the state and for the benefit of any area vocational technical institute, any gift, bequest, devise, or endowment that any person, firm, corporation, or association makes to the board by will, deed, gift, or otherwise for the purpose of vocational technical education. The state board may use any money given it or

any of the area vocational technical institutes under its jurisdiction by any person, firm, corporation, or association, by will, deed, gift, devise, or endowment for the purpose of providing money for any aspect of vocational technical education. Use of the money may not be inconsistent with the terms and conditions under which the money was received by the board or an AVTI under its jurisdiction. Gifts, bequests, devises, or endowments are appropriated to the board for the purposes stated. All taxes and special assessments constituting a lien on real property received and accepted by the board under this subdivision must be paid in full before title is transferred to the state.

Sec. 11. Minnesota Statutes 1986, section 136C.29, subdivision 5, is amended to read:

Subd. 5. [REPAIR AND BETTERMENT AID.] The final allocation of repair and betterment aid by the state board does not constitute approval of a project for the purposes of section 136C.07, subdivision 5. The aid shall be placed in the repair and betterment fund and used solely for the purposes of reconstructing, improving, remodeling, and repairing existing AVTI buildings and grounds. The school board shall authorize and approve actual expenditures of the aid allocated; ~~except that expenditures which exceed \$5,000 shall receive prior approval by the state director. The process in section 136C.28 shall not constitute approval for this purpose.~~ Use of the aid shall be governed by the provisions of section 136C.07, subdivision 5.

Sec. 12. [REPEALER.]

Minnesota Statutes 1986, sections 136C.32 and 136C.35, are repealed.

Sec. 13. [INSTRUCTION TO REVISOR.]

The revisor of statutes is instructed to change the words "AVTI," "area vocational technical institute," "vocational technical institute," "area vocational technical school," "vocational technical school," "vocational school," "vocational institute," "technical school," and "school," and the plurals of each to "technical institute" or "technical institutes" when they refer to a school operated according to standards established by the state board of vocational technical education. The change shall be made in Minnesota Statutes 1988 and subsequent editions of the statutes.

Delete the title and insert:

"A bill for an act relating to education; adding post-secondary vocational technical representation to UFARS and ESV computer councils; clarifying certain duties of the state board of vocational technical education and the state director of vocational technical

education; applying a consistent name to schools operating under standards of the state board of vocational technical education; amending Minnesota Statutes 1986, sections 15.014, subdivision 3; 120.05; 121.901, subdivision 1; 121.933; 121.934, subdivisions 1 and 2; 123.37, subdivision 1a; 126.12, subdivision 2; 136C.04, subdivision 12, and by adding a subdivision; and 136C.29, subdivision 5; repealing Minnesota Statutes 1986, sections 136C.32; and 136C.35."

With the recommendation that when so amended the bill pass.

The report was adopted.

Otis from the Committee on Economic Development and Housing to which was referred:

H. F. No. 994, A bill for an act relating to port authorities; appropriating money for the Seaway port authority of Duluth.

Reported the same back with the following amendments:

Page 1, delete lines 7 to 11 and insert:

"\$4,200,000 is appropriated from the state building fund to the commissioner of energy and economic development to pay a grant to the Seaway port authority of Duluth. Of this appropriation, \$3,000,000 is to buy two mobile crawler cranes and \$1,200,000 is to improve berths 5 and 6.

To provide the money appropriated in this act from the state building fund, the commissioner of finance upon request of the governor shall sell and issue bonds of the state in an amount up to \$4,200,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 999, A bill for an act relating to health; providing for a local public health act; defining the powers and duties of boards of health; providing discretionary county ordnancing power; authorizing the community health service subsidy; authorizing grants; providing penalties; amending Minnesota Statutes 1986, sections

35.67; 35.68; 144.36; 144.37; 145.075; and 145.923; and Laws 1969, chapter 235, section 3, subdivisions 2 and 4; proposing coding for new law as Minnesota Statutes, chapter 145A; repealing Minnesota Statutes 1986, sections 145.01 to 145.07; 145.08 to 145.125; 145.17 to 145.23; 145.24, subdivisions 1 and 2; 145.47 to 145.55; 145.911; 145.912, subdivisions 1 to 8, 10 to 15, 19, and 20; 145.913 to 145.92; and 145.922.

Reported the same back with the following amendments:

Page 4, line 15, delete "a nuisance as defined in sections 561.01 and"

Page 4, delete line 16 and insert "any activity or failure to act that adversely affects the public health."

Page 8, delete lines 15 and 16 and insert "enforce, or to enjoin as a public health nuisance any activity or failure to act that adversely affects the public health."

Page 24, line 21, strike "promulgate" and insert "adopt, or to enjoin as a public health nuisance any activity or failure to act that adversely affects the public health"

Page 24, lines 22 and 23, delete the new language and strike the old language

With the recommendation that when so amended the bill pass.

The report was adopted.

Osthoff from the Committee on Metropolitan Affairs to which was referred:

H. F. No. 1009, A bill for an act relating to transportation; providing for standards for special transportation service; requiring standards for special transportation service in the metropolitan area; amending Minnesota Statutes 1986, sections 174.30, subdivisions 1, 2, 4, 6, 7, and by adding subdivisions; 473.386, subdivisions 1, 2, 3, 4, 6, and by adding subdivisions; repealing Minnesota Statutes 1986, section 473.386, subdivision 7.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 174.30, subdivision 1, is amended to read:

Subdivision 1. [APPLICABILITY LIMITATIONS; BY TYPE OF PROVIDER; BY SOURCE OF FUNDS.] The operating standards for special transportation service adopted under this section do not apply to special transportation provided by:

- (a) A common carrier operating on fixed routes and schedules;
- (b) A ~~taxi~~;
- (e) A volunteer driver using a private automobile;
- (~~d~~) (c) A school bus as defined in section 169.01, subdivision 6; or
- (e) (d) An emergency ambulance regulated under chapter 144.

The operating standards adopted under this section only apply to providers of special transportation service who receive grants or other financial assistance from either the state or the federal government, or both, to provide or assist in providing that service; except that the operating standards adopted under this section do not apply to any nursing home licensed under section 144A.02, to any board and care facility licensed under section 144.50, or to any day care or group home facility licensed under sections 245.781 to 245.812 unless the facility or program provides transportation to nonresidents on a regular basis and the facility receives reimbursement, other than per diem payments, for that service under rules promulgated by the commissioner of human services.

Sec. 2. Minnesota Statutes 1986, section 174.30, subdivision 2, is amended to read:

Subd. 2. [AUTHORITY TO ADOPT; PURPOSE AND CONTENT; RULEMAKING.] The commissioner of transportation shall adopt by rule standards for the operation of vehicles used to provide special transportation service which are reasonably necessary to protect the health and safety of individuals using that service. The commissioner, as far as practicable, consistent with the purpose of the standards, shall avoid adoption of standards that unduly restrict any public or private entity or person from providing special transportation service because of the administrative or other cost of compliance.

Standards adopted under this section may must include but are not limited to:

- (a) Qualifications of drivers and attendants, including driver training requirements that must be met before a driver provides special transportation;

(b) Safety equipment required for of vehicles and necessary safety equipment;

(c) General requirements concerning inspection and maintenance of vehicles, replacement vehicles, standard vehicle equipment of vehicles, and specialized equipment necessary to ensure vehicle usability and safety for disabled persons; and

(d) Minimum insurance requirements.

The commissioner shall consult with the state council for the handicapped before making a decision on a variance from the standards.

Sec. 3. Minnesota Statutes 1986, section 174.30, is amended by adding a subdivision to read:

Subd. 2a. [VEHICLE AND EQUIPMENT SAFETY; PROVIDER RESPONSIBILITIES.] (a) Every special transportation service provider shall systematically inspect, repair, and maintain, or cause to be inspected, repaired, and maintained, the vehicles and equipment subject to the control of the provider. Each vehicle and its equipment must be inspected daily. A vehicle may not be operated in a condition that is likely to cause an accident or breakdown of the vehicle. Equipment, including specialized equipment necessary to ensure vehicle usability and safety for disabled persons, must be in proper and safe operating condition at all times.

(b) Each special transportation provider shall maintain the following records for each vehicle:

(1) an identification of the vehicle, including make, serial number, and year, and, if the vehicle is not owned by the provider, the name and address of the person furnishing the vehicle;

(2) a schedule of inspection and maintenance operations to be performed;

(3) a record of inspections, repairs, and maintenance showing the date and nature;

(4) a lubrication record; and

(5) a record of tests conducted to ensure that emergency doors or windows and wheelchair lifts function properly.

Sec. 4. Minnesota Statutes 1986, section 174.30, subdivision 4, is amended to read:

Subd. 4. [CERTIFICATE OF COMPLIANCE VEHICLE AND EQUIPMENT INSPECTION; PROCEDURES.] (a) The commissioner shall inspect or provide for the inspection of vehicles at least annually. In addition to scheduled annual inspections and reinspections scheduled for the purpose of verifying that deficiencies have been corrected, unannounced inspections of any vehicle may be conducted. The commissioner shall provide for the unannounced inspection quarterly of at least five percent of the vehicles operated by providers certified by the commissioner.

(b) On determining that a vehicle or vehicle equipment is in a condition that is likely to cause an accident or breakdown, the commissioner shall require the vehicle to be taken out of service immediately. The commissioner of transportation shall issue an annual certificate of compliance for each vehicle used to provide special transportation service which complies with the standards adopted under this section. The commissioner shall issue a certificate of compliance to a vehicle subject to subdivision 3 only if the vehicle also complies with sections 299A.11 to 299A.18 require that vehicles and equipment not meeting standards be repaired and brought into conformance with the standards and shall require written evidence of compliance from the operator within ten days.

(c) The commissioner shall provide in the rules procedures for inspecting vehicles, removing unsafe vehicles from service, determining and requiring compliance and issuing the certificates. The procedures may include inspection of vehicles and examination of drivers, and reviewing driver qualifications.

Sec. 5. Minnesota Statutes 1986, section 174.30, is amended by adding a subdivision to read:

Subd. 4a. [CERTIFICATION OF SPECIAL TRANSPORTATION PROVIDERS.] The commissioner shall annually evaluate or provide for the evaluation of each provider of special transportation service regulated under this section and certify that the provider is in compliance with the standards under this section.

Sec. 6. Minnesota Statutes 1986, section 174.30, subdivision 6, is amended to read:

Subd. 6. [PREEMPTION OF OTHER REQUIREMENTS.] Notwithstanding any other law, ordinance or resolution to the contrary, an operator of special transportation service that has been issued a current certificate of compliance under subdivision 4 4a for a vehicle vehicles used to provide that service is not required to obtain any other state or local permit, license or certificate as a condition of operating the vehicle vehicles for that purpose. This subdivision does not exempt any vehicle from the requirements imposed on vehicles generally as a condition of using the public streets and highways.

Sec. 7. Minnesota Statutes 1986, section 174.30, subdivision 7, is amended to read:

Subd. 7. [ENFORCEMENT.] No state agency, political subdivision or other public agency shall provide any capital or operating assistance to or reimbursement for services rendered by any operator of special transportation service unless ~~current certificates of compliance have been issued under subdivision 4 for the vehicles used by the operator to provide~~ operator providing the service has a current certificate of compliance issued under subdivision 4a.

Sec. 8. Minnesota Statutes 1986, section 473.386, subdivision 1, is amended to read:

Subdivision 1. [~~PROJECT SERVICE OBJECTIVES.~~] The transit board shall implement a ~~project to coordinate~~ special transportation service, as defined in section 174.29, in the metropolitan area. The project service has the following objectives:

(a) to provide greater access to transportation for the elderly, handicapped, and others with special transportation needs in the metropolitan area;

(b) to develop an integrated system of special transportation service providing transportation tailored to meet special individual needs in the most cost-efficient manner; and

(c) to use existing public and private providers of service wherever possible, to supplement rather than replace existing service, and to increase the productivity of all special transportation vehicles available in the area.

Sec. 9. Minnesota Statutes 1986, section 473.386, subdivision 2, is amended to read:

Subd. 2. [~~FINANCING; IMPLEMENTATION SERVICE CONTRACTS; MANAGEMENT AND; ADVISORY GROUPS COMMITTEE.~~] (a) The board shall contract for services necessary for the ~~project's operation~~ provision of special transportation. All transportation service ~~provided through the project~~ must be provided under a contract between the board and the provider which specifies the service to be provided, the standards that must be met, and the rates for providing it operating and providing special transportation services.

(b) The board shall establish management policies for the ~~project service~~ but shall contract with a service administrator for day-to-day administration and management of the service. The contract must delegate to the service administrator clear authority to administer and manage the delivery of the service pursuant to board manage-

ment policies and must establish performance and compliance standards for the service administrator.

(c) The board shall ensure that the service administrator establishes a system for registering and expeditiously responding to complaints by users, informing users of how to register complaints, and requiring providers to report on incidents that impair the safety and well-being of users or the quality of the service. The board shall annually report to the commissioner of transportation and the legislature on complaints and provider reports, the response of the service administrator, and steps taken by the board and the service administrator to identify causes and provide remedies to recurring problems.

(d) Within 90 days following the effective date of this act, the board shall hold a public hearing on standards for provider eligibility, selection, performance, compliance, and evaluation; the terms of provider contracts and the contract with the service administrator and related contract management policies and procedures of the board; fare policies; service areas, hours, standards, and procedures; and similar matters relating to implementation of the service. Each year before renewing contracts with providers and the service administrator, the board shall provide an opportunity for the advisory committee, users, and other interested persons to testify before the board concerning providers, contract terms, and other matters relating to board policies and procedures for implementing the service.

(e) The board shall establish an advisory committee of individuals representing the. The advisory committee must include elderly, and handicapped persons, and other users of special transportation service provided by the project, representatives of persons contracting to provide special transportation services for the project, and representatives of appropriate agencies for elderly and handicapped persons to advise the board on management policies for the project service. At least half the committee members must be disabled or elderly persons or the representatives of disabled or elderly persons. The advisory committee must be appointed as follows: board members, including the chair, shall each appoint one member to the committee, and the state council for the handicapped, metropolitan senior federation, and metropolitan center for independent living shall each appoint one member to the committee. Committee members appointed by the board members, including the chair of the board, serve a two-year term. The committee shall elect its chair from among the members of the committee. The chair serves for a term of one year.

Sec. 10. Minnesota Statutes 1986, section 473.386, subdivision 3, is amended to read:

Subd. 3. [DUTIES OF BOARD.] In implementing the project special transportation service the board shall:

(a) encourage participation in the project service by public and private providers of special transportation service currently receiving capital or operating assistance from a public agency;

(b) contract with public and private providers that have demonstrated their ability to effectively provide service at a reasonable cost;

(c) encourage individuals using service provided through the project special transportation to use the type of service most appropriate to their particular needs;

(d) ensure that all persons providing special transportation service through the project receive equitable treatment in the allocation of the ridership;

(e) encourage shared rides to the greatest extent practicable;

(f) encourage public agencies that provide transportation to eligible individuals as a component of human services and educational programs to coordinate with the project this service and to allow reimbursement for services transportation provided through the project service at rates that reflect the public cost of providing these services that transportation; and

(g) establish criteria to be used in determining individual eligibility for special transportation services;

(h) consult with the advisory committee in a timely manner before changes are made in the provision of special transportation services, including, but not limited to, changes in policies affecting the matters subject to hearing under section 9;

(i) provide for effective administration and enforcement of board policies and standards; and

(j) annually evaluate providers of special transportation service to ensure compliance with the standards established for the program.

Sec. 11. Minnesota Statutes 1986, section 473.386, subdivision 4, is amended to read:

Subd. 4. [COORDINATION REQUIRED.] The board may not grant any financial assistance to any recipient that proposes to use any part of the grant to provide special transportation service in the metropolitan area unless the program is coordinated with the project board's special transportation service in the manner determined by the board.

Sec. 12. Minnesota Statutes 1986, section 473.386, subdivision 6, is amended to read:

Subd. 6. [OPERATING AND SERVICE STANDARDS.] ~~A vehicle providing special transportation service which is subject to the operating standards adopted pursuant to section 174.30 may not be allowed to provide service through the project unless a current certificate of compliance has been issued to the vehicle. A person operating or assisting the operation of a vehicle may leave the vehicle to enter premises in order to help a passenger who does not require emergency ambulance service. Operators and assistants shall provide the help necessary for door-through-door service, including help in entering and leaving the vehicle and help through the exterior entrance and over any exterior steps at either departure or destination buildings, provided that both the steps and the wheelchair are in good repair. If an operator or assistant refuses help because of the condition of the steps or the wheelchair, the operator of the service shall send letters to the service administrator designated by the board and the person denied service describing the corrective measures necessary to qualify for service.~~

Sec. 13. [REPEALER.]

Minnesota Statutes 1986, section 473.386, subdivision 7, is repealed.

Sec. 14. [APPLICATION.]

Sections 8 to 12 apply in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington."

Delete the title and insert:

"A bill for an act relating to transportation; providing for standards for special transportation service; requiring changes in the administration of special transportation service in the metropolitan area; amending Minnesota Statutes 1986, sections 174.30, subdivisions 1, 2, 4, 6, 7, and by adding subdivisions; 473.386, subdivisions 1, 2, 3, 4, and 6; repealing Minnesota Statutes 1986, section 473.386, subdivision 7."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Transportation.

The report was adopted.

Beginch from the Committee on Labor-Management Relations to which was referred:

H. F. No. 1028, A bill for an act relating to labor; regulating mediation, fact finding, and other functions of the bureau of medi-

ation services; providing for violations of the labor union democracy act; amending Minnesota Statutes 1986, sections 179.02, subdivision 2, and by adding a subdivision; 179.07; 179.08; 179.083; 179.22; 179.38; proposing coding for new law in Minnesota Statutes, chapter 179; repealing Minnesota Statutes 1986, sections 179.05; 179.23; and 179.24.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 1032, A bill for an act relating to human services; changing standards of assistance and eligibility for general assistance recipients and work readiness participants; amending Minnesota Statutes 1986, sections 256D.01, subdivision 1a; 256D.02, subdivisions 5 and 8; 256D.05, subdivision 1, and by adding a subdivision; 256D.051, subdivisions 4 and 5; 256D.06, subdivisions 1 and 2; 256D.08, subdivision 1; 256D.101; and 256D.15.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 256D.01, subdivision 1a, is amended to read:

Subd. 1a. [STANDARDS.] (1) A principal objective in providing general assistance is to provide for persons ineligible for federal programs who are unable to provide for themselves. ~~To achieve these aims, the commissioner shall establish minimum standards of assistance for general assistance.~~ The minimum standard of assistance determines the total amount of the general assistance grant without separate standards for shelter, utilities, or other needs.

~~For a recipient who is a member of a one-person assistance unit, the standard shall not be less than the combined total of the minimum standards of assistance for shelter and basic needs in effect on February 1, 1983. The standards of assistance shall not be lower for a recipient sharing a residence with another person unless that person is a responsible relative. The standards of assistance for recipients who are members of an assistance unit composed of more than one person must be equal to the aid to families with dependent children standard of assistance for a family of similar size and composition.~~

The standards shall be lowered for recipients who share a residence with a person who is a responsible relative of one or more members of the assistance unit if the responsible relative also receives general assistance or aid to families with dependent children. The standards must also be lowered for recipients who share a residence with a responsible relative if the relative is not receiving general assistance or aid to families with dependent children because the relative has been sanctioned or disqualified. If the responsible relative is receiving general assistance or aid to families with dependent children, or would be receiving them but for sanction or disqualification, then the standard applicable to the general assistance recipient's assistance unit must equal the amount that would be attributable to the members of the assistance unit if the members were included as additional recipients in the responsible relative's general assistance or aid to families with dependent children grant. When determining the amount attributable to members of an assistance unit that must receive a reduced standard, the amount attributed to adults must be the amount attributed to another child added to the responsible relative's assistance unit. When an assistance unit is subject to a reduced standard, the reduced standard must not exceed the standard that applies to an assistance unit that does not share a residence with a responsible relative.

For recipients, except recipients who are eligible under section 256D.05, subdivision 1, paragraph (a), clauses (1), (7), (8), (9), and (14), who share a residence with a responsible relative who is not receiving general assistance or aid to families with dependent children but who receives other income, the standards shall be lowered, subject to these limitations:

(a) The general assistance grant to the one-person assistance unit shall be in an amount such that total household income is equal to the aid to families with dependent children standard for a household of like size and composition, except that the grant shall not exceed that paid to a general assistance recipient living independently.

(b) Benefits received by a responsible relative under the supplemental security income program, the social security retirement program if the relative was receiving benefits under the social security disability program at the time of becoming eligible for the social security retirement program or if the relative is a person described in section 256D.05, subdivision 1, paragraph (a), clause (1), (7), or (9), the social security disability program, a workers' compensation program, the Minnesota supplemental aid program, or on the basis of the relative's disability, must not be included in the household income calculation.

(2) For an assistance unit consisting of an adult recipient who is childless and unmarried or living apart from his or her children and spouse, and who does not live with his or her parent or parents or a legal custodian, the standard of assistance shall be \$203. When the

other standards specified in this subdivision increase, this standard shall also be increased by the same percentage.

(3) For an assistance unit consisting of an adult who is childless and unmarried or living apart from his or her children and spouse, but who lives with his or her parent or parents, the general assistance standard of assistance shall be equal to the amount that the aid to families with dependent children standard of assistance would increase if the recipient were added as an additional minor child to an assistance unit consisting of the recipient's parent and all of that parent's family members, provided that the standard shall not exceed the standard for a general assistance recipient living alone. Benefits received by a responsible relative of the assistance unit under the supplemental security income program, a workers' compensation program, the Minnesota supplemental aid program, or any other program based on the responsible relative's disability, and any benefits received by a responsible relative of the assistance unit under the social security retirement program, shall not be counted in the determination of eligibility or benefit level for the assistance unit. An adult child shall be ineligible for general assistance if the available resources or the countable income of the adult child and the parent or parents with whom he or she lives are such that a family consisting of the adult child's parent or parents, the parent or parents' other family members and the adult child as the only or additional minor child would be financially ineligible for general assistance.

(4) For an assistance unit consisting of a married couple who are childless or who live apart from any child or children of whom either of the married couple is a parent or legal custodian, the standards of assistance shall be equal to the first and second adult standards of the aid to families with dependent children program. If one member of the couple is not included in the general assistance grant, then the standard of assistance for the other shall be equal to the second adult standard of the aid to families with dependent children program, except that, when one member of the couple is not included in the general assistance grant because he or she is not categorically eligible for general assistance under section 256D.05, subdivision 1, and has exhausted work readiness eligibility under section 256D.051, subdivision 4 or 5, for the period of time covered by the general assistance grant, then the standard of assistance for the remaining member of the couple shall be equal to the first adult standard of the aid to families with dependent children program.

(5) For an assistance unit consisting of all members of a family, the standards of assistance shall be the same as the standards of assistance applicable to a family under the aid to families with dependent children program if that family had the same number of parents and children as the assistance unit under general assistance and if all members of that family were eligible for the aid to families with dependent children program. If one or more members of the

family are not included in the assistance unit for general assistance, the standards of assistance for the remaining members shall be equal to the standards of assistance applicable to an assistance unit composed of the entire family, less the standards of assistance applicable to a family of the same number of parents and children as those members of the family who are not in the assistance unit for general assistance. Notwithstanding the foregoing, if an assistance unit consists solely of the minor children because their parent or parents have been sanctioned from receiving benefits from the aid to families with dependent children program, the standard for the assistance unit shall be equal to the special child standard of the aid to families with dependent children program. A child shall not be excluded from the assistance unit unless income intended for its benefit is received from a federally aided categorical assistance program; supplemental security income; retirement, survivors, and disability income; other assistance programs; or child support and maintenance payments. The income of a child who is excluded from the assistance unit shall not be counted in the determination of eligibility or benefit level for the assistance unit.

Sec. 2. Minnesota Statutes 1986, section 256D.02, subdivision 5, is amended to read:

Subd. 5. "Family" means two or more individuals who are related by blood, marriage or adoption, who are living in a place or residence maintained by one or more of them as a home, and at least one of whom is a child who is not married to another of such individuals and is in the care of or dependent upon another of such individuals the following persons who live together: a minor child or a group of minor children related to each other as siblings, half siblings, or stepsiblings, together with their natural or adoptive parents, their stepparents, or their legal custodians, and any other minor children of whom an adult member of the family is a legal custodian.

Sec. 3. Minnesota Statutes 1986, section 256D.02, subdivision 8, is amended to read:

Subd. 8. "Income" means any form of income, including remuneration for services performed as an employee and net earnings from self-employment, reduced by the amount attributable to employment expenses as defined by the commissioner. The amount attributable to employment expenses shall include amounts paid or withheld for federal and state personal income taxes and federal social security taxes.

"Income" includes any payments received as an annuity, retirement, or disability benefit, including veteran's or workers' compensation; old age, survivors, and disability insurance; railroad retirement benefits; unemployment benefits; and benefits under any federally aided categorical assistance program, supplementary security income, or other assistance program; rents, dividends, inter-

est and royalties; and support and maintenance payments. Such payments may not be considered as available to meet the needs of any person other than the person for whose benefit they are received, unless that person is under a legal duty to support another family member or a spouse and the income is not excluded under section 256D.01, subdivision 1a. Goods and services provided in lieu of cash payment shall be excluded from the definition of income, except that payments made for room, board, tuition or fees by a parent, on behalf of a child enrolled as a full-time student in a post-secondary institution, must be included as income.

Sec. 4. Minnesota Statutes 1986, section 256D.05, subdivision 1, is amended to read:

Subdivision 1. [ELIGIBILITY.] (a) Each person or family whose income and resources are less than the standard of assistance established by the commissioner shall be eligible for and entitled to general assistance if the person or family is:

(1) a person who is suffering from a permanent or temporary illness, injury, or incapacity which is medically certified and which prevents the person from obtaining or retaining employment;

(2) a person whose presence in the home on a substantially continuous basis is required because of the certified illness, injury, incapacity, or the age of another member of the household;

(3) a person who has been placed in a licensed or certified facility for purposes of physical or mental health or rehabilitation, or in an approved chemical dependency domiciliary facility, if the placement is based on illness or incapacity and is pursuant to a plan developed or approved by the local agency through its director or designated representative;

(4) a person who resides in a shelter facility described in subdivision 3;

(5) a person who is or may be eligible for displaced homemaker services, programs, or assistance under section 268.96, but only if that person is enrolled as a full-time student;

(6) a person who is unable to secure suitable employment due to inability to communicate in the English language, provided that the person is not an illegal alien, and who, if assigned to a language skills program by the local agency, is participating in that program;

(7) a person not described in clause (1) or (3) who is diagnosed by a licensed physician or licensed consulting psychologist as mentally retarded or mentally ill, and that condition prevents the person from obtaining or retaining employment;

(8) a person who has an application pending for the social security disability program or the program of supplemental security income for the aged, blind, and disabled, or who has been terminated from either program and has an appeal from that termination pending;

(9) a person who is unable to obtain or retain employment because advanced age significantly affects the person's ability to seek or engage in substantial work;

(10) a person completing a secondary education program;

(11) a family with one or more minor children; provided that, if all the children are six years of age or older, all the adult members of the family register for and cooperate in the work readiness program under section 256D.051; and provided further that, if one or more of the children are under the age of six and if the family contains more than one adult member, all the adult members except one adult member register for and cooperate in the work readiness program under section 256D.051. The adult members required to register for and cooperate with the work readiness program are not eligible for financial assistance under section 256D.051, except as provided in section 256D.051, subdivision 6, and shall be included in the general assistance grant. If an adult member fails to cooperate with requirements of section 256D.051, the local agency shall not take that member's needs into account in making the grant determination. The time limits of section 256D.051, subdivisions 4 and 5, do not apply to people eligible under this clause;

(12) a person who has substantial barriers to employment, including but not limited to factors relating to work or training history, as determined by the local agency in accordance with permanent or emergency rules adopted by the commissioner after consultation with the commissioner of jobs and training;

(13) a person who is certified by the commissioner of jobs and training before August 1, 1985, as lacking work skills or training or as being unable to obtain work skills or training necessary to secure employment, as defined in a permanent or emergency rule adopted by the commissioner of jobs and training in consultation with the commissioner; or

(14) a person who is determined by the local agency, in accordance with emergency and permanent rules adopted by the commissioner, to be functionally illiterate or learning disabled; or

(15) a child under the age of 18 who is not living with a parent, stepparent, or legal custodian, but only if: the child is legally emancipated or living with an adult with the consent of an agency acting as a legal custodian; the child is at least 16 years of age and the general assistance grant is approved by the director of the local agency or a designated representative as a component of a social

services case plan for the child; or the child is living with an adult with the consent of the child's legal custodian and the local agency.

(b) The following persons or families with income and resources that are less than the standard of assistance established by the commissioner are eligible for and entitled to a maximum of six months of general assistance during any consecutive 12-month period, after registering with and completing six months in a work readiness program under section 256D.051:

(1) a person who has borderline mental retardation; and

(2) a person who exhibits perceptible symptoms of mental illness as certified by a qualified professional but who is not eligible for general assistance under paragraph (a), because the mental illness interferes with the medical certification process; provided that the person cooperates with social services, treatment, or other plans developed by the local agency to address the illness.

In order to retain eligibility under this paragraph, a recipient must continue to cooperate with work and training requirements as determined by the local agency.

Sec. 5. Minnesota Statutes 1986, section 256D.051, subdivision 1, is amended to read:

Subdivision 1. [WORK REGISTRATION.] A person or, family, or married couple whose income and resources are less than the standard of assistance established by the commissioner, but who are not eligible to receive general assistance under section 256D.05, subdivision 1, are eligible for a work readiness program. Upon registration, a registrant is eligible to receive assistance in an amount equal to general assistance under section 256D.05, subdivision 1, for a maximum of six months during any consecutive 12-month period, subject to ~~subdivisions~~ subdivision 3, 4, and 5. The local agency shall pay work readiness assistance in monthly payments beginning at the time of registration.

Sec. 6. Minnesota Statutes 1986, section 256D.051, subdivision 6, is amended to read:

Subd. 6. [LOCAL AGENCY OPTIONS ALLOCATION OF FUNDS FOR PAYMENT OF ADMINISTRATIVE COSTS AND REGISTRANT EXPENSES.] The local agency may, at its option, provide up to \$100 per registrant for direct expenses incurred by the registrant for transportation, clothes, and tools necessary for employment. The local agency may provide an additional \$100 for direct expenses of registrants remaining in the work readiness program for more than two months. After paying direct expenses as needed by individual registrants, the local agency may use any remaining money to provide additional services as needed by any

registrant including education, orientation, placement, other work experience, on-the-job training, and other appropriate activities. Subject to the amount appropriated by the legislature, funds must be allocated annually among the counties for payment of administrative costs incurred by the provider of work readiness services and for payment of direct expenses incurred by work readiness registrants. Each county shall be eligible to receive that proportion of the funds available which equals the monthly average number of work readiness participants in the county divided by the monthly average number of work readiness participants in the state for the applicable period. The applicable period for each fiscal year shall be the 12-month period ending March 31 of the prior fiscal year. For purposes of this subdivision, the term participants means individuals receiving work readiness payments and services and general assistance recipients receiving work readiness services.

Sec. 7. Minnesota Statutes 1986, section 256D.051, is amended by adding a subdivision to read:

Subd. 6a. [COUNTY MATCH AND USE OF FUNDS.] Each county shall provide a 25 percent match of the annual state work readiness allocation and may contract with an employment and training service provider to use the funds to pay direct participation expenses and administrative costs of providing work readiness services. No more than 25 percent of the allocation may be used for administrative costs except that any funds remaining after payment of direct participation expenses may be used for additional administrative costs. Funds may be used for the following direct participation expenses: transportation, clothes, tools, and other necessary work-related expenses. Funds may be used for administrative costs incurred providing the following services: employability assessments and employability development plans, employment search assistance, education, orientation, placement, on-the-job training, and other appropriate activities.

Sec. 8. Minnesota Statutes 1986, section 256D.06, subdivision 1, is amended to read:

Subdivision 1. General assistance shall be granted in such an amount that when added to the nonexempt income actually available to the individual, married couple, or family, the total amount equals the applicable standard of assistance established by the commissioner for general assistance. In determining eligibility for and the amount of assistance the local agency shall disregard the first \$50 of earned income per month.

Sec. 9. Minnesota Statutes 1986, section 256D.06, subdivision 2, is amended to read:

Subd. 2. Notwithstanding the provisions of subdivision 1, a grant of general assistance shall be made to an eligible individual,

married couple, or family for an emergency need, as defined in rules promulgated by the commissioner, where the recipient requests temporary assistance not exceeding 30 days if an emergency situation appears to exist and the individual is ineligible for the program of emergency assistance under aid to families with dependent children and is not a recipient of aid to families with dependent children at the time of application hereunder. If a recipient relates facts to the local agency which may be sufficient to constitute an emergency situation, the local agency shall advise the recipient of the procedure for applying for assistance pursuant to this subdivision.

Sec. 10. Minnesota Statutes 1986, section 256D.08, subdivision 1, is amended to read:

Subdivision 1. In determining eligibility of a family, married couple, or individual there shall be excluded the following resources:

(1) Real or personal property or liquid assets which do not exceed those permitted under the federally aided assistance program known as aid to families with dependent children; and

(2) Other property which has been determined, in accordance with and subject to limitations contained in rules promulgated by the commissioner, to be essential to the family or individual as a means of self-support or self-care or which is producing income that is being used for the support of the individual or family. The commissioner shall further provide by rule the conditions for those situations in which property not excluded under this subdivision may be retained by the family or individual where there is a reasonable probability that in the foreseeable future the property will be used for the self-support of the individual or family; and

(3) Payments, made pursuant to litigation and subsequent appropriation by the United States Congress, of funds to compensate members of Indian tribes for the taking of tribal land by the federal government.

Sec. 11. Minnesota Statutes 1986, section 256D.101, is amended to read:

**256D.101 [FAILURE TO COMPLY WITH WORK REQUIREMENTS; NOTICE.]**

Subdivision 1. [DISQUALIFICATION.] If the local agency determines that a registrant has failed to comply with the requirements of section 256D.051, the local agency shall notify the registrant of the determination. The notification shall be in writing; shall state the facts that support the local agency's determination; shall specify the particular actions that must be taken by the registrant to achieve compliance; shall state that the recipient must take the

specified actions by a date certain, which must be at least ~~15~~ ten days following the date the notification is mailed or delivered to the registrant; shall explain the ramifications of the registrant's failure to take the required actions by the specified date; and shall advise the registrant that the registrant may request and have a conference with the local agency to discuss the notification.

Subd. 2. [NOTICE OF GRANT REDUCTION, SUSPENSION, OR TERMINATION.] ~~No~~ The notice of grant reduction, suspension, or termination on the ground that a registrant has failed to comply with section 256D.051 shall be ~~given~~ mailed or hand delivered by the local agency ~~until the notification required by subdivision 1 has been given, the time for compliance stated in the notification has lapsed, and the local agency has, subsequent~~ concurrently with the notification required by subdivision 1. Prior to giving the notification, ~~assessed the local agency must assess~~ the registrant's eligibility for general assistance under section 256D.05 to the extent possible using information contained in the case file, and ~~determined~~ determine that the registrant is not eligible under that section. The determination that the registrant is not eligible shall be stated in the notice of grant reduction, suspension, or termination.

Subd. 3. [BENEFITS AFTER NOTIFICATION.] Assistance payments otherwise due to the registrant under section 256D.051 shall not be paid after the notification required in subdivision 1 has been provided to the registrant unless, before the date stated in the notification, the registrant takes the specified action necessary to achieve compliance or, within five days after the effective date stated in the notice, files an appeal of the grant reduction, suspension, or termination. If, by the required date, the registrant does take the specified action necessary to achieve compliance, both the notification required by subdivision 1 and the notice required by subdivision 2 shall be canceled and all benefits due to the registrant shall be paid promptly. If, by the required date, the registrant files an appeal of the grant reduction, suspension, or termination, benefits otherwise due to the registrant shall be continued pending the outcome of the appeal.

Sec. 12. Minnesota Statutes 1986, section 256D.15, is amended to read:

#### 256D.15 [RELATIVE'S RESPONSIBILITY.]

The financial responsibility of a relative for an applicant for or recipient of general assistance or work readiness shall not extend beyond the relationship of a spouse or a parent of an adult child who resides with the parent, or the parent of a minor child regardless of where the minor child resides, or a family member who resides with the applicant or recipient.

Sec. 13. [REPEALER.]

Minnesota Statutes 1986, section 256D.051, subdivisions 4, 5, 11, and 12 are repealed."

Delete the title and insert:

"A bill for an act relating to human services; changing standards of assistance and eligibility for general assistance recipients and work readiness participants; amending Minnesota Statutes 1986, sections 256D.01, subdivision 1a; 256D.02, subdivisions 5 and 8; 256D.05, subdivision 1; 256D.051, subdivisions 1, 6, and by adding a subdivision; 256D.06, subdivisions 1 and 2; 256D.08, subdivision 1; 256D.101; and 256D.15; repealing Minnesota Statutes 1986, section 256D.051, subdivisions 4, 5, 11, and 12."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 1044, A bill for an act relating to human services; requiring medical assistance payment for personal care attendant services to hospitalized ventilator-dependent recipients; amending Minnesota Statutes 1986, section 256B.02, subdivision 8.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [256B.64] [ATTENDANTS TO VENTILATOR-DEPENDENT RECIPIENTS.]

A ventilator-dependent recipient of medical assistance who has been receiving the services of a private duty nurse or personal care assistant in the recipient's home may continue to have a private duty nurse or personal care assistant present upon admission to a hospital licensed under chapter 144. The hospital, physicians and hospital staff, consistent with the standards of care in the medical community, shall at all times retain final decision-making authority and otherwise retain responsibility for the care and treatment of the ventilator-dependent patient. The personal care assistant or private duty nurse shall perform the services of communicator or interpreter for the ventilator-dependent patient during a transition period of up to 120 hours to assure adequate training of the hospital staff to communicate with the patient and to understand the unique comfort, safety and personal care needs of the patient. The personal care assistant or private duty nurse may offer nonbinding advice to

the health care professionals in charge of the ventilator-dependent patient's care and treatment on matters pertaining to the comfort and safety of the patient. After the 120-hour transition period, an assessment may be made by the ventilator-dependent patient, the attending physician and the patient's primary care nurse to determine whether continued services of communicator or interpreter for the patient by the private duty nurse or personal care assistant is necessary and appropriate for the patient's needs. If continued service is necessary and appropriate, the physician must certify this need to the commissioner of human services in order to continue payments. The commissioner may adopt rules necessary to implement this section.

Sec. 2. [APPROPRIATION.]

\$..... is appropriated from the general fund to the commissioner of human services for the biennium ending June 30, 1989, to provide reimbursement to the personal care assistants or private duty nurses for their services provided in a hospital under section 1 at the payment rate and in a manner consistent with the payment rate and manner used in reimbursing these providers for home care services for the ventilator-dependent recipient."

Delete the title and insert:

"A bill for an act relating to human services; providing for continued attendant services for ventilator-dependent recipients in hospitals; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 256B."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 1060, A bill for an act relating to the state building code; changing certain provisions relating to public buildings; amending Minnesota Statutes 1986, sections 16B.60, subdivisions 3 and 6; 16B.61, by adding a subdivision; and 16B.71.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 1073, A bill for an act relating to occupations and professions; providing advertising restrictions for plumbers; imposing penalties; amending Minnesota Statutes 1986, section 326F.75.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 1105, A bill for an act relating to retirement; Minneapolis police relief association service pensions and survivor benefits; amending Laws 1949, chapter 406, section 5, subdivisions 1 and 3, as amended, and section 6, subdivision 1.

Reported the same back with the following amendments:

Page 1, after line 8, insert:

"Section 1. Laws 1980, chapter 607, article 15, section 9, is amended to read:

Sec. 9. [HEALTH AND WELFARE BENEFIT.] Notwithstanding any law to the contrary, any person who, after July 1, 1980, retires on a service pension with at least 20 years of service or a disability benefit from the Minneapolis police relief association or the Minneapolis firefighters relief association shall be entitled on January 1, 1981, or upon the date of retirement, whichever occurs later, to receive a monthly health and welfare benefit unless the city of Minneapolis elects to retain the local relief association by the adoption of a municipal resolution pursuant to section 4, subdivision 1. The monthly health and welfare benefit shall be an amount equal to one unit as defined pursuant to Laws 1963, Chapter 315, Section 1, Subdivision 3, for the Minneapolis police relief association, or Minnesota Statutes, Section 69.45, for the Minneapolis firefighters relief association, whichever is applicable. The monthly health and welfare benefit shall be paid to the retired member unless the retired member designates in writing that the amount be paid to an insurance carrier to defray the cost of any health or welfare related insurance coverage.

Sec. 2. Laws 1949, chapter 406, section 4, subdivisions 2 and 3, as amended by Laws 1953, chapter 127, section 4; Laws 1965, chapter 534, section 1; Laws 1967, chapter 825, section 1; Laws 1969, chapter 258, section 1; Laws 1973, chapter 272, section 1; Laws 1975, chapter

428, section 1; and Laws 1983, chapter 88, section 7, is amended to read:

Sec. 7. [MINNEAPOLIS, CITY OF; POLICEMEN'S PENSIONS.]

The policemen's pension fund shall be used only for the payment of:

(a) Service, disability or dependency pensions;

(b) Salaries of the secretary of the association in an amount not to exceed 30 percent of the base salary of a top-grade patrolman and of the president of the association in an amount not to exceed ten percent of the base salary of a top-grade patrolman;

(c) Expenses of officers and employees of the association in connection with the protection of the fund;

(d) All expenses of operating and maintaining the association;

(e) Hospital and medical insurance for pensioners who have completed 20 years or more of service and widows surviving spouses of deceased active members and service pensioners who have completed 20 years or more of service of one unit per month, such one unit to be added to the pension otherwise provided for herein; provided that a pensioner or widow surviving spouse may in writing authorize a deduction from their pension for an insurance plan adopted by the association;

(f) Health and welfare benefits of one unit per month in addition to other benefits for members who retire after July 1, 1980 and have completed 20 years or more of service; and

(g) Other expenses authorized by law."

Renumber the subsequent sections

Page 1, line 17, strike "of the age of 50 years or more,"

Page 1, line 18, delete "upon reaching at least age 50"

Page 1, line 19, before "performed" insert "has"

Page 1, line 21, delete "or" and insert "and"

Page 1, line 22, before "paid" insert "entitled to be"

Page 4, line 1, after "spouse" insert "of a deceased active member, a pension of 18 units per month for life. If the surviving spouse remarries, the pension shall cease as of the date of the remarriage.

(b) To the surviving spouse of a deceased, deferred, or retired member"

Page 4, line 7, strike "(b)" and before "To" insert "(c)" and after "child" insert "of a deceased active member"

Page 4, after line 12, insert:

"(d) To each child of a deceased, deferred, or retired member, a pension of 1.5 units per month plus three-tenths of one unit per month for every year of service of the decedent beyond five years to a maximum of six units until the child reaches the age of 18 years; or in the case of a child in full-time attendance during the normal school year, in a school approved by the board of directors, until the child receives a bachelor's degree or attains the age of 22 years, whichever is first."

Page 4, line 17, delete "3" and insert "5"

Amend the title accordingly

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 1127, A bill for an act relating to utilities; providing for the establishment of flexible gas utility rates for certain customers subject to effective competition; amending Minnesota Statutes 1986, section 216B.02, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 216B.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [216B.163] [FLEXIBLE TARIFFS.]

Subdivision 1. [DEFINITIONS.] (a) For the purposes of this section, the terms defined in this subdivision have the meanings given them.

(b) "Effective competition" means the ability of customers of a gas utility who either receive interruptible service or whose daily gas requirements exceed 50,000 cubic feet to get the same, equivalent, or substitutable energy supplies or service at comparable prices from energy suppliers that are not regulated by the commission.

(c) "Flexible tariff" means a rate schedule under which a gas utility may set or change the price for its service to an individual customer or group of customers without prior approval of the commission within a range of prices determined by the commission to be just and reasonable.

Subd. 2. [FLEXIBLE TARIFFS PERMITTED.] Notwithstanding any other provision of this chapter, the commission is authorized to approve a flexible tariff for any class of customers of a gas utility when provision of service, including the sale or transportation of gas, to any customers within the class is subject to effective competition. Upon application of a gas utility, the commission shall find that effective competition exists for a class of customers taking interruptible service at a level exceeding 199,000 cubic feet per day. Customers within a class subject to effective competition may elect to take service either under the flexible tariff or under the appropriate nonflexible tariff for that class of service set in accordance with section 2I6B.03, provided that a customer that uses an alternative energy supply or service for reasons of price shall be deemed to have elected to take service under the flexible tariff.

Subd. 3. [ESTABLISHING OR CHANGING A FLEXIBLE TARIFF.] The commission may establish a flexible tariff through a miscellaneous rate filing only if the filing does not seek to recover any expected foregone revenues from any customers who do not take service under the flexible tariff, nor to change any other rates. If a gas utility requests authority to establish a flexible tariff and as part of that request seeks to recover any expected foregone revenues from any customers who do not take service under the flexible tariff or to change any other rates the commission may only establish that flexible tariff within a general rate case for that gas utility. The commission may only change the rates in a flexible tariff within a gas utility's general rate case.

Subd. 4. [RATES AND TERMS OF SERVICE.] Whenever the commission authorizes a flexible tariff, it shall set the terms, and conditions of service for that tariff, which shall include:

(1) that the minimum rate for the tariff recover at least the incremental cost of providing the service;

(2) that there is no upward maximum for the rate;

(3) that a customer who elects to take service under the flexible tariff remain on that tariff for a reasonable period of time, which shall not be less than one year; and

(4) that any customer changing from a flexible tariff to the appropriate nonflexible tariff for that class pay all costs incurred by the utility due to that change.

Subd. 5. [RECOVERY OF FOREGONE REVENUES.] In a general rate case which establishes a flexible tariff for a gas utility, and in each general rate case of a gas utility for which a flexible tariff has been authorized, the commission shall determine a projected level of revenues and expenses from services under that tariff based on a single target rate for all sales under that tariff, which projection shall be used to determine the utility's overall rates. That target rate used to establish a level of projected revenues shall not limit the gas utility's ability or right to set rates for any customer taking service under the flexible tariff.

Subd. 6. [INTERIM FLEXIBLE TARIFF.] Notwithstanding section 216B.16, subdivision 3, if a gas utility files with the commission to establish or change a flexible tariff the commission shall permit the proposed flexible tariff to take effect on an interim basis no later than 30 days after filing. If any customers receive an increase in rates during the period that an interim flexible tariff is in effect, the increase is subject to refund as provided in section 216B.16, subdivision 3. The gas utility shall provide ten days written notice, or other notice as may be established by contract not to exceed 30 days, to a customer before implementing an interim rate increase for that customer under this section.

Subd. 7. [FINAL DETERMINATION.] The commission shall make a final determination in a proceeding begun under this section for approval of a flexible tariff, other than a filing made within a general rate case, within 180 days of the filing by the gas utility.

## Sec. 2. [STUDY.]

The department of public service shall review the operation and effects of all gas utility flexible tariffs approved under section 1, and shall report to the legislature by February 1, 1990.

## Sec. 3. [COST RECOVERY.]

The department of public service shall recover from the gas utilities utilizing the flexible rate tariff not more than a total of \$10,000 for the use of the study required in section 2. Each utility shall be assessed an equal share of the cost of the study.

## Sec. 4. [EFFECTIVE DATE.]

Sections 1 to 3 are effective the day following final enactment, and are repealed effective July 1, 1990."

Amend the title as follows:

Page 1, line 4, delete everything after the semicolon and insert "requiring the department of public service to conduct a study; providing for recovery of study costs"

Page 1, delete line 5

Page 1, line 6, delete "subdivisions"

With the recommendation that when so amended the bill pass.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1141, A bill for an act relating to the city of Champlin; permitting the city to use unexpended public improvement funds for a low-income special assessment grant program.

Reported the same back with the following amendments:

Page 1, line 9, delete "until December 31, 1988," and delete "unexpended"

Page 1, line 10, delete "reverted" and insert "been lawfully transferred"

Page 1, line 11, delete "defray the cost of" and insert "assist low-income homeowners in paying"

Page 1, line 12, delete "property owners" and insert "their homesteads"

Page 1, line 19, after "other" insert "eligibility" and delete "that"

Page 1, line 21, after "DATE" insert "; REPEALER"

Page 1, line 23, delete "this act takes" and insert "sections 1 and 2 take"

Page 1, line 24, after the period insert "Sections 1 and 2 are repealed December 31, 1992."

With the recommendation that when so amended the bill pass.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1156, A bill for an act relating to Traverse county; allowing a property tax levy for the county agricultural society.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 1164, A bill for an act relating to employment; requiring notification of certain exposures to infectious diseases; providing workers' compensation to coverage for certain infectious diseases; amending Minnesota Statutes 1986, section 176.011, subdivision 15; proposing coding for new law in Minnesota Statutes, chapter 144.

Reported the same back with the following amendments:

Page 1, line 14, after "firefighter," insert "correctional officer."

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1224, A bill for an act relating to local government; permitting the establishment of a joint economic development authority in Cook county.

Reported the same back with the following amendments:

Page 3, after line 3, insert:

"Sec. 6. [LODGING TAX IN TOWNS.]

Notwithstanding Minnesota Statutes, section 477A.016, or other law, the Cook county board may impose a tax of up to two percent on the gross receipts from the furnishing for consideration of lodging at a hotel, motel, rooming house, tourist court, or resort, other than the renting or leasing of it for a continuous period of 30 days or more, located in the towns of Lutsen, Tofte, and Schroeder. The tax may be imposed in one or more of the towns. The tax may be imposed in a town only with the agreement of the town expressed by its voters at an annual or special meeting. The tax shall be collected by and its proceeds paid to the county. The proceeds of the tax shall be dedicated for the construction, debt service, and maintenance of a public recreational facility within the towns."

Renumber the remaining section

Page 3, line 5, delete "This act is" and insert "Sections 1 to 5 are"

Page 3, line 7, after the period insert "Section 6 is effective the day after final enactment."

Amend the title as follows:

Page 1, line 4, after "county" insert "; authorizing a lodging tax in certain towns"

With the recommendation that when so amended the bill pass.

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 1225, A bill for an act relating to employment; requiring certain employers to make available a plan of health care coverage to all employees; proposing coding for new law in Minnesota Statutes, chapter 177.

Reported the same back with the following amendments:

Page 1, line 11, delete "ten" and insert "20"

Page 1, line 18, after "week" insert ", but does not include independent contractors"

Page 3, line 3, delete "and" and insert "or"

With the recommendation that when so amended the bill pass.

The report was adopted.

Skoglund from the Committee on Financial Institutions and Insurance to which was referred:

H. F. No. 1267, A bill for an act relating to insurance; correcting certain errors; removing ambiguities; expanding certain insurers' investment authority; authorizing the commissioner to adopt investment rules; providing for miscellaneous changes and clarification; amending Minnesota Statutes 1986, section 60A.11, subdivisions 10, 11, 13, 14, 15, 17, 18, 19, 21, 23, 24, 26, and by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 60A.11, subdivision 10, is amended to read:

Subd. 10. [DEFINITIONS.] The following terms have the meaning assigned in this subdivision for purposes of this section and section 60A.111:

(a) "Admitted assets," for purposes of computing percentage limitations on particular types of investments, means the assets as shown by the company's annual statement, required by section 60A.13, as of the December 31 immediately preceding the date the company acquires the investment;

(b) "Clearing corporation" means The Depository Trust Company or any other clearing agency registered with the federal securities and exchange commission pursuant to the Federal Securities Exchange Act of 1934, section 17A, Euro-clear Clearance System Limited and CEDEL S.A., and, with the approval of the commissioner, any other clearing corporation as defined in section 336.8-102;

(c) "Control" has the meaning assigned to that term in, and must be determined in accordance with, section 60D.01, subdivision 4;

(d) "Custodian bank" means a bank or trust company or a branch of a bank or trust company that is acting as custodian and is supervised and examined by state or federal authority having supervision over the bank or trust company or with respect to a company's foreign investments only by the regulatory authority having supervision over banks or trust companies in the jurisdiction in which the bank, trust company, or branch is located, and specifically includes Euro-clear Clearance System Limited and CEDEL S.A., acting as custodians;

(e) "Issuer" means the corporation, business trust, governmental unit, partnership, association, individual or other entity which issues or on behalf of which is issued any form of obligation;

(f) "Member bank" means a national bank, state bank or trust company which is a member of the Federal Reserve System;

(g) "National securities exchange" means an exchange registered under section 6 of the Securities Exchange Act of 1934 or an exchange regulated under the laws of the Dominion of Canada;

(h) "Obligations" include bonds, notes, debentures, transportation equipment certificates, repurchase agreements, bank certificates of deposit, time deposits, bankers' acceptances, and other obligations for the payment of money not in default as to payments of principal and interest on the date of investment, whether constituting general obligations of the issuer or payable only out of certain revenues or certain funds pledged or otherwise dedicated for payment. Leases are considered obligations if the lease is assigned for the benefit of the company and is nonterminable by the lessee or lessees thereunder upon foreclosure of any lien upon the leased property, and rental payments are sufficient to amortize the investment over the primary lease term;

(i) "Qualified assets" means the sum of (1) all investments qualified in accordance with this section other than investments in affiliates and subsidiaries, (2) investments in obligations of affiliates as defined in section 60D.01, subdivision 2 secured by real or personal property sufficient to qualify the investment under subdivision 19 or 23, (3) qualified investments in subsidiaries, as defined in section 60D.01, subdivision 9, on a consolidated basis with the insurance company without allowance for goodwill or other intangible value, and (4) cash on hand and on deposit, agent's balances or uncollected premiums not due more than 90 days, assets held pursuant to section 60A.12, subdivision 2, investment income due and accrued, funds due or on deposit or recoverable on loss payments under contracts of reinsurance entered into pursuant to section 60A.09, premium bills and notes receivable, federal income taxes recoverable, and equities and deposits in pools and associations;

(j) "Qualified net earnings" means that the net earnings of the issuer after elimination of extraordinary nonrecurring items of income and expense and before income taxes and fixed charges over the five immediately preceding completed fiscal years, or its period of existence if less than five years, has averaged not less than 1¼ times its average annual fixed charges applicable to the period;

(k) "Required liabilities" means the sum of (1) total liabilities as required to be reported in the company's most recent annual report to the commissioner of commerce of this state, (2) for companies operating under the stock plan, the minimum paid-up capital and

surplus required to be maintained pursuant to section 60A.07, subdivision 5a, (3) for companies operating under the mutual or reciprocal plan, the minimum amount of surplus required to be maintained pursuant to section 60A.07, subdivision 5b, and (4) the amount, if any, by which the company's loss and loss adjustment expense reserves exceed 350 percent of its surplus as it pertains to policyholders as of the same date. The commissioner may waive the requirement in clause (4) unless the company's written premiums exceed 300 percent of its surplus as it pertains to policyholders as of the same date. In addition to the required amounts pursuant to clauses (1) to (4), the commissioner may require that the amount of any apparent reserve deficiency that may be revealed by one to five year loss and loss adjustment expense development analysis for the five years reported in the company's most recent annual statement to the commissioner be added to required liabilities; and

(l) "Unrestricted surplus" means the amount by which qualified assets exceed 110 percent of required liabilities.

Sec. 2. Minnesota Statutes 1986, section 60A.11, subdivision 26, is amended to read:

Subd. 26. [RULES.] (a) The commissioner may ~~promulgate~~ adopt appropriate rules to carry out the purpose and provisions of this section.

(b) A company may make qualified investments in any additional securities or property of any kind with the written order of the commissioner. This approval is at the discretion of the commissioner.

(c) Nothing authorized in this subdivision negates or reduces the investment authority granted in subdivisions 1 to 25.

Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to insurance; regulating investments of domestic companies; defining terms; providing additional investment authority; amending Minnesota Statutes 1986, section 60A.11, subdivisions 10 and 26."

With the recommendation that when so amended the bill pass.

The report was adopted.

Otis from the Committee on Economic Development and Housing to which was referred:

H. F. No. 1302, A bill for an act relating to Itasca county; permitting the county to levy a tax for economic development.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1370, A bill for an act relating to Scott county; authorizing the issuance of county bonds for capital improvements.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

S. F. No. 457, A bill for an act relating to commerce; regulating collection agencies and those acting under the authority of a collection agency; providing cash deposits in lieu of the required bond; establishing prohibited practices; prescribing the enforcement powers of the commissioner; amending Minnesota Statutes 1986, sections 332.31, by adding a subdivision; 332.33; 332.34; 332.37; and 332.40, subdivision 3.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

House Resolution No. 6, A House resolution extending congratulations to the citizens of Bemidji on their 50th Anniversary celebration of the arrival of Paul Bunyan and his Blue Ox, Babe, to the city's waterfront.

Reported the same back with the recommendation that the resolution be adopted.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming reported on the following appointment which had been referred to the committee by the Speaker:

ETHICAL PRACTICES BOARD

MARTIN J. McGOWAN

Reported the same back with the recommendation that the appointment be confirmed.

Kostohryz moved that the report of the Committee on General Legislation, Veterans Affairs and Gaming relating to the appointment of Martin J. McGowan to the Ethical Practices Board be adopted. The motion prevailed and the report was adopted.

CONFIRMATION

Kostohryz moved that the House, having advised, do now consent to and confirm the appointment of Martin J. McGowan, 19807 State Highway 15, Kimball, Stearns County, effective January 19, 1987, for a term expiring the first Monday in January 1991. The motion prevailed and the appointment of Martin J. McGowan was confirmed by the House.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming reported on the following appointment which had been referred to the committee by the Speaker:

ETHICAL PRACTICES BOARD

JUDITH GILBERT SCHOTZKO

Reported the same back with the recommendation that the appointment be confirmed.

Kostohryz moved that the report of the Committee on General Legislation, Veterans Affairs and Gaming relating to the appointment of Judith Gilbert Schotzko to the Ethical Practices Board be adopted. The motion prevailed and the report was adopted.

## CONFIRMATION

Kostohryz moved that the House, having advised, do now consent to and confirm the appointment of Judith Gilbert Schotzko, Rural Route No. 1, Box 42, Blue Earth, Faribault County, effective January 19, 1987, for a term expiring the first Monday in January 1991. The motion prevailed and the appointment of Judith Gilbert Schotzko was confirmed by the House.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred the following appointment:

## ETHICAL PRACTICES BOARD

## DOUGLAS R. EWALD

Reported the same back with the recommendation that the appointment be confirmed.

Kostohryz moved that the report of the Committee on General Legislation, Veterans Affairs and Gaming relating to the appointment of Douglas R. Ewald to the Ethical Practices Board be adopted. The motion prevailed and the report was adopted.

## CONFIRMATION

Kostohryz moved that the House, having advised, do now consent to and confirm the appointment of Douglas R. Ewald, 15025 Highland Trail, Minnetonka, Hennepin County, effective November 3, 1986, for a term expiring the first Monday in January 1988. The motion prevailed and the appointment of Douglas R. Ewald was confirmed by the House.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 200, 291, 298, 308, 332, 404, 499, 534, 556, 629, 643, 654, 677, 755, 772, 823, 836, 839, 845, 924, 948, 983, 999, 1028, 1060, 1073, 1105, 1127, 1141, 1164, 1224, 1225 and 1267 were read for the second time.

## SECOND READING OF SENATE BILLS

S. F. No. 457 was read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Wenzel introduced:

H. F. No. 1459, A bill for an act relating to the town of Irondale; removing a town levy limitation; repealing Laws 1971, chapter 336.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Quinn, Kahn, Begich, Simoneau and Bennett introduced:

H. F. No. 1460, A bill for an act relating to athletic and sporting events; creating the Minnesota amateur sports commission and providing its powers and duties; requiring the sponsorship of certain amateur athletic events; authorizing an admission tax; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 240A.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Segal and Kalis introduced:

H. F. No. 1461, A bill for an act relating to transportation; transferring two routes in Hennepin county from county state-aid system to trunk highway system; transferring right-of-way ownership from Hennepin county to commissioner of transportation; amending Minnesota Statutes 1986, section 161.117; Laws 1986, chapter 452, section 32; proposing coding for new law in Minnesota Statutes, chapter 161.

The bill was read for the first time and referred to the Committee on Transportation.

Hartle; Carlson, D.; Stanius; Sarna and Battaglia introduced:

H. F. No. 1462, A bill for an act relating to game and fish; authorizing free fishing licenses for certain disabled employees; amending Minnesota Statutes 1986, section 97A.441, subdivision 1.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Segal introduced:

H. F. No. 1463, A bill for an act relating to transportation; appropriating money to the commissioner of transportation to acquire certain parcels of real property; establishing certain conditions for expenditures for construction of interstate highway 394 after June 30, 1988.

The bill was read for the first time and referred to the Committee on Transportation.

Solberg, Milbert, Neuenschwander, Rodosovich and Dempsey introduced:

H. F. No. 1464, A bill for an act relating to unclaimed property; enacting the Uniform Unclaimed Property Act (1981); amending Minnesota Statutes 1986, sections 80C.03; 149.12; 198.231; 345.25; 356.65, subdivision 2; and 624.68; proposing coding for new law in Minnesota Statutes, chapter 345; repealing Minnesota Statutes 1986, sections 345.31 to 345.60.

The bill was read for the first time and referred to the Committee on Commerce.

Rukavina; Johnson, R.; Kahn; Battaglia and Carlson, D., introduced:

H. F. No. 1465, A bill for an act relating to economic development; providing training and employment for low income seniors; creating the hospitality host older worker tourism program; prescribing duties for the commissioner of the department of jobs and training; appropriating money.

The bill was read for the first time and referred to the Committee on Economic Development and Housing.

Bertram and Bauerly introduced:

H. F. No. 1466, A bill for an act relating to watercraft safety; limiting the towing of water skiers and other devices by watercraft to certain daylight hours; amending Minnesota Statutes 1986, section 361.09, subdivision 2.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Bertram and Bauerly introduced:

H. F. No. 1467, A bill for an act relating to traffic regulations; peace officers; authorizing peace officers to inspect for regulated tires; amending Minnesota Statutes 1986, section 169.725.

The bill was read for the first time and referred to the Committee on Transportation.

Carlson, L.; Haukoos; Kelly; Dorn and Johnson, R., introduced:

H. F. No. 1468, A bill for an act relating to education; adopting a common course numbering system for higher education; assigning the planning for implementation of a common course numbering system for higher education to a task force assisted by the staff of the higher education coordinating board; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 135A.

The bill was read for the first time and referred to the Committee on Higher Education.

Wenzel; Olson, E.; Beard; Carlson, D., and Kalis introduced:

H. F. No. 1469, A bill for an act relating to traffic regulations; providing for restrictions on vehicles transporting firewood on highways; amending Minnesota Statutes 1986, section 169.81, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Transportation.

Poppenhagen introduced:

H. F. No. 1470, A bill for an act relating to firearms; removing the requirement that firearms be encased or placed in the vehicle trunk while being transported; amending Minnesota Statutes 1986, section 97B.045.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Gutknecht, Frederick, Tjornhom, Dille and Bertram introduced:

H. F. No. 1471, A bill for an act relating to workers' compensation; regulating the content of notices; amending Minnesota Statutes 1986, section 176.84.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Nelson, K.; Skoglund; Wagenius; Riveness and Tjornhom introduced:

H. F. No. 1472, A bill for an act relating to metropolitan government; requiring the metropolitan airports commission to reduce noise at an airport; restricting capital development; proposing coding for new law in Minnesota Statutes, chapter 473.

The bill was read for the first time and referred to the Committee on Metropolitan Affairs.

Quinn, Voss, Munger, Bennett and Simoneau introduced:

H. F. No. 1473, A bill for an act relating to natural resources; authorizing certain watershed districts in the seven-county metropolitan area to increase the administrative fund amount; amending Minnesota Statutes 1986, section 112.61, subdivision 3.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Clark, Welle and Gruenes introduced:

H. F. No. 1474, A bill for an act relating to vocational training; requiring the commissioner of jobs and training to certify entities that provide supported employment to persons with disabilities; authorizing rulemaking; providing penalties; proposing coding for new law in Minnesota Statutes, chapter 129A.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Jefferson, Sviggum, Vellenga, Tompkins and Welle introduced:

H. F. No. 1475, A bill for an act relating to state government; civil service; providing opportunities for persons with disabilities; amending Minnesota Statutes 1986, sections 43A.10, subdivision 8; 43A.13, subdivision 7; 43A.191, by adding a subdivision; 43A.42; proposing coding for new law in Minnesota Statutes, chapter 43A.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Nelson, K., introduced:

H. F. No. 1476, A bill for an act relating to education; establishing clinical schools for teacher preparation; establishing professional

development and assessment centers; requiring research on teacher education programs; appropriating money; amending Minnesota Statutes 1986, section 125.185, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 126.

The bill was read for the first time and referred to the Committee on Education.

Jennings; Munger; Long; Nelson, D., and Rose introduced:

H. F. No. 1477, A bill for an act relating to solid waste landfills; creating the landfill environmental response fund; assessing solid waste disposal fees; establishing procedures to fund the cost of releases of hazardous substances from landfills; appropriating money; amending Minnesota Statutes 1986, section 116.07, subdivision 4h; proposing coding for new law in Minnesota Statutes, chapter 115B.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Dorn, Battaglia, Frederick and Morrison introduced:

H. F. No. 1478, A bill for an act relating to the city of Mankato; permitting the establishment of special service districts; providing taxing and other authority.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Rukavina and Battaglia introduced:

H. F. No. 1479, A bill for an act relating to education; allowing variances from licensure for practicing school psychologists in certain circumstances; proposing coding for new law in Minnesota Statutes 1986, chapter 125.

The bill was read for the first time and referred to the Committee on Education.

Marsh, Gruenes, Bauerly, Bertram and Omann introduced:

H. F. No. 1480, A bill for an act relating to retirement; St. Cloud police; pension fund uses; pension amounts; health and medical

insurance; amending Laws 1973, sections 4, as amended; 5, subdivision 1; and 6, subdivision 4.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Dille introduced:

H. F. No. 1481, A bill for an act relating to the city of Hutchinson; providing an exception from the Hutchinson police civil service system for the chief of police.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Osthoff, Scheid, Kelly, Orenstein and Milbert introduced:

H. F. No. 1482, A bill for an act relating to insurance; liquor liability assigned risk plan; regulating assigned risk plan premiums; amending Minnesota Statutes 1986, section 340A.409, subdivision 3.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Poppenhagen introduced:

H. F. No. 1483, A bill for an act relating to state land; authorizing conveyance of certain land to the town of Round Lake.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Quist, Waltman, Schafer, Uphus and Johnson, V., introduced:

H. F. No. 1484, A bill for an act relating to agriculture; establishing a task force on improving agricultural commodity utilization; appropriating money.

The bill was read for the first time and referred to the Committee on Agriculture.

McPherson, Milbert, Heap, Quinn and Hugoson introduced:

H. F. No. 1485, A bill for an act relating to education; requiring secondary public schools to offer courses in family life education;

requiring students to pass a family life education course prior to graduation; requiring all family life education instructors to be licensed by the board of teaching; proposing coding for new law in Minnesota Statutes, chapter 126.

The bill was read for the first time and referred to the Committee on Education.

Beard, Tjornhom, Begich, Ogren and Solberg introduced:

H. F. No. 1486, A bill for an act relating to railroads; providing reporting and disclosure requirements for railroad acquisitions; preserving contracts between acquiring railroad carriers and shippers, governmental entities, and labor organizations; and proposing coding for new law in Minnesota Statutes, chapter 222.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Segal, Krueger, Skoglund and Blatz introduced:

H. F. No. 1487, A bill for an act relating to human services; requiring a study on subsidized adoption.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Tjornhom, Voss, Ogren, Lieder and Neuenschwander introduced:

H. F. No. 1488, A bill for an act relating to taxation; mandating county treasurers to accept property tax payments of more or less than amount due; amending Minnesota Statutes 1986, sections 277.01; and 279.01, subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes.

Quist, Hugoson, Thiede, Gutknecht and Miller introduced:

H. F. No. 1489, A bill for an act proposing an amendment to the Minnesota Constitution, article X, by adding a section; limiting the growth of state tax revenues; providing for implementation of the amendment; proposing coding for new law in Minnesota Statutes, chapter 6.

The bill was read for the first time and referred to the Committee on Ways and Means.

Gutknecht introduced:

H. F. No. 1490, A bill for an act relating to employment; regulating the administration of the unemployment compensation law; providing for the amount of benefits; regulating benefit eligibility; providing for employer contributions; transferring certain hearing functions and personnel to the office of administrative hearings; amending Minnesota Statutes 1986, sections 14.03, subdivision 2; 14.48; 14.51; 14.53; 16A.671, subdivision 1; 43A.18, subdivision 4; 179A.10, subdivision 1; 268.03; 268.04, subdivisions 25 and 29; 268.06, subdivisions 5, 8, 18, 19, and 20; 268.07, subdivisions 2 and 2a; 268.08, subdivisions 1 and 3; 268.09, subdivisions 1 and 2; 268.10, subdivisions 2, 3, 4, 5, 6, and 9; 268.12, subdivisions 8, 9, 10, and 13; and 268.18, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapter 268.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Gutknecht introduced:

H. F. No. 1491, A bill for an act relating to workers' compensation; regulating insurer obligations; regulating the scope of coverage; regulating eligibility for benefits; regulating benefits and benefit adjustments; amending Minnesota Statutes 1986, sections 79.34, subdivision 3; 79.35; 176.021, subdivision 1; 176.041, subdivisions 1, 2, and 3; 176.101, subdivisions 1, 2, 3e, 3h, 3k, 3o, 3t, 4, and 8; 176.131, subdivisions 3 and 6; 176.132, subdivision 1; 176.138; and 176.645, subdivision 1.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Dempsey introduced:

H. F. No. 1492, A bill for an act relating to courts; requiring that at least one trial court judge be assigned to each county in a judicial district; amending Minnesota Statutes 1986, sections 2.722, subdivision 4, and by adding a subdivision; 484.69, subdivision 3; 487.01, subdivision 5; and 487.191.

The bill was read for the first time and referred to the Committee on Judiciary.

Dempsey introduced:

H. F. No. 1493, A bill for an act relating to actions; restoring pre-1986 status to computing awards of future damages; repealing Minnesota Statutes 1986, section 604.07.

The bill was read for the first time and referred to the Committee on Judiciary.

Ozment and Clausnitzer introduced:

H. F. No. 1494, A bill for an act relating to human services; requiring orientation for clients receiving aid to families with dependent children; providing case management services to certain clients; defining case management services; requiring staff orientation; requiring commissioner to apply for demonstration project and waiver; creating children's health care program; setting standard of need; allowing counties to retain increased child support collections; requiring use of private health care benefits; directing employment services at jobs which provide medical coverage; establishing priorities for child care services; amending Minnesota Statutes 1986, sections 256.74, subdivision 1; 256.863; 256B.37, by adding a subdivision; 268.85, subdivision 2; and 268.91, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 256.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Wenzel introduced:

H. F. No. 1495, A bill for an act relating to liquor; authorizing the city of Little Falls to issue a temporary on-sale intoxicating liquor license.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Clark, Jefferson, Forsythe, Riveness and Olsen, S., introduced:

H. F. No. 1496, A bill for an act relating to human services; altering allocation of federal fiscal disallowances based on error rates; amending Minnesota Statutes 1986, section 256.01, subdivision 2.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Nelson, D., introduced:

H. F. No. 1497, A bill for an act relating to appropriations; providing funds for the Minnesota telecenter project.

The bill was read for the first time and referred to the Committee on Appropriations.

Clark introduced:

H. F. No. 1498, A bill for an act relating to health; providing for a Medicare enrollee's consumer bill of rights; providing for a reconsideration process if service is denied or limited; allowing for a determination of urgent need; proposing coding for new law in Minnesota Statutes, chapter 62D.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Wynia; Anderson, R.; Rodosovich; Cooper and Segal introduced:

H. F. No. 1499, A bill for an act relating to health; requiring transfers from the special revenue account to the public health fund; amending Minnesota Statutes 1986, section 214.06, subdivision 1.

The bill was read for the first time and referred to the Committee on Health and Human Services.

McEachern; Nelson, K.; Olson, K.; Olsen, S., and Beard introduced:

H. F. No. 1500, A bill for an act relating to education; making modifications to the planning, evaluation and reporting process; amending Minnesota Statutes 1986, sections 126.65; 126.66, subdivisions 1, 6, and by adding subdivisions; 126.67, subdivisions 1, 1a, 2a, 3a, 6, and 9; repealing Minnesota Statutes 1986, section 126.67, subdivision 5b.

The bill was read for the first time and referred to the Committee on Education.

Sparby introduced:

H. F. No. 1501, A bill for an act relating to game and fish; establishing game refuge advisory committees; proposing coding for new law in Minnesota Statutes, chapter 97A.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Kostohryz introduced:

H. F. No. 1502, A bill for an act relating to metropolitan government; regulating participation in a transportation program; providing conditions for incurrence of debt for certain purposes; removing

fare restrictions; amending Minnesota Statutes 1986, sections 473.388, subdivision 2; 473.39; and 473.446, subdivision 1; repealing Minnesota Statutes 1986, section 473.436, subdivisions 6 and 7; and Laws 1985, First Special Session chapter 10, section 122.

The bill was read for the first time and referred to the Committee on Metropolitan Affairs.

Jensen, Kostohryz and Osthoff introduced:

H. F. No. 1503, A bill for an act relating to veterans; requiring the placement of a plaque on the Capitol grounds recognizing certain prisoners of war and soldiers missing in action.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Johnson, R.; Rukavina; Simoneau; Kludt and Knickerbocker introduced:

H. F. No. 1504, A bill for an act relating to economic development; providing for the selection of board members of community development corporations; amending Minnesota Statutes 1986, section 116M.04, subdivision 6.

The bill was read for the first time and referred to the Committee on Economic Development and Housing.

Larsen and Jefferson introduced:

H. F. No. 1505, A bill for an act relating to state government; creating an international music and communications arts center task force; appropriating money.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Rodosovich introduced:

H. F. No. 1506, A bill for an act relating to education; modifying, clarifying, and extending programs and certain staff requirements at the state academies for the blind and deaf; creating a revolving fund for receipts and expenditures for services, seminars, and conferences there; appropriating money; amending Minnesota Stat-

utes 1986, sections 128A.01; 128A.02, subdivisions 2, 3, and 4; proposing coding for new law in Minnesota Statutes, chapter 128A.

The bill was read for the first time and referred to the Committee on Education.

Munger, Battaglia, Boo and Rose introduced:

H. F. No. 1507, A bill for an act relating to water; prohibiting the commissioner of natural resources from issuing certain permits or approving certain plans for diversion of water from certain water basins before consultation with state and Canadian officials; amending Minnesota Statutes 1986, sections 105.37, by adding subdivisions; 105.405, subdivision 2, and by adding subdivisions; and 105.44, subdivision 4.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Wagenius introduced:

H. F. No. 1508, A bill for an act relating to peace officers; eliminating the bureau of criminal apprehension's duty to supply a training schedule to the peace officer standards and training board; authorizing the bureau of criminal apprehension to charge a fee for certain training courses; amending Minnesota Statutes 1986, section 626.852; repealing Minnesota Statutes 1986, section 626.849.

The bill was read for the first time and referred to the Committee on Judiciary.

McLaughlin and Orenstein introduced:

H. F. No. 1509, A bill for an act relating to employment and training; establishing a committee; authorizing pilot projects in service delivery; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 267.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Wagenius introduced:

H. F. No. 1510, A bill for an act relating to utilities; requiring recorded telephone solicitation devices to disconnect from the tele-

phone line when the caller hangs up; imposing a penalty; proposing coding for new law in Minnesota Statutes, chapter 237.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Bishop and Rest introduced:

H. F. No. 1511, A bill for an act relating to statutes; conforming various laws to judicial decisions of unconstitutionality and suggestions for clarity; amending Minnesota Statutes 1986, sections 169.121, subdivision 4; 179A.20, subdivision 4; 197.46; 268.04, subdivisions 26 and 29; 268.06, subdivision 5; 340A.501; and 352B.15; repealing Minnesota Statutes 1986, sections 466.03, subdivision 2; 487.39; and 595.04.

The bill was read for the first time and referred to the Committee on Judiciary.

Greenfield introduced:

H. F. No. 1512, A bill for an act relating to employment; establishing demonstration projects to provide expanded employment opportunities for severely disabled persons.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Trimble, by request, introduced:

H. F. No. 1513, A bill for an act relating to tax-forfeited land; authorizing private sale of tax-forfeited land in Chisago county.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Scheid and Osthoff introduced:

H. F. No. 1514, A bill for an act relating to elections; changing requirements for persons engaged in lobbying activities; providing for a lobbyist code of ethics task force; imposing penalties; amending Minnesota Statutes 1986, sections 10A.01, subdivision 11; 10A.03, subdivisions 2, 3, and by adding a subdivision; 10A.05; and 10A.06; proposing coding for new law in Minnesota Statutes, chapter 10A.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Scheid and Osthoff introduced:

H. F. No. 1515, A bill for an act relating to public offices; fixing resignation effective dates; prohibiting contingent resignations; permitting the submission and withdrawal of prospective resignations in certain circumstances; providing for appeals in statewide election contests; amending Minnesota Statutes 1986, sections 2.722, subdivision 4; 209.09; 351.01; and 480A.06, subdivision 1.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Kahn, Rice, Seaberg, Knuth and Long introduced:

H. F. No. 1516, A bill for an act relating to historic sites; establishing a St. Anthony Falls heritage interpretive zone and heritage board; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 138.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Minne, Skoglund, Scheid, Clark and Milbert introduced:

H. F. No. 1517, A bill for an act relating to insurance; accident and health; requiring group coverage for the treatment of eating disorders; proposing coding for new law in Minnesota Statutes, chapter 62A.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Skoglund, Simoneau and Anderson, G., introduced:

H. F. No. 1518, A bill for an act relating to state government; providing for extended leaves of absence from state employment; amending Minnesota Statutes 1986, section 43A.02, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 43A.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Wenzel and Schoenfeld introduced:

H. F. No. 1519, A bill for an act relating to agriculture; clarifying legal rights; prohibiting certain waivers; amending Minnesota Stat-

utes 1986, section 550.37, by adding a subdivision; repealing Minnesota Statutes 1986, section 550.37, subdivision 19.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Wenzel introduced:

H. F. No. 1520, A bill for an act relating to local government; authorizing the organization of a Crow Wing-Cass county airport authority; providing for the appointment of directors; providing for the financing and operations of the authority.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Battaglia introduced:

H. F. No. 1521, A bill for an act relating to local government; providing the Lake county housing and redevelopment authority with certain port authority powers.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Battaglia introduced:

H. F. No. 1522, A bill for an act relating to local government; giving the Lake county housing and redevelopment authority port authority powers.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

McLaughlin, Norton, Himle and Jacobs introduced:

H. F. No. 1523, A bill for an act relating to metropolitan sports facilities; allowing a waiver of the admissions tax in certain circumstances; amending Minnesota Statutes 1986, section 473.595, subdivision 1, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Taxes.

Wynia introduced:

H. F. No. 1524, A bill for an act relating to human services; setting forth appeal procedure for recipients of case management services; amending Minnesota Statutes 1986, section 256.045, subdivisions 1, 3, 4, 5, 6, 7, and 10, and by adding a subdivision; repealing Minnesota Statutes 1986, section 256.045, subdivision 2.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Jennings, Riveness, Stanius, Rodosovich and Greenfield introduced:

H. F. No. 1525, A bill for an act relating to corrections; raising fees for reinstatement of drivers licenses; changing allocation of fees; amending Minnesota Statutes 1986, section 171.29, subdivision 2.

The bill was read for the first time and referred to the Committee on Judiciary.

#### HOUSE ADVISORIES

The following House Advisories were introduced:

Gutknecht, Heap, Sviggum, Marsh and Wenzel introduced:

H. A. No. 17, A proposal to study wage replacement and litigation rate under the workers' compensation system.

The advisory was referred to the Committee on Labor-Management Relations.

Clark, Jefferson, Greenfield, Vellenga and Battaglia introduced:

H. A. No. 18, A proposal to study cultural and recreational opportunities for low-income families.

The advisory was referred to the Committee on Health and Human Services.

#### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 1, A bill for an act relating to agriculture; extending and financing the interest rate buy-down program; establishing benefit limits; appropriating money; amending Laws 1986, chapter 398, article 23, section 1, subdivisions 5 and 6, and by adding a subdivision; and section 3, subdivision 5.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 737, A resolution memorializing the President and Congress to prevent from taking effect the proposed Internal Revenue Service regulations that limit the lobbying activities by non-profit organizations.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate File, herewith transmitted:

S. F. No. 27.

PATRICK E. FLAHAVEN, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 27, A bill for an act relating to appropriations; providing for a payment for certain improvements in the city of St. Cloud.

The bill was read for the first time and referred to the Committee on Appropriations.

## CONSENT CALENDAR

H. F. No. 238, A bill for an act relating to retirement; removing age limits on commencement of membership in firefighters relief associations; amending Minnesota Statutes 1986, section 424.04.

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:

Anderson, G.	Greenfield	Marsh	Ozment	Solberg
Anderson, R.	Gruenes	McDonald	Pappas	Sparby
Battaglia	Gutknecht	McEachern	Pauly	Stanius
Bauerly	Hartle	McKasy	Pelowski	Steensma
Beard	Haukoos	McLaughlin	Peterson	Sviggum
Begich	Heap	McPherson	Poppenhagen	Swenson
Bennett	Himle	Milbert	Price	Thiede
Bertram	Hugoson	Miller	Quinn	Tjornhom
Bishop	Jaros	Minne	Quist	Tompkins
Blatz	Jefferson	Morrison	Reding	Trimble
Boo	Jensen	Munger	Rest	Tunheim
Brown	Johnson, A.	Murphy	Richter	Uphus
Carlson, D.	Johnson, R.	Nelson, C.	Riveness	Valento
Carlson, L.	Johnson, V.	Nelson, D.	Rodosovich	Vanasek
Carruthers	Kalis	Nelson, K.	Rose	Vellenga
Clark	Kelly	Neuenschwander	Rukavina	Voss
Clausnitzer	Kelso	O'Connor	Sarna	Wagenius
Cooper	Kinkel	Ogren	Schafer	Waltman
Dauner	Kludt	Olsen, S.	Scheid	Welle
DeBlieck	Knuth	Olson, E.	Schoenfeld	Wenzel
Dempsey	Kostohryz	Olson, K.	Schreiber	Winter
Dille	Krueger	Omann	Seaberg	Wynia
Dorn	Larsen	Onnen	Segal	Spk. Norton
Forsythe	Lasley	Orenstein	Shaver	
Frederick	Lieder	Osthoff	Simoneau	
Frerichs	Long	Otis	Skoglund	

The bill was passed and its title agreed to.

H. F. No. 923, A bill for an act relating to human services; regulating budgets and procedures of human services boards; amending Minnesota Statutes 1986, sections 402.02, subdivision 2; 402.05, subdivision 1a; and 402.062, subdivisions 1 and 2; repealing Minnesota Statutes 1986, section 402.095.

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:

Anderson, G.	Gutknecht	Marsh	Pappas	Solberg
Anderson, R.	Hartle	McDonald	Pauly	Sparby
Battaglia	Haukoos	McEachern	Pelowski	Stanius
Bauerly	Heap	McKasy	Peterson	Steensma
Bennett	Himle	McLaughlin	Poppenhagen	Sviggunn
Bertram	Hugoson	McPherson	Price	Swenson
Blatz	Jacobs	Milbert	Quinn	Thiede
Boo	Jaros	Miller	Quist	Tjornhom
Brown	Jefferson	Minne	Redalen	Tompkins
Burger	Jensen	Morrison	Reding	Trimble
Carlson, D.	Johnson, A.	Munger	Rest	Tunheim
Carlson, L.	Johnson, R.	Murphy	Richter	Uphus
Carruthers	Johnson, V.	Nelson, C.	Riveness	Valento
Clark	Kahn	Nelson, D.	Rodosovich	Vanasek
Clausnitzer	Kalis	Nelson, K.	Rose	Vellenga
Cooper	Kelly	Neuenschwander	Rukavina	Voss
Dauner	Kelso	O'Connor	Sarna	Wagenius
DeBlicek	Kinkel	Ogren	Schafer	Waltman
Dempsey	Kludt	Olsen, S.	Scheid	Welle
Dille	Knuth	Olson, E.	Schoenfeld	Wenzel
Dorn	Kostohryz	Olson, K.	Schreiber	Winter
Forsythe	Krueger	Omann	Seaberg	Wynia
Frederick	Larsen	Onnen	Segal	Spk. Norton
Frerichs	Lasley	Orenstein	Shaver	
Greenfield	Lieder	Otis	Simoneau	
Gruenes	Long	Ozment	Skoglund	

The bill was passed and its title agreed to.

H. F. No. 947 was reported to the House.

Begich moved that H. F. No. 947 be returned to General Orders. The motion prevailed.

H. F. No. 1119, A bill for an act relating to state lands; permitting the sale of certain land in St. Louis county.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Carruthers	Gutknecht	Kahn	McDonald
Anderson, R.	Clark	Hartle	Kalis	McEachern
Battaglia	Clausnitzer	Haukoos	Kelly	McKasy
Bauerly	Cooper	Heap	Kelso	McLaughlin
Beard	Dauner	Himle	Kinkel	McPherson
Begich	DeBlicek	Hugoson	Kludt	Milbert
Bennett	Dempsey	Jacobs	Knuth	Miller
Bertram	Dille	Jaros	Kostohryz	Minne
Bishop	Dorn	Jefferson	Krueger	Morrison
Blatz	Forsythe	Jennings	Larsen	Munger
Brown	Frederick	Jensen	Lasley	Murphy
Burger	Frerichs	Johnson, A.	Lieder	Nelson, C.
Carlson, D.	Greenfield	Johnson, R.	Long	Nelson, D.
Carlson, L.	Gruenes	Johnson, V.	Marsh	Nelson, K.

Neuenschwander	Pelowski	Rose	Solberg	Valento
O'Connor	Peterson	Rukavina	Sparby	Vanasek
Ogren	Poppenhagen	Sarna	Stanius	Vellenga
Olsen, S.	Price	Schafer	Steensma	Voss
Olson, K.	Quinn	Scheid	Sviggum	Wagenius
Omann	Quist	Schoenfeld	Swenson	Waltman
Onnen	Redalen	Schreiber	Thiede	Welle
Orenstein	Reding	Seaberg	Tjornhom	Wenzel
Otis	Rest	Segal	Tompkins	Winter
Ozment	Richter	Shaver	Trimble	Wynia
Pappas	Riveness	Simoneau	Tunheim	Spk. Norton
Pauly	Rodosovich	Skoglund	Uphus	

The bill was passed and its title agreed to.

H. F. No. 338, A bill for an act relating to retirement; authorizing a certain Stearns county historical society employee to retain membership in the public employees retirement association.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Frerichs	Lasley	Orenstein	Segal
Anderson, R.	Greenfield	Lieder	Osthoff	Shaver
Battaglia	Gruenes	Long	Otis	Simoneau
Bauerly	Gutknecht	Marsh	Ozment	Skoglund
Beard	Hartle	McDonald	Pappas	Solberg
Begich	Haukoos	McEachern	Pauly	Sparby
Bennett	Heap	McKasy	Pelowski	Stanius
Bertram	Himle	McLaughlin	Peterson	Steensma
Bishop	Hugoson	McPherson	Poppenhagen	Sviggum
Blatz	Jacobs	Milbert	Price	Swenson
Boo	Jefferson	Miller	Quinn	Thiede
Brown	Jennings	Minne	Quist	Tjornhom
Burger	Jensen	Morrison	Redalen	Tompkins
Carlson, D.	Johnson, A.	Munger	Reding	Trimble
Carlson, L.	Johnson, R.	Murphy	Rest	Tunheim
Carruthers	Johnson, V.	Nelson, C.	Richter	Uphus
Clark	Kahn	Nelson, D.	Riveness	Valento
Clausnitzer	Kalis	Nelson, K.	Rodosovich	Vanasek
Cooper	Kelly	Neuenschwander	Rose	Vellenga
Dauner	Kelso	O'Connor	Rukavina	Voss
DeBlieck	Kinkel	Ogren	Sarna	Wagenius
Dempsey	Kludt	Olsen, S.	Schafer	Waltman
Dille	Knuth	Olson, E.	Scheid	Welle
Dorn	Kostohryz	Olson, K.	Schoenfeld	Wenzel
Forsythe	Krueger	Omann	Schreiber	Winter
Frederick	Larsen	Onnen	Seaberg	Wynia
				Spk. Norton

The bill was passed and its title agreed to.

H. F. No. 1024 was reported to the House.

Carlson, D., moved that H. F. No. 1024 be continued on the Consent Calendar until Thursday, April 9, 1987. The motion prevailed.

## CALENDAR

S. F. No. 397, A bill for an act relating to elections; setting times for changing election precincts and redistricting certain election districts; amending Minnesota Statutes 1986, sections 204B.14, subdivision 3; and 375.025, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 204B.

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 120 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Lasley	Otis	Shaver
Anderson, R.	Gruenes	Lieder	Ozment	Simoneau
Bauerly	Gutknecht	Marsh	Pappas	Skoglund
Beard	Hartle	McDonald	Pauly	Solberg
Bennett	Haukoos	McKasy	Pelowski	Stanius
Bertram	Heap	McLaughlin	Peterson	Steenasma
Bishop	Himle	McPherson	Poppenhagen	Sviggum
Blatz	Hugoson	Milbert	Price	Swenson
Boo	Jacobs	Miller	Quinn	Thiede
Brown	Jaros	Morrison	Quist	Tjornhom
Burger	Jefferson	Munger	Redalen	Tompkins
Carlson, D.	Jennings	Murphy	Reding	Trimble
Carlson, L.	Jensen	Nelson, C.	Rest	Tunheim
Carruthers	Johnson, A.	Nelson, D.	Richter	Uphus
Clark	Johnson, R.	Nelson, K.	Riveness	Valento
Clausnitzer	Johnson, V.	Neuenschwander	Rodosovich	Vanasek
Cooper	Kalis	Ogren	Rose	Vellenga
Dauner	Kelly	Olsen, S.	Rukavina	Wagenius
DeBlicek	Kinkel	Olsen, E.	Schafer	Waltman
Dempsey	Kludt	Olson, K.	Scheid	Welle
Dille	Knuth	Omann	Schoenfeld	Wenzel
Dorn	Kostohryz	Onnen	Schreiber	Winter
Frederick	Krueger	Orenstein	Seaberg	Wynia
Frerichs	Larsen	Osthoff	Segal	Spk. Norton

The bill was passed and its title agreed to.

Carlson, D.; Munger and Rose were excused at 4:35 p.m. Morrison was excused at 5:00 p.m.

## GENERAL ORDERS

Pursuant to Rules of the House, the House resolved itself into the Committee of the Whole with Norton in the Chair for consideration

of bills pending on General Orders of the day. Anderson, G., presided during a portion of the meeting of the Committee of the Whole. After some time spent therein the Committee arose.

REPORT OF THE COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following recommendations of the Committee were reported to the House:

H. F. Nos. 26, 235, 602 and 816 were recommended to pass.

H. F. No. 234 was recommended for progress.

H. F. Nos. 454 and 269 were recommended for progress retaining their places on General Orders.

H. F. No. 189 was recommended for progress retaining its place on General Orders until Monday, April 13, 1987.

H. F. No. 137, the second engrossment, which it recommended to pass with the following amendment offered by Kelly:

Page 1, after line 22, insert:

“Sec. 2. Minnesota Statutes 1986, section 631.07, is amended to read:

631.07 [ORDER OF FINAL ARGUMENT.]

When the giving of evidence is concluded in a criminal trial, unless the case is submitted on either or both sides without argument, the plaintiff shall begin and the defendant conclude the argument to the jury prosecution may make a closing argument to the jury. The defense may then make its closing argument to the jury. If the defense makes a closing argument and the defendant is represented by counsel, the prosecution shall be permitted to reply in rebuttal for up to five minutes, limited to argument which is responsive to the defendant's closing argument and which raises no new issues of law or fact.”

Renumber the remaining sections

Page 2, line 14, delete “2” and insert “3”

Amend the title as follows:

Page 1, line 4, after the semicolon, insert “permitting the prosecution to offer a rebuttal closing argument;”

Page 1, line 7, after the semicolon, insert "amending Minnesota Statutes 1986, section 631.07;"

Offered by Quist to the Kelly amendment:

Page 1, line 12, delete everything after "defense"

Page 1, line 13, delete everything before the comma and insert "raises new issues of law or fact"

Page 1, line 16, delete "raises no new" and insert "is limited to the new"

H. F. No. 656, the first engrossment, which it recommended to pass with the following amendment offered by Welle:

Page 1, line 16, reinstate the stricken language and delete the new language

H. F. No. 946 which it recommended to pass with the following amendment offered by Begich:

Page 1, line 14, after "on" insert "or near"

On the motion of Vanasek the report of the Committee of the Whole was adopted.

#### ROLL CALLS IN COMMITTEE OF THE WHOLE

Pursuant to rule 1.6, the following roll calls were taken in the Committee of the Whole:

Kelly moved to amend H. F. No. 137, the second engrossment, as follows:

Page 1, after line 22, insert:

"Sec. 2. Minnesota Statutes 1986, section 631.07, is amended to read:

#### 631.07 [ORDER OF FINAL ARGUMENT.]

When the giving of evidence is concluded in a criminal trial, unless the case is submitted on either or both sides without argument, the plaintiff shall begin and the defendant conclude the argument to the jury prosecution may make a closing argument to

the jury. The defense may then make its closing argument to the jury. If the defense makes a closing argument and the defendant is represented by counsel, the prosecution shall be permitted to reply in rebuttal for up to five minutes, limited to argument which is responsive to the defendant's closing argument and which raises no new issues of law or fact."

Renumber the remaining sections

Page 2, line 14, delete "2" and insert "3"

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "permitting the prosecution to offer a rebuttal closing argument;"

Page 1, line 7, after the semicolon, insert "amending Minnesota Statutes 1986, section 631.07;"

McDonald moved to amend the Kelly amendment to H. F. No. 137, the second engrossment, as follows:

Page 1, line 16, after "argument" delete "and" and after "which" delete "raises no" and insert "raised"

The question was taken on the McDonald amendment to the Kelly amendment and the roll was called. There were 60 yeas and 70 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Lasley	Omam	Schoenfeld
Beard	Gruenes	Long	Onnen	Seaberg
Bishop	Gutknecht	McDonald	Orenstein	Solberg
Brown	Hartle	McEachern	Osthoff	Sviggum
Burger	Heap	McLaughlin	Ozment	Thiede
Carlson, D.	Himle	McPherson	Quinn	Tompkins
Clark	Hugoson	Milbert	Quist	Tunheim
Clausnitzer	Jacobs	Miller	Richter	Uphus
Cooper	Jaros	Munger	Rose	Vellenga
Dempsey	Jefferson	Murphy	Rukavina	Voss
Dorn	Kahn	O'Connor	Sarna	Waltman
Frerichs	Kelso	Ogren	Scheid	Wynia

Those who voted in the negative were:

Anderson, R.	Carruthers	Johnson, A.	Krueger	Nelson, K.
Battaglia	Dauner	Johnson, R.	Larsen	Neuenschwander
Bauerly	DeBlicek	Johnson, V.	Lieder	Olsen, S.
Begich	Dille	Kalis	Marsh	Olson, E.
Bennett	Forsythe	Kelly	McKasy	Olson, K.
Bertram	Frederick	Kinkel	Minne	Otis
Blatz	Haukoos	Kludt	Morrison	Pappas
Boo	Jennings	Knuth	Nelson, C.	Pauly
Carlson, L.	Jensen	Kostohryz	Nelson, D.	Pelowski

Peterson	Rest	Shaver	Steensma	Vanasek
Poppenhagen	Riveness	Simoneau	Swenson	Welle
Price	Rodosovich	Skoglund	Tjornhom	Wenzel
Redalen	Schafer	Sparby	Trimble	Winter
Reding	Segal	Stanius	Valento	Spk. Norton

The motion did not prevail and the amendment to the amendment was not adopted.

Quist moved to amend the Kelly amendment to H. F. No. 137, the second engrossment, as follows:

Page 1, line 12, delete everything after "defense"

Page 1, line 13, delete everything before the comma and insert "raises new issues of law or fact"

Page 1, line 16, delete "raises no new" and insert "is limited to the new"

The question was taken on the Quist amendment to the Kelly amendment and the roll was called. There were 68 yeas and 60 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Gutknecht	McPherson	Quinn	Thiede
Beard	Heap	Milbert	Quist	Tjornhom
Bennett	Himle	Miller	Riveness	Tompkins
Bishop	Jacobs	Munger	Rose	Tunheim
Brown	Jaros	Murphy	Rukavina	Uphus
Burger	Jefferson	O'Connor	Sarna	Vanasek
Carlson, D.	Johnson, A.	Ogren	Schafer	Vellenga
Clark	Kahn	Olsen, S.	Scheid	Voss
Clausnitzer	Kelso	Onnen	Schoenfeld	Waltman
Cooper	Lasley	Orenstein	Seaberg	Wenzel
Dempsey	Long	Osthoff	Shaver	Wynia
Dorn	McDonald	Ozment	Solberg	Spk. Norton
Frerichs	McEachern	Peterson	Stanius	
Greenfield	McLaughlin	Poppenhagen	Sviggum	

Those who voted in the negative were:

Anderson, R.	Forsythe	Kostohryz	Olson, E.	Schreiber
Battaglia	Gruenes	Krueger	Olson, K.	Segal
Bauerly	Hartle	Larsen	Omann	Simoneau
Begich	Haukoos	Lieder	Otis	Skoglund
Bertram	Hugoson	Marsh	Pappas	Sparby
Blatz	Jennings	McKasy	Pauly	Steensma
Boo	Johnson, R.	Minne	Pelowski	Swenson
Carlson, L.	Kalis	Morrison	Price	Trimble
Carruthers	Kelly	Nelson, C.	Redalen	Valento
Dauner	Kinkel	Nelson, D.	Reding	Wagenius
DeBlicke	Knudt	Nelson, K.	Rest	Welle
Dille	Knuth	Neuenschwander	Rodosovich	Winter

The motion prevailed and the amendment to the amendment was adopted.

The question recurred on the Kelly amendment, as amended, and the roll was called. There were 90 yeas and 39 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Frederick	Krueger	Onnen	Shaver
Battaglia	Gruenes	Larsen	Otis	Simoneau
Bauerly	Gutknecht	Lasley	Ozment	Skoglund
Begich	Hartle	Lieder	Pauly	Sparby
Bennett	Haukoos	Marsh	Pelowski	Stanius
Bertram	Heap	McDonald	Poppenhagen	Steenma
Blatz	Himle	McKasy	Price	Sviggum
Boo	Hugoson	McPherson	Quist	Tjornhom
Burger	Jaros	Miller	Redalen	Tompkins
Carlson, D.	Jennings	Minne	Reding	Trimble
Carlson, L.	Johnson, A.	Morrison	Rest	Tunheim
Carruthers	Johnson, R.	Nelson, C.	Richter	Uphus
Clausnitzer	Johnson, V.	Nelson, D.	Riveness	Valento
Dauner	Kalis	Nelson, K.	Rodosovich	Wagenius
DeBleck	Kelly	Neuenschwander	Rose	Waltman
Dille	Kinkel	Olson, E.	Schafer	Welle
Dorn	Kludt	Olson, K.	Schreiber	Wenzel
Forsythe	Knuth	Omann	Segal	Winter

Those who voted in the negative were:

Anderson, G.	Jacobs	McLaughlin	Osthoff	Solberg
Beard	Jefferson	Milbert	Peterson	Thiede
Bishop	Jensen	Munger	Quinn	Vanasek
Brown	Kahn	Murphy	Rukavina	Vellenga
Cooper	Kelso	O'Connor	Sarna	Voss
Dempsey	Kostohryz	Ogren	Scheid	Wynia
Frerichs	Long	Olsen, S.	Schoenfeld	Spk. Norton
Greenfield	McEachern	Orenstein	Seaberg	

The motion prevailed and the amendment, as amended, was adopted.

Bishop moved to amend H. F. No. 137, the second engrossment, as amended, as follows:

Page 1, line 16 of the Kelly amendment, after the period, insert:

"If the prosecution makes a rebuttal argument, the defense shall be permitted to reply in surrebuttal for up to three minutes, limited to argument which is responsive to the prosecution's rebuttal argument and which raises no new issues of law or fact."

Amend the title as follows:

Page 1, line 5, before the semicolon insert "and the defense to reply in surrebuttal"

The question was taken on the Bishop amendment and the roll was called. There were 50 yeas and 79 nays as follows:

## Those who voted in the affirmative were:

Anderson, G.	Gutknecht	McDonald	Osthoff	Stanius
Beard	Jacobs	McEachern	Quinn	Sviggum
Bishop	Jaros	McLaughlin	Quist	Thiede
Brown	Jefferson	Milbert	Rose	Tunheim
Burger	Jensen	Munger	Rukavina	Uphus
Carlson, D.	Johnson, A.	Murphy	Sarna	Vanasek
Clark	Kahn	O'Connor	Scheid	Vellenga
Cooper	Kelso	Ogren	Schoenfeld	Winter
Dempsey	Krueger	Olsen, S.	Seaberg	Wynia
Greenfield	Long	Orenstein	Solberg	Spk. Norton

## Those who voted in the negative were:

Anderson, R.	Frederick	Larsen	Onnen	Segal
Battaglia	Gruenes	Lasley	Otis	Shaver
Bauerly	Hartle	Lieder	Ozment	Simoneau
Begich	Haukoos	Marsh	Pappas	Skoglund
Bennett	Heap	McKasy	Pauly	Sparby
Bertram	Himle	McPherson	Pelowski	Steenma
Blatz	Hugoson	Miller	Peterson	Swenson
Boo	Jennings	Minne	Poppenhagen	Tjornhom
Carlson, L.	Johnson, R.	Morrison	Price	Tompkins
Carruthers	Johnson, V.	Nelson, C.	Redalen	Trimble
Clausnitzer	Kalis	Nelson, D.	Reding	Valento
Dauner	Kelly	Nelson, K.	Rest	Wagenius
DeBlicek	Kinkel	Neuenschwander	Richter	Waltman
Dille	Kluth	Olson, E.	Rodosovich	Welle
Dorn	Knuth	Olson, K.	Schafer	Wenzel
Forsythe	Kostohryz	Omann	Schreiber	

The motion did not prevail and the amendment was not adopted.

The question was taken on the motion to recommend passage of H. F. No. 946, as amended, and the roll was called. There were 86 yeas and 38 nays as follows:

## Those who voted in the affirmative were:

Anderson, G.	Hartle	Lasley	Omann	Simoneau
Battaglia	Haukoos	Lieder	Orenstein	Skoglund
Bauerly	Hugoson	Long	Otis	Solberg
Beard	Jacobs	Marsh	Ozment	Sparby
Begich	Jaros	McEachern	Pappas	Stanius
Bennett	Jennings	McLaughlin	Pelowski	Steenma
Bertram	Jensen	Milbert	Peterson	Trimble
Bishop	Johnson, A.	Minne	Price	Tunheim
Blatz	Johnson, R.	Murphy	Quinn	Uphus
Brown	Kahn	Nelson, C.	Redalen	Vanasek
Carlson, L.	Kalis	Nelson, D.	Reding	Vellenga
Carruthers	Kelly	Nelson, K.	Rodosovich	Voss
Clark	Kinkel	Neuenschwander	Sarna	Wagenius
Cooper	Knuth	O'Connor	Scheid	Welle
DeBlicek	Kostohryz	Ogren	Schoenfeld	Wenzel
Greenfield	Krueger	Olson, E.		Winter
Gruenes	Larsen	Olson, K.	Segal	Wynia
				Spk. Norton

Those who voted in the negative were:

Boo	Frerichs	McDonald	Pauly	Sviggum
Burger	Gutknecht	McKasy	Poppenhagen	Swenson
Clausnitzer	Heap	McPherson	Quist	Thiede
Dauner	Himle	Miller	Richter	Tjornhom
Dille	Jefferson	Morrison	Schafer	Tompkins
Dorn	Johnson, V.	Olsen, S.	Schreiber	Waltman
Forsythe	Kelso	Onnen	Seaberg	
Frederick	Kludt	Osthoff	Shaver	

The motion prevailed.

There being no objection, the order of business reverted to Messages from the Senate.

### MESSAGES FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker:

I hereby announce the adoption by the Senate of the following House Concurrent Resolution herewith returned, as amended, by the Senate, in which amendment the concurrence of the House is respectfully requested:

House Concurrent Resolution No. 6, A House concurrent resolution adopting permanent Joint Rules of the Senate and House of Representatives.

PATRICK E. FLAHAVEN, Secretary of the Senate

Himle moved that the House refuse to concur in the Senate amendments to House Concurrent Resolution No. 6, that the Speaker appoint a Conference Committee of 5 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses.

A roll call was requested and properly seconded.

The question was taken on the Himle motion and the roll was called. There were 53 yeas and 72 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Blatz	Clausnitzer	Dille	Frerichs
Bennett	Boo	Cooper	Forsythe	Gruenes
Bishop	Burger	Dempsey	Frederick	Gutknecht

Hartle	McDonald	Orenstein	Schafer	Thiede
Haukoos	McKasy	Osthoff	Scheid	Tjornhom
Heap	McPherson	Ozment	Schreiber	Tompkins
Himle	Milbert	Pauly	Seaberg	Uphus
Hugoson	Miller	Poppenhagen	Shaver	Valento
Johnson, A.	Olsen, S.	Quist	Stanius	Waltman
Johnson, V.	Omann	Redalen	Sviggunn	
Marsh	Onnen	Richter	Swenson	

Those who voted in the negative were:

Anderson, G.	Jefferson	Long	Peterson	Steensma
Battaglia	Jensen	McEachern	Price	Trimble
Bauerly	Johnson, R.	McLaughlin	Quinn	Tunheim
Beard	Kahn	Minne	Reding	Vanasek
Begich	Kalis	Murphy	Rest	Vellenga
Bertram	Kelly	Nelson, C.	Riveness	Voss
Brown	Kelso	Nelson, D.	Rodosovich	Wagenius
Carlson, L.	Kinkel	Nelson, K.	Rukavina	Welle
Carruthers	Kludt	Neuenschwander	Sarna	Wenzel
Dauner	Knuth	O'Connor	Schoenfeld	Winter
DeBlicke	Kostohryz	Ogren	Segal	Wynia
Dorn	Krueger	Olson, E.	Simoneau	Spk. Norton
Greenfield	Larsen	Olson, K.	Skoglund	
Jacobs	Lasley	Pappas	Solberg	
Jaros	Lieder	Pelowski	Sparby	

The motion did not prevail.

#### CONCURRENCE AND ADOPTION

Vanasek moved that the House concur in the Senate amendments to House Concurrent Resolution No. 6. The motion prevailed.

Vanasek moved that House Concurrent Resolution No. 6 relating to Permanent Joint Rules of the Senate and House of Representatives be adopted as amended by the Senate.

The question was taken on the Vanasek motion and the roll was called. There were 97 yeas and 27 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	DeBlicke	Knuth	O'Connor	Riveness
Anderson, R.	Dorn	Kostohryz	Ogren	Rodosovich
Battaglia	Greenfield	Krueger	Olson, S.	Rukavina
Bauerly	Gruenes	Larsen	Olson, E.	Sarna
Beard	Hartle	Lasley	Olson, K.	Schoenfeld
Begich	Jacobs	Lieder	Omman	Seaberg
Bennett	Jaros	Long	Onnen	Segal
Bertram	Jefferson	McEachern	Otis	Shaver
Bishop	Jennings	McKasy	Ozment	Simoneau
Blatz	Jensen	McLaughlin	Pappas	Skoglund
Brown	Johnson, R.	McPherson	Pelowski	Solberg
Burger	Johnson, V.	Minne	Peterson	Sparby
Carlson, L.	Kahn	Murphy	Price	Stanius
Carruthers	Kalis	Nelson, C.	Quinn	Steensma
Clark	Kelly	Nelson, D.	Redalen	Sviggunn
Cooper	Kinkel	Nelson, K.	Reding	Trimble
Dauner	Kludt	Neuenschwander	Rest	Tunheim

Uphus	Vellenga	Waltman	Winter
Valento	Voss	Welle	Wynia
Vanasek	Wagenius	Wenzel	Spk. Norton

Those who voted in the negative were:

Clausnitzer	Gutknecht	Marsh	Poppenbagen	Thiede
Dempsey	Haukoos	McDonald	Quist	Tjornhom
Dille	Heap	Milbert	Richter	Tompkins
Forsythe	Himle	Miller	Scheid	
Frederick	Johnson, A.	Orenstein	Schreiber	
Frerichs	Kelso	Osthoff	Swenson	

The motion prevailed and House Concurrent Resolution No. 6 and the Permanent Joint Rules of the Senate and House of Representatives were adopted as follows:

## JOINT RULES OF THE SENATE AND HOUSE OF REPRESENTATIVES

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#### ARTICLE I: JOINT CONVENTIONS

##### HOW GOVERNED

Rule 1.01. The Speaker of the House shall preside at all Conventions of the two houses of the Legislature and shall call the members to order. The Chief Clerk of the House shall be the Secretary and the Sergeant at Arms of the House shall be the Sergeant at Arms of the Convention.

##### PRESIDENT'S DUTIES

Rule 1.02. The President of the Convention shall preserve order and decorum. He may speak on all points of order in preference to other members and shall decide questions of order, subject to an appeal to the Convention by any member. He shall rise to put a question but may state it while seated.

##### PRESIDENT'S RIGHT TO VOTE

Rule 1.03. The President shall have the right to vote in all cases except appeals from his decisions. He shall vote last on all questions.

## STATING QUESTIONS

Rule 1.04. Questions shall be put to the Convention in the following form: "As many as are of the opinion that (the question) shall pass, say 'Aye.'" After an affirmative vote is expressed the nays shall be called as follows: "As many as are of the contrary opinion, say 'No.'" If the President is in doubt or a division is called, those in the affirmative shall rise first and those in the negative afterward.

## ORDER OF DEBATE

Rule 1.05. When any member wishes to speak to the Convention on any matter, he shall rise and respectfully address the President, and not speak further until recognized. He shall confine himself to the question under debate and avoid personal remarks. When two or more members rise at the same time, the President shall designate the member to speak first. No member shall speak more than twice on the same question without permission of the Convention.

## CALLING MEMBER TO ORDER

Rule 1.06. If any member of the Joint Convention is called to order for offensive words in debate, the member calling him to order shall report the words to which exception is taken and the Secretary shall record them. No member may be called to order for any language used in debate if exception is not taken before any other member has spoken or any other business has taken place. A member called to order shall immediately sit down unless another member moves to permit him to explain. In any case, the Joint Convention, if appealed to, shall decide without debate. Only if the decision is in favor of the member called to order shall he be at liberty to proceed.

## CALL OF THE CONVENTION

Rule 1.07. Five members may demand a call of the Convention at any time except after voting has commenced. When such a call is demanded, the doors shall be closed, the roll shall be called, the absent members shall be sent for, and no member may be permitted to leave the Chamber, unless excused by the President, until the call is lifted. Proceedings under the roll call may be suspended by a majority vote of all the members of the Convention. A call of the Convention may be lifted by a majority vote of all the members of the Convention.

## ELECTIONS

Rule 1.08. In all elections by the Joint Convention, members shall vote viva voce and the roll of Senate members shall be called first.

Whenever there is an election of any officer in Joint Convention, the result shall be certified by the President of the Senate and the Speaker of the House and announced by them to their respective houses. The result shall be entered on the Journal of each house and communicated to the Governor by the Secretary of the Convention.

#### NO SMOKING

Rule 1.09. No person is permitted to smoke in the Chamber or in the gallery during a Joint Convention.

#### PARLIAMENTARY PROCEDURE

Rule 1.10. The rules of the House shall be the Rules of the Joint Convention of both houses in all cases in which the foregoing rules are not applicable.

#### ARTICLE II: BILLS

##### FORM

Rule 2.01. The title of each bill shall clearly state its subject and briefly state its purpose. When a bill amends or repeals an existing act, the title shall refer to the chapter, section or subdivision.

Reference shall be made to Minnesota Statutes for the provisions appearing therein unless reference to previous session laws is required for some special reason.

Bills shall refer to Minnesota Statutes as follows:

"Minnesota Statutes ....., section ....."

Bills shall refer to the session laws as follows:

"Laws ....., chapter ....., section ....."

A bill for the amendment of a statute shall contain the full text of the section or subdivision to be amended as it appears in the latest edition of Minnesota Statutes unless it has been amended, in which event it shall contain the full text as amended.

The words and characters constituting the amending matter shall be inserted in the proper place in the text and underscored. The words and characters to be eliminated by the amendment shall be stricken by drawing a line through them. The text of a new section or subdivision shall also be underscored when a bill amends an

existing chapter or section by adding a new section or subdivision. In the omnibus appropriation bills required by Joint Rule 2.02, sections making an appropriation or transfer and not amending a statute or session law need not have new material underscored. Before a committee favorably reports upon a bill, the chairman of the committee shall see that the bill conforms to this rule. When a bill is printed in the Journal, the new matter shall be in italics or underscored and the matter to be eliminated shall be capitalized and in parentheses or stricken by drawing a line through it. A bill drafted by the Revisor of Statutes for the purposes of correcting errors in Minnesota Statutes need not comply with the provisions of this paragraph if the bill is labeled "REVISOR'S BILL" immediately below the title, and if there is attached thereto a memorandum of information explaining the reasons for the bill.

If the bill is for an original law and not for an amendment of an existing law, the sections and subdivisions shall be arranged, subdivided, and numbered in like manner as Minnesota Statutes. If such a bill assigns to the sections thereof headnotes or identification by the decimal system of numbering used in Minnesota Statutes, such headnotes and decimal identification may be submitted by standing committee chairmen to the Revisor of Statutes for examination. Any such headnotes shall be capital letters enclosed in brackets, and shall be subject to the provisions of Minnesota Statutes, section 648.36.

All numbers in titles shall be expressed in figures. All numbers of section or chapter of law shall be in figures. In the body of a bill numbers in excess of ten shall be in figures, except for a special reason they may be written, but when written they shall not be followed by numbers or parentheses.

#### APPROPRIATING MONEY

Rule 2.02. The same bill shall not appropriate public money or property to more than one local or private purpose.

No clause appropriating money for a local or private purpose shall be contained in a bill appropriating money for the State government or public institutions. All resolutions authorizing the issuing of abstracts by the Secretary of the Senate or the Chief Clerk of the House for the payment of money shall be upon the call of "yeas" and "nays."

In odd-numbered years, at least twenty calendar days prior to the last day the Legislature can meet in regular session [Tuesday, April 28, 1987], the Committee on Finance of the Senate and the Committee on Appropriations of the House shall report to their respective houses, unless directed by concurrent resolution to report

different appropriation bills, eight separate appropriation bills as follows:

(a) A bill appropriating money for the general administrative and judicial expenses of the State government for the succeeding two fiscal years including salaries, office expenses and supplies and other necessary expenses connected therewith;

(b) A bill covering all appropriations relating to public welfare, health and corrections for the support and maintenance of all State penal and charitable institutions, and other institutions of the State except educational for the two succeeding fiscal years;

(c) A bill appropriating money for the support and maintenance of all State educational institutions for the two succeeding fiscal years;

(d) A bill covering all appropriations providing for the payment of claims against the State of Minnesota which may have been allowed by the Finance Committee of the Senate or the Appropriations Committee of the House;

(e) A bill covering all appropriations made for semi-state activities;

(f) A bill covering all appropriations for construction and major rehabilitation of public buildings to be financed by issuance of bonds;

(g) A bill covering all appropriations for maintenance, repair, and minor rehabilitation and construction of public buildings; and

(h) A bill covering appropriations for the department of transportation.

No other appropriations shall be contained in any of said bills but all other appropriations shall be contained in separate bills.

#### DEADLINES

Rule 2.03. (a) In odd-numbered years, committee reports on bills favorably acted upon by a committee in the house of origin after April 10, 1987, and committee reports on bills originating in the other house favorably acted upon by a committee after April 28, 1987, shall be referred in the Senate to the Committee on Rules and Administration, and in the House of Representatives to the Committee on Rules and Legislative Administration for disposition. Referral is not required when a committee after the earlier date and by the later date set by this paragraph acts on a bill that is a companion to a bill that has met the earlier deadline in the other

house. This rule does not apply to the Senate Committees on Finance and on Taxes and Tax Laws, and the House Committees on Appropriations and on Taxes.

Conference committees on the major appropriation bills specified in Joint Rule 2.02 shall have their reports on the members' desks by the last Thursday on which the Legislature can meet in regular session [May 14, 1987]. After the last Friday on which the Legislature can meet in regular session [May 15, 1987], neither house shall act on bills other than those contained in:

(1) Reports of conference committees;

(2) Messages from the other house;

(3) Reports of the Committee on Rules and Administration in the Senate or the Committee on Rules and Legislative Administration in the House; or

(4) Messages from the Governor.

(b) In even-numbered years the Legislature shall establish by concurrent resolution deadlines based on the date intended to be the date of adjournment sine die.

#### AMENDING BILLS ORIGINATING IN OTHER HOUSE

Rule 2.04. Either house shall have the power to amend any bill, memorial, or resolution passed by the other house.

#### RECEDING FROM POSITION

Rule 2.05. Prior to a Conference Committee on any matter, either house may recede from its position on any difference existing between the two houses. In order to recede, and if the matter is not in the possession of a house, that house shall request return of the matter from the other house. To recede, a majority of a house shall govern, except in cases otherwise provided in the Constitution. If the question is put and lost, it shall not be put again on the same day. A reconsideration of the question shall in all respects be regulated by the rules of that house.

#### CONFERENCE COMMITTEES

Rule 2.06. In all cases of disagreement between the Senate and House on amendments adopted by either house to a bill, memorial or resolution passed by the other house, a conference committee consisting of not less than three members nor more than five

members from each house may be requested by either house. The other house shall appoint a similar committee.

The manner of procedure shall be as follows: The house of origin passes a bill and transmits it to the other body. If the other body adopts an amendment to the bill and passes it as amended, it shall return the bill with a record of its actions to the house of origin. If the house of origin refuses to concur in the amendment, it shall ask for a conference committee, appoint such a committee on its part, and transmit the bill with a record of its action to the other house. If the other house adheres to its amendment, it shall appoint a like committee and return the bill to the house of origin.

At an agreed upon hour the conference committee shall meet. The members from each house shall state to the members from the other house, orally or in writing, the reason for their respective positions. The members shall confer thereon and shall report to their respective houses the agreement they have reached, or, if none, the fact of a disagreement.

If an agreement is reported, the house of origin shall act first upon the report. A conference committee report must be limited to provisions that are germane to the bill and amendment that were referred to the conference committee. A provision is not germane if it relates to a substantially different subject or is intended to accomplish a substantially different purpose from that of the bill and amendment that were referred to the conference committee. If the report is adopted and repassed as amended by the conference committee by the house of origin, the report, the bill and a record of its action shall be transmitted to the other house.

All conference committees shall be open to the public. Meetings of conference committees shall be announced as far in advance as practical.

Except after the last Thursday on which the Legislature can meet in regular session in odd-numbered years [May 14, 1987], and after the last Thursday on which the Legislature intended, when it adopted the concurrent resolution required by Rule 2.03, paragraph (b), to meet in regular session in even-numbered years, a written copy of a report of a conference committee shall be placed on the desk of each member of a house twelve hours before action on the report by that house. If the report has been reprinted in the Journal of either house for a preceding day and is available to the members, the Journal copy shall serve as the written report. The member presenting the conference committee report to the body shall disclose, either in writing or orally, the substantial changes from the bill or the amendment as they were last before the body.

#### ENROLLMENT AND SIGNATURE

Rule 2.07. After a bill or memorial has been passed by both houses, it shall be carefully and properly enrolled by the Revisor of

Statutes under the direction of the Secretary of the Senate for a matter originating in the Senate or the Chief Clerk of the House for a matter originating in the House. The Revisor of Statutes shall obtain the signatures and certificates of the proper officers to the enrolled copy of the bill or memorial and present it to the Governor for his approval.

A bill or memorial may be prepared for presentation to the Governor on good quality paper approximately 8 ½" × 14" in size and may be produced by means of a copying machine. An enrolled bill shall be labeled "An Act" and it shall be identical to the bill passed by the Legislature. An enrolled bill which is amendatory of any existing law or constitutional provision shall indicate deletions and additions in the manner provided in Rule 2.01 for printed bills.

### ARTICLE III: GENERAL PROVISIONS

#### SUSPENSION OF JOINT RULES

Rule 3.01. Either house may suspend the Joint Rules of the Senate and House by a vote of two-thirds of its members.

#### ODD YEAR SESSION ADJOURNMENT

Rule 3.02. Adjournment of the regular session in any odd-numbered year to a date certain in the following year shall be equivalent to daily adjournment, except that upon adjournment in any odd-numbered year to a date certain in the following year:

(a) Any bill being considered by a Conference Committee shall be returned to the house of origin, laid on the table, and the Conference Committee shall be discharged;

(b) Any bill referred to the Committee on Rules and Administration in the Senate or the Committee on Rules and Legislative Administration in the House pursuant to Joint Rule 2.03 shall be returned to the standing committee to which it was last previously referred; and

(c) Any bill returned by the Governor to the house of origin with his objections following such adjournment shall be laid on the table.

#### INTERIM COMMITTEE AND COMMISSION REPORTS

Rule 3.03. Except as otherwise provided by law, the report of any interim committee or commission to the Legislature shall be submitted on paper 8 ½" × 11" in size, spiral bound, stapled, or punched

on the left edge to fit a standard size three ring binder intended for that size paper. A brief summary of the recommendations of the commission or committee shall appear first and be clearly separated from its findings, discussions, and exhibits. If the report contains legislative recommendations, a copy of any proposed legislation, particularly if extensive in character, shall if possible be attached as an exhibit at the end of the report.

### MOTIONS AND RESOLUTIONS

McEachern moved that the name of Wenzel be added as an author on H. F. No. 1195. The motion prevailed.

Nelson, K., moved that the name of Trimble be added as an author on H. F. No. 1448. The motion prevailed.

Kalis moved that his name be stricken as an author on H. F. No. 1449. The motion prevailed.

Reding moved that the names of Trimble, Larsen, Morrison and Price be added as authors on H. F. No. 1453. The motion prevailed.

Riveness moved that H. F. No. 1226 be recalled from the Committee on Education and be re-referred to the Committee on Appropriations. The motion prevailed.

Clark moved that H. F. No. 849 be recalled from the Committee on Appropriations and be re-referred to the Committee on Governmental Operations. The motion prevailed.

Schoenfeld moved that H. F. No. 1519 be recalled from the Committee on Financial Institutions and Insurance and be re-referred to the Committee on Agriculture. The motion prevailed.

House Resolution No. 6 was reported to the House.

#### HOUSE RESOLUTION NO. 6

A House resolution extending congratulations to the citizens of Bemidji on their 50th Anniversary celebration of the arrival of Paul Bunyan and his Blue Ox, Babe, to the city's waterfront.

*Whereas*, Paul Bunyan, mythical giant of the lumber camps, used to pick his teeth with a pine log and fell whole forests with one stroke of his mighty ax; and

*Whereas*, Paul Bunyan lived near Bemidji in the Winter of the Blue Snow where he found Babe, an animal so big and hungry that it ate 50 bales of hay between meals; and

*Whereas*, in connection with Bemidji's 1937 Winter Carnival, statues of Paul Bunyan and Babe were constructed by two brothers, Cyril and Leonard Dickinson; and

*Whereas*, the statue of Paul Bunyan astounded the crowds because of its size of 18 feet and because it was equipped with a public address system that announced the Carnival events; and

*Whereas*, Bemidji is celebrating 1987 as the Year of the Legend with many special events planned for the next six months; *Now, Therefore,*

*Be It Resolved* by the House of Representatives of the State of Minnesota that it congratulates the citizens of Bemidji on their 50th Anniversary celebration of the origination of Paul Bunyan and Babe.

*Be It Further Resolved* that the Chief Clerk of the House of Representatives is directed to prepare an enrolled copy of this resolution, to be authenticated by his signature and that of the Speaker, and that it be presented to Bemidji's Chamber of Commerce.

Johnson, R., moved that House Resolution No. 6 be now adopted. The motion prevailed and House Resolution No. 6 was adopted.

Uphus introduced:

House Resolution No. 38, A House resolution designating Glenwood as the lutefisk capitol of Minnesota.

The resolution was referred to the Committee on Rules and Legislative Administration.

#### ADJOURNMENT

Vanasek moved that when the House adjourns today it adjourn until 2:00 p.m., Wednesday, April 8, 1987. The motion prevailed.

Vanasek moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:00 p.m., Wednesday, April 8, 1987.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

## STATE OF MINNESOTA

## SEVENTY-FIFTH SESSION—1987

## THIRTIETH DAY

SAINT PAUL, MINNESOTA, WEDNESDAY, APRIL 8, 1987

The House of Representatives convened at 2:00 p.m. and was called to order by Fred C. Norton, Speaker of the House.

Prayer was offered by Pastor John Strohschein, Messiah Lutheran Church, Forest Lake, Minnesota.

The roll was called and the following members were present:

Anderson, G.	Gutknecht	Long	Otis	Shaver
Battaglia	Hartle	Marsh	Ozment	Simoneau
Bauerly	Haukoos	McDonald	Pappas	Skoglund
Beard	Heap	McEachern	Pauly	Solberg
Begich	Himle	McKasy	Pelowski	Sparby
Bennett	Hugoson	McLaughlin	Peterson	Stanius
Bertram	Jacobs	McPherson	Poppenhagen	Swigum
Bishop	Jaros	Milbert	Price	Swenson
Blatz	Jefferson	Miller	Quinn	Thiede
Boo	Jennings	Minne	Quist	Tjornhom
Brown	Jensen	Morrison	Redalen	Tompkins
Burger	Johnson, A.	Munger	Reding	Trimble
Carlson, L.	Johnson, R.	Murphy	Rest	Tunheim
Carruthers	Johnson, V.	Nelson, C.	Rice	Uphus
Clausnitzer	Kahn	Nelson, D.	Richter	Valento
Cooper	Kalis	Nelson, K.	Riveness	Vanasek
Dauner	Kelly	Neuenschwander	Rodosovich	Vellenga
DeBlicke	Kelso	O'Connor	Rose	Voss
Dempsey	Kinkel	Ogren	Rukavina	Wagenius
Dille	Kludt	Olsen, S.	Sarna	Waltman
Dorn	Knickerbocker	Olson, E.	Schafer	Welle
Forsythe	Knuth	Olson, K.	Scheid	Wenzel
Frederick	Kostohryz	Omann	Schoenfeld	Winter
Frerichs	Krueger	Onnen	Schreiber	Wynia
Greenfield	Larsen	Orenstein	Seaberg	Spk. Norton
Gruenes	Lasley	Osthoff	Segal	

A quorum was present.

Anderson, R., was excused.

Clark was excused until 2:40 p.m. Carlson, D., and Lieder were excused until 3:15 p.m. Steensma was excused until 3:30 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Nelson, C., moved that further reading of the Journal be

dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

#### REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 499, 654, 677, 924, 1028, 1060, 1073, 200, 404, 534, 629, 643, 755, 772, 1141, 1267, 556, 1127, 1225, 1224, 308, 836, 839, 332, 823, 291, 845, 948, 983, 999, 1105, 1164, 298, 137, 656 and 946 and S. F. No. 27 have been placed in the members' files.

#### PETITIONS AND COMMUNICATIONS

The following communications were received:

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
SAINT PAUL 55155

March 27, 1987

The Honorable Fred C. Norton  
Speaker of the House of Representatives  
The State of Minnesota

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State the following House Files:

H. F. No. 27, relating to corporations; regulating control share acquisitions; delaying the effective date of certain amendments; amending Laws 1985, First Special Session chapter 5, section 21, as amended.

H. F. No. 130, relating to local government; authorizing Ramsey county to transfer land to the city of Shoreview; authorizing Ramsey county to use certain land dedicated as open space for highway purposes.

H. F. No. 688, relating to controlled substances; classifying the substance alfentanil as a schedule II controlled substance; amending Minnesota Statutes 1986, section 152.02, subdivision 3.

Sincerely,

RUDY PERPICH  
Governor

STATE OF MINNESOTA  
OFFICE OF THE SECRETARY OF STATE  
ST. PAUL 55155

April 6, 1987

The Honorable Fred C. Norton  
Speaker of the House of Representatives

The Honorable Jerome M. Hughes  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1987 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S.F.</i> No.	<i>H.F.</i> No.	<i>Session Laws</i> <i>Chapter No.</i>	<i>Date Approved</i> <i>1987</i>	<i>Date Filed</i> <i>1987</i>
	27	12	March 27, 1987	March 27, 1987
	130	13	March 27, 1987	March 27, 1987
	688	14	March 27, 1987	March 27, 1987

Sincerely,

JOAN ANDERSON GROWE  
Secretary of State

### REPORTS OF STANDING COMMITTEES

Beginch from the Committee on Labor-Management Relations to which was referred:

H. F. No. 14, A bill for an act relating to unemployment compensation; regulating the receipt of benefits; providing that wages for volunteer firefighter services not be deducted for benefit calculation purposes; amending Minnesota Statutes 1986, section 268.07, subdivision 2.

Reported the same back with the following amendments:

Page 1, after line 8, insert:

"Section 1. Minnesota Statutes 1986, section 268.06, subdivision 5, is amended to read:

Subd. 5. [BENEFITS CHARGED AS AND WHEN PAID.] Benefits paid to an individual pursuant to a valid claim shall be charged against the account of the individual's employer as and when paid,

except that benefits paid to an individual who earned base period wages for part-time employment shall not be charged to an employer that is liable for payments in lieu of contributions or to the experience rating account of an employer if the employer: (1) provided weekly base period part-time employment; (2) continues to provide weekly employment equal to at least 90 percent of the part-time employment provided in the base period, or, for a fire department or firefighting corporation or operator of a life support transportation service, continues to provide employment for a volunteer firefighter or volunteer ambulance service personnel on the same basis that employment was provided in the base period; and (3) is an interested party because of the individual's loss of other employment. The amount of benefits so chargeable against each base period employer's account shall bear the same ratio to the total benefits paid to an individual as the base period wage credits of the individual earned from such employer bear to the total amount of base period wage credits of the individual earned from all the individual's base period employers.

In making computations under this provision, the amount of wage credits if not a multiple of \$1, shall be computed to the nearest multiple of \$1.

Benefits shall not be charged to an employer that is liable for payments in lieu of contributions or to the experience rating account of an employer for unemployment (1) that is directly caused by a major natural disaster declared by the president pursuant to section 102(2) of the Disaster Relief Act of 1974 (United States Code, title 42, section 5122(2)), if the unemployed individual would have been eligible for disaster unemployment assistance with respect to that unemployment but for the individual's receipt of unemployment insurance benefits, or (2) that is directly caused by a fire, flood, or act of God where 70 percent or more of the employees employed in the affected location become unemployed as a result and the employer substantially reopens its operations in that same area within 360 days of the fire, flood, or act of God. Benefits shall be charged to the employer's account where the unemployment is caused by the willful act of the employer or a person acting on behalf of the employer."

Page 2, line 34, before the period insert "provided that no deduction may be made from the weekly benefit amount for earnings from service as a volunteer firefighter or volunteer ambulance service personnel"

Page 2, line 34, reinstate "is"

Page 2, lines 34 to 36, delete the new language

Renumber the remaining section in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon insert "limiting benefit charges to fire departments and emergency transportation services;"

Page 1, line 4, after "firefighter" insert "or ambulance"

Page 1, line 6, delete "section" and insert "sections 268.06, subdivision 5; and"

With the recommendation that when so amended the bill pass.

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 31, A bill for an act relating to labor; prohibiting the charging of a fee in connection with a job application; providing penalties; proposing coding for new law in Minnesota Statutes, chapter 181.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [181.93] [FEE FOR JOB APPLICATIONS PROHIBITED.]

A fee may not be charged any individual to make an application for employment. A person who is found to have violated this section is subject to the penalties and remedies, including a private right of action to recover damages, as provided in section 8.31."

With the recommendation that when so amended the bill pass.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 85, A bill for an act relating to consumer protection; requiring certain disclosures in sales of used motor vehicles; regulating new and used motor vehicle licenses; providing certain standards in applications for certificates of title; requiring certain disclosures upon the transfer of a motor vehicle; amending Minnesota Statutes 1986, sections 168.27, subdivisions 1, 8, 10, and 24;

and 325E.0951, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 168 and 168A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1986, section 168.27, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] For the purposes of this section, the following terms have the meanings given them:

(1) “Leasing motor vehicles” means furnishing a motor vehicle for a fee under a bailor-bailee relationship where no incidences of ownership are intended to be transferred other than the right to use the vehicle for a stated period of time.

(2) “Brokering motor vehicles” means arranging sales between willing buyers and sellers of motor vehicles and receiving a fee for said service.

(3) “Wholesaling motor vehicles” means selling new or used motor vehicles to dealers for resale to the public.

(4) “Auctioning motor vehicles” means arranging for and handling the sale of motor vehicles, not the property of the auctioneer, to the highest bidder.

(5) “Dealer” includes new motor vehicle dealers, used motor vehicle dealers, brokers, wholesalers, auctioneers and lessors of new or used motor vehicles.

(6) “Commercial building” means a building adapted to commercial use and located in an area zoned for commercial or other less restrictive nonresidential use by the governmental unit in which it is located.

(7) “Horse trailer” is a trailer designed and used to carry horses and other livestock, which has not more than three axles and a maximum gross weight capacity of not more than 24,000 pounds.

(8) “Isolated or occasional sales or leases” means the sale or lease of not more than five motor vehicles in a 12-month period, exclusive of pioneer or classic motor vehicles as defined in section 168.10, subdivisions 1a and 1b.

(9) “Used motor vehicle” means a motor vehicle for which title has been transferred from the person who first acquired it from the manufacturer, importer, or dealer. A new motor vehicle will not be

considered a used motor vehicle until it has been placed in actual operation by an owner who has been granted a certificate of title on the motor vehicle and has registered the motor vehicle and paid any motor vehicle excise tax due in accordance with Minnesota law or the laws of the residence of the owner.

(10) "New motor vehicle" means a motor vehicle other than described in clause (9).

Sec. 2. Minnesota Statutes 1986, section 168.27, subdivision 2, is amended to read:

Subd. 2. [NEW MOTOR VEHICLE DEALER.] (a) No person shall engage in the business of selling or arranging the sale of new motor vehicles or shall offer to sell, solicit, arrange or advertise the sale of new motor vehicles without first acquiring a new motor vehicle dealer license. No person shall be permitted to acquire a new motor vehicle dealer license unless that person operates, or participates in, a consumer arbitration program as required by section 168.79. A new motor vehicle dealer licensee shall be entitled thereunder to sell, broker, wholesale or auction and to solicit and advertise the sale, broker, wholesale or auction of new motor vehicles covered by the franchise and any used motor vehicles or to lease and to solicit and advertise the lease of new motor vehicles and any used motor vehicles and such sales or leases may be either for consumer use at retail or for resale to a dealer. Nothing herein shall be construed to require an applicant for a dealer license who proposes to deal in: (1) new and unused motor vehicle bodies; or (2) type A, B, or C motor homes as defined in section 168.011, subdivision 25, to have a bona fide contract or franchise in effect with either the first-stage manufacturer of the motor home or the manufacturer or distributor of any motor vehicle chassis upon which the new and unused motor vehicle body is mounted. The modification or conversion of a new van-type vehicle into a multipurpose passenger vehicle which is not a motor home does not constitute dealing in new or unused motor vehicle bodies, and a person engaged in the business of selling these van-type vehicles must have a bona fide contract or franchise with the appropriate manufacturer under subdivision 10. A van converter or modifier who owns these modified or converted van-type vehicles may sell them at wholesale to new motor vehicle dealers having a bona fide contract or franchise with the first-stage manufacturer of the vehicles.

(b) The requirements pertaining to franchises do not apply to persons who remodel or convert motor vehicles for medical purposes. For purposes of this subdivision, "medical purpose" means certification by a licensed physician that remodeling or conversion of a motor vehicle is necessary to enable a handicapped person to use the vehicle.

Sec. 3. Minnesota Statutes 1986, section 168.27, subdivision 3, is amended to read:

Subd. 3. [USED MOTOR VEHICLE DEALER.] No person shall engage in the business of selling or arranging the sale of used motor vehicles or shall offer to sell, solicit, arrange, or advertise the sale of used motor vehicles without first acquiring a used motor vehicle dealer license. No person shall be permitted to acquire a used motor vehicle dealer license unless that person operates, or participates in, a consumer arbitration program as required by section 168.79. A used motor vehicle dealer licensee shall be entitled thereunder to sell, lease, broker, wholesale or auction and to solicit and advertise the sale, lease, broker, wholesale or auction of any used motor vehicles for consumer use at retail or for resale to a dealer.

Sec. 4. Minnesota Statutes 1986, section 168.27, subdivision 4, is amended to read:

Subd. 4. [MOTOR VEHICLE LESSOR.] No person shall engage in the business of leasing motor vehicles or shall offer to lease, solicit or advertise to lease motor vehicles without first acquiring a motor vehicle lessor license. A motor vehicle lessor licensee shall be entitled thereunder to lease or rent either by the hour, day or longer period for a fee and to solicit and advertise the lease or rental of motor vehicles. A motor vehicle lessor having leased motor vehicles, may sell the vehicles upon their return to the lessor after termination or expiration of the lease without obtaining a used motor vehicle dealer license. A motor vehicle lessor is prohibited from selling motor vehicles directly to the general public unless the motor vehicle lessor operates or participates in a consumer arbitration program as required under section 168.79.

Sec. 5. Minnesota Statutes 1986, section 168.27, subdivision 8, is amended to read:

Subd. 8. [EXEMPTIONS.] (1) Salespeople and other employees of licensed dealers under this section shall not be required to obtain individual licenses.

(2) Isolated or occasional sales or leases of new or used motor vehicles shall be exempt from the provisions of this section. A person who makes only isolated or occasional sales or leases is not considered to be in the business of selling or leasing motor vehicles and does not qualify to receive dealer plates pursuant to subdivision 16.

Sec. 6. Minnesota Statutes 1986, section 168.27, subdivision 10, is amended to read:

Subd. 10. [PLACE OF DOING BUSINESS.] All licensees under this section shall have an established place of business which shall include as a minimum,

(1) For a new motor vehicle dealer, the following:

(a) a permanent enclosed commercial building on a permanent foundation, owned or under lease by the licensee. The lease shall be for a minimum term of one year. The building shall contain office space where the books, records and files necessary to conduct the business are kept and maintained with personnel available during normal business hours;

(b) a bona fide contract or franchise (1) in effect with a manufacturer or distributor of the new motor vehicles the dealer proposes to sell, broker, wholesale or auction, or (2) in effect with the first-stage manufacturer or distributor of new motor vehicles purchased from a van converter or modifier which the dealer proposes to sell, broker, wholesale, or auction, or (3) in effect with the final stage manufacturer of the new type A, B or C motor homes which the dealer proposes to sell, broker, wholesale, or auction;

(c) a facility for the repair and servicing of motor vehicles and the storage of parts and accessories, not to exceed ten miles distance from the principal place of business. Such service may be provided through contract with bona fide operators actually engaged in such services.

(2) For a used motor vehicle dealer the following: a permanent enclosed commercial building on a permanent foundation, owned or under lease by the licensee, and an area not more than five miles distant from the building and of sufficient size to permit the display of at least five vehicles. The lease shall be for a minimum term of one year. The building shall contain office space for the books, records and files necessary to conduct the business and maintained with personnel available during normal business hours or automatic telephone answering service during normal working hours.

(3) For a motor vehicle lessor, the following: a commercial office space where the books, records and files necessary to conduct the business are kept and maintained with personnel available during normal business hours or an automatic telephone answering service during normal business hours.

(4) For a motor vehicle broker, the following: a commercial office space where the books, records and files necessary to conduct the business are kept and maintained with personnel available during normal business hours or an automatic telephone answering service during normal business hours.

(5) For a motor vehicle wholesaler, the following: a commercial office space where the books, records and files necessary to conduct the business are kept and maintained with personnel available during normal business hours or an automatic telephone answering service during normal business hours.

(6) For a motor vehicle auctioneer, the following: a permanent enclosed commercial building, within or without the state, on a permanent foundation, owned or under lease by the licensee. The lease shall be for a minimum term of one year. The building shall contain office space where the books, records and files necessary to conduct the business are kept and maintained with personnel available during normal business hours or an automatic telephone answering service during normal business hours.

(7) If a new or used motor vehicle dealer or lessor maintains more than one place of doing business in a county, the separate places shall be listed on the application. If additional places of business are maintained outside of one county, separate licenses shall be obtained for each county.

(8) If a motor vehicle lessor, broker or auctioneer maintains more than one permanent place of doing business, either in one or more counties, the separate places shall be listed in the application, but only one license shall be required.

Sec. 7. Minnesota Statutes 1986, section 168.27, subdivision 12, is amended to read:

Subd. 12. [GROUNDS FOR SUSPENSION AND REVOCATION.] A license may be suspended or revoked by the registrar of motor vehicles upon proof satisfactory to the registrar of any of the following:

- (1) violations of any of the provisions of this chapter;
- (2) violation of or refusal to comply with the requests and order of the registrar;
- (3) failure to make or provide to the registrar all listings, notices, and reports required by the registrar;
- (4) failure to pay to the registrar all taxes, fees, and arrears due from and by such dealer;
- (5) failure to duly apply for renewal of license provided for herein;
- (6) revocation of previous license, of which the records of the registrar relating thereto shall be prima facie evidence of such previous revocation;
- (7) failure of continued occupancy of an established place of business;
- (8) sale of a new and unused current model motor vehicle other than the make of motor vehicle described in the franchise or contract

filed with the original application or renewal thereof, without permission from the registrar;

(9) sale of a new and unused current model motor vehicle to anyone except for consumer use, or to a dealer duly licensed to sell the same make of motor vehicle;

(10) material misstatement or misrepresentation in application for license or renewal thereof;

(11) having advertised, printed, displayed, published, distributed, broadcast or televised or caused or permitted to be advertised, printed, displayed, published, distributed, broadcast or televised in any manner whatsoever, or having made orally any statement or representation with regard to the sale, lease or financing of motor vehicles which is false, deceptive or misleading;

(12) having been convicted of violating section 325F.69, or having been enjoined due to a violation of section 325F.69;

(13) having been convicted of violating the Minnesota odometer law, section 325E.14, 325E.15, or 325E.16, or the federal odometer law, United States Code, title 15, sections 1981 to 1991, as amended through December 31, 1984;

(14) having been convicted of violating the sale of motor vehicles on Sunday law, section 168.275; or

(15) having been convicted under section 609.53 of receiving or selling stolen vehicles; or

(16) having violated section 168.79.

With respect to clauses (12), (13), and (15), and (16), the registrar may suspend or revoke a license immediately upon receiving certification of conviction or permanent injunction. A hearing is required under subdivision 13 within 30 days following a summary suspension or revocation under this paragraph, if a hearing is requested by the licensee.

Sec. 8. Minnesota Statutes 1986, section 168.27, subdivision 24, is amended to read:

Subd. 24. [BONDS.] All persons licensed hereunder shall keep in full force and effect a bond with a corporate surety or insurance of equal value or coverage to be approved by the registrar of motor vehicles in amounts as herein provided; in the case of boat, snowmobile trailer, horse trailer or motorized bicycle dealers in the amount of \$5,000; in the case of a motor vehicle auctioneer in the amount of \$100,000; and as to all other persons in the amount of

\$25,000. The bond or insurance of equal value or coverage shall be conditioned on the faithful performance by the licensee of the obligations imposed by the laws of this state, including the conduct required of a licensee by this section and other sections governing the sale or transfer of motor vehicles, and the payment of all taxes, license fees and penalties. The bond or insurance of equal value or coverage shall be for the benefit of the state of Minnesota and any transferor, seller, or purchaser of a motor vehicle for any monetary loss caused by failure of the licensee to meet the obligations enumerated above. Proceedings on the forfeiture of the bonds shall be commenced in the district court of the county wherein the business of the licensed person was carried on, or if in more than one county, the county in which the offense occurred.

Sec. 9. [168.79] [USED MOTOR VEHICLE CONSUMER ARBITRATION PROGRAM.]

Subdivision 1. [DEFINITIONS.] For the purposes of this section, the following terms have the meanings given them:

(a) "Consumer" means the purchaser, other than for purposes of resale, of a used motor vehicle used primarily for personal, family, or household purposes.

(b) "Motor vehicle" means (1) a passenger automobile as defined in section 168.011, subdivision 7, including pickup trucks and vans; and (2) recreational equipment as defined in section 168.011, subdivision 25, which is sold to a consumer in this state.

(c) "Motor vehicle dealer" means licensed motor vehicle dealer as defined in section 168.27, subdivisions 1, 2, 3, and 4, or the dealer's agent, engaged in the sale of used motor vehicles in this state.

(d) "Consumer arbitration program" means an arbitration procedure which meets the requirements of this section, by which the motor vehicle dealer attempts to resolve disputes with consumers regarding used motor vehicle defects or repair problems.

Subd. 2. [ARBITRATION REQUIREMENT.] (a) As a condition of receiving a license to do business in this state pursuant to section 168.27, a motor vehicle dealer as defined in this section shall operate, or participate in, a consumer arbitration program which complies with the provisions of the Code of Federal Regulations, title 16, part 703, the provisions of section 325F.665, subdivision 6, relating to an informal dispute settlement procedure, and the requirements of this section.

(b) A consumer may be charged a fee to participate in a consumer arbitration program required by this section, but the fee shall not exceed the conciliation court filing fee in the county where the arbitration is conducted.

(c) The decision issued in a consumer arbitration program required by this section shall be in writing and signed. The decision is nonbinding on the parties involved, unless otherwise agreed by the parties. Any party, upon application, may remove the decision to district court for a trial de novo. If an application to remove a decision is not filed in the district court within 30 days after the date the decision is mailed to the parties, then the court shall, upon application of a party, issue an order confirming the decision. A written decision issued by a consumer arbitration program, and any written findings upon which the decision is based, are admissible as nonbinding evidence in any subsequent legal action and are not subject to further foundation requirements.

(d) If the district court finds that a party has removed a decision of a consumer arbitration program in bad faith, by asserting a claim or defense that is frivolous and which is costly to the other party, or by asserting an unfounded position solely to delay recovery by the other party, then the court shall award to the prevailing party three times the total damages sustained, together with costs and disbursements, including reasonable attorney's fees.

Subd. 3. [STATUTORY IMPLIED WARRANTIES.] (a) Every used motor vehicle sold to a consumer in this state by a motor vehicle dealer shall, for 60 days or 3,000 miles, whichever comes first, following the date of the sale, be subject to implied warranties of merchantability and fitness for a particular purpose, as set forth in sections 325G.18, 336.2-314, and 336.2-315, for the limited purpose of permitting disputes concerning alleged motor vehicle defects or repair problems, which substantially impair the use or market value of the motor vehicle, to be arbitrated through a consumer arbitration program required by this section.

(b) The 60-day or 3,000 mile implied warranties created by this section shall apply notwithstanding any disclaimer to the contrary and notwithstanding the provisions of sections 325G.18, subdivision 2, and 336.2-316, and shall be in addition to any applicable express warranty given by the motor vehicle dealer.

(c) Any claims or arguments made on the basis of the 60-day or 3,000 mile implied warranties created by this section, or on the basis of any applicable express warranty given by the motor vehicle dealer, may be presented to and determined by a consumer arbitration program required by this section. The consumer arbitration program shall consider evidence concerning the reasonable expectations of the parties at the time the vehicle was sold, including evidence as to the age, mileage, and price of the vehicle, and any verbal representations or written disclosures regarding the vehicle's condition made by the dealer at the time of the sale.

(d) Any motor vehicle defects or repair problems which were not reported to the dealer or the dealer's authorized agent within 60

days or 3,000 miles, whichever comes first, after the sale are governed by the terms and conditions of the original contract between the parties, including any applicable express warranties given by the motor vehicle dealer and any applicable implied warranties which were not disclaimed as provided by law.

(e) Nothing in this section may be construed to alter or diminish the obligations of a manufacturer under an express warranty issued by the manufacturer. If a defect or repair problem is covered by a manufacturer's express warranty and reported to the dealer, the dealer shall refer the consumer to the appropriate manufacturer or manufacturer's informal dispute settlement procedure as defined in section 325F.665.

(f) The implied warranties created by this section do not cover defects or repair problems which result from collision, abuse, negligence, lack of adequate maintenance, or normal wear and tear.

**Subd. 4. [EXCLUSIONS FROM ARBITRATION.]** A consumer arbitration program required by this section may exclude from arbitration any dispute concerning:

(1) a motor vehicle defect or repair problem not reported to the motor vehicle dealer, or its authorized agent, within the 60-day or 3,000 mile implied warranty period provided by this section or within the term of any applicable express warranty given by the dealer; or

(2) a motor vehicle defect or repair problem which is described in specific detail in a clear and conspicuous written disclosure statement signed by the consumer at the time the vehicle is sold; or

(3) a motor vehicle if the total stated sale price of the vehicle is less than \$1,500, or if at the time of sale the motor vehicle dealer clearly informed the consumer in writing that the vehicle's mileage was in excess of 100,000 miles; or

(4) a business selling a used vehicle to an employee of that business, a lessor selling a used vehicle to an employee of the lessor, a lessor selling a leased vehicle to that vehicle's lessee or to a buyer procured directly by the vehicle's lessee, or to an employee of the lessee.

**Subd. 5. [DISCLOSURE REQUIREMENT.]** In addition to any investigative powers authorized by law, the attorney general may inspect the records of the consumer arbitration program upon reasonable notice, during regular business hours, and may make available to the public information about the operation and results of the program, but data on an individual shall not be disclosed to the public without the prior consent of the individual.

Subd. 6. [NOTICE TO CONSUMERS.] At the time of purchase, the motor vehicle dealer must provide directly to the purchaser of a motor vehicle not excluded from arbitration under subdivision 4, clause (2), a written statement on a separate piece of paper, in 10-point all capital type, in substantially the following form:

"IMPORTANT. IF THIS VEHICLE IS DEFECTIVE AND YOU REPORT THE DEFECT TO THE DEALER WITHIN 60 DAYS OF YOUR PURCHASE OR 3,000 MILES, WHICHEVER COMES FIRST, OR WITHIN THE TERM OF ANY EXPRESS WARRANTY GIVEN TO YOU BY THE DEALER, YOU ARE ENTITLED TO MAKE A CLAIM IN A CONSUMER ARBITRATION PROGRAM WHICH THE DEALER MUST PROVIDE TO YOU. EVEN IF YOU BUY YOUR CAR "AS IS," YOU ARE ENTITLED TO ARBITRATION IF YOU REPORT THE DEFECT TO THE DEALER WITHIN 60 DAYS OR WITHIN 3,000 MILES, WHICHEVER COMES FIRST, FOLLOWING THE SALE, AND IF THE DEFECT SUBSTANTIALLY IMPAIRS THE USE OR MARKET VALUE OF THE VEHICLE.

TO FIND OUT ABOUT THE DEALER'S ARBITRATION PROGRAM, YOU SHOULD CONTACT THE DEALER OR THE MINNESOTA ATTORNEY GENERAL'S OFFICE."

Subd. 7. [CIVIL REMEDY.] A motor vehicle dealer who violates this section is subject to the penalties and remedies provided in sections 8.31 and 168.27.

Subd. 8. [WAIVER.] Waiver of any requirements of this section, except as specifically provided for in this section, is prohibited and void.

Subd. 9. [REMEDY-NONEXCLUSIVE.] Nothing in this section limits the rights or remedies which are otherwise available to a consumer under any other law.

Sec. 10. [168A.088] [APPLICATIONS.]

No application for certificate of title and no application for registration may be issued for a vehicle that was not manufactured in compliance with applicable federal emission standards in force at the time of manufacture as provided by the Clean Air Act, United States Code, title 42, sections 7401 through 7642, and regulations adopted pursuant to the act, and safety standards as provided by the National Traffic and Motor Safety Act, United States Code, title 15, sections 1381 through 1431, and regulations adopted pursuant to the act unless the applicant furnishes:

(1) a bond release letter, with all attachments, issued by the United States Department of Transportation acknowledging receipt of a statement of compliance submitted by the importer of the

vehicle and that the statement meets the safety requirements as provided by Code of Federal Regulations, title 19, section 12.80(e);

(2) a bond release letter, with all attachments, issued by the United States Environmental Protection Agency stating that the vehicle has been tested and known to be in conformity with federal emission requirements; and

(3) a receipt or certificate issued by the United States Department of the Treasury showing that any gas-guzzler taxes due on the vehicle as provided by Public Law Number 95-618, title 2, section 201(a), have been fully paid; or

(4) proof satisfactory to the agent that the vehicle was not brought into the United States from outside the country.

The application for certificate of title and the application for registration must be accompanied by:

(1) a manufacturer's certificate of origin in the English language issued by the actual vehicle manufacturer;

(2) the original documents constituting valid proof of ownership in the country in which the vehicle was originally purchased, together with a translation of the documents into the English language verified as to accuracy of the translation by affidavit of the translator; or

(3) with regard to a vehicle imported from a country that cancels the vehicle registration and title for export, the documents assigned to the vehicle after the registration and title have been canceled, together with a translation of the documents into the English language verified as to accuracy of translation by affidavit of the translator.

Sec. 11. Minnesota Statutes 1986, section 169.57, is amended by adding a subdivision to read:

Subd. 4. On vehicles required by federal motor vehicle safety standards to be equipped with a single center high mounted stop lamp, and on any other vehicle equipped with a similar type stop lamp, it is unlawful for any person to alter the stop lamp by the addition of an overlay or other device, or by the installation of a replacement lens, which in any way alters or obscures any portion of the lamp or affects the intensity of light emitted.

Sec. 12. Minnesota Statutes 1986, section 325E.0951, is amended by adding a subdivision to read:

Subd. 3a. [DISCLOSURE.] No person may transfer a motor vehicle without certifying in writing to the transferee that the transferor has not removed, altered, or otherwise rendered inoperative the pollution control system and restricted gasoline pipe. The registrar of motor vehicles must prescribe the manner and form in which this written disclosure must be made. No transferor may knowingly give a false statement to a transferee in making a disclosure required by this subdivision.

Sec. 13. Minnesota Statutes 1986, section 325G.18, is amended to read:

325G.18 [IMPLIED WARRANTIES.]

Subdivision 1. Unless disclaimed in the manner prescribed in subdivision 2, and except as otherwise provided in section 168.79, every consumer sale in this state shall be accompanied by an implied warranty that the goods are merchantable, and, in a consumer sale where the seller has reason to know that the goods are required for a particular purpose and that the buyer is relying on the seller's skill or judgment to select or furnish suitable goods, an implied warranty of fitness. A seller may, however, limit damages or remedies for breach of implied warranties as provided in chapter 336.

Subd. 2. Except as otherwise provided in section 168.79, no consumer sale on an "as is" or "with all faults" basis shall be effective to disclaim the implied warranty of merchantability, or, where applicable, the implied warranty of fitness, unless a conspicuous writing clearly informs the buyer, prior to the sale, in simple and concise language each of the following:

(1) The goods are being sold on an "as is" or "with all faults" basis; and

(2) The entire risk as to the quality and performance of the goods is with the buyer.

In event of a consumer sale by means of a mail order catalog, the catalog may contain the required writing in lieu of the requirement of notification prior to the sale.

Sec. 14. Minnesota Statutes 1986, section 336.2-316, is amended to read:

336.2-316 [EXCLUSION OR MODIFICATION OF WARRANTIES.]

(1) Words or conduct relevant to the creation of an express warranty and words or conduct tending to negate or limit warranty shall be construed wherever reasonable as consistent with each

other; but subject to the provisions of this article on parol or extrinsic evidence (section 336.2-202) negation or limitation is inoperative to the extent that such construction is unreasonable.

(2) Subject to subsection (3), and section 168.79, to exclude or modify the implied warranty of merchantability or any part of it the language must mention merchantability and in case of a writing must be conspicuous, and to exclude or modify any implied warranty of fitness the exclusion must be by a writing and conspicuous. Language to exclude all implied warranties of fitness is sufficient if it states, for example, that "There are no warranties which extend beyond the description on the face hereof."

(3) Notwithstanding subsection (2)

(a) unless the circumstances indicate otherwise, and except as otherwise provided in section 168.79, all implied warranties are excluded by expressions like "as is," "with all faults" or other language which in common understanding calls the buyer's attention to the exclusion of warranties and makes plain that there is no implied warranty; and

(b) when the buyer before entering into the contract has examined the goods or the sample or model as fully as desired or has refused to examine the goods there is no implied warranty with regard to defects which an examination ought in the circumstances to have revealed; and

(c) an implied warranty can also be excluded or modified by course of dealing or course of performance or usage of trade.

(4) Remedies for breach of warranty can be limited in accordance with the provisions of this article on liquidation or limitation of damages and on contractual modification of remedy (sections 336.2-718 and 336.2-719).

#### Sec. 15. [EFFECTIVE DATE.]

Sections 2, 3, 6, 9, 11, and 14 shall become effective January 1, 1988, for all motor vehicle dealers in the metropolitan area as defined in section 473.121, subdivision 2, and shall become effective January 1, 1989, for all motor vehicle dealers outside of the metropolitan area as defined herein. The remainder of this act shall become effective August 1, 1987."

Delete the title and insert:

"A bill for an act relating to consumer protection; requiring certain disclosures in sales of used motor vehicles; regulating new and used motor vehicle licenses; providing certain standards in

applications for certificates of title; requiring certain disclosures upon the transfer of a motor vehicle; amending Minnesota Statutes 1986, sections 168.27, subdivisions 1, 2, 3, 4, 8, 10, 12, and 24; 169.57, by adding a subdivision; 325E.0951, by adding a subdivision; 325G.18; and 336.2-316; proposing coding for new law in Minnesota Statutes, chapters 168 and 168A."

With the recommendation that when so amended the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 119, A bill for an act relating to employment; providing the option for certain employees at a state university to obtain state employee fringe benefits; amending Minnesota Statutes 1986, section 43A.27, by adding a subdivision.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 217, A bill for an act relating to traffic regulations; providing for the operation by certain police departments and sheriff's offices of specially marked vehicles for highway traffic law enforcement; amending Minnesota Statutes 1986, section 169.98, subdivision 1, and by adding a subdivision.

Reported the same back with the following amendments:

Page 2, line 15, delete "city of the first"

Page 2, line 16, delete "class" and insert "home rule or statutory city"

Page 2, line 16, delete everything after "county"

Page 2, line 17, delete "first class"

Page 2, line 20, delete "rules" and insert "laws and ordinances in conformity therewith"

Page 2, line 23, after "vehicles" insert "owned by a police department of a city of the first class"

Page 2, line 24, delete the second "the" and insert "that"

Page 2, line 25, delete "or sheriff's office"

Amend the title as follows:

Page 1, line 3, delete "certain"

With the recommendation that when so amended the bill pass.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 242, A bill for an act relating to commerce; modifying the maximum finance charge on certain open end credit sales; authorizing additional charges; amending Minnesota Statutes 1986, section 334.16, subdivision 1, and by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 334.16, subdivision 1, is amended to read:

334.16 [FINANCE CHARGES FOR OPEN END CREDIT SALES.]

Subdivision 1. [LIMITATION OF RATES.] The imposition, charge or collection of a finance charge upon an account balance by a seller of goods, services or both shall be lawful, provided that:

(a) The sale is a consumer credit sale pursuant to an open end credit plan, agreement or arrangement between the buyer and seller under which (1) the seller may permit the buyer to make purchases from time to time from the seller or other sellers, (2) the buyer has the privilege of paying the balance in full or in installments, and (3) a finance charge may be computed by the seller from time to time on an outstanding unpaid balance; and

(b) The terms of the plan, agreement or arrangement provide for a periodic rate of finance charge which does not exceed ~~1½ percent~~ per month computed on an amount no greater than the average daily balance of the account during each monthly billing cycle; provided the equivalent of an annual percentage rate of the higher

of (1) 14.5 percent, or (2) six percentage points over the Federal Reserve discount rate. In no event may the annual percentage rate exceed 18 percent. The rate must be computed on a 365-day year and in accordance with the Truth in Lending Act, United States Code, title 15, section 1601 et seq., and Code of Federal Regulations, title 12, part 226 (1985). A minimum finance charge not in excess of 50 cents per month may be imposed, charged or collected.

(c) No finance charge in excess of 1½ percent per month the equivalent of an annual percentage rate of the higher of (1) 10.5 percent, or (2) four percentage points over the Federal Reserve discount rate shall be imposed on an open end and consumer credit account by any seller whose Minnesota annual gross sales exceed \$25 million or any issuer whose credit card is issued primarily for the purpose of purchasing motor fuels and related products and whose gross annual national sales exceed \$10 billion. Retailers must give adequate notice to open end consumer credit customers before any higher interest rate is applied. Accompanying credit statements must not suggest that the Minnesota legislature required retailers to raise interest rates. The accompanying material must make clear that the increase affects only the maximum allowable interest rate. In no event may the annual percentage rate exceed 18 percent. The rate must be computed on a 365-day year and in accordance with the Truth in Lending Act, United States Code, title 15, section 1601 et seq., and Code of Federal Regulations, title 12, part 226 (1985).

(d) The maximum finance charge allowed by the amendments to paragraphs (b) and (c) made by this section may be adjusted upward no more than once in any 365-day period to reflect a change in the rate allowed. The initial 365-day period begins on the effective date of those amendments. For the purpose of this subdivision, the definition of a consumer credit sale specifically includes transactions for agricultural purposes.

Sec. 2. Minnesota Statutes 1986, section 334.16, is amended by adding a subdivision to read:

Subd. 4. [ADDITIONAL CHARGES.] No charges other than those provided for in subdivision 1, shall be made directly or indirectly for any credit extended under the authority of this section."

With the recommendation that when so amended the bill pass.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 246, A bill for an act relating to education; establishing chemical abuse pre-assessment teams and community advisory

teams; requiring teachers to report possession, use, and transfer of chemical substances by students; providing penalties; amending Minnesota Statutes 1986, sections 127.41, subdivision 3; and 260.161, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 126.

Reported the same back with the following amendments:

Page 1, line 17, after "address" insert ", identify, and treat"

Page 1, line 18, delete "8" and insert "7"

Page 1, line 20, after "evaluation" insert "for treatment"

Page 1, line 26, delete "10" and insert "9"

Page 4, line 9, delete "(a)"

Page 4, delete lines 17 to 20

Page 5, delete section 7

Page 5, line 13, delete "voluntary or"

Page 5, line 16, delete "7" and insert "6"

Page 5, line 20, delete "7" and insert "6"

Renumber the sections in sequence

Amend the title as follows:

Page 1, lines 5 and 6, delete "providing penalties;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Judiciary.

The report was adopted.

Otis from the Committee on Economic Development and Housing to which was referred:

H. F. No. 363, A bill for an act relating to employment; providing for retraining of dislocated workers; requiring the commissioner of jobs and training to coordinate services to dislocated workers; requiring notification of employment termination; providing for the monitoring of dislocated workers and plant closings; providing a state match for federal dislocated worker funding; appropriating

money; amending Minnesota Statutes 1986, sections 267.02, subdivision 3; 268.0111, subdivision 4; 268.0122, subdivision 3; and 268.89, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 268.

Reported the same back with the following amendments:

Page 4, line 36, after the first "the" insert "names, addresses, and"

Page 6, line 11, delete "80" and insert "70"

Page 6, line 14, delete "ten" and insert "20"

Page 6, line 18, after "Act" insert "or to provide rapid response services to dislocated workers and the associated administrative and planning expenses prior to the approval of other funds or programs"

Page 7, line 13, after "workers" insert "and other workers in the surrounding communities"

Page 7, line 17, delete the period and insert "; and

(9) the type and amount of public sector financial assistance that individual businesses that have closed a plant received in the past ten years. Public sector financial assistance includes, but is not limited to, wage subsidies, tax increment financing, state and local grants and loans, tax exempt bonds, and state or local tax abatement, credits or deductions."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 373, A bill for an act relating to metropolitan water management; authorizing county ground water plans; requiring consistency of watershed and ground water plans; amending Minnesota Statutes 1986, sections 473.875; 473.876, by adding subdivisions; and 473.878, subdivisions 3, 5, 6, 7, and 9; proposing coding for new law in Minnesota Statutes, chapter 473.

Reported the same back with the following amendments:

Page 2, line 18, after the period insert "Upon the request of a watershed management organization, the county shall provide a written statement that: (1) identifies any substantial inconsistencies

between the watershed plan and the ground water plan and any substantial adverse effects of the watershed plan on the ground water plan, and (2) evaluates, estimates the cost of, and recommends alternatives for amending the watershed plan to rectify any substantial inconsistencies and adverse effects."

Page 5, line 7, after "paragraph" insert "must be made following the hearing procedure specified in section 110B.25, subdivision 4 and"

Page 5, line 8, after "organization" insert ", affected local units of government," and after the period insert "The decision may be appealed as provided in sections 14.63 to 14.69."

Page 5, line 28, delete "473.873" and insert "473.878"

Page 6, line 11, delete "and" and insert a new period and after "be" insert "appointed" and delete "local"

Page 6, line 12, delete "units of government" and insert "watershed management organizations, statutory and home rule charter cities, and towns, and these local government representatives must be geographically distributed so that at least one is appointed from each county commissioner district"

Page 6, line 16, after "plans" insert ", the effect of the groundwater plan on the other plans," and before "governmental" insert "costs and"

Page 7, line 30, before the period insert "and the cost of amendment and implementation"

Page 8, line 6, after the period insert "The council shall summarize and evaluate the cost of rectifying inconsistencies between the groundwater plan and watershed plans. If the council finds that significant funding problems, needs, or inequities will result from the groundwater plan, the council shall report to the legislature on the matter and on appropriate means of allocating and paying costs."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 394, A bill for an act relating to agriculture; reactivating the agricultural data collection task force; appropriating money;

amending Laws 1985, chapter 19, section 6, subdivision 6, as amended.

Reported the same back with the following amendments:

Page 1, line 17, delete "1988" and insert "1989"

Page 1, line 19, delete "1988" and insert "1989"

Page 1, line 24, delete "1988" and insert "1989"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 401, A bill for an act relating to environment; providing criminal penalties for violation of laws and rules relating to hazardous waste; providing for the distribution and expenditure of monetary penalties; amending Minnesota Statutes 1986, sections 115.071, subdivision 2; and 609.531, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 115; repealing Minnesota Statutes 1986, section 115.071, subdivisions 2a and 2b.

Reported the same back with the following amendments:

Page 3, line 6, delete "or"

Page 3, line 7, delete "listed"

Page 3, lines 7 and 8, delete "rules adopted under chapter 115, 116, or 221" and insert "authority of section 116.07, subdivision 4, unless otherwise exempted from the requirements under that authority"

Page 3, delete lines 27 to 31

Page 5, line 8, delete "these" and insert a new semicolon

Page 5, delete lines 9 to 11 and insert:

"(i) the person notifies the agency prior to the time a permit would be required that the person will be treating or storing waste without a permit; or

(ii) in the case of a violation of a material term or condition of a permit, the person immediately notifies the permitting agency of the circumstances of the violation as soon as the person becomes aware of the violation;"

Page 6, line 2, delete "negligently"

Page 6, line 3, after "5" insert "as a result of the person's gross negligence"

Page 6, line 21, delete "subdivisions 3 to 6" and insert "subdivision 4"

Page 7, line 2, delete "other than a peace"

Page 7, delete line 3

Page 7, line 4, delete "enforcement of hazardous waste regulations,"

Page 7, after line 13, insert:

"(c) An individual is not eligible to receive a reward if the individual is a peace officer, an employee of the agency or county engaged in enforcement of hazardous waste regulations, an employee of the waste management board, or an individual engaged in providing technical assistance to persons managing hazardous waste under a technical assistance program supported by a grant of state funds."

With the recommendation that when so amended the bill pass.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 466, A bill for an act relating to commerce; clarifying unregulated sales of eyeglasses; amending Minnesota Statutes 1986, section 148.56, subdivision 3.

Reported the same back with the following amendments:

Page 1, line 23, after the period insert "The seller shall prominently display a sign on the counter or rack or other display device where the spectacles are offered for sale that reads as follows: 'If you have experienced a vision loss, the selection of these glasses should not take the place of an eye exam.'"

With the recommendation that when so amended the bill pass.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 485, A bill for an act relating to agriculture; strengthening the pesticide laws; imposing penalties; appropriating money; amending Minnesota Statutes 1986, sections 18A.21, subdivisions 1, 4, 5, 7, 8, 10, 12, 16, 19, 20, 21, 22, 23, 27, 29, 30, 31, 32, 33, 34, 35, 36, and by adding subdivisions; 18A.22, subdivisions 1, 2, 5, 7, and 8; 18A.23; 18A.24; 18A.25; 18A.27; 18A.28, subdivisions 1, 2, 3, 4, and by adding a subdivision; 18A.29, subdivisions 1, 3, and by adding subdivisions; 18A.30; 18A.31; 18A.32; 18A.33; 18A.34; 18A.35; 18A.37; 18A.39; 18A.41; 18A.42; 18A.43; 18A.44; and 18A.45; proposing coding for new law in Minnesota Statutes, chapter 18A; repealing Minnesota Statutes 1986, sections 18A.26; 18A.28, subdivisions 5 and 6; 18A.29, subdivision 2; and 18A.36.

Reported the same back with the following amendments:

Page 1, line 30, after "shall" insert "by January 1, 1988,"

Page 2, after line 13, insert:

"Sec. 2. [18A.315] [PESTICIDE APPLICATION IN CITIES.]

Subdivision 1. [DEFINITION.] For purposes of this section "city" means a statutory or home rule charter city of the first or second class as defined under section 410.01, or a city within the metropolitan area as defined under section 473.121, subdivision 2.

Subd. 2. [AUTHORITY.] Notwithstanding the provisions of section 1, subdivision 3, a city may enact an ordinance containing the pesticide application warning information contained in subdivision 3, including its own licensing, warning time, penalty, and enforcement provisions. No city may enact an ordinance that contains more restrictive or less restrictive pesticide application warning information than is contained in subdivision 3.

Subd. 3. [WARNING SIGNS FOR PESTICIDE APPLICATION.]  
(a) All commercial or noncommercial applicators who apply pesticides to turf areas outdoors are required to post or affix warning signs, valid for up to 72 hours following application, on the street frontage of the property so treated.

(b) Warning signs must project a minimum of 18 inches above the top of the grass line. The warning signs must be of a material rain-resistant for at least a 72-hour period.

(c) The following information must be printed on the sign in contrasting colors and capitalized letters measuring at least one-half inch, or in a similar format as may be approved by the commissioner. The sign must provide the following information:

(1) The name of the company applying the pesticide or if not applied by a company, the name of the person, firm, corporation, business, governmental unit or its agency, or educational institution; and

(2) The following language: "This area chemically treated. Keep children and pets off until ....." (Time as required by local ordinance), or a universally accepted symbol and text approved by the commissioner that is recognized as having the same meaning or intent as specified in this clause. In addition, the sign may include the name of the pesticide used.

(d) The sign must be posted on a lawn or yard no closer than two feet from the sidewalk or right-of-way and no further than five feet from the sidewalk or right-of-way. In the case of parks, golf courses, athletic fields, or other similar property the warning signs must also be posted immediately adjacent to areas within the property where pesticides have been applied and at or near the entrance to the property."

Page 16, line 7, after the period insert "An applicant that meets renewal requirements by reexamination instead of attending workshops must pay the equivalent workshop fee for the reexamination as determined by the commissioner."

Page 16, line 9, before the period insert ", except that for a person who is an employee of a business that holds a valid commercial applicator license the fee is \$25"

Page 17, line 17, after the period insert "An applicant that meets renewal requirements by reexamination instead of attending workshops must pay the equivalent workshop fee for the reexamination as determined by the commissioner."

Page 20, line 17, strike "two" and insert "five"

Page 21, line 8, strike "two" and insert "five"

Page 24, line 23, delete "observable or" and delete "In a judicial"

Page 24, delete lines 24 to 27

Page 24, before line 28, insert:

"No person may apply a pesticide in a manner so as to expose a worker in an immediately adjacent, open field."

Page 24, line 35, delete "time" and insert "hourly or daily"

Page 26, line 24, after the period insert "A person may not fill pesticide application equipment directly from any public water supply, as defined in section 144.382, unless the outlet from the supply is equipped with a backflow prevention device which complies with the Minnesota plumbing code."

Pages 27 and 28, delete section 63

Page 30, line 29, after "brought" insert "in the name of the state"

Page 30, line 30, delete everything after "commissioner"

Page 30, line 31, delete everything before the period and after the period insert "The commissioner and the attorney general may request the county attorney to bring a civil judicial enforcement action."

Page 31, line 14, after "(f)" insert "Upon request of the commissioner or an agent of the commissioner," and delete "other peace officers,"

Page 32, line 4, after the period insert "For purposes of training only, the commissioner may enter into agreements with qualified public or private organizations that wish to offer training programs."

Page 38, after line 29, insert:

"Sec. 75. [18B.04] [WATER QUALITY PROGRAM.]

The commissioner shall establish a water quality program to:

(1) determine the impact of pesticides on surface and ground water in this state;

(2) develop recommendations for best management practices involving pesticide distribution, storage, handling, use, and disposal;

(3) establish regulations for protection of water resources from pesticide contamination; and

(4) cooperate with and assist other state agencies and local governments to protect public health and the environment from harmful exposure to pesticides.

## Sec. 76. [PESTICIDE CONTAINER DEPOSIT REPORT.]

The commissioner of agriculture in consultation with the director of the pollution control agency shall develop a program for pesticide container deposit and return of triple rinsed pesticide containers. The commissioner shall prepare a report on a proposed program and legislative recommendations and submit the report to the house of representatives and senate committees on agriculture by January 15, 1988.

## Sec. 77. [APPROPRIATION.]

\$...... is appropriated from the general fund to the commissioner of agriculture for the biennium ending June 30, 1989, for the water quality program under section 75.

The complement of the department of agriculture is increased by eight positions."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 14, delete "chapter" and insert "chapters" and after "18A" insert "and 18B"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Judiciary.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 487, A bill for an act relating to commerce; regulating membership camping practices; prohibiting certain advertising practices; establishing escrow requirements; regulating subdivided land sales practices; prohibiting certain advertising practices; amending Minnesota Statutes 1986, sections 82A.02, subdivisions 2, 10, and 19; 82A.04, subdivision 2; 82A.09, by adding a subdivision; 82A.11, subdivision 3; 82A.21; and 82A.24, subdivisions 3 and 6; proposing coding for new law in Minnesota Statutes, chapters 82A and 83.

Reported the same back with the following amendments:

Page 2, line 5, reinstate the stricken language

Page 2, line 6, after the stricken "individuals" insert "include existing members" and reinstate "who refer persons without receiving"

Page 2, line 7, reinstate "compensation of more than \$150 per"

Page 2, line 12, before the period insert "year and do not make more than three referrals per year"

Page 8, line 17, reinstate the stricken "three" and delete "five" and insert "business"

Page 9, lines 2 to 11, delete subdivision 2 and insert:

"Subd. 2. [ANNUAL FEE LIMITATIONS.] No less than 65 percent of the amount charged members for all annual fees, including membership dues, must be used for maintenance. The amount to be used for maintenance must be designated on any statement or billing to the member. The portion not used for maintenance must also be designated and its use stated. If the nonmaintenance portion will not be placed in an escrow or trust account that fact must be stated on the statement or billing.

Subd. 3. [PROCEDURE TO AMEND.] The 65 percent minimum maintenance requirement of subdivision 2 may be increased or decreased by the written consent of a simple majority of the members. The letter proposing the change to the members must specify the amount of the change, the purpose for which the funds will be used, the effect of the change as to maintenance, and the date, not longer than 120 days from the date of the letter, when the consents are to be received. If sufficient consents are not received by the specified date, the proposal is considered to have failed. The records pertaining to the amendment minimum maintenance requirement must be maintained at the offices of the campground operator for at least three years; and must be available during regular business hours for inspection by a member."

Page 9, line 14, delete "subdivisions 1 and 2" and insert "subdivision 1"

Renumber the subdivisions in sequence

Page 10, delete section 8

Renumber the sections in sequence

Amend the title as follows:

Page 1, after line 9, delete "82A.21;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 490, A bill for an act relating to elections; increasing the size of the board of education of special school district No. 1 of the city of Minneapolis to nine members; providing for six members to be elected by districts; amending Laws 1959, chapter 462, section 3, subdivision 1, as amended and renumbered.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Laws 1959, chapter 462, section 3, subdivision 1, as amended by Laws 1963, chapter 645, section 3, subdivision 1, as renumbered subdivision 1a, by Laws 1967, chapter 661, section 3, as amended by Laws 1974, chapter 366, section 1 and Laws 1978, chapter 559, section 1, is amended to read:

Subd. 1a. [SPECIAL SCHOOL DISTRICT NO. 1, MINNEAPOLIS; BOARD OF DIRECTORS; TERMS OF OFFICE.] (a) The board of education of ~~such~~ the district shall consist of seven directors, each of whom shall be elected at large for a term of six years, or until his successor has been elected and qualified, provided that the term of office of each director elected after the effective date of this act shall be four years or until a successor is elected and qualified. The directors shall receive such compensation as may be fixed by the board of education.

(b) Beginning in 1987, the terms and elections of the directors of the board of education shall be governed by this paragraph. The three directors elected in 1985 as at-large directors shall serve their full four-year terms until 1989. Beginning with the 1987 election, the board of education of the district shall consist of nine directors. In the 1987 school board election, six directors shall be elected to represent six different districts within the school district. The terms of office for the six directors elected in 1987 shall be two years. In the 1989 election, six directors shall be elected to represent six different districts within the school district and three directors shall be elected to represent the district at large. For the 1987 and 1989 elections, the boundaries of the six school board districts shall coincide with the boundaries of the current state senatorial districts. For the 1993 election and subsequent elections, the boundaries of the six districts shall be determined by the reapportionment commission established every ten years under the Minneapolis city charter. The terms of office for all directors shall be four years,

except for the six directors elected in 1987. A candidate for an elected district office shall be 21 years of age and shall have resided 30 days previous to the election in the district from which elected; provided, however, the candidates for the at-large seats may reside anywhere within the school district, but shall have resided in the school district for at least 90 days immediately preceding the election. The directors shall receive the compensation that may be fixed by the board of education.

(c) To the extent possible, the reapportionment commission, when establishing the six school board election districts under this section shall: preserve, rather than dilute the effective representation of people with like needs and concerns; avoid the effect of disenfranchising a substantial number of school district residents from effective representation; and enhance the possibility that minority racial populations in the school district will be represented adequately and maintain their voting strength.

Sec. 2. Minnesota Statutes 1986, section 383B.041, is amended to read:

383B.041 [CAMPAIGN FINANCING, DISCLOSURE OF ECONOMIC INTERESTS.]

Sections 383B.041 to 383B.058 apply to the financing of campaigns for county elections in Hennepin county and for city elections in home rule charter cities and statutory cities located wholly within Hennepin county and, having a population of 75,000 or more, and for school board elections in special school district No. 1, Minneapolis, and to disclosure of economic interests by candidates and elected public officials of those jurisdictions. The provisions of sections 210A.22 to 210A.33 do not apply to the financing of campaigns for elections subject to the provisions of sections 383B.041 to 383B.058.

Sec. 3. Minnesota Statutes 1986, section 383B.042, subdivision 5, is amended to read:

Subd. 5. "Candidate" means an individual, not within the definition of candidate of section 10A.01, subdivision 5, who seeks nomination or election to any county office in Hennepin county or, to any city office in any home rule charter city or statutory city located wholly within Hennepin county and having a population of 75,000 or more or to the school board of special school district No. 1, Minneapolis.

Sec. 4. Minnesota Statutes 1986, section 383B.042, subdivision 9, is amended to read:

Subd. 9. "Election" means any election held to nominate or elect any candidate or to decide any question on a county ballot in Hennepin county or on the ballot of any home rule charter city or

statutory city located wholly within Hennepin county and having a population of 75,000 or more, or on the ballot of special school district No. 1, Minneapolis.

Sec. 5. Minnesota Statutes 1986, section 383B.053, subdivision 1, is amended to read:

Subdivision 1. [OFFICIALS REQUIRED TO FILE; DEADLINES.] Every candidate for county office, every elected official of Hennepin county, every candidate for office and every elected official of a home rule charter city or statutory city located wholly within Hennepin county and having a population of 75,000 or more, and every candidate for school board and every elected official in special school district No. 1, Minneapolis shall file statements of economic interest as required by this section with the filing officer. A candidate shall file an original statement within 14 days of the filing of an affidavit or petition to appear on the ballot. All elected officials of Hennepin county and of a home rule charter city or statutory city located wholly in Hennepin county and having a population of 75,000 or more who are in office on March 19, 1980, shall file an original statement of economic interest 60 days after forms for disclosure are provided to the filing officer. Every individual required to file a statement shall file a supplementary statement on April 15 of each year in which the individual remains a candidate or elected official.

Sec. 6. Minnesota Statutes 1986, section 383B.058, is amended to read:

383B.058 [LOCAL ORDINANCES AND CHARTERS SUPERSEDED.]

Except as provided in this section, sections 383B.041 to 383B.057 supersede the provisions of any ordinance or resolution of a jurisdiction governed by sections 383B.041 to 383B.058 or any existing special law or home rule charter provision requiring disclosure of information related to the financing of election campaigns or requiring disclosure of economic interests by candidates and elected officials of that jurisdiction. The governing body of Hennepin county, ~~and~~ the governing body of any home rule charter city or statutory city located wholly in Hennepin county and the school board of special school district No. 1, Minneapolis may adopt or continue in force ordinances or resolutions that:

(a) Impose limits on the amount that any individual or association may contribute to any candidate for elected office in that jurisdiction;

(b) Require disclosure of economic interests in addition to those required to be disclosed under section 383B.053; or

(c) Require other public officials of that jurisdiction to make such disclosure. Any home rule charter city that adopts a charter provision modifying or superseding any provision of sections 383B.041 to 383B.057 shall file a copy of the charter provision with the ethical practices board within 60 days of its adoption.

Sec. 7. [LOCAL APPROVAL.]

Sections 1 to 6 are effective upon approval by the school board of special school district No. 1, Minneapolis and compliance with Minnesota Statutes, section 645.021.

Delete the title and insert:

“A bill for an act relating to elections; increasing the size of the board of education of special school district No. 1 of the city of Minneapolis to nine members; providing for six members to be elected by districts; requiring compliance with certain campaign disclosure provisions; amending Minnesota Statutes 1986, sections 383B.041; 383B.042, subdivisions 5 and 9; 383B.053, subdivision 1; and 383B.058; and Laws 1959, chapter 462, section 3, subdivision 1, as amended and renumbered.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 532, A bill for an act relating to public safety; motorized bicycles; establishing standards for the safe operation of motorized bicycles; amending Minnesota Statutes 1986, sections 65B.001, by adding a subdivision; 65B.43, subdivision 13; 168.011, subdivision 27; 169.01, subdivision 4a; 169.223; 171.01, subdivision 20; and 171.02, subdivision 3.

Reported the same back with the following amendments:

Page 2, lines 29 to 31, reinstate the stricken language

Page 2, line 31, after “160.263” insert a new period

Page 3, lines 1 to 4, reinstate the stricken language

Page 3, line 4, before “that” insert “. No person shall operate a motorized bicycle”

Page 4, line 5, after the period insert:

“This course must consist of, but is not limited to, a basic understanding of:

- (1) motorized bicycles and their limitations;
- (2) motorized bicycle laws and rules;
- (3) safe operating practices and basic operating techniques;
- (4) helmets and protective clothing;
- (5) motorized bicycle traffic strategies; and
- (6) effects of alcohol and drugs on motorized bicycle operators.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 642, A bill for an act relating to human services; eliminating supportive living residences as residential care facilities for persons with mental illness; providing for the establishment of a third level of care for persons with mental illness; directing the commissioner of human services to review and alter rules relating to residential care facilities for persons with mental illness; amending Minnesota Statutes 1986, sections 245.782, subdivisions 2 and 6; and 245.802, by adding a subdivision; repealing Minnesota Statutes 1986, section 245.802, subdivision 1a.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1986, section 245.802, subdivision 1a, is amended to read:

Subd. 1a. [STANDARDS FOR SUPPORTIVE LIVING RESIDENCES.] Standards for licensing supportive living residences shall include provisions concerning the referral of adults needing treatment to appropriate programs and the prevention of inappropriate placements in supportive living residences, a maximum bed limit of 40, and provisions discouraging the concentration of supportive living residences in any one region or neighborhood. The commissioner shall develop no licensing standards for supportive living residences until the legislature has met and considered recommendations presented under section 4.

Sec. 2. Minnesota Statutes 1986, section 245.802, is amended by adding a subdivision to read:

Subd. 1b. [MONITORING OF FACILITIES.] After June 30, 1989, no residential facility licensed by the commissioner of human services or the commissioner of health, other than facilities specifically licensed for people with mental illness, may have more than four residents with a diagnosis of mental illness. The commissioner of health, with the cooperation of the commissioner of human services, shall monitor licensed boarding care, board and lodging, and supervised living facilities to assure that this requirement is met. By January 1, 1989, the commissioner of health shall recommend to the legislature an appropriate mechanism for enforcing this requirement.

Sec. 3. Minnesota Statutes 1986, section 245.802, is amended by adding a subdivision to read:

Subd. 2a. [SPECIFIC REVIEW OF RULES.] The commissioner shall:

(1) provide in rule for various levels of care to address the residential treatment needs of persons with mental illness;

(2) review Category I and II programs established in Minnesota Rules, parts 9520.0500 to 9520.0690 to ensure that the categories of programs provide a continuum of residential service programs for persons with mental illness;

(3) provide in rule for a definition of the term "treatment" as used in relation to persons with mental illness;

(4) adjust funding mechanisms by rule as needed to reflect the requirements established by rule for services being provided;

(5) review and recommend staff educational requirements and staff training as needed; and

(6) review and make changes in rules relating to residential care and service programs for persons with mental illness as the commissioner may determine necessary.

Sec. 4. Minnesota Statutes 1986, section 245.802, is amended by adding a subdivision to read:

Subd. 5. [HOUSING SERVICES FOR PERSONS WITH MENTAL ILLNESS.] The commissioner of human services shall study the housing needs of people with mental illness and shall articulate a continuum of services from residential treatment as the most intensive service through housing programs as the least intensive.

The commissioner shall develop recommendations for implementing the continuum of services and shall present the recommendations to the legislature by January 31, 1988.

Sec. 5. Minnesota Statutes 1986, section 256D.01, is amended by adding a subdivision to read:

Subd. 1c. [PAYMENTS TO FACILITIES.] The commissioner shall make no payments under subdivision 1b to facilities licensed after the effective date of this section which have more than four residents with a diagnosis of mental illness except for facilities specifically licensed to serve persons with mental illness. The commissioner of health shall monitor newly-licensed facilities and shall report to the commissioner of human services facilities that are not in compliance with this section.

Sec. 6. Minnesota Statutes 1986, section 256D.37, is amended by adding a subdivision to read:

Subd. 4. The commissioner shall make no payments under subdivision 1 to facilities licensed after the effective date of this section which have more than four residents with a diagnosis of mental illness except for facilities specifically licensed to serve persons with mental illness. The commissioner of health shall monitor newly-licensed facilities and shall report to the commissioner of human services facilities that are not in compliance with this section."

Delete the title and insert:

"A bill for an act relating to human services; prohibiting licensing of supportive living residences; requiring monitoring of facilities; providing for various levels of care for persons with mental illness; directing the commissioner of human services to review and alter rules relating to residential care facilities for persons with mental illness; requiring study of housing needs for persons with mental illness; prohibiting payment to newly-licensed facilities having more than four residents with mental illness; amending Minnesota Statutes 1986, sections 245.802, subdivision 1a, and by adding subdivisions; 256D.01, by adding a subdivision; and 256D.37, by adding a subdivision."

With the recommendation that when so amended the bill pass.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 645, A bill for an act relating to education; eliminating the physical education requirement for teacher education programs; amending Minnesota Statutes 1986, section 126.02, subdivision 2.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 715, A bill for an act relating to unemployment compensation; regulating administration of unemployment compensation; providing for benefits and contribution rates; amending Minnesota Statutes 1986, sections 268.04, subdivisions 2, 4, 24, and by adding subdivisions; 268.06, subdivisions 2, 3a, 8, and by adding a subdivision; 268.07, subdivisions 2, 2a, and 3; 268.071, subdivision 1; 268.08, subdivision 1; 268.10, subdivisions 1 and 2; 268.12, subdivision 8; 268.121; 268.15, subdivision 3; 268.16, subdivision 2; repealing Minnesota Statutes 1986, section 268.04, subdivisions 29 and 30.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 268.04, subdivision 2, is amended to read:

Subd. 2. "Base period" means the period of 52 calendar weeks immediately preceding the first day of an individual's benefit year. However, if a claimant received weekly worker's compensation for temporary total disability under the provisions of chapter 176 or under a similar law of the United States for more than seven weeks within the base period, or if a claimant, whose own serious illness caused a loss of credit weeks within the base period, received compensation due to the illness from some other source or under a law of this state other than chapter 176 or under a similar law of the United States for more than seven weeks within the base period, the claimant's base period shall be lengthened by the same number of weeks, but not to exceed 52 weeks, for which the claimant received the payments. No extended base period shall include wage credits upon which benefits were established and paid with respect to a prior valid claim. first four of the last five completed calendar quarters immediately preceding the first day of an individual's benefit year; except: (a) if during the base period an individual received workers' compensation for temporary disability under chapter 176 or a similar law of the United States, or if an individual whose own serious illness caused a loss of work for which the

individual received compensation due to the illness from some other source or under a law of this state other than chapter 176 or a similar law of the United States, the individual's base period shall be lengthened to the extent stated as follows:

(1) if an individual was compensated, as described above, for a loss of work of seven to 13 weeks, the original base period shall be extended to include one calendar quarter preceding the original base period; or

(2) if an individual was compensated, as described above, for a loss of work of 14 to 26 weeks, the original base period shall be extended to include two calendar quarters preceding the original base period; or

(3) if an individual was compensated, as described above, for a loss of work from 27 to 39 weeks, the original base period shall be extended to include the first three calendar quarters preceding the original base period; or

(4) if an individual was compensated, as described above, for a loss of work from 40 to 52 weeks, the original base period shall be extended to include the first four quarters preceding the original base period; or

(b) if the commissioner finds that, during the base period described above, the individual has insufficient wage credits to establish a valid claim, the individual may request a determination of validity using an alternate base period of the last four completed calendar quarters preceding the first day of an individual's benefit year. This alternate base period may be used by an individual only once during any five calendar year period to establish a valid claim.

In no instance shall the base period be extended to include more than four additional calendar quarters.

No base period, extended base period, or alternate base period under paragraph (b) shall include wage credits upon which a claim was established and benefits were paid with respect to that valid claim.

Sec. 2. Minnesota Statutes 1986, section 268.04, subdivision 4, is amended to read:

Subd. 4. "Benefit year" with respect to any individual means the period of 52 calendar weeks beginning with the first day of the first week with respect to which the individual files a valid claim for benefits. For individuals with a claim effective January 1, April 1, July 1, or October 1, the benefit year will be a period of 53 weeks

beginning with the first week with respect to which the individual files a valid claim for benefits.

Sec. 3. Minnesota Statutes 1986, section 268.04, subdivision 24, is amended to read:

Subd. 24. "Valid claim" with respect to any individual means a claim filed by an individual who has registered for work and who has earned wage credits ~~and established credit weeks~~ during the individual's base period sufficient to entitle the individual to benefits under section 268.07, subdivision 2.

Sec. 4. Minnesota Statutes 1986, section 268.04, is amended by adding a subdivision to read:

Subd. 34. [CONTRIBUTION REPORT.] "Contribution report" means the summary report of wages and employment used to determine the amount of contributions due by employers on a calendar quarter basis. An auxiliary report of wages and employment broken down by business locations, when required, is part of the contribution report.

Sec. 5. Minnesota Statutes 1986, section 268.04, is amended by adding a subdivision to read:

Subd. 35. [WAGE DETAIL REPORT.] "Wage detail report" means the itemized report used to record the information required by section 268.121.

Sec. 6. Minnesota Statutes 1986, section 268.04, is amended by adding a subdivision to read:

Subd. 36. [HIGH QUARTER.] "High quarter" means the calendar quarter in an individual's base period for which the individual's total wage credits during that quarter are equal to or greater than the individual's total wage credits during any other calendar quarter in the individual's base period.

Sec. 7. Minnesota Statutes 1986, section 268.06, subdivision 2, is amended to read:

Subd. 2. [RATES.] Each employer shall pay contributions equal to two and seven-tenths percent for each calendar year prior to 1985 and 5-4/10 percent for 1985 and each subsequent calendar year of wages paid and wages overdue and delayed beyond the usual time of payment from the employer with respect to employment occurring during each calendar year, except as may be otherwise prescribed in subdivisions 3a and 4. ~~Each employer who has an experience ratio of less than one-tenth of one percent shall pay contributions on only the first \$8,000 in wages paid and wages overdue and delayed beyond~~

the usual time of payment to each employee with respect to employment occurring during each calendar year.

Sec. 8. Minnesota Statutes 1986, section 268.06, subdivision 3a, is amended to read:

Subd. 3a. [RATE FOR NEW EMPLOYERS.] Notwithstanding the provisions of subdivision 2, each employer, who becomes subject to this law, shall pay contributions at a rate:

(a) Not exceeding 2-7/10 percent, that is the higher of (1) one percent and (2) the state's three-year benefit cost rate for the 36 consecutive month period immediately preceding July 1 of each year for each employer who becomes subject to this law prior to January 1, 1984. For purposes of this clause, the state's three-year benefit cost rate shall be computed annually and shall be derived by dividing the total dollar amount of benefits paid to claimants under this law during the 36 consecutive calendar months immediately preceding July 1 of each year by the total dollar amount of wages subject to contributions under this law during the same period. The rate so determined shall be applicable for the calendar year next succeeding each computation date.

(b) Not exceeding 2-7/10 percent, that is the higher of (1) one percent and (2) the state's four-year benefit cost rate for the 48 consecutive month period immediately preceding July 1 of each year for each employer, except employers in the construction industry, as determined by the commissioner, who becomes subject to this law subsequent to December 31, 1983 and prior to January 1, 1985. For purposes of this clause, the state's four-year benefit cost rate shall be computed and derived by dividing the total dollar amount of benefits paid to claimants under this law during the 48 consecutive calendar months immediately preceding July 1, 1983 by the total dollar amount of wages subject to contributions under this law during the same period. The rate so determined shall be applicable for the calendar year 1984.

Each construction employer described above who becomes subject to chapter 268 shall pay contributions at a rate, not exceeding 7½ percent, that is the higher of (1) one percent, or (2) the state's four-year benefit cost rate for construction employers for the 48 consecutive month period immediately preceding July 1, 1983. For purposes of this clause, the state's four-year benefit cost rate shall be computed and derived by dividing the total dollar amount of benefits paid to claimants of construction employers, as determined by the commissioner, during the 48 consecutive calendar months immediately preceding July 1, 1983 by the total dollar amount of wages of construction employers subject to contributions during the same period. The rate so determined shall be applicable for the calendar year 1984.

(c) Not exceeding 5-4/10 percent, that is the higher of (1) one percent and (2) the state's five-year benefit cost rate for the 60 consecutive month period immediately preceding July 1, 1984 and each year thereafter for each employer, except employers in the construction industry, as determined by the commissioner who becomes subject to this law on January 1, 1985 and thereafter. For purposes of this clause, the state's five-year benefit cost rate shall be computed annually and shall be derived by dividing the total dollar amount of benefits paid to claimants under this law during the 60 consecutive calendar months immediately preceding July 1, 1984 and each year thereafter by the total dollar amount of wages subject to contributions under this law during the same period. The rate so determined shall be applicable for the calendar year next succeeding each computation date.

Each construction employer described above who becomes subject to this chapter shall pay contributions at a rate, not exceeding ~~7½ percent~~ the maximum contribution rate for all employers as provided under subdivision 8, that is the higher of (1) one percent, or (2) the state's five-year benefit cost rate for construction employers for the 60 consecutive month period immediately preceding July 1, 1984 and each year thereafter. For purposes of this clause, the state's five-year benefit cost rate shall be computed annually and shall be derived by dividing the total dollar amount of benefits paid to claimants of construction employers, as determined by the commissioner, during the 60 consecutive calendar months immediately preceding July 1, 1984 and each year thereafter by the total dollar amount of wages of construction employers subject to contributions during the same period. The rate so determined shall be applicable for the calendar year next succeeding each computation date.

Sec. 9. Minnesota Statutes 1986, section 268.06, subdivision 8, is amended to read:

Subd. 8. [DETERMINATION OF CONTRIBUTION RATES.] (a) For each calendar year the commissioner shall determine the contribution rate of each employer by adding the minimum rate to the experience ratio, except that if the ratio for the current calendar year increases or decreases the experience ratio for the preceding calendar year by more than one and one-half percentage points for 1982; and 2½ percentage points for 1983 and each year thereafter, the increase or decrease for the current year shall be limited to one and one-half percentage points for 1982; and 2½ percentage points for 1983 and each year thereafter, provided that a small business employer shall be eligible, upon application, for a reduction in the limitation to 1½ percentage points for 1983 and each year thereafter. "Small business employer" for the purpose of this subdivision means an employer with an annual covered payroll of \$250,000 or less, or fewer than 20 employees in three of the four quarters ending June 30, of the previous calendar year.

(b) The minimum rate for all employers except as provided in paragraph (c) shall be one percent if the amount in the unemployment compensation fund is less than \$80,000,000 \$250,000,000 on June 30 of the preceding calendar year; or nine-tenths of one percent if the fund is more than \$80,000,000 \$250,000,000 but less than \$90,000,000 \$260,000,000; or eight-tenths of one percent if the fund is more than \$90,000,000 \$260,000,000; but less than \$110,000,000 \$270,000,000; or seven-tenths of one percent if the fund is more than \$110,000,000 \$270,000,000 but less than \$130,000,000 \$280,000,000; or six-tenths of one percent if the fund is more than \$130,000,000 \$280,000,000 but less than \$150,000,000 \$290,000,000; or five-tenths of one percent if the fund is more than \$150,000,000 \$290,000,000 but less than \$170,000,000 \$300,000,000; or three-tenths of one percent if the fund is more than \$170,000,000 \$300,000,000 but less than \$200,000,000 \$310,000,000; or one-tenth of one percent if the fund is \$200,000,000 \$310,000,000 or more; provided that no employer shall have a contribution rate of more than 7.5 percent.

(c) The minimum rate for all employers that have an experience ratio of less than one-tenth of one percent shall be .25 percent less than the minimum rate under paragraph (b) for 1988, and for each year thereafter, provided that no rate can be less than one-tenth of one percent.

(d) The maximum rate for all employers shall be 8.5 percent if the amount in the unemployment compensation fund is less than \$200,000,000 as of June 30 of the preceding year or 7.5 percent if the amount in the unemployment compensation fund is more than \$200,000,000 as of June 30 of the preceding year.

(e) For the purposes of this section the unemployment compensation fund shall not include any moneys advanced from the Federal Unemployment Account in the unemployment trust fund in accordance with Title XII of the Social Security Act, as amended. No employer first assigned an experience ratio in accordance with subdivision 6, shall have a contribution rate increased or decreased by more than one and one-half percentage points for 1982; and 2½ percentage points for 1983 and each year thereafter over the contribution rate assigned for the preceding calendar year in accordance with subdivision 3a, provided that a small business employer shall be eligible, upon application, for a reduction in the limitation to 1½ percentage points for 1983 and each year thereafter.

Sec. 10. Minnesota Statutes 1986, section 268.06, is amended by adding a subdivision to read:

Subd. 8a. [SOLVENCY ASSESSMENT.] If the fund balance is less than \$50,000,000 on April 1 of any year, a solvency assessment will be in effect for the following calendar year. Each employer, except those making payments in lieu of contributions under subdivisions

25, 26, 27, and 28, shall pay a quarterly solvency assessment of ten percent multiplied by the contributions paid or due and payable for each calendar quarter in that year. Quarterly contributions and the solvency assessment payments shall be combined and will be computed notwithstanding the maximum rate established in subdivision 3a or 8, by multiplying the quarterly taxable payroll by the assigned contribution rate multiplied by 1.10.

Sec. 11. Minnesota Statutes 1986, section 268.07, subdivision 2, is amended to read:

Subd. 2. [WEEKLY BENEFIT AMOUNT AND DURATION.] If the commissioner finds that an individual has earned 15, or more, credit weeks within the base period of employment in insured work with one or more employers, benefits shall be payable to such individual during the individual's benefit year as follows:

(1) Weekly benefit amount shall be equal to 60 percent of the first \$85, 40 percent of the next \$85 and 50 percent of the remainder of the average weekly wage of such individual. The amount so computed if not a whole dollar shall be rounded down to the next lower dollar amount. (a) To establish a benefit year for unemployment insurance benefits, effective after January 1, 1988, and thereafter, an individual must have:

(1) wage credits in two or more calendar quarters of the individual's base period;

(2) minimum total base period wage credits equal to the high quarter wages multiplied by 1.25; and

(3) high quarter wage credits of not less than \$1,000.

(b) If the commissioner finds that an individual has sufficient wages within the base period to establish a valid claim, the weekly benefit amount payable to the individual during the individual's benefit year shall be equal to  $\frac{1}{26}$  of the individual's high quarter wage credits, rounded to the next lower whole dollar.

(c) Notwithstanding paragraph (b), the maximum weekly benefit amount of claims for benefits which establish a benefit year subsequent to July 1, 1979 shall be  $66\frac{2}{3}$  percent of the average weekly wage, except as provided in clause (d) as determined under this paragraph.

On or before June 30 of each year the commissioner shall determine the average weekly wage paid by employers subject to sections 268.03 to 268.24 in the following manner:

(a) (1) The sum of the total monthly employment reported for the previous calendar year shall be divided by 12 to determine the average monthly employment.

(b) (2) The sum of the total wages reported for the previous calendar year shall be divided by the average monthly employment to determine the average annual wage.

(c) (3) The average annual wage shall be divided by 52 to determine the average weekly wage.

The maximum weekly benefit amount as so determined computed to the nearest whole dollar shall apply to claims for benefits which establish a benefit year which begins subsequent to June 30 of each year.

(d) Notwithstanding paragraph (c), the maximum weekly benefit amount for claims for benefits which establish a benefit year subsequent to June 30, 1982 1987, and prior to July 1, 1983 1990, shall be \$184 \$234.

The maximum weekly benefit amount for claims for benefits which establish a benefit year subsequent to June 30, 1983 1990, and prior to July 1, 1984 1991, shall be \$191 \$254.

The maximum weekly benefit amount for claims for benefits which establish a benefit year subsequent to June 30, 1984, and prior to July 1, 1985, shall be \$198.

(2) An individual's maximum amount of regular benefits payable in a benefit year shall not exceed the lesser of (a) 26 times the individual's weekly benefit amount or (b) 70 percent of the number of credit weeks earned by such an individual computed to the nearest whole week times the individual's weekly benefit amount.

(e) Any eligible individual shall be entitled during any benefit year to a total amount of benefits equal to one-third of the individual's total base period wage credits rounded to the next lower dollar, not to exceed 26 times the individual's weekly benefit amount.

(3) (f) Each eligible individual who is unemployed in any week shall be paid with respect to such week a benefit in an amount equal to the individual's weekly benefit amount less that part of the individual's earnings, including holiday pay, payable to the individual with respect to such week which is in excess of \$25 or \$200 for earnings from service in the national guard or a United States military reserve unit. Jury duty pay is not considered as earnings and shall not be deducted from benefits paid. Such benefit, if not a

whole dollar amount shall be rounded down to the next lower dollar amount.

(4) The provisions of clauses (1) and (2) Except for paragraph (d), this section shall apply to claims for benefits which establish a benefit year subsequent to June 30, 1983, after the effective date. Paragraph (d) shall apply to claims for benefits which establish a benefit year after the effective date of paragraph (d).

Sec. 12. Minnesota Statutes 1986, section 268.07, subdivision 2a, is amended to read:

Subd. 2a. [EXCEPTION.] Notwithstanding the provisions of subdivision 2, if the commissioner finds that an individual has earned credit weeks wage credits in seasonal employment, benefits shall be payable only if the commissioner finds that the individual has earned 15 credit weeks wage credits equal to or in excess of 30 times the individual's weekly benefit amount, in employment which is not seasonal, in addition to any credit weeks wage credits in seasonal employment. For the purposes of this subdivision, "seasonal employment" means employment with a single employer in the recreation or tourist industry which is available with the employer for 15 consecutive weeks or less each calendar year.

Sec. 13. Minnesota Statutes 1986, section 268.07, subdivision 3, is amended to read:

Subd. 3. [WHEN WAGE CREDITS ARE NOT AVAILABLE.] (1) No individual may receive benefits in a benefit year unless, subsequent to the beginning of the next preceding benefit year during which benefits were received, the individual performed service in insured work as defined in section 268.04, subdivision 17, and earned remuneration for the service in an amount equal to not less than the minimum wage credits required to qualify for benefits. To establish a second benefit year following the expiration of an immediately preceding benefit year, an individual must have sufficient wage credits to establish a claim under the provisions of subdivision 2 and must have performed services after the establishment of the expired benefit year. The services performed must have been in insured work and the wage credits from the services must equal not less than ten times the weekly benefit amount of the second benefit year.

(2) No employer who provided 90 percent or more of the wage credits in a claimant's base period shall be charged for benefits based upon earnings of the claimant during a subsequent base period unless the employer has employed the claimant in any part of the subsequent base period.

(3) Wages paid by an employing unit may not be used for benefit purposes by any individual who (a) individually or jointly with a

spouse, parent or child owns or controls directly or indirectly 25 percent or more interest in the employing unit; or (b) is the spouse, parent or minor child of any individual who owns or controls directly or indirectly 25 percent or more interest in the employing unit; and (c) is not permanently separated from employment.

This clause is effective when the individual has been paid four times the individual's weekly benefit amount in the current benefit year.

(4) Wages paid in seasonal employment, as defined in subdivision 2a, are not available for benefit purposes during weeks in which there is no seasonal employment available with the employer.

(5) No employer shall be charged for benefits if the employer is a base period employer on a second claim solely because of the transition from a base period consisting of the 52-week period preceding the claim date to a base period as defined in section 268.04, subdivision 2.

Sec. 14. Minnesota Statutes 1986, section 268.071, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] As used in this section, unless the context clearly requires otherwise:

(1) [EXTENDED BENEFIT PERIOD.] "Extended benefit period" means a period which

(a) Begins with the third week after a week for which there is a state "on" indicator; and

(b) Ends with either of the following weeks, whichever occurs later: The third week after the first week for which there is a state "off" indicator; or the 13th consecutive week of the period;

Provided, that no extended benefit period may begin before the 14th week following the end of a prior extended benefit period which was in effect with respect to this state.

(2) [STATE "ON" INDICATOR.] There is a "state 'on' indicator" for this state for a week if the commissioner determines, in accordance with the regulations of the United States Secretary of Labor, that for the period consisting of such week and the immediately preceding 12 weeks, the rate of insured unemployment (not seasonally adjusted) under this law

(a) equaled or exceeded 120 percent of the average of such rates for the corresponding 13-week period ending in each of the preceding two calendar years, and

(b) equaled or exceeded five percent.

The determination of whether there has been a state "on" indicator beginning any extended benefit period may be made as provided in clauses (a) and (b) above or a "state 'on' indicator" shall exist if the rate described in clause (b) equaled or exceeded six percent irrespective of whether the percentage requirement provided by clause (a) is met or exceeded.

(3) [STATE "OFF" INDICATOR.] There is a "state 'off' indicator" for this state for a week if, for the period consisting of such week and the immediately preceding 12 weeks, the rate of insured unemployment is less than six percent and the requirements for a "state 'on' indicator" under clause (2) of this subdivision are not satisfied.

(4) [RATE OF INSURED UNEMPLOYMENT.] "Rate of insured unemployment," for purposes of clauses (2) and (3), means the percentage derived by dividing the average weekly number of individuals filing claims for regular benefits in this state for weeks of unemployment with respect to the most recent 13 consecutive week period, as determined by the commissioner on the basis of the commissioner's reports to the United States secretary of labor, by the average monthly employment covered under this law for the first four of the most recent six completed calendar quarters ending before the end of such 13 week period.

(5) [REGULAR BENEFITS.] "Regular benefits" means benefits payable to an individual under this law or under any other state law (including benefits payable to federal civilian employees and to ex-servicemen pursuant to United States Code, title 5, chapter 85) other than extended benefits and additional benefits.

(6) [EXTENDED BENEFITS.] "Extended benefits" means benefits (including benefits payable to federal civilian employees and to ex-servicemen pursuant to United States Code, title 5, chapter 85) payable to an individual under the provisions of this section for weeks of unemployment in the individual's eligibility period.

(7) [ADDITIONAL BENEFITS.] "Additional benefits" means benefits payable to exhaustees by reason of conditions of high unemployment or by reason of other special factors under the provisions of any state law.

(8) [ELIGIBILITY PERIOD.] "Eligibility period" of an individual means the period consisting of the weeks in the individual's benefit year which begin in an extended benefit period and, if the benefit year ends within such extended benefit period, any weeks thereafter which begin in such period.

(9) [EXHAUSTEE.] "Exhaustee" means an individual who, with respect to any week of unemployment in the individual's eligibility period:

(a) Has received, prior to such week, all of the regular benefits that were available under this law or any other state law (including dependents' allowances and benefits payable to federal civilian employees and ex-servicemen under United States Code, title 5, chapter 85) in the individual's current benefit year that includes such week;

Provided, that, for the purposes of this paragraph, an individual shall be deemed to have received all of the regular benefits that were available to the individual although as a result of a pending appeal with respect to wage credits ~~or credit weeks~~ that were not considered in the original monetary determination in the individual's benefit year, the individual may subsequently be determined to be entitled to added regular benefits; or

(b) The individual's benefit year having expired prior to such week, has no, or insufficient, wages and/or employment on the basis of which the individual could establish a new benefit year that would include such week or having established a benefit year that includes such week, the individual is precluded from receiving regular compensation by reason of: (i) a state law provision which meets the requirements of section 3304 (a) (7) of the Internal Revenue Code of 1954, or (ii) a disqualification determination which canceled wage credits or totally reduced benefit rights, or (iii) benefits are not payable by reason of a seasonal limitation in a state unemployment insurance law; and

(c) Has no right to unemployment benefits or allowances, as the case may be, under the railroad unemployment insurance act, the trade expansion act of 1962, the automotive products act of 1965 and such other federal laws as are specified in regulations issued by the United States Secretary of Labor; and has not received and is not seeking unemployment benefits under the unemployment compensation law of Canada; but if the individual is seeking such benefits and the appropriate agency finally determines that the individual is not entitled to benefits under such law the individual is considered an exhaustee.

(10) [STATE LAW.] "State law" means the unemployment insurance law of any state, approved by the United States secretary of labor under section 3304 of the Internal Revenue Code of 1954.

Sec. 15. Minnesota Statutes 1986, section 268.08, subdivision 1, is amended to read:

Subdivision 1. [ELIGIBILITY CONDITIONS.] An individual shall be eligible to receive benefits with respect to any week of unemployment only if the commissioner finds that the individual:

(1) has registered for work at and thereafter has continued to report to an employment office, or agent of the office, in accordance with rules the commissioner may adopt; except that the commissioner may by rule waive or alter either or both of the requirements of this clause as to types of cases or situations with respect to which the commissioner finds that compliance with the requirements would be oppressive or would be inconsistent with the purposes of sections 268.03 to 268.24;

(2) has made a claim for benefits in accordance with rules as the commissioner may adopt;

(3) was able to work and was available for work, and was actively seeking work. The individual's weekly benefit amount shall be reduced one-fifth for each day the individual is unable to work or is unavailable for work. Benefits shall not be denied by application of this clause to an individual who is in training with the approval of the commissioner or in training approved pursuant to section 236 of the Trade Act of 1974, as amended.

An individual is deemed unavailable for work with respect to any week which occurs in a period when the individual is a full-time student in attendance at, or on vacation from an established school, college or university unless a majority of the credit weeks wage credit earned in the base period were for services performed during weeks in which the student was attending school as a full-time student.

An individual serving as a juror shall be considered as available for work and actively seeking work on each day the individual is on jury duty; and

(4) has been unemployed for a waiting period of one week during which the individual is otherwise eligible for benefits under sections 268.03 to 268.24. However, payment for the waiting week shall be made to the individual after the individual has qualified for and been paid benefits for four weeks of unemployment in a benefit year which period of unemployment is terminated because of the individual's return to employment. No individual is required to serve a waiting period of more than one week within the one-year period subsequent to filing a valid claim and commencing with the week within which the valid claim was filed.

Sec. 16. Minnesota Statutes 1986, section 268.10, subdivision 1, is amended to read:

Subdivision 1. [FILING.] (a) Claims for benefits shall be made in accordance with such rules as the commissioner may prescribe. Each employer shall post and maintain printed statements of such rules in places readily accessible to individuals in the employer's service and shall make available to each such individual at the time of becoming unemployed, a printed statement of such rules. Such printed statements shall be supplied by the commissioner to each employer without cost to the employer.

(1) (b) Any employer upon separation of an employee from employment for any reason which may result in disqualification for benefits under section 268.09, shall furnish to such employee a separation notice which shall provide the employer's name, address, and employer account number as registered with the department, the employee's name and social security account number, the inclusive dates of employment, and the reason for the separation. A copy of such separation notice shall be filed with the commissioner within seven days of such separation. The commissioner shall require each individual filing a claim for benefits to establish a benefit year to furnish the reason for separation from all employers in the individual's base period.

(2) Upon the filing, by an individual, of a claim for benefits, the commissioner shall give notice to all such base period employers of the filing of such claim and request each such base period employer, within seven days after the mailing of such notice, to furnish the following information:

(a) The total wage credits earned in the base period;

(b) The number of credit weeks which end within the base period;

(c) The week ending dates for each calendar week within the base period in which the individual earned less than the amount required to make a credit week and the amount of earnings in each such week;

(d) The reason for the separation or separations of such individual from the employ of the employer in the base period; and

(e) Such employer's protest, if any, relating to the ineligibility or disqualification of such individual.

(3) If any base period employer, after the notice of filing of a claim and the request for wage and separation information has been duly mailed to the employer's last known address, fails to file information as provided by items (a) through (e) of clause 2 of this subdivision within seven days, the commissioner shall:

(a) Determine the validity of an individual's claim based on the claimant's statements or any other available information. An employer shall be liable for a late filing fee of not less than \$5 nor more than \$25, as the commissioner may determine, to be paid to the department of jobs and training and credited to the contingent fund if the employer has failed without good cause to submit the wage and separation information as required in clause 2 of this subdivision within seven days after the request has been duly mailed to the employer's last known address.

(c) For the purpose of complying with section 268.04, subdivision 2, the commissioner may require all base period employers to provide such information as the commissioner may prescribe, including, but not limited to, wages paid during any part of the base period, whether or not such information was previously provided.

(d) Upon establishment of a benefit year, the commissioner shall give notice to the last employer for whom the individual worked and all base period employers. The employer so notified shall have seven days after the mailing of the notice to file a protest to monetary entitlement or a protest raising an issue of ineligibility or disqualification.

(e) If, upon review of the wage information on file with the department, it is found that an employer failed to provide wage information for the claimant, the commissioner shall accept a claimant certification as to the wage credits earned, based upon the claimant's records, and issue a monetary determination of validity certification. This determination may be modified based upon corrected information subsequently received from the employer or other sources. The employer who failed to report the individual's wages or filed an erroneous report may be penalized in accordance with section 268.16 or 268.18. In the absence of fraud, if a redetermination of validity of claim based on an employer's late corrected or erroneous report subsequently cancels or reduces the amount of benefits to which a claimant was entitled under the initial determination, the claimant shall not be required to make repayment to the fund of any benefits paid prior to such redetermination; and

(b) (f) The commissioner shall determine any issue of disqualification raised by clause (1) under paragraph (d) or by an employer's late report. If an employer fails to file a separation notice within the time limits prescribed in clause (1) paragraph (b), any relief from benefit charges provided by section 268.09, subdivision 1, clause (4), shall apply to weeks of unemployment beginning after the filing of the late report or protest.

Sec. 17. Minnesota Statutes 1986, section 268.10, subdivision 2, is amended to read:

Subd. 2. [EXAMINATION OF CLAIMS; DETERMINATION; APPEAL.] (1) An official, designated by the commissioner, shall promptly examine each claim for benefits filed to establish a benefit year pursuant to this section, and, on the basis of the facts found, shall determine whether or not such claims are valid, and if valid, the weekly benefit amount payable, the maximum benefit amount payable during the benefit year, and the date the benefit year terminates, and this determination shall be known as the determination of validity. Notice of the determination of validity or any redetermination as provided for in clause (4) shall be promptly given the claimant and all other interested parties. If within the time limits for filing a protest an employer notifies the department that an individual's weekly benefit amount as determined under section 268.07 exceeds the individual's weekly wages earned with the employer, the individual's weekly benefit amount shall be the lesser of (1) the weekly benefit amount as determined under section 268.07, or (2) the weekly benefit amount which is 50 percent of the quotient derived by dividing the total wage credits earned in the individual's base period credit weeks from all employers in insured work by the number of base period credit weeks. If within the time specified for the filing of wage and separation information a protest as provided in subdivision 1, clause (2), the employer makes an allegation of disqualification or raises an issue of the chargeability to the employer's account of benefits that may be paid on such claim, if the claim is valid, the issue thereby raised shall be promptly determined by said official and a notification of the determination delivered or mailed to the claimant and the employer. If an initial determination or an appeal tribunal decision or the commissioner's decision awards benefits, the benefits shall be paid promptly regardless of the pendency of any appeal period or any appeal or other proceeding which may thereafter be taken. Except as provided in clause (6), if an appeal tribunal decision modifies or reverses an initial determination awarding benefits, or if a commissioner's decision modifies or reverses an appeal decision awarding benefits, any benefits paid under the award of such initial determination or appeal tribunal decision shall be deemed erroneous payments.

(2) At any time within 24 months from the date of the filing of a valid claim for benefits by an individual, an official of the department or any interested party or parties raises an issue of claimant's eligibility for benefits for any week or weeks in accordance with the requirements of the provisions of sections 268.03 to 268.24 or any official of the department or any interested party or parties or benefit year employer raises an issue of disqualification in accordance with the rules of the commissioner, a determination shall be made thereon and a written notice thereof shall be given to the claimant and such other interested party or parties or benefit year employer. A determination issued under this clause which denies benefits for weeks for which the claimant has previously been paid benefits is an overpayment of those benefits subject to section 268.18.

(3) A determination issued pursuant to clauses (1) and (2) shall be final unless an appeal therefrom is filed by a claimant or employer within 15 days after the mailing of the notice of the determination to the last known address or personal delivery of the notice. Every notice of determination shall contain a prominent statement indicating in clear language the method of appealing the determination, the time within which such an appeal must be made, and the consequences of not appealing the determination. A timely appeal from a determination of validity in which the issue is whether an employing unit is an employer within the meaning of this chapter or whether services performed for an employer constitute employment within the meaning of this chapter shall be subject to the provisions of section 268.12, subdivision 13.

(4) At any time within 24 months from the date of the filing of a valid claim for benefits by an individual, the commissioner on the commissioner's own motion may reconsider a determination of validity made thereon and make a redetermination thereof on finding that an error in computation or identity or the crediting of wage credits has occurred in connection therewith or if the determination was made as a result of a nondisclosure or misrepresentation of a material fact. A determination or redetermination issued under this clause which denies benefits for weeks for which the claimant has previously been paid benefits is an overpayment of those benefits subject to section 268.18.

(5) However, the commissioner may refer any disputed claims directly to a referee for hearing and determination in accordance with the procedure outlined in subdivision 3 and the effect and status of such determination in such a case shall be the same as though the matter had been determined upon an appeal to the tribunal from an initial determination.

(6) If a referee's decision affirms an initial determination awarding benefits or the commissioner affirms an appeal tribunal decision awarding benefits, the decision, if finally reversed, shall not result in a disqualification and benefits paid shall neither be deemed overpaid nor shall they be considered in determining any individual employer's future contribution rate under section 268.06.

Sec. 18. Minnesota Statutes 1986, section 268.12, subdivision 8, is amended to read:

Subd. 8. [RECORDS; REPORTS.] (1) Each employing unit shall keep true and accurate work records for such periods of time and containing such information as the commissioner may prescribe. Such records shall be open to inspection, audit, and verification, and be subject to being copied by any authorized representative of the commissioner at any reasonable time and as often as may be necessary. The commissioner, appeal referee, or any other duly authorized representative of the commissioner, may require from

any employing unit any sworn or unsworn reports, with respect to persons employed by it, which the commissioner, appeal referee, or any other duly authorized representative of the commissioner deems necessary for the effective administration of sections 268.03 to 268.24, provided that quarterly contribution and wage report forms shall include the employee's name, social security number, and total wages paid to the employee.

(2) The commissioner may cause to be made such summaries, compilations, photographs, duplications, or reproductions of any records, reports, or transcripts thereof as the commissioner may deem advisable for the effective and economical preservation of the information contained therein, and such summaries, compilations, photographs, duplications or reproductions, duly authenticated, shall be admissible in any proceeding under sections 268.03 to 268.24, if the original record or records would have been admissible therein. Notwithstanding any restrictions contained in section 16B.50, except restrictions as to quantity, the commissioner is hereby authorized to duplicate, on equipment furnished by the federal government or purchased with funds furnished for that purpose by the federal government, records, reports, summaries, compilations, instructions, determinations, or any other written matter pertaining to the administration of the Minnesota economic security law.

(3) Notwithstanding any inconsistent provisions elsewhere, the commissioner may provide for the destruction or disposition of any records, reports, transcripts, or reproductions thereof, or other papers in the commissioner's custody, which are more than two years old, the preservation of which is no longer necessary for the establishment of contribution liability or benefit rights or for any purpose necessary to the proper administration of sections 268.03 to 268.24, including any required audit thereof, provided, that the commissioner may provide for the destruction or disposition of any record, report, or transcript, or other paper in the commissioner's custody which has been photographed, duplicated, or reproduced in the manner provided in clause (2).

(4) Notwithstanding the provisions of the Minnesota State Archives Act the commissioner shall with the approval of the legislative auditor destroy all benefit checks and benefit check authorization cards that are more than two years old and no person shall make any demand, bring any suit or other proceeding to recover from the state of Minnesota any sum alleged to be due on any claim for benefits after the expiration of two years from the date of filing such claim.

Sec. 19. Minnesota Statutes 1986, section 268.121, is amended to read:

268.121 [WAGE REPORTING.]

Beginning on April 1, 1984, each employer subject to this chapter shall provide the commissioner with a quarterly report of the wages, as defined in section 268.04, subdivision 25, paid to each employee of that employer covered by this chapter. The commissioner shall provide the legislature with recommendations for statutory changes to fully implement this section no later than January 1, 1983. The report must include the employee's name, social security number, and the total wages paid to the employee. The report is due and must be filed at the same time as the contribution report in accordance with rules established by the commissioner for filing of quarterly contribution reports. For the purpose of this section, "wages paid" includes wages actually or constructively paid and wages overdue and delayed beyond the usual time of payment.

Sec. 20. Minnesota Statutes 1986, section 268.15, subdivision 3, is amended to read:

Subd. 3. [CONTINGENT ACCOUNT.] There is hereby created in the state treasury a special account, to be known as the economic security contingent account, which shall not lapse nor revert to any other fund. Such account shall consist of all moneys appropriated therefor by the legislature, all moneys in the form of interest and penalties collected pursuant to ~~section~~ sections 268.16 and 268.18, and all moneys received in the form of voluntary contributions to this account and interest thereon. All moneys in such account shall be supplemental to all federal moneys that would be available to the commissioner but for the existence of this account. Moneys in this account are hereby appropriated to the commissioner and shall be expended in accordance with the provisions of section 3.30, in connection with the administration of sections 268.03 to 268.24. Commencing with the fiscal year beginning July 1, 1987, the commissioner is authorized to expend annually, in addition to any federal money and without reference to section 3.30, the sum of \$500,000, from available money in this fund which is derived from interest and penalties collected pursuant to sections 268.16 and 268.18 and money received in the form of voluntary payments and interest thereon, for the purpose of providing for: (1) the investigation of fraud on the part of any person in claiming or obtaining benefits under sections 268.03 to 268.24 or fraud on the part of any employer in attempting to avoid or reduce any contribution or other payment required from an employing unit under those sections; (2) determination of benefit overpayments and contribution underpayments for reasons other than fraud; (3) recovery of money due to the commissioner as a result of clauses (1) and (2); (4) the verification of work search efforts especially in areas with robust economies; and (5) those special services which are reasonably directed toward assisting the unemployed in returning to suitable work. Whenever the commissioner expends moneys from said contingent account for the proper and efficient administration of the Minnesota economic security law for which funds have not yet been made available by the federal government, such moneys so withdrawn from the contingent

account shall be replaced as hereinafter provided. Upon the deposit in the economic security administration fund of moneys which are received in reimbursement of payments made as above provided for said contingent account, the commissioner shall certify to the state treasurer the amount of such reimbursement and thereupon the state treasurer shall transfer such amount from the economic security administration fund to said contingent account. All moneys in this account shall be deposited, administered, and disbursed in the same manner and under the same conditions and requirements as is provided by law for the other special accounts in the state treasury. The state treasurer shall be liable on the treasurer's official bond for the faithful performance of duties in connection with the economic security contingent account provided for herein. Notwithstanding anything to the contrary contained herein, on June 30 of each year, except 1982, all amounts in excess of \$300,000 in this account shall be paid over to the unemployment compensation fund established under section 268.05 and administered in accordance with the provisions set forth therein.

Sec. 21. Minnesota Statutes 1986, section 268.16, subdivision 2, is amended to read:

Subd. 2. [REPORTS; DELINQUENCIES; PENALTIES.] (4) (a) Any employer who knowingly fails to make and submit to the department of jobs and training any contribution report of wages paid by or due from the employer for insured work in the manner and at the time such the report is required by rules prescribed by the commissioner shall pay to the department of jobs and training for the contingent account a penalty in the amount of 1½ percent of contributions accrued during the period for which such the report is required, for each month from and after such date until such the report is properly made and submitted to the department of jobs and training. In no case shall the amount of the penalty imposed hereby be less than \$5 per month. The maximum penalty imposed hereby shall be \$25 or the amount determined at the rate of 1½ percent per month, whichever is greater. Any employing unit which fails to make and submit to the commissioner any report, other than one of wages paid or payable for insured work, as and when required by the rules of the commissioner, shall be subject to a penalty in the sum of \$10 payable to the department of jobs and training for the contingent account. All such penalties shall be in addition to interest and any other penalties provided for by sections 268.03 to 268.24 and shall be collected as provided by section 268.161.

(2) (b) If any employing unit required by sections 268.03 to 268.24 to make and submit contribution reports shall fail to do so within the time prescribed by these sections or by rules under the authority thereof, or shall make, willfully or otherwise, an incorrect, false or fraudulent contribution report, it shall, on the written demand of the commissioner, make such contribution report, or corrected report, within ten days after the mailing of such written demand and

at the same time pay the whole contribution, or additional contribution, due on the basis thereof. If such employer shall fail within that time to make such report, or corrected report, the commissioner shall make a report, or corrected report, from the commissioner's own knowledge and from such information as the commissioner can obtain through testimony, or otherwise, and assess a contribution on the basis thereof, which contribution, plus penalties and interest which thereafter accrued (less any payments theretofore made) shall be paid within ten days after the commissioner has mailed to such employer a written notice of the amount thereof and demand for its payment. Any such contribution report or assessment made by the commissioner on account of the failure of the employer to make a report or corrected report shall be prima facie correct and valid, and the employer shall have the burden of establishing its incorrectness or invalidity in any action or proceeding in respect thereto. Whenever such delinquent employer shall file a report or corrected report, the commissioner may, on finding it substantially correct, substitute it for the commissioner's report.

(c) Any employer who fails to file the wage detail report required by section 268.121 shall pay to the department for the contingent account a penalty of one-half of one percent of total wages paid and wages due but not paid during the period for each month the report is delinquent. The penalty shall not be assessed if the wage detail report is properly made and filed within 30 days after a demand for the report is mailed to the employer's address of record. In no case shall the amount of the penalty, if assessed, be less than \$25. Penalties due under this subdivision may be waived where good cause for late filing is found by the commissioner.

(d) Any employer who files the wage detail report required by section 268.121, but knowingly fails to include any of the required information or knowingly enters erroneous information, shall be subject to a penalty of \$25 for each individual for whom the information is missing or erroneous.

(e) Any employing unit which fails to make and submit to the commissioner any report, other than a contribution report or wage detail report, as and when required by rule, shall be subject to a penalty in the sum of \$50 payable to the department for the contingent account.

(f) The penalties provided for in paragraphs (a), (c), (d), and (e) are in addition to interest and any other penalties imposed by sections 268.03 to 268.24 and shall be collected as provided by section 268.161.

Sec. 22. [REPEALER.]

Minnesota Statutes 1986, section 268.04, subdivisions 29 and 30, are repealed.

## Sec. 23. [EFFECTIVE DATE.]

Sections 20 and the amendment in section 11 to Minnesota Statutes 1986, section 268.07, subdivision 2, clause (d), are effective July 1, 1987. Sections 1 to 11, except for the amendment in section 11 to section 268.07, subdivision 2, clause (d), 12 to 19, 21, and 22 are effective January 1, 1988."

With the recommendation that when so amended the bill pass.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 818, A bill for an act relating to human services; establishing prepaid health plans under medical assistance; appropriating money; amending Minnesota Statutes 1986, sections 256.045, subdivision 3; 256B.02, by adding a subdivision; 256B.19, subdivision 1; 256B.69, by adding subdivisions; 256D.03, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 256B; repealing Minnesota Statutes 1986, section 256.966.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 256.045, subdivision 3, is amended to read:

Subd. 3. [STATE AGENCY HEARINGS.] (a) In counties in which the commissioner of human services has not appointed a local welfare referee, any person applying for, receiving or having received any of the forms of public assistance described in subdivision 2 whose application for assistance is denied, not acted upon with reasonable promptness, or whose assistance is suspended, reduced, terminated, or claimed to have been incorrectly paid, or any patient or relative aggrieved by an order of the commissioner under section 252.27, may contest that action or decision before the state agency by submitting a written request for a hearing to the state agency within 30 days after receiving written notice of the action or decision, or within 90 days of such written notice if the applicant, recipient, patient or relative shows good cause why the request was not submitted within the 30 day time limit.

(b) All prepaid health plans under contract to the commissioner pursuant to chapter 256B or 256D must provide for a complaint system according to section 62D.11. For persons enrolled in prepaid health plans under chapter 256B or 256D, costs paid or incurred in

filing and resolving a complaint are the responsibility of the prepaid health plan. The prepaid health plan shall issue a written resolution within 30 days of filing with the prepaid health plan.

(c) A local agency or party aggrieved by a ruling of a local welfare referee, or a party aggrieved by a ruling of a prepaid health plan, may appeal the ruling to the state agency by filing a notice of appeal with the state agency within 30 days after receiving the ruling of the local welfare referee, or the prepaid health plan. A state welfare referee shall conduct a hearing on the matter and shall recommend an order to the commissioner of human services. In appeals from rulings of local welfare referees, or prepaid health plans, the hearing may be limited, upon stipulation of the parties, to a review of the record of the local welfare referee. The commissioner need not grant a hearing if the sole issue raised by an appellant is the commissioner's authority to require mandatory enrollment in a prepaid health plan in a county where prepaid health plans are under contract with the commissioner.

(d) In a notice of appeal from a ruling of a prepaid health plan, a recipient may request an expedited hearing. The commissioner shall appoint a welfare referee to investigate and determine whether an expedited appeal is warranted. In making such a determination, the referee shall evaluate whether the medical condition of the recipient, if not immediately diagnosed and treated, could cause physical or mental disability, substantial deterioration of physical or mental health, continuation of severe pain, or death. The referee may order a second medical opinion from the prepaid health plan or order a second medical opinion from a non-prepaid health plan provider at prepaid health plan expense. If the referee determines that an expedited appeal is warranted, the referee shall hear the appeal and render a decision within a time commensurate with the level of urgency involved, based on the individual circumstances of the case. In urgent or emergency situations in which a prepaid health plan provider has prescribed treatment, and the prepaid health plan has denied authorization for that treatment, the referee may order the health plan to authorize such treatment pending the outcome of the appeal if an expedited hearing would not prevent disability, deterioration, severe pain, or death.

Sec. 2. Minnesota Statutes 1986, section 256B.02, is amended by adding a subdivision to read:

Subd. 12. [PREPAID HEALTH PLAN.] "Prepaid health plan" means a vendor who receives a capitation payment and assumes financial risk for the provision of medical assistance services under a contract with the commissioner.

Sec. 3. Minnesota Statutes 1986, section 256B.19, subdivision 1, is amended to read:

Subdivision 1. [DIVISION OF COST.] The cost of medical assistance paid by each county of financial responsibility shall be borne as follows: Payments shall be made by the state to the county for that portion of medical assistance paid by the federal government and the state on or before the 20th day of each month for the succeeding month upon requisition from the county showing the amount required for the succeeding month. Ninety percent of the expense of assistance not paid by federal funds available for that purpose shall be paid by the state and ten percent shall be paid by the county of financial responsibility.

For counties that participate in a medicaid demonstration project under sections 256B.69 and 256B.71, the division of the nonfederal share of medical assistance expenses for payments made to prepaid health plans or for payments made to health maintenance organizations in the form of prepaid capitation payments, this division of medical assistance expenses shall be 95 percent by the state and five percent by the county of financial responsibility.

State contracts with health maintenance organizations shall assure medical assistance recipients of at least the comprehensive health maintenance services defined in section 62D-02, subdivision 7. The contracts shall require health maintenance organizations to provide information to the commissioner concerning the number of people receiving services, the number of encounters, the type of services received, evidence of an operational quality assurance program pursuant to section 62D-04 and information about utilization.

In counties where prepaid health plans are under contract to the commissioner to provide services to medical assistance recipients, the cost of court ordered treatment ordered without consulting the prepaid health plan that does not include diagnostic evaluation, recommendation, or and referral for treatment by the prepaid health plan is the responsibility of the county of financial responsibility.

#### Sec. 4. [256B.031] [PREPAID HEALTH PLANS.]

Subdivision 1. [CONTRACTS.] The commissioner may contract with health insurers licensed and operating under chapters 60A and 62A, nonprofit health service plans licensed and operating under chapter 62C, health maintenance organizations licensed and operating under chapter 62D, and vendors of medical care and organizations participating in prepaid programs under section 256D.03, subdivision 4, clause (b) to provide medical services to medical assistance recipients. Contracts between the commissioner and a prepaid health plan are exempt from the set-aside and preference provisions of section 16B.19, subdivisions 5 and 6. Contracts must specify the services that are included in the per capita rate. Contracts must specify those services that are to be eligible for risk sharing between the prepaid health plan and the state. Contracts

must also state that payment must be made within ten days of the first of the month of coverage.

Subd. 2. [SERVICES.] State contracts for these services must assure recipients of at least the comprehensive health services defined in section 256B.02, subdivision 8, except services defined in section 256B.02, subdivision 8, paragraphs (2), (5), (6), (7), (16), and (17), and except services defined as chemical dependency services and mental health services.

Contracts under this section must include provision for assessing pregnant women to determine their risk of poor pregnancy outcome. Contracts must also include provision for treatment of women found to be at risk of poor pregnancy outcome.

Subd. 3. [INFORMATION REQUIRED.] Prepaid health plans under contract must provide information to the commissioner according to the contract specifications. The information must include, but not be limited to, the number of people receiving services, the number of encounters, the types of services received, evidence of an operating quality assurance program, and information about the use of and actual recoveries of available third-party resources.

Subd. 4. [PREPAID HEALTH PLAN RATES.] For payments made during calendar year 1988, the monthly maximum allowable rate established by the commissioner of human services for payment to prepaid health plans must not exceed 90 percent of the projected averaged monthly per capita fee-for-service medical assistance costs for state fiscal year 1988 for recipients of aid to families with dependent children and the monthly maximum allowable rate for payment to prepaid plans must not exceed 95 percent of the projected average monthly per capita fee-for-service medical assistance costs for state fiscal year 1988 for recipients who are over age 65, are eligible for medicare parts A and B, are not residents of long-term care facilities, and do not have an income spend-down. The base year for projecting the average monthly per capita fee-for-service medical assistance costs is state fiscal year 1986. A maximum allowable per capita rate must be established collectively for Anoka, Carver, Dakota, Hennepin, Ramsey, St. Louis, Scott, and Washington counties. A separate maximum allowable per capita rate must be established for all other counties within each prepaid health plan's service area. The maximum allowable per capita rate may be adjusted to reflect utilization differences among eligible classes of recipients. For payments made during calendar year 1989, the maximum allowable rate must be calculated in the same way as 1988 rates, except the base year is state fiscal year 1987. For payments made during calendar year 1990 and later years, the commissioner shall contract with an independent actuary to establish prepayment rates. Rates established for prepaid health plans must be based on the services that the prepaid health plan provides under contract with the commissioner.

Subd. 5. [FREE CHOICE LIMITED.] In counties where there are two or more prepaid health plans under contract, the commissioner may require the following recipients to enroll in a prepaid health plan: (a) those who receive aid to families with dependent children; and (b) those who are over age 65, are eligible for Medicare parts A and B, are not residents of long-term care facilities, and do not have an income spend-down. Recipients required to enroll must receive services from or through the prepaid health plan.

Enrollment in a prepaid health plan is mandatory for recipients who become eligible on or after December 1, 1987. If the recipient does not choose a health plan within 20 days of being determined eligible for medical assistance or aid to families with dependent children, the commissioner shall randomly assign the recipient to a health plan. Those recipients who are eligible on November 30, 1987, must choose a prepaid health plan by December 20, 1987. If a recipient does not choose a prepaid health plan by December 20, 1987, the commissioner shall randomly assign the recipient to a health plan. Each recipient shall be enrolled in the health plan for a minimum period of six months following the effective date of enrollment, except that the recipient may change health plans once within the first 60 days after initial enrollment. The commissioner shall request a waiver from the federal Health Care Financing Administration to extend the minimum period to 12 months. Enrollment in a prepaid health plan is mandatory only when recipients have a choice of at least two prepaid health plans.

Women who are receiving medical assistance due to pregnancy and later become eligible for aid to families with dependent children are not required to choose a prepaid health plan until 60 days postpartum. An infant born as a result of that pregnancy must be enrolled in a prepaid health plan at the same time as the mother.

If third-party coverage is available to a recipient through enrollment in a prepaid health plan through employment, through coverage by the former spouse, or if a duty of support has been imposed by law, order, decree, or judgment of a court under section 518.551, the obligee or recipient shall participate in the prepaid health plan in which the obligee has enrolled provided that the commissioner has contracted with the plan.

Subd. 6. [OMBUDSMAN.] The commissioner shall designate an ombudsman to advocate for persons required to enroll in prepaid health plans under this section. The ombudsman shall advocate for recipients enrolled in prepaid health plans through complaint and appeal procedures and ensure that necessary medical services are provided either by the prepaid health plan directly or by referral to appropriate social services. At the time of enrollment in a prepaid health plan, the local agency shall inform recipients about the ombudsman program and their right to a resolution of a complaint

by the prepaid health plan if they experience a problem with the plan or its providers.

Subd. 7. [PREPAYMENT COORDINATOR.] The local agency shall designate a prepayment coordinator to assist the state agency in implementing this section, section 256B.69, and section 256D.03, subdivision 4. Such assistance shall include educating recipients about available health care options; enrolling recipients pursuant to subdivision 5; providing necessary eligibility and enrollment information to health plans and the state agency; and coordinating complaints and appeals with the ombudsman established in subdivision 6.

Sec. 5. Minnesota Statutes 1986, section 256B.69, subdivision 6, is amended to read:

Subd. 6. [SERVICE DELIVERY.] Each demonstration provider shall be responsible for the health care coordination for eligible individuals. Demonstration providers:

(a) Shall authorize and arrange for the provision of all needed health services including but not limited to the full range of services listed in section 256B.02, subdivision 8, in order to ensure appropriate health care is delivered to enrollees;

(b) Shall accept the prospective, per capita payment from the commissioner in return for the provision of comprehensive and coordinated health care services for eligible individuals enrolled in the program;

(c) May contract with other health care and social service practitioners to provide services to enrollees; and

(d) Shall institute recipient grievance procedures according to the method established by the project, utilizing applicable requirements of chapter 62D. Disputes not resolved through this process shall be appealable to the commissioner as provided in subdivision 11.

Demonstration providers must comply with the standards for claims settlement under section 72A.20, subdivision 12a, paragraphs (d), (e), (g), and (h) when contracting with other health care and social service practitioners to provide services to enrollees. A demonstration provider must pay a claim within 30 business days of the date of acceptance of the claim.

Sec. 6. Minnesota Statutes 1986, section 256B.69, subdivision 11, is amended to read:

Subd. 11. [APPEALS.] A recipient may appeal to the commissioner a demonstration provider's delay or refusal to provide ser-

vices. The commissioner shall appoint a panel of health practitioners, including social service practitioners, as necessary to determine the necessity of services provided or refused to a recipient. The deliberations and decisions of the panel replace the administrative review process otherwise available under this chapter 256. The panel shall follow the time requirements and other provisions of the Code of Federal Regulations, title 42, sections 431.200 to 431.246. The time requirements shall be expedited based on request by the individual who is appealing for emergency services. If a service is determined to be necessary and is included among the benefits for which a recipient is enrolled, the service must be provided by the demonstration provider as specified in subdivision 5. The panel's decision is a final agency action ~~that may be appealed under the contested case provisions of chapter 14.~~

Sec. 7. Minnesota Statutes 1986, section 256B.69, is amended by adding a subdivision to read:

Subd. 12. [JUDICIAL REVIEW.] A party aggrieved by an order of the panel may appeal the order to the district court of the county responsible for furnishing assistance by serving a written copy of a notice of appeal upon the commissioner and any adverse party of record within 30 days after the date the panel issued the order, and by filing the original notice and proof of service with the court administrator of the district court. Service may be made personally or by mail. Service by mail is complete upon mailing. No filing fee shall be required by the court administrator in appeals taken under this subdivision. The commissioner may elect to become a party to the proceedings in the district court. Any party may demand that the commissioner furnish all parties to the proceedings with a copy of the decision, and a transcript of any testimony, evidence, or other supporting papers from the hearing held before the panel, by serving a written demand on the commissioner within 30 days after service of the notice of appeal.

Sec. 8. Minnesota Statutes 1986, section 256B.69, is amended by adding a subdivision to read:

Subd. 13. [HEARING.] A party may obtain a hearing at a special term of the district court by serving a written notice of the time and place of the hearing at least ten days before the date of the hearing. The court may consider the matter in or out of chambers, and shall take no new or additional evidence unless it determines that the evidence is necessary for a more equitable disposition of the appeal.

Sec. 9. Minnesota Statutes 1986, section 256B.69, is amended by adding a subdivision to read:

Subd. 14. [APPEAL.] A party aggrieved by the order of the district court may appeal the order as in other civil cases. No costs or

disbursements shall be taxed against a party nor shall any filing fee or bond be required of a party.

Sec. 10. Minnesota Statutes 1986, section 256B.69, is amended by adding a subdivision to read:

Subd. 15. [PAYMENTS PENDING APPEAL.] If the panel or district court orders services paid or provided in any proceeding under this section, it must be paid or provided pending appeal to the district court, court of appeals, or supreme court.

Sec. 11. Minnesota Statutes 1986, section 256B.69, is amended by adding a subdivision to read:

Subd. 16. [PROJECT EXTENSION.] Minnesota Rules, parts 9500.1450; 9500.1451; 9500.1452; 9500.1453; 9500.1454; 9500.1455; 9500.1456; 9500.1457; 9500.1458; 9500.1459; 9500.1460; 9500.1461; 9500.1462; 9500.1463; and 9500.1464 are extended until December 31, 1990.

Sec. 12. Minnesota Statutes 1986, section 256D.03, subdivision 4, is amended to read:

Subd. 4. [GENERAL ASSISTANCE MEDICAL CARE; SERVICES.] (a) Reimbursement under the general assistance medical care program shall be limited to the following categories of service: inpatient hospital care, outpatient hospital care, services provided by medicare certified rehabilitation agencies, prescription drugs, equipment necessary to administer insulin and diagnostic supplies and equipment for diabetics to monitor blood sugar level, eyeglasses and eye examinations provided by a physician or optometrist, hearing aids, prosthetic devices, laboratory and X-ray services, physician's services, medical transportation, chiropractic services as covered under the medical assistance program, podiatric services, and dental care. In addition, payments of state aid shall be made for day treatment services provided by a mental health center established under sections 245.61 to 245.69, subdivision 1, and funded through chapter 256E and for prescribed medications for persons who have been diagnosed as mentally ill as necessary to prevent more restrictive institutionalization.

(b) In order to contain costs, the commissioner of human services shall select vendors of medical care who can provide the most economical care consistent with high medical standards and shall where possible contract with organizations on a prepaid capitation basis to provide these services. The commissioner shall consider proposals by counties and vendors for prepaid health plans, competitive bidding programs, block grants, or other vendor payment mechanisms designed to provide services in an economical manner or to control utilization, with safeguards to ensure that necessary services are provided. Before implementing prepaid programs in

counties with a county operated or affiliated public teaching hospital or a hospital or clinic operated by the University of Minnesota, the commissioner shall consider the risks the prepaid program creates for the hospital and allow the county or hospital the opportunity to participate in the program in a manner that reflects the risk of adverse selection and the nature of the patients served by the hospital, provided the terms of participation in the program are competitive with the terms of other participants considering the nature of the population served. Payment for services provided pursuant to this subdivision shall be as provided to medical assistance vendors of these services under section 256B.02, subdivision 8. The rates payable under this section must be calculated according to section 256.966, subdivision 2 4, subdivision 4.

(c) The commissioner of human services may reduce payments provided under sections 256D.01 to 256D.21 and 261.23 in order to remain within the amount appropriated for general assistance medical care, within the following restrictions.

For the period July 1, 1985, to December 31, 1985, reductions below the cost per service unit allowable under section 256.966, are permitted only as follows: payments for inpatient and outpatient hospital care provided in response to a primary diagnosis of chemical dependency or mental illness may be reduced no more than 30 percent; payments for all other inpatient hospital care may be reduced no more than 20 percent. Reductions below the payments allowable under general assistance medical care for the remaining general assistance medical care services allowable under this subdivision may be reduced no more than ten percent.

For the period January 1, 1986 to December 31, 1986, reductions below the cost per service unit allowable under section 256.966 are permitted only as follows: payments for inpatient and outpatient hospital care provided in response to a primary diagnosis of chemical dependency or mental illness may be reduced no more than 20 percent; payments for all other inpatient hospital care may be reduced no more than 15 percent. Reductions below the payments allowable under general assistance medical care for the remaining general assistance medical care services allowable under this subdivision may be reduced no more than five percent.

For the period January 1, 1987 to June 30, 1987, reductions below the cost per service unit allowable under section 256.966 are permitted only as follows: payments for inpatient and outpatient hospital care provided in response to a primary diagnosis of chemical dependency or mental illness may be reduced no more than 15 percent; payments for all other inpatient hospital care may be reduced no more than ten percent. Reductions below the payments allowable under medical assistance for the remaining general assistance medical care services allowable under this subdivision may be reduced no more than five percent.

There shall be no copayment required of any recipient of benefits for any services provided under this subdivision. A hospital receiving a reduced payment as a result of this section may apply the unpaid balance toward satisfaction of the hospital's bad debts.

(d) Any county may, from its own resources, provide medical payments for which state payments are not made.

(e) Chemical dependency services that are reimbursed under Laws 1986, chapter 394, sections 8 to 20, must not be reimbursed under general assistance medical care.

Sec. 13. [APPROPRIATION.]

\$243,400 is appropriated from the general fund to the commissioner of human services to administer sections 1 to 12. \$100,000 in fiscal year 1988 and \$100,000 in fiscal year 1989 are to be used to fund three permanent new staff positions in the department of human services. \$43,400 in fiscal year 1988 is to be used to fund five temporary positions in the department of human services. If the temporary staff members are not needed until 1989, the \$43,400 does not cancel and is available to be used in fiscal year 1989.

Sec. 14. [REPEALER.]

Minnesota Statutes 1986, sections 256.966, subdivision 2, and 256B.05, subdivision 4, are repealed.

Sec. 15. [EFFECTIVE DATE.]

Sections 1 to 14 are effective July 1, 1987.

Amend the title as follows:

Page 1, line 6, after "256B.69," insert "subdivisions 6, 11, and"

Page 1, line 9, delete "section" and insert "sections" and after "256.966" insert ", subdivision 2; and 256B.05, subdivision 4"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 830, A bill for an act relating to state energy contracts; imposing additional requirements on bidders for state energy effi-

ciency installment purchase contracts; amending Minnesota Statutes 1986, section 16B.16, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 16B.16, subdivision 1, is amended to read:

Subdivision 1. (a) The commissioner ~~shall~~ may contract to purchase by installment payments capital or other equipment or services intended to improve the energy efficiency of a state building or facility if:

(1) the term of the contract does not exceed ten years;

(2) the entire cost of the contract is a percentage of the resultant savings in energy costs;

(3) the contract for purchase is competitive; and

(4) the commissioner has determined that the contract bidder is a responsible bidder under rules adopted by the commissioner, has adequately performed all previous contracts with the state, and has either established a record of promptly paying all its suppliers and subcontractors or has made secure provisions for doing so in connection with the current contract for goods delivered and services rendered;

(5) the contract bidder can finance or obtain financing for the performance of the contract without state assistance or guarantee; and

(6) the state may unilaterally cancel the agreement if the legislature fails to appropriate funds to continue the contract or if the contractor at any time during the term of the contract fails to provide or maintain the equipment to provide the services, or otherwise to meet specifications for performance.

The commissioner may spend money appropriated for energy costs in payment of a contract under this section.

(b) For purposes of clause (a), "contract bidder" means a sole proprietorship, firm, corporation, or other business entity submitting a bid or, if the entity submitting the bid is a new enterprise, a person having a ten percent or greater financial interest in the entity who has or has had a ten percent or greater financial interest in any other entity that has entered into past contracts with the state or other purchasers."

With the recommendation that when so amended the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 837, A bill for an act relating to natural resources; creating the state board of water and soil resources and providing for its administration and powers and duties; abolishing the state soil and water conservation board and the water resources board; amending the duties of the environmental quality board; amending Minnesota Statutes 1986, sections 40.01, subdivision 4; 40.03, subdivision 4; 40.035, subdivision 2; 40.21, subdivisions 1 and 3; 40.43, subdivision 1; 105.73; 110B.02, subdivision 2; 112.35, subdivision 4; 116C.03, subdivision 2; 473.876, by adding a subdivision; 473.877, subdivision 2; 473.8771, subdivisions 1 and 2; and 473.878, subdivisions 7 and 8; proposing coding for new law in Minnesota Statutes, chapter 110B; repealing Minnesota Statutes 1986, sections 40.03, subdivisions 1, 1a, 2, and 3; 105.71; 116C.40, subdivision 3; and 116C.41, subdivision 2.

Reported the same back with the following amendments:

Page 1, line 24, delete "SOIL" and insert "LAND"

Page 1, line 25, delete "soil" and insert "land"

Page 4, line 3, delete "soil" and insert "land"

Page 4, line 25, delete "soil" and insert "land"

Page 4, line 36, delete "soil" and insert "land"

Page 5, line 22, delete "soil" and insert "land"

Page 5, line 23, delete "SOIL" and insert "LAND"

Page 5, line 25, delete "soil" and insert "land"

Page 5, line 27, delete "13" and insert "20"

Page 5, line 29, delete "state or"

Page 5, line 36, delete "three" and insert "four"

Page 6, line 5, delete "and"

Page 6, delete line 6 and insert:

“(5) three members at large, who for an initial term of one year only shall be soil and water conservation district supervisors and thereafter shall have terms as provided in subdivision 5;

(6) the chair of the environmental quality board or designee;

(7) the commissioner of agriculture or designee;

(8) the commissioner of natural resources or designee; and

(9) the director of the pollution control agency or designee.”

Page 6, delete lines 23, 24, 26, and 28.

Page 6, line 25, delete “(3)” and insert “(1)”

Page 6, line 27, delete “(5)” and insert “(2)” and after the semicolon insert “and”

Page 6, line 29, delete “(7)” and insert “(3)”

Page 6, line 30, after “members” insert “, except for the members in subdivision 1, clauses (6) to (9),”

Page 7, line 3, after “subdivision” insert “and subdivision 1”

Page 7, line 6, delete everything after the period

Page 7, delete line 7

Page 7, line 11, after the period insert “All classified and unclassified state employees involved in the implementation and administration of the duties of the state soil and water conservation board and the water resources board, are eligible to be transferred to the board of water and land resources in the classified service of the state without examination.”

Page 7, line 20, after “a” insert “chair and”

Page 8, line 32, delete “soil” and insert “land”

Page 9, line 4, delete “soil” and insert “land”

Page 9, line 13, delete “soil” and insert “land”

Page 9, line 21, delete “soil” and insert “land”

Page 9, line 31, delete "soil" and insert "land"

Page 11, line 19, delete "soil" and insert "land"

Page 12, line 17, delete "soil" and insert "land"

Page 12, line 20, delete "soil" and insert "land"

Page 12, line 28, delete "soil" and insert "land"

Page 12, line 36, delete "soil" and insert "land"

Page 13, line 6, delete "soil" and insert "land"

Page 13, delete lines 8 to 36

Page 14, delete line 1

Page 14, line 6, delete "soil" and insert "land"

Page 14, line 8, delete "soil" and insert "land"

Renumber the remaining sections in sequence

Amend the title as follows:

Page 1, line 3, delete "soil" and insert "land"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 846, A bill for an act relating to education; providing options for swimming classes in public schools; proposing coding for new law in Minnesota Statutes, chapter 126.

Reported the same back with the following amendments:

Page 1, line 12, after the comma insert "if in the best interest of the children and for nondiscriminatory purposes, and"

With the recommendation that when so amended the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 887, A bill for an act relating to environment; creating the clean water partnership program for the control of nonpoint source water pollution and providing for administration by the pollution control agency; requiring a state water quality assessment; authorizing technical and financial assistance to local governments; authorizing rulemaking; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 115.

Reported the same back with the following amendments:

Page 6, line 7, delete "conduct an audit of" and insert "review"

Page 7, line 27, after "agriculture," insert "department of health,"

Page 7, line 28, after "service," insert "University of Minnesota agricultural experiment stations, United States Army Corps of Engineers,"

Page 7, line 33, after "Cities," insert "Minnesota Association of Townships,"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 905, A bill for an act relating to horse racing; requiring the assigning of suitable racing days for standard-bred racing; authorizing the racing commission to issue an additional license for a racetrack located within the seven-county metropolitan area under certain circumstances; amending Minnesota Statutes 1986, sections 240.06, subdivision 5; and 240.14, by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 240.06, is amended by adding a subdivision to read:

Subd. 5a. [ADDITIONAL LICENSE; METROPOLITAN AREA.] Notwithstanding subdivision 5, the commission may issue one additional class A license within the seven-county metropolitan

area, provided that the additional license may only be issued for a facility:

(1) containing a track no larger than five-eighths of a mile in circumference;

(2) used exclusively for standardbred racing; and

(3) not owned or operated by a governmental entity or a nonprofit organization.

Sec. 2. Minnesota Statutes 1986, section 240.14, subdivision 1, is amended to read:

Subdivision 1. [ASSIGNMENT OF RACING DAYS.] The commission shall assign racing days to each racetrack licensee authorized to conduct racing with pari-mutuel betting, and a licensee may conduct racing with pari-mutuel betting only on a racing day assigned by the commission. The assignment of days and times of racing to a facility licensed under section 240.06, subdivision 5a, shall not prevent the commission from assigning to a racetrack in existence on January 1, 1987, the same or overlapping racing days or times. The commission may not assign nonstandardbred racing days for a racetrack licensed under section 240.06, subdivision 5a. In the assignment of racing days to any Class B licensee located within the seven-county metropolitan area, the existence of overlapping racing days and times shall not be criteria. The commission may assign racing days for up to three years beyond the year in which the assignment is made. Assignments of racing days in any year must be made by December 31 of the previous year, except that days may be assigned after that date to a licensee whose license is issued after that date."

Delete the title and insert:

"A bill for an act relating to horse racing; authorizing the racing commission to issue an additional license for a racetrack in the seven-county metropolitan area to be used for standardbred racing; amending Minnesota Statutes 1986, sections 240.06, by adding a subdivision; and 240.14, subdivision 1."

With the recommendation that when so amended the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 952, A bill for an act relating to appropriations; appropriating funds to the city of Waseca for lake rehabilitation.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 998, A bill for an act relating to the University of Minnesota; providing for development and research on health care delivery systems for dairy herds; appropriating money.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 1042, A bill for an act relating to motor carriers; exempting drivers of intrastate charter carriers from having in possession a medical examiner certificate if the driver has a school bus endorsement; amending Minnesota Statutes 1986, section 221.031, by adding a subdivision.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 1054, A bill for an act relating to vocational rehabilitation; limiting grants to sheltered workshops; providing for use of community-based employment; regulating and defining vocational rehabilitation programs; amending Minnesota Statutes 1986, sections 129A.01; 129A.03; 129A.06; 129A.07; and 129A.08.

Reported the same back with the following amendments:

Page 10, line 5, after "~~to~~" insert "an average of"

Page 10, line 7, after "all" insert "individual"

Page 10, line 7, delete ", however, 100"

Page 10, delete lines 8 and 9

Page 10, line 10, delete "commissioner"

With the recommendation that when so amended the bill pass.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 1112, A bill for an act relating to human services; defining directors, officers, and partners as vendors of medical care for the purpose of medical assistance; allowing the commissioner to charge interest on money recovered from certain medical assistance providers; allowing sanction authority; amending Minnesota Statutes 1986, sections 256B.02, subdivision 7; 256B.064, subdivision 1c; and 256B.27, subdivisions 3 and 4.

Reported the same back with the following amendments:

Page 2, line 5, after the period insert "However, the terms shall not include directors and officers of corporations who do not personally receive a portion of the distributed assets upon liquidation or dissolution."

With the recommendation that when so amended the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 1113, A bill for an act relating to state departments and agencies; abolishing the Minnesota humane society as a state agency and authorizing its formation as a state federation of county and district societies; providing for the powers and duties of county and district societies and for the prevention of cruelty to animals; amending Minnesota Statutes 1986, sections 16B.51, subdivision 1; 43A.27, subdivision 2; 343.01; 343.06; 343.10; 343.12; 343.22, subdivision 1; 343.29, subdivision 1; 346.37, subdivision 6; and 347.37; repealing Minnesota Statutes 1986, section 343.08.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 1120, A bill for an act relating to grain grading and testing; providing that state grades and test results may be the basis

for market price; amending Minnesota Statutes 1986, section 17B.05.

Reported the same back with the following amendments:

Page 1, lines 15 and 16, strike "of at least three quarts"

Page 2, line 24, before the period insert "subject to the United States Grain Standards Act under Code of Federal Regulations, title 7, sections 800.0 to 800.219 et seq"

With the recommendation that when so amended the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 1144, A bill for an act relating to special school district No. 1, Minneapolis; requiring a subsidy be paid to Minneapolis retired teachers for health insurance; authorizing a levy.

Reported the same back with the following amendments:

Page 1, line 10, delete "special" and "district No. 1, Minneapolis," and insert "districts"

Page 1, line 25, delete "the Minneapolis" and insert "any Minne-  
sota"

Page 2, line 1, delete "association"

Page 2, line 27, delete "special school" and insert "the" and delete "No. 1"

Amend the title as follows:

Page 1, line 2, delete "special school district No. 1,"

Page 1, line 3, delete "Minneapolis" and insert "education"

Page 1, line 4, delete "Minneapolis"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 1147, A bill for an act relating to education; age for redemption of shares in the supplemental retirement investment fund; amending Minnesota Statutes 1986, section 136.82, subdivision 1.

Reported the same back with the following amendments:

Page 1, after line 6, insert:

"Section 1. Minnesota Statutes 1986, section 136.81, subdivision 3, is amended to read:

Subd. 3. Prior to July 1 of each year, Each person described in section 136.80, subdivision 1, may indicate in writing, on forms provided by the executive director of the teachers retirement fund, the account of the Minnesota supplemental retirement investment fund in which salary deductions and state matching funds attributable to salary deductions be invested for the year beginning July 1. For that year and thereafter until a different written indication is made, the executive director of the teachers retirement fund shall purchase with the salary deductions and state matching funds attributable to the salary deductions shares in the account of the Minnesota supplemental retirement investment fund chosen by the person elect to purchase shares in one or a combination of the income share account, the growth share account, the money market account, the bond market account, or the common stock index account established in section 11A.17. The person may elect to participate in one or more of the investment accounts in the fund by specifying, on a form provided by the executive director of the teachers retirement fund, the percentage of salary deductions and state matching funds to be used to purchase shares in each of the accounts.

Twice in any calendar year, each person described in section 136.80, subdivision 1, may indicate in writing on forms provided by the teachers retirement association a choice of options for subsequent purchases of shares. Thereafter until a different written indication is made, the executive director shall purchase shares in the supplemental fund as selected.

A change in choice of investment option shall be effective no later than the first pay date first occurring after 30 days following the receipt of the request for a change.

Twice in any calendar year a person described in section 136.80, subdivision 1, may also change the investment options selected for all or a portion of the person's shares previously purchased. If a partial transfer is made a minimum of \$1,000 must be transferred

and a minimum balance of \$1,000 must remain in the previously selected investment option. A change is restricted to a transfer from one or more accounts to a single account. Changes in investment options for the person's shares shall be effected as soon as cash flow to an account practically permits but not later than six months after the requested change.

If a person fails to indicate a choice as provided herein, the executive director of the teachers retirement fund shall purchase shares in the income account of the Minnesota supplemental retirement investment fund for the coming year. The shares so purchased shall stand in the name of the board of trustees of the teachers retirement fund, but a record shall be kept indicating the number of shares in each account of the Minnesota supplemental retirement investment fund purchased with the salary deductions and state matching funds attributable to the salary deductions of each person. The record shall be known as the "employee's share account record." The employee's share account record shall show, in addition to the number of shares therein, any cash balance of salary deductions or state matching funds attributable to those deductions which stands uninvested in shares."

Page 1, line 11, strike "retirement"

Page 1, line 14, strike "retirement"

Page 3, after line 33, insert:

"Sec. 3. [EFFECTIVE DATE.]

Section 1 is effective January 1, 1988."

Reorder the sections in sequence

Delete the title and insert:

"A bill for an act relating to retirement; state university and community college supplemental retirement plan; reducing the age for the redemption of investment shares; investment options; amending Minnesota Statutes 1986, sections 136.81, subdivision 3; and 136.82, subdivision 1."

With the recommendation that when so amended the bill pass.

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 1155, A bill for an act relating to public safety; regulating boilers and their operation; amending Minnesota Statutes 1986, sections 183.375, subdivision 2; 183.411, by adding a subdivision; 183.42; 183.545, subdivision 4; and 183.56; repealing Minnesota Statutes 1986, section 183.545, subdivision 5.

Reported the same back with the following amendments:

Page 1, line 13, reinstate the stricken language and after "and" insert "may appoint"

Page 1, line 14, reinstate "chief"

Page 1, lines 23 and 24, reinstate the stricken language and delete the new language

With the recommendation that when so amended the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 1170, A bill for an act relating to state government; prohibiting certain mandated leaves of absence for state employees; amending Minnesota Statutes 1986, section 43A.32, subdivision 2, and by adding a subdivision.

Reported the same back with the following amendments:

Page 1, line 12, reinstate the stricken language and delete the new language

Page 1, lines 23 to 25, reinstate the stricken language

Page 2, line 1, reinstate the stricken language

Page 2, line 4, delete "clause (a)" and insert "clauses (a) and (c)"

Page 2, line 7, delete "clause (a)" and insert "clauses (a) and (c)"

Page 2, line 12, before "executive" insert "unclassified service of the"

Page 2, line 13, after "upon" insert "assuming any elected public office,"

Page 2, line 14, before the period insert "unless, in the opinion of the commissioner, the office or the candidacy conflicts with regular state employment" and after the period insert "All requests for opinions of the commissioner shall follow the process set out in subdivision 2."

With the recommendation that when so amended the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 1213, A bill for an act relating to retirement; teachers retirement association; making various changes in the law governing the association for the purpose of facilitating administration of retirement benefits and contributions; amending Minnesota Statutes 1986, sections 354.05, subdivision 35, and by adding a subdivision; 354.06, subdivision 1; 354.07, subdivision 3; 354.094, subdivision 1; 354.44, subdivision 5; 354.46, subdivision 5; 354.48, subdivision 7; 354.51, subdivision 5; 354.55, subdivision 11; 354.62, subdivision 5, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 13; repealing Minnesota Statutes 1986, section 354.44, subdivision 1a.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 1264, A bill for an act relating to the Minnesota state historical society; providing for preservation and interpretation of public areas of the state capitol; amending Minnesota Statutes 1986, section 138.67; proposing coding for new law in Minnesota Statutes, chapter 138.

Reported the same back with the following amendments:

Page 1, line 11, after "art" delete "of" and insert "for visitors to"

Page 1, line 13, after "purpose" insert "in public areas, galleries, and orientation areas"

Page 2, line 18, after "areas" delete "of" and insert "for visitors to"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Reding from the Committee on Future and Technology to which was referred:

H. F. No. 1315, A bill for an act relating to state agencies; establishing a telecommunications and computer expenditure committee.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 16B.41, is amended to read:

16B.41 [STATE INFORMATION SYSTEMS ADVISORY TASK FORCE MANAGEMENT OFFICE.]

Subdivision 1. [ESTABLISHMENT AND PURPOSE.] The commissioner shall create an office of information systems management to develop and establish a policy and standards for state agencies to follow for the development, purchase, and training for information systems. The purpose of the office is to develop, promote, and coordinate a state technology architecture, standards and guidelines, information needs analysis techniques and contracts for the purchase of equipment, servicing, and training of state agency personnel.

Subd. 2. [RESPONSIBILITIES.] The office shall have the following duties:

(a) The office must develop and establish a state information architecture to ensure that further state agency development and purchase of information systems equipment and software is directed in such a manner that individual agency information systems complement and do not duplicate or conflict with the systems of other agencies. The development of this information architecture may include the establishment of standards and guidelines to be followed by state agencies.

(b) The office shall assist state agencies in the planning and management of information systems so that an individual informa-

tion system reflects and supports the state agency's mission, requirements, and functions.

(c) The office must review and approve major purchases of information systems equipment to ensure that the equipment follows the guidelines of the state information architecture, is consistent with the information management principles endorsed by the information policy council, whether or not the state agency request reflects a cost-effective policy regarding volume purchasing, and the equipment is not inconsistent with other systems in other state agencies so that data cannot be shared among agencies.

(d) The office shall review the operation of information systems by state agencies and provide advice and assistance so that these systems are operated efficiently and continually meet the standards and guidelines established by the office.

Subd. 3. [ADVISORY TASK FORCE.] The commissioner may must appoint a state information systems advisory task force to help the department develop and coordinate a state information services master plan architecture and make recommendations to the commissioner concerning the progress, direction, and needs of the state's computerization effort information systems. The task force must include representatives of state agencies, higher education systems, librarians, and private industry. The task force must also have two members of the house of representatives appointed by the speaker of the house and two members of the senate appointed by the senate committee on committees. No more than one member from the house of representatives and one from the senate shall be of each political party. The task force expires and the terms, compensation, and removal of nonlegislative members are as provided in section 15.059."

Amend the title as follows:

Page 1, line 3, after "committee" insert "; amending Minnesota Statutes 1986, section 16B.41"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 1445, A bill for an act relating to agriculture; appropriating money for a deficiency in the appropriation for farmer-lender mediation.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Reding from the Committee on Future and Technology to which was referred:

H. F. No. 1453, A bill for an act relating to economic development; providing for review of state-funded scientific and technologically related research; creating a division of science and technology within the department of energy and economic development; creating research review committees and providing for their powers and duties; amending Minnesota Statutes 1986, section 116J.01, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 116J; repealing Minnesota Statutes 1986, section 116J.94.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 116J.01, subdivision 3, is amended to read:

Subd. 3. [DEPARTMENTAL ORGANIZATION.] The commissioner shall organize the department as provided in section 15.06. The department shall be organized into ~~four~~ five divisions, which shall be designated the energy division, the community development division, the economic development division, the science and technology division, and the financial management division; and the office of tourism. Each division and office is responsible for administering the duties and functions assigned to it by law. When the duties of the divisions or office are not allocated by law, the commissioner may establish and revise the assignments of each division and office. Each division shall be under the direction of a deputy assistant commissioner in the unclassified service. The office of tourism is under the direction of a director of tourism in the unclassified service. The governor shall appoint the director of tourism and the assistant commissioner for science and technology.

Sec. 2. [116J.970] [SCIENCE AND TECHNOLOGY RESEARCH DIVISION.]

Subdivision 1. [DUTIES.] The science and technology division shall:

(1) provide assistance to the committee on science and technology research and development established in section 3;

(2) prepare and deliver to the legislature every January 15, a science and technology annual report that shall contain:

(i) a list of the scientifically and technologically related research and development projects and development activities funded by a grant or loan of state money;

(ii) guidelines that the legislature may use in allocating state grant or loan money for scientifically and technologically related research and development projects, to include assessments of emerging technologies and those technologies that provide significant promise for the development of job-creating businesses; and

(iii) an analysis of the efficacy and completeness of the decentralized research peer review processes mandated in section 3, subdivision 5, with special emphasis on whether or not scientifically and technologically related research and development projects in Minnesota are in conformance with the guidelines established in (ii), and whether or not the scientifically and technologically related research and development projects have or will result in creating scientifically and technologically related jobs;

(3) keep a current roster of technology intensive businesses in the state;

(4) collect and disseminate information on financial, technical, marketing, management, and other services available to technology intensive small and emerging businesses, including potential sources of debt and equity capital;

(5) review the technological development potential of various regions of the state and cooperate with and make recommendations to the legislature, state agencies, local governments, local technology development agencies, the federal government, private businesses, and individuals for the realization of the development potential;

(6) sponsor and conduct conferences and studies, collect and disseminate information, and issue periodic reports relating to scientifically and technologically related research and development, and education in the state and represent the state at appropriate interstate and national conferences; and

(7) take other action as assigned by the commissioner.

Sec. 3. [116J.971] [COMMITTEE ON SCIENCE AND TECHNOLOGY RESEARCH AND DEVELOPMENT.]

Subdivision 1. [COMMITTEE CREATED; MEMBERSHIP.] There is created the permanent committee on science and technology

research and development. The chair and eight members of the committee shall be appointed by the governor. The first chair shall be appointed to serve from July 1, 1987, to January 1, 1990. Thereafter, the chairs will serve for terms of four years. Three of the eight members initially appointed by the governor have terms from July 1, 1987, to January 1, 1993; three have terms from July 1, 1987, to January 1, 1991; and two have terms from July 1, 1987, to January 1, 1989. Thereafter, all members of the committee appointed by the governor except the chair have terms of six years. One member of the committee shall be appointed by the speaker of the house of representatives at the beginning of each biennium to serve for two years. One member of the committee shall be appointed by the minority leader of the house of representatives at the beginning of each biennium to serve for two years. One member of the committee shall be appointed by the majority leader of the senate at the beginning of each biennium to serve for two years. One member shall be appointed by the minority leader of the senate at the beginning of each biennium to serve for two years.

Subd. 2. [QUALIFICATIONS AND DUTIES OF THE PERMANENT COMMITTEE.] The permanent committee on science and technology research and development shall be comprised of persons qualified in at least one of the four following areas: academic and applied research, the administration of research, the review of research processes, and the management and development of technology intensive companies. The duties of the permanent committee are to:

(i) advise upon and approve by a majority vote the guidelines required by section 2, clause (2), item (ii);

(ii) advise the assistant commissioner for science and technology on the preparation of the analysis required by section 2, clause (2), item (iii);

(iii) approve the assignment of ad hoc advisory committees on science and technology research and development as needed; and

(iv) review and comment upon, if the committee considers it to be necessary, the reports of the ad hoc advisory committees and forward the reports to the deputy commissioner.

Subd. 3. [AD HOC ADVISORY COMMITTEES.] To perform the acts required by section 2, clause (2), the permanent committee on science and technology research and development may, from time to time, approve the creation and use of ad hoc advisory committees composed of 3 to 15 members each. The assistant commissioner shall determine those persons in the state technically qualified for service on ad hoc advisory committees and keep a roster of the names of those persons. Members of the permanent committee on science and technology research and development may be ad hoc committee

members, but members of the permanent committee may not be a majority of an ad hoc committee.

Subd. 4. [COMPENSATION.] Members of the permanent committee on science and technology research and development and of the ad hoc advisory committees shall receive no compensation but shall be paid their expenses under section 15.059, subdivision 6.

Subd. 5. [PEER REVIEW PLANS.] A state agency, board, commission, authority, or institution that funds scientifically and technologically related research shall establish a peer review system to evaluate the research. The permanent committee on science and technology research and development shall recommend guidelines for establishing effective peer review. An agency, board, commission, authority, or institution that funds scientifically and technologically related research shall, at least biennially, present to the permanent committee or to ad hoc committees, as determined by the permanent committee, a review and evaluation of the peer review process used in that organization.

Subd. 6. [AUTHORITY TO PERFORM REQUESTED EVALUATIONS.] The governor, commissioner or assistant commissioner for science and technology, speaker, house minority leader, senate majority leader, senate minority leader, chair of the house appropriations committee, chair of the senate finance committee, or any member of the legislature considering the introduction or approval of legislation containing funding for scientifically and technologically related research and development, may request the permanent committee on science and technology research and development to evaluate a loan or grant made or to be made or the proposed legislation for funding scientifically and technologically related research and development to determine (1) whether it complies with the guidelines required by section 2, clause (2), item (ii); (2) whether it is technically feasible; and (3) for development proposals, whether the proposal appears to have the potential for economic development. Ad hoc committees may be appointed by the permanent committee to perform these reviews.

Subd. 7. [AUTHORITY FOR REVIEW AND COMMENT UPON RESEARCH AND DEVELOPMENT PROGRAMS.] Each agency, board, commission, authority or institution receiving an appropriation for the funding of scientifically and technologically related research and development shall notify the permanent committee within 30 days of making a loan or grant for scientifically or technologically related research and development. The notice shall contain a copy of the grant or loan application and any contract or agreement under which the loan or grant was made. The permanent committee on scientific and technological research and development shall, at least once each biennium, review scientifically and technologically related research funded by a state agency, board, commission, authority, or institution to assess whether or not the research

and development is conducted in accordance with the guidelines required by section 2, clause (2), item (ii). The committee's assessment shall be sent to the legislature on or before January 15 of every odd-numbered year.

Subd. 8. [STAFF APPOINTMENTS.] The assistant commissioner for science and technology shall appoint those staff members in the classified and unclassified services necessary to perform the functions of the science and technology division. The assistant commissioner shall appoint in the unclassified service an executive director of the permanent committee on science and technology research and development, who shall report to the assistant commissioner. The executive director must hold a post baccalaureate degree in scientific or technologically related studies, or demonstrate experience in technological policy formulation.

Sec. 4. [RESEARCH LINE ITEMS REQUIRED.]

The commissioner of finance shall establish budget line items that specifically identify funds used for scientifically and technologically related research and development.

Sec. 5. [APPROPRIATION; SUMMER PROGRAM FOR BIOLOGY TEACHERS.]

\$265,860 in fiscal year 1988 and \$265,860 in fiscal year 1989, are appropriated to the state university board for a summer program for biology teachers at Mankato State and St. Cloud State Universities.

Sec. 6. [REPEALER.]

Minnesota Statutes 1986, section 116J.94, is repealed."

Delete the title and insert:

"A bill for an act relating to economic development; providing for review of state-funded scientific and technologically related research; creating a division of science and technology within the department of energy and economic development; creating a committee on science and technology research and development and providing for its powers and duties; appropriating money; amending Minnesota Statutes 1986, section 116J.01, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 116J; repealing Minnesota Statutes 1986, section 116J.94."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

**SECOND READING OF HOUSE BILLS**

H. F. Nos. 14, 31, 85, 119, 217, 242, 401, 466, 487, 490, 532, 642, 645, 715, 830, 846, 905, 1042, 1054, 1112, 1113, 1120, 1147, 1155, 1170, 1213 and 1264 were read for the second time.

**INTRODUCTION AND FIRST READING  
OF HOUSE BILLS**

The following House Files were introduced:

Bauerly, Bertram and Jensen introduced:

H. F. No. 1526, A bill for an act relating to transportation; motor carriers; requiring brakes for towed vehicles over 3,000 pounds; requiring brakes on all wheels of motor vehicles; amending Minnesota Statutes 1986, section 169.67, subdivisions 3 and 4.

The bill was read for the first time and referred to the Committee on Transportation.

Dorn introduced:

H. F. No. 1527, A bill for an act relating to the city of Mankato; authorizing a special assessment against Mankato State University for street improvements; appropriating funds.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Dorn introduced:

H. F. No. 1528, A bill for an act relating to education; appropriating money for a summer program for biology teachers.

The bill was read for the first time and referred to the Committee on Higher Education.

Minne introduced:

H. F. No. 1529, A bill for an act relating to retirement; teachers retirement act; teachers retirement, certain cities; permitting teachers on unrequested leaves of absence to receive allowable service

credit toward annuities and other benefits; proposing coding for new law in Minnesota Statutes, chapters 354 and 354A.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Minne introduced:

H. F. No. 1530, A bill for an act relating to retirement; public pension plans and funds; providing that retirement annuity payments begin to accrue on the date of termination of public service; amending Minnesota Statutes 1986, sections 352.115, subdivision 8; 352B.08, subdivision 1; 352D.06, subdivision 3; 353.29, subdivision 7; 354.44, subdivision 4; and 354A.31, subdivision 2.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Minne introduced:

H. F. No. 1531, A bill for an act relating to retirement; allowing a certain Hibbing council member to revoke an option for public employees retirement association membership in order to begin receiving an annuity.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Murphy introduced:

H. F. No. 1532, A bill for an act relating to state lands; authorizing a private sale of certain tax forfeited land in St. Louis county.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Johnson, A.; Simoneau; Nelson, K., and McEachern introduced:

H. F. No. 1533, A bill for an act relating to education; appropriating money for a grant to study reorganization in certain districts.

The bill was read for the first time and referred to the Committee on Education.

Welle and Clark introduced:

H. F. No. 1534, A bill for an act relating to education; changing licensing requirements for registered barbers and registered apprentice barbers; amending Minnesota Statutes 1986, sections 154.05; 154.07; 154.09; and 154.18.

The bill was read for the first time and referred to the Committee on Commerce.

Bertram and Kludt introduced:

H. F. No. 1535, A bill for an act relating to traffic regulations; setting speed limit of 65 miles per hour on rural interstate highways; amending Minnesota Statutes 1986, section 169.14, subdivision 2; repealing Minnesota Statutes 1986, section 169.141.

The bill was read for the first time and referred to the Committee on Transportation.

Kludt and Jaros introduced:

H. F. No. 1536, A bill for an act relating to the state university system; authorizing agreements for early separation of senior faculty members; proposing coding for new law in Minnesota Statutes, chapter 136.

The bill was read for the first time and referred to the Committee on Higher Education.

Kinkel and Johnson, R., introduced:

H. F. No. 1537, A bill for an act relating to corrections; requiring the commissioner to authorize travel for funerals and deathbed visits; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 241.

The bill was read for the first time and referred to the Committee on Judiciary.

Neuenschwander, Blatz, Frerichs, Scheid and Osthoff introduced:

H. F. No. 1538, A bill for an act relating to taxes; exempting from gasoline excise tax propane fuel for vehicles operating under permit; amending Minnesota Statutes 1986, sections 296.01, subdivision 25;

296.02, subdivision 1a; 296.025, subdivision 1a; 296.026; and 296.028.

The bill was read for the first time and referred to the Committee on Taxes.

Pelowski, Kelso, Trimble, Winter and Dorn introduced:

H. F. No. 1539, A bill for an act relating to job creation; allowing commissioner of jobs and training to contract with service providers to deliver wage subsidies; requiring that a certain percentage of wage subsidy money be allocated to priority groups; allowing eligible local service units to retain a certain percentage of money repaid by employers receiving wage subsidies; appropriating money; amending Minnesota Statutes 1986, sections 268.673, subdivision 5, and by adding a subdivision; 268.6751, subdivision 1; 268.676, subdivision 1; 268.677, subdivision 1; 268.678, subdivision 4; and 268.681, subdivisions 2 and 3.

The bill was read for the first time and referred to the Committee on Economic Development and Housing.

Clark, Kelso, DeBlieck, Jefferson and Steensma introduced:

H. F. No. 1540, A bill for an act relating to education; establishing a pilot program to reduce class sizes in kindergarten through third grade; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 124.

The bill was read for the first time and referred to the Committee on Education.

Gutknecht, Bishop, McEachern, Kelly and Quinn introduced:

H. F. No. 1541, A bill for an act relating to education; declaring legislative policy on religious matters in the public elementary and secondary schools; establishing guidelines; proposing coding for new law in Minnesota Statutes, chapter 126.

The bill was read for the first time and referred to the Committee on Education.

O'Connor, Murphy, Begich, Himle and Heap introduced:

H. F. No. 1542, A bill for an act relating to unemployment compensation; making various technical and housekeeping changes; defining "wages"; regulating benefits and contributions; providing

for the administration of the unemployment compensation law; providing penalties; amending Minnesota Statutes 1986, sections 268.04, subdivisions 9, 12, 24, 25, 26, 29, and by adding subdivisions; 268.06, subdivisions 2, 3a, 5, 6, 8, 19, 20, 22, and 24; 268.07, subdivision 3; 268.08, subdivisions 3, 3a, and by adding a subdivision; 268.09, subdivisions 1 and 3; 268.12, subdivision 8; 268.121; 268.15, subdivision 3; 268.16, subdivision 2, and by adding subdivisions; 268.161, subdivisions 1, 8, 9, and by adding a subdivision; 268.18, subdivisions 1, 2, 3, 4, 5, and by adding a subdivision; 268.65, subdivision 5; 270A.09, by adding a subdivision; and 508.25; proposing coding for new law in Minnesota Statutes, chapter 268; and repealing Minnesota Statutes 1986, section 268.24.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

O'Connor, Peterson and Milbert introduced:

H. F. No. 1543, A bill for an act relating to commerce; trade practices; restricting use and connection of automatic dialing-announcing devices to telephone lines; proposing coding for new law in Minnesota Statutes, chapter 325E.

The bill was read for the first time and referred to the Committee on Commerce.

Olson, K.; Nelson, C.; Pelowski and Lieder introduced:

H. F. No. 1544, A bill for an act relating to state departments and agencies; renaming the division of emergency services; amending Minnesota Statutes 1986, section 12.04.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Begich, Battaglia, Minne, Solberg and Rukavina introduced:

H. F. No. 1545, A bill for an act relating to economic development; appropriating money to the commissioner of iron range resources and rehabilitation for use in economic development projects and investments; authorizing investment of earnings of the northeast Minnesota economic protective trust in venture capital enterprises; amending Minnesota Statutes 1986, section 298.292.

The bill was read for the first time and referred to the Committee on Economic Development and Housing.

Osthoff, Dauner and McKasy introduced:

H. F. No. 1546, A bill for an act relating to taxation; mortgage registry and deed tax; changing rates of taxes; providing for administration of the taxes; amending Minnesota Statutes 1986, sections 287.05, subdivision 1; 287.12; 287.21, subdivision 1; 287.22; 287.23; 287.25; and 287.29, subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes.

Carlson, D., introduced:

H. F. No. 1547, A bill for an act relating to health; requiring health plans to file certain information; amending Minnesota Statutes 1986, section 62D.10, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Carlson, D., introduced:

H. F. No. 1548, A bill for an act relating to state government; establishing procedures for setting fees to be charged by state agencies; amending Minnesota Statutes 1986, section 16A.128, subdivisions 2 and 2a.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Krueger; Nelson, K.; Frerichs and Brown introduced:

H. F. No. 1549, A bill for an act relating to taxation; property; requiring property tax statements to show apportionment of the homestead credit; amending Minnesota Statutes 1986, section 276.06.

The bill was read for the first time and referred to the Committee on Taxes.

Price and Voss introduced:

H. F. No. 1550, A bill for an act relating to courts; authorizing additional district court judges for the tenth judicial district; amending Minnesota Statutes 1986, section 2.722, subdivision 1.

The bill was read for the first time and referred to the Committee on Judiciary.

Clark introduced:

H. F. No. 1551, A bill for an act relating to human rights; requiring referral of certain matters to local commissions; amending Minnesota Statutes 1986, section 363.115.

The bill was read for the first time and referred to the Committee on Judiciary.

Clark introduced:

H. F. No. 1552, A bill for an act relating to human rights; enabling the University of Minnesota to provide services and benefits to organizations with membership practices that are exempt from certain federal law; amending Minnesota Statutes 1986, section 363.02, subdivision 3.

The bill was read for the first time and referred to the Committee on Judiciary.

Segal introduced:

H. F. No. 1553, A bill for an act relating to crimes; making it a felony to engage in paramilitary training; providing penalties; proposing coding for new law in Minnesota Statutes, chapter 609.

The bill was read for the first time and referred to the Committee on Judiciary.

Lieder, Kalis, Jensen, Carlson, D., and McLaughlin introduced:

H. F. No. 1554, A bill for an act relating to transportation; providing increases in taxes on motor vehicles and on gasoline and special fuel; increasing driver license fees; providing for the deposit of receipts from the motor vehicle excise tax; amending Minnesota Statutes 1986, sections 168.013, by adding a subdivision; 171.02, subdivision 3; 171.06, subdivision 2; 296.02, subdivision 1b; 296.025, subdivision 1; and 297B.09, subdivision 2.

The bill was read for the first time and referred to the Committee on Transportation.

Kalis, Osthoff, Quinn, Vellenga and Welle introduced:

H. F. No. 1555, A bill for an act relating to taxation; imposing sales tax on fuel; appropriating money; amending Minnesota Statutes 1986, sections 296.01, subdivisions 7, 13, and by adding subdivi-

sions; 296.06, subdivisions 1 and 2; 296.12, subdivisions 4, 9, and 11; 296.15, subdivisions 1, 2, 5, and 6; 296.16, subdivisions 1 and 3; 296.17, subdivisions 3, 5, 6, 8, 9a, 12, and 14; 296.18, subdivision 3a; 296.20; 296.21, subdivision 1; 296.23; 296.24; 296.27; and 296.421, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 296.

The bill was read for the first time and referred to the Committee on Taxes.

Clark, Greenfield and Jefferson introduced:

H. F. No. 1556, A bill for an act relating to children; establishing a program of cultural opportunities for kids; requiring certain nonprofit organizations to admit low-income families to events at reduced prices; amending Minnesota Statutes 1986, sections 290A.07, by adding a subdivision; 297A.25, subdivision 24; and proposing coding for new law in Minnesota Statutes, chapter 268.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Bertram introduced:

H. F. No. 1557, A bill for an act relating to coroners; requiring that the office of coroner be elective; amending Minnesota Statutes 1986, sections 390.005; and 390.34.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Dauner; Uphus; Anderson, R., and Kludt introduced:

H. F. No. 1558, A bill for an act relating to boilers; regulating allowable pressure in stationary show boilers; amending Minnesota Statutes 1986, section 183.56.

The bill was read for the first time and referred to the Committee on Commerce.

Segal introduced:

H. F. No. 1559, A bill for an act relating to veterans affairs; requiring a study on the use of regional treatment centers to provide care to veterans.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Carlson, D., introduced:

H. F. No. 1560, A bill for an act relating to state government; imposing limitations on the governor's budget recommendations and on legislative appropriations; providing additional duties for the office of debt and loan management; proposing coding for new law in Minnesota Statutes, chapter 16A; repealing Minnesota Statutes 1986, section 16A.80, subdivision 2a.

The bill was read for the first time and referred to the Committee on Ways and Means.

Carruthers, Orenstein, Blatz, Wagenius and Swenson introduced:

H. F. No. 1561, A bill for an act relating to community dispute resolution programs; authorizing the state and municipalities to make grants to programs; proposing coding for new law in Minnesota Statutes, chapter 494.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

#### HOUSE ADVISORIES

The following House Advisory was introduced:

Pappas introduced:

H. A. No. 19, A proposal to study Housing Trust Funds.

The advisory was referred to the Committee on Economic Development and Housing.

#### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 312, A bill for an act relating to elections; changing what name may be used on ballots, nominating petitions, and affidavits of candidacy; repealing Minnesota Statutes 1986, section 204B.05.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 424, A bill for an act relating to the military; authorizing the adjutant general to delegate certain duties to subordinates; amending Minnesota Statutes 1986, section 190.16, by adding a subdivision.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 838, A bill for an act relating to St. Louis county; providing for a clerk in the unclassified civil service; amending Minnesota Statutes 1986, section 383C.035.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 134, A bill for an act relating to employment; requiring an employer to notify employees and job applicants of bankruptcy proceedings; providing a penalty; proposing coding for new law in Minnesota Statutes, chapter 181.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Price moved that the House concur in the Senate amendments to H. F. No. 134 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 134, A bill for an act relating to employment; requiring an employer to notify employees and job applicants of bankruptcy proceedings; providing a penalty; proposing coding for new law in Minnesota Statutes, chapter 181.

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 91 yeas and 29 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Jaros	McEachern	Pappas	Sparby
Battaglia	Jefferson	McKasy	Pelowski	Svigum
Bauerly	Jennings	McLaughlin	Peterson	Swenson
Beard	Jensen	Milbert	Price	Tjornhom
Begich	Johnson, A.	Minne	Quinn	Tompkins
Bennett	Johnson, R.	Munger	Reding	Tunheim
Bertram	Kahn	Murphy	Rest	Vanasek
Bishop	Kalis	Nelson, C.	Rice	Vellenga
Brown	Kelly	Nelson, D.	Riveness	Voss
Carlson, L.	Kelso	Nelson, K.	Rodosovich	Wagenius
Carruthers	Kinkel	Neuenschwander	Rukavina	Welle
Cooper	Knickerbocker	O'Connor	Sarna	Wenzel
Dauner	Knuth	Ogren	Scheid	Winter
DeBlicck	Kostohryz	Olsen, S.	Schoenfeld	Wynia
Dorn	Krueger	Olson, E.	Seaberg	Spk. Norton
Frederick	Larsen	Olson, K.	Segal	
Greenfield	Lasley	Onnen	Simoneau	
Hartle	Long	Orenstein	Skoglund	
Jacobs	Marsh	Ozment	Solberg	

Those who voted in the negative were:

Burger	Haukoos	McDonald	Quist	Stanius
Dempsey	Heap	McPherson	Redalen	Thiede
Dille	Himle	Miller	Richter	Uphus
Forsythe	Hugoson	Omamm	Rose	Valento
Frerichs	Johnson, V.	Pauly	Schafer	Waltman
Gutknecht	Kludt	Poppenhagen	Schreiber	

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 725, 888, 927 and 1067.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 698 and 721.

PATRICK E. FLAHAVEN, Secretary of the Senate

**FIRST READING OF SENATE BILLS**

S. F. No. 725, A bill for an act relating to local government; removing limitations on tax adjustments related to annexations; amending Minnesota Statutes 1986, section 414.035.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

S. F. No. 888, A bill for an act relating to the city of Melrose; regulating the stopping of school buses at certain railroad grade crossings.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

S. F. No. 927, A bill for an act relating to driver's licenses; providing for a medical alert identifier; amending Minnesota Statutes 1986, section 171.07, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Appropriations.

S. F. No. 1067, A bill for an act relating to local government; providing for the discharge of charter commissions; amending Minnesota Statutes 1986, section 410.05, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

S. F. No. 698, A bill for an act relating to education; authorizing northeast metropolitan intermediate school district No. 916 to issue certain bonds for the acquisition and betterment of a secondary vocational and special education facility.

The bill was read for the first time and referred to the Committee on Education.

S. F. No. 721, A bill for an act relating to veterans; requiring the placement of a plaque on the Capitol grounds recognizing certain prisoners of war and soldiers missing in action.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

## CONSENT CALENDAR

H. F. No. 755 was reported to the House.

Seaberg moved that H. F. No. 755 be continued on the Consent Calendar for one day. The motion prevailed.

H. F. No. 1073, A bill for an act relating to occupations and professions; providing advertising restrictions for plumbers; imposing penalties; amending Minnesota Statutes 1986, section 326F.75.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 122 yeas and 6 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Hartle	Marsh	Otis	Skoglund
Battaglia	Haukoos	McDonald	Ozment	Solberg
Bauerly	Heap	McEachern	Pappas	Sparby
Beard	Himle	McKasy	Pauly	Stanius
Begich	Jacobs	McLaughlin	Pelowski	Swiggum
Bennett	Jaros	McPherson	Peterson	Swenson
Bertram	Jefferson	Milbert	Price	Tjornhom
Bishop	Jennings	Miller	Quinn	Tompkins
Blatz	Jensen	Minne	Redalen	Trimble
Boo	Johnson, A.	Morrison	Reding	Tunheim
Brown	Johnson, R.	Munger	Rest	Uphus
Burger	Johnson, V.	Murphy	Rice	Valento
Carlson, L.	Kahn	Nelson, C.	Riveness	Vanasek
Carruthers	Kalis	Nelson, D.	Rodosovich	Vellenga
Clausnitzer	Kelly	Nelson, K.	Rose	Voss
Cooper	Kelso	Neuenschwander	Rukavina	Wagenius
Dauner	Kinkel	O'Connor	Sarna	Waltman
DeBlick	Kludt	Ogren	Schafer	Welle
Dempsey	Knickerbocker	Olsen, S.	Scheid	Wenzel
Dille	Knuth	Olson, E.	Schoenfeld	Winter
Dorn	Kostohryz	Olson, K.	Schreiber	Wynia
Forsythe	Krueger	Omann	Seaberg	Spk. Norton
Greenfield	Larsen	Onnen	Segal	
Gruenes	Lasley	Orenstein	Shaver	
Gutknecht	Long	Osthoff	Simoneau	

Those who voted in the negative were:

Frederick	Frerichs	Hugoson	Poppenhagen	Quist
				Thiede

The bill was passed and its title agreed to.

H. F. No. 1105, A bill for an act relating to retirement; Minneapolis police relief association service pensions and survivor benefits; amending Laws 1949, chapter 406, section 4, subdivisions 2 and 3, as

amended, section 5, subdivisions 1 and 3, as amended, and section 6, subdivision 1; and Laws 1980, chapter 607, article 15, section 9.

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:

Anderson, G.	Hartle	McDonald	Pappas	Skoglund
Battaglia	Haukoos	McEachern	Pauly	Solberg
Bauerly	Heap	McKasy	Pelowski	Sparby
Beard	Himle	McLaughlin	Peterson	Stanius
Begich	Hugoson	McPherson	Poppenhagen	Sviggum
Bennett	Jacobs	Milbert	Price	Swenson
Bertram	Jaros	Miller	Quinn	Thiede
Bishop	Jefferson	Minne	Quist	Tjornhom
Blatz	Jennings	Morrison	Redalen	Tompkins
Brown	Jensen	Munger	Reding	Trimble
Burger	Johnson, R.	Murphy	Rest	Tunheim
Carlson, L.	Johnson, V.	Nelson, C.	Rice	Uphus
Carruthers	Kahn	Nelson, D.	Richter	Valento
Clausnitzer	Kalis	Nelson, K.	Riveness	Vanasek
Cooper	Kelly	Neuenschwander	Rodosovich	Vellenga
Dauner	Kelso	O'Connor	Rose	Voss
DeBlicke	Kinkel	Ogren	Rukavina	Wagenius
Dempsey	Kludt	Olsen, S.	Sarna	Waltman
Dille	Knickerbocker	Olsen, E.	Schafer	Welle
Dorn	Knuth	Olsen, K.	Scheid	Wenzel
Forsythe	Kostohryz	Omann	Schoenfeld	Winter
Frederick	Krueger	Onnen	Schreiber	Wynia
Frerichs	Larsen	Orenstein	Seaberg	Spk. Norton
Greenfield	Lasley	Osthoff	Segal	
Gruenes	Long	Otis	Shaver	
Gutknecht	Marsh	Ozment	Simoneau	

The bill was passed and its title agreed to.

H. F. No. 1164 was reported to the House.

Trimble moved that H. F. No. 1164 be re-referred to the Committee on Health and Human Services. The motion prevailed.

S. F. No. 457, A bill for an act relating to commerce; regulating collection agencies and those acting under the authority of a collection agency; providing cash deposits in lieu of the required bond; establishing prohibited practices; prescribing the enforcement powers of the commissioner; amending Minnesota Statutes 1986, sections 332.31, by adding a subdivision; 332.33; 332.34; 332.37; and 332.40, subdivision 3.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Gutknecht	Long	Otis	Shaver
Battaglia	Hartle	Marsh	Ozment	Simoneau
Bauerly	Haukoos	McDonald	Pappas	Skoglund
Beard	Heap	McEachern	Pauly	Solberg
Begich	Himle	McKasy	Pelowski	Sparby
Bennett	Hugoson	McLaughlin	Peterson	Stanius
Bertram	Jacobs	McPherson	Poppenhagen	Swiggum
Bishop	Jaros	Milbert	Price	Swenson
Blatz	Jefferson	Miller	Quinn	Thiede
Boo	Jennings	Minne	Quist	Tjornhom
Brown	Jensen	Morrison	Redalen	Tompkins
Burger	Johnson, A.	Munger	Reding	Trimble
Carlson, L.	Johnson, R.	Murphy	Rest	Tunheim
Carruthers	Johnson, V.	Nelson, C.	Rice	Uphus
Clausnitzer	Kahn	Nelson, D.	Richter	Valento
Cooper	Kalis	Nelson, K.	Riveness	Vanasek
Dauner	Kelly	Neuenschwander	Rodosovich	Vellenga
DeBlieck	Kelso	O'Connor	Rose	Voss
Dempsey	Kinkel	Ogren	Rukavina	Wagenius
Dille	Kludd	Olsen, S.	Sarna	Waltman
Dorn	Knickerbocker	Olson, E.	Schafer	Welle
Forsythe	Knuth	Olson, K.	Scheid	Wenzel
Frederick	Kostohryz	Omann	Schoenfeld	Winter
Frerichs	Krueger	Onnen	Schreiber	Wynia
Greenfield	Larsen	Orenstein	Seaberg	Spk. Norton
Gruenes	Lasley	Osthoff	Segal	

The bill was passed and its title agreed to.

## CALENDAR

H. F. No. 137, A bill for an act relating to criminal procedure; providing a procedure for ordering joint or separate trials for jointly charged defendants; permitting the prosecution to offer a rebuttal closing argument; allowing the prosecution and the defense an equal number of peremptory challenges when the offense charged is not punishable by life imprisonment; amending Minnesota Statutes 1986, section 631.07; proposing coding for new law in Minnesota Statutes, chapter 631.

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 33 nays as follows:

Those who voted in the affirmative were:

Battaglia	Bertram	Carlson, L.	Cooper	Dempsey
Bauerly	Blatz	Carruthers	Dauner	Dille
Bennett	Boo	Clausnitzer	DeBlieck	Dorn

Forsythe	Kelly	Morrison	Poppenhagen	Sviggum
Frederick	Kinkel	Murphy	Price	Swenson
Gruenes	Kludt	Nelson, C.	Redalen	Tjornhom
Gutknecht	Knickerbocker	Nelson, D.	Reding	Tompkins
Hartle	Knuth	Nelson, K.	Rest	Trimble
Haukoos	Kostohryz	Neuenschwander	Richter	Tunheim
Heap	Krueger	Olsen, S.	Riveness	Uphus
Himle	Larsen	Olson, E.	Rodosovich	Valento
Hugoson	Lasley	Olson, K.	Schafer	Vellenga
Jacobs	Marsh	Omamn	Schreiber	Wagenius
Jaros	McDonald	Onnen	Segal	Waltman
Jennings	McKasy	Otis	Shaver	Welle
Johnson, A.	McLaughlin	Ozment	Simoneau	Wenzel
Johnson, R.	McPherson	Pappas	Skoglund	Winter
Johnson, V.	Miller	Pauly	Sparby	Wynia
Kalis	Minne	Pelowski	Stanius	

**Those who voted in the negative were:**

Anderson, G.	Jefferson	Munger	Quist	Solberg
Beard	Jensen	O'Connor	Rice	Thiede
Bishop	Kahn	Ogren	Rose	Vanasek
Brown	Kelso	Orenstein	Rukavina	Voss
Burger	Long	Osthoff	Sarna	Spk. Norton
Frerichs	McEachern	Peterson	Scheid	
Greenfield	Milbert	Quinn	Seaberg	

The bill was passed and its title agreed to.

H. F. No. 26, A bill for an act relating to workers' compensation; providing for the organization and powers of the state compensation insurance fund; amending Minnesota Statutes 1986, sections 11A.24, subdivision 4; 176A.02, subdivisions 1 and 2; and 176A.04.

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:**

Anderson, G.	Dille	Johnson, A.	McEachern	Olson, K.
Battaglia	Dorn	Johnson, R.	McKasy	Omamn
Bauerly	Forsythe	Johnson, V.	McLaughlin	Onnen
Beard	Frederick	Kahn	McPherson	Orenstein
Begich	Frerichs	Kalis	Milbert	Osthoff
Bennett	Greenfield	Kelly	Miller	Otis
Bertram	Gruenes	Kelso	Minne	Ozment
Blatz	Gutknecht	Kinkel	Morrison	Pappas
Boo	Hartle	Kludt	Munger	Pauly
Brown	Haukoos	Knickerbocker	Murphy	Pelowski
Burger	Heap	Knuth	Nelson, C.	Peterson
Carlson, L.	Himle	Kostohryz	Nelson, D.	Price
Carruthers	Hugoson	Krueger	Nelson, K.	Quinn
Clausnitzer	Jacobs	Larsen	Neuenschwander	Quist
Cooper	Jaros	Lasley	O'Connor	Redalen
Dauner	Jefferson	Long	Ogren	Reding
DeBlieck	Jennings	Marsh	Olsen, S.	Rest
Dempsey	Jensen	McDonald	Olson, E.	Rice

Richter	Schoenfeld	Sparby	Tunheim	Welle
Riveness	Schreiber	Stanius	Uphus	Wenzel
Rodosovich	Seaberg	Sviggum	Valento	Winter
Rose	Segal	Swenson	Vanasek	Wynia
Rukavina	Shaver	Thiede	Vellenga	Spk. Norton
Sarna	Simoneau	Tjornhom	Voss	
Schafer	Skoglund	Tompkins	Wagenius	
Scheid	Solberg	Trimble	Waltman	

The bill was passed and its title agreed to.

H. F. No. 235, A bill for an act relating to education; allowing certain districts to mail summaries of the school board proceedings rather than publish them; amending Minnesota Statutes 1986, section 123.33, by adding a subdivision.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 122 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Anderson, G.	Gutknecht	Marsh	Pauly	Solberg
Battaglia	Hartle	McDonald	Pelowski	Sparby
Bauerly	Haukoos	McEachern	Peterson	Stanius
Beard	Heap	McKasy	Poppenhagen	Sviggum
Bennett	Hirle	McLaughlin	Price	Swenson
Bertram	Hugoson	McPherson	Quinn	Thiede
Blatz	Jacobs	Milbert	Quist	Tjornhom
Boo	Jaros	Miller	Redalen	Tompkins
Brown	Jefferson	Minne	Reding	Trimble
Burger	Jennings	Morrison	Rest	Tunheim
Carlson, L.	Jensen	Murphy	Rice	Uphus
Carruthers	Johnson, A.	Nelson, C.	Richter	Valento
Clark	Johnson, R.	Nelson, D.	Riveness	Vanasek
Clausnitzer	Johnson, V.	Nelson, K.	Rodosovich	Vellenga
Cooper	Kalis	Neuenschwander	Rose	Voss
Dauner	Kelly	O'Connor	Rukavina	Wagenius
DeBlicke	Kelso	Ogren	Sarna	Waltman
Dempsey	Kinkel	Olsen, S.	Schafer	Welle
Dille	Kludt	Olson, E.	Scheid	Wenzel
Dorn	Knickerbocker	Olson, K.	Schoenfeld	Winter
Forsythe	Knuth	Omann	Schreiber	Wynia
Frederick	Krueger	Onnen	Seaberg	Spk. Norton
Frerichs	Larsen	Orenstein	Shaver	
Greenfield	Lasley	Otis	Simoneau	
Gruenes	Long	Ozment	Skoglund	

Those who voted in the negative were:

Kostohryz

The bill was passed and its title agreed to.

H. F. No. 602, A bill for an act relating to health; creating an exception to the nursing home moratorium for a facility operated on

the Red Lake Indian Reservation; amending Minnesota Statutes 1986, section 144A.071, subdivision 3.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Gutknecht	Long	Ozment	Skoglund
Battaglia	Hartle	Marsh	Pappas	Solberg
Bauerly	Haukoos	McDonald	Pauly	Sparby
Beard	Heap	McEachern	Pelowski	Stanisus
Begich	Himle	McKasy	Peterson	Sviggun
Bennett	Hugoson	McLaughlin	Poppenhagen	Swenson
Bertram	Jacobs	McPherson	Price	Thiede
Blatz	Jaros	Milbert	Quinn	Tjornhom
Boo	Jefferson	Miller	Quist	Tompkins
Brown	Jennings	Minne	Redalen	Trimble
Burger	Jensen	Morrison	Reding	Tunheim
Carlson, L.	Johnson, A.	Munger	Rest	Uphus
Carruthers	Johnson, R.	Murphy	Rice	Valento
Clark	Johnson, V.	Nelson, C.	Richter	Vanasek
Clausnitzer	Kahn	Nelson, D.	Riveness	Vellenga
Cooper	Kalis	Nelson, K.	Rodosovich	Voss
Dauner	Kelly	Neuenschwander	Rose	Wagenius
DeBlieck	Kelso	O'Connor	Rukavina	Waltman
Dempsey	Kinkel	Ogren	Sarna	Welle
Dille	Kludt	Olsen, S.	Schafer	Wenzel
Dorn	Knickerbocker	Olson, E.	Schoenfeld	Winter
Forsythe	Knuth	Olson, K.	Schreiber	Wynia
Frederick	Kostohryz	Omann	Seaberg	Spk. Norton
Frerichs	Krueger	Onnen	Segal	
Greenfield	Larsen	Orenstein	Shaver	
Gruenes	Lasley	Otis	Simoneau	

The bill was passed and its title agreed to.

H. F. No. 656, A bill for an act relating to public safety; regulating high pressure piping and pipefitters; providing penalties; amending Minnesota Statutes 1986, sections 326.461, subdivision 2; 326.47, subdivision 3; 326.48, subdivision 1; 326.50; 326.51; 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 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Beard	Bertram	Brown	Carruthers
Battaglia	Begich	Blatz	Burger	Clark
Bauerly	Bennett	Boo	Carlson, L.	Clausnitzer

Cooper	Johnson, R.	Minne	Poppenhagen	Solberg
Dauner	Johnson, V.	Morrison	Price	Sparby
DeBlieck	Kahn	Munger	Quinn	Stanius
Dempsey	Kalis	Murphy	Quist	Sviggunn
Dille	Kelly	Nelson, C.	Redalen	Swenson
Dorn	Kelso	Nelson, D.	Reding	Thiede
Forsythe	Kinkel	Nelson, K.	Rest	Tompkins
Frederick	Kludt	Neuenschwander	Rice	Trimble
Frerichs	Knickerbocker	O'Connor	Richter	Tunheim
Greenfield	Knuth	Ogren	Riveness	Uphus
Gruenes	Kostohryz	Olsen, S.	Rodosovich	Valento
Gutknecht	Krueger	Olsen, E.	Rose	Vanasek
Hartle	Larsen	Olsen, K.	Rukavina	Vellenga
Haukoos	Lasley	Omann	Sarna	Voss
Heap	Long	Onnen	Schafer	Wagenius
Himle	Marsh	Orenstein	Scheid	Waltman
Hugoson	McDonald	Osthoff	Schoenfeld	Welle
Jacobs	McEachern	Otis	Schreiber	Wenzel
Jaros	McKasy	Ozment	Seaberg	Winter
Jefferson	McLaughlin	Pappas	Segal	Wynia
Jennings	McPherson	Pauly	Shaver	Spk. Norton
Jensen	Milbert	Pelowski	Simoneau	
Johnson, A.	Miller	Peterson	Skoglund	

The bill was passed and its title agreed to.

H. F. No. 816, A bill for an act relating to drivers' licenses; traffic regulations; requiring courts to furnish information relating to previous convictions without charge in gross misdemeanor prosecutions of the driving while under the influence law; imposing a penalty on person who violates conditions attached to limited driver's license; amending Minnesota Statutes 1986, sections 169.121, subdivision 3; 171.17; and 171.30, by adding a subdivision.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Dempsey	Jensen	McDonald	Olson, E.
Battaglia	Dille	Johnson, A.	McEachern	Olson, K.
Bauerly	Dorn	Johnson, R.	McKasy	Omann
Beard	Forsythe	Johnson, V.	McLaughlin	Onnen
Begich	Frederick	Kahn	McPherson	Orenstein
Bennett	Frerichs	Kalis	Milbert	Osthoff
Bertram	Greenfield	Kelly	Miller	Otis
Bishop	Gruenes	Kelso	Minne	Ozment
Blatz	Gutknecht	Kinkel	Morrison	Pappas
Brown	Hartle	Kludt	Munger	Pauly
Burger	Haukoos	Knickerbocker	Murphy	Pelowski
Carlson, L.	Heap	Knuth	Nelson, C.	Peterson
Carruthers	Himle	Kostohryz	Nelson, D.	Poppenhagen
Clark	Hugoson	Krueger	Nelson, K.	Price
Clausnitzer	Jacobs	Larsen	Neuenschwander	Quinn
Cooper	Jaros	Lasley	O'Connor	Quist
Dauner	Jefferson	Long	Ogren	Redalen
DeBlieck	Jennings	Marsh	Olsen, S.	Reding

Rest	Schafer	Skoglund	Trimble	Waltman
Rice	Scheid	Solberg	Tunheim	Welle
Richter	Schoenfeld	Sparby	Uphus	Wenzel
Riveness	Schreiber	Stanius	Valento	Winter
Rodosovich	Seaberg	Sviggum	Vanasek	Wynia
Rose	Segal	Thiede	Vellenga	Spk. Norton
Rukavina	Shaver	Tjornhom	Voss	
Sarna	Simoneau	Tompkins	Wagenius	

The bill was passed and its title agreed to.

H. F. No. 946, A bill for an act relating to employment; prohibiting residency requirements for employees; proposing coding for new law in Minnesota Statutes, chapter 181.

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 91 yeas and 33 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Jaros	Marsh	Ozment	Simoneau
Battaglia	Jefferson	McEachern	Pappas	Skoglund
Bauerly	Jennings	McLaughlin	Pauly	Solberg
Beard	Jensen	McPherson	Pelowski	Sparby
Begich	Johnson, A.	Milbert	Peterson	Stanius
Bennett	Johnson, R.	Minne	Price	Sviggum
Bertram	Johnson, V.	Munger	Quinn	Tjornhom
Blatz	Kahn	Murphy	Redalen	Trimble
Brown	Kalis	Nelson, C.	Reding	Tunheim
Carlson, L.	Kelly	Nelson, D.	Rest	Uphus
Carruthers	Kinkel	Nelson, K.	Rice	Vanasek
Clark	Kludt	Neuenschwander	Riveness	Vellenga
Cooper	Knuth	O'Connor	Rodosovich	Voss
DeBlick	Kostohryz	Ogren	Rukavina	Wagenius
Greenfield	Krueger	Olson, E.	Sarna	Welle
Gruenes	Larsen	Omann	Schoenfeld	Wenzel
Haukoos	Lasley	Orenstein	Seaberg	Winter
Jacobs	Long	Otis	Segal	Wynia
				Spk. Norton

Those who voted in the negative were:

Burger	Ferichs	Knickerbocker	Onnen	Swenson
Clausnitzer	Gutknecht	McDonald	Poppenhagen	Thiede
Dempsey	Hartle	McKasy	Quist	Tompkins
Dille	Heap	Miller	Richter	Valento
Dorn	Himle	Morrison	Schafer	Waltman
Forsythe	Hugoson	Olsen, S.	Schreiber	
Frederick	Kelso	Olson, K.	Shaver	

The bill was passed and its title agreed to.

Knickerbocker was excused at 4:00 p.m.

**GENERAL ORDERS**

Pursuant to Rules of the House, the House resolved itself into the Committee of the Whole with Norton in the Chair for consideration of bills pending on General Orders of the day. Simoneau presided during a portion of the meeting of the Committee of the Whole. After some time spent therein the Committee arose.

**REPORT OF THE COMMITTEE OF THE WHOLE**

The Speaker resumed the Chair, whereupon the following recommendations of the Committee were reported to the House:

H. F. Nos. 955, 1049, 1197, 96, 391, 427, 590, 690, 692, 806, 941, 1031 and 1034 were recommended to pass.

H. F. Nos. 234, 947, 561 and 704 were recommended for progress.

H. F. No. 454 was recommended for progress retaining its place on General Orders.

H. F. No. 269, the first engrossment, which it recommended to pass with the following amendment offered by Kahn; Olson, E.; Johnson, A.; Carlson, D.; Seaberg; Segal; Long; Sparby; Ogren; Steensma; Bishop; Trimble; Scheid; Vanasek; Johnson, R.; Kalis; Munger; Battaglia; Olson, K., and Johnson, V.:

Page 1, line 12, delete everything after "bicycle"

Page 1, line 13, delete everything before the comma

Amend the title as follows:

Page 1, lines 4 and 5, delete "and persons on foot or on roller-skates"

H. F. No. 841, the second engrossment, which it recommended to pass with the following amendment offered by Bishop:

Page 2, line 19, after "recover" insert "up to three times its" and delete "triple damages for the"

Page 2, line 20, delete "expenses and costs" and insert "damages"

Page 2, line 21, beginning with "These costs" delete the rest of the sentence

On the motion of Vanasek the report of the Committee of the Whole was adopted.

ROLL CALLS IN COMMITTEE OF THE WHOLE

Pursuant to rule 1.6, the following roll calls were taken in the Committee of the Whole:

Kahn; Olson, E.; Johnson, A.; Carlson, D.; Seaberg; Segal; Long; Sparby; Ogren; Steensma; Bishop; Trimble; Scheid; Vanasek; Johnson, R.; Kalis; Munger; Battaglia; Olson, K., and Johnson, V., moved to amend H. F. No. 269, the first engrossment, as follows:

Page 1, line 12, delete everything after "bicycle"

Page 1, line 13, delete everything before the comma

Amend the title as follows:

Page 1, lines 4 and 5, delete "and persons on foot or on rollerskates"

The question was taken on the Kahn et al amendment and the roll was called. There were 100 yeas and 26 nays as follows:

Those who voted in the affirmative were:

Battaglia	Greenfield	Larsen	Otis	Simoneau
Bauerly	Gruenes	Lasley	Pappas	Skoglund
Beard	Heap	Long	Pauly	Solberg
Bennett	Himle	McKasy	Pelowski	Sparby
Bertram	Hugoson	McLaughlin	Peterson	Stanius
Bishop	Jacobs	McPherson	Price	Sviggum
Blatz	Jefferson	Milbert	Quinn	Swenson
Boo	Jennings	Morrison	Quist	Tjornhom
Brown	Johnson, A.	Munger	Redalen	Tompkins
Burger	Johnson, R.	Murphy	Reding	Trimble
Carlson, L.	Johnson, V.	Nelson, C.	Rest	Tunheim
Carruthers	Kahn	Nelson, D.	Riveness	Uphus
Clark	Kalis	Nelson, K.	Rodosovich	Valento
Cooper	Kelly	Ogren	Rose	Vanasek
Dauner	Kelso	Olsen, S.	Rukavina	Vellenga
DeBlicck	Kinkel	Olson, K.	Sarna	Voss
Dille	Knickerbocker	Omann	Scheid	Wagenius
Dorn	Knuth	Onnen	Schoenfeld	Winter
Forsythe	Kostohryz	Orenstein	Seaberg	Wynia
Frederick	Krueger	Osthoff	Segal	Spk. Norton

Those who voted in the negative were:

Anderson, G.	Gutknecht	Marsh	O'Connor	Schreiber
Begich	Hartle	McDonald	Ozment	Shaver
Clausnitzer	Haukoos	McEachern	Poppenhagen	Thiede
Dempsey	Jensen	Miller	Richter	Waltman
Frerichs	Kludt	Neuenschwander	Schafer	Welle
				Wenzel

The motion prevailed and the amendment was adopted.

The question was taken on the motion to recommend passage of H. F. No. 269, the first engrossment, as amended, and the roll was called. There were 82 yeas and 42 nays as follows:

Those who voted in the affirmative were:

Battaglia	Frederick	Krueger	Osthoff	Skoglund
Bauerly	Greenfield	Larsen	Pappas	Sparby
Beard	Gruenes	Long	Peterson	Stanius
Bennett	Jaros	McEachern	Price	Swenson
Bertram	Jefferson	McLaughlin	Quinn	Trimble
Bishop	Jennings	Milbert	Redalen	Tunheim
Brown	Jensen	Munger	Rest	Uphus
Burger	Johnson, A.	Murphy	Richter	Valento
Carlson, L.	Johnson, R.	Nelson, C.	Riveness	Vellenga
Carruthers	Johnson, V.	Nelson, D.	Rose	Voss
Clark	Kahn	Nelson, K.	Rukavina	Wagenius
Cooper	Kalis	Ogren	Sarna	Winter
Dauner	Kelly	Olsen, S.	Scheid	Wynia
DeBlicke	Kelso	Olson, E.	Schoenfeld	Spk. Norton
Dille	Kinkel	Olson, K.	Seaberg	
Dorn	Knickerbocker	Onnen	Segal	
Forsythe	Knuth	Orenstein	Simoneau	

Those who voted in the negative were:

Anderson, G.	Heap	McPherson	Pelowski	Tjornhom
Begich	Himle	Miller	Poppenhagen	Tompkins
Blatz	Hugoson	Minne	Quist	Vanasek
Clausnitzer	Jacobs	Morrison	Rodosovich	Waltman
Dempsey	Khudt	Neuenschwander	Schafer	Welle
Frerichs	Kostohryz	O'Connor	Schreiber	Wenzel
Gutknecht	Lasley	Omman	Shaver	
Hartle	Marsh	Ozment	Sviggun	
Haukoos	McDonald	Pauly	Thiede	

The motion prevailed.

The question was taken on the motion to recommend passage of H. F. No. 1034 and the roll was called. There were 60 yeas and 53 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Long	Otis	Skoglund
Battaglia	Jaros	McLaughlin	Pappas	Steensma
Bauerly	Jefferson	Minne	Peterson	Swenson
Begich	Johnson, A.	Munger	Quinn	Tompkins
Bertram	Kahn	Murphy	Reding	Trimble
Bishop	Kelly	Nelson, C.	Rest	Tunheim
Boo	Khudt	Neuenschwander	Rice	Vanasek
Clark	Knuth	O'Connor	Riveness	Vellenga
Cooper	Kostohryz	Ogren	Rukavina	Wagenius
Dauner	Krueger	Olson, K.	Scheid	Winter
DeBlicke	Larsen	Orenstein	Segal	Wynia
Dille	Lasley	Osthoff	Simoneau	Spk. Norton

Those who voted in the negative were:

Bennett	Brown	Carlson, L.	Dempsey	Forsythe
Blatz	Burger	Clausnitzer	Dorn	Frederick

Frerichs	Johnson, V.	Morrison	Quist	Thiede
Gruenes	Kalis	Nelson, D.	Redalen	Tjornhom
Gutknecht	Kinkel	Olsen, S.	Richter	Uphus
Hartle	Lieder	Omann	Rodosovich	Valento
Haukoos	Marsh	Onnen	Schafer	Waltman
Himle	McDonald	Ozment	Schreiber	Welle
Hugoson	McKasy	Pauly	Sparby	Wenzel
Jensen	McPherson	Pelowski	Stanius	
Johnson, R.	Miller	Poppenhagen	Swiggum	

The motion prevailed.

## MOTIONS AND RESOLUTIONS

McKasy moved that the name of Valento be stricken and the name of Osthoff be added as an author on H. F. No. 96. The motion prevailed.

Kalis moved that the name of Rose be stricken and the names of Knuth and Waltman be added as authors on H. F. No. 485. The motion prevailed.

Wagenius moved that the name of Long be stricken and the name of Kludt be added as an author on H. F. No. 1209. The motion prevailed.

Murphy moved that the name of Jefferson be added as chief author and the name of Murphy be shown as second author on H. F. No. 1310. The motion prevailed.

Ogren moved that the name of Beard be added as an author on H. F. No. 1390. The motion prevailed.

Quinn moved that the name of Bennett be stricken and the name of Swenson be added as an author on H. F. No. 1473. The motion prevailed.

Dempsey moved that the name of Gruenes be added as an author on H. F. No. 1493. The motion prevailed.

Jensen moved that the names of Olsen, S., and Milbert be added as authors on H. F. No. 1503. The motion prevailed.

Munger moved that the name of Shaver be added as an author on H. F. No. 1507. The motion prevailed.

Greenfield moved that the name of Segal be added as an author on H. F. No. 1512. The motion prevailed.

Wynia moved that the names of Forsythe, Greenfield and Segal be added as authors on H. F. No. 1524. The motion prevailed.

Pappas moved that H. F. No. 1264, now on the Technical Consent Calendar, be re-referred to the Committee on Rules and Legislative Administration. The motion prevailed.

Long moved that H. F. No. 298, now on General Orders, be re-referred to the Committee on Appropriations. The motion prevailed.

Reding moved that H. F. No. 629, now on General Orders, be re-referred to the Committee on Appropriations. The motion prevailed.

Clark moved that H. F. No. 363 be recalled from the Committee on Appropriations and be re-referred to the Committee on Labor-Management Relations. The motion prevailed.

Rice moved that H. F. No. 1397 be recalled from the Committee on Transportation and be re-referred to the Committee on Labor-Management Relations. The motion prevailed.

Vanasek moved pursuant to House Concurrent Resolution No. 3 that the Chief Clerk be directed to invite the Senate by message to meet with the House in Joint Convention in the Chamber of the House of Representatives at 1:00 p.m. on Wednesday, April 15, 1987, to elect members to the Board of Regents of the University of Minnesota. The motion prevailed.

Begich introduced:

House Concurrent Resolution No. 8, A House concurrent resolution commemorating the life and work of John Mariucci.

The House concurrent resolution was referred to the Committee on Rules and Legislative Administration.

Nelson, K., moved that H. F. No. 1075 be returned to its author. The motion prevailed.

## ADJOURNMENT

Vanasek moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:00 p.m., Thursday, April 9, 1987.

EDWARD A. BURDICK, Chief Clerk, House of Representatives



## STATE OF MINNESOTA

## SEVENTY-FIFTH SESSION—1987

## THIRTY-FIRST DAY

SAINT PAUL, MINNESOTA, THURSDAY, APRIL 9, 1987

The House of Representatives convened at 2:00 p.m. and was called to order by Fred C. Norton, Speaker of the House.

Prayer was offered by Pastor Wallace Pratt, Covenant Church, Dassel, Minnesota.

The roll was called and the following members were present:

Anderson, G.	Greenfield	Lieder	Otis	Simoneau
Anderson, R.	Gruenes	Long	Ozment	Skoglund
Battaglia	Gutknecht	Marsh	Pappas	Solberg
Bauerly	Hartle	McDonald	Pauly	Sparby
Beard	Haukoos	McEachern	Pelowski	Stanius
Begich	Heap	McKasy	Peterson	Steensma
Bennett	Himle	McLaughlin	Poppenhagen	Svigum
Bertram	Hugoson	McPherson	Price	Swenson
Bishop	Jacobs	Milbert	Quinn	Thiede
Blatz	Jaros	Miller	Quist	Tjornhom
Boo	Jefferson	Minne	Redalen	Tompkins
Brown	Jennings	Morrison	Reding	Trimble
Burger	Jensen	Munger	Rest	Tunheim
Carlson, D.	Johnson, A.	Murphy	Rice	Uphus
Carlson, L.	Johnson, R.	Nelson, C.	Richter	Valento
Carruthers	Johnson, V.	Nelson, D.	Riveness	Vanasek
Clark	Kahn	Nelson, K.	Rodosovich	Vellenga
Clausnitzer	Kalis	Neuenschwander	Rose	Voss
Cooper	Kelly	O'Connor	Rukavina	Wagenius
Dauner	Kelso	Ogren	Sarna	Waltman
DeBlieck	Kinkel	Olsen, S.	Schafer	Welle
Dempsey	Kludt	Olson, E.	Scheid	Wenzel
Dille	Knuth	Olson, K.	Schoenfeld	Winter
Dorn	Kostohryz	Omann	Schreiber	Wynia
Forsythe	Krueger	Onnen	Seaberg	Spk. Norton
Frederick	Larsen	Orenstein	Segal	
Frerichs	Lasley	Osthoff	Shaver	

A quorum was present.

Knickerbocker was excused.

The Chief Clerk proceeded to read the Journal of the preceding day. Kelso moved that further reading of the Journal be dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

## REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 137, 1073, 645, 1042, 1113, 1213, 119, 217, 487, 1120, 1155, 242, 532, 642, 715, 1054, 1112, 14, 85, 401, 466, 490, 830, 846, 1147, 1170, 31, 269, 841 and 905 and S. F. Nos. 725, 888, 927, 1067, 698 and 721 have been placed in the members' files.

**REPORTS OF STANDING COMMITTEES**

Otis from the Committee on Economic Development and Housing to which was referred:

H. F. No. 129, A bill for an act relating to industrial development bonds; requiring the refund of application deposits to the city of Hastings; appropriating money.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 143, A bill for an act relating to public safety; establishing state reimbursement program for purchases of soft body armor by and for peace officers; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 299A.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 170, A bill for an act relating to firearms; permitting certain licensed dealers and manufacturers to own or possess machine guns and short-barreled shotguns for certain purposes; amending Minnesota Statutes 1986, section 609.67, subdivisions 3 and 4.

Reported the same back with the following amendments:

Page 2, line 1, delete "and"

Page 2, after line 1, insert:

"(4) Manufacturers of ammunition who possess and use machine guns for the sole purpose of testing ammunition manufactured for sale to law enforcement agencies and correctional facilities; and"

Page 2, line 2, delete "(4)" and insert "(5)"

Page 2, line 14, delete "or" and after "(3)" insert ", or (4)"

Page 2, line 24, delete "(4)" and insert "(5)"

Amend the title as follows:

Page 1, line 2, after the semicolon insert "allowing ammunition manufacturers to possess machine guns for ammunition testing purposes;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 457, A bill for an act relating to retirement; public employees retirement association administrative changes; privacy of certain membership data; amending Minnesota Statutes 1986, sections 353.01, subdivisions 2b and 20; 353.03, subdivision 3; 353.27, subdivisions 4, 10, and 12; 353.28, subdivision 5; 353.29, subdivision 8; 353.33, by adding a subdivision; 353.34, by adding a subdivision; 353.36, subdivision 2; 353.64, subdivisions 1 and 2; 353.651, by adding a subdivision; 353.656, subdivision 6, and by adding a subdivision; and 353.657; proposing coding for new law in Minnesota Statutes, chapter 13; repealing Minnesota Statutes 1986, section 353.64, subdivision 6.

Reported the same back with the following amendments:

Page 2, line 12, after "or" insert "in any"

Page 2, line 23, before "school" insert "per"

Page 2, line 24, after "employees" insert "for employment expected to be of a full year's duration or more than the prorated portion of \$3,900 per employment period for employment expected to be of less than a full year's duration"

Page 2, line 25, delete "If"

Page 2, delete lines 26, 27, and 28

Page 4, line 26, strike "was"

Page 4, line 27, delete "legally married to" and before the first "the" insert "had the same legal residence as"

Page 5, line 28, delete "if benefits are to be denied or" and insert "for any benefit eligibility or benefit amount determination."

Page 5, delete line 29

Page 6, line 16, after "insurance" insert "or may establish a self-insurance risk reserve" and delete "is"

Page 7, line 12, delete "paid date" and insert "the date of actual payment"

Page 9, line 5, strike "paid" and insert "payment is actually received in the office of the association"

Page 9, line 13, reinstate the stricken language and delete "a "

Page 9, line 16, reinstate the stricken language

Page 9, line 23, after the period insert "In lieu of the evidence of receipt of warrants for recipients of an annuity,"

Page 9, line 29, delete "Overpaid" and insert "An overpayment of"

Page 9, line 30, delete "association" and insert "executive director"

Page 9, line 31, delete "ceasing" and insert "suspending" and delete "payments" and insert "the payment" and after "benefits" insert "survivor benefits, survivor annuities, refunds,"

Page 10, line 3, after "120" insert "calendar"

Page 10, line 6, after "120" insert "calendar"

Page 10, line 22, delete "the higher of"

Page 10, line 23, delete "the following: (1)" and strike "the applicable percentage of" and before "the" insert "on"

Page 10, line 25, reinstate the period and delete "or (2)" and insert "The applicable member contribution percentage,"

Page 10, line 26, strike "the applicable percentage"

Page 10, line 27, strike "the applicable percentage"

Page 12, line 13, delete "and" and insert a comma

Page 12, line 15, delete "and" and insert a comma

Page 12, delete section 15

Page 13, line 36, reinstate the stricken "who"

Page 14, line 1, delete "legally married to" and insert "had the same legal residence as"

Page 14, line 3, after "in" insert "the" and after "duty" insert a comma

Page 14, line 10, after "average" insert "full-time" and strike "earned" and insert "rate"

Page 14, line 13, delete "full"

Page 15, line 12, after "average" insert "full-time" and strike "earned" and insert "rate"

Page 15, line 15, delete "full"

Page 16, line 10, delete "June 30, 1987" and insert "on the day following final enactment"

Renumber the remaining sections in sequence

Amend the title as follows:

Page 1, line 10, delete everything after the semicolon

Page 1, line 11, delete "subdivision;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 596, A bill for an act relating to jails; providing for the detention and confinement of minors subject to prosecution as adults

and minors committed to the custody of the commissioner of corrections; amending Minnesota Statutes 1986, section 641.14.

Reported the same back with the following amendments:

Page 1, line 15, after "kept" insert "with adult prisoners"

Page 1, delete line 18

Page 1, line 19, delete "to section 609.105, or the minor"

Page 2, after line 3, insert:

"Sec. 2. Minnesota Statutes 1986, section 636.07, is amended to read:

636.07 [CARE AND CUSTODY OF MINORS.]

Every sheriff or other person having charge of a minor under the age of 18 years, chargeable with any crime, shall provide a separate place of confinement for the minor, under no circumstances with grown-up prisoners. Every sheriff or other person having charge of a minor while in confinement, chargeable with any crime, shall be provided provide the minor with good reading matter, and relatives and friends likely to exert a good influence over the minor shall at all reasonable times be permitted to visit."

Page 2, line 5, delete "Section 1 is" and insert "Sections 1 and 2 are"

Renumber the remaining section

Amend the title as follows:

Page 1, delete line 4

Page 1, line 5, delete everything before the semicolon

Page 1, line 6, delete "section" and insert "sections" and before the period insert "; and 636.07"

With the recommendation that when so amended the bill pass.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 652, A bill for an act relating to the city of Little Falls; authorizing the issuance of general obligation bonds to refund certain tax increment bonds of the city; authorizing the city to use the unexpended proceeds of the refunded bonds for other municipal purposes.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 770, A bill for an act relating to drivers' licenses; increasing age from 19 to 21 for provisional driver's license; imposing fees; amending Minnesota Statutes 1986, sections 171.02, subdivision 3; 171.06, subdivision 2; 171.07, subdivision 1; and 171.27.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 895, A bill for an act relating to liquor; repealing the law requiring filing and maintenance of lists of wholesale prices; repealing Minnesota Statutes 1986, section 340A.313.

Reported the same back with the following amendments:

Page 1, after line 6, insert:

"Section 1. Minnesota Statutes 1986, section 340A.307, is amended by adding a subdivision to read:

Subd. 3a. [NONDISCRIMINATORY PRICES; RETAILERS.] All licensed wholesalers and manufacturers must offer for sale on an equal basis to all licensed retailers to whom they offer to make sales all intoxicating liquor brought into or sold in the state of Minnesota, subject to the provisions of sections 297A.151 and 340A.318."

Page 1, after line 8, insert:

"Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective the day following final enactment."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon insert "requiring nondiscriminatory prices for sale to retailers;"

Page 1, line 3, after the semicolon insert "amending Minnesota Statutes 1986, section 340A.307, by adding a subdivision;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 949, A bill for an act relating to consumer protection; requiring registration for health, buying, and social referral clubs; providing bonding and alternative security requirements; regulating bond claims; amending Minnesota Statutes 1986, sections 325G.23, subdivisions 4, 8, and by adding a subdivision; and 325G.27.

Reported the same back with the following amendments:

Page 1, line 15, reinstate the stricken "having the primary purpose of"

Page 1, line 16, after "offering" insert "one or more" and delete "the"

Page 1, line 20, delete "or well-being"

Page 1, line 21, delete "The term"

Page 1, delete lines 22 to 24

Page 1, line 25, delete everything before "The"

Page 2, line 4, strike "\$25" and insert "\$50"

Page 2, line 12, after the period insert "It is not a prepayment if a payment for service is made on the same day the service is rendered."

Page 2, line 22, delete "to be"

Page 3, line 6, delete "person who registers" and insert "registrant"

Page 3, line 7, delete "not more than"

Page 3, line 10, delete "registered person" and insert "registrant" and delete "in"

Page 3, line 11, delete "an amount set by the attorney general" and delete "not more than"

Page 3, line 11, delete "\$250" and insert "\$150"

Page 3, line 13, after "section" insert "must be deposited into the state treasury and credited to a club contracts account. All money in the account is appropriated to the attorney general and"

Page 3, delete lines 15 to 18

Page 3, line 19, delete "(d)" and insert "(c)"

Page 3, line 33, delete "(b)" and strike "In no event shall any bond required by this"

Page 3, strike line 34

Page 4, after line 14, insert:

"(b) No club shall be required to file with the attorney general a bond, letter of credit, or cash in excess of \$200,000, regardless of the number of facilities."

Page 4, delete lines 15 to 18 and insert:

"(c) The amount of the bond shall be based upon a financial statement covering the immediately preceding 12-month period of the club, and shall be executed under the penalty of perjury by any two duly constituted officers of the corporation, describing the club's outstanding liabilities to the members using generally accepted accounting principles."

Page 4, delete lines 21 to 27

Page 4, line 28, delete "(e)" and insert "(d)"

Page 4, line 33, delete "(f)" and insert "(e)"

Page 4, after line 36, insert:

“(f) This subdivision does not apply to any club which files a declaration with the attorney general, executed under penalty of perjury by the owner or manager of the club, stating that the club does not require or in the ordinary course of business does not receive prepayment for services or merchandise.”

Page 5, line 26, delete “person” and insert “club”

Page 5, line 31, after the first comma insert “irrevocable”

Page 5, line 31, after “cash” insert “deposit filed with the attorney general,”

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 1005, A bill for an act relating to landlord and tenant; authorizing tenants in single-metered residential buildings to pay for gas and electric utilities and deduct the payments from rent due; providing penalties; proposing coding for new law in Minnesota Statutes, chapter 504.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [504.258] [SINGLE-METERED UTILITIES.]

Subdivision 1. [DEFINITIONS.] (a) As used in this section, the following terms have the meanings given to them.

(b) “Landlord” means the owner of residential rental property or an agent acting to manage rental property on behalf of an owner.

(c) “Municipality” means a statutory or home rule charter city.

(d) “Single-metered residential building” means a multi-unit rental building with one or more separate living units, managed by a landlord, where two or more rental units are provided utility service through a single meter or other device used to measure the amount of utility service used.

(e) “Utility service” means service of electricity or natural gas, or both.

Subd. 2. [LANDLORD RESPONSIBILITY.] In a residential leasehold contract entered into or renewed on and after August 1, 1988, the landlord of a single-metered residential building is responsible for utility service supplied to the building through a single meter. The landlord is responsible for and shall pay the amount charged for utility service provided through a single meter and advise the utility company providing the services that the service is for a single-metered residential building. A failure by the landlord to comply with this subdivision is a violation of sections 504.18, subdivision 1(a) and 504.26 and the landlord is subject to the penalties and remedies contained in those sections. This subdivision may not be waived by contract or otherwise. The landlord is not required to contract and pay for utility service provided to each unit separately through a utility meter.

Subd. 3. [POSTING PRIOR TO DISCONNECTION.] When a utility company or municipality supplying utility service to a single-metered residential building intends to discontinue utility service to the building because the landlord has failed to pay for the service, the utility company or municipality shall post on or near the front and rear entrance to the building a notice of intent to discontinue the service. The notice of intent to discontinue the service shall inform tenants of their right to pay the outstanding bill or a portion of the bill and deduct the amount paid the utility company or municipality from the rental payment. The notice shall be posted clearly and conspicuously to be observable to persons entering or leaving the building. The notice shall be posted at least 14 days before the intended discontinuance of the service and shall state the date on or about which the service shall be discontinued. The notice shall contain the following statement printed on the face of the notice in a conspicuous manner: "The removing or defacing of this placard by an unauthorized person is a misdemeanor under Minnesota law."

Subd. 4. [PAYMENT OF UTILITY BILL AFTER NOTICE.] (a) When a utility company or municipality supplying utility service to a single-metered residential building has given notice under subdivision 3 of its intent to discontinue service, or, if the utility company or municipality has already discontinued service because of the landlord's nonpayment of charges for utility service, a tenant or group of tenants of the building may pay the total outstanding bill or portion of the bill under this subdivision. Before paying the bill, the tenant or tenants shall make a reasonable attempt to give oral or written notice to the landlord of the tenant's intention to pay the bill after 48 hours, or some shorter period that is reasonable under the circumstances, if the landlord has not already by then paid the bill. If the landlord has not yet paid the bill by the time of the tenant's intended payment, or if the utility service remains discontinued, the tenant or tenants may pay the outstanding bill and after submitting receipts for that payment to the landlord a tenant may deduct the amount of the tenant's payment from the rental payment next paid

to the landlord. Any amount paid to the utility company or municipality by a tenant under this subdivision is considered payment of rent to the landlord for purposes of section 504.02.

(b) A utility company or municipality receiving payment from the tenant under this section for utility service sufficient to pay for service used during the most recent billing period shall not discontinue service for the term of the next billing period, or if service has already been discontinued, the utility company or municipality shall reconnect service for at least one billing period.

(c) The utility company or municipality shall, upon request by a tenant of any property on which a notice has been posted under subdivision 3, advise the tenant of the total amount owed for utility service and the amount owed for the most recent billing period on the utility account for that property.

(d) If a landlord, tenant, or group of tenants fails to pay the utility bill under this section, the utility company or municipality is not required to again post the notice required by subdivision 3.

(e) A utility company or municipality is not required to accept payments under this section on any single account for more than three months in any 12-month period.

Subd. 5. [PENALTY.] A person who defaces, removes, or obstructs a notice posted under subdivision 3 is guilty of a misdemeanor.

## Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective August 1, 1988."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Regulated Industries.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 1009, A bill for an act relating to transportation; providing for standards for special transportation service; requiring changes in the administration of special transportation service in the metropolitan area; amending Minnesota Statutes 1986, sections 174.30, subdivisions 1, 2, 4, 6, 7, and by adding subdivisions; 473.386, subdivisions 1, 2, 3, 4, and 6; repealing Minnesota Statutes 1986, section 473.386, subdivision 7.

Reported the same back with the following amendments:

Page 4, line 15, delete "within ten days" and insert "before allowing the operator to return the vehicle to service"

Page 5, line 28, after "public" insert ", private nonprofit."

Page 7, line 13, delete everything after the period

Page 7, delete lines 14 to 22 and insert "Two of the appointments to the advisory committee shall be made by the state council for the handicapped in consultation with the chairman of the regional transit board."

Page 7, line 28, after "public" insert ", private nonprofit."

Page 7, line 31, after "public" insert ", private nonprofit."

Page 8, line 6, after "public" insert "and private nonprofit"

Page 9, line 14, strike "and the" and insert ", who shall notify the"

Page 9, line 15, strike "describing" and insert "and describe"

With the recommendation that when so amended the bill pass.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 1014, A bill for an act relating to the permanent school fund; modifying the sale procedures for certain trust fund lands leased for lakeshore cabin purposes; appropriating money; amending Minnesota Statutes 1986, sections 92.46, subdivision 1; and 92.67; repealing Laws 1986, chapter 449, section 6.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Otis from the Committee on Economic Development and Housing to which was referred:

H. F. No. 1023, A bill for an act relating to economic development; amending the economic diversification loan program; amending the definition of a distressed county; amending Minnesota Statutes 1986, sections 116M.06, subdivisions 2 and 3; 116M.07, subdivision

11; and 297A.257, subdivision 1; repealing Minnesota Statutes 1986, sections 116M.03, subdivision 28; and 273.1313, subdivision 6.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 1065, A bill for an act relating to natural resources; increasing certain game, fish, and related license and other fees; amending Minnesota Statutes 1986, sections 84.091, subdivision 3; 97A.415, subdivision 1; 97A.475, subdivisions 2, 3, 6, 7, 8, 9, 11, 12, 13, and 20.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1986, section 84.091, subdivision 3, is amended to read:

Subd. 3. [LICENSE FEES.] (a) The fees for the following licenses, to be issued to residents only, are:

(1) for harvesting wild rice, ~~\$10~~ \$12.50;

(2) for buying and selling wild ginseng, \$5;

(3) for a wild rice dealer's license to buy and sell 50,000 pounds or less, \$70; and

(4) for a wild rice dealer's license to buy and sell more than 50,000 pounds, \$250.

(b) The weight of the wild rice shall be determined in its raw state.

Sec. 2. Minnesota Statutes 1986, section 97A.415, subdivision 1, is amended to read:

Subdivision 1. [ONE LICENSE PER PERSON.] Only one license of each kind may be issued to a person in a license year, except the resident and nonresident short-term angling license licenses, unless authorized by commissioner's order.

Sec. 3. Minnesota Statutes 1986, section 97A.445, subdivision 1, is amended to read:

Subdivision 1. [ANGLING; TAKE A KID FISHING WEEKEND.] A resident over age 18 may take fish by angling without a license during the second one Saturday and Sunday of the angling season designated by order of the commissioner if accompanied by a child who is under age 16. The commissioner shall publicize the Saturday and Sunday as "Take a Kid Fishing Weekend."

Sec. 4. Minnesota Statutes 1986, section 97A.451, subdivision 4, is amended to read:

Subd. 4. [PERSONS UNDER AGE 16; BIG GAME.] A person under the age of 16 may not obtain a license to take big game unless the person possesses a firearms safety certificate. A person under the age of 14 must be accompanied by a parent or guardian to hunt big game. A person between the ages of 12 to 16 shall be entitled to receive one free license to hunt deer under conditions prescribed by the commissioners.

Sec. 5. Minnesota Statutes 1986, section 97A.475, subdivision 2, is amended to read:

Subd. 2. [RESIDENT HUNTING.] Fees for the following licenses, to be issued to residents only, are:

- (1) for persons under age 65 to take small game, \$7 \$9;
- (2) for persons age 65 or over, ~~\$3.50~~ \$4.50;
- (3) to take turkey, \$10 \$12.50;
- (4) to take deer with firearms, ~~\$15~~ \$20;
- (5) to take deer by archery, ~~\$15~~ \$20;
- (6) to take moose, for a party of not more than four persons, \$200;  
and
- (7) to take bear, ~~\$25~~ \$30.

Sec. 6. Minnesota Statutes 1986, section 97A.475, subdivision 3, is amended to read:

Subd. 3. [NONRESIDENT HUNTING.] Fees for the following licenses, to be issued to nonresidents, are:

- (1) to take small game, ~~\$46~~ \$51;
- (2) to take deer with firearms, \$100;

- (3) to take deer by archery, \$100;
- (4) to take bear, \$150;
- (5) to take turkey, \$30; and
- (6) to take raccoon, bobcat, fox, coyote, or lynx, ~~\$100~~ \$125.

Sec. 7. Minnesota Statutes 1986, section 97A.475, subdivision 6, is amended to read:

Subd. 6. [RESIDENT FISHING.] Fees for the following licenses, to be issued to residents, only are:

- (1) to take fish by angling, ~~\$6.50~~ \$8.50;
- (2) to take fish by angling, for a combined license for a married couple, ~~\$10.50~~ \$13.50; and
- (3) to take fish by spearing from a dark house, ~~\$7.50~~ \$12; and
- (4) to take fish by angling for a period of 24 hours from the time of issuance, \$4.50. No trout stamp is required when angling for trout or salmon under this 24-hour angling license.

Sec. 8. Minnesota Statutes 1986, section 97A.475, subdivision 7, is amended to read:

Subd. 7. [NONRESIDENT FISHING.] Fees for the following licenses, to be issued to nonresidents, shall be are:

- (1) to take fish by angling, ~~\$16~~ \$18;
- (2) to take fish by angling limited to seven consecutive days, ~~\$13~~ \$15;
- (3) to take fish by angling for three days, ~~\$10~~ \$12; and
- (4) to take fish by angling for a combined license for a family, ~~\$27.50~~ \$30.50;
- (5) to take fish by angling for a period of 24 hours from the time of issuance, \$4.50. No trout stamp is required when angling for trout or salmon under this 24-hour angling license; and
- (6) to take fish by angling for a combined license for a married couple, limited to 14 consecutive days, \$22.50.

Sec. 9. Minnesota Statutes 1986, section 97A.475, subdivision 8, is amended to read:

Subd. 8. [MINNESOTA SPORTING.] The commissioner shall issue Minnesota sporting licenses to residents only. The licensee may take fish by angling and small game. The fee for the license is:

- (1) for an individual, ~~\$12~~ \$15.50; and
- (2) for a combined license for a married couple to take fish and for one spouse to take small game, ~~\$16~~ \$19.50.

Sec. 10. Minnesota Statutes 1986, section 97A.475, subdivision 9, is amended to read:

Subd. 9. [FISHING SURCHARGE.] The fees for the following licenses must be increased by a surcharge of \$2.50:

- (1) resident angling, under subdivision 6, clauses (1) ~~and~~, (2) and (4);
- (2) nonresident angling, under subdivision 7;
- (3) Minnesota sporting, under subdivision 8;
- (4) nonresident fish houses, under subdivision 12; and
- (5) to net fish for domestic use, under subdivision 13.

Sec. 11. Minnesota Statutes 1986, section 97A.475, subdivision 11, is amended to read:

Subd. 11. [FISH HOUSES AND DARK HOUSES; RESIDENTS.] Fees for the following licenses are:

- (1) for a fish house or dark house that is not rented, ~~\$5~~ \$8; and
- (2) for a fish house or dark house that is rented, ~~\$15~~ \$18.

Sec. 12. Minnesota Statutes 1986, section 97A.475, subdivision 12, is amended to read:

Subd. 12. [FISH HOUSES; NONRESIDENT.] The fee for a fish house license for a nonresident is ~~\$15~~ \$19.50.

Sec. 13. Minnesota Statutes 1986, section 97A.475, subdivision 13, is amended to read:

Subd. 13. [NETTING WHITEFISH AND CISCOES FOR PERSONAL CONSUMPTION.] The fee for a license to net whitefish and ciscoes in inland lakes and international waters for personal consumption is, for each net, ~~\$3~~ \$5.

Sec. 14. Minnesota Statutes 1986, section 97A.475, subdivision 20, is amended to read:

Subd. 20. [TRAPPING LICENSE.] The fee for a license to trap fur-bearing animals is:

- (1) for persons over age 13 and under age 18, ~~\$3.50~~ \$5; and
- (2) for persons age 18 and older, ~~\$13~~ \$16.

Sec. 15. Minnesota Statutes 1986, section 97A.485, subdivision 6, is amended to read:

Subd. 6. [LICENSES TO BE SOLD AND ISSUING FEES.] (a) Persons authorized to sell licenses under this section must sell the following licenses for the license fee and ~~the following an additional issuing fees:~~ fee of \$1 for each license.

- (1) ~~to take deer with firearms and by archery, the issuing fee is \$1;~~
- (2) ~~Minnesota sporting, the issuing fee is \$1; and~~
- (3) ~~to take bear and small game, to take fish by angling or spearing, and to trap furbearing animals, the issuing fee is 75 cents.~~

(b) An issuing fee for a stamp may not be collected when a stamp is issued simultaneously with the related small game, fishing, or sporting license. Only one issuing fee may be collected when selling more than one stamp in the same transaction after the end of the season for which the stamp was issued.

(c) The auditor or subagent shall keep the issuing fee as a commission for selling the licenses.

(d) The commissioner shall collect the issuing fee on licenses sold by the commissioner.

(e) A license, except stamps, must state the amount of the issuing fee and that the issuing fee is kept by the seller as a commission for selling the licenses.

Sec. 16. [EFFECTIVE DATE.]

Except as provided in this section, sections 1 to 13 are effective for the licensing year beginning March 1, 1988, and for each licensing

year after that date. The nonresident married couple angling licenses, and sections 3, 4, and 15 are effective beginning July 1, 1987, and for each licensing year after that date. The 24-hour resident and nonresident angling licenses are effective beginning June 1, 1987, and for each licensing year after that date."

Delete the title and insert:

"A bill for an act relating to natural resources; increasing certain game, fish, and related license and other fees; amending Minnesota Statutes 1986, sections 84.091, subdivision 3; 97A.415, subdivision 1; 97A.445, subdivision 1; 97A.451, subdivision 4; 97A.475, subdivisions 2, 3, 6, 7, 8, 9, 11, 12, 13, and 20; 97A.485, subdivision 6."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 1083, A bill for an act relating to government liability; providing that municipalities may not waive statutory immunities; authorizing municipal insurers to settle tort claims; clarifying that instrumentalities of municipalities incorporated as nonprofit corporations may be included in the self insurance pool; amending Minnesota Statutes 1986, sections 466.03, subdivision 1; 466.06; 466.08; and 471.98, subdivision 2.

Reported the same back with the following amendments:

Page 1, delete section 1

Page 2, line 23, after the period, insert "Procurement of commercial insurance, participation in a self insurance pool pursuant to section 471.981, or provision for an individual self insurance plan with or without a reserve fund or reinsurance shall not constitute a waiver of any of the immunities conferred under section 466.03."

Page 2, line 27, delete "section" and insert "sections 466.03 and"

Renumber the sections

Amend the title as follows:

Page 1, line 2, delete "providing that"

Page 1, delete line 3

Page 1, line 8, delete "466.03, subdivision 1;"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 1138, A bill for an act relating to small business; modifying the definition of small business; amending Minnesota Statutes 1986, section 645.445, subdivisions 2 and 3.

Reported the same back with the following amendments:

Page 1, before line 7, insert:

"Section 1. Minnesota Statutes 1986, section 16B.19, subdivision 6, is amended to read:

Subd. 6. [CONTRACTS IN EXCESS OF \$200,000; SET-ASIDE.] The commissioner as a condition of awarding state procurements for construction contracts or approving contracts for consultant, professional, or technical services pursuant to section 16B.17 in excess of \$200,000 shall require that at least ten percent of the contract award to a prime contractor be subcontracted to a business owned and operated by a socially or economically disadvantaged person or persons or that at least ten percent of the contract award be expended in purchasing materials or supplies from said person or persons. If there is no socially or economically disadvantaged person or persons or other small businesses able to perform the subcontract or to provide the supplies or materials, the construction contract or contract for consultant, professional, or technical services may be awarded notwithstanding the ten percent requirement provided that the ten percent requirement is made up in other such contracts awarded or to be awarded by the same agency. Any subcontracting or purchasing of supplies and materials pursuant to this subdivision may not be included in determining the total amount of awards required by subdivisions 1, 2, and 5. In the event small businesses owned and operated by socially and economically disadvantaged persons are unable to perform ten percent of the prime contract award, the commissioner shall require that other small businesses perform at least ten percent of the prime contract award. The commissioner may determine that small businesses owned and operated by socially and economically disadvantaged persons are unable to perform at least ten percent of the prime contract award prior to the advertising for bids. Each construction contractor bidding on a project over \$200,000 shall submit with the bid a list of the businesses owned and operated by socially or economically disadvantaged persons that are proposed to be utilized on the project

with a statement indicating the portion of the total bid to be performed by each business. The commissioner shall reject any bid to which this subdivision applies that does not contain this information. Prime contractors receiving construction contract awards in excess of \$200,000 shall furnish to the commissioner the name of each business owned and operated by a socially or economically disadvantaged person or persons or other small business that is performing work or supplying supplies and materials on the prime contract and the dollar amount of the work performed or to be performed or the supplies and materials to be supplied. Once the contract has been awarded, the prime contractor must use the socially and economically disadvantaged subcontractors proposed to be utilized on the project, unless the subcontractors are unable to perform in accordance with the award.

This subdivision does not apply to prime contractors that are themselves small businesses owned and operated by socially or economically disadvantaged persons, as duly certified pursuant to section 16B.22.

Sec. 2. Minnesota Statutes 1986, section 16B.22, is amended to read:

16B.22 [~~ELIGIBILITY; RULES.~~]

~~Subdivision 1. [~~ELIGIBILITY.~~] A small business owned and operated by socially or economically disadvantaged persons is eligible to participate under the requirements of sections 16B.19 to 16B.22 for a maximum of five years from the date of receipt of the first set-aside award and after that period is not eligible to participate for another five years. A small business that received its first set-aside award more than five years before July 1, 1985 is not eligible to participate for five years after July 1, 1985. The five-year maximum does not apply to sheltered workshops and work activity programs.~~

~~Subd. 2. [~~RULES.~~] (a) The commissioner shall adopt by rule additional standards and procedures for certifying that small businesses and small businesses owned and operated by socially or economically disadvantaged persons are eligible to participate under the requirements of sections 16B.19 to 16B.22. The commissioner shall adopt by rule standards and procedures for hearing appeals and grievances and other rules necessary to carry out the duties set forth in sections 16B.19 to 16B.22.~~

~~(b) The commissioner may make rules which exclude or limit the participation of nonmanufacturing business, including third-party lessors, jobbers, manufacturers' representatives, and others from eligibility under sections 16B.19 to 16B.22."~~

Page 1, line 20, delete "\$2,000,000" and insert "\$2,500,000"

Page 2, line 1, delete "\$2,000,000" and insert "\$2,500,000"

Renumber the remaining sections in sequence

Amend the title as follows:

Page 1, line 2, after "business;" insert "requiring use of certain socially and economically disadvantaged subcontractors; removing a five-year eligibility limitation;"

Page 1, line 4, delete "section" and insert "sections 16B.19, subdivision 6; 16B.22; and"

With the recommendation that when so amended the bill pass.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 1207, A bill for an act relating to real property; altering certain redemption periods; amending Minnesota Statutes 1986, section 580.23, subdivision 2.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1223, A bill for an act relating to Morrison county; removing special qualifications for newspapers; repealing Laws 1980, chapter 526.

Reported the same back with the following amendments:

Page 1, line 12, delete "the day following final enactment" and insert "December 31, 1987"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1236, A bill for an act relating to local improvements; permitting the issuance of general obligation bonds for certain pedestrian skyways; amending Minnesota Statutes 1986, section 429.091, subdivision 2.

Reported the same back with the following amendments:

Page 2, after line 4, insert:

“Sec. 2. Minnesota Statutes 1986, section 462.358, subdivision 2b, is amended to read:

Subd. 2b. [DEDICATION.] The regulations may require that a reasonable portion of any proposed subdivision be dedicated to the public or preserved for public use as streets, roads, sewers, electric, gas, and water facilities, storm water drainage and holding areas or ponds and similar utilities and improvements.

In addition, the regulations may require that a reasonable portion of any proposed subdivision be dedicated to the public or preserved for public use as parks, playgrounds, trails, or open space; provided that (a) the municipality may choose to accept an equivalent amount in cash from the applicant for part or all of the portion required to be dedicated to such public uses or purposes based on the fair market value of the land no later than at the time of final approval, (b) any cash payments received shall be placed in a special fund by the municipality used only for the purposes for which the money was obtained, (c) in establishing the reasonable portion to be dedicated, the regulations may consider the open space, park, recreational, or common areas and facilities which the applicant proposes to reserve for the subdivision, and (d) the municipality reasonably determines that it will need to acquire that portion of land for the purposes stated in this paragraph as a result of approval of the subdivision, and (e) the municipality, at its option, may choose to charge a neighborhood park charge in accordance with its ordinances and regulations at the time of issuance of a building permit on any residential or commercial property.”

Amend the title as follows:

Page 1, line 2, delete “improvements” and insert “government”

Page 1, line 4, after the semicolon insert “authorizing a charge for neighborhood park acquisition or development;”

Page 1, line 5, delete “section” and insert “sections” and before the period insert “; and 462.358, subdivision 2b”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 1252, A bill for an act relating to eminent domain; authorizing court having jurisdiction over an eminent domain proceeding to compel occupants of condemned real estate to deliver possession; proposing coding for new law in Minnesota Statutes, chapter 117.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [117.043] [COMPELLING DELIVERY OF POSSESSION.]

Subdivision 1. [CONDITIONS REQUIRED FOR COURT TO ISSUE RELIEF] A court having jurisdiction over an eminent domain proceeding may issue an order compelling delivery of possession of the property under any of the following conditions:

(1) the court has issued an order authorizing transfer of title and possession and the petitioner has paid or deposited its approved appraisal value under section 117.042; or

(2) the petitioner has acquired title of the real estate.

If one of these conditions is met, the court may issue an order compelling delivery of possession of the property upon: (1) the affidavit of the petitioner; (2) notice to the occupants of the acquired real estate and others claiming a right to remain in possession of it; and (3) a hearing. Notice of the hearing must be given in the same way as notice of a motion under the rules of civil procedure. In case of hardship the court may delay enforcement of an order compelling delivery of possession for a period not to exceed seven days.

Subd. 2. [AWARD OF FEES AND COSTS.] Following notice and hearing, if the occupant, in bad faith, has failed to deliver possession of the real estate in accordance with either an order issued under section 117.042 or an order issued under this section, the court, upon application by the petitioner, may award to the petitioner, and against the occupant, the attorney fees, costs, and disbursements that were actually incurred by the petitioner in getting possession of the real estate.

## Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment and applies to condemnation proceedings commenced on or after the effective date.

With the recommendation that when so amended the bill pass.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1266, A bill for an act relating to Hennepin county; providing bonding authority for library construction and betterment; amending Minnesota Statutes 1986, section 383B.245.

Reported the same back with the following amendments:

Page 2, line 12, strike everything after the period

Page 2, line 13, strike "granted the board by this paragraph is the same authority"

Page 2, line 14, strike "granted by Laws 1969, chapter 967,"

Page 2, strike line 15

With the recommendation that when so amended the bill pass.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 1326, A bill for an act relating to energy; authorizing loans to cities and counties for energy conservation investments and authorizing repayment of those loans; authorizing issuance of bonds; appropriating money; amending Minnesota Statutes 1986, sections 116J.37; 275.50, subdivision 5; 471.65; and 475.51, subdivision 4.

Reported the same back with the following amendments:

Amend the title as follows:

Page 1, line 2, delete "cities and"

Page 1, line 3, delete "counties" and insert "municipalities"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 1342, A bill for an act relating to intoxicating liquor; requiring cities to issue off-sale wine licenses to general food stores in the metropolitan area upon application; imposing restrictions; amending Minnesota Statutes 1986, sections 340A.101, subdivision 29; and 340A.412, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 340A.

Reported the same back with the following amendments:

Page 1, after line 10, insert:

“Section 1. Minnesota Statutes 1986, section 340A.101, subdivision 10, is amended to read:

Subd. 10. [EXCLUSIVE LIQUOR STORE.] “Exclusive liquor store” is an establishment used exclusively for the sale of intoxicating liquor except for the incidental sale of ice, tobacco, cheese and cheese products, snack foods, nonintoxicating malt liquor, beverages for mixing with intoxicating liquor, and soft drinks may also be sold, and the establishment may offer recorded or live entertainment and make available coin-operated amusement devices. “Exclusive liquor store” also includes an on-sale or combination on-sale and off-sale intoxicating liquor establishment which sells food for on-premise consumption when authorized by the municipality issuing the license.”

Page 1, line 20, delete “340A.405” and insert “340A.4051”

Page 1, line 25, after “city” insert “, if the licensee meets the qualifications of section 340A.402”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after the semicolon insert “items which may be sold in an exclusive liquor store;”

Page 1, line 6, delete “subdivision” and insert “subdivisions 10 and”

With the recommendation that when so amended the bill pass.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1355, A bill for an act relating to the city of Minneapolis; giving the city certain powers pertaining to conventions and tourism activities.

Reported the same back with the following amendments:

Page 2, after line 27, insert:

"Sec. 4. Laws 1986, chapter 396, section 4, subdivision 3, is amended to read:

Subd. 3. [USE OF PROPERTY.] Revenues received from the tax may only be used:

- (1) to pay costs of collection;
- (2) to pay or secure the payment of any principal of, premium or interest on bonds issued in accordance with this act;
- (3) to pay costs to acquire, design, equip, construct, improve, maintain, operate, administer, or promote the convention center or related facilities, including financing costs related to them;
- (4) to pay reasonable and appropriate costs determined by the city to replace housing and the ice arena removed from the site; and
- (5) to maintain reserves for the foregoing purposes deemed reasonable and appropriate by the city.

In the event of any amendment to chapter 297A enacted subsequent to the effective date of this act which exempts sales or uses which were taxable under chapter 297A on the effective date of this act, the city may by ordinance extend the tax authorized hereby to any such sales or uses provided that the city council shall have determined that such extension is necessary to provide revenues for the uses to which taxes may be applied under this section and further provided that, in the estimation of the city council, the aggregate annual collections following such extension will not exceed the aggregate annual collections which would have been generated if chapter 297A, as in effect on the effective date of this act, were then in effect. Any revenue bonds issued in accordance with this act may, with the consent of the city council, contain a covenant that the tax will be so

extended to the extent necessary to pay principal and interest on the bonds when due.

Money for replacement housing shall be made available by the city only for new construction, conversion of nonresidential buildings, and for rehabilitation of vacant residential structures, only if all of the units in the newly constructed building, converted nonresidential building, or rehabilitated residential structure are to be used for replacement housing."

Renumber the remaining section

Amend the title as follows:

Page 1, line 4, before the period insert "; providing for the use of certain tax revenues; amending Laws 1986, chapter 396, section 4, subdivision 3"

With the recommendation that when so amended the bill pass.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 1361, A bill for an act relating to public utilities; increasing time that public utilities commission must approve or deny certificate of need; authorizing commission to recover costs of evaluating need for large energy facility; amending Minnesota Statutes 1986, sections 216B.243, subdivision 5; and 216B.62, subdivisions 2, 6, and by adding a subdivision; repealing Minnesota Statutes 1986, section 216B.243, subdivision 6.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 216B.243, subdivision 5, is amended to read:

Subd. 5. Within ~~six~~ nine months of the submission of an application, the commission shall approve or deny a certificate of need for the facility; provided, however, for good cause shown upon motion by the applicant or the commission, the court of appeals may extend the time for commission action not to exceed 60 days. Approval or denial of the certificate shall be accompanied by a statement of the reasons for the decision. Issuance of The commission may approve the certificate may be made contingent upon modifications required by the commission. If the commission fails to approve or deny a

certificate of need application within nine months or within the court-extended time, the application is deemed to be approved by the commission and upon demand the commission shall execute a certificate to that effect. The certificate of need is not subject to rehearing upon application of the commission.

Sec. 2. Minnesota Statutes 1986, section 216B.243, subdivision 6, is amended to read:

Subd. 6. Any application for a certificate of need shall be accompanied by ~~the a fee required pursuant to this subdivision. The maximum fee shall be not to exceed \$50,000; except for an application for an electric power generating plant as defined in section 116J.06, subdivision 3, clause (a); or a high voltage transmission line as defined in section 116J.06, subdivision 3, clause (b), for which the maximum fee shall be \$100,000. The commission may require an additional fee to recover the costs of any rehearing. The fee for a rehearing shall not be greater than the actual cost of the rehearing or the maximum fee specified above, whichever is less. The commission shall establish by rule pursuant to chapter 14 and sections 116J.05 to 116J.30 and this section, a schedule of application fees not to exceed \$50,000 based on the output or capacity of the facility and the difficulty of assessment of need. The commission may assess an applicant for the reasonable and verifiable costs in excess of \$50,000 that are reasonably necessary to adjudicate an application, not to exceed \$300,000 per project. The commission may periodically submit a bill to an applicant and the bill must be paid within 30 days of receipt. Money collected in this manner shall be credited to the general fund of the state treasury, except that money received with an application filing must be deposited in a special account and is appropriated to the commission to pay expenses incurred in processing the application.~~

Delete the title and insert:

“A bill for an act relating to public utilities; energy; allowing nine months for public utilities commission to approve or deny certificate of need for large energy facility; providing for payment of fee and costs; providing for special account to pay for expenses; amending Minnesota Statutes 1986, section 216B.243, subdivisions 5 and 6.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 1362, A bill for an act relating to utilities; providing for expedited hearings by public utilities commission to review adjust-

ments to rates of public utilities and telephone companies due to tax reform act; providing for repeal.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [216A.096] [ADJUSTMENT TO UTILITY REVENUE REQUIREMENT DUE TO TAX REFORM ACT.]

Subdivision 1. [DEFINITIONS.] (a) As used in this section, the following terms have the meanings given them.

(b) “Commission” means the public utilities commission.

(c) “Expedited proceeding” means a proceeding before the commission where the commission provides a public utility or telephone company 20 days to file its proposed tariffs and supporting statements of fact, provides other interested persons 20 days to file written statements of fact in argument in response to the proposed tariffs, provides ten days to reply, either in writing or orally or both, and makes a final decision within 30 days after all replies are received based on the record. All pleadings in an expedited proceeding must be verified and oral statements of fact must be made under oath or affirmation. An expedited proceeding is exempt from sections 14.40 to 14.62.

(d) “Public utility” has the meaning given it in Minnesota Statutes, section 216B.02, subdivision 4.

(e) “Tax Reform Act” means the Tax Reform Act of 1986, Public Law Number 99-514.

(f) “Telephone company” has the meaning given it in section 237.01, subdivision 2.

Subd. 2. [RATE ADJUSTMENT.] Notwithstanding chapters 216, 216B, and 237, the commission shall order a public utility or a telephone company, after notice and an expedited proceeding, to adjust the rates charged for its services on the basis of the impact on its revenue requirements caused by changes in federal, state, or local tax laws, including, but not limited to, the provisions of the Tax Reform Act.

Subd. 3. [INTERIM RATES; REFUND.] With regard to any revenue requirements impact of the Tax Reform Act, a rate of a public utility or telephone company in effect on July 1, 1987, that has not been adjusted in a general rate case, in any commission order, or under this section to reflect the impact of the Tax Reform Act is an interim rate and is subject to a refund under sections

216B.16, subdivision 3, and 237.075, subdivision 3, to reflect adjustments due to the Tax Reform Act.

Subd. 4. [OPTION.] A public utility or a telephone company may elect to adjust its rates under a general rate case under section 216B.16 or 237.075 to reflect adjustments in addition to the impact of the Tax Reform Act.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment."

Amend the title as follows:

Page 1, delete line 5, and insert "companies due to law changes; proposing coding for new law in Minnesota Statutes, chapter 216A."

With the recommendation that when so amended the bill pass.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 1390, A bill for an act relating to utilities; providing for representation of small business by attorney general in certain proceedings relating to utility rates, service, and other matters; amending Minnesota Statutes 1986, section 8.33.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 1410, A bill for an act relating to utilities; establishing citizen commission to study competition between utilities and private business in the sale and service of gas and electric appliances; appropriating money.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [CITIZEN COMMISSION ON COMPETITION OF UTILITIES AND BUSINESS.]

Subdivision 1. [COMMISSION CREATED.] The citizen commission on competition of utilities and business is created.

Subd. 2. [PURPOSE.] The commission shall study the extent and effect of competition between utilities and businesses in the sale and servicing of gas and electric appliances and report its findings to the governor and the legislature.

Subd. 3. [MEMBERSHIP; CHAIR.] The commission consists of ten members of the public. The governor shall appoint the members and designate a member as chair. The governor shall select members as follows:

(1) two members to represent utilities regulated by the public utilities commission;

(2) one member to represent municipal utilities and one member to represent cooperative utilities;

(3) one member to represent electric contractors;

(4) one member to represent plumbing contractors;

(5) one member to represent sheet metal and air conditioning contractors;

(6) one member to represent appliance dealers; and

(7) two members to represent consumers.

Subd. 4. [ASSISTANCE OF AGENCIES.] The commission may request information from the public utilities commission, department of public service, or other state agency or officer to assist the commission to perform its duties. The agency or officer shall promptly furnish the data requested. The department of public service shall provide necessary staff for the commission.

Subd. 5. [EXPENSES AND REIMBURSEMENT.] Commission members must be reimbursed for expenses actually incurred in the performance of commission duties. The chair shall review and approve expenses of the commission. Expenses must be paid in the same manner as other state expenses are paid.

Subd. 6. [DUTIES.] The commission shall conduct studies on issues and practices relating to competition between businesses and gas and electric utilities, as defined in Minnesota Statutes, section 216B.02, subdivision 4, but also including municipally owned utilities and cooperative electric or gas associations organized under Minnesota Statutes, chapter 308.

Subd. 7. [REPORT.] The commission shall submit a report containing findings and recommendations to the governor and both houses of the legislature by February 1, 1989.

Sec. 2. [APPROPRIATION.]

\$. . . . is appropriated from the general fund to the citizen commission on competition of utilities and business to pay for expenses incurred to administer section 1. The appropriation is available until February 1, 1989."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1416, A bill for an act relating to the city of Minneapolis; providing for the appointment of the director of the office of emergency preparedness; amending Laws 1969, chapter 937, section 1, by adding a subdivision.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 1422, A bill for an act relating to courts; authorizing additional judgeships in certain judicial districts; authorizing imposition of a judicial fee in civil actions; increasing the amount of penalty assessment levied for traffic offenses; amending Minnesota Statutes 1986, sections 2.722, subdivision 1; and 626.861, subdivisions 1 and 3; proposing coding for new law in Minnesota Statutes, chapter 480.

Reported the same back with the following amendments:

Page 2, line 34, delete "\$5" and insert "\$4"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

S. F. No. 121, A bill for an act relating to traffic regulations; clarifying that a child under four is not required to use a seat belt; imposing penalty for failure to wear seat belt; amending Minnesota Statutes 1986, section 169.686, subdivision 1.

Reported the same back with the following amendments:

Page 2, after line 2, insert:

“Sec. 2. Minnesota Statutes 1986, section 169.686, is amended by adding a subdivision to read:

Subd. 3. [APPROPRIATION; SPECIAL ACCOUNT.] One-half of the fines collected for a violation of subdivision 1 must be deposited in the state treasury and credited to a special account to be known as the emergency medical services relief account, provided that the total amount of fines deposited in the account may not exceed \$750,000 per year. The remaining fines must be distributed as provided in statute. Money in the account is annually appropriated to the commissioner of health for equal distribution to the eight regional emergency medical services systems designated by the commissioner under section 144.8093, for personnel education and training, equipment and vehicle purchases, and operational expenses of emergency life support transportation services. The board of directors of each emergency medical services region shall establish criteria for funding.”

Amend the title as follows:

Page 1, line 4, after the semicolon, insert “creating an emergency medical services relief account; appropriating money;”

Page 1, line 6, before the period, insert “, and by adding a subdivision”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 170, 457, 596, 895, 949, 1009, 1083, 1138, 1207, 1223, 1252, 1266, 1342, 1355, 1361, 1362, 1390 and 1416 were read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Schreiber introduced:

H. F. No. 1562, A bill for an act relating to alcoholic beverages; authorizing the city of Minneapolis to issue an on-sale liquor license to the American Swedish Institute.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Quinn, Bennett and Price introduced:

H. F. No. 1563, A bill for an act relating to public safety; providing that local governing body may appoint local board of appeal for order issued under the state fire code; providing for finding on cost-benefit ratio obtained by complying with order; providing for notice; providing for liability of owners of dwellings for nonfunctioning smoke detectors; providing penalties; amending Minnesota Statutes 1986, sections 299F.011, subdivisions 5, 6, and by adding a subdivision; and 299F.362, subdivisions 5 and 6.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Welle, Clausnitzer, Vellenga and Rodosovich introduced:

H. F. No. 1564, A bill for an act relating to human services; providing an incentive for refinancing of nursing home debt; authorizing a limited grandfather for those nursing homes over the rental rate; allowing nursing homes receiving less than the rental to receive an accelerated phase-up to the rental rate; defining changes of ownership and reorganization of a provider entity; amending Minnesota Statutes 1986, sections 256B.421; and 256B.431, by adding subdivisions.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Brown and Cooper introduced:

H. F. No. 1565, A bill for an act relating to agriculture; creating an agriculture utilization research institute; providing for grants; ap-

appropriating money; proposing coding for new law in Minnesota Statutes, chapter 17.

The bill was read for the first time and referred to the Committee on Agriculture.

Voss introduced:

H. F. No. 1566, A bill for an act relating to taxation; imposing the sales tax on sales of certain services; amending Minnesota Statutes 1986, sections 297A.01, subdivision 3; and 297A.25, subdivision 10.

The bill was read for the first time and referred to the Committee on Taxes.

Voss, Seaberg, Long and Bennett introduced:

H. F. No. 1567, A bill for an act relating to motor vehicles; providing for authority to levy wheelages taxes in metropolitan counties; repealing certain mandatory levy reductions; amending Minnesota Statutes 1986, section 163.051.

The bill was read for the first time and referred to the Committee on Taxes.

Pauly introduced:

H. F. No. 1568, A bill for an act relating to education; removing the not for profit requirement for certain schools in connection with tax deductions; amending Minnesota Statutes 1986, section 290.089, subdivision 2.

The bill was read for the first time and referred to the Committee on Taxes.

Forsythe introduced:

H. F. No. 1569, A bill for an act relating to education; transferring certain land from the Richfield school district to the Edina school district.

The bill was read for the first time and referred to the Committee on Education.

Bertram; Kludt; Nelson, C.; Jennings and Cooper introduced:

H. F. No. 1570, A bill for an act relating to workers' compensation; regulating the scope of coverage; regulating eligibility for benefits; regulating benefits and benefit adjustments; amending Minnesota Statutes 1986, sections 176.021, subdivision 1; 176.041, subdivisions 1, 2, and 3; 176.101, subdivisions 1, 2, 3e, 3h, 3k, 3o, 3t, 4, and 8; 176.131, subdivision 6; 176.132, subdivision 1; 176.138; and 176.645, subdivision 1.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the adoption by the Senate of the following Senate Concurrent Resolution, herewith transmitted:

Senate Concurrent Resolution No. 9, A Senate concurrent resolution relating to adjournment for more than three days.

PATRICK E. FLAHAVEN, Secretary of the Senate

### SUSPENSION OF RULES

Vanasek moved that the rules be so far suspended that Senate Concurrent Resolution No. 9 be now considered and be placed upon its adoption. The motion prevailed.

### SENATE CONCURRENT RESOLUTION NO. 9

A Senate concurrent resolution relating to adjournment for more than three days.

*Be It Resolved*, by the Senate of the State of Minnesota, the House of Representatives concurring:

1. Upon its adjournment on Wednesday, April 15, 1987, the Senate may set its next day of meeting for Monday, April 20, 1987.

2. Upon its adjournment on Wednesday, April 15, 1987, the House of Representatives may set its next day of meeting for Monday, April 20, 1987.

3. Pursuant to the Minnesota Constitution, Article IV, Section 12, the Senate and House of Representatives each consents to the adjournment of the other for more than three days.

Vanasek moved that Senate Concurrent Resolution No. 9 be now adopted. The motion prevailed and Senate Concurrent Resolution No. 9 was adopted.

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate File, herewith transmitted:

S. F. No. 80.

PATRICK E. FLAHAVEN, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 80, A bill for an act relating to insurance; providing flexibility in the amount of coverages other than for the dwelling under a homeowner's policy; proposing coding for new law in Minnesota Statutes, chapter 65A.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

### CONSENT CALENDAR

H. F. No. 1024, A bill for an act relating to human rights; regulating access to public accommodation by certain persons and guide dogs; amending Minnesota Statutes 1986, sections 256C.02; and 363.03, subdivision 10.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Begich	Boo	Carruthers	DeBlick
Anderson, R.	Bennett	Brown	Clark	Dempsey
Battaglia	Bertram	Burger	Clausnitzer	Dille
Bauerly	Bishop	Carlson, D.	Cooper	Dorn
Beard	Blatz	Carlson, L.	Dauner	Forsythe

Frederick	Kinkel	Nelson, D.	Redalen	Steensma
Frerichs	Kludt	Nelson, K.	Reding	Sviggum
Greenfield	Knuth	Neuenschwander	Rest	Swenson
Gruenes	Kostohryz	O'Connor	Rice	Thiede
Gutknecht	Krueger	Ogren	Richter	Tompkins
Hartle	Larsen	Olsen, S.	Riveness	Trimble
Haukoos	Lasley	Olson, E.	Rodosovich	Tunheim
Heap	Lieder	Olson, K.	Rose	Uphus
Himle	Long	Omman	Rukavina	Valento
Hugoson	Marsh	Onnen	Sarna	Vanasek
Jacobs	McDonald	Orenstein	Schafer	Vellenga
Jaros	McEachern	Osthoff	Scheid	Voss
Jefferson	McKasy	Otis	Schoenfeld	Wagenius
Jennings	McLaughlin	Ozment	Schreiber	Waltman
Jensen	McPherson	Pappas	Seaberg	Welle
Johnson, A.	Milbert	Pauly	Segal	Wenzel
Johnson, R.	Miller	Pelowski	Shaver	Winter
Johnson, V.	Minne	Peterson	Simoneau	Spk. Norton
Kahn	Morrison	Poppenhagen	Skoglund	
Kalis	Munger	Price	Solberg	
Kelly	Murphy	Quinn	Sparby	
Kelso	Nelson, C.	Quist	Stanius	

The bill was passed and its title agreed to.

H. F. No. 755, A bill for an act relating to the metropolitan government; authorizing municipalities in the metropolitan area to adopt ordinances related to aircraft noise; proposing coding for new law in Minnesota Statutes, chapter 473.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Anderson, G.	Forsythe	Kludt	Neuenschwander	Richter
Anderson, R.	Frederick	Knuth	O'Connor	Riveness
Battaglia	Frerichs	Kostohryz	Ogren	Rodosovich
Bauerly	Greenfield	Krueger	Olsen, S.	Rose
Beard	Gruenes	Larsen	Olson, K.	Rukavina
Begich	Hartle	Lasley	Omman	Sarna
Bennett	Haukoos	Lieder	Onnen	Schafer
Bertram	Heap	Long	Orenstein	Scheid
Bishop	Himle	Marsh	Osthoff	Schoenfeld
Blatz	Hugoson	McDonald	Otis	Schreiber
Boo	Jacobs	McEachern	Ozment	Seaberg
Brown	Jaros	McKasy	Pappas	Segal
Burger	Jefferson	McLaughlin	Pauly	Simoneau
Carlson, D.	Jennings	McPherson	Pelowski	Skoglund
Carlson, L.	Jensen	Milbert	Peterson	Solberg
Carruthers	Johnson, A.	Miller	Poppenhagen	Stanius
Clark	Johnson, R.	Minne	Price	Steensma
Clausnitzer	Johnson, V.	Morrison	Quinn	Sviggum
Cooper	Kahn	Munger	Quist	Swenson
DeBlieck	Kalis	Murphy	Redalen	Thiede
Dempsey	Kelly	Nelson, C.	Reding	Tompkins
Dille	Kelso	Nelson, D.	Rest	Trimble
Dorn	Kinkel	Nelson, K.	Rice	Tunheim

Uphus	Vellenga	Waltman	Winter
Valento	Voss	Welle	Wynia
Vanasek	Wagenius	Wenzel	Spk. Norton

Those who voted in the negative were:

Sparby

The bill was passed and its title agreed to.

### CALENDAR

H. F. No. 269, A bill for an act relating to traffic regulations; extending prohibition against wearing headphones while operating motor vehicle to include bicycles; amending Minnesota Statutes 1986, section 169.471, subdivision 2.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 90 yeas and 34 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Gruenes	Lasley	Orenstein	Segal
Battaglia	Jaros	Lieder	Osthoff	Simoneau
Bauerly	Jefferson	Long	Pappas	Skoglund
Beard	Jennings	McEachern	Peterson	Sparby
Begich	Jensen	McKasy	Price	Stanius
Bennett	Johnson, A.	McLaughlin	Quinn	Steensma
Bertram	Johnson, R.	Milbert	Redalen	Swenson
Bishop	Johnson, V.	Minne	Reding	Trimble
Carlson, L.	Kahn	Munger	Rest	Tunheim
Carruthers	Kalis	Murphy	Rice	Valento
Clark	Kelly	Nelson, C.	Richter	Vanasek
Cooper	Kelso	Nelson, D.	Riverness	Vellenga
Dauner	Kinkel	Nelson, K.	Rose	Voss
DeBlicek	Kludt	O'Connor	Rukavina	Wagenius
Dorn	Knuth	Ogren	Sarna	Welle
Forsythe	Kostohryz	Olson, E.	Scheid	Winter
Frederick	Krueger	Olson, K.	Schoenfeld	Wynia
Greenfield	Larsen	Onnen	Seaberg	Spk. Norton

Those who voted in the negative were:

Anderson, G.	Haukoos	Miller	Quist	Thiede
Blatz	Heap	Morrison	Rodosovich	Tjornhom
Clausnitzer	Himle	Neuenschwander	Schafer	Tompkins
Dempsey	Hugoson	Omann	Schreiber	Uphus
Frerichs	Jacobs	Ozment	Shaver	Waltman
Gutknecht	Marsh	Pauly	Solberg	Wenzel
Hartle	McDonald	Pelowski	Sviggum	

The bill was passed and its title agreed to.

H. F. No. 955, A bill for an act relating to port authority powers for the city of Roseville; amending Laws 1985, chapter 301, section 3.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Lieder	Ozment	Skoglund
Anderson, R.	Gruenes	Long	Pappas	Solberg
Battaglia	Gutknecht	Marsh	Pauly	Sparby
Bauerly	Hartle	McDonald	Pelowski	Stanius
Beard	Haukoos	McEachern	Peterson	Steensma
Begich	Heap	McKasy	Poppenhagen	Sviggum
Bennett	Himle	McLaughlin	Price	Swenson
Bertram	Hugoson	McPherson	Quinn	Thiede
Bishop	Jacobs	Milbert	Quist	Tjornhom
Blatz	Jaros	Miller	Redalen	Tompkins
Boo	Jefferson	Minne	Reding	Trimble
Brown	Jennings	Morrison	Rest	Tunheim
Burger	Jensen	Munger	Ricc	Uphus
Carlson, D.	Johnson, A.	Murphy	Richter	Valento
Carlson, L.	Johnson, R.	Nelson, C.	Riveness	Vanasek
Carruthers	Johnson, V.	Nelson, D.	Rodosovich	Vellenga
Clark	Kahn	Nelson, K.	Rose	Voss
Clausnitzer	Kalis	Neuenschwander	Rukavina	Wagenius
Cooper	Kelly	O'Connor	Sarna	Waltman
Dauner	Kelso	Ogren	Schafer	Welle
DeBlieck	Kinkel	Olsen, S.	Scheid	Wenzel
Dempsey	Kludt	Olson, K.	Schoenfeld	Winter
Dille	Knuth	Omann	Schreiber	Wynia
Dorn	Kostohryz	Onnen	Seaberg	Spk. Norton
Forsythe	Krueger	Orenstein	Segal	
Frederick	Larsen	Osthoff	Shaver	
Frerichs	Lasley	Otis	Simoneau	

The bill was passed and its title agreed to.

H. F. No. 1049, A bill for an act relating to labor; regulating the administration of the occupational safety and health act; clarifying employee rights to sue; amending Minnesota Statutes 1986, sections 182.659, subdivisions 6 and 8; 182.661, by adding a subdivision; 182.666, subdivisions 1, 2, 4, 5, and 6; and 182.669, 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 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Bennett	Burger	Cooper	Forsythe
Anderson, R.	Bertram	Carlson, D.	Dauner	Frederick
Battaglia	Bishop	Carlson, L.	DeBlieck	Greenfield
Bauerly	Blatz	Carruthers	Dempsey	Gruenes
Beard	Boo	Clark	Dille	Gutknecht
Begich	Brown	Clausnitzer	Dorn	Hartle

Haukoos	Larsen	O'Connor	Reding	Steensma
Heap	Lasley	Ogren	Rest	Sviggum
Hugoson	Lieder	Olsen, S.	Rice	Swenson
Jacobs	Long	Olson, E.	Richter	Thiede
Jaros	Marsh	Olson, K.	Riveness	Tjornhom
Jefferson	McDonald	Omamn	Rodosovich	Tompkins
Jennings	McEachern	Onnen	Rose	Trimble
Jensen	McKasy	Orenstein	Rukavina	Tunheim
Johnson, A.	McLaughlin	Osthoff	Sarna	Uphus
Johnson, R.	McPherson	Otis	Schafer	Valento
Johnson, V.	Milbert	Ozment	Schoenfeld	Vanasek
Kahn	Miller	Pappas	Schreiber	Vellenga
Kalis	Minne	Pauly	Seaberg	Voss
Kelly	Morrison	Pelowski	Segal	Wagenius
Kelso	Munger	Peterson	Shaver	Waltman
Kinkel	Murphy	Poppenhagen	Simoneau	Welle
Kludt	Nelson, C.	Price	Skoglund	Wenzel
Knuth	Nelson, D.	Quinn	Solberg	Winter
Kostohryz	Nelson, K.	Quist	Sparby	Wynia
Krueger	Neuenschwander	Redalen	Stanuis	Spk. Norton

The bill was passed and its title agreed to.

H. F. No. 1197, A bill for an act relating to statutes; revising the text of certain laws to remove redundant and obsolete language, to simplify grammar and syntax, and to improve the style of language without causing changes in the meaning of the laws; amending Minnesota Statutes 1986, chapters 84A; 105; 112; 274; 276; 352; 352B; 365; 430; and 447.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Dorn	Kinkel	Nelson, K.	Reding
Battaglia	Forsythe	Knuth	Neuenschwander	Rest
Bauerly	Frederick	Kostohryz	O'Connor	Rice
Beard	Greenfield	Krueger	Ogren	Richter
Begich	Gruenes	Larsen	Olsen, S.	Riveness
Bennett	Gutknecht	Lasley	Olson, E.	Rodosovich
Bertram	Hartle	Lieder	Olson, K.	Rose
Bishop	Haukoos	Long	Omamn	Rukavina
Blatz	Heap	Marsh	Onnen	Sarna
Boo	Hugoson	McDonald	Orenstein	Schafer
Brown	Jacobs	McEachern	Osthoff	Scheid
Burger	Jaros	McKasy	Otis	Schoenfeld
Carlson, D.	Jefferson	McLaughlin	Ozment	Schreiber
Carlson, L.	Jennings	McPherson	Pappas	Seaberg
Carruthers	Jensen	Milbert	Pauly	Segal
Clark	Johnson, A.	Miller	Pelowski	Shaver
Clausnitzer	Johnson, R.	Minne	Peterson	Simoneau
Cooper	Johnson, V.	Morrison	Poppenhagen	Skoglund
Dauner	Kahn	Munger	Price	Solberg
DeBlieck	Kalis	Murphy	Quinn	Sparby
Dempsey	Kelly	Nelson, C.	Quist	Stanuis
Dille	Kelso	Nelson, D.	Redalen	Steensma

Sviggum  
Swenson  
Thiede  
Tjornhom

Tompkins  
Trimble  
Tunheim  
Uphus

Valento  
Vanasek  
Vellenga  
Voss

Wagenius  
Waltman  
Welle  
Wenzel

Winter  
Wynia  
Spk. Norton

The bill was passed and its title agreed to.

H. F. No. 96, A bill for an act relating to the state high school league; requiring the league to arrange certain conference memberships; providing standards; amending Minnesota Statutes 1986, section 129.121, subdivision 1, and by adding a subdivision.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 122 yeas and 5 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Gruenes	Long	Ozment	Skoglund
Battaglia	Gutknecht	Marsh	Pappas	Solberg
Bauerly	Hartle	McDonald	Pauly	Sparby
Beard	Haukoos	McEachern	Pelowski	Stanius
Begich	Heap	McKasy	Peterson	Steenasma
Bennett	Jacobs	McLaughlin	Poppenhagen	Swenson
Bertram	Jaros	McPherson	Price	Thiede
Bishop	Jefferson	Milbert	Quinn	Tjornhom
Blatz	Jennings	Miller	Redalen	Tompkins
Boo	Jensen	Minne	Reding	Trimble
Burger	Johnson, A.	Morrison	Rest	Tunheim
Carlson, L.	Johnson, R.	Munger	Rice	Uphus
Carruthers	Johnson, V.	Murphy	Richter	Valento
Clark	Kahn	Nelson, C.	Riveness	Vanasek
Clausnitzer	Kalis	Nelson, D.	Rose	Vellenga
Cooper	Kelly	Nelson, K.	Rukavina	Voss
Dauner	Kelso	Neuenschwander	Sarna	Wagenius
DeBlicek	Kinkel	O'Connor	Schafer	Waltman
Dempsey	Kludt	Ogren	Scheid	Wenzel
Dille	Knuth	Olsen, S.	Schoenfeld	Winter
Dorn	Kostohryz	Omann	Schreiber	Wynia
Forsythe	Krueger	Onnen	Seaberg	Spk. Norton
Frederick	Larsen	Orenstein	Segal	
Frerichs	Lasley	Osthoff	Shaver	
Greenfield	Lieder	Otis	Simoneau	

Those who voted in the negative were:

Hugoson	Olson, K.	Rodosovich	Sviggum	Welle
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The bill was passed and its title agreed to.

H. F. No. 391, A bill for an act relating to crimes; increasing penalties for distributing controlled substances to a minor or employing a minor to distribute controlled substances; defining measurement and purity requirements of controlled substances for criminal and tax law purposes; amending Minnesota Statutes 1986,

sections 152.15, subdivisions 1 and 4; 297D.01, subdivision 3; and 297D.07.

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 1 nay as follows:

Those who voted in the affirmative were:

Anderson, G.	Frerichs	Lasley	Osthoff	Simoneau
Anderson, R.	Greenfield	Lieder	Otis	Skoglund
Battaglia	Gruenes	Long	Ozment	Solberg
Bauerly	Gutknecht	Marsh	Pauly	Sparby
Beard	Hartle	McDonald	Pelowski	Stanius
Begich	Haukoos	McEachern	Peterson	Steensma
Bennett	Heap	McKasy	Poppenhagen	Sviggum
Bertram	Himle	McLaughlin	Price	Swenson
Bishop	Hugoson	McPherson	Quinn	Thiede
Blatz	Jacobs	Milbert	Quist	Tjornhom
Boo	Jaros	Miller	Redalen	Tompkins
Brown	Jefferson	Minne	Reding	Tunheim
Burger	Jennings	Munger	Rest	Valento
Carlson, D.	Jensen	Murphy	Rice	Vanasek
Carlson, L.	Johnson, A.	Nelson, C.	Richter	Vellenga
Carruthers	Johnson, R.	Nelson, D.	Rodosovich	Voss
Clark	Johnson, V.	Nelson, K.	Rose	Wagenius
Clausnitzer	Kalis	Neuenschwander	Rukavina	Waltman
Cooper	Kelly	O'Connor	Sarna	Welle
Dauner	Kelso	Ogren	Schafer	Wenzel
DeBlicke	Kinkel	Olsen, S.	Scheid	Winter
Dempsey	Kludt	Olson, E.	Schoenfeld	Wynia
Dille	Knuth	Olson, K.	Schreiber	Spk. Norton
Dorn	Kostohryz	Omam	Seaberg	
Forsythe	Krueger	Onnen	Segal	
Frederick	Larsen	Orenstein	Shaver	

Those who voted in the negative were:

Kahn

The bill was passed and its title agreed to.

H. F. No. 427, A bill for an act relating to public safety; providing that violation of local DWI ordinance is counted for purposes of driver's license revocation; providing that courts must report juvenile traffic violations to the department of public safety; amending Minnesota Statutes 1986, sections 169.121, subdivision 4; 171.16, subdivision 5; 171.17; and 260.161, by adding a subdivision; repealing Minnesota Statutes 1986, section 260.193, subdivision 9.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

## Those who voted in the affirmative were:

Anderson, G.	Gruenes	Long	Ozment	Skoglund
Anderson, R.	Gutknecht	Marsh	Pappas	Solberg
Battaglia	Hartle	McDonald	Pauly	Sparby
Bauerly	Haukoos	McEachern	Pelowski	Stanius
Beard	Heap	McKasy	Peterson	Steenma
Begich	Himle	McLaughlin	Poppenhagen	Sviggum
Bennett	Hugoson	McPherson	Price	Swenson
Bertram	Jacobs	Milbert	Quinn	Thiede
Bishop	Jaros	Miller	Quist	Tjornhom
Blatz	Jefferson	Minne	Redalen	Tompkins
Brown	Jennings	Morrison	Reding	Trimble
Burger	Jensen	Munger	Rest	Tunheim
Carlson, D.	Johnson, A.	Murphy	Rice	Valento
Carlson, L.	Johnson, R.	Nelson, C.	Richter	Vanasek
Carruthers	Johnson, V.	Nelson, D.	Riveness	Vellenga
Clark	Kahn	Nelson, K.	Rodosovich	Voss
Clausnitzer	Kalis	Neuenschwander	Rose	Wagenius
Cooper	Kelly	O'Connor	Rukavina	Waltman
Dauner	Kelso	Ogren	Sarna	Welle
DeBlicke	Kinkel	Olsen, S.	Schafer	Wenzel
Dempsey	Kludd	Olson, E.	Scheid	Winter
Dille	Knuth	Olson, K.	Schoenfeld	Wynia
Dorn	Kostohryz	Omann	Schreiber	Spk. Norton
Forsythe	Krueger	Onnen	Seaberg	
Frederick	Larsen	Orenstein	Segal	
Frerichs	Lasley	Osthoff	Shaver	
Greenfield	Lieder	Otis	Simoneau	

The bill was passed and its title agreed to.

H. F. No. 590, A bill for an act relating to crimes; sentencing; allowing a two year stay of sentence in misdemeanor cases involving driving under the influence and fifth degree assault; amending Minnesota Statutes 1986, section 609.135, by adding a subdivision.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

## Those who voted in the affirmative were:

Anderson, G.	Clausnitzer	Heap	Kludd	Miller
Battaglia	Cooper	Himle	Knuth	Minne
Bauerly	Dauner	Hugoson	Kostohryz	Morrison
Beard	DeBlicke	Jacobs	Krueger	Munger
Begich	Dempsey	Jaros	Larsen	Murphy
Bennett	Dille	Jefferson	Lasley	Nelson, C.
Bertram	Dorn	Jennings	Lieder	Nelson, D.
Bishop	Forsythe	Jensen	Long	Nelson, K.
Blatz	Frederick	Johnson, A.	Marsh	Neuenschwander
Brown	Frerichs	Johnson, R.	McDonald	O'Connor
Burger	Greenfield	Johnson, V.	McEachern	Ogren
Carlson, D.	Gruenes	Kalis	McKasy	Olsen, S.
Carlson, L.	Gutknecht	Kelly	McLaughlin	Olson, E.
Carruthers	Hartle	Kelso	McPherson	Olson, K.
Clark	Haukoos	Kinkel	Milbert	Omann

Onnen	Quinn	Sarna	Sparby	Valento
Orenstein	Quist	Schafer	Stanius	Vanasek
Osthoff	Redalen	Scheid	Steensma	Vellenga
Otis	Reding	Schoenfeld	Sviggum	Wagenius
Ozment	Rest	Schreiber	Swenson	Waltman
Pappas	Rice	Seaberg	Thiede	Welle
Pauly	Richter	Segal	Tjornhom	Wenzel
Pelowski	Riveness	Shaver	Tompkins	Winter
Peterson	Rodosovich	Simoneau	Trimble	Wynia
Poppenhagen	Rose	Skoglund	Tunheim	Spk. Norton
Price	Rukavina	Solberg	Uphus	

The bill was passed and its title agreed to.

H. F. No. 690, A bill for an act relating to traffic regulations; requiring a blood or urine test when there is probable cause to believe there is impairment by a controlled substance; requiring alternative test to be offered under certain conditions; amending Minnesota Statutes 1986, section 169.123, subdivisions 2 and 2a.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Gruenes	Long	Otis	Shaver
Battaglia	Gutknecht	Marsh	Ozment	Simoneau
Bauerly	Hartle	McDonald	Pappas	Skoglund
Beard	Heap	McEachern	Pauly	Solberg
Begich	Himle	McKasy	Pelowski	Sparby
Bennett	Hugoson	McLaughlin	Peterson	Stanius
Bertram	Jacobs	McPherson	Poppenhagen	Steensma
Blatz	Jaros	Milbert	Price	Sviggum
Boo	Jefferson	Miller	Quinn	Swenson
Brown	Jennings	Minne	Quist	Thiede
Burger	Jensen	Morrison	Redalen	Tjornhom
Carlson, D.	Johnson, A.	Munger	Reding	Tompkins
Carlson, L.	Johnson, R.	Murphy	Rest	Trimble
Carruthers	Johnson, V.	Nelson, C.	Rice	Tunheim
Clark	Kahn	Nelson, D.	Richter	Uphus
Clausnitzer	Kalis	Nelson, K.	Riveness	Valento
Cooper	Kelly	Neuenschwander	Rodosovich	Vanasek
Dauner	Kelso	O'Connor	Rose	Vellenga
DeBlicek	Kinkel	Ogren	Rukavina	Voss
Dempsey	Kludt	Olsen, S.	Sarna	Wagenius
Dille	Knuth	Olsen, E.	Schafer	Waltman
Dorn	Kostohryz	Olsen, K.	Scheid	Welle
Forsythe	Krueger	Omam	Schoenfeld	Wenzel
Frederick	Larsen	Onnen	Schreiber	Winter
Frerichs	Lasley	Orenstein	Seaberg	Wynia
Greenfield	Lieder	Osthoff	Segal	Spk. Norton

The bill was passed and its title agreed to.

H. F. No. 692, A bill for an act relating to public safety; providing for access to criminal justice datacommunications network and

defining purposes for its use; providing access to motor vehicle excise tax data; amending Minnesota Statutes 1986, sections 297B.12; 299C.46, subdivision 3; and 299C.48.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Gruenes	Lieder	Osthoff	Segal
Battaglia	Gutknecht	Long	Otis	Shaver
Bauerly	Hartle	Marsh	Ozment	Simoneau
Beard	Haukoos	McDonald	Pappas	Skoglund
Begich	Heap	McEachern	Pauly	Solberg
Bennett	Himle	McKasy	Pelowski	Sparby
Bertram	Hugoson	McLaughlin	Peterson	Stanius
Bishop	Jacobs	McPherson	Popenhagen	Steenasma
Blatz	Jaros	Milbert	Price	Sviggum
Boo	Jefferson	Miller	Quinn	Swenson
Brown	Jennings	Minne	Quist	Thiede
Burger	Jensen	Morrison	Redalen	Tjornhom
Carlson, D.	Johnson, A.	Munger	Reding	Tompkins
Carlson, L.	Johnson, R.	Murphy	Rest	Trimble
Clark	Johnson, V.	Nelson, C.	Rice	Tunheim
Clausnitzer	Kahn	Nelson, D.	Richter	Uphus
Cooper	Kalis	Nelson, K.	Riveness	Valento
Dauner	Kelly	Neuenschwander	Rodosovich	Vanasek
DeBlicke	Kelso	O'Connor	Rose	Vellenga
Dempsey	Kinkel	Ogren	Rukavina	Voss
Dille	Kludt	Olsen, S.	Sarna	Wagenius
Dorn	Knuth	Olson, E.	Schafer	Waltman
Forsythe	Kostohryz	Olson, K.	Scheid	Welle
Frederick	Krueger	Omann	Schoenfeld	Wenzel
Frerichs	Larsen	Onnen	Schreiber	Winter
Greenfield	Lasley	Orenstein	Seaberg	Wynia
				Spk. Norton

The bill was passed and its title agreed to.

H. F. No. 806, A bill for an act relating to human services; requiring certain written reports of abuse within 72 hours; requiring county attorneys to be on child protection teams; requiring specific investigations of certain abuse cases; amending Minnesota Statutes 1986, sections 626.556, subdivisions 7, 10, and 10a; and 626.558, subdivisions 1, 2, and 3.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Gruenes	Long	Ozment	Solberg
Anderson, R.	Gutknecht	Marsh	Pappas	Sparby
Battaglia	Hartle	McDonald	Pauly	Stanius
Bauerly	Haukoos	McEachern	Pelowski	Steensma
Beard	Heap	McKasy	Peterson	Sviggum
Begich	Himle	McLaughlin	Poppenhagen	Swenson
Bennett	Hugoson	McPherson	Price	Thiede
Bertram	Jacobs	Milbert	Quinn	Tjornhom
Bishop	Jaros	Miller	Quist	Tompkins
Blatz	Jefferson	Minne	Redalen	Trimble
Brown	Jennings	Morrison	Reding	Tunheim
Burger	Jensen	Munger	Rest	Uphus
Carlson, D.	Johnson, A.	Murphy	Rice	Valento
Carlson, L.	Johnson, R.	Nelson, C.	Richter	Vanasek
Carruthers	Johnson, V.	Nelson, D.	Riveness	Vellenga
Clark	Kahn	Nelson, K.	Rodosovich	Voss
Clausnitzer	Kalis	Neuenschwander	Rose	Wagenius
Cooper	Kelly	O'Connor	Rukavina	Waltman
Dauner	Kelso	Ogren	Sarna	Welle
DeBlieck	Kinkel	Olsen, S.	Schafer	Wenzel
Dempsey	Kludt	Olson, E.	Scheid	Winter
Dille	Knuth	Olson, K.	Schoenfeld	Wynia
Dorn	Kostohryz	Omann	Schreiber	Spk. Norton
Forsythe	Krueger	Onnen	Segal	
Frederick	Larsen	Orenstein	Shaver	
Frerichs	Lasley	Osthoff	Simoneau	
Greenfield	Lieder	Otis	Skoglund	

The bill was passed and its title agreed to.

H. F. No. 841, A bill for an act relating to utilities; providing for prevention of unlawful meter bypass, tampering, and use; providing remedies; proposing coding for new law in Minnesota Statutes, chapter 325E.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Cooper	Jennings	Marsh	Olsen, S.
Anderson, R.	Dauner	Jensen	McDonald	Olson, E.
Battaglia	DeBlieck	Johnson, A.	McEachern	Olson, K.
Bauerly	Dempsey	Johnson, R.	McKasy	Omann
Beard	Dille	Johnson, V.	McLaughlin	Onnen
Begich	Dorn	Kahn	McPherson	Orenstein
Bennett	Forsythe	Kalis	Milbert	Osthoff
Bertram	Frederick	Kelly	Miller	Ozment
Bishop	Gruenes	Kelso	Minne	Pappas
Blatz	Gutknecht	Kinkel	Morrison	Pauly
Boo	Hartle	Kludt	Munger	Pelowski
Brown	Haukoos	Knuth	Murphy	Peterson
Burger	Heap	Kostohryz	Nelson, C.	Poppenhagen
Carlson, D.	Himle	Krueger	Nelson, D.	Price
Carlson, L.	Hugoson	Larsen	Nelson, K.	Quist
Carruthers	Jacobs	Lasley	Neuenschwander	Redalen
Clark	Jaros	Lieder	O'Connor	Reding
Clausnitzer	Jefferson	Long	Ogren	Rest

Rice	Scheid	Sparby	Trimble	Waltman
Richter	Schoenfeld	Stanius	Tunheim	Welle
Riveness	Schreiber	Steensma	Uphus	Wenzel
Rodosovich	Segal	Svigum	Valento	Winter
Rose	Shaver	Swenson	Vanasek	Wynia
Rukavina	Simoneau	Thiede	Vellenga	Spk. Norton
Sarna	Skoglund	Tjornhom	Voss	
Schafer	Solberg	Tompkins	Wagenius	

The bill was passed and its title agreed to.

H. F. No. 941, A bill for an act relating to crimes; prohibiting killing or injuring a police dog involved in law enforcement investigation or apprehension; prescribing penalties; amending Minnesota Statutes 1986, section 609.595, by adding a subdivision.

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 123 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Gruenes	Long	Ozment	Solberg
Anderson, R.	Gutknecht	Marsh	Pauly	Sparby
Battaglia	Hartle	McDonald	Pelowski	Stanius
Beard	Haukoos	McEachern	Peterson	Steensma
Begich	Heap	McKasy	Poppenhagen	Svigum
Bennett	Himle	McLaughlin	Price	Swenson
Bertram	Hugoson	Milbert	Quinn	Thiede
Bishop	Jacobs	Miller	Quist	Tjornhom
Blatz	Jaros	Minne	Redalen	Tompkins
Brown	Jefferson	Morrison	Reding	Trimble
Burger	Jennings	Munger	Rest	Tunheim
Carlson, D.	Jensen	Murphy	Rice	Uphus
Carlson, L.	Johnson, A.	Nelson, C.	Richter	Valento
Carruthers	Johnson, R.	Nelson, D.	Riveness	Vanasek
Clark	Johnson, V.	Nelson, K.	Rodosovich	Vellenga
Clausnitzer	Kahn	Neuenschwander	Rose	Voss
Cooper	Kalis	O'Connor	Rukavina	Wagenius
Dauner	Kelly	Ogren	Sarna	Waltman
Dempsey	Kinkel	Olsen, S.	Scheid	Welle
Dille	Kludt	Olson, E.	Schoenfeld	Wenzel
Dorn	Knuth	Olson, K.	Schreiber	Winter
Forsythe	Kostohryz	Omann	Segal	Wynia
Frederick	Krueger	Onnen	Shaver	Spk. Norton
Frerichs	Lasley	Orenstein	Simoneau	
Greenfield	Lieder	Osthoff	Skoglund	

The bill was passed and its title agreed to.

H. F. No. 1031, A bill for an act relating to liens; labor and material; regulating the attachment of these liens; providing that visible staking of the premises does not constitute the actual and visible beginning of the improvement; amending Minnesota Statutes 1986, section 514.05.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Lieder	Otis	Skoglund
Anderson, R.	Gruenes	Long	Ozment	Solberg
Battaglia	Gutknecht	Marsh	Pauly	Sparby
Bauerly	Hartle	McDonald	Pelowski	Stanius
Beard	Haukoos	McEachern	Peterson	Steensma
Begich	Heap	McKasy	Poppenhagen	Sviggum
Bennett	Himle	McLaughlin	Price	Swenson
Bertram	Hugoson	McPherson	Quinn	Thiede
Bishop	Jacobs	Milbert	Quist	Tjornhom
Blatz	Jaros	Miller	Redalen	Tompkins
Boo	Jefferson	Minne	Reding	Trimble
Brown	Jennings	Morrison	Rest	Tunheim
Burger	Jensen	Munger	Rice	Uphus
Carlson, D.	Johnson, A.	Murphy	Richter	Valento
Carlson, L.	Johnson, R.	Nelson, C.	Riveness	Vanasek
Carruthers	Johnson, V.	Nelson, D.	Rodosovich	Vellenga
Clark	Kahn	Nelson, K.	Rose	Voss
Clausnitzer	Kalis	Neuenschwander	Rukavina	Wagenius
Cooper	Kelly	O'Connor	Sarna	Waltman
Dauner	Kelso	Ogren	Schafer	Welle
DeBlieck	Kinkel	Olsen, S.	Scheid	Wenzel
Dempsey	Kludt	Olson, E.	Schoenfeld	Winter
Dille	Knuth	Olson, K.	Schreiber	Wynia
Dorn	Kostohryz	Omann	Seaberg	Spk. Norton
Forsythe	Krueger	Onnen	Segal	
Frederick	Larsen	Orenstein	Shaver	
Frerichs	Lasley	Osthoff	Simoneau	

The bill was passed and its title agreed to.

H. F. No. 1034, A bill for an act relating to crimes; repealing the requirement that the department of public safety must keep a record of all first convictions for the crime of possessing a small amount of marijuana; amending Minnesota Statutes 1986, section 152.15, subdivision 2.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 78 yeas and 49 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Brown	Frederick	Jennings	Kludt
Anderson, R.	Burger	Greenfield	Johnson, A.	Knuth
Battaglia	Carruthers	Himle	Kahn	Kostohryz
Bauerly	Clark	Jacobs	Kalis	Krueger
Begich	Dauner	Jaros	Kelly	Larsen
Bishop	DeBlieck	Jefferson	Kinkel	Lasley

Lieder	Nelson, D.	Ozment	Rukavina	Vanasek
Long	Nelson, K.	Pappas	Sarna	Vellenga
McDonald	Neuenschwander	Peterson	Schoenfeld	Voss
McEachern	O'Connor	Poppenhagen	Segal	Wagenius
McKasy	Ogren	Quinn	Simoneau	Welle
McLaughlin	Olson, K.	Reding	Skoglund	Winter
Minne	Omman	Rest	Steensma	Wynia
Morrison	Orenstein	Rice	Swenson	Spk. Norton
Munger	Osthoff	Riveness	Tompkins	
Murphy	Otis	Rodosovich	Trimble	

Those who voted in the negative were:

Beard	Forsythe	Marsh	Price	Stanisus
Bennett	Frerichs	McPherson	Quist	Sviggum
Bertram	Gruenes	Milbert	Redalen	Thiede
Blatz	Gutknecht	Miller	Richter	Tjornhom
Carlson, L.	Hartle	Nelson, C.	Rose	Tunheim
Clausnitzer	Haukoos	Olsen, S.	Schafer	Uphus
Cooper	Heap	Olson, E.	Schreiber	Valento
Dempsey	Hugoson	Onnen	Shaver	Waltman
Dille	Johnson, R.	Pauly	Solberg	Wenzel
Dorn	Johnson, V.	Pelowski	Sparby	

The bill was passed and its title agreed to.

Anderson, R., was excused between the hours of 3:20 p.m. and 4:05 p.m. Dempsey and Kelso were excused at 4:00 p.m.

## GENERAL ORDERS

Pursuant to Rules of the House, the House resolved itself into the Committee of the Whole with Norton in the Chair for consideration of bills pending on General Orders of the day. Long presided during a portion of the meeting of the Committee of the Whole. After some time spent therein the Committee arose.

### REPORT OF THE COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following recommendations of the Committee were reported to the House:

H. F. Nos. 1077, 1159, 200, 308 and 332 were recommended to pass.

S. F. No. 440 was recommended to pass.

H. F. Nos. 947, 561, 704 and 291 were recommended for progress.

H. F. No. 454 was recommended for progress retaining its place on General Orders until Thursday, April 16, 1987.

H. F. No. 234, the first engrossment, which it recommended to pass with the following amendments:

Offered by McLaughlin:

Page 1, line 21, after "employs" insert "the full-time equivalent of"

Page 1, after line 25, insert "The number of full-time equivalents is determined by the sum of the number of individuals working 40 or more hours per week for an employer, plus the full-time equivalent of the number of employees working less than 40 hours for the employer (calculated as the quotient of the sum of hours worked by individuals working less than 40 hours per week, divided by 40)."

Page 1, line 27, delete "ONE-YEAR" and insert "26-WEEK"

Page 2, delete lines 5 to 9

Page 3, delete section 4

Renumber the sections and subdivisions accordingly

Correct the internal references

Offered by Lasley:

Page 2, line 4, delete "26" and insert "14"

Offered by Blatz:

Page 2, line 4, after "weeks" insert "; unless agreed to by the employer"

Offered by Bishop:

Page 3, line 28, delete "26" and insert "14"

Page 3, line 28, after "weeks" insert "; unless agreed to by the employer"

On the motion of Vanasek the report of the Committee of the Whole was adopted.

## ROLL CALLS IN COMMITTEE OF THE WHOLE

Pursuant to rule 1.6, the following roll calls were taken in the Committee of the Whole:

Lasley moved to amend H. F. No. 234, the first engrossment, as amended, as follows:

Page 2, line 4, delete "26" and insert "14"

The question was taken on the Lasley amendment and the roll was called. There were 90 yeas and 37 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Gruenes	Larsen	Ozment	Segal
Bauerly	Gutknecht	Lasley	Pauly	Shaver
Bennett	Hartle	Lieder	Pelowski	Solberg
Bertram	Heap	Marsh	Peterson	Sparby
Blatz	Himle	McDonald	Poppenhagen	Stanisus
Boo	Hugoson	McKasy	Price	Steensma
Brown	Jacobs	McPherson	Quist	Sviggum
Burger	Jennings	Miller	Redalen	Swenson
Carlson, D.	Jensen	Morrison	Reding	Tjornhom
Clausnitzer	Johnson, A.	Nelson, C.	Rest	Tompkins
Cooper	Johnson, R.	Nelson, D.	Richter	Tunheim
Dauner	Johnson, V.	Neuenschwander	Riveness	Uphus
DeBleck	Kalis	Olsen, S.	Rodosovich	Valento
Dille	Kinkel	Olson, E.	Rose	Vanasek
Dorn	Kludt	Olson, K.	Schafer	Voss
Forsythe	Knuth	Omamm	Schoenfeld	Waltman
Frederick	Kostohryz	Onnen	Schreiber	Welle
Frerichs	Krueger	Orenstein	Seaberg	Winter

Those who voted in the negative were:

Battaglia	Haukoos	Milbert	Pappas	Trimble
Beard	Jaros	Minne	Quinn	Vellenga
Begich	Jefferson	Munger	Rukavina	Wagenius
Carlson, L.	Kahn	Murphy	Sarna	Wenzel
Carruthers	Kelly	Nelson, K.	Scheid	Wynia
Clark	Long	O'Connor	Simoneau	
Dempsey	McEachern	Osthoff	Skoglund	
Greenfield	McLaughlin	Otis	Thiede	

The motion prevailed and the amendment was adopted.

Jennings moved to amend H. F. No. 234, the first engrossment, as amended, as follows:

Page 1, line 21, delete "ten" and insert "twenty"

The question was taken on the Jennings amendment and the roll was called. There were 63 yeas and 64 nays as follows:

Those who voted in the affirmative were:

Bauerly	Frerichs	Lieder	Pauly	Stanius
Bennett	Gruenes	Marsh	Poppenhagen	Steensma
Bertram	Gutknecht	McDonald	Quist	Sviggum
Boo	Hartle	McKasy	Redalen	Swenson
Burger	Haukoos	McPherson	Reding	Thiede
Carlson, D.	Heap	Miller	Richter	Tjornhom
Clausnitzer	Himle	Morrison	Rose	Tunheim
Cooper	Hugoson	Neuenschwander	Schafer	Uphus
Dauner	Jennings	Olsen, S.	Schreiber	Valento
Dempsey	Johnson, R.	Olson, E.	Seaberg	Waltman
Dille	Johnson, V.	Omann	Shaver	Winter
Forsythe	Kalis	Onnen	Solberg	
Frederick	Kludt	Ozment	Sparby	

Those who voted in the negative were:

Anderson, G.	Jaros	Milbert	Pappas	Simoneau
Battaglia	Jefferson	Minne	Peterson	Skoglund
Beard	Jensen	Munger	Price	Tompkins
Begich	Johnson, A.	Murphy	Quinn	Trimble
Blatz	Kahn	Nelson, C.	Rest	Vanasek
Brown	Kelly	Nelson, D.	Rice	Vellenga
Carlson, L.	Knuth	Nelson, K.	Riveness	Voss
Carruthers	Kostohryz	O'Connor	Rodosovich	Wagenius
Clark	Krueger	Ogren	Rukavina	Welle
DeBlicek	Larsen	Olson, K.	Sarna	Wenzel
Dorn	Lasley	Orenstein	Scheid	Wynia
Greenfield	Long	Osthoff	Schoenfeld	Spk. Norton
Jacobs	McLaughlin	Otis	Segal	

The motion did not prevail and the amendment was not adopted.

The question was taken on the motion to recommend passage of H. F. No. 234, the first engrossment, as amended, and the roll was called. There were 94 yeas and 36 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Himle	Marsh	Otis	Simoneau
Anderson, R.	Jacobs	McEachern	Pappas	Skoglund
Battaglia	Jaros	McLaughlin	Pauly	Solberg
Beard	Jefferson	Milbert	Pelowski	Sparby
Begich	Jensen	Minne	Peterson	Steensma
Bishop	Johnson, A.	Morrison	Price	Tjornhom
Blatz	Johnson, R.	Munger	Quinn	Tompkins
Boo	Kahn	Murphy	Redalen	Trimble
Brown	Kalis	Nelson, C.	Reding	Tunheim
Carlson, L.	Kelly	Nelson, D.	Rest	Vanasek
Carruthers	Kinkel	Nelson, K.	Rice	Vellenga
Clark	Kludt	Neuenschwander	Riveness	Voss
Cooper	Knuth	O'Connor	Rodosovich	Wagenius
DeBlicek	Kostohryz	Ogren	Rukavina	Welle
Dille	Krueger	Olsen, S.	Sarna	Wenzel
Dorn	Larsen	Olson, E.	Scheid	Winter
Forsythe	Lasley	Olson, K.	Schoenfeld	Wynia
Greenfield	Lieder	Orenstein	Schreiber	Spk. Norton
Gutknecht	Long	Osthoff	Segal	

Those who voted in the negative were:

Bauerly	Bertram	Carlson, D.	Dauner	Frerichs
Bennett	Burger	Clausnitzer	Frederick	Gruenes

Hartle	McDonald	Poppenhagen	Shaver	Valento
Haukoos	McKasy	Quist	Stanius	Waltman
Heap	McPherson	Richter	Swiggum	
Hugoson	Miller	Rose	Swenson	
Jennings	Omann	Schafer	Thiede	
Johnson, V.	Onnen	Seaberg	Uphus	

The motion prevailed.

## MOTIONS AND RESOLUTIONS

Knickerbocker moved that the names of Olsen, S., and Segal be added as authors on H. F. No. 370. The motion prevailed.

McEachern moved that the names of Quinn and Olsen, S., be added as authors on H. F. No. 1230. The motion prevailed.

Gruenes moved that the name of Bauerly be added as an author on H. F. No. 1404. The motion prevailed.

Dempsey moved that the name of Milbert be added as an author on H. F. No. 1493. The motion prevailed.

Johnson, A., moved that the name of Rose be added as an author on H. F. No. 1533. The motion prevailed.

O'Connor moved that the names of Trimble and Price be added as authors on H. F. No. 1543. The motion prevailed.

Clark moved that the name of Trimble be added as an author on H. F. No. 1556. The motion prevailed.

Begich moved that H. F. No. 1545 be recalled from the Committee on Economic Development and Housing and be re-referred to the Committee on Appropriations. The motion prevailed.

Pursuant to rule 1.15, Poppenhagen moved that H. F. No. 1456 be recalled from the Committee on Transportation, be given its second reading and be advanced to General Orders.

A roll call was requested and properly seconded.

The question was taken on the Poppenhagen motion and the roll was called. There were 43 yeas and 81 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Blatz	Burger	Dille	Frerichs
Bennett	Boo	Clausnitzer	Frederick	Gruenes

Gutknecht	McDonald	Onnen	Rose	Thiede
Haukoos	McKasy	Ozment	Schafer	Tjornhom
Heap	McPherson	Pauly	Schreiber	Uphus
Himle	Miller	Poppenhagen	Shaver	Valento
Hugoson	Morrison	Quist	Stanius	Waltman
Johnson, V.	Olsen, S.	Redalen	Sviggum	
Marsh	Omann	Richter	Swenson	

Those who voted in the negative were:

Anderson, G.	Jacobs	Long	Otis	Solberg
Battaglia	Jaros	McEachern	Pappas	Sparby
Bauerly	Jefferson	McLaughlin	Pelowski	Steensma
Beard	Jensen	Milbert	Peterson	Trimble
Begich	Johnson, A.	Minne	Price	Tunheim
Bertram	Johnson, R.	Munger	Quinn	Vanasek
Brown	Kahn	Murphy	Reding	Vellenga
Carlson, D.	Kalis	Nelson, C.	Rest	Voss
Carlson, L.	Kelly	Nelson, D.	Riveness	Wagenius
Carruthers	Kinkel	Nelson, K.	Rodosovich	Welle
Clark	Kludd	Neuenschwander	Rukavina	Wenzel
Cooper	Knuth	O'Connor	Scheid	Wynia
Dauner	Kostohryz	Ogren	Schoenfeld	Spk. Norton
DeBlicek	Krueger	Olson, E.	Seaberg	
Dorn	Larsen	Olson, K.	Segal	
Greenfield	Lasley	Orenstein	Simoneau	
Hartle	Lieder	Osthoff	Sköglund	

The motion did not prevail.

Pursuant to rule 1.15, Thiede moved that H. F. No. 173 be recalled from the Committee on General Legislation, Veterans Affairs and Gaming, be given its second reading and be advanced to General Orders.

A roll call was requested and properly seconded.

The question was taken on the Thiede motion and the roll was called. There were 42 yeas and 80 nays as follows:

Those who voted in the affirmative were:

Bennett	Gutknecht	McPherson	Redalen	Thiede
Blatz	Hartle	Miller	Richter	Tjornhom
Burger	Haukoos	Olsen, S.	Rose	Tompkins
Carlson, D.	Himle	Olson, E.	Schafer	Uphus
Clausnitzer	Hugoson	Onnen	Schreiber	Valento
Dille	Johnson, V.	Ozment	Shaver	Waltman
Forsythe	Lieder	Pauly	Stanius	
Frederick	Marsh	Poppenhagen	Sviggum	
Frerichs	McDonald	Quist	Swenson	

Those who voted in the negative were:

Anderson, R.	Bertram	Cooper	Gruenes	Jensen
Battaglia	Brown	Dauner	Heap	Johnson, A.
Bauerly	Carlson, L.	DeBlicek	Jaros	Johnson, R.
Beard	Carruthers	Dorn	Jefferson	Kahn
Begich	Clark	Greenfield	Jennings	Kalis

Kelly	Milbert	Orenstein	Rodosovich	Trimble
Kinkel	Minne	Osthoff	Rukavina	Tunheim
Kludt	Munger	Otis	Sarna	Vanasek
Knuth	Murphy	Pappas	Scheid	Vellenga
Kostohryz	Nelson, C.	Pelowski	Schoenfeld	Voss
Krueger	Nelson, D.	Peterson	Segal	Wagenius
Larsen	Nelson, K.	Price	Simoneau	Welle
Lasley	O'Connor	Quinn	Skoglund	Wenzel
Long	Ogren	Reding	Solberg	Winter
McEachern	Olson, K.	Rest	Sparby	Wynia
McLaughlin	Omann	Riveness	Steensma	Spk. Norton

The motion did not prevail.

Pursuant to rule 1.15, McDonald moved that H. F. No. 75 be recalled from the Committee on Judiciary, be given its second reading and be advanced to General Orders.

A roll call was requested and properly seconded.

Vanasek moved that the McDonald motion be laid on the table.

A roll call was requested and properly seconded.

The question was taken on the Vanasek motion and the roll was called. There were 80 yeas and 47 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Larsen	Olson, K.	Schoenfeld
Anderson, R.	Jacobs	Lasley	Orenstein	Segal
Battaglia	Jaros	Lieder	Osthoff	Simoneau
Bauerly	Jefferson	Long	Otis	Skoglund
Beard	Jennings	McEachern	Pappas	Solberg
Begich	Jensen	McLaughlin	Pelowski	Steensma
Bertram	Johnson, A.	Milbert	Peterson	Trimble
Boo	Johnson, R.	Minne	Price	Vanasek
Brown	Kahn	Munger	Quinn	Vellenga
Carlson, L.	Kalis	Murphy	Reding	Voss
Carruthers	Kelly	Nelson, C.	Rest	Wagenius
Clark	Kinkel	Nelson, D.	Riveness	Welle
Cooper	Kludt	Nelson, K.	Rodosovich	Wenzel
Dauner	Knuth	O'Connor	Rukavina	Winter
DeBlicck	Kostohryz	Ogren	Sarna	Wynia
Dorn	Krueger	Olson, E.	Scheid	Spk. Norton

Those who voted in the negative were:

Bennett	Haukoos	Morrison	Richter	Thiede
Bishop	Heap	Neuenschwander	Rose	Tjornhom
Blatz	Himle	Olsen, S.	Schafer	Tompkins
Burger	Hugoson	Omann	Schreiber	Tunheim
Clausnitzer	Johnson, V.	Onnen	Seaberg	Uphus
Frederick	Marsh	Ozment	Shaver	Valento
Frerichs	McDonald	Pauly	Sparby	Waltman
Gruenes	McKasy	Poppenhagen	Stanisus	
Gutknecht	McPherson	Quist	Svigum	
Hartle	Miller	Redalen	Swenson	

The motion prevailed and the McDonald motion was laid on the table.

Kostohryz introduced:

House Concurrent Resolution No. 9, A House concurrent resolution designating the "Red Ribbon" to commemorate Minnesota citizens who are still missing in action or are being held against their will in Asian countries.

The concurrent resolution was referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Schreiber presented a poem in honor of the "Minnesota Golden Horses" hockey team. Bishop moved that the poem be printed in the Journal for today. The motion prevailed. Following is the poem:

The day has come to face the fact  
We all would like to ignore  
To win is not the only goal  
We were elected for!

I implore you to remember this  
As we send our members East  
That partisan issues and political fights  
They must immediately cease!!

So Mr. Vanasek and Fred as well,  
Let's all join hands and give 'em hell!!  
For in Massachusetts they've never heered -  
Of Tjornhom, Milbert, Stanius and Beard.

And let us not forget the fact  
Their coach is Mr. Quinn.  
His thankless task for weeks and weeks  
Has been to teach this team to win.

To win you say - that's easy enough,  
But not for these guys -  
There's no ballot box to stuff!

#### ADJOURNMENT

Vanasek moved that when the House adjourns today it adjourn until 2:00 p.m., Monday, April 13, 1987. The motion prevailed.

Vanasek moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:00 p.m., Monday, April 13, 1987.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

## STATE OF MINNESOTA

## SEVENTY-FIFTH SESSION—1987

## THIRTY-SECOND DAY

SAINT PAUL, MINNESOTA, MONDAY, APRIL 13, 1987

The House of Representatives convened at 2:00 p.m. and was called to order by Fred C. Norton, Speaker of the House.

Prayer was offered by Deacon John Spears, Office of Indian Ministry, Minneapolis, Minnesota.

The roll was called and the following members were present:

Anderson, G.	Greenfield	Lasley	Osthoff	Shaver
Anderson, R.	Gruenes	Lieder	Otis	Simoneau
Battaglia	Gutknecht	Long	Ozment	Skoglund
Bauerly	Hartle	Marsh	Pappas	Solberg
Beard	Haukoos	McDonald	Pauly	Sparby
Begich	Heap	McEachern	Pelowski	Stanius
Bennett	Himle	McKasy	Peterson	Steensma
Bertram	Hugoson	McLaughlin	Poppenhagen	Sviggum
Bishop	Jacobs	McPherson	Price	Swenson
Blatz	Jaros	Milbert	Quinn	Thiede
Boo	Jefferson	Miller	Quist	Tjornhom
Brown	Jennings	Minne	Redalen	Tompkins
Burger	Jensen	Morrison	Reding	Trimble
Carlson, D.	Johnson, A.	Munger	Rest	Tunheim
Carlson, L.	Johnson, R.	Murphy	Rice	Uphus
Carruthers	Johnson, V.	Nelson, C.	Richter	Valento
Clark	Kahn	Nelson, D.	Riveness	Vanasek
Clausnitzer	Kalis	Nelson, K.	Rodosovich	Vellenga
Cooper	Kelly	Neuenschwander	Rose	Voss
Dauner	Kelso	O'Connor	Rukavina	Wagenius
DeBlicek	Kinkel	Ogren	Sarna	Waltman
Dempsey	Kludt	Olsen, S.	Schafer	Welle
Dille	Knickerbocker	Olsen, E.	Scheid	Wenzel
Dorn	Knuth	Olson, K.	Schoenfeld	Winter
Forsythe	Kostohryz	Omann	Schreiber	Wynia
Frederick	Krueger	Onnen	Seaberg	Spk. Norton
Frerichs	Larsen	Orenstein	Segal	

A quorum was present.

The Chief Clerk proceeded to read the Journal of the preceding day. DeBlicek moved that further reading of the Journal be dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

## REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 1207, 1390, 1416, 170, 596, 1009, 1083, 1223, 1252, 1361, 1362, 895, 949, 1266, 1355, 457, 1138, 1342 and 234 and S. F. No. 80 have been placed in the members' files.

**REPORTS OF STANDING COMMITTEES**

Kalis from the Committee on Transportation to which was referred:

H. F. No. 43, A bill for an act relating to motor vehicles; providing for special license plates for Vietnam era veterans; amending Minnesota Statutes 1986, section 168.12, by adding a subdivision.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 62, A bill for an act relating to libraries; permitting the joint financing of their construction among government units; allowing cities and counties to levy above limits for library construction; amending Minnesota Statutes 1986, section 275.50, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 134.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 109, A bill for an act relating to workers' compensation; providing for an efficient hearing process; amending Minnesota Statutes 1986, sections 176.102, subdivisions 6 and 6a; 176.103, subdivisions 2 and 3; 176.155, subdivision 1; 176.242, by adding a subdivision; 176.306, by adding subdivisions; and 176.341.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 142, A bill for an act relating to drivers' licenses; permitting limited license for homemaker; amending Minnesota Statutes 1986, section 171.30, subdivision 1.

Reported the same back with the following amendments:

Page 1, line 19, delete "health, or well-being" and insert "medical, or nutritional needs"

Page 2, line 13, after "child" insert "or other dependents"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 157, A resolution memorializing the United States Congress to propose an amendment to the Constitution to abolish the electoral college and replace it with direct popular election of the President.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 228, A bill for an act relating to firearms safety; increasing the age under which a firearms safety course and certificate are required; amending Minnesota Statutes 1986, section 97B.021, subdivision 1.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 283, A bill for an act relating to elections; requiring confidentiality of certain matters before the ethical practices board; raising certain campaign contribution disclosure limits; changing the method of calculating certain campaign expenditure limits; amending Minnesota Statutes 1986, sections 10A.02, subdivision 11; 10A.12, subdivision 5; 10A.20, subdivisions 3 and 5; 10A.25, subdivisions 2 and 7; and 10A.255.

Reported the same back with the following amendments:

Page 2, line 15, after the semicolon insert "and"

Page 2, lines 16 to 35, strike the old language and delete the new language

Page 2, line 36, strike "individual." and insert:

"(b)"

Page 6, line 27, after the period strike "The limits shall be"

Page 6, strike line 28

With the recommendation that when so amended the bill pass.

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 363, A bill for an act relating to employment; providing for retraining of dislocated workers; requiring the commissioner of jobs and training to coordinate services to dislocated workers; requiring notification of employment termination; providing for the monitoring of dislocated workers and plant closings; providing a state match for federal dislocated worker funding; appropriating money; amending Minnesota Statutes 1986, sections 267.02, subdivision 3; 268.0111, subdivision 4; 268.0122, subdivision 3; and 268.89, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 268.

Reported the same back with the following amendments:

Page 4, line 35, before the period insert "over a six-month period"

Page 5, line 6, after the period insert "Data received by the commissioner from an employer pursuant to this section which would identify any individual is private data as defined in section 13.02."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Otis from the Committee on Economic Development and Housing to which was referred:

H. F. No. 371, A bill for an act relating to eminent domain; regulating relocation benefits for displaced persons; amending Minnesota Statutes 1986, section 117.52, subdivision 1.

Reported the same back with the following amendments:

Page 1, line 23, reinstate the stricken language and after the first comma insert "and either (1)" and before the period insert ", or (2) becoming effective after January 1, 1984, following a public hearing and comment" and after the period insert "Comments received by an inquiring authority within 30 days after the public hearing must be reviewed and a written response provided to the individual or organization who initiated the comment. The response and comments may be addressed in another public hearing by the inquiring authority before approval."

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 376, A bill for an act relating to elections; ensuring the availability of absentee ballots for statewide elections; amending Minnesota Statutes 1986, sections 40.05, subdivision 3; 203B.05, subdivision 2; 204B.09, subdivision 2; 204B.35, subdivision 4; 205.065, subdivisions 2 and 3; and 205.13, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 40.05, subdivision 3, is amended to read:

Subd. 3. After December 31, 1972, and for the elections required by subdivision 2, all elections except that provided for the organization of the district, in subdivision 1, shall be held at the time and place of holding the state general election, as specified in section 204D.03, subdivision 2. No primary shall be held. The names of candidates for election as supervisors of the soil and water conservation district shall be placed on the "canary ballot," as described in section 204D.11, subdivision 3. Nominating petitions conforming to the rules stated in subdivision 1 shall be filed with the secretary of the soil and water conservation district at least 60 days before the time of holding the state general election. At least 45 days before the state general election ~~The district secretary shall~~ immediately submit the names of the candidates and the terms for which nominated to the appropriate county auditor. The ballots for use at the election shall be prepared by the county auditor. All laws relating to elections for county office shall govern insofar as applicable. The county auditor shall certify the result to the state soil and water conservation board, and if the soil and water conservation district embraces land in more than one county the county auditor shall forthwith certify to the state soil and water conservation board the vote, as shown by the report of the county canvassing board, for all candidates voted for in more than one county. In the latter case the state soil and water conservation board shall certify the results of the election and publish the result.

Sec. 2. Minnesota Statutes 1986, section 123.32, subdivision 4, is amended to read:

Subd. 4. At the annual election board members shall be elected to fill vacancies on the board caused by expiration of term on July 1 next following the election. Any person eligible to hold office in the district desiring to be a candidate for a district office at the election shall file with the clerk of the district a written application to be placed on the ballot for the office, or any five voters of the district may file such written application for or on behalf of any person eligible to hold office in the district that they desire shall be such candidate. The application shall be filed not more than 43 nor less than 28 days before the election.

If the annual election is held at the same time as a statewide election or an election for a county or municipality located partially or wholly within the school district, the application must be filed not more than ten nor less than eight weeks before the annual election.

Sec. 3. Minnesota Statutes 1986, section 203B.05, subdivision 2, is amended to read:

Subd. 2. [CITY AND TOWN ELECTIONS; CERTAIN SCHOOL ELECTIONS.] For city elections not held on the same day as a statewide election and for town elections conducted under the Australian ballot system, applications for absentee ballots shall be filed with the city or town clerk and the duties prescribed by this chapter for the county auditor shall be performed by the city or town clerk unless the county auditor agrees to perform those duties on behalf of the city or town clerk. The costs incurred to provide absentee ballots and perform the duties prescribed by this subdivision shall be paid by the city or town holding the election.

Notwithstanding any other law, this chapter applies to school district elections held on the same day as a statewide election or an election for a county or municipality wholly or partially within the school district.

Sec. 4. Minnesota Statutes 1986, section 204B.35, subdivision 4, is amended to read:

Subd. 4. [ABSENTEE BALLOTS; PREPARATION; DELIVERY.] Ballots necessary to fill applications of absentee voters shall be prepared and delivered at least 30 days before the election to the officials who administer the provisions of chapter 203B.

This section applies to school district elections held on the same day as a statewide election or an election for a county or municipality located partially or wholly within the school district.

Sec. 5. Minnesota Statutes 1986, section 205.02, subdivision 2, is amended to read:

Subd. 2. [CITY ELECTIONS.] In all statutory and home rule charter cities, the primary, general and special elections held for choosing city officials and deciding public questions relating to the city shall be held as provided in this chapter, except that this section and sections 205.065, subdivisions 2 to 7; 205.07 to ~~205.13~~ 205.12 and 205.175 and 205.185 do not apply to a city whose charter provides the manner of holding its primary, general or special elections.

Sec. 6. Minnesota Statutes 1986, section 205.065, subdivision 2, is amended to read:

Subd. 2. [RESOLUTION OR ORDINANCE.] The governing body of a city of the second, third, or fourth class or a town containing a statutory city may, by ordinance or resolution adopted at least six weeks three months before the next municipal general election, elect to choose nominees for municipal offices by a primary as provided in subdivisions 2 to 7. The resolution or ordinance, when adopted, is effective for all ensuing municipal elections until it is revoked.

Subdivisions 2 to 7 do not apply to a city the charter of which specifically prohibits or provides for a municipal primary.

Sec. 7. Minnesota Statutes 1986, section 205.065, subdivision 3, is amended to read:

Subd. 3. [DATE.] The municipal primary shall be held ~~two weeks before the municipal general election or at another a time designated by the governing body in the ordinance or resolution adopting the primary system, but no later than six weeks before the general election.~~ The clerk shall give notice of the primary in the manner provided in section 205.16.

Sec. 8. Minnesota Statutes 1986, section 205.13, subdivision 1, is amended to read:

Subdivision 1. [AFFIDAVIT OF CANDIDACY.] Not more than

(1) eight nor less than six weeks in the case of a town, or

(2) not more than ten nor less than eight weeks, in the case of a city,

before the municipal primary, or before the municipal general election if there is no municipal primary, an individual who is eligible and desires to become a candidate for an office to be voted for at the election shall file an affidavit of candidacy with the municipal clerk. The affidavit shall be in substantially the same form as that in section 204B.06, subdivision 1. The municipal clerk shall also accept an application signed by not less than five voters and filed on behalf of an eligible voter in the municipality whom they desire to be a candidate, if service of a copy of the application has been made on the candidate and proof of service is endorsed on the application being filed. Upon receipt of the proper filing fee, the clerk shall place the name of the candidate on the official ballot without partisan designation. The filing dates contained in this subdivision do not apply to any home rule charter city whose charter provides for earlier filing dates."

Amend the title as follows:

Page 1, line 4, after the semicolon insert "123.32, subdivision 4;"

Page 1, line 5, delete "204B.09, subdivision 2;"

Page 1, line 6, after the first semicolon insert "205.02, subdivision 2;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 462, A resolution memorializing the United States Congress to maintain the Veteran's Administration system of health care facilities.

Reported the same back with the following amendments:

Page 1, line 19, delete "100,000"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Skoglund from the Committee on Financial Institutions and Insurance to which was referred:

H. F. No. 464, A bill for an act relating to insurance; accident and health; increasing the maximum lifetime benefit for major medical coverage; amending Minnesota Statutes 1986, sections 62E.04, subdivision 4; and 62E.06, subdivision 1.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 485, A bill for an act relating to agriculture; strengthening the pesticide laws; imposing penalties; appropriating money; amending Minnesota Statutes 1986, sections 18A.21, subdivisions 1, 4, 5, 7, 8, 10, 12, 16, 19, 20, 21, 22, 23, 27, 29, 30, 31, 32, 33, 34, 35, 36, and by adding subdivisions; 18A.22, subdivisions 1, 2, 5, 7, and 8; 18A.23; 18A.24; 18A.25; 18A.27; 18A.28, subdivisions 1, 2, 3, 4, and by adding a subdivision; 18A.29, subdivisions 1, 3, and by adding subdivisions; 18A.30; 18A.31; 18A.32; 18A.33; 18A.34; 18A.35; 18A.37; 18A.39; 18A.41; 18A.42; 18A.43; 18A.44; and 18A.45; proposing coding for new law in Minnesota Statutes, chapters 18A and 18B; repealing Minnesota Statutes 1986, sections 18A.26; 18A.28, subdivisions 5 and 6; 18A.29, subdivision 2; and 18A.36.

Reported the same back with the following amendments:

Page 22, line 22, delete "when" and insert "as soon as is reasonably possible after"

Page 38, line 8, delete "value" and insert "cost"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 521, A bill for an act relating to lake improvement districts; providing for notice of their annual meetings; amending Minnesota Statutes 1986, section 378.545, subdivision 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 378.545, subdivision 2, is amended to read:

Subd. 2. [NOTICE.] The annual meeting shall be preceded by two weeks published notice and written notice mailed at least ten days in advance of the meeting to all property owners within the district and to the county board or joint county authority, town boards, statutory or home rule charter cities, the pollution control agency, and commissioner of natural resources and all property owners within the assessment area for any proposed project by the district having a cost to the assessment area in excess of \$5,000.

Sec. 2. [378.57] [ANNUAL REPORT.]

The board of directors shall annually make and file a report of the financial conditions of the district, the status of all projects therein, the business transacted by the district, other matters affecting the interests of the district, and a discussion of the directors intentions for the succeeding years. Copies of the report shall be transmitted to the county board or joint county authority, town boards, commissioner of natural resources, and pollution control agency within four months of the annual meeting."

Amend the title as follows:

Page 1, line 4, before the period insert "; proposing coding for new law in Minnesota Statutes, chapter 378"

With the recommendation that when so amended the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 606, A bill for an act relating to environment; establishing a petroleum tank release cleanup program; authorizing state action to prevent or correct health and environmental damage resulting from releases from petroleum storage tanks; establishing a petroleum tank release cleanup fund; establishing a petroleum tank release compensation board; authorizing reimbursement from the fund; requiring rulemaking; providing for administration by the pollution control agency and the department of commerce; requiring certification of tank installers; appropriating money; amending Minnesota Statutes 1986, sections 116.46, by adding subdivisions; and 116.48, subdivision 4; proposing coding for new law as Minnesota Statutes, chapter 115C; proposing coding for new law in Minnesota Statutes, chapter 116.

Reported the same back with the following amendments:

Page 10, after line 23, insert:

"Sec. 13. Minnesota Statutes 1986, section 116.47, is amended to read:

**116.47 [EXEMPTIONS.]**

Sections 116.48 and, 116.49, and section 15 do not apply to:

(1) farm or residential tanks of 1,100 gallons or less capacity used for storing motor fuel for noncommercial purposes; tanks of 1,100 gallons or less capacity used for storing heating oil for consumptive use on the premises where stored;

(2) pipeline facilities, including gathering lines, regulated under the Natural Gas Pipeline Safety Act of 1968, United States Code, title 49, chapter 24, or the Hazardous Liquid Pipeline Safety Act of 1979, United States Code, title 49, chapter 29;

(3) surface impoundments, pits, ponds, or lagoons;

(4) storm water or waste water collection systems;

(5) flow-through process tanks;

(6) tanks located in an underground area, including basements, cellars, mineworkings, drifts, shafts, or tunnels, if the storage tank is located upon or above the surface of the floor; or

(7) septic tanks.”

Reorder the sections in sequence

Correct internal cross references

Amend the title as follows:

Page 1, line 13, after “subdivisions;” insert “116.47;”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 613, A bill for an act relating to agriculture; extending certain benefits under the family farm security act; amending Minnesota Statutes 1986, section 41.57, subdivision 4.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1986, section 41.57, subdivision 4, is amended to read:

Subd. 4. [ADDITIONAL PAYMENT; PRINCIPAL REDUCTION.]

(a) The commissioner must annually pay to qualified sellers of property, financed by a family farm security loan, an amount approximately equal to the additional state income tax paid as a result of the inclusion in gross income of the interest and payment adjustment earned on a seller sponsored family farm security loan. No payment may be made under this subdivision to a qualified seller, unless the seller agrees to reduce the outstanding principal amount of the loan by three percent effective prior to or beginning for the year in which application is made.

(b) The payment amount must be determined as follows:

(1) In order to qualify for a payment, the seller must apply to the commissioner by October 1, 1986 following the previous tax year. The application must include a copy of the seller's 1985 previous tax year state income tax return. The commissioner must recompute the

seller's total state income tax liability that would be due if the interest and payment adjustment amounts were not includable in gross income for state income tax purposes. The commissioner may require the seller to compute these amounts as part of the application. For any calendar year 1986 the amount of the payment equals the reduction in state income tax liability that would occur if the interest and payment adjustment were not included in gross income for state tax purposes.

(2) For calendar years beginning with 1987, the additional payment amount must be determined as follows: (A) The calendar year 1986 payment must be divided by the amount of interest and payment adjustment received during calendar year 1986. (B) The resulting quotient must be multiplied by the interest and payment adjustment received for the calendar year. (C) The product determined under clause (B) is the payment for the calendar year.

(e) If for a tax year after 1986 the qualified seller's taxable income has changed substantially, the commissioner may provide by rule that upon reappliation a later tax year will be used to compute the quotient under clause (b)(2)(A).

(d)(1) (c) If the seller elects to receive payments under this subdivision, the buyer's payments of principal and interest under the loan must be recalculated. The revised payment schedule must reflect the three percent reduction in the outstanding principal required by paragraph (a) and must provide for equal payments over the remaining term of the loan. The interest rate on the loan may not be increased.

(2) The state's payment adjustment under subdivision 2 and the amount of the payment under paragraph (b) must be calculated on the basis of the outstanding principal amount of the loan before the reduction required by paragraph (a).

(e) (d) The commissioner may make the payments under this subdivision in the same manner provided for the payment adjustment under subdivision 2.

(f) (e) For purposes of this subdivision, the following terms have the meanings given:

(1) "Gross income" means gross income as defined for purposes of chapter 290.

(2) "Qualified seller" means an individual who sold farm land under a seller sponsored loan after April 1, 1978 and before June 28 December 31, 1985, and who is a resident of Minnesota during the calendar year and is subject to the payment of Minnesota income taxes.

Sec. 2. [EFFECTIVE DATE.]

This act is effective the day following final enactment.

With the recommendation that when so amended the bill pass.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 638, A bill for an act relating to elections; requiring election judges to inform voters of certain laws; providing for selection of a party in certain primary elections; requiring parties to have different colored ballot book pages; amending Minnesota Statutes 1986, sections 204C.13, subdivision 2; 206.80; and 206.84, subdivision 3.

Reported the same back with the following amendments:

Pages 2 and 3, delete section 3

Amend the title as follows:

Page 1, line 4, delete everything after the semicolon

Page 1, delete line 5

Page 1, line 7, after the first semicolon insert "and" and delete "; and 206.84, subdivision 3"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 665, A bill for an act relating to veterans; providing for special motor vehicle license plates for former prisoners of war free of charge; amending Minnesota Statutes 1986, section 168.125.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 706, A bill for an act relating to juveniles; clarifying certain recent changes to the juvenile court act; clarifying the hearing and records procedures of the juvenile court; providing for the enforcement of juvenile court restitution orders; permitting administrative docketing of certain unpaid county reimbursements; clarifying certain crime victim notification and protection laws; amending Minnesota Statutes 1986, sections 260.155, subdivisions 1 and 1a; 260.156; 260.161; 260.185, by adding a subdivision; 548.091, subdivision 1; 595.02, subdivision 4; 609.3471; 611A.031; and 611A.035; repealing Minnesota Statutes 1986, section 636.08.

Reported the same back with the following amendments:

Page 8, after line 14, insert:

“Sec. 8. Minnesota Statutes 1986, section 609.115, subdivision 1, is amended to read:

Subdivision 1. [PRESENTENCE INVESTIGATION.] When a defendant has been convicted of a misdemeanor or gross misdemeanor, the court may, and when the defendant has been convicted of a felony, the court shall, before sentence is imposed, cause a presentence investigation and written report to be made to the court concerning the defendant's individual characteristics, circumstances, needs, potentialities, criminal record and social history, the circumstances of the offense and the harm caused by it to others and to the community. The report shall also include the information relating to crime victims required under section 12, subdivision 1. If the court directs, the report shall include an estimate of the prospects of the defendant's rehabilitation and recommendations as to the sentence which should be imposed. In misdemeanor cases the report may be oral.

When a defendant has been convicted of a felony, and before sentencing, the court shall cause a sentencing worksheet to be completed to facilitate the application of the Minnesota sentencing guidelines. The worksheet shall be submitted as part of the presentence investigation report.

The investigation shall be made by a probation officer of the court, if there is one, otherwise by the commissioner of corrections. The officer conducting the presentence or predispositional investigation shall make reasonable and good faith efforts to contact the victim of that crime and to provide that victim with the information required under section 12, subdivision 2.

Pending the presentence investigation and report, the court with the consent of the commissioner may commit the defendant to the

custody of the commissioner of corrections who shall return the defendant to the court when the court so orders.

Presentence investigations shall be conducted and summary hearings held upon reports and upon the sentence to be imposed upon the defendant in accordance with this section, section 244.10, and the rules of criminal procedure.”

Page 9, after line 6, insert:

“Sec. 12. [611A.037] [PRESENTENCE INVESTIGATION; VICTIM IMPACT; NOTICE.]

Subdivision 1. [VICTIM IMPACT STATEMENT.] A presentence investigation report prepared under section 609.115 shall include the following information relating to victims:

(a) a summary of the damages or harm and any other problems generated by the criminal occurrence;

(b) a concise statement of what disposition the victim deems appropriate for the defendant or juvenile court respondent, including reasons given, if any, by the victim in support of the victim's opinion; and

(c) an attachment to the report, consisting of the victim's written objections, if any, to the proposed disposition if the victim provides the officer conducting the presentence investigation with this written material within a reasonable time prior to the disposition.

Subd. 2. [NOTICE TO VICTIM.] The officer conducting a presentence or predispositional investigation shall make reasonable and good faith efforts to contact the victim of that crime and to provide that victim with the following information: (i) the charge or juvenile court petition to which the defendant has been convicted or pleaded guilty, or the juvenile respondent has admitted in court or has been found to have committed by the juvenile court, and of any plea agreement between the prosecution and the defense counsel; (ii) the victim's right to request restitution pursuant to section 611A.04; (iii) the time and place of the sentencing or juvenile court disposition and the victim's right to be present; and (iv) the victim's right to object in writing to the court, prior to the time of sentencing or juvenile court disposition, to the proposed sentence or juvenile dispositional alternative, or to the terms of the proposed plea agreement. To assist the victim in making a recommendation under clause (iv), the officer shall provide the victim with information about the court's options for sentencing and other dispositions. Failure of the officer to comply with this subdivision does not give any rights or grounds for postconviction or postjuvenile disposition relief to the defendant or juvenile court respondent, nor does it

entitle a defendant or a juvenile court respondent to withdraw a plea of guilty."

Page 9, line 8, delete everything after the first comma and insert "sections 609.115, subdivisions 1b and 1c; and 636.08, are repealed."

Renumber the sections accordingly

Amend the title as follows:

Page 1, line 12, after "4," insert "609.115, subdivision 1;"

Page 1, line 13, before "repealing" insert "proposing coding for new law in Minnesota Statutes, chapter 611A;"

Page 1, line 14, delete "section" and insert "sections 609.115, subdivisions 1b and 1c; and"

With the recommendation that when so amended the bill pass.

The report was adopted.

Jaros from the Committee on Higher Education to which was referred:

H. F. No. 741, A bill for an act relating to education; providing for expanded offerings at Metropolitan State University; appropriating money.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 762, A bill for an act relating to education; requiring school nurses in schools; describing their responsibilities; providing for dispensing medication in schools; authorizing a grant program; appropriating money; amending Minnesota Statutes 1986, section 123.35, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 126 and 129B.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

**“Section 1: [126.201] [ADMINISTRATION OF MEDICATION BY SCHOOL PERSONNEL.]**

Subdivision 1. [CONDITIONS.] (a) A school nurse or, in the absence of the nurse, the principal or a teacher may administer medication prescribed for a student under the conditions set out in this subdivision.

(b) Administration of medication by school personnel must only be done following the written order of a licensed physician and the written authorization of a parent or guardian.

A written order of a licensed physician includes any valid prescription for medication.

(c) Medication to be administered must be brought to school in a container appropriately labeled by the pharmacy or physician.

Subd. 2. [LIABILITY.] A principal, teacher, or other staff person who substantially complies with the school's established policy for administering medication to a student is immune from civil or criminal liability for any injury arising from the administration of the medication or from the medication itself. Immunity does not apply if the person administering the medication does so in a grossly negligent manner or in a manner that willfully or wantonly disregards the health or safety of the student.”

Delete the title and insert:

“A bill for an act relating to education; providing for dispensing medication in schools; proposing coding for new law in Minnesota Statutes, chapter 126.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Otis from the Committee on Economic Development and Housing to which was referred:

H. F. No. 768, A bill for an act relating to housing; extending housing and redevelopment authority interest reduction program; amending Minnesota Statutes 1986, section 462.445, subdivision 13.

Reported the same back with the following amendments:

Page 1, line 12, delete “1990” and insert “1992”

Page 1, line 14, delete “1990” and insert “1992” in both places

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 774, A bill for an act relating to workers' compensation; regulating insurance premium computations for certain public employees; amending Minnesota Statutes 1986, section 79.211, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, line 11, delete "The rating association" and insert "The commissioner of commerce in setting the assigned risk plan rates"

With the recommendation that when so amended the bill pass.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 776, A bill for an act relating to agriculture; regulating the family farm security program; providing for eligibility; permitting the sale of loans; amending Minnesota Statutes 1986, sections 41.52, by adding a subdivision; 41.55; proposing coding for new law in Minnesota Statutes, chapter 41.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 41.52, is amended by adding a subdivision to read:

Subd. 14. [ACQUIRED PROPERTY.] "Acquired property" means agricultural real property returned to a lender or guarantor through enforcement of a default on a contract for deed or mortgage foreclosure or bankruptcy. For purposes of the program for acquired property sales established under section 5, acquired property means only property acquired before the effective date of this act.

Sec. 2. Minnesota Statutes 1986, section 41.52, is amended by adding a subdivision to read:

**Subd. 15. [ACQUIRED PROPERTY LOAN GUARANTEE.]** “Acquired property loan guarantee” means an agreement that in the event of default, the state of Minnesota must pay the lender 85 percent of any sums remaining on a mortgage and note or contract for deed approved under the family farm security program after the effective date of this act after approved liquidation of the property. In the event that the state’s share of losses resulting from defaults in the program for acquired property sales established under section 5 exceeds the limit on the state’s maximum loss set under section 5, subdivision 7, the commissioner must disburse guarantee payments to lenders only to the extent of the state’s maximum loss limit. Any additional losses must be borne by the lender without regard to the 85 percent guarantee.

Sec. 3. Minnesota Statutes 1986, section 41.53, subdivision 2, is amended to read:

**Subd. 2.** The commissioner may adopt emergency or permanent rules necessary for the efficient administration of sections 41.51 to 41.57; 41.58, subdivisions 1 and 2; 41.59, subdivision 1; and 41.61 and section 5.

Sec. 4. Minnesota Statutes 1986, section 41.55, is amended to read:

**41.55 [ELIGIBILITY.]**

A family farm security loan approval may be granted if the following criteria are satisfied:

- (a) that the applicant is a resident of the state of Minnesota;
- (b) that the applicant has sufficient education, training, or experience in the type of farming for which the loan is desired and continued participation in a farm management program, approved by the commissioner, for at least the first ~~ten~~ five years of the family farm security loan;
- (c) that the applicant and the applicant’s dependents and spouse have total net worth valued at less than ~~\$75,000~~ \$150,000 and have demonstrated a need for the loan;
- (d) that the applicant intends to purchase farm land to be used by the applicant for agricultural purposes;
- (e) that the applicant is credit worthy according to standards prescribed by the commissioner.

**Sec. 5. [41.63] [ACQUIRED PROPERTY SALES.]**

Subdivision 1. [AUTHORIZATION.] The commissioner may provide an acquired property loan guarantee to lenders on the sale of acquired property acquired before the effective date of this act if the buyer satisfies the eligibility criteria in section 41.55, and if the applicant agrees to participate in an approved farm management program for the first five years of the sale contract for deed or mortgage, and if:

(a) this is the buyer's first farm real estate purchase; or

(b) the buyer has been the manager/operator of a commercial size farm operation and currently holds ownership to no more than 160 acres of farm real estate.

Subd. 2. [APPLICATION.] A lender desiring to provide financing for the sale of the family farm security program acquired property, or other acquired property to persons eligible for an acquired property loan guarantee, shall forward an application to the commissioner for approval utilizing forms approved by the commissioner. The commissioner shall prescribe a screening process to determine eligibility and disposition of applications. On approving a guarantee, the commissioner shall notify the lender. The lender and buyer may then complete the sale.

If the application is denied, the commissioner shall provide the lender with a written statement of the reasons for denial. An application which later meets the eligibility criteria may be resubmitted by the lender.

Subd. 3. [APPROVED SALES.] The sales agreement and the note and mortgage or contract for deed executed between lender and buyer shall have the following characteristics:

(a) The acquired property will not be sold for more than 105 percent of current market value. Market value appraisals shall be mutually agreed to by the lender and the commissioner for each property. To the extent not disallowed by statute, a seller must as part of the conveyance, transfer to the buyer all mineral rights it holds to the land being conveyed unless the buyer willingly waives in a separate writing the requirement to convey the mineral rights.

(b) Amortization of the mortgage or contract shall be based on no more than 30 years and no less than 20 years with a balloon payment due at the end of ten years. Early payment at the request of buyer is allowed.

(c) There shall be a minimum down payment of ten percent on those sales with monthly payments, 12.5 percent with semi-annual payments, and 15 percent with annual payments.

(d) Interest rate shall be fixed at below preferred customer rates for the first five years and no higher than preferred customer rates for years six through ten. For 1987, the rates offered must be 6.9 percent for the first five years, and 8.9 percent for the second five years, or the applicable federal land bank variable rate, whichever is lower.

Subd. 4. [LOAN SERVICING.] The lender shall be responsible for all mortgage or contract for deed servicing.

(a) At the end of the tenth year, buyers shall have the right to refinance with their sponsoring lender at the lowest interest rate for which they qualify at the time.

(b) No partial releases, release of easement payments, or other actions affecting the value of the property may be transacted without the commissioner's approval.

(c) At no time shall the lender or buyer take any action that will diminish the first position claim of the guaranteed mortgage or contract.

(d) The guarantee is neither assignable nor assumable.

(e) The lender shall, in consultation with the commissioner, pursue any legal means available to recover as much as reasonably possible in case of a default and be reimbursed for the normal costs of these actions under the guarantee provision.

Subd. 5. [DEFAULT.] Default occurs when:

(a) the buyer does not pay the principal or interest payment on the date due;

(b) the participant breaches a material obligation in the note and mortgage, loan agreement, contract for deed, or any other instrument securing the loan, and the lender determines that this breach constitutes an adverse change in the buyer's ability to repay the guaranteed loan; or

(c) the buyer fails to properly maintain the buildings and other facilities or does not follow proper soil and water conservation practices so that the value of the security is diminished.

Subd. 6. [FILING CLAIM.] When a default occurs and the appropriate actions have been taken to recover title to the property, the lender shall provide the commissioner with an acceptable plan for liquidation and carry out that plan. The lender shall present a ledger accounting of all costs and all receipts for final review by the commissioner. Costs include the principal balance of the loan

remaining at time of default, any unpaid accrued interest calculated at the stated rate of the loan to the date of default, real estate taxes and insurance premiums paid, attorneys' fees, and other costs associated with clearing title. Receipts include the sale proceeds, any rents collected, and other miscellaneous income received during the holding period. In those instances where costs exceed receipts, the commissioner shall make payment to the lender from the special guarantee account established in section 41.61, subdivision 1, for 85 percent of the excess costs. In those instances where receipts exceed costs by more than 115 percent, the lender shall remit to the commissioner one-half of all excess over the 115 percent for deposit in the special guarantee fund.

Subd. 7. [LIMITATIONS.] The sum of all outstanding acquired property loans guaranteed by the commissioner at any time may not exceed \$100,000,000. The state's maximum loss shall not exceed \$12,750,000, over the life of this program, exclusive of legal fees, default costs, administration expense, and other expenses not associated with the principal balance or the interest due. In the event that the state's share of losses resulting from defaults in the program for acquired property sales established under this section exceeds the limit on the state's maximum loss, the commissioner must disburse guarantee payments to lenders only to the extent of the state's maximum loss limit. Any additional losses must be borne by the lender without regard to the 85 percent guarantee. Priority for loan guarantee payments within the state's maximum loss limit must be based on the date the plan for liquidation is provided to the commissioner."

Amend the title as follows:

Page 1, line 5, delete "a"

Page 1, line 6, delete "subdivision;" and insert "subdivisions; 41.53, subdivision 2;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Otis from the Committee on Economic Development and Housing to which was referred:

H. F. No. 789, A bill for an act relating to housing; authorizing the Minnesota housing finance agency to make grants to municipalities

for the provision of housing for very low income persons; proposing coding for new law in Minnesota Statutes, chapter 462A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 462A.05, is amended by adding a subdivision to read:

Subd. 25. [GRANTS FOR HOUSING FOR VERY LOW INCOME PERSONS LIVING ALONE.] The agency may make grants for residential housing to be used by very low income persons living alone whose annual gross income does not exceed 150 percent of the poverty line as updated by the United States Office of Management and Budget. The grants may be made to cities, joint powers boards established by two or more cities, housing and redevelopment authorities created under sections 462.415 to 462.705, or nonprofit entities as defined by the agency. The occupants of the residential housing must be offered a written lease that complies with section 325G.31, offers the occupants the option to renew, and prohibits eviction of an occupant without good cause. Grants under this subdivision shall not exceed 50 percent of the development costs for the residential housing, and shall not be made for any residential housing that requires the occupants to accept board as well as lodging. In making grants, the agency shall determine the circumstances, terms, and conditions under which all or part of the grant will be repaid and the appropriate security if repayment is required.

Sec. 2. Minnesota Statutes 1986, section 462A.21, is amended by adding a subdivision to read:

Subd. 4k. [HOUSING DEVELOPMENT FUND.] The agency may make grants for residential housing for very low income persons under section 1 from funds specifically appropriated by the legislature for that purpose and may pay the costs and expenses for the development and operation of the program.

Sec. 3. [APPROPRIATION.]

The sum of \$..... is appropriated from the general fund to the housing development fund created in section 462A.20 for the purposes of sections 1 and 2."

Delete the title and insert:

"A bill for an act relating to housing; authorizing the Minnesota housing finance agency to make grants for the provision of housing for very low income persons; appropriating money; amending Min-

nesota Statutes 1986, sections 462A.05, by adding a subdivision; and 462A.21, by adding a subdivision.”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 794, A bill for an act relating to waste management; regulating disposal of wastes; providing for a solid waste management policy; providing for recycling policy and marketing; managing household hazardous wastes; regulating the sale and disposal of motor oil and lead acid batteries; providing for waste pesticide collection; appropriating money; amending Minnesota Statutes 1986, sections 115A.03, subdivisions 9 and 21; 115A.06, subdivision 14; 115A.11, subdivision 2; 115A.42; 115A.45; 115A.49; 115A.51; 115A.52; 115A.53; 115A.54, subdivision 2a; 115A.81, subdivision 2; 115A.921; 115A.95; 116.07, subdivision 4b; 116.41, subdivision 2; 116M.07, by adding a subdivision; 176.011, subdivision 9; 239.52; 325E.11; 473.149, subdivisions 2d and 6; 473.803, by adding a subdivision; 473.834, subdivision 2; 473.842, subdivision 2; 473.844, subdivisions 1 and 4; and 473.846; proposing coding for new law in Minnesota Statutes, chapters 115A; 239; 325E; and 473; repealing Minnesota Statutes 1986, sections 115A.13; 115A.43; 115A.44; 473.834, subdivision 3; and 473.844, subdivisions 2 and 5.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Jaros from the Committee on Higher Education to which was referred:

H. F. No. 805, A bill for an act relating to education; adjusting funding for post-secondary enrollment changes of more than three percent one year rather than two years after the change; amending Minnesota Statutes 1986, section 135A.03, subdivisions 2, 3, and by adding a subdivision.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 809, A bill for an act relating to natural resources; changing requirements for arrowheads used for big game hunting; amending Minnesota Statutes 1986, section 97B.211, subdivision 2.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 853, A bill for an act relating to education; clarifying the authority of contracting school districts to select an individual to provide services as a superintendent; amending Minnesota Statutes 1986, section 123.34, subdivision 9.

Reported the same back with the following amendments:

Page 1, line 22, delete "the individual to perform the services" and insert "one of the individuals employed to serve as superintendent in one of the contracting districts"

Page 1, line 25, delete ", or based on a present"

Page 2, line 1, delete everything before the period

Page 2, line 4, delete "at any time during the"

Page 2, line 5, delete "year to facilitate this cooperation"

With the recommendation that when so amended the bill pass.

The report was adopted.

Otis from the Committee on Economic Development and Housing to which was referred:

H. F. No. 857, A bill for an act relating to employment; allowing commissioner of jobs and training to contract with service providers to deliver wage subsidies; requiring that 90 percent of wage subsidy money be allocated to priority groups; allowing eligible local service units to retain 75 percent of money repaid by employers receiving wage subsidies; appropriating money; amending Minnesota Statutes 1986, sections 268.673, subdivision 5, and by adding a subdi-

vision; 268.676, subdivision 1; 268.678, subdivision 4; and 268.681, subdivision 3.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1986, section 268.673, is amended by adding a subdivision to read:

Subd. 4a. [CONTRACTS WITH SERVICE PROVIDERS.] The commissioner shall contract directly with a certified local service provider to deliver wage subsidies if (1) each county served by the provider agrees to the contract and knows the amount of wage subsidy money allocated to the county under section 268.6751, and (2) the provider agrees to meet regularly with each county being served.

Sec. 2. Minnesota Statutes 1986, section 268.673, subdivision 5, is amended to read:

Subd. 5. [REPORT.] Each eligible local service unit entity delivering wage subsidies shall report to the commissioner and the coordinator on a quarterly basis:

(1) the number of persons employed placed in private sector jobs, in temporary public sector jobs, or in other services;

(2) the outcome for each participant placed in a private sector job, in a temporary public sector job, or in another service;

(3) the number and type of employers employing persons under the program;

(4) (4) the amount of money spent in each eligible local service unit for wages for each type of employment and each type of other expense;

(4) (5) the ~~number~~ age, educational experience, family status, gender, priority group status, race, and work experience of persons who have completed participation each person in the program and their current employment, educational, or training status;

(6) the amount of wages received by persons while in the program and 60 days after completing the program;

(7) the types of employment and the wages received by persons eligible to receive public assistance; and

(5) (8) any other information requested by the commissioner or the coordinator. Each report must include cumulative information, as well as information for each quarter.

Data collected on individuals under this subdivision are private data on individuals as defined in section 13.02, subdivision 12, except that summary data may be provided under section 13.05, subdivision 7.

Sec. 3. Minnesota Statutes 1986, section 268.6751, subdivision 1, is amended to read:

Subdivision 1. [WAGE SUBSIDIES.] Wage subsidy money must be allocated to eligible local service units in the following manner:

(a) The commissioner shall allocate ~~70~~ <sup>85</sup> percent of the funds available for allocation to eligible local service units for wage subsidy programs as follows: the proportion of the wage subsidy money available to each eligible local service unit must be based on the number of unemployed persons in the eligible local service unit for the most recent six-month period and the number of work readiness assistance cases and aid to families with dependent children cases in the eligible local service unit for the most recent six-month period.

(b) ~~Thirty~~ <sup>Fifteen</sup> percent of the money available for wage subsidy programs must be allocated at the direction and discretion of the coordinator. The commissioner shall distribute the discretionary portion of wage subsidy appropriations at the request of the coordinator. ~~For the biennium ending June 30, 1987, up to 25 percent of the discretionary portion of the wage subsidy appropriation may be used to support the office of full productivity and opportunity and the development of an intake, referral, and inventory system. Up to ten percent of the discretionary portion of the wage subsidy appropriation allocated by the coordinator may be used to fund the Minnesota entrepreneurial grants program established in section 9.~~ In allocating the ~~remaining~~ discretionary portion of the wage subsidy appropriation, the coordinator shall give priority to eligible local service units that have:

- (1) high numbers of farmers who can demonstrate severe household financial need;
- (2) demonstrated success in placing public assistance applicants in private sector jobs;
- (3) demonstrated need beyond the allocation distributed under paragraph (a);

(4) maximized use of money through coordination with other programs and state, local, and federal agencies, and through the use of matching money from private and nonprofit sources;

(5) demonstrated need to provide special assistance in order to serve unemployed persons who incur unusual costs such as necessary relocation expenses; or

(6) areas with high unemployment rates.

Sec. 4. Minnesota Statutes 1986, section 268.676, is amended to read:

**268.676 [ALLOCATION WITHIN ELIGIBLE LOCAL SERVICE UNITS; PRIORITIES AMONG APPLICANTS; EMPLOYERS.]**

Subdivision 1. [AMONG JOB APPLICANTS.] ~~Allocation~~ At least 80 percent of funds allocated among eligible job applicants within an eligible local service unit shall give priority statewide must be allocated to:

- (1) applicants living in households with no other income source;
- (2) applicants whose incomes and resources are less than the standards for eligibility for general assistance or work readiness;
- (3) applicants who are eligible for aid to families with dependent children; and
- (4) applicants who live in a farm household who demonstrate severe household financial need.

Subd. 2. [AMONG EMPLOYERS.] Allocation of funds among eligible employers within an eligible local service unit shall give priority to funding private sector jobs to the extent that eligible businesses apply for funds. If possible, no more than 25 percent of the statewide funds available for wages may be allocated for temporary jobs with eligible government and nonprofit agencies, or for temporary community investment program jobs with eligible government agencies during the biennium.

Sec. 5. Minnesota Statutes 1986, section 268.677, subdivision 1, is amended to read:

Subdivision 1. To the extent allowable under federal and state law, wage subsidy money must be pooled and used in combination with money from other employment and training services or income maintenance and support services. At least 75 percent of the money appropriated for wage subsidies must be used to pay wages for eligible job applicants. For each eligible job applicant employed, the

maximum state contribution from any combination of public assistance grant diversion and employment and training services governed under this chapter, including wage subsidies, is \$4 per hour for wages and \$1 per hour for fringe benefits. In addition, The use of wage subsidies are limited as follows:

(a) For each eligible job applicant placed in private or nonprofit employment, the state may subsidize wages for a maximum of 1,040 hours over a period of 26 weeks. Employers are encouraged to use money from other sources to provide increased wages to applicants they employ.

(b) For each eligible job applicant participating in a job training program and placed in private sector employment, the state may subsidize wages for a maximum of 1,040 hours over a period of 52 weeks.

(c) For each eligible job applicant placed in a community investment program job, the state may provide wage subsidies for a maximum of 780 hours over a maximum of 26 weeks. For an individual placed in a community investment program job, the county share of the wage subsidy shall be 25 percent. Counties may use money from sources other than public assistance and wage subsidies, including private grants, contributions from nonprofit corporations and other units of government, and other state money, to increase the wages or hours of persons employed in community investment programs.

(d) Notwithstanding the limitations of paragraphs (a) and (b), money may be used to provide a state contribution for wages and fringe benefits in private sector jobs for eligible applicants who had previously held temporary jobs with eligible government and nonprofit agencies or who had previously held community investment program jobs for which a state contribution had been made, and who are among the priority groups established in section 268.676, subdivision 1. The use of money under this paragraph shall be for a maximum of 1,040 hours over a maximum period of 26 weeks per job applicant.

Sec. 6. Minnesota Statutes 1986, section 268.678, subdivision 4, is amended to read:

Subd. 4. [CONTRACTS.] Each eligible local service unit that has not agreed to a contract under section 1, may enter into contracts with certified service providers to deliver wage subsidies.

Sec. 7. Minnesota Statutes 1986, section 268.681, subdivision 2, is amended to read:

Subd. 2. [PRIORITIES.] In allocating funds among eligible businesses, the eligible local service unit or its contractor shall give priority to businesses which best satisfy the following criteria:

- (a) have a high potential for growth and long-term job creation;
- (b) are labor intensive;
- (c) meet the definition of a small business as defined in section 645.445;
- (d) make high use of local and Minnesota resources;
- (e) are under ownership of women and minorities;
- (f) make high use of new technology;
- (g) produce energy conserving materials or services or are involved in development of renewable sources of energy; and
- (h) have their primary place of business in Minnesota;
- (i) export products outside of the state; and
- (j) are manufacturers or other nonretail business.

Sec. 8. Minnesota Statutes 1986, section 268.681, subdivision 3, is amended to read:

Subd. 3. [PAYBACK.] A business receiving wage subsidies shall repay 70 percent of the amount initially received for each eligible job applicant employed, if the employee does not continue in the employment of the business beyond the six-month subsidized period. If the employee continues in the employment of the business for one year or longer after the six-month subsidized period, the business need not repay any of the funds received for that employee's wages. If the employee continues in the employment of the business for a period of less than one year after the expiration of the six-month subsidized period, the business shall receive a proportional reduction in the amount it must repay. If an employer dismisses an employee for good cause and works in good faith with the eligible local service unit or its contractor to employ and train another person referred by the eligible local service unit or its contractor, the payback formula shall apply as if the original person had continued in employment.

A repayment schedule shall be negotiated and agreed to by the eligible local service unit and the business prior to the disbursement of the funds and is subject to renegotiation. The eligible local service unit shall forward 25 percent of the payments received under this

subdivision to the commissioner on a monthly basis and shall retain the remaining 75 percent for local program expenditures. Notwithstanding section 268.677, subdivision 2, the local service unit may use up to 20 percent of its share of the funds returned under this subdivision for any administrative costs associated with the collection of the funds under this subdivision. At least 80 percent of the local service unit's share of the funds returned under this subdivision must be used as provided in section 268.677. The commissioner shall deposit these payments forwarded to the commissioner under this subdivision in the Minnesota wage subsidy account created by subdivision 4.

Sec. 9. [268.97] [MINNESOTA ENTREPRENEURIAL GRANTS PROGRAM.]

Subdivision 1. [FINDINGS.] The legislature recognizes that private entrepreneurship is the basis of a strong economy. Over the past several years, Minnesota's economy has experienced job losses through a severe farm crisis, a painful decline in the mining industry, loss of jobs to foreign competition, and a continuing problem with unemployment in our core cities. To provide a more diversified economic base in the state, stimulate economic development, and create jobs, it is in the interest of the state to encourage self-employment and other individual entrepreneurial initiatives.

Subd. 2. [ESTABLISHMENT OF GRANT PROGRAM.] The Minnesota entrepreneurial grant program is established in the department of jobs and training to assist individuals with the development of plans and financing to set up a business. The grants may only be used by individuals to help them secure loans from banks or other lending institutions to assist in the financing of entrepreneurial activities.

Subd. 3. [GRANTEE ELIGIBILITY.] An individual who: (1) has been a resident of this state for at least one month, (2) is unemployed, and (3) is not receiving and is not qualified to receive unemployment or workers' compensation, is eligible for a grant. A farmer or any member of a farm family household who can demonstrate severe household financial need may be eligible for a grant.

Subd. 4. [INTEREST RATES.] For the purpose of this program, a bank or other lending institution shall not charge interest rates on loans made to eligible grantees in excess of the rates normally charged by the bank or lending institution on similar loans.

Subd. 5. [GRANT APPLICATIONS.] The grant application must clearly describe the idea or plan for which the applicant is seeking a loan from a bank or lending institution. The application must contain a certified statement from a bank or lending institution stating that a grant from the state, not to exceed \$5,000, will result

in the applicant securing a loan from a bank or lending institution in an amount up to \$25,000.

Subd. 6. [GRANT AWARD.] The commissioner of jobs and training must give consideration to the following criteria for the award of grants:

(1) the extent to which the application satisfies the purpose of the grant program;

(2) evidence of an innovative approach that will likely succeed;

(3) evidence that the grant would result in a loan from a bank or lending institution;

(4) the grant award would likely result, directly or indirectly, in the creation of new jobs;

(5) priority given to applications from individuals living in counties with unemployment that exceeds the statewide average as of December 31, 1986; and

(6) grant awards may not exceed 30 percent of the estimated total cost of the project.

Sec. 10. [APPROPRIATION.]

\$40,000,000 is appropriated to the commissioner of jobs and training for the Minnesota employment and economic development wage subsidy program."

Amend the title as follows:

Page 1, line 4, delete "90" and insert "85"

Page 1, line 8, after the first semicolon insert "establishing a Minnesota entrepreneurial grant in the department of jobs and training;"

Page 1, delete lines 10 and 11 and insert "adding a subdivision; 268.6751, subdivision 1; 268.676; 268.677, subdivision 1; 268.678, subdivision 4; and 268.681, subdivisions 2 and 3; proposing coding for new law in Minnesota Statutes, chapter 268."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 872, A bill for an act relating to hazardous waste facilities; providing for financial responsibility when an owner or operator is bankrupt; proposing coding for new law in Minnesota Statutes, chapter 116.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Otis from the Committee on Economic Development and Housing to which was referred:

H. F. No. 876, A bill for an act relating to economic development; authorizing counties to appropriate money for economic development; amending Minnesota Statutes 1986, section 375.83.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 375.83, is amended to read:

375.83 [ECONOMIC AND AGRICULTURAL DEVELOPMENT.]

Subdivision 1. [APPROPRIATION; TAX LEVY.] A county board may annually either: (1) appropriate not more than \$50,000 annually out of the general revenue fund of the county or (2) levy a tax of not more than one mill on each dollar of assessed valuation in the county to be paid to any incorporated development society or organization of this state which, in the board's opinion, will use the money for the best interests of the county in promoting, advertising, improving, or developing the economic and agricultural resources of the county. The limitation on annual appropriations or levies under this subdivision does not prohibit accumulation of amounts in excess of the annual appropriations or levies in a fund to be used for purposes of this section. County funds made available under this subdivision may not be used to finance more than 50 percent of the total cost of an economic development project. The tax authorized by this section is in addition to any other tax imposed by the county and shall not be considered in any tax levy limitations. The tax authorized by this section shall be levied as other property taxes imposed by the county are levied but may not be levied in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Subd. 2. [REVERSE REFERENDUM.] If the county board proposes to levy the tax authorized under this section, it shall pass a resolution stating that fact. Thereafter, the resolution shall be published for two successive weeks in the official newspaper of the county or if there is no official newspaper, in a newspaper of general circulation in the county, together with a notice fixing a date for a public hearing on the matter. The hearing shall be held not less than two weeks nor more than four weeks after the first publication of the resolution. Following the public hearing, the county may determine to take no further action or, in the alternative, adopt a resolution confirming its intention to exercise the authority. That resolution shall also be published in the official newspaper of the county or if there is no official newspaper, in a newspaper of general circulation in the county. If, within 20 days thereafter, a petition signed by voters equal in number to five percent of the votes cast in the county in the last general election requesting a referendum on the proposed resolution is filed with the county auditor, the resolution shall not be effective until it has been submitted to the voters at a general or special election and a majority of votes cast on the question of approving the resolution are in the affirmative. The commissioner of revenue shall prepare a suggested form of question to be presented at the referendum. If the county board levies the tax authorized under this subdivision and the tax levy exceeds \$500,000, the county must submit an economic development report to the department of energy and economic development by February 1 of each year and must comply with subdivisions 3 to 7.

Subd. 3. [ECONOMIC DEVELOPMENT DIRECTOR; APPOINTMENT.] The county board must appoint a director of economic development to review county economic development plans, programs, and project proposals. The board may appoint an existing county officer to serve as director of economic development.

Subd. 4. [ECONOMIC DEVELOPMENT DIRECTOR; DUTIES.] All economic development plans, programs, and project proposals must be submitted to the director of economic development. The director shall review and comment on the plans, programs, and project proposals to the county board.

Subd. 5. [ECONOMIC DEVELOPMENT ADVISORY COMMITTEE.] The county board must appoint an economic development advisory committee consisting of at least five persons. One member must be the county attorney. One member must be employed by a financial institution. One member must be knowledgeable in small business and one member must be knowledgeable in large business. Notwithstanding section 471.705, subdivision 1, the advisory committee may meet in closed session to discuss and take action on specific matters where the disclosure of information pertaining to such matters would cause harm to the competitive position of an entity which is the subject of the advisory committee's discussion or

action. Section 471.705, subdivision 1a, applies to the procedure for holding a closed meeting.

Subd. 6. [PROPOSAL EVALUATION.] Before submission to the county board of an economic development proposal for the financing of a project with county funds, the director of economic development must submit the proposal to the economic development advisory committee. The county board must not act on a proposal until it has received the evaluation and recommendations of the advisory committee or until 60 days have elapsed since the proposal was transmitted to the advisory committee, whichever occurs first.

Subd. 7. [ECONOMIC DEVELOPMENT PLAN.] The board must prepare an economic development plan that includes the economic development policy and objectives of the county and provides guidelines for selection of projects that are eligible for financing under this section. The department of energy and economic development must provide assistance in preparing the plan if the county board requests the department's assistance. Before adoption of the plan, the county board must submit a draft plan to the department of energy and economic development for review and comment. The county board may not adopt the plan until comments have been received from the department or 30 days have elapsed after the draft was submitted. The county may adopt the plan only after holding a public hearing on the plan. Notice of the hearing must be provided in a newspaper of general circulation in the county not less than ten days nor more than 30 days before the date of the hearing. The adopted plan must be made available for public inspection at the county auditor's office."

Amend the title as follows:

Page 1, line 3, after "money" insert "or levy a tax" and after the semicolon insert "specifying the conditions under which economic development funds may be used;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Jaros from the Committee on Higher Education to which was referred:

H. F. No. 899, A bill for an act relating to education; establishing the Fond du Lac Higher Education Center; appropriating money.

Reported the same back with the following amendments:

Page 1, after line 15, insert:

"Sec. 2. Laws 1986, First Special Session chapter 1, article 10, section 1, subdivision 9, is amended to read:

Subd. 9. Governor

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The governor, after consulting with the Fond du Lac reservation and the higher education coordinating board, shall appoint a task force of 13 members to study the feasibility of establishing a coordinate campus of Arrowhead Community College on the Fond du Lac Indian reservation that would be open and available to all. The task force shall report to the legislature on the results of its study by February 1, 1987. The task force shall provide copies of its report to the state board for community colleges and the higher education coordinating board. Those boards shall respond to the legislature on the report of the task force by March 1, 1987. The task force (1) ~~is subject to Minnesota Statutes, section 15.059, subdivision 6~~ shall continue to operate until June 30, 1989, to oversee the establishment of the Fond du Lac Higher Education Center, (2) may accept money from nonstate sources to do its work, (3) shall cooperate with and invite the participation before it of the federal government, including the bureau of Indian Affairs, and (4) shall report on, among other things, the availability of federal tribal community college funding."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after "Center;" insert "continuing the Fond du Lac Higher Education Task Force;" and after "money" insert "; amending Laws 1986, First Special Session chapter 1, article 10, section 1, subdivision 9"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 903, A bill for an act relating to retirement; Clifton independent nonprofit firefighting corporation; Duluth township;

providing for the transfer of assets and service credit upon the dissolution of the Clifton volunteer firefighters relief association.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 909, A bill for an act relating to waters; changing the posting and publication of notice requirements for aeration operations by a permittee of the commissioner of natural resources; providing an exclusion from government tort liability; amending Minnesota Statutes 1986, sections 3.736, subdivision 3; and 378.22, subdivisions 2 and 3.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Otis from the Committee on Economic Development and Housing to which was referred:

H. F. No. 928, A bill for an act relating to economic development; creating an enterprise zone to be designated by the city of Wadena.

Reported the same back with the following amendments:

Page 1, delete lines 22 and 23 and insert "The funding limitations contained in Minnesota Statutes, section 273.1314, subdivisions 8 and 8a, are increased by \$750,000 to provide tax reductions for activities or property located in an enterprise zone designated pursuant to this act. Any other funding limitations contained in Minnesota Statutes, section 273.1314, subdivision 8, do not apply to an enterprise zone designated pursuant to this act. The amount necessary to pay approved tax reductions for an enterprise zone designated pursuant to this act is appropriated to the commissioner of revenue."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 945, A bill for an act relating to education; requiring a school district to consider consumer education periodically in formulating its planning, evaluation and reporting policy; amending Minnesota Statutes 1986, section 126.66, subdivision 1.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 969, A bill for an act relating to the sentencing guidelines commission; including a crime victim as a member of the commission; providing that terms of members appointed by the governor are coterminous with the governor; amending Minnesota Statutes 1986, section 244.09, subdivisions 2 and 3.

Reported the same back with the following amendments:

Page 1, lines 24 and 25, delete the new language

Page 1, line 25, strike the semicolon

Page 1, line 26, strike "(7)"

Page 2, line 2, strike "(8)" and insert "(7)"

Page 2, line 4, strike "(9)" and insert "(8)" and before the period insert "one of whom shall be a crime victim as defined in section 611A.01"

Page 2, after line 21, insert:

"Sec. 3. Minnesota Statutes 1986, section 244.09, subdivision 11, is amended to read:

Subd. 11. [MODIFICATION.] The commission shall meet as necessary for the purpose of modifying and improving the guidelines. Any modification which amends the sentencing guidelines grid, including severity levels and criminal history scores, or which would result in the reduction of any sentence or in the early release of any inmate, with the exception of a modification mandated or authorized by the legislature or relating to a crime created or amended by the legislature in the preceding session, shall be submitted to the legislature by January 1 of any year in which the

commission wishes to make the change and shall be effective on August 1 of that year, unless the legislature by law provides otherwise. All other modifications shall take effect according to the procedural rules of the commission. On or before ~~November~~ January 1 of each year, the commission shall submit a written report to the judiciary committees of the senate and the house of representatives that identifies and explains all modifications made during the preceding 12 months and all proposed modifications that will be ~~are~~ being submitted to the legislature on January 1 that year."

Amend the title as follows:

Page 1, line 5, after the semicolon, insert "changing the date on which the commission's report to the legislature is due;"

Page 1, line 7, delete "and" and insert a comma and before the period insert ", and 11"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 990, A bill for an act relating to crimes; providing that persons convicted of a crime of violence may not ship, transport, possess, or receive a firearm for ten years following restoration of civil rights, the setting aside of a conviction, or a pardon; amending Minnesota Statutes 1986, sections 609.165, by adding a subdivision; 609.168; 624.712, subdivision 5; and 638.02, subdivision 2.

Reported the same back with the following amendments:

Page 3, after line 19, insert:

"Sec. 5. [EFFECTIVE DATE.]

Sections 1 to 4 are effective the day following final enactment."

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 1015, A bill for an act relating to motorboat safety; providing for enforcement of sanctions for operation of a motorboat while under the influence of alcohol or a controlled substance;

amending Minnesota Statutes 1986, section 361.121, subdivision 2, and by adding subdivisions.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 361.121, subdivision 2, is amended to read:

Subd. 2. [PENALTIES; REFUSAL; REVOCATION OF MOTOR-BOAT OPERATING PRIVILEGE.] (a) If a person who refuses to take a test required under subdivision 1 is subject to a civil penalty not to exceed \$700 and, in addition, the person is prohibited from operating any motorboat on the waters of this state for a period of one year, none must be given, but the officer authorized to make arrests under section 361.12, subdivision 2, shall report the refusal to the commissioner of natural resources and to the authority having responsibility for prosecution of misdemeanor offenses for the jurisdiction in which the incident occurred that gave rise to the test demand and refusal.

On certification by the officer that probable cause existed to believe the person had been operating or in physical control of a motorboat while under the influence of alcohol or a controlled substance, and that the person refused to submit to testing, the commissioner shall impose a civil penalty of \$500 and shall prohibit the person from operating any motorboat on the waters of this state for a period of 12 months. If the person refusing to submit to testing is under the age of 18 years at the time of the refusal, the person's watercraft operator's permit shall be revoked by the commissioner as set forth in this subdivision and a new permit after the revocation must be issued only after the person successfully completes a watercraft safety course.

On behalf of the commissioner, an officer requiring a test or directing the administration of a test shall serve on a person who refused to permit a test immediate notice of intention to impose the civil penalty set forth in this subdivision, to prohibit the operation of motorboats, and to revoke a watercraft operator's permit. The officer shall take any watercraft operator's permit held by the person, and shall send the permit to the commissioner along with the certification provided for in this subdivision. If the officer fails to serve a notice of intent to revoke, the commissioner may notify the person by mail, and the notice is deemed received three days after mailing. The notice must advise the person of the right to obtain administrative and judicial review as provided in this section. The prohibition and revocation, if any, shall take effect ten days after receipt of the notice. The civil penalty is imposed on receipt of the notice, and shall be paid within 30 days of imposition.

(b) A person who operates a motorboat on the waters of this state during the period the person is prohibited from operating any motorboat as provided under paragraph (a) is guilty of a misdemeanor.

Sec. 2. Minnesota Statutes 1986, section 361.121, is amended by adding a subdivision to read:

Subd. 2a. [ADMINISTRATIVE REVIEW.] At any time during the period of prohibition or revocation imposed under this section, the person may request in writing a review of the order imposing sanctions under this section by the commissioner of natural resources. If the person makes a request for administrative review within 30 days following receipt of a notice and order imposing sanctions, the request shall stay imposition of the civil penalty. Upon receiving the request for review, the commissioner or the commissioner's designee shall review the order, the evidence upon which the order was based, and any other material information brought to the attention of the commissioner, and determine whether sufficient cause exists to sustain the order. Within 15 days after receiving the request, the commissioner shall issue a written report ordering that the prohibition, revocation, or civil penalty be either sustained or rescinded. The review provided in this subdivision is not subject to the contested case provisions of the administrative procedure act in sections 14.01 to 14.70. The availability of administrative review shall have no effect upon the availability of judicial review under this section.

Sec. 3. Minnesota Statutes 1986, section 361.121, is amended by adding a subdivision to read:

Subd. 2b. [JUDICIAL REVIEW.] Within 30 days following receipt of a notice and order imposing sanctions under this section, a person may petition the court for review. The petition must be filed with the court administrator of the county, municipal, or unified trial court in the county where the incident occurred which gave rise to the test demand and refusal, together with proof of service of a copy on the commissioner and the prosecuting authority for misdemeanor offenses for the jurisdiction in which the incident occurred. No responsive pleading must be required of the commissioner of natural resources, and no court fees must be charged for the appearance of the representative of the commissioner in the matter.

The petition must be captioned in the name of the person making the petition as petitioner and the commissioner as respondent. The petition must state with specificity the grounds upon which the petitioner seeks rescission of the order imposing sanctions.

The filing of the petition does not stay the revocation or prohibition against operation of a motorboat. However, the filing of a

petition shall stay imposition of the civil penalty. The judicial review shall be conducted according to the rules of civil procedure.

Sec. 4. Minnesota Statutes 1986, section 361.121, is amended by adding a subdivision to read:

Subd. 2c. [HEARING.] A hearing under this section must be before a municipal, county, or unified trial court judge in the county where the incident occurred which gave rise to the test demand and refusal. The hearing must be to the court, and may be conducted at the same time as hearings upon pretrial motions in the criminal prosecution under section 361.12. The hearing must be recorded. The commissioner must be represented by the prosecuting authority for misdemeanor offenses for the jurisdiction in which the incident occurred which gave rise to the test demand and refusal.

The hearing must be held at the earliest practicable date and in any event no later than 60 days following the filing of the petition for review. The reviewing court may order a temporary stay of the balance of the prohibition or revocation if the hearing has not been conducted within 60 days after filing of the petition, upon the application of the petitioner and upon terms the court deems proper.

The scope of the hearing must be limited to the issues of:

(1) whether the officer had probable cause to believe that the person was operating or in physical control of a motorboat in violation of section 361.12;

(2) whether one of the conditions in subdivision 1 existed;

(3) whether the person was informed as prescribed in subdivision 3; and

(4) whether the person refused to submit to testing.

It is an affirmative defense for the petitioner to prove that, at the time of the refusal, the petitioner's refusal to permit the test was based upon reasonable grounds.

The court shall order that the prohibition or revocation be either sustained or rescinded, and shall either sustain or rescind the civil penalty imposed by the commissioner of natural resources. The court shall forward a copy of the order to the commissioner of natural resources.

Sec. 5. Minnesota Statutes 1986, section 361.121, subdivision 3, is amended to read:

Subd. 3. [RIGHTS AND OBLIGATIONS.] At the time a test is requested, the person must be informed:

(1) that Minnesota law requires a person to take a test to determine if the person is under the influence of alcohol or a controlled substance;

(2) that a person is subject to a civil penalty ~~not to exceed \$700 of \$500~~ for refusing to take the test and, in addition, the person is prohibited from operating any motorboat, as provided under subdivision 2, for refusing to take the test;

(3) that if testing is refused it will not affect the person's motor vehicle driver's license;

(4) that if the test is taken and the results indicate that the person is under the influence of alcohol or a controlled substance, the person will be subject to criminal penalties and in addition to any other penalties the court may impose, the person's operating privileges will be suspended as provided under section 361.12, subdivision 6, paragraph (a);

(5) that, after submitting to testing, the person has the right to have additional tests made by someone of the person's own choosing; and

(6) that a refusal to take a test will be offered into evidence against the person at trial.

Sec. 6. Minnesota Statutes 1986, section 361.121, is amended by adding a subdivision to read:

Subd. 8. [CIVIL PENALTY; PAYMENT.] The civil penalty imposed under subdivision 2 must be paid to the political subdivision that represents the commissioner on the petition for judicial review or, in the event that no petition is filed, to the political subdivision that would have represented the commissioner had a petition been filed. If a person does not pay the civil penalty, the prohibition against operating motorboats is automatically extended until the political subdivision reports in writing to the commissioner that the penalty has been paid.

Sec. 7. Minnesota Statutes 1986, section 361.121, is amended by adding a subdivision to read:

Subd. 9. [CIVIL PENALTY; ENFORCEMENT.] If a person does not pay the civil penalty imposed under subdivision 2 within 30 days of the time the penalty was imposed, the prosecuting authority representing the commissioner may petition the municipal, county, or unified court in the jurisdiction where the incident occurred to file

the order imposing the civil penalty as an order of the court. Once entered, the order may be enforced in the same manner as a final judgment of the court. In addition to the penalty, attorney's fees, costs, and interest may be assessed against any person who fails to pay the civil penalty.

Sec. 8. [EFFECTIVE DATE.]

Sections 1 to 7 are effective the day following final enactment, and apply to all proceedings begun on or after that date."

Amend the title as follows:

Page 1, line 6, delete "subdivision" and insert "subdivisions"

Page 1, line 6; after "2" insert "and 3"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 1038, A bill for an act relating to horse racing; regulating license suspensions and revocations of class C licenses; modifying the time periods and dollar limitations used to trigger contested case hearings; requiring rules that prohibit horses from carrying foreign substances when they race; requiring medical testing fee rules; making permanent the statutory provisions authorizing the use of certain medications; amending Minnesota Statutes 1986, sections 240.08, subdivision 5; 240.16, subdivision 1; 240.22; 240.24, subdivisions 1 and 3; and Laws 1985, chapter 211, section 5.

Reported the same back with the following amendments:

Page 1, line 28, delete "120" and insert "90"

Page 2, line 3, delete "120" and insert "90"

Page 2, line 32, delete "120" and insert "90"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 1041, A bill for an act relating to adoption; requiring certain notifications to parents placing a child for adoption and to proposed adoptive parents; requiring a waiting period for adoption by persons whose parental rights to another child have been terminated; specifying circumstances that do not constitute good cause for terminating parental rights; amending Minnesota Statutes 1986, sections 259.23, subdivision 2; 259.24, subdivision 5; 259.25, subdivision 1; 259.27, by adding a subdivision; and 260.221; proposing coding for new law in Minnesota Statutes, chapter 259.

Reported the same back with the following amendments:

Pages 1 and 2, delete section 1

Page 2, line 33, delete everything after the period

Page 2, line 34, delete everything before “Unless” and insert “Parental rights to a child may be terminated only by an adoption decree or by a court order terminating parental rights.”

Page 3, line 28, delete everything after the period

Page 3, line 29, delete everything before “Unless” and insert “Parental rights to a child may be terminated only by an adoption decree or by a court order terminating parental rights.”

Page 5, delete lines 15 to 19

Page 5, delete section 5

Pages 5 and 6, delete section 6

Page 7, delete lines 19 to 25 and insert:

“For purposes of clause (a), an adoptive parent may not terminate parental rights to an adopted child for any reason that would not apply to a birth parent seeking termination of parental rights to a child under clause (a).”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, delete “requiring a waiting period”

Page 1, delete line 5

Page 1, line 6, delete everything before "specifying"

Page 1, delete line 7

Page 1, line 8, delete everything before the semicolon and insert "that adoptive parents may not voluntarily terminate parental rights for any reason not available to birth parents"

Page 1, line 9, delete "259.23, subdivision 2;"

Page 1, line 10, delete "259.27, by"

Page 1, line 11, delete "adding a subdivision;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 1046, A bill for an act relating to family law; specifying conditions for retroactive modification of child support; amending Minnesota Statutes 1986, section 518.64, subdivision 2.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 1051, A bill for an act relating to retirement; teacher retirement funds; providing for an increase in employer contributions; separating certain employer contributions into employer matching and employer additional contributions; amending Minnesota Statutes 1986, sections 354.42, subdivision 5; and 354A.12, subdivision 2.

Reported the same back with the following amendments:

Page 3, after line 3, insert:

"Duluth teachers retirement  
fund association 2.02 percent"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 1053, A bill for an act relating to human services; creating a child care grant program; establishing an AFDC employment and training program; coordinating administration of the programs; providing for allocation of administrative costs and use of funds for work readiness program; exempting all educational grants and loans for purposes of AFDC eligibility; designating priority groups for receipt of AFDC; establishing conditions under which certain welfare recipients must participate in employment or training; establishing a pilot program for obtaining and enforcing child and medical support; amending Minnesota Statutes 1986, sections 245.83; 256.01, subdivision 2; 256.736, subdivisions 3, 4, and by adding subdivisions; 256.74, subdivision 1; 256D.051, subdivisions 1, 6, and by adding subdivisions; 267.02, by adding subdivisions; 267.03, subdivision 2; 267.04, subdivisions 1, 3, and 4; 268.0111, by adding subdivisions; 268.0122, subdivisions 2 and 3; 268.673, subdivisions 3 and 5; 268.6751, subdivisions 1, 2, and by adding a subdivision; 268.676; 268.677, subdivisions 2 and 3; 268.678; 268.679, subdivision 3; 268.681, subdivisions 1, 2, and 3; 268.682, subdivision 3; 268.85, subdivision 2; 268.86, subdivision 1; 268.871; 268.872, subdivisions 2 and 3; 268.88; 268.89, subdivision 3; 268.90, subdivision 4; 268.91, subdivisions 1, 2, 3, 4, 5, 6, 7, and by adding subdivisions; 268.911, subdivision 1; 518.551, by adding a subdivision; and 518.611, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 136A; 256; and 268; repealing Minnesota Statutes 1986, sections 256D.05, subdivisions 4, 5, and 11; 267.02, subdivision 5; 268.0111, subdivisions 6 and 8; and 268.672.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

#### "ARTICLE 1

##### Section 1. [136A.89] [CHILD CARE GRANT PROGRAM.]

Subdivision 1. [CREATION.] There is created a child care grant program under the supervision of the higher education coordinating board. The program makes funds available to students, including students who are employed, to reduce the costs of child care while attending an eligible institution.

Subd. 2. [DEFINITIONS.] As used in this section, the following words have the meaning given them here.

(a) "AFDC" means recipients of aid to families with dependent children.

(b) "Board" means the Minnesota higher education coordinating board.

(c) "Child" means any person 12 years of age or younger, or a person age 13 or 14 who is handicapped, as defined in section 120.03.

(d) "Child care" means the care of a child by someone other than a parent or legal guardian in or outside the child's own home for gain or otherwise, on a regular basis, for any part of a 24-hour day.

(e) "Director" means the executive director of the higher education coordinating board.

(f) "Eligible institution" means an institution within one of the systems as defined under clause (i).

(g) "Number of students with dependent children" means the sum of all Minnesota residents enrolled in eligible institutions who report dependents on their application to the state scholarship and grant program.

(h) "Priority groups" means caretakers receiving AFDC who are under the age of 22, do not have a high school diploma or general equivalency diploma, or have been receiving aid to families with dependent children for more than 24 months of the last 36 months.

(i) "Systems" are the public post-secondary education system, including the University of Minnesota, state universities, community colleges, and area vocational technical institutes.

Subd. 3. [DUTIES OF THE DIRECTOR.] The director shall set aside one-half of child care funds appropriated under this section for use by AFDC recipients attending eligible institutions. The director shall ensure that priority for use of funds is given to the priority groups within the aid to families with dependent children caseload. If systems report that priority recipients are not being served, the director may restrict the use of funds set aside under subdivision 4 so that one-half of the set-aside funds are reserved for priority recipients.

Subd. 4. [ALLOCATION OF FUNDS.] (a) The board shall allocate funds to the systems as follows:

(1) set-aside funds are allocated to each system based on the number of students in the system receiving AFDC in the most recent school year; and

(2) remaining funds are allocated to each system based on the number of students with dependent children enrolled in the system in the last fiscal year.

(b) By April 1 of each year, each system must return to the board the amount of funds it projects will not be used within the system during the remainder of the fiscal year. The board must redistribute these funds among the systems as needed. Board procedures governing redistribution of state scholarship and grant money apply to the redistribution of funds under this section.

Subd. 5. [DISTRIBUTION OF GRANTS.] Systems receiving grants under this section must:

(1) allocate funds using the same eligibility requirements, payment rates for child care services, and sliding fee schedules as established by the commissioner of human services under section 268.91;

(2) reserve set-aside funds for the exclusive use of students receiving AFDC, except as follows: if the system can project, at the end of the first year of funding that all set-aside funds allocated for the year will not be used, the system may release a reasonable proportion of the funds for use by other students with dependent children. In making projections and redistributing funds under this clause, a system must take into account customary changes in attendance patterns over the course of a school year as well as information from local agencies and service providers on the number of anticipated students and must retain for the exclusive use of students who receive AFDC sufficient funds to fill projected needs but not less than 65 percent of the set-aside funds;

(3) in distributing set-aside funds, give priority to recipients identified by their case managers as having a priority for services, as follows: when a system receives notice from a case manager that a priority recipient is applying for child care funds, the system must immediately reserve funds for the recipient. Before August 1, 1988, the system must review its use of set-aside funds to see whether any priority recipients were denied funds. If any priority recipients were denied funds and if less than one-half of the set-aside funds were used for priority recipients, the system must develop a distribution formula that reserves one-half of the set-aside funds for priority recipients and must report to the director the extent to which funds were unavailable for priority recipients;

(4) enter into cooperative agreements with employment and training service providers as necessary to coordinate the use of set-aside funds for priority group members;

(5) submit to the director quarterly reports on program activity during the preceding quarter. Expenditures shall be reported for students who are:

- (a) AFDC recipients;
- (b) AFDC recipients who are also a member of a priority group; and
- (c) not AFDC recipients.

These reports shall include the names, social security numbers, and child care costs of each AFDC recipient. The director shall submit the reports to the commissioner of human services to maximize federal financial participation in the aid to families with dependent children employment special needs program under section 256.736, subdivision 8. Federal funds obtained shall be used to expand the child care fund under Minnesota Statutes 1986, section 268.91. The reports shall include other information required by the director or the commissioner of human services for the administration and evaluation of the program.

Subd. 6. [ELIGIBLE STUDENTS.] (a) An applicant is eligible for a child care grant if the applicant:

- (1) is a resident of the state of Minnesota or is a recipient of aid to families with dependent children;
- (2) is pursuing a program or course of study that applies to an undergraduate degree, diploma, or certificate; and
- (3) is attending an eligible institution.

Child care grants shall be awarded for a single term as defined by the institution in accordance with policies of the higher education coordinating board. Awards may be renewable but the recipient of an award must supply additional information on child care expenses.

(b) Recipients who have completed their post-secondary education and had received child care funds from the higher education coordinating board during that education shall be assured sliding fee funds for employment and training programs for up to nine months after graduation if they meet eligibility standards established in section 56.

Sec. 2. Minnesota Statutes 1986, section 256B.06, subdivision 1, is amended to read:

Subdivision 1. Medical assistance may be paid for any person:

(1) who is a child eligible for or receiving adoption assistance payments under Title IV-E of the Social Security Act, United States Code, title 42, sections 670 to 676 under Minnesota Statutes, section 259.40 or 259.431; or

(2) who is a child eligible for or receiving foster care maintenance payments under Title IV-E of the Social Security Act, United States Code, title 42, sections 670 to 676; or

(3) who is eligible for or receiving public assistance under the aid to families with dependent children program, the Minnesota supplemental aid program; or

(4) who is a pregnant woman, as certified in writing by a physician or nurse midwife, and who (a) meets the other eligibility criteria of this section, and (b) would be categorically eligible for assistance under the aid to families with dependent children program if the child had been born and was living with the woman; or

(5) who is a pregnant woman, as certified in writing by a physician or nurse midwife, who meets the other eligibility criteria of this section and whose unborn child would be eligible as a needy child under clause (9) if born and living with the woman; or

(6) who meets the categorical eligibility requirements of the supplemental security income program and the other eligibility requirements of this section; or

(7) who, except for the amount of income or resources, would qualify for supplemental security income for the aged, blind and disabled, or aid to families with dependent children, and who meets the other eligibility requirements of this section; or

(8) who is under 21 years of age and in need of medical care that neither the person nor the person's relatives responsible under sections 256B.01 to 256B.26 are financially able to provide; or

(9) who is an infant less than one year of age born on or after October 1, 1984, whose mother was eligible at the time of birth and who remains in the mother's household. Eligibility under this clause is concurrent with the mother's and does not depend on the father's income except as the income affects the mother's eligibility; or

(10) who is residing in a hospital for treatment of mental disease or tuberculosis and is 65 years of age or older and without means sufficient to pay the per capita hospital charge; and

(11) who resides in Minnesota, or, if absent from the state, is deemed to be a resident of Minnesota in accordance with the rules of the state agency; and

(12) who alone, or together with the person's spouse, does not own real property other than the homestead. For the purposes of this section, "homestead" means the house owned and occupied by the applicant or recipient as a primary place of residence, together with the contiguous land upon which it is situated. The homestead shall continue to be excluded for persons residing in a long-term care facility if it is used as a primary residence by the spouse, minor child, or disabled child of any age; or the applicant/recipient is expected to return to the home as a principal residence within six calendar months of entry to the long-term care facility. Certification of expected return to the homestead shall be documented in writing by the attending physician. Real estate not used as a home may not be retained unless it produces net income applicable to the family's needs or the family is making a continuing effort to sell it at a fair and reasonable price or unless the commissioner determines that sale of the real estate would cause undue hardship or unless the equity in the real estate when combined with the equity in the homestead totals \$15,000 or less; and

(13) who individually does not own more than \$3,000 in cash or liquid assets, or if a member of a household with two family members (husband and wife, or parent and child), does not own more than \$6,000 in cash or liquid assets, plus \$200 for each additional legal dependent. In addition to these maximum amounts, an eligible individual or family may accrue interest on these amounts, but they must be reduced to the maximum at the time of an eligibility redetermination. For residents of long-term care facilities, the accumulation of the clothing and personal needs allowance pursuant to section 256B.35 must also be reduced to the maximum at the time of the eligibility redetermination. Cash and liquid assets may include a prepaid funeral contract and insurance policies with cash surrender value. The value of the following shall not be included:

(a) the homestead, and (b) one motor vehicle licensed pursuant to chapter 168 and defined as: (1) passenger automobile, (2) station wagon, (3) motorcycle, (4) motorized bicycle or (5) truck of the weight found in categories A to E, of section 168.013, subdivision 1e; and

(14) who has or anticipates receiving an annual income not in excess of the income standards by family size used in the aid to families with dependent children program, except that families and children may have an income up to  $133\frac{1}{3}$  of the AFDC payment standard, or who has income in excess of these maxima and in the month of application, or during the three months prior to the month of application, incurs expenses for medical care that total more than one-half of the annual excess income in accordance with the rules of the state agency. Notwithstanding any laws or rules to the contrary, in computing income to determine eligibility of persons who are not residents of long-term care facilities, the commissioner shall disregard increases in income as required by Public Law Number 94-566, section 503. In excess income cases, eligibility shall be limited to a

period of six months beginning with the first of the month in which these medical obligations are first incurred; and

(15) who has continuing monthly expenses for medical care that are more than the amount of the person's excess income, computed on a monthly basis, in which case eligibility may be established before the total income obligation referred to in the preceding paragraph is incurred, and medical assistance payments may be made to cover the monthly unmet medical need. In licensed nursing home and state hospital cases, income over and above that required for justified needs, determined pursuant to a schedule of contributions established by the commissioner of human services, is to be applied to the cost of institutional care. The commissioner of human services may establish a schedule of contributions to be made by the spouse of a nursing home resident to the cost of care; and

(16) who has applied or agrees to apply all proceeds received or receivable by the person or the person's spouse from automobile accident coverage and private health care coverage to the costs of medical care for the person, the spouse, and children. The state agency may require from any applicant or recipient of medical assistance the assignment of any rights accruing under private health care coverage. Any rights or amounts so assigned shall be applied against the cost of medical care paid for under this chapter. Any assignment shall not be effective as to benefits paid or provided under automobile accident coverage and private health care coverage prior to receipt of the assignment by the person or organization providing the benefits.

Sec. 3. Minnesota Statutes 1986, section 256.01, subdivision 2, is amended to read:

Subd. 2. [SPECIFIC POWERS.] Subject to the provisions of section 241.021, subdivision 2, the commissioner of human services shall:

(1) Administer and supervise all forms of public assistance provided for by state law and other welfare activities or services as are vested in the commissioner.

(2) Administer and supervise all child welfare activities; promote the enforcement of laws protecting handicapped, dependent, neglected and delinquent children, and children born to mothers who were not married to the children's fathers at the times of the conception nor at the births of the children; license and supervise child-caring and child-placing agencies and institutions; supervise the care of children in boarding and foster homes or in private institutions; and generally perform all functions relating to the field of child welfare now vested in the state board of control.

(3) Administer and supervise all noninstitutional service to handicapped persons, including those who are visually impaired, hearing impaired, or physically impaired or otherwise handicapped. The commissioner may provide and contract for the care and treatment of qualified indigent children in facilities other than those located and available at state hospitals when it is not feasible to provide the service in state hospitals.

(4) Assist and actively cooperate with other departments, agencies and institutions, local, state, and federal, by performing services in conformity with the purposes of Laws 1939, chapter 431.

(5) Act as the agent of and cooperate with the federal government in matters of mutual concern relative to and in conformity with the provisions of Laws 1939, chapter 431, including the administration of any federal funds granted to the state to aid in the performance of any functions of the commissioner as specified in Laws 1939, chapter 431, and including the promulgation of rules making uniformly available medical care benefits to all recipients of public assistance, at such times as the federal government increases its participation in assistance expenditures for medical care to recipients of public assistance, the cost thereof to be borne in the same proportion as are grants of aid to said recipients.

(6) Establish and maintain any administrative units reasonably necessary for the performance of administrative functions common to all divisions of the department.

(7) Administer and supervise any additional welfare activities and services as are vested by law in the department.

(8) The commissioner is designated as guardian of both the estate and the person of all the wards of the state of Minnesota, whether by operation of law or by an order of court, without any further act or proceeding whatever, except as to persons committed as mentally retarded.

(9) Act as coordinating referral and informational center on requests for service for newly arrived immigrants coming to Minnesota.

(10) The specific enumeration of powers and duties as hereinabove set forth shall in no way be construed to be a limitation upon the general transfer of powers herein contained.

(11) Establish county, regional, or statewide schedules of maximum fees and charges which may be paid by local agencies for medical, dental, surgical, hospital, nursing and nursing home care and medicine and medical supplies under all programs of medical care provided by the state and for congregate living care under the income maintenance programs.

(12) Have the authority to conduct and administer experimental projects to test methods and procedures of administering assistance and services to recipients or potential recipients of public welfare. To carry out such experimental projects, it is further provided that the commissioner of human services is authorized to waive the enforcement of existing specific statutory program requirements, rules, and standards in one or more counties. The order establishing the waiver shall provide alternative methods and procedures of administration, shall not be in conflict with the basic purposes, coverage, or benefits provided by law, and in no event shall the duration of a project exceed ~~two~~ four years. It is further provided that no order establishing an experimental project as authorized by the provisions of this section shall become effective until the following conditions have been met:

(a) The proposed comprehensive plan including estimated project costs and the proposed order establishing the waiver shall be filed with the secretary of the senate and chief clerk of the house of representatives at least 60 days prior to its effective date.

(b) The secretary of health, education, and welfare of the United States has agreed, for the same project, to waive state plan requirements relative to statewide uniformity.

(c) A comprehensive plan, including estimated project costs, shall be approved by the legislative advisory commission and filed with the commissioner of administration.

(13) In accordance with federal requirements establish procedures to be followed by local welfare boards in creating citizen advisory committees, including procedures for selection of committee members.

(14) Allocate federal fiscal disallowances or sanctions which are based on quality control error rates for the aid to families with dependent children, medical assistance, or food stamp program in the following manner:

(a) One-half of the total amount of the disallowance shall be borne by the county boards responsible for administering the programs and shall be shared by each county board in the same proportion as that county's expenditures for the sanctioned program are to the total of all counties' expenditures for that program. Each county shall pay its share of the disallowance to the state of Minnesota. When a county fails to pay the amount due hereunder, the commissioner may deduct the amount from reimbursement otherwise due the county, or the attorney general, upon the request of the commissioner, may institute civil action to recover the amount due.

(b) Notwithstanding the provisions of paragraph (a), if the disallowance results from knowing noncompliance by one or more coun-

ties with a specific program instruction, and that knowing noncompliance is a matter of official county board record, the commissioner may require payment or recover from the county or counties, in the manner prescribed in paragraph (a), an amount equal to the portion of the total disallowance which resulted from the noncompliance, and may distribute the balance of the disallowance according to paragraph (a).

(15) Develop and implement special projects that maximize reimbursements and result in the recovery of money to the state. For the purpose of recovering state money, the commissioner may enter into contracts with third parties. Any recoveries that result from projects or contracts entered into under this paragraph shall be deposited in the state treasury and credited to a special account until the balance in the account reaches \$400,000. When the balance in the account exceeds \$400,000, the excess shall be transferred and credited to the general fund. All money in the account is appropriated to the commissioner for the purposes of this paragraph.

Sec. 4. Minnesota Statutes 1986, section 256.73, is amended by adding a subdivision to read:

Subd. 7. [VERIFICATION PROCEDURES.] The commissioner shall form an advisory committee of local agency representatives, state officials, and recipients to recommend and implement ways to reduce verification procedures at the local level. The goal of this effort is to treat clients with dignity and expect client honesty. Verification procedures should be reduced to a minimum at the time of application and increased only as needed.

Sec. 5. Minnesota Statutes 1986, section 256.736, is amended by adding a subdivision to read:

Subd. 1a. [DEFINITIONS.] As used in this section the following words have the meanings given them:

(a) "AFDC" means aid to families with dependent children.

(b) "AFDC-UP" means that group of AFDC clients who are eligible for assistance by reason of unemployment as defined by the commissioner under section 256.12, subdivision 14.

(c) "Caretaker" means a parent or eligible adult who is part of the assistance unit that has applied for or is receiving AFDC.

(d) "Employment and training services" means programs, activities, and services related to job training and job placement, including job service programs, job training partnership act programs, wage subsidies, remedial and secondary education programs, post-secondary education programs excluding education leading to an

advanced degree, vocational education programs, work incentive programs, work readiness programs, employment search, community work experience programs, displaced homemaker programs, self-employment programs, grant diversion, employment experience programs, youth employment programs, community investment programs, supported work programs, and counseling and support activities necessary to stabilize the caretaker or the family.

(e) "Employment and training service provider" means an administrative entity certified by the commissioner of jobs and training to deliver employment and training services.

(f) "Minor parent" means a caretaker relative who is the parent of the dependent child or children in the assistance unit and who is under the age of 18.

(g) "Priority groups" or "priority caretakers" means recipients of AFDC or AFDC-UP designated as priorities for employment and training services under section 6.

Sec. 6. Minnesota Statutes 1986, section 256.736, is amended by adding a subdivision to read:

Subd. 2a. [PRIORITY GROUPS.] Priority for participation in employment and training services under this section must be given to caretakers who:

(1) are under the age of 22;

(2) have not received a high school diploma or general equivalency diploma; or

(3) have received 24 months or more of AFDC over the last 36 months.

Sec. 7. Minnesota Statutes 1986, section 256.736, subdivision 3, is amended to read:

Subd. 3. [OPERATION OF PROGRAMS REGISTRATION.] To determine who shall be designated as an appropriate individual for certification for employment and training services, the commissioner of jobs and training shall provide, by rule, standards for county boards consistent with the standards promulgated by the secretary of health and human services. County boards shall certify appropriate individuals for employment and training services, shall notify the commissioner of human services, and shall require that every individual certified, as a condition of receiving aid to families with dependent children, register for employment services, training, and employment, unless such individual is: (a) To the extent permissible under federal law, every caretaker or child is required to

register for employment and training services, as a condition of receiving AFDC, unless the caretaker or child is:

(1) a child who is under age 16, a child age 16 or 17 who is attending elementary or secondary school or a secondary level vocational or technical school full time, or a full-time student age 18 who is attending a secondary school or a secondary level vocational or technical program and who is expected to complete the school or program before reaching age 19;

(2) a person caretaker who is ill, incapacitated or of advanced age 55 or older;

(3) a person so remote from caretaker for whom participation in an employment and training service and where transportation is not reasonably available that effective participation is precluded would require a round trip commuting time by available transportation of more than two hours;

(4) a person caretaker whose presence in the home is required because of illness or incapacity of another member of the household;

(5) a parent caretaker or other caretaker relative of a child under the age of six who personally provides full-time care for the child;

(6) a parent or other caretaker if another adult relative in the assistance unit is registered and has not, without good cause, failed or refused to participate or accept employment;

(7) a pregnant woman in the last trimester of pregnancy; or

(8) a parent who is not the principal earner if the parent who is the principal earner is not exempt under clauses (1) to (7).

Any individual referred to in clauses (3) and (5) to (8) must be advised of the option to register for any available employment services, and training services, and employment if the individual so desires, and must be informed of the any available child care and other support services available if the individual decides to register.

If, after planning with a recipient a decision is made that the recipient must register for employment services, training, and employment, the county board shall notify the recipient in writing of the need to register for participation in an employment and training service and that the recipient (b) To the extent permissible by federal law, applicants for benefits under the AFDC program are registered for employment and training services by signing the application form. Applicants must be informed that they are registering for employment and training services by signing the form. Persons receiving benefits on the effective date of this section shall

register for employment and training services to the extent permissible by federal law. The caretaker has a right to a fair hearing under section 256.045 with respect to the appropriateness of the registration.

Sec. 8. Minnesota Statutes 1986, section 256.736, is amended by adding a subdivision to read:

Subd. 3a. [PARTICIPATION.] Caretakers in priority groups must participate in employment and training services under this section to the extent permissible under federal law. However, no assistance unit may be sanctioned for a caretaker's failure to participate in employment and training services under this section if failure results from inadequate funding for employment and training services.

Sec. 9. Minnesota Statutes 1986, section 256.736, subdivision 4, is amended to read:

Subd. 4. [CONDITIONS OF CERTIFICATION.] The commissioner of human services shall:

(1) Arrange for or provide any ~~relative or child~~ caretaker required to ~~register for~~ participate in employment and training services pursuant to this section with child-care services, transportation, and other necessary family services;

(2) Pay ten percent of the cost of the work incentive program and any other costs that are required of that agency by federal regulation for employment and training services for recipients of aid to families with dependent children;

(3) Provide that in determining a recipient's needs any monthly incentive training payment made to the recipient by the department of jobs and training is disregarded and the additional expenses attributable to participation in a program are taken into account in grant determination to the extent permitted by federal regulations; and

(4) Provide that when it has been certified by the ~~commissioner of jobs and training, certification to be binding upon the commissioner of human services county board,~~ that a ~~relative or child~~ certified under caretaker required to participate in an employment and training program to the ~~commissioner of jobs and training~~ has been found by the ~~commissioner,~~ after a hearing conducted in the manner prescribed by section 268.10, subdivision 3, with the right of review in accordance with the provisions of section 268.10, subdivision 8, employment and training service provider to have refused without good cause to participate in appropriate employment and training services or to have refused without good cause to accept a bona fide

offer of public or other employment, the county board shall provide that:

(a) If the relative caretaker makes the refusal, the relative's caretaker's needs shall not be taken into account in making the grant determination, and aid for any dependent child in the family will be made in the form of protective or vendor payments, except that when protective payments are made, the local agency may continue payments to the relative caretaker if a protective payee cannot reasonably be found.

(b) Aid with respect to a dependent child will be denied if a child who makes the refusal is the only child receiving aid in the family.

(c) If there is more than one child receiving aid in the family, aid for the child who makes the refusal will be denied and the child's needs will not be taken into account in making the grant determination.

(d) If the assistance unit's eligibility is based on the nonexempt principal earner's unemployment and this principal earner fails or refuses without good cause to participate or to accept employment, the entire assistance unit is ineligible for benefits under sections 256.72 to 256.87; ~~if the family is subject to requirements of the work incentive program.~~

Sec. 10. Minnesota Statutes 1986, section 256.736, is amended by adding a subdivision to read:

Subd. 4a. [NOTICE AND RIGHT OF APPEAL.] The employment and training service provider shall notify the county board of a caretaker's failure without good cause to cooperate or accept employment. Any determination, action, or inaction on the part of the county board relating to a caretaker's participation under section 256.736, is subject to the notice and hearing procedures in section 256.045, and Code of Federal Regulations, title 45, section 205.10.

Sec. 11. Minnesota Statutes 1986, section 256.736, subdivision 6, is amended to read:

Subd. 6. [PROTECTION FROM GARNISHMENT.] Earnings of a recipient caretaker while participating in full or part-time employment or training shall be protected from garnishment. This protection shall extend for a period of six months from the date of termination of a recipient's caretaker's grant of assistance.

Sec. 12. Minnesota Statutes 1986, section 256.736, is amended by adding a subdivision to read:

Subd. 10. [COUNTY DUTIES.] County boards shall:

(1) refer all priority caretakers required to register under subdivision 3 to an employment and training service provider for participation in employment and training services;

(2) identify to the employment and training service provider caretakers who fall into the priority groups;

(3) provide all caretakers with an orientation which (a) gives information on available employment and training services and support services, and (b) encourages clients to view AFDC as a temporary program providing grants and services to clients who set goals and develop strategies for supporting their families without AFDC assistance;

(4) work with the employment and training service provider to encourage voluntary participation by caretakers in the priority groups;

(5) work with the employment and training service provider to collect data as required by the commissioner;

(6) encourage nonpriority caretakers to attend orientation and to develop a plan to obtain self-sufficiency;

(7) notify the commissioner of the caretakers required to participate in employment and training services;

(8) inform appropriate caretakers of opportunities available through the head start program and encourage caretakers to have their children screened for enrollment in the program where appropriate;

(9) provide transportation assistance using the employment special needs fund to caretakers who participate in employment and training programs, with priority for services to caretakers in priority groups; and

(10) ensure that orientation, employment search, and case management services are made available to appropriate caretakers under this section.

A county board may provide other employment and training services that it considers necessary to help caretakers obtain self-sufficiency.

Sec. 13. Minnesota Statutes 1986, section 256.736, is amended by adding a subdivision to read:

Subd. 11. [CASE MANAGEMENT SERVICES.] For clients described in section 6, the case manager shall:

(1) Assess the education, skills, and ability of the caretaker to secure and retain a job which, when added to child support, will support the caretaker's family. The case manager must work with the caretaker in completing this task;

(2) Set goals and develop a timetable for completing education and employment goals. The case manager must work with the caretaker in completing this task. For caretakers who are not literate or who have not completed high school, the first goal for the caretaker must be to complete literacy training or a general education diploma. Caretakers who are literate and have completed high school shall be counseled to set realistic attainable goals, taking into account the long-term needs of both the caretaker and the caretaker's family;

(3) For minor parents, assess the housing and support systems needed by the caretaker in order to provide the dependent children with adequate parenting. The case manager shall encourage minor parents who are not living with friends or relatives to live in a group home or foster care setting. If minor parents are unwilling to live in a group home or foster care setting or if no group home or foster care setting is available, the case manager shall assess the minor parent's need for training in parenting and independent living skills and shall refer appropriate minor parents to available counseling programs designed to teach needed skills;

(4) Coordinate services such as child care, transportation, and education assistance necessary to enable the caretaker to work toward the goals developed in clause (2). When a client needs child care services in order to attend an eligible institution under section 1 the case manager shall contact the appropriate system to reserve child care funds for the client. A caretaker who needs child care services in order to complete high school or a general education diploma is eligible for child care under section 268.91;

(5) Develop, execute, and monitor a contract between the local agency and the caretaker. The contract must include: (a) specific goals of the caretaker including stated measurements of progress toward each goal; (b) specific services provided by the county agency; and (c) conditions under which the county will withdraw the services provided.

The contract may include other terms as desired or needed by either party. In all cases, however, the case manager must ensure that the caretaker has set forth in the contract realistic goals consistent with the ultimate goal of self-sufficiency for the caretaker's family; and

(6) Develop and refer caretakers to counseling or peer group networks for emotional support while participating in work, education, or training.

Sec. 14. Minnesota Statutes 1986, section 256.736, is amended by adding a subdivision to read:

Subd. 12. [CASE MANAGERS.] (a) Counties may directly employ case managers if certified as an employment and training service provider under section 268.0122, or may contract for case management services with a certified employment and training service provider. Uncertified counties and contracting agencies may provide case management services only if they demonstrate the ability to coordinate employment, training, education, and support services. The commissioner of jobs and training shall determine whether or not an uncertified county or agency has demonstrated such ability.

(b) Counties that employ case managers must ensure that the case managers have the skills and knowledge necessary to perform the variety of tasks described in subdivision 11. Counties that contract with another agency for case management services must specify in the contract the skills and knowledge needed by the case managers. At a minimum, case managers must:

(1) have a thorough knowledge of training, education, and employment opportunities;

(2) have training or experience in understanding the needs of AFDC clients and their families; and

(3) be able to formulate creative individualized contracts.

Sec. 15. Minnesota Statutes 1986, section 256.736, is amended by adding a subdivision to read:

Subd. 13. [EMPLOYMENT SEARCH.] (a) The commissioner of human services shall establish an employment search program pursuant to section 402(A)35 of the Social Security Act. The principal wage earner in an AFDC-UP assistance unit must participate in the employment search program within four months of being determined eligible for AFDC-UP unless:

(1) the caretaker is already participating in another approved employment and training service;

(2) the caretaker's employability plan specifies other activities; or

(3) the caretaker is unable to secure employment due to inability to communicate in the English language.

The employment and training service provider shall refer caretakers unable to communicate in the English language to English as a second-language courses.

(b) The employment search program must provide the following services:

(1) an initial period of up to four weeks of job search activities for not more than 32 hours per week. The employment and training service provider shall specify for each participating caretaker the number of weeks and hours of job search to be conducted and shall report to the county board if the caretaker fails to cooperate with the employment search requirement; and

(2) an additional period of job search following the first period at the discretion of the employment and training service provider. The total of these two periods of job search may not exceed eight weeks.

(c) The employment search program may provide services to non-AFDC-UP caretakers.

Sec. 16. Minnesota Statutes 1986, section 256.736, is amended by adding a subdivision to read:

Subd. 14. [REPORTING.] The commissioner of human services, in cooperation with the commissioner of jobs and training and the coordinator of full productivity and opportunity, shall develop reporting requirements for local agencies and employment and training service providers. The requirements must include information necessary to track recipients as they move between activities and information necessary to evaluate the effectiveness of the services.

Sec. 17. Minnesota Statutes 1986, section 256.736, is amended by adding a subdivision to read:

Subd. 15. [STATE SHARE.] (a) The state must pay 75 percent of costs incurred by counties under subdivision 11, except that after July 1, 1988, the commissioner shall adjust the state share to reflect county performance. Factors which the commissioner may consider in adjusting the state share must include, but are not limited to, the following:

(1) percentage of long-term cases leaving the AFDC program after one year, two years, and three years;

(2) percentage of minor parents who finish high school;

(3) percentage of caretakers who are in training or education and are successfully working toward their contracted goals; and

(4) percentage of caretakers leaving the AFDC program.

The commissioner may raise or lower the state share of costs by a maximum of ten percent.

(b) If the state appropriation is not sufficient to fund the cost of case management services for all caretakers identified in subdivision 2a, the commissioner must define a statewide subgroup of caretakers which includes all caretakers in subdivision 2a, clause (1) and as many caretakers as possible from subdivision 2a, clauses (2) and (3).

(c) The commissioner shall allocate funds for employment and training services to the counties as follows:

(1) a portion based on the average monthly number of AFDC-UP cases in each county, to be used for the employment search activities described in subdivision 13;

(2) a portion based on the average monthly number of all AFDC cases to be used for the orientation and referral activities described in subdivision 10; and

(3) a portion based on the average monthly number of caretakers receiving AFDC who are under the age of 22 and the average monthly number of AFDC cases open for 24 or more consecutive months. Counties shall use this portion of funds for employment search, job preparedness, and training-related expenses with priority caretakers.

The commissioner shall determine the portion of funds for clauses (1) to (3). Funds shall be allocated at the beginning of each fiscal year, based on the average monthly cases for the 12-month period ending March 31 of the previous fiscal year.

(d) Counties and the department of jobs and training shall bill the commissioner of human services for any expenditures incurred by the county, the county's employment and training service provider, or the department of jobs and training that may be reimbursed by federal money. The commissioner of human services shall bill the United States Department of Health and Human Services for the reimbursement and appropriate the reimbursed money to the county or employment and training service provider that submitted the original bill. The reimbursed money must be used to expand services in this section.

Sec. 18. Minnesota Statutes 1986, section 256.736, is amended by adding a subdivision to read:

Subd. 16. [PHASE-IN.] The commissioner shall implement this section on a statewide basis as quickly as possible. The commissioner may phase in changes under the section in any reasonable manner that ensures a unified, statewide coordinated program by no later than December 31, 1988.

Sec. 19. Minnesota Statutes 1986, section 256.74, subdivision 1, is amended to read:

Subdivision 1. [AMOUNT.] The amount of assistance which shall be granted to or on behalf of any dependent child and mother or other needy eligible relative caring for the dependent child shall be determined by the county agency in accordance with rules promulgated by the commissioner and shall be sufficient, when added to all other income and support available to the child, to provide the child with a reasonable subsistence compatible with decency and health. The amount shall be based on the method of budgeting required in Public Law Number 97-35, section 2315, United States Code, title 42, section 602, as amended and federal regulations at Code of Federal Regulations, title 45, section 233. Nonrecurring lump sum income received by an assistance unit must be budgeted in the normal retrospective cycle. The number of months of ineligibility is determined by dividing the amount of the lump sum income and all other income, after application of the applicable disregards, by the standard of need for the assistance unit. An amount remaining after this calculation is income in the first month of eligibility. If the total monthly income including the lump sum income is larger than the standard of need for a single month the first month of ineligibility is the payment month that corresponds with the budget month in which the lump sum income was received. In making its determination the county agency shall disregard the following from family income:

(1) all of the earned income of each dependent child receiving aid to families with dependent children who is a full-time student or part-time student, and not a full-time employee, attending a school, college, or university, or a course of vocational or technical training designed to fit students for gainful employment as well as all the earned income derived from the job training and partnership act (JTPA) for a dependent child for six calendar months per year, together with unearned income derived from the job training and partnership act;

(2) all educational grants and loans awarded pursuant to a federal law when public assistance was considered in making the award and the award was made on the basis of financial need; and that part of any other educational grant or loan which is used for educational purposes, such as tuition, fees, equipment, transportation and child care expenses necessary for school attendance;

(3) the first \$75 of each individual's earned income. For self-employed persons, the expenses directly related to producing goods and services and without which the goods and services could not be produced shall be disregarded pursuant to rules promulgated by the commissioner;

(4) an amount equal to the actual expenditures but not to exceed \$160 for the care of each dependent child or incapacitated individual

living in the same home and receiving aid. In the case of a person not engaged in full-time employment or not employed throughout the month, the commissioner shall prescribe by rule a lesser amount to be disregarded;

(5) thirty dollars plus one-third of the remainder of each individual's earned income not already disregarded for individuals found otherwise eligible to receive aid or who have received aid in one of the four months before the month of application. With respect to any month, the county welfare agency shall not disregard under this clause any earned income of any person who has:

(a) reduced earned income without good cause within 30 days preceding any month in which an assistance payment is made; or

(b) refused without good cause to accept an offer of suitable employment; or

(c) left employment or reduced earnings without good cause and applied for assistance so as to be able later to return to employment with the advantage of the income disregard; or

(d) failed without good cause to make a timely report of earned income in accordance with rules promulgated by the commissioner of human services.

Persons who are already employed and who apply for assistance shall have their needs computed with full account taken of their earned and other income. If earned and other income of the family is less than need, as determined on the basis of public assistance standards, the county agency shall determine the amount of the grant by applying the disregard of income provisions. The county agency shall not disregard earned income for persons in a family if the total monthly earned and other income exceeds their needs, unless for any one of the four preceding months their needs were met in whole or in part by a grant payment.

The disregard of \$30 and one-third of the remainder of earned income described in clause (5) shall be applied to the individual's income for a period not to exceed four consecutive months. Any month in which the individual loses this disregard because of the provisions of clauses (5)(a) to (5)(d) shall be considered as one of the four months. An additional \$30 work incentive must be available for an eight-month period beginning in the month following the last month of the combined \$30 and one-third work incentive. This period must be in effect whether or not the person has earned income or is eligible for AFDC. To again qualify for the earned income disregards under clause (d), the individual must not be a recipient of aid for a period of 12 consecutive months. When an assistance unit becomes ineligible for aid due to the fact that these disregards are no longer applied to income, the assistance unit shall be eligible for

medical assistance benefits for a 12-month period beginning with the first month of AFDC ineligibility;

(6) the first \$50 per assistance unit of the monthly support obligation collected by the support and recovery (IV-D) unit; and

(7) that portion of an insurance settlements settlement earmarked and used to pay medical bills, to compensate a member of an assistance unit for partial or permanent loss of function or a body part expenses, funeral and burial costs, or to repair or replace insured property.

The first \$50 of periodic support payments collected by the public authority responsible for child support enforcement from a person with a legal obligation to pay support for a member of the assistance unit shall be paid to the assistance unit within 15 days of the collection of such periodic support payments and shall be disregarded in determining the amount of assistance.

Sec. 20. Minnesota Statutes 1986, section 267.02, is amended by adding a subdivision to read:

Subd. 2a. [EMPLOYMENT AND TRAINING SERVICE PROVIDER.] "Employment and training service provider" means an administrative entity certified by the commissioner to deliver employment and training services.

Sec. 21. Minnesota Statutes 1986, section 267.03, subdivision 2, is amended to read:

Subd. 2. [POWERS.] The coordinator of full productivity and opportunity may:

(1) appoint a deputy, a confidential secretary, and up to two additional employees, in the unclassified service;

(2) appoint other employees under chapter 43A;

(3) make rules under chapter 14;

(4) enter into contracts;

(5) further the objectives of the biennial plan by recommending to the governor interdepartmental transfer of employment and training services or income maintenance and support services, which the commissioner of administration, if so ordered by the governor, shall carry out as provided in section 16B.37, subdivisions 1, 2, and 3, and implement so as not to lead to a reduction of federal money to the state or its political subdivisions;

(6) further the objectives of the biennial plan by recommending to the governor transfer of one or more employment and training services or income maintenance and support services to a certified service provider other than a state agency;

(7) initiate emergency wage subsidies, consider the recommendations of the commissioner of jobs and training for the use of the discretionary portion of wage subsidy appropriations, and allocate the discretionary portion of wage subsidy appropriations;

(8) require the commissioners of jobs and training, human services, energy and economic development, and administration, and the state planning director, to furnish technical, administrative, and financial services to the coordinator upon request;

(9) require agencies to submit to the coordinator for approval or disapproval within 20 days any rule that relates to employment and training services or income maintenance and support services before the publication of the notice of intent required by section 14.22 or 14.30, and, if it is disapproved, require that the rule be amended and resubmitted to the coordinator;

(10) by October 1, 1987, establish by permanent or emergency rule under chapter 14 the standards by which the commissioner of jobs and training shall certify employment and training service providers, including a requirement that certified providers have the ability to access available federal, state, and local employment and training services, educational services, and appropriate support services;

(11) decertify service providers after consultation with the commissioner;

(12) contract with another local service unit or certified service provider for employment and training services in that local service unit if the coordinator, after consultation with the commissioner of jobs and training, finds that a local service unit consistently fails to provide service of sufficient quantity and quality to satisfy criteria established for the receipt of state money; ~~and~~

(13) ratify or disapprove the commissioner of jobs and training's decisions regarding the approval or disapproval of local service unit plans and community investment program plans; and

(14) require state agencies, local agencies, and employment and training service providers to collect and provide any information necessary to evaluate the effectiveness of employment, training, education, and support services.

Sec. 22. [267.07] [SERVICE DELIVERY IMPROVEMENT PILOT PROJECT.]

Subdivision 1. [STEP.] "STEP" means the strive toward excellence program administered by the department of administration.

Subd. 2. [PILOT PROJECT ESTABLISHED; GOALS.] The service delivery improvement project, consisting of six pilot projects selected under subdivision 4, is established to use STEP productivity improvement technology to achieve the following goals: redesign of employment and training and income maintenance delivery systems as required under Laws 1985, First Special Session chapter 14, article 9; and improvement of the quality and cost effectiveness of employment and training and income maintenance services provided to clients.

Subd. 3. [COMMITTEE.] The coordinator shall establish and select a committee to administer the service delivery improvement project. The committee consists of the coordinator, the commissioner of jobs and training, the commissioner of human services, one member of the senate, one member of the house of representatives, one public member representing the private sector, and other public members considered necessary by the coordinator. The coordinator may reimburse the public members for actual expenses in the same manner and amount as authorized by the commissioner's plan under section 43A.18, subdivision 2.

Subd. 4. [DUTIES.] The committee shall solicit from local service units or consortia of local service units proposals to conduct innovative pilot projects to redesign the employment and training and income maintenance delivery system. By December 1, 1987, the committee shall evaluate the proposals and select six pilot projects to receive training and technical assistance as provided in subdivision 6.

Subd. 5. [EVALUATION.] The committee shall evaluate each proposal based upon the extent to which the proposed pilot project uses STEP productivity improvement technology, addresses the goals set forth under subdivision 2, and involves members of the private sector in joint financing of delivery system innovations.

Subd. 6. [TRAINING AND TECHNICAL ASSISTANCE.] The coordinator shall contract with the department of administration to provide staff training, technical assistance, and detailed periodic reports of the day-to-day operation of a pilot project to affected local service units.

Subd. 7. [COOPERATION OF AGENCIES.] The commissioner of human services and the commissioner of jobs and training shall cooperate fully with local service units undertaking pilot projects under this section. If requested by a local service unit which has had a pilot project selected under subdivision 4, the commissioner shall reduce, to the extent possible, reporting and other requirements which may be applicable under state law to that pilot project.

Sec. 23. Minnesota Statutes 1986, section 268.0122, subdivision 3, is amended to read:

Subd. 3. [DUTIES AS A STATE AGENCY.] The commissioner shall:

(1) administer the unemployment insurance laws and related programs;

(2) administer the aspects of aid to families with dependent children, general assistance, work readiness, and food stamps that relate to employment and training services, subject to the limitations of federal regulations contract under section 268.86, subdivision 2;

(3) administer wage subsidies and the discretionary training and retraining fund, and recommend to the coordinator the use of the discretionary portion of wage subsidy appropriations;

(4) administer a national system of public employment offices as prescribed by United States Code, title 29, chapter 4B, the Wagner-Peyser Act, and other federal employment and training programs;

(5) cooperate with the federal government and its employment and training agencies in any reasonable manner as necessary to qualify for federal aid for employment and training services and money;

(6) enter into agreements with other departments of the state and local units of government as necessary;

(7) certify ~~competent~~ employment and training service providers and, with the concurrence of the coordinator, decertify service providers that fail to comply with performance criteria according to standards established by the coordinator;

(8) provide consistent, integrated employment and training services across the state;

(9) establish the standards for all employment and training services administered under this chapter;

(10) develop standards for the contents and structure of the county local service unit plans;

(11) provide current state and substate labor market information and forecasts, in cooperation with other agencies;

(12) prepare a plan and submit it to the coordinator in each even-numbered year, according to standards established by the

coordinator, for use in developing a statewide employment and training plan;

(13) identify underserved populations, unmet service needs, and funding requirements;

(14) consult with the council for the blind on matters pertaining to programs and services for the blind and visually impaired; and

(15) submit to the governor, the coordinator, the commissioners of human services and finance, and the chairs of the senate finance and house appropriations committees a semiannual report that:

(a) reports, by client classification, an unduplicated count of the kinds and number of services furnished through each program administered or supervised by the department or coordinated with it;

(b) reports on the number of job openings listed, developed, available, and obtained by clients;

(c) identifies the number of cooperative agreements in place, the number of individuals being served, and the kinds of service provided them;

(d) evaluates the performance of services, such as wage subsidies, community investments, work readiness, and grant diversions; and

(e) explains the effects of current employment levels, unemployment rates, and program performance on the unemployment insurance fund and general assistance, work readiness, and aid to families with dependent children caseloads and program expenditures.

Sec. 24. Minnesota Statutes 1986, section 268.85, subdivision 2, is amended to read:

Subd. 2. [ORDER OF PRIORITY.] (a) The priority for services to be provided is:

(1) permanent, unsubsidized, full-time private or nonprofit sector employment and, where possible, in conjunction with targeted jobs tax credits as defined at United States Code, title 26, section 44B, as amended by Public Law Number 98-369, with highest priority to employment with paid medical benefits;

(2) permanent, subsidized, full-time private sector employment;

(3) permanent, subsidized, full-time nonprofit sector employment;

(4) training;

(5) relocation, except that relocation is considered only when a client can find affordable housing near the new location; and

(6) part-time, subsidized, nonprofit, or public employment with continued employment assistance.

(b) Individuals receiving any of the priority services in paragraph (a) must be provided with child care, transportation, or other support services as necessary and in relation to their eligibility and the availability of funds.

(c) In delivering employment and training services, local service units shall distribute their available resources in a manner that provides greater incentives to clients in permanent private or nonprofit sector employment than in public sector jobs.

Sec. 25. Minnesota Statutes 1986, section 268.86, subdivision 1, is amended to read:

Subdivision 1. [DEVELOPMENT DISCRETIONARY PROGRAMS.] ~~The commissioner shall may develop and administer discretionary employment and training services programs to assist appropriate recipients of public assistance and unemployed and underemployed persons eligible to receive wage subsidies to become economically independent. The services must have as their objective the improvement of clients' opportunities for economic independence through permanent employment. The services must provide sufficient employment and training options to allow local service units to effectively meet the support services, educational, and training needs of their public assistance and wage subsidy clients programs may include on-the-job training, wage subsidies, classroom training, relocation expenses, temporary cash assistance for persons in training, and support services.~~

Sec. 26. Minnesota Statutes 1986, section 268.86, subdivision 2, is amended to read:

Subd. 2. [ADMINISTRATION INTERAGENCY AGREEMENTS.] ~~Under agreements necessary to comply with federal regulations, By October 1, 1987, the commissioner, on behalf of and the commissioner of human services, shall administer enter into a written contract for the design, delivery, and administration of employment and training services for applicants for or recipients of food stamps or aid to families with dependent children and food stamps. The commissioner shall administer employment and training services for general assistance and work readiness recipients in consultation with the commissioner of human services, including AFDC employment and training programs, grant diversion, and supported work. The contract must be approved by the coordinator and must address:~~

- (1) specific roles and responsibilities of each department;
- (2) assignment and supervision of staff for interagency activities including any necessary interagency employee mobility agreements under the administrative procedures of the department of employee relations;
- (3) mechanisms for determining the conditions under which individuals participate in services, their rights and responsibilities while participating, and the standards by which the services must be administered;
- (4) procedures for providing technical assistance to local service units and employment and training service providers;
- (5) access to appropriate staff for ongoing development and interpretation of policy, rules, and program standards;
- (6) procedures for reimbursing appropriate agencies for administrative expenses; and
- (7) procedures for accessing available federal funds.

Sec. 27. Minnesota Statutes 1986, section 268.86, subdivision 4, is amended to read:

Subd. 4. [EMPLOYABILITY PLANS.] The commissioner shall require that a public assistance recipient's employment status is appraised within 30 days and that a written employability plan is prepared for appropriate public assistance recipients in consultation with the recipients. The plan must take into account the level of skill and education of the recipient, as measured against the existing market, the length of time the recipient has been absent from the work force, and the recipient's financial responsibility to a family, if any. The plan must be designed to help the recipient obtain suitable employment, or training and work skills necessary to secure suitable employment, and may include an arrangement with another service provider or agency for specialized employment, education, training, or support services. For a caretaker of a family receiving aid to families with dependent children, "suitable employment" must produce a net income which, taking into account the cost of medical insurance and expenses of work, including child care and transportation, equals or exceeds the standard of need determined under section 256.74, subdivision 1. A copy of the plan must be given to the recipient at the time it is prepared; an additional copy must be given to the local agency for its files.

Sec. 28. Minnesota Statutes 1986, section 268.871, subdivision 1, is amended to read:

Subdivision 1. [RESPONSIBILITY AND CERTIFICATION.] Unless prohibited by federal law or otherwise determined by state law or the coordinator, a local service unit is responsible for the delivery of employment and training services. After February 1, ~~1986~~ 1988, employment and training services must be delivered by ~~public, nonprofit, or private service providers that are certified to provide the services~~ employment and training service providers.

Sec. 29. Minnesota Statutes 1986, section 268.871, subdivision 2, is amended to read:

Subd. 2. [CONTRACTING PREFERENCE.] In contracting, a local service unit must give preference, whenever possible, to existing certified employment and training service providers including the job service, opportunities industrialization centers, displaced homemaker providers, work incentive providers, Minnesota employment and economic development act providers, post-secondary educational institutions, and job training partnership act programs that can effectively coordinate federal, state, and local employment and training services; that can maximize use of available federal and other nonstate funds; and that have demonstrated the ability to serve public assistance clients as well as other unemployed people.

Sec. 30. Minnesota Statutes 1986, section 268.871, is amended by adding a subdivision to read:

Subd. 5. [REPORTS.] Each employment and training service provider under contract with a local service unit to deliver employment and training services must submit an annual report by March 1 to the local service unit. The report must specify:

(1) types of services provided;

(2) number of priority and nonpriority AFDC recipients served, the number of work readiness assistance recipients served, and the number of other clients served;

(3) how resources will be prioritized to serve priority and nonpriority public assistance recipients and other clients; and

(4) manner in which state employment and training funds and programs are being coordinated with federal and local employment and training funds and programs.

Sec. 31. Minnesota Statutes 1986, section 268.872, subdivision 3, is amended to read:

Subd. 3. [DISCRETIONARY FUND; CREATION AND ALLOCATION.] The commissioner shall pay administrative aid to local service units for employment and training services according to the

formula established by rule. Seventy five percent of the money must be allocated among local service units based on the number of work readiness assistance recipients and aid to families with dependent children caseloads of individuals not exempt from work requirements as forecast by the commissioner of human services; 25 percent must be allocated in a way that encourages full-time, private-sector job placement, program completion by public assistance recipients, and other performance characteristics. This subdivision does not apply to the administrative aid for the work readiness program. establish a discretionary employment and training fund. Money appropriated to the department for the discretionary fund must be allocated to local service units or certified employment and training service providers at the discretion of the commissioner.

In allocating money for discretionary employment and training programs, the commissioner shall give priority to certified employment and training service providers that:

(1) serve a high proportion of distressed farmers and other individuals adversely affected by economic conditions within their service delivery region;

(2) have demonstrated success in developing and placing individuals into full-time private, public, and nonprofit employment;

(3) have demonstrated knowledge of and linkages with local, state, and federal training programs; educational programs including adult basic education, AVTIs, and community colleges; and providers of support services including child care and transportation; and

(4) have demonstrated ability to use alternative funding sources to maximize available employment, training, and education funds.

No more than two percent of the money appropriated for discretionary employment and training programs may be used to reimburse the commissioner for the costs of administering discretionary employment and training programs, and no more than five percent of the money allocated to a certified employment and training service provider may be used for administrative expenses.

Sec. 32. Minnesota Statutes 1986, section 268.88, is amended to read:

268.88 [LOCAL SERVICE UNIT PLANS.]

(a) Local service units shall prepare and submit to the commissioner by ~~October~~ April 15 of each year an annual plan for the subsequent calendar year. The commissioner shall notify each local service unit by ~~December~~ May 1 of each year if its plan has been approved or disapproved. The plan must include:

(1) a statement of objectives for the employment and training services the local service unit administers;

(2) the establishment of public assistance caseload reduction goals and the strategies and programs that will be used to achieve these goals;

(3) a statement of whether the goals from the preceding year were met and an explanation if the local service unit failed to meet the goals;

(4) the amount proposed to be allocated to each employment and training service;

(5) the proposed types of employment and training services the local service unit plans to utilize;

(6) a report on the use of wage subsidies, grant diversions, community investment programs, sliding fee day care, and other services administered under this chapter;

(7) an annual update of the community investment program plan according to standards established by the commissioner; ~~and~~

(8) a performance review of the employment and training service providers delivering employment and training services for the local service unit; and

(9) a copy of any contract between the local service unit and an employment and training service provider including expected outcomes and service levels for public assistance clients.

(b) In counties with a city of the first class, the county and the city shall develop and submit a joint plan. The plan may not be submitted until agreed to by both the city and the county. The plan must provide for the direct allocation of employment and training money to the city and the county unless waived by either. If the county and the city cannot concur on a plan, the coordinator shall resolve their dispute.

(c) The commissioner may withhold the distribution of employment and training money from a local service unit that does not submit a plan to the commissioner by the date set by this section, and shall withhold the distribution of employment and training money from a local service unit whose plan has been disapproved by the coordinator until an acceptable amended plan has been submitted.

(d) For 1985, local service unit plans must be submitted by November 1, 1985 and must include:

- (1) a statement of objectives for the employment and training services the local service unit administers;
- (2) the establishment of public assistance caseload reduction goals and the strategies that will be used to achieve these goals;
- (3) the amount proposed to be allocated to each employment and training service;
- (4) the proposed employment and training services and service providers the local service unit plans to utilize; and
- (5) a statement of intent regarding the establishment of either a community investment program or an employment experience program.

If the local service unit provides a statement of intent for the establishment of a community investment program under clause (5), the local service unit must submit a preliminary community investment program plan by February 1, 1986.

Sec. 33. Minnesota Statutes 1986, section 268.91, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] For the purposes of this section the following terms have the meanings given.

(a) "Child care services" means child care provided in family day care homes, group day care homes, nursery schools, day nurseries, child day care centers, play groups, head start, and parent cooperatives, and in-home child care as defined in the Minnesota plan for social services to families and children or in the child's home.

(b) "Child" means a person 14 12 years old or younger, or a person age 13 or 14 who is handicapped, as defined in section 120.03.

(c) "Commissioner" means the commissioner of jobs and training human services.

(d) "Child care" means the care of a child by someone other than a parent or legal guardian in or outside the child's own home for gain or otherwise, on a regular basis, for any part of a 24-hour day.

(e) "County board" means the board of county commissioners in each county.

(f) "County plan" means the community social services plan required by section 256E.09.

(g) "Education program" means remedial or basic education or English as a second language instruction, completion of high school education, or completion of a general equivalency diploma. Education program may include post-secondary education leading to an undergraduate degree under the terms of subdivision 2.

(h) "Employment program" means employment of recipients defined in subdivision 4, vocational assessment, and job readiness and job search activities.

(i) "Human services board" means a board established under section 402.02; Laws 1974, chapter 293; or Laws 1976, chapter 340.

(j) "Provider" means the child care license holder or the legal nonlicensed caregiver who operates a family day care home, a group family day care home, a day care center, a nursery school, or a day nursery, or who functions in the child's home.

(k) "Training program" means job training not provided by post-secondary education institutions.

(l) "Set-aside funds" means funds reserved for recipients of aid to families with dependent children as specified in section 36.

Sec. 34. Minnesota Statutes 1986, section 268.91, subdivision 2, is amended to read:

Subd. 2. [DUTIES OF COMMISSIONER.] (a) The commissioner shall develop standards for county and human services boards to provide child care services to enable eligible families to participate in employment or, training, or education programs. If funds from the higher education coordinating board child care grants program are expended, the child care fund may be used for child care costs of post-secondary education students if there are sufficient funds. The commissioner shall distribute money to counties to reduce the costs of child care for eligible families. The commissioner shall adopt rules to govern the program in accordance with this section. The rules must establish a sliding schedule of fees for parents receiving child care services. The commissioner shall require counties to collect and report data that the commissioner deems necessary to evaluate the effectiveness of the program in preventing and reducing participants' dependence on public assistance and in providing other benefits, including improvement in the care provided to children. The commissioner shall report to the full productivity and opportunity coordinator in each even-numbered year on the effectiveness of the program.

(b) The commissioner shall maximize the use of federal funds under the aid to families with dependent children employment special needs program in section 256.736, subdivision 8, for recipients of aid to families with dependent children who are in education,

training, job search, or other activities allowed under that program. Funds appropriated under section 268.91 shall be coordinated with the aid to families with dependent children employment special needs program to accomplish this purpose. Federal funds obtained shall be used to expand the resources in the child care sliding fee program.

Sec. 35. Minnesota Statutes 1986, section 268.91, subdivision 3, is amended to read:

Subd. 3. [ALLOCATION.] (a) By June 1 of each odd-numbered year consistent with the community social services planning cycle, the commissioner shall notify all county and human services boards of their allocation and the procedures used for the sliding fee program. Allocations must be made by July 1 of each odd-numbered year. If the appropriation is insufficient to meet the needs in all counties, the amount must be prorated among the counties.

(b) For the purposes of this section except for set-aside funds for priority groups as described in subdivision 3a, the commissioner shall allocate money appropriated between the metropolitan area, comprising the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington, and the area outside the metropolitan area so that no more than 55 percent of the total appropriation goes to either area after excluding allocations for statewide administrative costs. The commissioner shall allocate 50 percent of the money among counties on the basis of the number of families below the poverty level, as determined from the most recent special census, and 50 percent on the basis of caseloads of aid to families with dependent children for the preceding fiscal year, as determined by the commissioner of human services.

(c) Once a quarter, the commissioner shall review the use of child care fund allocations by county. In accordance with the formula found in paragraph (b), the commissioner may reallocate unexpended or unencumbered money among those counties who have expended their full portion. Any unexpended funds from the first year of the biennium may be carried to the second year of the biennium.

Sec. 36. Minnesota Statutes 1986, section 268.91, is amended by adding a subdivision to read:

Subd. 3a. [SET-ASIDE FUNDS.] The commissioner shall set aside one-third of funds appropriated to be administered as follows:

(a) Set-aside funds shall be allocated among counties based on the basis of the sum of the average monthly number of caretakers receiving aid to families with dependent children under the age of 22 and the average monthly number of aid to families with dependent children cases open 24 or more consecutive months. The sum shall be

derived for each fiscal year based on the 12-month period ending March 31 of the previous fiscal year. The commissioner may reallocate unspent set-aside funds to counties which expend their full allocation. The commissioner may allocate set-aside funds based on participation rates of priority groups in employment and training activities, if the commissioner finds that the formula distribution does not allocate funds among counties in a manner which represents voluntary participation levels.

(b) Set-aside funds shall be subject to the same sliding fee schedule and other requirements as the remainder of the sliding fee program.

(c) The county shall use the set-aside funds for persons in the priority groups in the aid to families with dependent children program defined in section 5. The county shall ensure that set-aside funds are controlled by case managers for coordination of child care funding with employment, training, and education programs for the priority groups. The county shall ensure that, through the case manager, priority caretakers are guaranteed set-aside funds for child care assistance as resources permit.

(d) If the commissioner finds, on or after January 1 of a fiscal year, that set-aside funds are not being fully utilized, the commissioner may permit counties to use set-aside funds for recipients of aid to families with dependent children who are not members of the priority groups, as long as priority for use of the funds will continue to be given to the priority groups.

Sec. 37. Minnesota Statutes 1986, section 268.91, is amended by adding a subdivision to read:

Subd. 3b. [COUNTY PLAN.] (a) The commissioner shall provide counties with the necessary forms and instructions for their community social services plans, as required in section 256E.09. The forms and instructions must incorporate the information necessary to receive child care funds. For calendar years 1987 and 1988, the county agency shall submit an amendment to its approved biennial community social services plan using the forms and instructions provided by the commissioner. Beginning January 1, 1989, the biennial community social services plan must include the child care fund.

(b) The plan must include: (1) an estimate of the need for child care services for the population defined in section 256E.03, subdivision 2, paragraph (h); (2) an estimate of the number of recipients served in each of the groups defined in subdivision 4; (3) justification, if the county prioritizes among the groups defined in subdivision 4; (4) an estimate of the number of caretaker recipients of aid to families with dependent children who will participate in employment, training, and education activities that will be federally reimbursable under the aid to families with dependent children employment special

needs program; (5) the number of recipients of aid to families with dependent children who are in the priority groups defined in subdivision 3, paragraph (c); (6) documentation of the cooperative agreement with the regional service administrator as required under subdivision 3, paragraph (c); (7) descriptions of the types and availability of child care in the county; (8) documentation of any contract with another agency to deliver services under the child care fund; and (9) other information the commissioner considers necessary to administer the program.

For calendar years 1987 and 1988, the commissioner shall certify whether the plan fulfills the purposes and requirements of this section, state and federal law, and the rules of the state agency. On certifying that the plan does not do so, the commissioner shall state the reasons it does not, and the county has 30 days to submit a plan amended to comply with the requirements of the commissioner. If a county fails to resubmit a plan amended as required by the commissioner, the commissioner shall notify the county of the intention to reduce the next quarterly payment by an amount equal to five percent of the county's annual entitlement for each 30-day period during which the county fails to amend the plan as required by the commissioner.

Sec. 38. Minnesota Statutes 1986, section 268.91, is amended by adding a subdivision to read:

Subd. 3c. [REPORTING AND PAYMENTS.] (a) Counties shall submit on forms prescribed by the commissioner a quarterly financial and program activity report, due 20 calendar days after the end of each quarter. The financial and program activity report must include (1) a detailed accounting of the expenditures and revenues for the program during the preceding quarter by funding source and by group as defined in subdivision 6; (2) a description of activities and concomitant expenditures that are federally reimbursable under the aid to families with dependent children employment special needs program; (3) a description of activities and concomitant expenditures of set-aside funds for priority groups of recipients of aid to families with dependent children; (4) information on funds encumbered at the quarter's end but not yet reimbursable, for use in adjusting allocations as provided in subdivision 3, paragraph (d); and (5) other data the commissioner considers necessary to account for the program or to evaluate its effectiveness in preventing and reducing participants' dependence on public assistance and in providing other benefits, including improvement in the care provided to children.

(b) The commissioner shall make payments to each county in quarterly installments. The commissioner may certify an advance for the first quarter of the fiscal year. Later payments must be based on actual expenditures as reported in the quarterly financial and program activity report.

(c) The commissioner may withhold, reduce, or terminate the allocation of any county that does not meet the reporting or other requirements of this program. The commissioner shall reallocate to other counties money so reduced or terminated.

Sec. 39. Minnesota Statutes 1986, section 268.91, subdivision 4, is amended to read:

Subd. 4. [FINANCIAL ELIGIBILITY.] (a) Child care services must be available to families who need child care to find or keep employment or to obtain the training or education necessary to find employment and who:

(1) receive aid to families with dependent children;

(2) have household income below the eligibility levels for aid to families with dependent children; or

(3) have household income within a range established by the commissioner.

(b) Child care services for the families receiving aid to families with dependent children must be made available as in-kind services, to cover any difference between the actual cost and the amount disregarded under the aid to families with dependent children program. Child care services to families whose incomes are below the threshold of eligibility for aid to families with dependent children, but that are not receiving aid to families with dependent children, must be made available without cost to the families.

(c) Child care services to families with incomes in the commissioner's established range must be made available on a sliding fee basis. The lower limit of the sliding fee range must be the eligibility limit for aid to families with dependent children. The upper limit of the range must be neither less than 70 percent nor more than 90 percent of the state median income for a family of four, adjusted for family size.

(d) If a disproportionate amount of the available money is provided to any one of the groups described in subdivision 4, paragraph (a), the county board shall document to the commissioner the reason the group received a disproportionate share. If a county projects that its child care allocation is insufficient to meet the needs of all groups eligible for these funds, it may prioritize new applications among the groups to be served. Set-aside funds shall be prioritized by the state, and counties do not have discretion over the use of these funds.

Sec. 40. Minnesota Statutes 1986, section 268.91, subdivision 5, is amended to read:

Subd. 5. [EMPLOYMENT OR TRAINING ELIGIBILITY.] (a) Persons who are seeking employment and who are eligible for assistance under this section are eligible to receive the equivalent of one month of child care. Employed persons who work at least ten hours a week and receive at least a minimum wage for all hours worked are eligible for child care assistance.

(b) Persons eligible under this section for child care assistance for education or training must receive assistance for the length of the program or 24 months, whichever is shorter. An education or training program with demonstrated effectiveness may be approved by the commissioner of education and accredited by the appropriate agency as an eligible program including high school or an equivalent program, an English competency program, technical or vocational training, or a four-year or associate degree program participating in employment programs, training programs, or education programs are eligible for assistance from the child care fund, providing they are financially eligible under the sliding fee scale set by the commissioner in subdivision 7.

Sec. 41. Minnesota Statutes 1986, section 268.91, subdivision 6, is amended to read:

Subd. 6. [COUNTY CONTRIBUTION.] (a) In addition to payments from parents, the program must be funded by county contributions. Except for set-aside funds, counties shall contribute five from county tax sources a minimum of 15 percent of the cost of the program in the program's first year and 15 percent in the second and subsequent years. The commissioner may require by rule that a county pay the commissioner the portion of sliding fee allocations paid by the state for which the county is responsible. The county shall advance its portion of sliding fee costs, based upon allocations made by the commissioner for that county for expenditures in the succeeding month. Adjustments of any overestimate or underestimate based on actual expenditures must be made by the commissioner by adjusting the estimate for any succeeding month after subtracting federal financial participation, fees, and other recoveries. The commissioner shall recover from the county as necessary to bring county expenditures into compliance with this subdivision.

(b) The commissioner shall recover from counties any state or federal funds found to be ineligible. If a federal audit exception is taken based on a percentage of federal earnings, all counties shall pay a share proportional to their respective federal earnings during the period in question.

A (c) To receive funds through this program, each county shall certify to the commissioner that the county has not reduced allocations from other federal, state, and county sources, which, in the absence of child care sliding fee or wage subsidy money, would have been available for child care services.

Sec. 42. Minnesota Statutes 1986, section 268.91, subdivision 7, is amended to read:

Subd. 7. [SLIDING FEE SCALE.] The sliding fee scale shall be designed so that the cost of child care to each family is affordable. The commissioner shall take into account basic living expenses of food, housing, and transportation. In setting the sliding fee schedule, the commissioner shall exclude from the amount of income used to determine eligibility an amount for federal and state income and social security taxes attributable to that income level according to federal and state standardized tax tables. The fee schedule must be designed to use any available tax credits and to progress smoothly from appropriated assistance to assistance through tax credits.

Sec. 43. Minnesota Statutes 1986, section 268.911, subdivision 1, is amended to read:

Subdivision 1. [AUTHORITY.] The commissioner of human services may make grants to public or private nonprofit agencies for the planning, establishment, expansion, improvement, or operation of child care resource and referral programs and child care services according to the provisions of this section and may make grants to county boards to carry out the purposes of section 245.84.

Sec. 44. [CHILD SUPPORT INCENTIVE AWARDS; SANCTIONS.]

Subdivision 1. [INCENTIVE AWARDS.] Notwithstanding section 256.863, or any other law to the contrary for AFDC child support cases, after the target amount of \$36,704,000 for fiscal year 1987, and \$40,563,000 for fiscal year 1988, has been collected, the counties that exceed their pro rata share of the target collections amount for fiscal year 1987 and fiscal year 1988 as contained in the financial records of the commissioner of human services may retain an additional 50 percent of the nonfederal share of money collected exceeding the target amounts as child support incentive awards. The money retained shall be from the state share of collections.

Subd. 2. [SANCTIONS.] If the commissioner of human services determines on the basis of a program review that a county does not substantially meet the requirements of Title IV-D of the Social Security Act and Minnesota Statutes concerning child support enforcement, the commissioner may sanction the county by reducing the county share of collections two percentage points below the current county AFDC share as determined by section 256.863.

## ARTICLE 2

Section 1. [FEDERAL AUTHORITY.]

Subdivision 1. [LEGISLATIVE AUTHORITY.] (a) The commissioner of human services shall seek from the Congress of the United States authority to modify the administration and delivery of the aid to families with dependent children program (AFDC) in Minnesota. The commissioner shall seek authority to:

(1) disregard more earned income of a recipient than currently allowed under United States Code, title 42, section 602(a)(8)(B)(ii). The purpose of this change is to provide an incentive to work and prevent recipients from experiencing a sudden loss of income after four months of employment;

(2) exclude from consideration in computing the income of an AFDC caretaker parent under the age of 18 any income of the parents of the caretaker parent, without regard to the residence of the caretaker parent. The purpose of this change is to allow a minor parent to receive financial assistance while remaining in a supportive home environment;

(3) determine the maximum value of an automobile which can be excluded as an asset under United States Code, title 42, section 602(a)(7)(B)(i). The purpose of this change is to recognize the need of AFDC recipients for reliable transportation in order to participate in work and training and become self-sufficient;

(4) disregard, in computing income, the cost of child care beyond that currently allowed under United States Code, title 42, section 602(a)(8)(A)(iii). The purpose of this change is to recognize the need of AFDC recipients for quality reliable child care in order to participate in work and training and become self-sufficient;

(5) permit a principal earner in a family receiving AFDC-UP to work more than 100 hours per month without being disqualified from the program. The purpose of this change is to recognize the financial reality of AFDC-UP families and to help the families achieve financial security before leaving the program. For the purposes of this subdivision, AFDC-UP refers to AFDC clients who are eligible for assistance because of unemployment as defined under section 256.12, subdivision 14;

(6) require that, as a condition of receiving aid to families with dependent children, minor parents of children six weeks of age and older who have not completed a high school education be required either to attend high school or to work toward a general education diploma as long as necessary child care and transportation services are available to them. Minor parents of children with special health needs are exempt from this requirement;

(7) allow the use of vendor payments for recipients who do not fulfill the conditions of clause (6); and

(8) introduce additional requirements or relax existing requirements to the extent the commissioner deems necessary to construct an AFDC program for Minnesota that increases the possibility of self-sufficiency of recipient families.

(b) In constructing and negotiating modifications under clause (a), the commissioner shall not agree to terms or conditions that infringe on recipients' entitlement to benefits or impede federal financial participation under United States Code, title 42, subchapter IV, part A. The commissioner shall not accept a block grant or lump sum amount of federal money for AFDC in Minnesota unless the sum is adjusted to protect the state against an increase in the number of recipients during a period of recession.

Subd. 2. [FEDERAL APPROVAL.] The commissioner of human services shall seek federal approval to require that, as a condition of receiving aid to families with dependent children:

(1) minor parents of children six weeks of age and older who have not completed a high school education be required either to attend high school or to work toward a general education diploma as long as necessary child care and transportation services are available to them;

(2) caretakers of children age three and over be required to seek and accept suitable employment or training as long as necessary child care, transportation, and health benefits are available to them; and

(3) minor parents not living with relatives be required to live in a group or foster home or, when the case manager determines the need for such services, to participate in a program that teaches skills in parenting and independent living, provided that the described living or counseling opportunities are available to the minor parent.

Subd. 3. [GRADUATED SANCTIONS.] The commissioner of human services shall seek federal approval to replace the sanctions under section 256.736, subdivision 4, clauses (4)(a) and (4)(d), with the following graduated sanctions:

(1) upon first caretaker refusal, 50 percent of the grant provided to the family shall be made in the form of protective or vendor payments; and

(2) upon second caretaker refusal, the entire grant provided to the family shall be made in the form of protective or vendor payments.

Subd. 4. [EDUCATION EXPENSES.] The commissioner of human services shall seek federal approval to exclude all expenses related to education when determining income for food stamp purposes.

Subd. 5. [DEMONSTRATION PROJECT.] If the commissioner determines that a demonstration project is the most expedient way to achieve the goals of subdivision 2, the commissioner shall apply to the secretary of health and human services for authorization to establish at least one demonstration project under United States Code, title 42, section 645. The commissioner shall request that, for purposes of the demonstration, the secretary waive requirements of United States Code, title 42, section 602, to the extent allowed under the Code of Federal Regulations, title 45, sections 282.14 to 282.16.

Subd. 6. [IMPLEMENTATION.] If federal approval is obtained to impose additional requirements on AFDC recipients, modifications under this section take precedence over current laws and regulations until July 1, 1988.

## Sec. 2. [APPROPRIATION.]

The following money is appropriated from the general fund to the commissioner of human services: \$..... for medical assistance under article 1, section 2; \$..... for employment and training services; \$..... for case management services under article 1, section 12; and \$..... for child care services under section 268.91.

\$..... is appropriated to the executive director of the higher education coordinating board for child care under article 1, section 1.

\$..... is appropriated to the commissioner of jobs and training for the discretionary training and retraining fund under article 1, section 31.

\$..... is appropriated from the general fund to the office of full productivity and opportunity for the purpose of contracting with the department of administration under article 1, section 22."

Delete the title and insert:

"A bill for an act relating to human services; creating a child care grant program; establishing an AFDC employment and training program; coordinating administration of the programs; providing for allocation of administrative costs and use of funds for work readiness program; exempting all educational grants and loans for purposes of AFDC eligibility; designating priority groups for receipt of AFDC; establishing a pilot program for obtaining and enforcing child and medical support; amending Minnesota Statutes 1986, sections 256.01, subdivision 2; 256.73, by adding a subdivision; 256.736, subdivisions 3, 4, 6, and by adding subdivisions; 256.74, subdivision 1; 256B.06, subdivision 1; 267.02, by adding a subdivision; 267.03, subdivision 2; 268.0122, subdivision 3; 268.85, subdivision 2; 268.86, subdivisions 1, 2, and 4; 268.871, subdivisions 1, 2, and by adding a subdivision; 268.872, subdivision 3; 268.88; 268.91, subdivisions 1, 2, 3, 4, 5, 6, 7, and by adding subdivisions; 268.911, subdivision 1;

proposing coding for new law in Minnesota Statutes, chapters 136A and 267."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 1068, A bill for an act relating to retirement; transferring retirement coverage of certain employees; amending Minnesota Statutes 1986, sections 352.91, subdivision 4, and by adding a subdivision; and 356.30, by adding a subdivision.

Reported the same back with the following amendments:

Page 2, line 13, delete "public employees" and insert "Minnesota state retirement system correctional employees plan"

Page 2, line 14, delete "retirement association"

With the recommendation that when so amended the bill pass.

The report was adopted.

Reding from the Committee on Future and Technology to which was referred:

H. F. No. 1081, A bill for an act relating to education; establishing a center at the University of Minnesota; appropriating money.

Reported the same back with the following amendments:

Page 1, delete lines 6 to 14, and insert:

"Section 1. [STUDY.]

The University of Minnesota shall study the feasibility of establishing a center for alternative methods to animal testing. The overall purpose of a center would be to encourage the development of alternative methods for toxicity testing and other experimentation on animals.

Sec. 2. [POTENTIAL ACTIVITIES.]

In its study, the university shall consider the possible functions for the center to include:"

Page 2, delete section 3, and insert:

"Sec. 3. [REPORT.]

The university shall report its findings and recommendations to the appropriations and finance committees of the legislature by January 1, 1988."

Delete the title and insert:

"A bill for an act relating to education; requiring the University of Minnesota to study alternative methods for animal testing."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Otis from the Committee on Economic Development and Housing to which was referred:

H. F. No. 1101, A bill for an act relating to public finance; authorizing compliance with federal tax laws to secure tax exemption for certain bonds and other obligations; authorizing the issuance of taxable bonds and other obligations; appropriating money; amending Minnesota Statutes 1986, section 16A.641, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 16A.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 1103, A bill for an act relating to retirement; providing benefit portability for disability benefits, survivor annuities, and survivor benefits; establishing a combined service disability benefit and a combined service survivor benefit; proposing coding for new law in Minnesota Statutes, chapter 356.

Reported the same back with the following amendments:

Page 4, line 26, delete "the method of" and after "plan" insert "is a defined benefit or formula plan and the method"

Page 4, line 32, after the period insert "If the covered retirement plan is a defined contribution or nonformula plan, the disability benefit amount for allowable service under the plan shall not be affected but the service and covered salary under the plan must be used in calculations by other covered retirement plans."

Page 7, line 27, delete "the method of" and after "plan" insert "is a defined benefit or formula plan and the method"

Page 7, line 33, after the period insert "If the covered retirement plan is a defined contribution or nonformula plan, the survivor benefit amount for allowable service under the plan shall not be affected but the service and covered salary under the plan must be used in calculations by other covered retirement plans."

With the recommendation that when so amended the bill pass.

The report was adopted.

Otis from the Committee on Economic Development and Housing to which was referred:

H. F. No. 1109, A bill for an act relating to economic development; establishing the Minnesota council on quality and productivity and providing for its powers and duties; appropriating money.

Reported the same back with the following amendments:

Page 4, delete lines 32 and 33

Page 4, line 35, delete "\$....." and insert "\$100,000"

Page 5, after line 11, insert:

"Sec. 9. [REPEALER.]

Sections 1 to 7 are repealed July 1, 1989."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 1111, A bill for an act relating to juvenile court; providing that it is a prima facie case for reference for prosecution as an adult if a child is alleged to have committed an aggravated felony against the person as a member of an organized gang; amending Minnesota Statutes 1986, section 260.125, subdivision 3.

Reported the same back with the following amendments:

Page 2, line 35, after "person" insert ", other than a violation of section 609.713,"

Page 3, line 6, strike "609.58, subdivision 2, clause (b)" and insert "609.582, subdivision 1, clause (b) or (c)"

With the recommendation that when so amended the bill pass.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 1122, A bill for an act relating to agriculture; clarifying certain appropriations; prohibiting importation of certain bees; changing certain milk inspection fees and requirements; changing time for sale of certain state-owned property; eliminating certain requirements for grain buyers licenses; paying certain claims; appropriating money; amending Minnesota Statutes 1986, sections 17B.15, subdivision 1; 19.58, subdivision 1; 32.394, subdivisions 8, 8b, and 9; 41.56, subdivision 4; and 223.17, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 17B.15, subdivision 1, is amended to read:

Subdivision 1. [ADMINISTRATION; APPROPRIATION.] The fees for inspection and weighing shall be fixed by the commissioner and be a lien upon the grain. The commissioner shall set fees for all inspection and weighing in an amount adequate to pay the expenses of carrying out and enforcing the purposes of sections 17B.01 to 17B.23, including the portion of general support costs and statewide indirect costs of the agency attributable to that function, with a reserve sufficient for up to six months; ~~and including repayment by the department of any amount appropriated from the general fund to establish the grain inspection and weighing account.~~ The commissioner shall review the fee schedule twice each year. Fee adjust-

ments are not subject to chapter 14. Payment shall be required for services rendered. If the grain is in transit, the fees shall be paid by the carrier and treated as advance charges, and, if received for storage, the fees shall be paid by the warehouse operator, and added to the storage charges.

All fees collected and all fines and penalties for violation of any provision of this chapter shall be deposited in the grain inspection and weighing account, which is created in the state treasury for carrying out the purpose of sections 17B.01 to 17B.23. The money in the account is annually appropriated to the commissioner of agriculture to administer the provisions of sections 17B.01 to 17B.23.

Sec. 2. Minnesota Statutes 1986, section 19.58, subdivision 1, is amended to read:

Subdivision 1. [ENTRY PERMIT.] No person may bring into this state any bees on comb, including nuclei, or used bee equipment without an entry permit issued by the commissioner. A person who wishes to bring any bees on comb or used bee equipment into the state shall apply for an entry permit at least 60 days before the date of entry. The 60-day requirement may be waived for a hobbyist beekeeper who intends to become a resident of Minnesota and who brings ten colonies or less into the state.

Ten days before entry, any person required to obtain an entry permit shall furnish to the commissioner a copy of a valid certificate of inspection signed by a responsible official of the state where the bees or equipment originated. The certificate must be based on either an inspection or an affidavit. No person may bring into the state any bees on comb including nuclei, combless bees, or used bee equipment from any county or parish where honey bee tracheal mites or Africanized bees have been found unless it is demonstrated to the satisfaction of the commissioner that there will be no risk of introduction either of tracheal mites or Africanized bees into the state. Bees or equipment brought into the state in violation of this subdivision are a public nuisance and may be destroyed without notice by the commissioner.

This subdivision does not apply to a common carrier transporting bees or used bee equipment from a point of origin outside of the state to a destination outside of the state.

Sec. 3. Minnesota Statutes 1986, section 32.394, subdivision 8, is amended to read:

Subd. 8. [EXPLORATORY PRELIMINARY INSPECTIONS GRADE A INSPECTION FEES.] Any A processor or marketing organization of milk, milk products, sheep milk, or goat milk who wishes to learn about and acquaint producers with market Grade A requirements may make a request to the commissioner for explor-

atory inspections and meetings for this purpose. Upon receipt of such request, the commissioner at a convenient time shall cause such exploratory inspections to be made and such meetings to be held as are necessary to acquaint said processor and producers with such requirements. If, after such exploratory inspections are made and such meetings are held and when in the processor's opinion the processor's field service has brought producers into compliance with said requirements, said processor wishes further inspection service, the processor shall so milk or use the Grade A label must apply on a form furnished by for Grade A inspection service from the commissioner, stating the number of farms to be inspected. Such applications shall be accompanied by a fee payable to the state treasurer in an amount of not less than \$50 and not more than \$300, which fee is to be charged for preliminary inspection prior to continuous inspection, and assessments over \$50 are to be determined by charging \$1 for each farm over 50, but shall not exceed \$300 if more than 300 farms are inspected; provided that, if the plant and farms are accepted for continuous inspection, this charge shall be made only once. If the preliminary inspection discloses that the processor is eligible for use of the Grade A label on products and before the processor so labels said products, the processor shall apply for continuous inspection on a form furnished by the commissioner and shall hold a Grade A permit. Such application shall be accompanied by a fee of not less than \$100 nor more than \$500 per plant and of not less than \$15 nor more than \$50 per farm, said fee to be paid annually. A pasteurization plant requesting Grade A inspection service must hold a Grade A permit and pay an annual inspection fee of no more than \$500. For Grade A farm inspection service, the fee must be no more than \$55 per farm, paid annually by the processor or by the marketing organization on behalf of its patrons. For a farm requiring a reinspection in addition to the required biannual inspections, an additional fee of no more than \$27.50 per reinspection must be paid by the processor or by the marketing organization on behalf of its patrons. If The commissioner deems it necessary to more nearly shall establish fees by rule or emergency rule under chapter 14 to meet 50 percent of the cost of the service, the commissioner may annually adjust the assessments within the limits set herein.

Sec. 4. Minnesota Statutes 1986, section 32.394, subdivision 8b, is amended to read:

Subd. 8b. [MANUFACTURING GRADE FARM CERTIFICATION.] A processor or marketing organization of milk products, sheep milk, or goat milk, other than Grade A, who wishes to obtain market other than Grade A milk must apply for a manufacturing grade farm certification, shall make a request to inspection from the commissioner for a farm certification inspection. A processor who requests and receives a farm certification inspection shall pay a fee to the commissioner for the certification of the milk supply. A manufacturing plant that pasteurizes milk or milk by-products

must pay an annual fee based on the number of pasteurization units. This fee must not exceed \$140 per unit. The fee for farm certification inspection must not be more than \$27.50 per farm to be paid annually by the processor or by the marketing organization on behalf of its patrons. For a farm requiring more than the one annual inspection required for certification, an additional fee of no more than \$27.50 must be paid by the processor or by the marketing organization on behalf of its patrons. The fee shall must be set by the commissioner by rule or emergency rule under chapter 14 in an amount necessary to meet 50 percent of the cost of the service for farm certification, which fee shall not exceed 50 percent of the fees charged for Grade A permits.

Sec. 5: Minnesota Statutes 1986, section 32.394, subdivision 9, is amended to read:

Subd. 9. [PAYMENTS; REFUNDS; DISPOSITION.] The amount of such assessments shall be Fees are payable by the a processor on or before or marketing organization by July 1, of each year for Grade A, and by January 1 of each year for manufacturing grade, and if not paid on or before July 31, following within 30 days of the due date, the service shall must be discontinued, and permission to market manufacturing grade or Grade A milk or milk products or use the Grade A label shall must be withdrawn; provided, that such. A processor may terminate such payment and such service without loss of the Grade A label if written notice of such that intention is given prior to the due date of the payment of said an assessment and if the continuous inspection of said the plant and farms is assumed by a city whose milk control ordinance is substantially equivalent to Minnesota law and rule and is enforced with equal effectiveness. When such written notice is given by the processor on or before December 31 preceding the due date, that portion of the assessment for the period January 1 through June 30, immediately following, shall be refunded to the processor If a farm discontinues the production of milk within six months of the billing date, a request for a refund based on inspection services not received may be made by the processor or by the marketing organization on behalf of its patrons. This request must be made in writing by July 1 for manufacturing grade, or by December 31 for Grade A, and on approval by the commissioner refunds must be made to the processor or marketing organization.

The fees for services performed by the activities of this section shall must be deposited in the state treasury and shall constitute a separate account to be known as the milk inspection service account, which is hereby created, set aside, and appropriated as a revolving fund to be used to help to defray the cost of administration, refunds and expenses of the preliminary and continuous milk inspection services and shall be in addition to and not in substitution for the sums appropriated or otherwise made available for this purpose to the department of agriculture. There shall be appropriated addi-

tional funds to equal or exceed the amounts collected as fees under this section to support the milk inspection program.

Sec. 6. Minnesota Statutes 1986, section 41.56, subdivision 4, is amended to read:

Subd. 4. [SALE OF DEFAULTED PROPERTY.] In the event that title to any property is acquired by the state, upon conveyance of title to the state and expiration of the period of redemption, the commissioner shall undertake to sell the property by publishing a notice of the impending sale at least once each week for four successive weeks in a legal newspaper and also in a newspaper of general distribution in the county in which the property to be sold is situated. The notice must describe the lots or tracts to be offered and the terms of sale. Except as further provided, the terms and method of sale shall be determined by the commissioner.

The commissioner shall first attempt to sell the property to a person who is eligible for a family farm security loan. If the commissioner is unable to effect a sale to an eligible person, the commissioner shall attempt to sell the property for cash as provided in subdivision 4a. If the commissioner is unable to effect a sale to an eligible person or for cash, or if the commissioner finds that sale to an eligible person or for cash would not best protect the interests of the state, the commissioner may sell the property on terms which the commissioner finds will best protect the interests of the state. The commissioner may lease any real property which the commissioner is unable to sell with reasonable promptness. In any event, any acquired farm property must be sold within ~~three~~ five years after the conveyance of title to the state or after the expiration of the period of redemption. The commissioner may contract for the services of a licensed real estate agent or broker to assist in selling any property acquired under this section and may pay for the services from the proceeds of the sale before proceeds are distributed under subdivision 4b.

Sec. 7. Minnesota Statutes 1986, section 223.17, subdivision 1, is amended to read:

Subdivision 1. [LICENSES.] An application for a grain buyer's license must be filed with the commissioner and the license issued before any grain may be purchased. The ~~types~~ categories of grain buyers' licenses are:

- (a) private grain warehouse operator's license;
- (b) public grain warehouse operator's license; and
- (c) independent grain buyer's license.

The commissioner must provide application forms and licenses that state the restrictions and authority to purchase and store grain under the license being applied for and issued.

The applicant for a grain buyer's license shall identify all grain buying locations owned or controlled by the grain buyer and all vehicles owned or controlled by the grain buyer used to transport purchased grain. Every applicant for a grain buyer's license shall have a permanent established place of business at each licensed location. An "established place of business" means a permanent enclosed building, including a house or a farm, either owned by the applicant or leased by the applicant for a period of at least one year, and where the books, records, and files necessary to conduct the business are kept and maintained. The commissioner may maintain information on grain buyers by categories including, but not limited to, the categories provided in clauses (a) to (c) and grain buyers that are licensed to purchase grain using trucks but that do not have a public or private warehouse license.

Sec. 8. Minnesota Statutes 1986, section 580.031, is amended to read:

580.031 [MINIMUM NOTICE.]

Notwithstanding the provisions of any other law to the contrary, eight weeks' published notice must be given prior to the foreclosure sale of a homestead to which the provisions of chapter 583 apply if the notice is published for the first time after May 24, 1983 and prior to May 1, 1985 or after June 8, 1985, and prior to ~~May 1, 1987~~ June 30, 1989. The notice must contain the information specified in section 580.04.

At least eight weeks before the appointed time of sale, a copy of the notice must be served upon the person in possession of the mortgaged premises, if the premises are actually occupied.

Sec. 9. [APPROPRIATION; COUNTY AND DISTRICT AGRICULTURAL SOCIETIES.]

\$358,400 is appropriated from the general fund to the commissioner of agriculture in each of the fiscal years of the biennium ending June 30, 1989, to be used under Minnesota Statutes, section 38.02, for aid to county and district agricultural societies.

Sec. 10. [APPROPRIATION; MILK INSPECTION PROGRAM.]

\$419,300 is appropriated in fiscal year 1988 and \$391,500 in fiscal year 1989 from the general fund to the commissioner of agriculture for the milk inspection program under section 32.394.

## Sec. 11. [APPROPRIATION; FARM ADVOCATE PROGRAM.]

\$419,300 is appropriated for fiscal year 1988 and \$391,500 for fiscal year 1989 from the general fund to the commissioner of agriculture for the farm advocate program. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

## Sec. 12. [APPROPRIATION; WILD RICE RESEARCH PROGRAM.]

\$48,000 is appropriated from the general fund to the University of Minnesota agricultural experiment station for wild rice research. This appropriation remains available until June 30, 1989, and is for the following purposes:

<u>(a) for experiments on the use of fertilizers</u>	<u>\$10,000</u>
<u>(b) for experiments on the influence of rotation and residue removal on diseases, weeds, and yield</u>	<u>\$10,000</u>
<u>(c) for evaluation of the cost advantages and effects on yields of leveling and tiling</u>	<u>\$ 8,000</u>
<u>(d) to conduct controlled-site experiments into the advantages of existing and future varieties of wild rice.</u>	<u>\$20,000</u>

## Sec. 13. [APPROPRIATION; PSEUDORABIES CONTROL.]

\$719,780 is appropriated from the general fund to the board of animal health, to be available until June 30, 1989, to be used for a control program for pseudorabies in swine in which the state will pay the laboratory costs for the testing of blood samples. The testing of infected herds must be performed by practicing veterinarians. The program must be coordinated by board of animal health personnel. Testing costs and laboratory fees must be paid by the board of animal health. This appropriation is in addition to other appropriations to the board of animal health for pseudorabies control. The appropriation is specifically to be used as follows:

	<u>Fiscal Year 1988</u>	<u>Fiscal Year 1989</u>
<u>Laboratory fees</u>	<u>\$359,890</u>	<u>\$359,890</u>

## Sec. 14. [APPROPRIATIONS; STATE BOARD OF VOCATIONAL TECHNICAL EDUCATION.]

Subdivision 1. There is appropriated \$112,500 from the general fund to the state board of vocational technical education, for the fiscal year ending June 30, 1987, to provide salary and travel to hire up to 15 support staff knowledgeable in financial planning for farm operations to assist farm business management instructors with unusually heavy workloads due to demand by farmers for assistance

with mediation, obtaining credit, application for assistance programs such as interest buy-down, and in areas where bank closures may occur.

Subd. 2. There is appropriated \$775,000 for the fiscal year ending June 30, 1988, and \$1,147,500 for the fiscal year ending June 30, 1989, from the general fund to the state board of vocational technical education to be used for a farm crisis intervention project as follows:

	<u>Fiscal</u> <u>Year</u> <u>1988</u>	<u>Fiscal</u> <u>Year</u> <u>1989</u>
(1) <u>Support Staff</u>	<u>\$100,000</u>	<u>\$ 102,500</u>
<u>15 support staff for up to three months per year to be assigned to the six-area agricultural coordinator areas. The coordinator would assign and manage support staff to assist farm business management staff to provide information for financial planning and counseling.</u>		
(2) <u>New management programs</u>	<u>500,000</u>	<u>850,000</u>
<u>\$50,000 each to start farm business management and small business management programs.</u>		
(3) <u>Workshops</u>		
(a) <u>Marketing, financial management, alternative enterprise work-shops for farmers and agribusiness.</u>	<u>100,000</u>	<u>100,000</u>
(b) <u>Staff development workshop for management staff.</u>	<u>25,000</u>	<u>25,000</u>
(4) <u>Beginning farmer programs</u>	<u>50,000</u>	<u>70,000</u>
<u>\$2,500 grant to selected programs to provide an educational program for establishment in farming for beginning farmers.</u>		
<b>TOTALS</b>	<b><u>\$775,000</u></b>	<b><u>\$1,147,500</u></b>

Amend the title as follows:

Page 1, line 11, delete "and" and before the period insert "; and 580.031"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 1145, A resolution memorializing the President and Congress of the United States to award posthumous Medals of Freedom to Andrew Goodman, Michael Schwerner, and James Chaney.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 1163, A bill for an act relating to local government; authorizing cities to impose a street access charge and providing for its collection; proposing coding for new law in Minnesota Statutes, chapter 471.

Reported the same back with the following amendments:

Page 1, line 12, after the period insert "The ordinance shall provide for the use of the funds generated by the street access charges to be used for city street and highway capital improvement projects."

Page 1, line 15, after "to" insert "and expended for"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 1193, A bill for an act relating to independent school district No. 206, Alexandria; providing for elections of the school board.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [INDEPENDENT SCHOOL DISTRICT NO. 206; ELECTIONS.]

Subdivision 1. [AT LARGE MEMBERS OR ELECTION DISTRICTS.] Independent school district No. 206, Alexandria, may elect its school board members at large or to represent election districts. The choice between election methods may be made by a majority of voters at the next general school district election.

If the members are elected at large:

(a) Each member of the board must be designated as a certain position so that subsequent elections are held for particular board positions.

(b) The notice of election for a certain position on the board must be in substantially the following form:

“Position number ..... on the school board of independent school district No. 206 must be filled by election. A candidate may not file for more than one position.”

(c) Ballots must indicate a position on the board in substantially the following form:

“For school board position number ..... of independent school district No. 206.”

(d) The names of the candidates for each seat must be rotated on the ballots to avoid any appearance of preference for incumbents, and incumbency must not be indicated on the ballot.

A newly elected school board member shall take office at the next regularly scheduled meeting of the board after receiving a certificate of election. If the school district changes from election by district to election at large or from election at large to election by district, an incumbent shall serve the entire term to which the incumbent was elected under the earlier system. If the school district changes from election by district to election at large, an incumbent must be assigned by lot to the numbered positions.

Subd. 2. [ALTERNATIVE ELECTION DATE.] If independent school district No. 206, Alexandria, chooses to hold its elections on the alternative date in Minnesota Statutes, section 123.32, subdivision 28, the district may also use the primary election date and candidate filing dates set in the Minnesota election law for municipalities holding elections on the first Tuesday after the first Monday in November.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day after the clerk of the school board of independent school district No. 206 complies with Minnesota Statutes, section 645.021, subdivision 3.

With the recommendation that when so amended the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 1201, A bill for an act relating to agriculture; appropriating money to the commissioner of agriculture for use in the marketing and promotion of peat.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 1204, A bill for an act relating to Hennepin county; providing for the management of county health facilities; permitting the county board to hold closed meetings on certain medical center business; permitting certain data to be treated as trade secret information; amending Minnesota Statutes 1986, section 383B.217, subdivision 7.

Reported the same back with the following amendments:

Page 1, line 19, delete the colon

Page 1, delete lines 20 to 22

Page 1, line 23, delete everything before "medical" and insert "specific matters involving contracts or marketing activity in cases where the"

Page 1, line 24, delete "which"

Page 1, line 27, delete "financial" and insert "competitive"

Page 2, line 9, after "The" insert "purpose,"

Page 2, line 22, delete "may be" and insert "are"

Page 2, line 25, delete everything after the period

Page 2, delete lines 26 to 36

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 1208, A bill for an act relating to corrections; appropriating money for the west central regional juvenile center.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 1209, A bill for an act relating to public nuisances; defining a nuisance; providing for the enjoinder of nuisances; proposing coding for new law in Minnesota Statutes, chapter 617; repealing Minnesota Statutes 1986, sections 617.33; 617.34; 617.35; 617.36; 617.37; 617.38; 617.39; 617.40; and 617.41.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [617.80] [DEFINITIONS.]

Subdivision 1. [GENERALLY.] The definitions in this section apply to sections 1 to 8.

Subd. 2. [BUILDING.] “Building” means a structure suitable for human shelter, a commercial structure that is maintained for business activities that involve human occupation, or any portion of such structures.

Subd. 3. [MOVABLE PROPERTY.] “Movable property” means furniture and fixtures.

Subd. 4. [PROSTITUTION.] “Prostitution” or “prostitution related offenses” means the conduct defined in sections 609.321 to 609.324.

Subd. 5. [GAMBLING.] “Gambling” or “gambling related offenses” means the conduct described in sections 609.75 to 609.762.

Subd. 6. [DISORDERLY HOUSE.] "Disorderly house" has the meaning assigned to it in section 609.33.

Subd. 7. [OWNER.] "Owner" for purposes of sections 1 to 8 means the person in whose name the building or affected portion is recorded with the county auditor for taxation purposes.

Subd. 8. [INTERESTED PARTY.] "Interested party" for purposes of sections 1 to 8 means any lessee, tenant, or occupant of a building or affected portion of a building and any known agent of an owner, lessee, tenant, or occupant.

Sec. 2. [617.81] [NUISANCE; ACTS CONSTITUTING; INJUNCTION; NOTICE.]

Subdivision 1. [INJUNCTION.] In order to obtain a temporary injunction under section 3 or a permanent injunction or order of abatement under section 4, the provisions of sections 1 to 8 must be followed.

Subd. 2. [ACTS CONSTITUTING A NUISANCE.] For purposes of sections 1 to 8 a public nuisance exists upon proof of any of the following:

(1) three or more misdemeanor convictions or two or more convictions, of which at least one is a gross misdemeanor or felony, within the previous two years for acts of prostitution or prostitution related offenses committed within the building;

(2) three or more misdemeanor convictions or two or more convictions, of which at least one is a gross misdemeanor or felony, within the previous two years for acts of gambling or gambling related offenses committed within the building; or

(3) two or more convictions within the previous two years for keeping or permitting a disorderly house within the building.

Subd. 3. [NOTICE.] Notice of a conviction described in subdivision 2 must be mailed by the court administrator to the owner of the building where the offense was committed and all other interested parties and must be filed with the county recorder's office. This notice is considered sufficient to inform all interested parties that the building or a portion of it is being used for purposes constituting a public nuisance.

Sec. 3. [617.82] [TEMPORARY ORDER.]

Whenever a city attorney, county attorney, or the attorney general has cause to believe that a nuisance described in section 2, subdivision 2, exists within the jurisdiction the attorney serves, that

attorney may by verified petition seek a temporary injunction in district court in the county in which the alleged public nuisance exists. No temporary injunction may be issued without a prior show cause notice of hearing to the respondents named in the petition and an opportunity for the respondents to be heard. Upon proof of a nuisance described in section 2, subdivision 2, the court shall issue a temporary injunction. Any temporary injunction issued must describe the conduct to be enjoined.

Sec. 4. [617.83] [INJUNCTION; ORDER OF ABATEMENT.]

Upon proof of a nuisance described in section 2, subdivision 2, the court shall issue a permanent injunction and enter an order of abatement. The permanent injunction must describe the conduct permanently enjoined. The order of abatement must direct the closing of the building or a portion of it for one year, except as otherwise provided in section 5 or 6, unless sooner released pursuant to section 8. Before an abatement order is enforced against a building or portion of it, the owner must be served with the abatement order and a notice of the right to file a motion under section 6 in the same manner that a summons is served under the rules of civil procedure. A copy of the abatement order shall also be posted in a conspicuous place on the building or affected portion.

Sec. 5. [617.84] [MOVABLE PROPERTY.]

The order of abatement may direct the removal of movable property used in conducting or maintaining the nuisance and direct the sale of property belonging to a respondent who was notified or appeared. The sale shall be conducted pursuant to the provisions of chapter 550 on the sale of property on execution. A person appointed by the court as receiver of the building may use a building or portion of it which is the subject of an abatement order in a manner approved by the court. Costs of the sale on execution, moving and storage fees, and any receivership must be paid out of the receipts from the sale of the movable property or any rents collected during the receivership. The balance from the sale of movable property must be paid to the owner of the property. The balance from any rents collected during any receivership shall be paid to the treasury of the unit of government which brought the abatement action.

Sec. 6. [617.85] [NUISANCE; MOTION TO CANCEL LEASE.]

Where an abatement of a nuisance is sought and the circumstances that are the basis for the requested abatement involved the acts of a commercial or residential tenant or lessee of part or all of a building, the owner of the building that is subject to the abatement proceeding may file before the court that has jurisdiction over the abatement proceeding a motion to cancel the lease or otherwise secure restitution of the premises from the tenant or lessee who has maintained or conducted the nuisance. In addition to the grounds

provided in chapter 566, the maintaining or conducting of a nuisance as defined in section 2, subdivision 2, by a tenant or lessee, is an additional ground authorized by law for seeking the cancellation of a lease or the restitution of the premises. It is no defense to a motion under this section by the owner that the lease or other agreement controlling the tenancy or leasehold does not provide for eviction or cancellation of the lease upon the ground provided in this section.

Upon a finding by the court that the tenant or lessee has maintained or conducted a nuisance in any portion of the building under the control of the tenant or lessee, the court shall order cancellation of the lease or tenancy and grant restitution of the premises to the owner. The court must not order abatement of the premises if the court:

(a) upon the motion of the building owner cancels a lease or tenancy and grants restitution of that portion of the premises to the owner; and

(b) further finds that the acts constituting the nuisance as defined in section 2, subdivision 2, were committed in a portion of the building under the control of the tenant or lessee whose lease or tenancy has been cancelled pursuant to this section.

Sec. 7. [617.86] [CONTEMPT.]

Whoever violates a temporary injunction, permanent injunction, or abatement order granted under sections 1 to 8 may be adjudged in contempt of court.

Sec. 8. [617.87] [RELEASE OF PROPERTY.]

If, after an order of abatement has been entered, the owner appears and pays the costs of the action and files a bond in an amount determined by the court, but not to exceed \$50,000, conditioned that the owner will immediately abate the nuisance for a period of one year, the court may, if satisfied of the owner's good faith, order the release of the building or portion of it which is subject to the order of abatement. If the premises are released, for each day during the term of the bond that the owner knowingly permits any part of the premises to be used for any activity which was the basis of the abatement order, the owner shall forfeit \$1,000 under the bond. Forfeiture under the bond does not relieve the owner from prosecution for contempt. Release of the property pursuant to this section does not release it from an injunction issued under section 4 or any other judgment, penalty, lien, or liability to which it may be subject by law.

Sec. 9. [REPEALER.]

Minnesota Statutes 1986, sections 617.33; 617.34; 617.35; 617.36; 617.37; 617.38; 617.39; 617.40; and 617.41 are repealed."

With the recommendation that when so amended the bill pass.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 1212, A bill for an act relating to health; establishing the Minnesota institute for health research; creating a health research trust fund with cigarette and tobacco products taxes; prescribing a floor stocks tax on cigarettes and tobacco products distributors; amending Minnesota Statutes 1986, sections 297.02, subdivision 1; 297.03, subdivision 5; 297.13, subdivision 1; 297.32, subdivisions 1, 2, and 9; proposing coding for new law as Minnesota Statutes, chapter 152A; proposing coding for new law in Minnesota Statutes, chapter 297.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [256.936] [FAMILY HEALTH INSURANCE PROGRAM.]

Subdivision 1. [PURPOSE.] It is the purpose of this section to assist families to achieve self-sufficiency by making available health insurance on a sliding fee basis. The commissioner of human services shall manage the program and seek to maximize use of available federal and state funds to establish the broadest program possible within the appropriation available.

Subd. 2. [DEFINITIONS.] For purposes of this section, the following terms shall have the meanings given them:

(a) "Families" means a child or children under age 18 and their biological or adoptive parents or stepparents who reside with them.

(b) "Eligible persons" means the following persons who reside in families with gross incomes less than 200 percent of the federal poverty guidelines and who are not eligible for medical assistance under chapter 256B or general assistance medical care under chapter 256D and who are not otherwise insured:

(1) pregnant women;

(2) families who have become ineligible for medical assistance within the last six months following the extensions allowed under section 256B.062; and

(3) children under 18 in families that have at least one child under six.

(c) "Covered services" means comprehensive health maintenance services as specified in section 62D.02, subdivision 7, and dental care.

(d) "Commissioner" means the commissioner of human services.

(e) "Health plan corporation" means a health insurer or health maintenance organization licensed under chapter 62A, 62C, or 62D.

Subd. 3. [COMMISSIONER'S DUTIES.] The commissioner, with the advice and assistance of the commissioners of health and commerce, shall select a health plan corporation or corporations through a process of competitive bidding and negotiation. The health plan corporations shall provide or arrange to provide covered services to eligible persons. The commissioner shall select health plan corporations regulated under chapter 62A, 62C, or 62D who can promote health care provider efficiencies while preserving access and quality care. In addition, the commissioner is required to:

(1) ensure that all plans of coverage provide at least the covered services;

(2) assure access to existing public and nonprofit community health clinics if they are available in the service area and they agree to accept rates and conditions comparable to those agreed to by other participating providers for similar services;

(3) provide eligible persons with the opportunity to choose among all health plans under contract to the commissioner in the designated service area, to change plans without penalty within the initial 30 days, and to participate in an annual open enrollment period of 30 days;

(4) arrange to subsidize the contribution required of eligible persons who can purchase comparable coverage through an employer sponsored plan, if this would be less expensive;

(5) assure continuity of care for eligible persons who may experience a change in income and become eligible for medical assistance;

(6) establish premiums for enrollees covered under this program; and

(7) guarantee payment for the first prenatal care visit for program applicants, even if the applicant is later determined to be ineligible.

Subd. 4. [HEALTH PLAN CORPORATION DUTIES.] Health plan corporations that contract with the commissioner under this section must agree to:

(1) provide or arrange to provide, at a minimum, the covered services to all persons enrolled in the plan;

(2) ensure that medical and social risk assessments are completed for all enrolled pregnant women and that they receive risk appropriate care; and

(3) comply with other contractual terms and conditions established by the commissioner.

Subd. 5. [SLIDING FEE SCHEDULE.] Eligible persons shall contribute a specified percentage of the health plan premium not to exceed ten percent of their gross family income. For the first year of implementation, the sliding fee schedule must be as follows:

<u>Gross Income as a Percentage of the Federal Poverty Guideline</u>	<u>Enrollee Contribution</u>
<u>Below 125 percent</u>	<u>5 percent</u>
<u>126 to 150 percent</u>	<u>10 percent</u>
<u>151 to 170 percent</u>	<u>30 percent</u>
<u>171 to 185 percent</u>	<u>50 percent</u>
<u>186 to 199 percent</u>	<u>70 percent</u>

The commissioner may review this fee schedule and modify it in rule for future years. Enrollees may not be required to pay any deductibles or coinsurance outside the sliding fee schedule, except for copayments allowed by the commissioner to control inappropriate utilization.

Subd. 6. [FUNDING; ALLOCATION.] (a) The commissioner must make a quarterly assessment of the expected expenditures for the program and the appropriation available.

To the extent possible, the commissioner shall allocate funds so that there is a reasonable relationship between enrollees in each county and the number of eligible persons in each county. Based on this assessment, the commissioner may limit enrollments in certain counties or all counties if the appropriations are not sufficient.

(b) If sufficient funds are not available to cover all costs incurred in one quarter, the commissioner may seek an additional authorization for funding from the legislative advisory committee.

Subd. 7. [ADMINISTRATION AND MARKETING.] The commissioner shall establish an office for the state administration of this program. A toll-free telephone number must be used to provide information and to provide access to the program. The commissioner shall establish a process for efficient orderly enrollment. Every six months, the commissioner shall make a redetermination of continued eligibility and identify people who may become eligible for medical assistance. The commissioner shall establish marketing efforts to encourage potentially eligible persons to receive information about the program. Applications and other information must be available in county social services offices. The commissioner shall make applications and other information available to organizations serving potentially eligible persons.

Subd. 8. [SUBROGATION.] Enrollees shall contract for and receive coverage for a period of no less than six months unless they become insured through some other plan of coverage. Notwithstanding any other law to the contrary, benefits under the family health insurance program are secondary to any other plan of insurance or benefit program under which an eligible person may have coverage. The commissioner shall establish procedures for identifying eligible persons who may have coverage or benefits under other plans of insurance or who become eligible for medical assistance and for notifying the health plan corporation with whom the persons are enrolled.

Subd. 9. [RULEMAKING AUTHORITY.] The commissioner shall adopt rules necessary to implement this section.

Subd. 10. [SPECIAL STUDY.] The commissioner shall report to the legislature by January 15, 1989, with recommendations for improving the program, evidence of state savings as a result of the program, and recommendations for a formal evaluation.

Sec. 2. Minnesota Statutes 1986, section 256B.06, subdivision 1, is amended to read:

Subdivision 1. Medical assistance may be paid for any person:

(1) who is a child eligible for or receiving adoption assistance payments under Title IV-E of the Social Security Act, United States Code, title 42, sections 670 to 676 under Minnesota Statutes, section 259.40 or 259.431; or

(2) who is a child eligible for or receiving foster care maintenance payments under Title IV-E of the Social Security Act, United States Code, title 42, sections 670 to 676; or

(3) who is eligible for or receiving public assistance under the aid to families with dependent children program, the Minnesota supplemental aid program; or

(4) who is a pregnant woman, as certified in writing by a physician or nurse midwife, and who (a) meets the other eligibility criteria of this section, and (b) would be categorically eligible for assistance under the aid to families with dependent children program if the child had been born and was living with the woman; or

(5) who is a pregnant woman, as certified in writing by a physician or nurse midwife, who meets the other eligibility criteria of this section and whose unborn child would be eligible as a needy child under clause (9) if born and living with the woman; or

(6) who meets the categorical eligibility requirements of the supplemental security income program and the other eligibility requirements of this section; or

(7) who, except for the amount of income or resources, would qualify for supplemental security income for the aged, blind and disabled, or aid to families with dependent children, and who meets the other eligibility requirements of this section; or

(8) who is under 21 years of age and in need of medical care that neither the person nor the person's relatives responsible under sections 256B.01 to 256B.26 are financially able to provide; or

(9) who is an infant less than one year of age born on or after October 1, 1984, whose mother was eligible at the time of birth and who remains in the mother's household. Eligibility under this clause is concurrent with the mother's and does not depend on the father's income except as the income affects the mother's eligibility; or

(10) who is residing in a hospital for treatment of mental disease or tuberculosis and is 65 years of age or older and without means sufficient to pay the per capita hospital charge; and

(11) who resides in Minnesota, or, if absent from the state, is deemed to be a resident of Minnesota in accordance with the rules of the state agency; and

(12) who alone, or together with the person's spouse, does not own real property other than the homestead. For the purposes of this section, "homestead" means the house owned and occupied by the applicant or recipient as a primary place of residence, together with the contiguous land upon which it is situated. The homestead shall continue to be excluded for persons residing in a long-term care facility if it is used as a primary residence by the spouse, minor child, or disabled child of any age; or the applicant/recipient is expected to return to the home as a principal residence within six calendar months of entry to the long-term care facility. Certification of expected return to the homestead shall be documented in writing by the attending physician. Real estate not used as a home may not be retained unless it produces net income applicable to the family's

needs or the family is making a continuing effort to sell it at a fair and reasonable price or unless the commissioner determines that sale of the real estate would cause undue hardship or unless the equity in the real estate when combined with the equity in the homestead totals \$15,000 or less; and

(13) who individually does not own more than \$3,000 in cash or liquid assets, or if a member of a household with two family members (husband and wife, or parent and child), does not own more than \$6,000 in cash or liquid assets, plus \$200 for each additional legal dependent. In addition to these maximum amounts, an eligible individual or family may accrue interest on these amounts, but they must be reduced to the maximum at the time of an eligibility redetermination. For residents of long-term care facilities, the accumulation of the clothing and personal needs allowance pursuant to section 256B.35 must also be reduced to the maximum at the time of the eligibility redetermination. Cash and liquid assets may include a prepaid funeral contract and insurance policies with cash surrender value. The value of the following shall not be included:

(a) the homestead, and (b) one motor vehicle licensed pursuant to chapter 168 and defined as: (1) passenger automobile, (2) station wagon, (3) motorcycle, (4) motorized bicycle or (5) truck of the weight found in categories A to E, of section 168.013, subdivision 1e; and

(14) who has or anticipates receiving an annual income not in excess of the income standards by family size used in the aid to families with dependent children program, except that families and children may have an income up to  $133\frac{1}{3}$  of the AFDC payment standard, or who has income in excess of these maxima and in the month of application, or during the three months prior to the month of application, incurs expenses for medical care that total more than one-half of the annual excess income in accordance with the rules of the state agency. Notwithstanding any laws or rules to the contrary, in computing income to determine eligibility of persons who are not residents of long-term care facilities, the commissioner shall disregard increases in income as required by Public Law Number 94-566, section 503. In excess income cases, eligibility shall be limited to a period of six months beginning with the first of the month in which these medical obligations are first incurred; and

(15) who has continuing monthly expenses for medical care that are more than the amount of the person's excess income, computed on a monthly basis, in which case eligibility may be established before the total income obligation referred to in the preceding paragraph is incurred, and medical assistance payments may be made to cover the monthly unmet medical need. In licensed nursing home and state hospital cases, income over and above that required for justified needs, determined pursuant to a schedule of contributions established by the commissioner of human services, is to be applied to the cost of institutional care. The commissioner of human

services may establish a schedule of contributions to be made by the spouse of a nursing home resident to the cost of care; and

(16) who has applied or agrees to apply all proceeds received or receivable by the person or the person's spouse from automobile accident coverage and private health care coverage to the costs of medical care for the person, the spouse, and children. The state agency may require from any applicant or recipient of medical assistance the assignment of any rights accruing under private health care coverage. Any rights or amounts so assigned shall be applied against the cost of medical care paid for under this chapter. Any assignment shall not be effective as to benefits paid or provided under automobile accident coverage and private health care coverage prior to receipt of the assignment by the person or organization providing the benefits.

Sec. 3. Minnesota Statutes 1986, section 297.02, subdivision 1, is amended to read:

Subdivision 1. [RATES.] A tax is hereby imposed upon the sale of cigarettes in this state or having cigarettes in possession in this state with intent to sell and upon any person engaged in business as a distributor thereof, at the following rates, subject to the discount provided in section 297.03:

(1) On cigarettes weighing not more than three pounds per thousand, ~~19.5 20.5 mills minus the tax, not more than eight mills,~~ imposed by United States Code, title 26, section 5701, as amended, on each such cigarette;

(2) On cigarettes weighing more than three pounds per thousand, ~~39.8 41 mills minus the tax, not more than 16.8 mills,~~ imposed by United States Code, title 26, section 5701, as amended, on each such cigarette.

Sec. 4. Minnesota Statutes 1986, section 297.03, subdivision 5, is amended to read:

Subd. 5. [SALE OF STAMPS.] ~~(a) Except as provided in paragraph (b),~~ The commissioner shall sell stamps to any person licensed as a distributor at a discount of ~~two 1.25 percent~~ from the face amount of the stamps for the first ~~\$1,000,000 \$1,500,000~~ of such stamps purchased in any fiscal year; and at a discount of ~~1.25 0.75 percent~~ on the remainder of such stamps purchased in any fiscal year. The commissioner shall not sell stamps to any other person.

~~(b) If the tax exceeds 12.5 mills a cigarette, the discount is 1.5 percent from the face amount of the stamps for the first \$1,000,000 of the stamps purchased in a fiscal year and one percent for additional stamps purchased during the fiscal year.~~

Sec. 5. Minnesota Statutes 1986, section 297.13, subdivision 1, is amended to read:

Subdivision 1. [CIGARETTE TAX APPORTIONMENT.] Revenues received from taxes, penalties and interest under sections 297.01 to 297.13 and from license fees and miscellaneous sources of revenue shall be deposited by the commissioner of revenue in the state treasury and credited as follows:

(1) the revenue produced by one mill of the tax on cigarettes weighing not more than three pounds a thousand and two mills of the tax on cigarettes weighing more than three pounds a thousand must be credited to a Minnesota resources fund for purposes of natural resources acceleration as provided in chapter 86;

(2) the revenue produced by two mills of the tax on cigarettes weighing not more than three pounds a thousand and four mills of the tax on cigarettes weighing more than three pounds a thousand must be credited to the Minnesota state water pollution control fund created in section 116.16; ~~provided that, if the tax on cigarettes imposed by United States Code, title 26, section 5701, as amended, is reduced after June 1, 1985, an additional one mill of the tax on cigarettes weighing not more than three pounds a thousand and two mills of the tax on cigarettes weighing more than three pounds a thousand must be credited to the Minnesota state water pollution control fund created in section 116.16;~~

(3) the revenue produced by ~~one-half mill~~ 2.5 mills of the tax on cigarettes weighing not more than three pounds a thousand and ~~one mill~~ five mills of the tax on cigarettes weighing more than three pounds a thousand must be credited to a public health fund; ~~provided that if the tax on cigarettes imposed by United States Code, title 26, section 5701, as amended, is reduced after June 1, 1985, an additional two-tenths of one mill of the tax on cigarettes weighing not more than three pounds a thousand and an additional four-tenths of one mill of the tax on cigarettes weighing more than three pounds a thousand must be credited to the public health fund;~~

(4) the balance of the revenues derived from taxes, penalties, and interest under sections 297.01 to 297.13 and from license fees and miscellaneous sources of revenue shall be credited to the general fund.

Sec. 6. Minnesota Statutes 1986, section 297.32, subdivision 1, is amended to read:

Subdivision 1. A tax is hereby imposed upon all tobacco products in this state and upon any person engaged in business as a distributor thereof, at the rate of ~~25~~ 35 percent of the wholesale sales price of such tobacco products except little cigars as defined in section 297.31, subdivision 2, clause (b). Little cigars shall be subject

to the same rate of tax imposed on cigarettes weighing not more than three pounds per thousand subject to the discount provided in section 297.35, subdivision 1. Such tax shall be imposed at the time the distributor (1) brings, or causes to be brought, into this state from without the state tobacco products for sale; (2) makes, manufactures, or fabricates tobacco products in this state for sale in this state; or (3) ships or transports tobacco products to retailers in this state, to be sold by those retailers.

Sec. 7. Minnesota Statutes 1986, section 297.32, subdivision 2, is amended to read:

Subd. 2. A tax is hereby imposed upon the use or storage by consumers of tobacco products in this state, and upon such consumers, at the rate of ~~25~~ 35 percent of the cost of such tobacco products, except little cigars as defined in section 297.31, subdivision 2, clause (b). Little cigars shall be subject to the same rate of tax imposed on cigarettes weighing not more than three pounds per thousand.

The tax imposed by this subdivision shall not apply if the tax imposed by subdivision 1 on such tobacco products has been paid.

This tax shall not apply to the use or storage of tobacco products in quantities of:

1. not more than 50 cigars;
2. not more than ten oz. snuff or snuff powder;
3. not more than one lb. smoking or chewing tobacco or other tobacco products not specifically mentioned herein, in the possession of any one consumer.

Sec. 8. [297.325] [FLOOR STOCKS TAX.]

Subdivision 1. [CIGARETTES AND LITTLE CIGARS.] A floor stocks tax is imposed upon every person engaged in business in this state as a distributor of cigarettes and little cigars, on the cigarettes and little cigars in the person's possession or under the person's control at 12:01 a.m. on July 1, 1987. The tax is imposed at the following rates, subject to the discount in section 297.03:

(1) on cigarettes weighing not more than three pounds a thousand and little cigars, nine mills on each cigarette and little cigar;

(2) on cigarettes weighing more than three pounds a thousand, 18 mills on each cigarette.

Each distributor, by July 20, 1987, shall file a report with the commissioner, in the form the commissioner prescribes, showing the

cigarettes and little cigars on hand at 12:01 a.m. on July 1, 1987, and the amount of tax due on them. The tax imposed by this section less the discount provided in section 297.03, subdivision 5, is due and payable by August 20, 1987, and after that date bears interest at the rate of one percent a month.

Subd. 2. [TOBACCO PRODUCTS.] A floor stocks tax is imposed upon every person engaged in business in this state as a distributor of tobacco products, at the rate of ten percent of the wholesale sales price of each tobacco product in the person's possession or under the person's control at 12:01 a.m. on July 1, 1987. Each distributor, by July 20, 1987, shall file a report with the commissioner, in the form the commissioner prescribes, showing the tobacco products on hand at 12:01 a.m. on July 1, 1987, and the amount of tax due on them. The tax imposed by this section less the discount provided in section 297.35, subdivision 1, is due and payable by August 20, 1987, and after that date bears interest at the rate of one percent a month.

Sec. 9. [FEASIBILITY STUDY.]

The commissioner of health shall study the feasibility of a Minnesota institute for health research. The commissioner shall consider the following factors: clinical and community resources now existing in the state, methodology for the development of a health research institute, and components toward which the institute will direct its resources. The commissioner shall report to the legislature by January 1, 1989.

Sec. 10. [APPROPRIATION.]

\$...... is appropriated from the public health fund to the commissioner of health for the feasibility study required under section 9.

Sec. 11. [APPROPRIATION.]

\$...... is appropriated from the public health fund to the commissioner of human services to implement the provisions of section 1.

Sec. 12. [EFFECTIVE DATE.]

Section 1, subdivision 9, is effective the day following enactment for purposes of promulgating rules to implement the provisions of section 1. Section 1, subdivisions 1 to 8 and 10, are effective upon adoption of the rules. Sections 2 to 11 are effective July 1, 1987."

Amend the title as follows:

"A bill for an act relating to health; creating a program of health insurance for certain families; creating a family health insurance program fund; increasing cigarette and tobacco products taxes;

raising the income standard for families for medical assistance; prescribing a floor stocks tax on cigarettes and tobacco products distributors; requiring a study of the feasibility of an institute for health research; appropriating money; amending Minnesota Statutes 1986, sections 256B.06, subdivision 1; 297.02, subdivision 1; 297.03, subdivision 5; 297.13, subdivision 1; 297.32, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapters 256 and 297.

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 1218, A bill for an act relating to the Minnesota humanities commission; requiring it to establish a humanities resource center; appropriating money; amending Minnesota Statutes 1986, section 138.91, by adding a subdivision.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Skoglund from the Committee on Financial Institutions and Insurance to which was referred:

H. F. No. 1230, A bill for an act relating to insurance; clarifying the authority of school districts to self-insure for property and casualty coverage; amending Minnesota Statutes 1986, section 471.98, subdivision 2.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 1250, A bill for an act relating to employees; providing for a wage protection program; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 181.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1260, A bill for an act relating to the Minneapolis park and recreation board; permitting the establishment of a park board personnel system; requiring the park board to adopt current Minneapolis civil service commission provisions; providing employee protections.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 1263, A bill for an act relating to the administration of state property; extending the period for which the commissioner of administration may lease state property; amending Minnesota Statutes 1986, section 16B.24, subdivision 5.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 1277, A bill for an act relating to transportation; providing for state park road account funds to be used for lake access roads; amending Minnesota Statutes 1986, section 162.06, subdivision 5.

Reported the same back with the following amendments:

Page 1, line 24, delete everything after "contrary" and insert a comma

Page 1, delete line 25

Page 2, line 1, delete "screening board."

Page 2, line 2, before "roads" insert "county"

Page 2, line 3, delete "and that may not" and insert ". Roads described in clause (2) are not required to"

Page 2, line 3, delete "road" and insert "highway"

Page 2, line 10, delete the new language

Page 2, line 16, after the period insert "Before requesting a county to do work on a county road that provides immediate access to a public lake, the commissioner of natural resources shall obtain a written comment on the project from the county engineer of the county requested to undertake the project."

With the recommendation that when so amended the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 1297; A bill for an act relating to the uniform commercial code; providing a computerized filing system and central data base for uniform commercial code financing statements and lien statements; imposing a penalty; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 336.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 1308, A bill for an act relating to transportation; requiring the licensing of limousine services by the registrar of motor vehicles; providing for conditions of licensure and operation of limousines; requiring bonds; providing penalties; amending Minnesota Statutes 1986, sections 169.01, subdivision 50; and 169.71, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 326.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 168.011, is amended by adding a subdivision to read:

Subd. 35. [LIMOUSINE.] "Limousine" means a passenger automobile for hire, other than a taxicab or van, that is regularly engaged in the business of transporting persons and that has a rear seating capacity of not more than nine passengers.

Sec. 2. [168.1261] [LIMOUSINE; LICENSE PLATES.]

Subdivision 1. [UNIQUE REGISTRATION CATEGORY.] A unique vehicle registration category is established for limousines as defined in section 1.

Subd. 2. [LICENSE PLATES.] The registrar shall issue limousine license plates upon the applicant's compliance with laws relating to registration and licensing of motor vehicles and drivers. The applicant must provide the registrar with proof that a passenger tax and a \$10 fee have been paid for each limousine receiving limousine license plates. The limousine license plates must be designed to specifically identify the vehicle as a limousine. Limousine license plates may not be transferred upon sale of the limousine, but may be transferred to another limousine owned by the same person upon notifying the registrar and paying a \$5 transfer fee.

Subd. 3. [INSURANCE.] The application must include a certificate of insurance verifying that a valid commercial insurance policy is in effect. The certificate must include the name of the insurance company and the number of the insurance policy.

Sec. 3. Minnesota Statutes 1986, section 169.71, subdivision 4, is amended to read:

Subd. 4. No person shall drive or operate any motor vehicle required to be registered in the state of Minnesota upon any street or highway under the following conditions:

(a) when the windshield is composed of, covered by, or treated with any material which has the effect of making the windshield more reflective or in any other way reducing light transmittance through the windshield;

(b) when any window on the vehicle is composed of, covered by, or treated with any material that has a highly reflective or mirrored appearance;

(c) when any side window or rear window is composed of or treated with any material so as to obstruct or substantially reduce the driver's clear view through the window or has a light transmittance of less than 50 percent plus or minus three percent in the visible light range or a luminous reflectance of more than 20 percent plus or minus three percent; or

(d) when any material has been applied after August 1, 1985, to any motor vehicle window without an accompanying permanent marking which indicates the percent of transmittance and the percent of reflectance afforded by the material. The marking must be in a manner so as not to obscure vision and be readable when installed on the vehicle.

This subdivision does not apply to glazing materials which:

(a) have not been modified since the original installation, nor to original replacement windows and windshields, that were originally installed or replaced in conformance with Federal Motor Vehicle Safety Standard 205;

(b) ~~were are~~ required to satisfy prescription needs of the driver of the vehicle ~~and if~~ the driver is in possession of ~~such the~~ prescription;

(c) ~~were are~~ applied to:

(1) the rear windows of a pickup truck as defined in section 168.011, subdivision 29; ~~or;~~

(2) to the rear windows or the side windows on either side behind the driver's seat of a van as defined in section 168.011, subdivision 28; ~~or;~~

(3) to the side and rear windows of ~~any a~~ vehicle used to transport human remains by a funeral establishments establishment holding a permit under the provisions of section 149.08; ~~or~~

(4) to the side and rear windows of a limousine as defined in section 1."

Delete the title and insert:

"A bill for an act relating to transportation; authorizing the issuance of limousine license plates; allowing limousines to have tinted windows; amending Minnesota Statutes 1986, sections 168.011, by adding a subdivision; and 169.71, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 168."

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 1312, A bill for an act relating to peace officers; requiring licensure as a prerequisite to exercising the authority of a peace officer; prohibiting persons from misrepresenting themselves as peace officers or part-time peace officers; prescribing penalties; amending Minnesota Statutes 1986, section 626.84; proposing coding for new law in Minnesota Statutes, chapter 626.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 169.98, is amended by adding a subdivision to read:

Subd. 1a. [VEHICLE STOPS.] Except as otherwise permitted under sections 221.221 and 299D.06, only a person who is licensed as a peace officer, constable, or part-time peace officer under sections 626.84 to 626.855 and section 6 may use a motor vehicle marked under subdivision 1 to stop a vehicle as defined in section 169.01, subdivision 2.

Sec. 2. Minnesota Statutes 1986, section 169.98, is amended by adding a subdivision to read:

Subd. 1b. [OPERATION OF MARKED VEHICLES.] Except as otherwise permitted under sections 221.221 and 299D.06, a motor vehicle marked under subdivision 1 may only be operated by a person licensed as a peace officer, constable, or part-time peace officer under sections 626.84 to 626.855 and section 6. This prohibition does not apply to the following:

(1) a marked vehicle that is operated for maintenance purposes only;

(2) a marked vehicle that is operated during a skills course approved by the peace officers standards and training board;

(3) a marked vehicle that is operated to transport prisoners or equipment; or

(4) a marked vehicle that is operated by a reserve officer to and from a location where the officer provides supplementary assistance authorized under section 626.84, subdivision 1, paragraph (g).

Sec. 3. Minnesota Statutes 1986, section 367.41, subdivision 1, is amended to read:

Subdivision 1. Notwithstanding any general or local law or charter to the contrary, ~~any~~ a constable employed on or after March 23, 1982, by ~~any~~ a political subdivision of the state of Minnesota ~~shall~~ is not be eligible for permanent appointment without being licensed by the Minnesota board of peace officer standards and training pursuant to ~~under~~ section 626.8463, clauses (a) to (e).

Sec. 4. Minnesota Statutes 1986, section 626.84, is amended to read:

#### 626.84 [DEFINITIONS AND SCOPE.]

Subdivision 1. [DEFINITIONS.] For the purposes of sections 626.84 to 626.855 and section 6, the following terms ~~shall~~ have the meanings given them:

(a) "Board" means the ~~Minnesota~~ board of peace officer standards and training;

(b) "Director" means the executive director of the board;

(c) "Peace officer" means an employee of a political subdivision or state law enforcement agency who is licensed by the board, charged with the prevention and detection of crime and the enforcement of the general criminal laws of the state and who has the full power of arrest, and shall also include the Minnesota state patrol and state conservation officers.

(d) "Constable" shall have has the meaning assigned to it in section 367.40.

(e) "Deputy constable" shall have has the meaning assigned to it in section 367.40.

(f) "Part-time peace officer" means an individual licensed by the board whose services are utilized by law enforcement agencies no more than an average of 20 hours per week, not including time spent on call when no call to active duty is received, calculated on an annual basis, who has either full powers of arrest or authorization to carry a firearm while on active duty. The term shall apply even though the individual receives no compensation for time spent on active duty, and shall apply irrespective of the title conferred upon the individual by any law enforcement agency. The limitation on the average number of hours in which the services of a part-time peace officer may be utilized shall not apply to a part-time peace officer who has formally notified the board pursuant to rules adopted by the board of the part-time peace officer's intention to pursue the specialized training for part-time peace officers who desire to become peace officers pursuant to sections 626.843, subdivision 1, clause (g) and 626.845, subdivision 1, clause (g).

(g) "Reserve peace officer" means an individual whose services are utilized by a law enforcement agency ~~for purposes including, but not limited to, providing to provide supplementary assistance at special events, traffic or crowd control, or and administrative or clerical assistance; provided that the individual's~~ A reserve officer's duties do not include enforcement of the general criminal laws of the state unless accompanied by a licensed peace officer; further provided that the individual, and the officer does not have full powers of arrest or authorization to carry a firearm on duty. The term shall apply even though the individual receives no compensation and irrespective of the number of hours worked by, or the title conferred upon, the individual by any law enforcement agency.

(h) "Law enforcement agency" means a unit of state or local government that is authorized by law to grant full powers of arrest and to charge a person with the duties of preventing and detecting crime and enforcing the general criminal laws of the state.

Subd. 2. [SCOPE.] Notwithstanding sections 12.03, subdivision 4, 12.25, or any other law to the contrary, no individual employed or acting as an agent of any political subdivision shall be authorized to carry a firearm when on duty unless the individual has been licensed pursuant to under sections 626.84 to 626.855 and section 6. Nothing herein shall be construed as requiring licensure of a security guard as that term is defined in section 626.88, subdivision 1, clause (c).

Sec. 5. [626.862] [POWERS OF LAW ENFORCEMENT OFFICERS.]

Unless specifically authorized by another law, only a person licensed by the board as a peace officer, constable, or part-time peace officer may exercise the powers, duties, and responsibilities of a peace officer, constable, or part-time peace officer as defined in section 626.84, subdivision 1. A person licensed as a peace officer, constable, or part-time peace officer under this chapter is entitled to the rights, privileges, and protections granted by law to persons exercising authority reserved for peace officers, constables, or part-time peace officers as defined by sections 626.84 to 626.855 and section 6. Nothing in this section is intended to expand the powers of a part-time peace officer.

Sec. 6. [626.863] [UNAUTHORIZED PRACTICE.]

(a) A person who is not a licensed peace officer, constable, or part-time peace officer is guilty of a misdemeanor if the person: (1) makes a representation of being a peace officer, constable, or part-time peace officer, or (2) performs or attempts to perform an act, duty, or responsibility reserved by law for licensed peace officers, constables, and part-time peace officers.

(b) The board shall designate the appropriate law enforcement agency to investigate violations of this section. The attorney general shall prosecute violations of this section."

Delete the title and insert:

"A bill for an act relating to peace officers; requiring licensure as a prerequisite to exercising the authority of a peace officer unless otherwise authorized by law; prohibiting persons from misrepresenting themselves as peace officers or part-time peace officers; prescribing penalties; amending Minnesota Statutes 1986, sections 169.98, by adding subdivisions; 367.41, subdivision 1; and 626.84; proposing coding for new law in Minnesota Statutes, chapter 626."

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 1314, A bill for an act relating to courts; conforming fees for the filing of an unlawful detainer action in Hennepin county with other civil fees and unlawful detainer fees collected throughout the state; changing Hennepin county conciliation court filing and counterclaim fees; amending Minnesota Statutes 1986, sections 488A.03, subdivision 11; and 488A.14, subdivisions 1 and 5.

Reported the same back with the following amendments:

Page 1, line 20, reinstate everything after the period

Page 1, line 21, reinstate everything before the period

Page 2, after line 28, insert:

“(5) Upon the effective date of any \$2 increase in the expired meter fine schedule which is enacted on or after the effective date of section 1, the amount payable to the court administrator shall be increased by \$1 for each expired meter violation disposed of in a violations bureau.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 1319, A bill for an act relating to state government; authorizing the use of certain mechanical lifting devices in public buildings; amending Minnesota Statutes 1986, section 16B.61, subdivision 5.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 1325, A bill for an act relating to motor vehicles; permitting seven characters on personalized license plates; amending Minnesota Statutes 1986, section 168.12, subdivision 2a.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 1327, A bill for an act relating to elections; specifying the time for precinct caucuses; amending Minnesota Statutes 1986, section 202A.14, subdivision 1.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 1335, A bill for an act relating to state government; creating the council on Martin Luther King, Jr., holidays and providing for the council's powers and duties; proposing coding for new law as Minnesota Statutes, chapter 44B.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 1348, A bill for an act relating to retirement; public employees retirement association; authorizing coverage for employees of the St. Paul Ramsey Medical Center commission; amending Minnesota Statutes 1986, section 246A.12, subdivisions 5, 6, and by adding a subdivision.

Reported the same back with the following amendments:

Page 1, line 24, after "employment" insert "or within 30 days of final enactment"

Page 2, after line 14, insert:

"Sec. 4. Minnesota Statutes 1986, section 246A.12, is amended by adding a subdivision to read:

Subd. 6a. Persons employed by the hospital subsidiary corporation may elect to terminate their participation in the public employees retirement association established by chapter 353 prior to August 1, 1988."

Amend the title as follows:

Page 1, line 6, delete "a subdivision" and insert "subdivisions"

With the recommendation that when so amended the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 1351, A bill for an act relating to natural resources; authorizing the taking of elk and amending related laws; authorizing compensation for certain crop damage caused by elk; appropriating money; amending Minnesota Statutes 1986, sections 97A.421, subdivision 6; 97A.431; 97A.465, subdivisions 1 and 3; 97A.471,

subdivision 3; 97A.475, subdivision 2; 97A.525, subdivision 1; 97A.535; and 97B.201; proposing coding for new law in Minnesota Statutes, chapters 3 and 97B.

Reported the same back with the following amendments:

Page 2, line 27, after "agriculture" insert "in cooperation with the commissioner of the department of natural resources,"

Page 2, line 29, after "commissioner" insert "of agriculture"

Page 2, line 34, delete "may" and insert "must"

Page 3, after line 5, insert:

"Sec. 2. [ELK MANAGEMENT PLAN.]

Before authorizing a hunting season on elk, the commissioner of natural resources must adopt an elk management plan that:

- (1) recognizes the value and uniqueness of elk;
- (2) provides for integrated management of an elk population in harmony with the environment;
- (3) affords optimum recreational opportunities; and
- (4) restricts elk to nonagricultural land in the state."

Page 7, line 4, delete "Sections 1 to 11 are" and insert "Section 1 is"

Page 7, after line 7, insert:

"Sections 3 to 12 are effective upon adoption of the elk management plan required in section 2."

Renumber the sections in sequence

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 1352, A bill for an act relating to appropriations; providing funding for the establishment of a community-based juvenile residential correctional facility to serve American Indian juveniles in Hennepin county.

Reported the same back with the following amendments:

Page 1, line 9, delete the second "the" and insert "Hennepin county to be used by the Hennepin county department of community services"

Page 1, line 10, delete "commissioner of corrections"

Page 1, line 14, delete everything after "juveniles"

Page 1, line 15, delete everything before "who"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 1376, A bill for an act relating to state lands; directing sale and conveyance of certain state-owned lands to the city of Owatonna.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Reding from the Committee on Future and Technology to which was referred:

H. F. No. 1380, A bill for an act relating to state government; appropriating money to fund a nonprofit institute for invention and innovation; proposing coding for new law in Minnesota Statutes, chapter 138.

Reported the same back with the following amendments:

Page 2, line 6, delete "\$2,200,000" and insert "\$....."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 1395, A bill for an act relating to children; creating an office for children in the state planning agency; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 116K.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [116K.51] [DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] For the purposes of sections 1 to 5, the following terms have the meanings given them.

Subd. 2. [CHILDREN.] "Children" means persons under 19 years of age.

Subd. 3. [DIRECTOR.] "Director" means the director of the state planning agency.

Sec. 2. [116K.52] [OFFICE FOR CHILDREN.]

Subdivision 1. [CREATION OF AN OFFICE FOR CHILDREN.] An office for children is created in the state planning agency to coordinate policies, programs, and services for children among state agencies.

Subd. 2. [AGENCIES AFFECTED.] The following state agencies have significant involvement with children and shall cooperate with the director in carrying out the duties in sections 3 and 4: corrections, education, health, human services, jobs and training, and public safety. The director may also request assistance from other agencies to carry out the duties of section 3. The director shall consult on a regular basis with the state council for the handicapped, the council on black Minnesotans, the Spanish-speaking affairs council, the Asian-Pacific Minnesotans council, the Indian affairs council, the council on youth, the council on children, youth and families, and other appropriate councils and commissions on policies affecting children.

Sec. 3. [116K.53] [RESPONSIBILITIES.]

The director shall:

(1) review the policies, programs, services, and related funding provided on behalf of children by state government to determine areas where coordination is needed to eliminate gaps, overlaps, or duplication;

(2) convene groups of state agency personnel to design solutions to identified problems;

(3) consult with groups outside of state government on specific issues related to children;

(4) review state agency rules and comment when needed on the effect on children;

(5) review state agency legislation and budgets as they affect children;

(6) collect and publish data on policies, programs, services, and funding affecting Minnesota children for use by policymakers in the public and private sector; and

(7) continually assess options and alternative models for coordination of policies, programs, and services for Minnesota children.

Sec. 4. [116K.54] [REPORTS.]

The director shall report to the legislature on January 15, 1989, and at least every five years after that on the status of programs, policies, and services for children in Minnesota. The report shall include areas such as child abuse and neglect, child care, criminal justice, drug abuse prevention and treatment, education, economic status, health, housing, special problems of minority children, and teenage pregnancy. The director shall publish updated information as new data becomes available.

Sec. 5. [116K.55] [STAFF.]

The state planning agency's complement shall be increased by one full-time equivalency to carry out the duties of the office for children beginning with the 1988 fiscal year.

Sec. 6. [APPROPRIATION.]

\$..... is appropriated for fiscal year 1988 and \$..... is appropriated for fiscal year 1989 from the general fund to the director of the state planning agency for the purposes of the office for children. The unencumbered balance remaining in the first year does not cancel but is available for the second year."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 1397, A bill for an act relating to transportation; providing that private carriers in the construction industry comply with certain rules regarding drivers and vehicles; prescribing certain lease agreements; amending Minnesota Statutes 1986, sections 221.025; and 221.031, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 221.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 1407, A bill for an act relating to environment; establishing a siting process for a low-level radioactive waste facility;

providing for volunteer sites and an alternative site selection process; establishing a siting board; appropriating money; amending Minnesota Statutes 1986, sections 116C.832, subdivision 1, and by adding subdivisions; 116C.834, subdivision 1; and 116C.842, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 116C.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 1409, A bill for an act relating to game and fish; designation and use of waterfowl feeding or resting areas; amending Minnesota Statutes 1986, section 97A.095, subdivision 2.

Reported the same back with the following amendments:

Page 1, line 12, after "ten" insert "local".

Page 1, line 22, after "thrust" insert "unless otherwise restricted".

With the recommendation that when so amended the bill pass.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1413, A bill for an act relating to the city of Redwood Falls; authorizing an economic development authority to construct and furnish buildings; authorizing the authority to issue general obligation bonds subject to a reverse referendum; authorizing the establishment of certain economic development districts.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [PORT AUTHORITY.]

The city of Redwood Falls may, by adoption of an enabling resolution in compliance with the procedural requirements of section 3, establish a port authority commission that, subject to section 2, has the same powers as a port authority established under Minnesota Statutes, section 458.09, or other law, and a housing and redevelopment authority established under Minnesota Statutes, chapter 462, or other law, and is an agency that may administer one or more municipal development districts under Minnesota Statutes, section 472A.10. The port authority commission may exercise any of

these powers within industrial development districts or within other property under the jurisdiction of the commission. The port authority commission may enter into agreements with nonprofit organizations or corporations, limited to joint venture and limited partnership agreements, in order to carry out its purposes. If the city establishes a port authority commission under this section, the city shall exercise all the powers in dealing with a port authority that are granted to a city by Minnesota Statutes, chapter 458, and all powers in dealing with a housing and redevelopment authority that are granted to a city by Minnesota Statutes, chapter 462, or other law.

Sec. 2. [LIMITATION OF POWERS.]

Subdivision 1. [IN THIS SECTION.] The enabling resolution may impose the limits listed in this section on the actions of the port authority.

Subd. 2. [NOT USE SPECIFIED POWERS.] The enabling resolution may require that the port authority must not use specified powers contained in Minnesota Statutes, chapters 458 and 462, or that the port authority must not use powers without the prior approval of the city council.

Subd. 3. [TRANSFER RESERVES.] The enabling resolution may require the port authority to transfer a portion of the reserves generated by activities of the port authority that the city council determines is not necessary for the successful operation of the port authority, to the city general fund, to be used for any general purpose of the city. Reserves previously pledged by the port authority must not be transferred.

Subd. 4. [BOND APPROVAL.] The enabling resolution may require that the sale of bonds or obligations other than general obligation tax supported bonds or obligations issued by the port authority be approved by the city council before issuance.

Subd. 5. [BUDGET PROCESS.] The enabling resolution may require that the port authority follow the budget process for city departments as provided by the city and as implemented by the city council and mayor.

Subd. 6. [LEVY APPROVAL.] The enabling resolution may require that the port authority must not levy a tax for its benefit without approval of the city council.

Subd. 7. [CONSISTENT WITH CITY PLAN.] The enabling resolution may require that all official actions of the port authority must be consistent with the adopted comprehensive plan of the city, and official controls implementing the comprehensive plan.

Subd. 8. [PROJECT APPROVAL.] The enabling resolution may require that the port authority submit to the city council for

approval by resolution any proposed project as defined in Minnesota Statutes, section 273.73, subdivision 8.

Subd. 9. [GOVERNMENTAL RELATIONS.] The enabling resolution may require that the port authority submit all planned activities for influencing the action of any other governmental agency, subdivision, or body to the city council for approval.

Subd. 10. [ADMINISTRATION, MANAGEMENT.] The enabling resolution may require that the port authority submit its administrative structure and management practices to the city council for approval.

Subd. 11. [EMPLOYEE APPROVAL.] The enabling resolution may require that the port authority must not employ anyone without the approval of the city council.

Subd. 12. [OTHER LIMITS.] The enabling resolution may impose any other limit or control established by the city council.

Subd. 13. [MODIFICATIONS.] The enabling resolution may be modified at any time, subject to subdivision 16. A modification must be made according to the procedural requirements of section 3.

Subd. 14. [MODIFICATION PROCEDURE.] Each year, within 60 days of the anniversary date of the first adoption of the enabling resolution, the port authority shall submit a report to the city council stating whether and how it wishes the enabling resolution to be modified. Within 30 days of receipt of the recommendation, the city council shall review the enabling resolution, consider the recommendations of the port authority, and make any modification it considers appropriate. A modification must be made according to the procedural requirements of section 3. The petition requirement does not limit the right of the port authority to petition the city council at any time.

Subd. 15. [COUNCIL ACTION CONCLUSIVE.] A determination by the city council that the limits imposed under section 2 have been complied with by the port authority is conclusive.

Subd. 16. [NOT TO IMPAIR BONDS, CONTRACTS.] Limits imposed under this section must not be applied in a manner that impairs the security of any bonds issued or contracts executed before the limit is imposed. The city council must not modify any limit in effect at the time any bonds or obligations are issued or contracts executed to the detriment of the holder of the bonds or obligations or any contracting party.

### Sec. 3. [PROCEDURAL REQUIREMENT.]

(a) The creation of a port authority by the city of Redwood Falls must be by written resolution known as the enabling resolution. Before adoption of the enabling resolution, the city council shall conduct a public hearing. Notice of the time and place of hearing, a

statement of the purpose of the hearing, and a summary of the resolution must be published in a newspaper of general circulation within the city once a week for two consecutive weeks. The first publication must appear within 30 days before the public hearing.

(b) A modification to the enabling resolution must be by written resolution and must be adopted after notice is given and a public hearing conducted as required for the original adoption of the enabling resolution.

Sec. 4. [GENERAL OBLIGATION BONDS.]

The port authority must not proceed with the sale of general obligation tax supported bonds until the city council by resolution approves the proposed issuance. The resolution must be published in the official newspaper. If, within 30 days after the publication, a petition signed by voters equal in number to ten percent of the number of voters at the last regular city election is filed with the city clerk, the city and port authority must not issue the general obligation tax supported bonds until the proposition has been approved by a majority of the votes cast on the question at a regular or special election.

Sec. 5. [NAME.]

The city may choose the name of the port authority commission.

Sec. 6. [REMOVAL OF COMMISSIONERS FOR CAUSE.]

A commissioner of the port authority may be removed by the city council for inefficiency, neglect of duty, or misconduct in office. A commissioner may be removed only after a hearing. A copy of the charges must be given to the commissioner at least ten days before the hearing. The commissioner must be given an opportunity to be heard in person or by counsel at the hearing. After the charges have been submitted to a commissioner, the city council may temporarily suspend the commissioner. If the city council finds that the charges have not been substantiated, the commissioner shall be immediately reinstated. If a commissioner is removed, a record of the proceedings, together with the charges and findings, must be filed in the office of the city clerk.

Sec. 7. [LOCAL APPROVAL.]

Sections 1 to 6 are effective for the city of Redwood Falls the day after the city complies with Minnesota Statutes, section 645.021, subdivision 3."

Delete the title and insert:

"A bill for an act relating to local government; granting the city of Redwood Falls the authority to establish a port authority; authorizing the port authority to exercise the power of a municipal housing and redevelopment authority; authorizing the city to impose restric-

tions and limitations upon the powers and procedures of the port authority; permitting the city to choose the name of the port authority; providing for removal of port authority commissioners; requiring local approval."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 1419, A bill for an act relating to human rights; requiring certain boards and commissions to develop certain programs for persons subject to prejudice and discrimination; changing certain procedures in cases before the department of human rights; amending Minnesota Statutes 1986, sections 3.922, subdivision 6; 3.9222, by adding a subdivision; 3.9223, subdivision 3; 3.9225, subdivision 3; 3.9226, subdivision 3; 256.482, subdivision 5; 363.05, subdivision 1; 363.06, subdivisions 1 and 4; 363.071; 363.072, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 363.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 363.05, subdivision 1, is amended to read:

Subdivision 1. [FORMULATION OF POLICIES.] The commissioner shall formulate policies to effectuate the purposes of this chapter and shall:

(1) Exercise leadership under the direction of the governor in the development of human rights policies and programs, and make recommendations to the governor and the legislature for their consideration and implementation;

~~(2) cooperate and consult with appropriate commissioners and agencies in developing plans and programs to most effectively serve the needs of Indians; to assist women and to fulfill the purposes of this chapter;~~

~~(3) establish and maintain a principal office in St. Paul, and any other necessary branch offices at any location within the state;~~

(4) (3) meet and function at any place within the state;

~~(5) (4) employ such hearing examiners administrative law judges, attorneys, clerks and other employees and agents as the commissioner may deem necessary and prescribe their duties;~~

(6) (5) to the extent permitted by federal law and regulation, utilize the records of the department of jobs and training of the state when necessary to effectuate the purposes of this chapter;

(7) (6) obtain upon request and utilize the services of all state governmental departments and agencies;

(8) (7) adopt suitable rules for effectuating the purposes of this chapter;

(9) (8) issue complaints, receive and investigate charges alleging unfair discriminatory practices, and determine whether or not probable cause exists for hearing;

(10) (9) subpoena witnesses, administer oaths, take testimony, and require the production for examination of any books or papers relative to any matter under investigation or in question; authorize hearing examiners administrative law judges to exercise the authority conferred by this clause;

(11) (10) attempt, by means of education, conference, conciliation, and persuasion to eliminate unfair discriminatory practices as being contrary to the public policy of the state;

(12) conduct research and study discriminatory practices;

(13) publish and distribute the results of research and study when in the judgment of the commissioner the purposes of this chapter will be served thereby;

(14) (11) develop and conduct programs of formal and informal education designed to eliminate discrimination and intergroup conflict by use of educational techniques and programs the commissioner deems necessary;

(15) (12) make a written report of the activities of the commissioner to the governor each year and to the legislature by November 15 of each even-numbered year;

(16) (13) accept gifts, bequests, grants or other payments public and private to help finance the activities of the department;

(17) (14) create such local and statewide advisory committees as will in the commissioner's judgment aid in effectuating the purposes of the department of human rights;

(18) (15) appoint a hearing examiner administrative law judge to preside at a public hearing on any complaint;

(19) (16) develop such programs as will aid in determining the compliance throughout the state with the provisions of this chapter, and in the furtherance of such duties, conduct research and study discriminatory practices based upon race, color, creed, religion, national origin, sex, age, disability, marital status, status with

regard to public assistance, familial status, or other factors and develop accurate data on the nature and extent of discrimination and other matters as they may affect housing, employment, public accommodations, schools, and other areas of public life;

~~(20)~~ (17) develop and disseminate technical assistance to persons subject to the provisions of this chapter, and to agencies and officers of governmental and private agencies;

~~(21)~~ (18) provide staff services to such advisory committees as may be created in aid of the functions of the department of human rights;

~~(22)~~ (19) make grants in aid to the extent that appropriations are made available for that purpose in aid of carrying out duties and responsibilities, but no grant in aid shall be made without first obtaining the advice and consent of the board; and

~~(23)~~ develop educational programs, community organization programs, leadership development programs, motivational programs, and business development programs for the benefit of those persons theretofore and hereafter subject to prejudice and discrimination;

~~(24)~~ provide information for and direction to a program designed to assist Indian citizens to assume all the rights, privileges, and duties of citizenship; and to coordinate and cooperate with local, state and national and private agencies providing services to the Indian people; and

~~(25)~~ (20) cooperate and consult with the commissioner of labor and industry regarding the investigation of violations of, and resolution of complaints regarding section 363.03, subdivision 9.

In performing these duties, the commissioner shall give priority to those duties in clauses (8), (9), and (10) and to the duties in section 363.073.

Sec. 2. Minnesota Statutes 1986, section 363.06, subdivision 1, is amended to read:

Subdivision 1. [**CHARGE FILING ACTIONS.**] Any person aggrieved by a violation of this chapter may bring a civil action as provided in section 363.14, subdivision 1, clause (a), or may file a verified charge with the commissioner or the commissioner's designated agent, stating, A charge filed with the commissioner must be in writing and signed by the charging party. The charge must state the name and address of the person alleged to have committed an unfair discriminatory practice, setting and set out a summary of the details of the practice complained of and, if applicable, providing. The commissioner may require a charging party to provide the address of the person alleged to have committed the unfair discrim-

inatory practice, names of witnesses, documents, and any other information required by the commissioner necessary to process the charge. The commissioner may dismiss a charge when the charging party fails to provide required information. The commissioner within five ten days of the filing shall serve a copy of the charge and a request for a response and a form for use in responding to the charge upon the respondent personally or by registered or certified mail. After the filing of a charge the commissioner shall notify the charging party in writing of any change in the status of the charge. A copy of the notice shall be mailed to the respondent. The respondent shall file with the department a written response to the charge within 20 days of receipt of the charge.

Sec. 3. Minnesota Statutes 1986, section 363.06, subdivision 4, is amended to read:

Subd. 4. [INQUIRY INTO CHARGE.] (1) Consistent with clause (7), the commissioner shall promptly inquire into the truth of the allegations of the charge. The commissioner shall make an immediate inquiry when a charge alleges actual or threatened physical violence. The commissioner shall also make an immediate inquiry when it appears that a charge is frivolous or without merit and shall dismiss those charges.

The commissioner shall ~~then~~ give priority to investigating and processing those charges, in the order below, which the commissioner determines have ~~one or more~~ of the following characteristics:

(a) ~~there is evidence that the respondent has intentionally engaged in a reprisal;~~

(b) ~~there is evidence of irreparable harm if immediate action is not taken;~~

(c) ~~there is potential for broadly promoting the policies of this chapter;~~

(b) there is evidence that the respondent has intentionally engaged in a reprisal;

~~(d) (c) a significant number of recent charges have been filed against the respondent;~~

~~(e) (d) the respondent is a government entity;~~

~~(f) the charge is supported by substantial documentation, witnesses, or other evidence~~

(e) there is potential for broadly promoting the policies of this chapter; or

(f) the charge is supported by substantial and credible documentation, witnesses, or other evidence.

The commissioner shall inform charging parties of these priorities and shall tell each party if their charge is a priority case or not.

On other charges the commissioner shall make a determination within 12 months after the charge was filed as to whether or not there is probable cause to credit the allegation of unfair discriminatory practices, and

(2) If the commissioner determines after investigation that no probable cause exists to credit the allegations of the unfair discriminatory practice, the commissioner shall, within ten days of the determination, serve upon the charging party and respondent written notice of the determination. Within ten days after receipt of notice, the charging party may request in writing on forms prepared by the department that the commissioner reconsider the determination. The request shall contain a brief statement of the reasons for and new evidence in support of the request for reconsideration. At the time of submission of the request to the commissioner, the charging party shall deliver or mail to the respondent a copy of the request for reconsideration. The commissioner shall either reaffirm or reverse the determination of no probable cause within 20 days after receipt of the request for reconsideration, and shall within ten days notify in writing the charging party and respondent of the decision to reaffirm or reverse.

A decision by the commissioner that no probable cause exists to credit the allegations of an unfair discriminatory practice shall not be appealed to the court of appeals pursuant to section 363.072 or sections 14.63 to 14.68.

(3) If the commissioner determines after investigation that probable cause exists to credit the allegations of unfair discriminatory practices, the commissioner shall serve on the respondent and the respondent's attorney if the respondent is represented by counsel, by first class mail, a notice setting forth a short plain written statement of the alleged facts which support the finding of probable cause and an enumeration of the provisions of law allegedly violated. If the commissioner determines that attempts to eliminate the alleged unfair practices through conciliation pursuant to subdivision 5 have been or would be unsuccessful or unproductive, the commissioner shall issue a complaint and serve on the respondent, by registered or certified mail, a written notice of hearing together with a copy of the complaint, requiring the respondent to answer the allegations of the complaint at a hearing before a hearing examiner an administrative law judge at a time and place specified in the notice, not less than ten days after service of said complaint. A copy of the notice shall be furnished to the charging party and the attorney general.

(4) If, at any time after the filing of a charge, the commissioner has reason to believe that a respondent has engaged in any unfair discriminatory practice, the commissioner may file a petition in the district court in a county in which the subject of the complaint occurs, or in a county in which a respondent resides or transacts business, seeking appropriate temporary relief against the respondent, pending final determination of proceedings under this chapter, including an order or decree restraining the respondent from doing or procuring an act tending to render ineffectual an order the commissioner may enter with respect to the complaint. The court shall have power to grant temporary relief or a restraining order as it deems just and proper, but no relief or order extending beyond ten days shall be granted except by consent of the respondent or after hearing upon notice to the respondent and a finding by the court that there is reasonable cause to believe that the respondent has engaged in a discriminatory practice. Except as modified by this section, the Minnesota rules of civil procedure shall apply to an application, and the district court shall have authority to grant or deny the relief sought on conditions as it deems just and equitable. All hearings under this section shall be given precedence as nearly as practicable over all other pending civil actions.

(5) If a lessor, after engaging in a discriminatory practice defined in section 363.03, subdivision 2, clause (1), (a), leases or rents a dwelling unit to a person who has no knowledge of the practice or of the existence of a charge with respect to the practice, the lessor shall be liable for actual damages sustained by a person by reason of a final order as provided in this section requiring the person to be evicted from the dwelling unit.

(6) In any complaint issued under this section, the commissioner may seek relief for a class of individuals affected by an unfair discriminatory practice occurring on or after a date 300 days prior to the filing of the charge from which the complaint originates.

(7) The commissioner may adopt policies to determine which charges are processed and the order in which charges are processed based on their particular social or legal significance, administrative convenience, difficulty of resolution, or other standard consistent with the provisions of this chapter.

(8) The ~~hearing examiner~~ administrative law judge shall adopt policies to provide sanctions for intentional and frivolous delay caused by any charging party or respondent in an investigation, hearing, or any other aspect of proceedings before the department under this chapter.

Sec. 4. Minnesota Statutes 1986, section 363.071, subdivision 1, is amended to read:

Subdivision 1. [CONDUCT OF HEARINGS.] A complaint issued by the commissioner shall be heard as a contested case, except that the report of the ~~hearing examiner~~ administrative law judge shall be binding on all parties to the proceeding and if appropriate shall be implemented by an order as provided for in subdivision 2. The hearing shall be conducted at a place designated by the commissioner, within the county where the unfair discriminatory practice occurred or where the respondent resides or has a principal place of business. The hearing shall be conducted in accordance with sections 14.57 to 14.62, and is subject to appeal in accordance with sections 14.63 to 14.68.

Sec. 5. Minnesota Statutes 1986, section 363.071, subdivision 1a, is amended to read:

Subd. 1a. [HEARINGS 180 DAYS AFTER CHARGE.] At any time after 180 days from the filing of a charge, if there has been neither a finding of probable cause nor of no probable cause, the charging party may file a request with the commissioner to appear at a hearing on the party's own behalf or through a private attorney. The amount of time during which a case is subject to settlement negotiations, is being investigated by another enforcement agency under a work-sharing agreement, or has been referred to either mediation or to a local human rights commission for no-fault grievance processing must not be counted in computing the 180 days. Tolling of the time during settlement negotiations requires written approval of the charging party or the party's attorney. The right of a charging party to file a request for hearing does not apply in cases which, within 60 days of the filing of the charge, have been certified as complex by the commissioner. A case may not be certified as complex unless it involves multiple parties or issues, presents complex issues of law or fact, or presents substantially new issues of law in the discrimination area. Within five days of certifying a case as complex, the commissioner shall give notice of that certification to the charging party and the respondent. The commissioner shall make a determination of cause or no probable cause within one year of the filing of any case in which the time has been tolled or a case certified as complex. Upon receipt of the request, the commissioner shall review the documents and information held in the department's files concerning the charge and shall release to the charging party and respondent all documents and information that is accessible to the charging party and respondent under sections 13.01 to 13.87. The commissioner shall forward the request for hearing to the office of administrative hearings, which shall promptly set the matter for hearing. If the charging party prevails at this hearing, the ~~hearing examiner~~ commissioner may require the respondent to reimburse the charging party for reasonable attorney's fees.

Sec. 6. Minnesota Statutes 1986, section 363.071, subdivision 6, is amended to read:

Subd. 6. [SUBPOENAS.] After the issuance of a complaint pursuant to section 363.06, subdivision 4, a charging party or a respondent may request that the ~~hearing examiner~~ administrative law judge issue subpoenas requiring the presence of witnesses or the production for examination of books or papers not privileged and relevant to any matter in question at the hearing."

Delete the title and insert:

"A bill for an act relating to human rights; changing certain procedures in cases before the department of human rights; amending Minnesota Statutes 1986, sections 363.05, subdivision 1; 363.06, subdivisions 1 and 4; and 363.071, subdivisions 1, 1a, and 6."

With the recommendation that when so amended the bill pass.

The report was adopted.

Skoglund from the Committee on Financial Institutions and Insurance to which was referred:

H. F. No. 1421, A bill for an act relating to insurance; regulating the formation and operation of risk retention groups; prescribing the powers and duties of the commissioner; defining terms; prescribing penalties; proposing coding for new law as Minnesota Statutes, chapter 60E.

Reported the same back with the following amendments:

Page 12, delete section 14

Renumber the remaining section

With the recommendation that when so amended the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 1425, A bill for an act relating to state contracts; requiring bidders on state construction contracts to submit lists of subcontractors and prohibiting subcontracts with persons not listed; providing penalties; amending Minnesota Statutes 1986, sections

16B.07, by adding a subdivision; and 161.32, by adding a subdivision.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 1439, A bill for an act relating to labor; making collective bargaining agreements binding upon transferee employers; defining transferee employer; creating certain exclusions; requiring the disclosure of collective bargaining agreements; providing for enforcement procedures; proposing coding for new law in Minnesota Statutes, chapter 179.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1444, A bill for an act relating to towns; providing procedures for their organization and dissolution; amending Minnesota Statutes 1986, sections 365.45; 368.47; and 379.01.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 365.45, is amended to read:

365.45 [DISSOLUTION OF TOWNS.]

When the electors of any town, at the annual meeting, or at a special meeting called for that purpose, shall have voted, by ballot, to dissolve the town organization hereunder, the town board thereof shall adopt a resolution setting forth such facts and asking for the dissolution of the town; and a copy of the resolution, a petition signed by a majority of the registered voters of the town calling for the dissolution of the town organization is filed with the town clerk at least 60 days before a regular or special town election, the question of whether to dissolve the town shall be submitted to the

voters at the regular or special town election in the same manner provided in section 368.47. The result of the election, duly certified by the town clerk, shall be presented to the board of county commissioners of the county in which ~~such~~ the town is located; ~~such~~. The board of county commissioners ~~may shall~~, or whenever the tax delinquency in any town exceeds 70 percent in any one year, the board of county commissioners of the county wherein ~~such~~ the town is situated, on its own initiative, may, by resolution, dissolve ~~such~~ the town and attach the territory formerly embraced therein to an adjoining town or towns, or provide for the government of ~~such~~ the territory as unorganized territory of the county. If ~~such~~ the dissolved territory is added to an adjoining town the proposal ~~therefor~~ shall first have the approval of a five-eighths majority of the voting electors of ~~such~~ the town to which the dissolved territory is added. Upon the adoption of the resolution by the county board ~~such~~ the town shall be dissolved and no longer entitled to exercise any of the powers or functions of an organized town. The county auditor shall give ten days notice, by one publication in the paper in which the proceedings of the county board are published, of the meeting of the county board at which ~~such~~ ~~petition~~ the dissolution of the town will be considered.

Sec. 2. Minnesota Statutes 1986, section 368.47, is amended to read:

368.47 [TOWNS MAY BE DISSOLVED.]

When the voters residing within a town in this state have failed to elect any town officials for more than ten years continuously ~~immediately prior to April 24, 1937~~, or the town has failed and omitted for a period of ten years to exercise any of the powers and functions of a town, as provided by law, or when the assessed valuation of any town drops to less than \$40,000, or when the tax delinquency of any such town, exclusive of taxes that are delinquent or unpaid by reason of taxes being contested in proceedings for the enforcement of taxes, amounts to 50 percent of its assessed valuation, or where the state or federal government has acquired title to 50 percent of the real estate of such town, which facts, or any of them, may be found and determined by the resolution of the county board of the county in which the town is located, according to the official records in the office of the county auditor, the county board by resolution may declare any such town, naming it, duly dissolved and no longer entitled to exercise any of the powers or functions of a town. In counties having a population according to the 1930 federal census of not more than 16,000 nor less than 15,000 and having not more than 77 nor less than 75 full or fractional congressional townships, and in counties having a population according to the 1930 federal census of not more than 28,000 nor less than 27,000 and having not more than 91 nor less than 90 full or fractional congressional townships, and in counties having a population according to the 1930 federal census of not more than 210,000 nor less than

200,000 and having not more than 202 nor less than 200 full or fractional congressional townships, before any such dissolution shall become effective the ~~freeholders~~ voters of the town ~~may~~ shall express their approval or disapproval of such dissolution. The clerk of the town shall, upon ~~the petition of ten legal voters of such a~~ petition signed by a majority of the registered voters of the town, filed with the clerk at least 15 60 days before any regular or special town election thereof, give notice at the same time and in the same manner of such election that the question of dissolution of such town will be submitted for determination at such election. At such election when so petitioned for the question shall be voted upon by a separate ballot, the terms of which shall be either "for dissolution" or "against dissolution," which ballot shall be deposited in a separate ballot box to be provided and the result of such voting shall be duly canvassed, certified, and returned in the same manner and at the same time as other facts and returns of the election. If a majority of the votes cast at the election shall be for dissolution, such town shall be dissolved; and, if a majority of the votes cast at the election shall be against dissolution, the town shall not be dissolved.

When a town is dissolved under the provisions of sections 368.47 to 368.49 the county shall acquire title to any telephone company or any other business being conducted by such town and such business shall be operated by the board of county commissioners until such time as a sale thereof can be made; provided that the subscribers or patrons of such businesses shall have the first opportunity of purchase. If such dissolved town has any outstanding indebtedness chargeable to such business, the auditor of the county wherein such dissolved town is located shall levy a tax against the property situated in the dissolved town for the purpose of paying the indebtedness as it becomes due.

Sec. 3. Minnesota Statutes 1986, section 379.01, is amended to read:

### 379.01 [ORGANIZATION.]

Subdivision 1. [MANNER; PETITION; NAME.] When a majority of the legal registered voters of any congressional township containing not less than 25 legal voters petition the county board to be organized as a town such board shall forthwith call an election on the question. If a majority of the vote in the township is in favor of organization, the county board shall proceed to fix and determine the boundaries of such new town and name the same and make and file with the auditor a full report of its proceedings in relation to the establishment thereof. Towns thus formed shall be named in accordance with the expressed wish of a majority of its voters. If they fail to request a name, the board shall select one.

Subd. 2. [PETITION BY FREEHOLDERS.] When a majority of the resident freeholders of any one, two, three, four, or five congres-

sional townships containing in the aggregate not less than 25 freeholders who are legal voters petition the county board to be organized as a town such board shall forthwith call an election on the question. If a majority of the vote in the townships is in favor of organization, the county board shall proceed to fix and determine the boundaries of such new town and name the same and make and file with the county auditor a full report of its proceedings in relation to the establishment thereof. For the purposes of this section the word "freeholders" shall be construed to include any person who is a legal voter in any such town occupying real estate therein under the homestead or preemption laws of the United States or under contract of purchase from any person or corporation or from the state of Minnesota.

Subd. 3. [ORGANIZATIONAL MEETING.] If the result of an election held under this section is in the affirmative the county shall arrange for the holding of the first organizational meeting not more than 30 days after the election in the township to be organized.

Subd. 4. [CONDUCT OF ELECTION; COSTS.] The county auditor shall have the ballots printed for an election under this section, and shall otherwise make preparation for the election including having a notice published in the official newspaper of the county once a week for two successive weeks stating the date of the election and the question to be voted on. The last publication shall be no later than ten days before the election. The cost of the election shall be borne by the county."

With the recommendation that when so amended the bill pass.

The report was adopted.

Otis from the Committee on Economic Development and Housing to which was referred:

H. F. No. 1447, A bill for an act relating to employment; providing for distribution of certain taconite tax proceeds to iron range resources and rehabilitation board for the purposes of funding an employment program and a research and development program; appropriating money; amending Minnesota Statutes 1986, section 298.28, subdivisions 4, 7, 10, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 298.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 298.28, subdivision 4, is amended to read:

Subd. 4. [SCHOOL DISTRICTS.] (a) 27.5 cents per taxable ton plus the increase provided in paragraph (d) must be allocated to qualifying school districts to be distributed, based upon the certification of the commissioner of revenue, under paragraphs (b) and (c).

(b) 5.5 cents per taxable ton must be distributed to the school districts in which the lands from which taconite was mined or quarried were located or within which the concentrate was produced. The distribution must be based on the apportionment formula prescribed in subdivision 2.

(c)(i) 22 cents per taxable ton, less any amount distributed under paragraph (e), shall be distributed to a group of school districts comprised of those school districts wherein the taconite was mined or quarried or the concentrate produced or in which there is a qualifying municipality as defined by section 273.134 in direct proportion to school district indexes as follows: for each school district, its pupil units determined under section 124.17 for the prior school year shall be multiplied by the ratio of the average adjusted assessed value per pupil unit for school districts receiving aid under this clause as calculated pursuant to chapter 124A for the school year ending prior to distribution to the adjusted assessed value per pupil unit of the district. Each district shall receive that portion of the distribution which its index bears to the sum of the indices for all school districts that receive the distributions.

(ii) Notwithstanding clause (i), each school district that receives a distribution under sections 294.21 to 294.26; 298.23 to 298.28, exclusive of any amount received under this clause; 298.34 to 298.39; 298.391 to 298.396; 298.405; 298.51 to 298.67 or any law imposing a tax on several mineral values or any other law distributing proceeds in lieu of ad valorem tax assessments on copper or nickel properties that is less than the amount of its levy reduction under section 275.125, subdivision 9, for the second year prior to the year of the distribution shall receive a distribution equal to the difference; the amount necessary to make this payment shall be derived from proportionate reductions in the initial distribution to other school districts under clause (i).

(d) On July 15, in years prior to 1988, an amount equal to the increase derived by increasing the amount determined by paragraph (c) in the same proportion as the increase in the steel mill products index over the base year of 1977 as provided in section 298.24, subdivision 1, clause (a), shall be distributed to any school district described in paragraph (c) where a levy increase pursuant to section 124A.03, subdivision 2, is authorized by referendum, according to the following formula. On July 15, 1988, and July 15, 1989, the amount per ton provided under this paragraph shall be the same amount as the amount per ton under this paragraph in 1987. On July 15, ~~1988~~ 1990, and subsequent years, the increase over the amount established for the prior year shall be determined according

to the increase in the implicit price deflator as provided in section 298.24, subdivision 1, paragraph (a). Each district shall receive the product of:

(i) \$150 times the pupil units identified in section 124.17, subdivision 1, enrolled in the second previous year or the 1983-1984 school year, whichever is greater, less the product of  $1\frac{3}{4}$  mills times the district's taxable valuation in the second previous year; times

(ii) the lesser of:

(A) one, or

(B) the ratio of the amount certified pursuant to section 124A.03, subdivision 2, in the previous year, to the product of  $1\frac{3}{4}$  mills times the district's taxable valuation in the second previous year.

If the total amount provided by paragraph (d) is insufficient to make the payments herein required then the entitlement of \$150 per pupil unit shall be reduced uniformly so as not to exceed the funds available. Any amounts received by a qualifying school district in any fiscal year pursuant to paragraph (d) shall not be applied to reduce foundation aids which the district is entitled to receive pursuant to section 124A.02 or the permissible levies of the district. Any amount remaining after the payments provided in this paragraph shall be paid to the commissioner of iron range resources and rehabilitation who shall deposit the same in the taconite environmental protection fund and the northeast Minnesota economic protection trust fund as provided in subdivision 11.

(e) There shall be distributed to any school district the amount which the school district was entitled to receive under section 298.32 in 1975.

Sec. 2. Minnesota Statutes 1986, section 298.28, subdivision 7, is amended to read:

Subd. 7. [IRON RANGE RESOURCES AND REHABILITATION BOARD.] Three cents per taxable ton shall be paid to the iron range resources and rehabilitation board for the purposes of section 298.22. The amount determined in this subdivision shall be increased in 1981 and subsequent years prior to 1988 in the same proportion as the increase in the steel mill products index as provided in section 298.24, subdivision 1, and shall be increased in 1988. In 1988 and 1989 the amount shall be the same as it is in 1987. In 1990 and subsequent years the increase over the amount provided for the prior year shall be determined according to the increase in the implicit price deflator as provided in section 298.24, subdivision 1. The amount distributed pursuant to this subdivision shall be expended within or for the benefit of a tax relief area defined in section 273.134. No part of the fund provided in this subdivision may

be used to provide loans for the operation of private business unless the loan is approved by the governor and the legislative advisory commission.

Sec. 3. Minnesota Statutes 1986, section 298.28, is amended by adding a subdivision to read:

Subd. 7a. [EMPLOYMENT FUND.] In 1988 and 1989, the amount of tax proceeds for concentrates produced in 1987 and 1988 attributable to the amount equal to the preceding year's tax rate multiplied by the percentage increase in the implicit price deflator as provided in section 298.24, subdivision 1, paragraph (b), shall be paid to the iron range resources and rehabilitation board and deposited in the taconite tax relief area employment fund for the purposes of sections 5 to 12.

Sec. 4. Minnesota Statutes 1986, section 298.28, subdivision 10, is amended to read:

Subd. 10. [INCREASE.] The amounts determined under subdivisions 6, paragraph (a), and 9 shall be increased in 1979 and subsequent years prior to 1988 in the same proportion as the increase in the steel mill products index as provided in section 298.24, subdivision 1. In 1988 and 1989 those amounts shall be the same as they are in 1987. Those amounts shall be increased in 1988 1990 and subsequent years in the same proportion as the increase in the implicit price deflator as provided in section 298.24, subdivision 1.

The distributions per ton determined under subdivisions 5, paragraphs (b) and (d), and 6, paragraphs (b) and (c) for distribution in 1988 and subsequent years shall be the distribution per ton determined for distribution in 1987.

Sec. 5. [298.331] [TACONITE TAX RELIEF AREA EMPLOYMENT FUND.]

Subdivision 1. [CREATION OF FUND.] The taconite tax relief area employment fund is created. The fund consists of the proceeds provided in section 298.28, subdivision 7a; gifts to the fund under subdivision 3; loans made to the fund under subdivision 4; and repayments under section 9, subdivision 4. The fund must be invested pursuant to law. Any interest or dividends arising from the investment of the fund must be included in and become part of the fund.

Subd. 2. [PURPOSE.] The purpose of the fund is to (1) encourage and assist in the creation of new industries and the development of new worker skills, and to increase long-term employment by providing temporary wage assistance to otherwise unemployed workers and their employers; and (2) provide research and development funds

to encourage utilization of resources indigenous to the tax relief area defined in section 273.134.

Subd. 3. [GIFTS TO FUND.] The commissioner of the iron range resources and rehabilitation board may accept private or public gifts, grants, or other assistance. The grants or other payments must be deposited in and become part of the fund. Other gifts or assistance must be used for the purposes of sections 6 to 12.

Subd. 4. [LOANS TO FUND.] The iron range resources and rehabilitation board may deposit in the fund any resources available to it under other law for the purpose of funding the programs in sections 6 to 12 in anticipation of the receipt of tax proceeds under section 298.28, subdivision 7a. Amounts deposited in the fund under this subdivision must be repaid to the board, without interest, no later than June 15, 1989.

Subd. 5. [ADMINISTRATION OF FUND.] The commissioner of the iron range resources and rehabilitation board shall administer the taconite tax relief area employment fund created in subdivision 1.

Subd. 6. [APPROPRIATION.] The amounts provided to the fund are appropriated to the commissioner to administer the fund, make wage assistance and benefits payments under sections 6 to 10, and fund research and development programs under section 12.

Subd. 7. [TERMINATION OF FUND.] The fund expires June 15, 1989. On termination of the fund, any unexpended or unallocated funds must be paid to the iron range resources and rehabilitation board for the purposes of section 298.22.

Sec. 6. [298.332] [DEFINITIONS.]

Subdivision 1. [TERMS.] For the purposes of sections 6 to 11, the following terms have the meanings given them.

Subd. 2. [ELIGIBLE BUSINESS.] "Eligible business" means a for-profit business.

Subd. 3. [ELIGIBLE EMPLOYER.] "Eligible employer" means an eligible government agency, an eligible nonprofit agency, or an eligible business.

Subd. 4. [ELIGIBLE GOVERNMENT AGENCY.] "Eligible government agency" means a county, municipality, school district, or other local governmental subdivision, a state agency, or a federal agency office in the tax relief area.

Subd. 5. [ELIGIBLE JOB APPLICANT.] "Eligible job applicant" means a person who is an unemployed resident of the tax relief area, is not receiving, is not qualified to receive, or has exhausted all unemployment compensation, workers' compensation, or severance pay. The commissioner may establish additional eligibility criteria.

Subd. 6. [ELIGIBLE NONPROFIT AGENCY.] "Eligible nonprofit agency" means an organization in the tax relief area that is exempt from taxation under the Internal Revenue Code of 1986, section 501(c)(3), as amended through December 31, 1986.

Subd. 7. [COMMISSIONER.] "Commissioner" means the commissioner of the iron range resources and rehabilitation board.

Subd. 8. [TAX RELIEF AREA.] "Tax relief area" has the meaning given it in section 273.134.

Sec. 7. [298.333] [WAGE SUBSIDY; ADMINISTRATION.]

Subdivision 1. [WAGE SUBSIDY AMOUNT; PRIORITY.] The commissioner shall establish the amount of assistance paid under sections 6 to 11. The assistance for an eligible job applicant employed under the program must not exceed \$5 per hour plus \$1 per hour for benefits. The commissioner may use the \$1 per hour benefits amount to purchase a group health insurance plan for employees participating in the program. Assistance may not be paid with respect to an eligible employee for a period longer than six months, unless the commissioner determines that the funds available exceed the cost of providing wage assistance to all eligible applicants for a period of six months.

The commissioner may establish standards to determine priorities in allocating available funds among eligible job applicants. The standards must give priority to applicants living in households with no other sources of income or applicants who receive public assistance payments.

Subd. 2. [CONTRACTS; COMPLIANCE.] The commissioner may contract with other state agencies, local governmental units or agencies, or certified local service providers to administer wage assistance payments under sections 6 to 11. The commissioner may not pay the expenses of the agency's, governmental unit's, or other provider's administration out of the fund established in section 5. The commissioner may contract with the commissioner of jobs and training to enforce compliance with sections 6 to 10, and, in that case, the commissioner of jobs and training has the enforcement powers given in section 268.673, subdivision 4, to enforce compliance with sections 6 to 10.

Sec. 8. [298.334] [ELIGIBLE GOVERNMENT AND NONPROFIT AGENCY EMPLOYMENT.]

A government or nonprofit agency is an eligible employer with respect to temporary work relief projects that are determined by the commissioner to have long-term benefit to or are needed by the community including, but not limited to, jobs in permanent public improvement projects, residential or public building weatherization projects, resource development projects, and community social service programs such as child care and home health care.

Sec. 9. [298.335] [BUSINESS EMPLOYMENT.]

Subdivision 1. [ELIGIBLE BUSINESSES.] A business employer is an eligible employer if it enters into a written contract, signed and subscribed to under oath, with the commissioner or the commissioner's contractor that:

(1) funds received by a business shall be used only to pay wages and benefits as permitted under sections 6 to 11;

(2) the business has submitted information to the commissioner or the commissioner's contractor (i) describing the duties and proposed compensation of each employee proposed to be hired under the program; and (ii) demonstrating that, with the funds provided under section 7, the business is likely to succeed and continue to employ persons hired using wage subsidies;

(3) the business will use the funds exclusively for compensation and benefits to eligible job applicants and will provide employees hired with these funds with benefits, as required by the commissioner, and other terms and conditions of employment comparable to those given to other employees of the business doing comparable work;

(4) the funds are necessary to allow the business to begin, or to employ additional people, but not to fill positions that would be filled even in the absence of wage assistance payments;

(5) the business will cooperate with the commissioner or the commissioner's contractor in collecting data to assess the result of wage assistance payments; and

(6) the business complies with all applicable affirmative action, fair labor, health, safety, and environmental laws, rules, or standards.

Subd. 2. [PRIORITIES.] In allocating funds among eligible businesses, the commissioner or the commissioner's contractor shall give priority to businesses that best satisfy the following criteria:

(1) have a high potential for growth and long-term job creation;

- (2) are labor intensive;
- (3) meet the definition of a small business as defined in section 645.445;
- (4) make high use of local and Minnesota resources;
- (5) are under ownership of women and minorities;
- (6) make high use of new technology;
- (7) produce energy conserving materials or services or are involved in development of renewable sources of energy;
- (8) export products outside the state;
- (9) are manufacturers; and
- (10) have their primary place of business in the tax relief area.

Subd. 3. [PAYBACK.] A business receiving wage subsidies shall repay 70 percent of the amount initially received for each eligible job applicant employed, if the employee does not continue in the employment of the business beyond the six-month subsidized period. If the employee continues in the employment of the business for one year or longer after the six-month subsidized period, the business need not repay any of the funds received for that employee's wages. If the employee continues in the employment of the business for a period of less than one year after the expiration of the six-month subsidized period, the business shall receive a proportional reduction in the amount it must repay. If an employer dismisses an employee for good cause and works in good faith with the commissioner or the commissioner's contractor to employ and train another person referred by the commissioner or the commissioner's contractor, the payback formula shall apply as if the original person had continued in employment.

A repayment schedule shall be negotiated and agreed to by the commissioner or the commissioner's contractor and the business prior to the disbursement of the funds and is subject to renegotiation.

Subd. 4. [TACONITE TAX RELIEF AREA FUND.] All payments from businesses under subdivision 3 must be deposited in the taconite tax relief area employment fund, and are appropriated to the commissioner for the purpose of making wage assistance payments under sections 6 to 11.

Sec. 10. [298.336] [WORKER DISPLACEMENT PROHIBITED.]

Subdivision 1. [LAYOFFS; WORK REDUCTIONS.] An eligible employer may not terminate, lay off, or reduce the working hours of an employee for the purpose of hiring an individual with funds available under sections 6 to 11.

Subd. 2. [HIRING DURING LAYOFFS.] An eligible employer may not hire an individual with funds available under sections 6 to 11 if any other person is on layoff from the same or a substantially equivalent job.

Subd. 3. [EMPLOYER CERTIFICATION.] In order to qualify as an eligible employer, a government or nonprofit agency must certify to the commissioner or the commissioner's contractor that each job created and funded under sections 6 to 11:

(1) will result in an increase in employment opportunities over those which would otherwise be available;

(2) will not result in the displacement of currently employed workers, including partial displacement such as reduction in hours of nonovertime work, wages, or employment benefits; and

(3) will not impair existing contracts for service or result in the substitution of wage subsidy funds for other funds in connection with work that would otherwise be performed.

#### Sec. 11. [298.337] [REPORT.]

The commissioner shall report quarterly to the governor and legislative advisory commission regarding wage assistance payments under sections 6 to 11. The report must state: (1) the number of persons employed; (2) the number and type of employers under the program; (3) the amount of money spent for wages for each type of employment and each type of other expense; (4) the number of persons who have completed participation in the program and their current employment, educational, or training status; (5) the costs of administration and enforcement; and (6) any other information requested by the governor or the legislative advisory commission. Each report must include cumulative information, as well as information for each quarter.

#### Sec. 12. [298.338] [CONTRACT FOR RESEARCH AND DEVELOPMENT PROGRAMS.]

The commissioner of the iron range resources and rehabilitation board may contract with the director of the Natural Resources Research Institute of the University of Minnesota, Duluth, for research and development programs. The programs must concentrate on utilizing the resources that are indigenous to the tax relief area as defined in section 273.134.

**Sec. 13. [EFFECTIVE DATE.]**

Sections 1 to 4 are effective for distributions in 1988 and 1989. Sections 5 to 12 are effective the day after final enactment for wage assistance payments and research and development contract payments beginning June 1, 1987, and ending June 1, 1989.

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Beginch from the Committee on Labor-Management Relations to which was referred:

H. F. No. 1450, A bill for an act relating to workers' compensation; requiring security of self-insurers; regulating special compensation fund assessments and liability; creating a self-insurer insolvency fund; authorizing certain inspections; providing penalties; amending Minnesota Statutes 1986, sections 176.041, subdivision 4, and by adding a subdivision; 176.129, subdivisions 3 and 13; 176.131, subdivisions 1, 1a, and 8; 176.132, subdivision 1; 176.181, subdivision 3; 176.182; 176.183, subdivisions 1a and 2; 176.225, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 60A and 176.

Reported the same back with the following amendments:

Page 1, line 18, after "self-insurer" insert "except the state and its political subdivisions as well as political subdivision self-insurance pools exempted by sections 471.98 to 471.982"

Page 5, delete sections 3 and 4 and insert:

"Sec. 3. Minnesota Statutes 1986, section 176.129, subdivision 9, is amended to read:

Subd. 9. [POWERS OF FUND.] In addition to powers granted to the special compensation fund by this chapter the fund may do the following:

(a) sue and be sued in its own name;

(b) intervene in or commence an action under this chapter or any other law, including, but not limited to, intervention or action as a subrogee to the division's right in a third-party action, any proceeding under this chapter in which liability of the special compensation fund is an issue, or any proceeding which may result in other liability of the fund or to protect the legal right of the fund;

(c) enter into settlements including but not limited to structured, annuity purchase agreements with appropriate parties under this chapter;

(d) contract with another party to administer the special compensation fund; and

(e) take any other action which an insurer is permitted by law to take in operating within this chapter; and

(f) conduct a financial audit of indemnity claim payments and assessments reported to the fund. This may be contracted by the fund to a private auditing firm.

Sec. 4. Minnesota Statutes 1986, section 176.129, subdivision 11, is amended to read:

Subd. 11. [ADMINISTRATIVE PROVISIONS.] The accounting, investigation, and legal costs necessary for the administration of the programs financed by the special compensation fund shall be paid from the fund during each biennium commencing July 1, 1981. Staffing and expenditures related to the administration of the special compensation fund shall be approved through the regular budget and appropriations process. All sums recovered by the special compensation fund as a result of action under section 176.061, or recoveries of payments made by the special compensation fund under section 176.183 or 176.191 shall be credited to the special compensation fund.

Page 7, delete lines 5 to 13

Page 7, delete section 7

Pages 9 to 12, delete section 10

Page 15, line 7, delete "the self-insurers insolvency fund"

Page 15, line 8, delete "or"

Page 15, after line 33, insert:

"Subdivision 1. [PROOF OF INSURANCE.] The commissioner of labor and industry, in order to carry out the purpose of section 176.181, may request satisfactory proof of authority to self insure workers' compensation liability or satisfactory proof of insurance coverage for workers' compensation liability. If an employer does not provide satisfactory proof as requested within seven working days of the mailing of the request, the commissioner may proceed in accordance with the provisions of subdivisions 2 to 7."

Renumber the subdivisions

Page 18, after line 19, insert:

"Sec. 14. Minnesota Statutes 1986, section 176.185, is amended by adding a subdivision to read:

Subd. 5a. [PENALTY FOR IMPROPER WITHHOLDING.] Except as provided by subdivision 6, if, after notification by the commissioner an employer continues to withhold money from an employee's wages or otherwise attains money from an employee to pay a part of the cost of insuring the employers risk is subject to a penalty of 200 percent of the amount withheld from or charged the employee for all instances after the initial violation. The penalty shall be imposed by the commissioner. Fifty percent of this penalty is payable to the special compensation fund."

Page 18, line 33, delete "10,"

Page 19, line 6, delete "10,"

Page 19, after line 7, insert:

"Sec. 16. [APPROPRIATIONS; COMPLEMENT INCREASE.]

There is appropriated to the department of labor and industry for the fiscal years ending June 30 of the year indicated from the special compensation fund:

1988  
\$197,000

1989  
\$197,000

The approved complement of the department of labor and industry is increased by one and is to be used to enforce mandatory insurance requirements."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, after "penalties;" insert "appropriating money;"

Page 1, lines 7 and 8, delete ", and by adding a subdivision"

Page 1, line 8, delete "3" and insert "9, 11,"

Page 1, line 9, delete ", 1a,"

Page 1, line 11, before "176.225" insert "176.185, by adding a subdivision;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Begin from the Committee on Labor-Management Relations to which was referred:

H. F. No. 1452, A bill for an act relating to unemployment compensation; limiting recovery of overpayments due to agency error; limiting amount of setoff from current benefit amount; amending Minnesota Statutes 1986, section 268.18, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 268.15, subdivision 3, is amended to read:

Subd. 3. [CONTINGENT ACCOUNT.] There is hereby created in the state treasury a special account, to be known as the economic security contingent account, which shall not lapse nor revert to any other fund. Such account shall consist of all moneys appropriated therefor by the legislature, all moneys in the form of interest and penalties collected pursuant to section 268.16 and all moneys received in the form of voluntary contributions to this account and interest thereon. All moneys in such account shall be supplemental to all federal moneys that would be available to the commissioner but for the existence of this account. Moneys in this account are hereby appropriated to the commissioner and shall be expended in accordance with the provisions of section 3.30, in connection with the administration of sections 268.03 to 268.24. Whenever the commissioner expends moneys from said contingent account for the proper and efficient administration of the Minnesota economic security law for which funds have not yet been made available by the federal government, such moneys so withdrawn from the contingent account shall be replaced as hereinafter provided. Upon the deposit in the economic security administration fund of moneys which are received in reimbursement of payments made as above provided for said contingent account, the commissioner shall certify to the state treasurer the amount of such reimbursement and thereupon the state treasurer shall transfer such amount from the economic security administration fund to said contingent account. All moneys in this account shall be deposited, administered, and disbursed in the same manner and under the same conditions and requirements as is provided by law for the other special accounts in the state

treasury. The state treasurer shall be liable on the treasurer's official bond for the faithful performance of duties in connection with the economic security contingent account provided for herein. Notwithstanding anything to the contrary contained herein, on June 30 of each year, except 1982, all amounts in excess of \$300,000 in this account shall be paid over to the unemployment compensation fund established under section 268.05 and administered in accordance with the provisions set forth therein.

The commissioner shall pay from the contingent account into the unemployment insurance fund an amount equal to the amount of erroneous payments, other than computational errors, due to errors in the administration of sections 268.03 to 268.24 or because of determinations or redeterminations issued pursuant to section 268.10, subdivision 2, because of department error, which are not collected from the claimant within three years of the overpayment.

Sec. 2. Minnesota Statutes 1986, section 268.18, subdivision 1, is amended to read:

Subdivision 1. [ERRONEOUS PAYMENTS.] Any claimant for benefits who, by reason of the claimant's own mistake or through the error of any individual engaged in the administration of sections 268.03 to 268.24 or because of a determination or redetermination issued pursuant to section 268.10, subdivision 2, has received any sum as benefits to which the claimant was not entitled under these sections, shall promptly return such benefits in cash to the nearest office of the Minnesota department of jobs and training. If such claimant fails to return such benefits, the department of jobs and training shall, as soon as it discovers such erroneous payment, determine the amount thereof and notify said individual to return the same. Unless the claimant files a written appeal with the department of jobs and training within 15 days after the mailing of the notice of determination to the claimant's last known address or personal delivery of the notice, the determination shall become final. If the claimant files an appeal with the department in writing within the time aforesaid the matter shall be set for hearing before a referee of the department and heard as other benefit matters are heard in accordance with section 268.10 with the same rights of review as outlined for benefit cases in that section. The commissioner of the department of jobs and training is hereby authorized to deduct from any future benefits payable to the claimant under these sections in either the current or any subsequent benefit year an amount equivalent to the overpayment determined or the overpayment may be collected without interest by civil action in the name of the commissioner, except that an overpayment that is due to an error, other than a computation error, of any individual engaged in the administration of sections 268.03 to 268.24 shall be recovered only by deduction from future benefits payable. If a claimant has been overpaid benefits under the law of another state and that state certifies to the department the facts involved and that the individual

is liable under its law to repay the benefits and requests the department to recover the overpayment, the commissioner is authorized to deduct from future benefits payable to the claimant in either the current or any subsequent benefit year an amount equivalent to the amount of overpayment determined by that state. Recovery of an overpayment by deduction from future benefits payable shall be limited to 25 percent each week of a claimant's weekly benefit. Benefits paid for weeks more than three years prior to the discovery of error are not erroneous payments."

Amend the title as follows:

Page 1, line 5, delete "section" and insert "sections 268.15, subdivision 3; and"

With the recommendation that when so amended the bill pass.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1478, A bill for an act relating to the city of Mankato; permitting the establishment of special service districts; providing taxing and other authority.

Reported the same back with the following amendments:

Page 3, line 29, insert a period after "273.76" and delete "or to the distribution or contribution value under"

Page 3, line 30, delete "Minnesota Statutes, section 473F.08."

Page 5, line 11, delete "chapter 473F."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 1507, A bill for an act relating to water; prohibiting the commissioner of natural resources from issuing certain permits or approving certain plans for diversion of water from certain water basins before consultation with state and Canadian officials; amending Minnesota Statutes 1986, sections 105.37, by adding subdivi-

sions; 105.405, subdivision 2, and by adding subdivisions; and 105.44, subdivision 4.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 1516, A bill for an act relating to historic sites; establishing a St. Anthony Falls heritage interpretive zone and heritage board; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 138.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1521, A bill for an act relating to local government; providing the Lake county housing and redevelopment authority with certain port authority powers.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 1542, A bill for an act relating to unemployment compensation; making various technical and housekeeping changes; defining "wages"; regulating benefits and contributions; providing for the administration of the unemployment compensation law; providing penalties; amending Minnesota Statutes 1986, sections 268.04, subdivisions 9, 12, 24, 25, 26, 29, and by adding subdivisions; 268.06, subdivisions 2, 3a, 5, 6, 8, 19, 20, 22, and 24; 268.07, subdivision 3; 268.08, subdivisions 3, 3a, and by adding a subdivision; 268.09, subdivisions 1 and 3; 268.12, subdivision 8; 268.121; 268.15, subdivision 3; 268.16, subdivision 2, and by adding subdivisions; 268.161, subdivisions 1, 8, 9, and by adding a subdivision; 268.18, subdivisions 1, 2, 3, 4, 5, and by adding a subdivision;

268.65, subdivision 5; 270A.09, by adding a subdivision; and 508.25; proposing coding for new law in Minnesota Statutes, chapter 268; repealing Minnesota Statutes 1986, section 268.24.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

House Concurrent Resolution No. 9, A House concurrent resolution designating the "Red Ribbon" to commemorate Minnesota citizens who are still missing in action or are being held against their will in Asian countries.

Reported the same back with the recommendation that the resolution be adopted.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 142, 157, 228, 283, 371, 376, 462, 464, 521, 613, 638, 706, 762, 774, 809, 853, 872, 903, 909, 945, 969, 990, 1015, 1038, 1041, 1046, 1068, 1103, 1111, 1145, 1163, 1193, 1204, 1209, 1230, 1260, 1263, 1277, 1308, 1312, 1314, 1319, 1327, 1348, 1376, 1397, 1409, 1419, 1421, 1425, 1439, 1444, 1452, 1507, 1521 and 1542 were read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Segal introduced:

H. F. No. 1571, A bill for an act relating to vocational rehabilitation; establishing a legislative commission to study and make recommendations regarding job and training options for persons with mental illness; appropriating funds.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Nelson, K., introduced:

H. F. No. 1572, A bill for an act relating to education; authorizing certain school districts to issue bonds to improve buildings.

The bill was read for the first time and referred to the Committee on Education.

Neuenschwander introduced:

H. F. No. 1573, A bill for an act relating to horse racing; requiring revenue from unredeemed pari-mutuel tickets to be deposited into the game and fish fund; appropriating money; amending Minnesota Statutes 1986, section 240.15, subdivisions 5 and 6.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Hugoson and Kalis introduced:

H. F. No. 1574, A bill for an act relating to education; allowing school districts to determine when to begin and end the school year with certain restrictions; amending Minnesota Statutes 1986, section 126.12, subdivision 1, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Education.

Johnson, A.; Olson, K.; Price; McEachern and Kelso introduced:

H. F. No. 1575, A bill for an act relating to education; providing for suicide prevention programs in schools; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 126.

The bill was read for the first time and referred to the Committee on Education.

Tjornhom, Segal, Wagenius, Kalis and Carlson, D., introduced:

H. F. No. 1576, A bill for an act relating to traffic regulations; requiring the commissioner of transportation to allow high-occupancy vehicles to use exclusive bus ramps on controlled-access trunk highways; proposing coding for new law in Minnesota Statutes 1986, chapter 169.

The bill was read for the first time and referred to the Committee on Transportation.

Milbert introduced:

H. F. No. 1577, A bill for an act relating to education; authorizing exceptional need revenue for eligible school districts; appropriating money; amending Minnesota Statutes 1986, section 275.125, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 124.

The bill was read for the first time and referred to the Committee on Education.

Kludt, Norton, Clark, Kelly and Greenfield introduced:

H. F. No. 1578, A bill for an act relating to medical records; providing for patient access to medical records; amending Minnesota Statutes 1986, section 144.335, subdivision 2.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Skoglund introduced:

H. F. No. 1579, A bill for an act relating to financial institutions; imposing liability for errors made by a financial institution under certain circumstances; proposing coding for new law in Minnesota Statutes, chapter 47.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Jacobs introduced:

H. F. No. 1580, A bill for an act relating to taxation; providing that railroad retirement benefits are exempt from taxation; amending Minnesota Statutes 1986, section 290.08, subdivision 26.

The bill was read for the first time and referred to the Committee on Taxes.

Miller introduced:

H. F. No. 1581, A bill for an act relating to education; appropriating money for a grant for the Redwood county telecommunications network.

The bill was read for the first time and referred to the Committee on Education.

Scheid, Osthoff, Quinn, Kostohryz and Shaver introduced:

H. F. No. 1582, A bill for an act relating to elections; establishing a local government election day for election of county, city, and school district officers, county and municipal judges, and officers of all other political subdivisions except towns; requiring uniform and coordinated election precincts and polling places for municipalities and school districts; integrating municipal and school district election laws with laws applicable to other elections; superseding certain inconsistent general and special laws and home rule charter provisions; amending Minnesota Statutes 1986, sections 40.05, subdivisions 1, 3, and 4; 40.06, subdivision 1; 122.23, subdivisions 12, 17, and 18; 122.25, subdivision 2; 123.12, subdivision 1; 123.32, subdivisions 9, 13, and 23; 123.33, subdivisions 1 and 4; 123.34, subdivision 1; 123.351, subdivisions 1 and 3; 123.51; 128.01; 200.02, by adding a subdivision; 201.071, subdivisions 1, 3, and by adding a subdivision; 203B.05, subdivision 2; 203B.06, subdivision 3; 204B.12, subdivision 1; 204B.14, by adding a subdivision; 204B.16, subdivision 1; 204B.18, subdivision 2, and by adding a subdivision; 204B.35, subdivision 1; 204B.40; 204C.10, subdivision 1; 204C.19, subdivision 2; 204C.25; 204C.27; 204C.28, by adding a subdivision; 204C.31, subdivision 2; 204C.32, subdivision 1; 204D.02, subdivisions 1 and 2; 204D.11, subdivision 5, and by adding a subdivision; 204D.16; 205.02, subdivision 2; 205.13, subdivision 1, and by adding a subdivision; 205.16, subdivision 2; 205.185, subdivisions 2, 3, and by adding a subdivision; 209.02, subdivision 1; 209.021, subdivision 3; 365.51; 375.025, subdivision 4; 375.03; 375.101, subdivision 2; 375A.02, subdivision 1; 375A.09, subdivision 4; 382.01; 397.06; 397.07; 398.04; 410.21; 412.02, subdivisions 2 and 2a; 412.021, subdivision 2; 412.571, subdivision 5; 447.32, subdivisions 1 and 2; 487.03, subdivisions 2 and 5; 488A.021, subdivision 3; and 488A.19, subdivision 3; proposing coding for new law in chapters 205 and 210A; repealing Minnesota Statutes 1986, sections 123.015; 123.11, subdivisions 2, 3, 4, 5, and 6; 123.32, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 11, 22, 24, 25, 26, and 27; 200.015; 201.095; 204D.28, subdivision 5; 205.02; 205.065; 205.07; 205.175; 205.18; 205.20; 206.76; and 447.32, subdivisions 3 and 4.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Johnson, R.; Kahn; Carlson, D.; Kinkel and Munger introduced:

H. F. No. 1583, A bill for an act relating to natural resources; defining state forest management roads; providing for the establishment, construction, administration, and maintenance of state forest management roads; amending Minnesota Statutes 1986, sections 89.001, by adding a subdivision; and 89.19; proposing coding for new law in Minnesota Statutes, chapter 89.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Kelly, Wagenius, Trimble, Pappas and Krueger introduced:

H. F. No. 1584, A bill for an act relating to family law; providing for the unenforceability of surrogate parenting contracts; proposing coding for new law in Minnesota Statutes, chapter 257.

The bill was read for the first time and referred to the Committee on Judiciary.

Carlson, L., introduced:

H. F. No. 1585, A bill for an act relating to natural resources; providing for surface water regulation on Twin Lakes in the city of Robbinsdale.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Otis, Nelson, K.; Carlson, L.; Boo and Gruenes introduced:

H. F. No. 1586, A bill for an act relating to education; establishing a regent candidate search commission to assist the legislature in identifying candidates for the board of regents; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 137.

The bill was read for the first time and referred to the Committee on Higher Education.

Gruenes introduced:

H. F. No. 1587, A bill for an act relating to retirement; inclusion of librarians in the correctional officer's retirement plan; amending Minnesota Statutes 1986, section 352.91, subdivision 2.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Kelly, Greenfield, Simoneau, Blatz and Wynia introduced:

H. F. No. 1588, A bill for an act relating to state government; creating a state ombudsman agency; providing for deputy ombudsman for child protection, corrections, crime victims, and mental health; creating a state ombudsman advisory council; prescribing powers and duties; amending Minnesota Statutes 1986, sections 13.66; 609.101; 626.556, subdivision 10, and by adding a subdivision; and 626.557, subdivision 11, and by adding a subdivision;

proposing coding for new law as Minnesota Statutes, chapter 256G; proposing coding for new law in Minnesota Statutes, chapter 611A; repealing Minnesota Statutes 1986, sections 241.41 to 241.45, and 611A.72 to 611A.75.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Olsen, S., introduced:

H. F. No. 1589, A bill for an act relating to real property; providing a restriction on the duration of conditions affecting certain real property; providing an exemption for the city of North Oaks; amending Minnesota Statutes 1986, section 500.20, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Judiciary.

Dorn introduced:

H. F. No. 1590, A bill for an act relating to education; clarifying the authority of school boards to appoint directors of area vocational technical institutes; amending Minnesota Statutes 1986, section 136C.05, subdivision 1.

The bill was read for the first time and referred to the Committee on Education.

## MESSAGES FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker:

I have the honor to inform the House of Representatives that the Senate is ready to meet with the House in Joint Convention at 1:00 p.m., Wednesday, April 15, 1987, to elect members to the Board of Regents of the University of Minnesota.

PATRICK E. FLAHAVEN, Secretary of the Senate

## CONSENT CALENDAR

H. F. No. 1042, A bill for an act relating to motor carriers; exempting drivers of intrastate charter carriers from having in

possession a medical examiner certificate if the driver has a school bus endorsement; amending Minnesota Statutes 1986, section 221.031, by adding a subdivision.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Larsen	Onnen	Simoneau
Anderson, R.	Gruenes	Lasley	Orenstein	Skoglund
Battaglia	Gutknecht	Lieder	Osthoff	Solberg
Bauerly	Hartle	Long	Otis	Sparby
Beard	Haukoos	Marsh	Ozment	Stanius
Begich	Heap	McDonald	Pappas	Steensma
Bennett	Himle	McEachern	Pauly	Svigum
Bertram	Hugoson	McKasy	Pelowski	Swenson
Bishop	Jacobs	McLaughlin	Peterson	Thiede
Blatz	Jaros	McPherson	Poppenhagen	Tjornhom
Boo	Jefferson	Milbert	Price	Tompkins
Brown	Jennings	Miller	Quinn	Trimble
Burger	Jensen	Minne	Redalen	Tunheim
Carlson, D.	Johnson, A.	Morrison	Reding	Uphus
Carlson, L.	Johnson, R.	Munger	Rest	Valento
Carruthers	Johnson, V.	Murphy	Rice	Vanasek
Clark	Kahn	Nelson, C.	Richter	Vellenga
Cooper	Kalis	Nelson, D.	Rodosovich	Voss
Dauner	Kelly	Nelson, K.	Rose	Wagenius
DeBlieck	Kelso	Neuenschwander	Sarna	Waltman
Dempsey	Kinkel	O'Connor	Schafer	Welle
Dille	Kludt	Ogren	Scheid	Wenzel
Dorn	Knickerbocker	Olsen, S.	Schoenfeld	Winter
Forsythe	Knuth	Olson, E.	Schreiber	Spk. Norton
Frederick	Kostohryz	Olson, K.	Seaberg	
Frerichs	Krueger	Omann	Segal	

The bill was passed and its title agreed to.

H. F. No. 1083, A bill for an act relating to government liability; authorizing municipal insurers to settle tort claims; clarifying that instrumentalities of municipalities incorporated as nonprofit corporations may be included in the self insurance pool; amending Minnesota Statutes 1986, sections 466.06; 466.08; and 471.98, subdivision 2.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Battaglia	Beard	Bennett	Bishop
Anderson, R.	Bauerly	Begich	Bertram	Blatz

Boo	Jacobs	McLaughlin	Pelowski	Sparby
Brown	Jaros	McPherson	Peterson	Stanius
Burger	Jefferson	Milbert	Price	Steensma
Carlson, D.	Jennings	Miller	Quinn	Sviggum
Carlson, L.	Jensen	Minne	Quist	Swenson
Carruthers	Johnson, A.	Morrison	Redalen	Thiede
Clark	Johnson, R.	Munger	Reding	Tjornhom
Clausnitzer	Johnson, V.	Murphy	Rest	Tompkins
Cooper	Kahn	Nelson, C.	Rice	Trimble
Dauner	Kalis	Nelson, D.	Richter	Tunheim
DeBlieck	Kelly	Nelson, K.	Riveness	Uphus
Dempsey	Kelso	Neuenschwander	Rodosovich	Valento
Dille	Kinkel	O'Connor	Rose	Vanasek
Dorn	Kludt	Ogren	Rukavina	Vellenga
Forsythe	Knickerbocker	Olsen, S.	Sarna	Voss
Frederick	Knuth	Olson, E.	Schafer	Wagenius
Frerichs	Kostohryz	Olson, K.	Scheid	Waltman
Greenfield	Krueger	Omman	Schoenfeld	Welle
Gruenes	Larsen	Onnen	Schreiber	Wenzel
Gutknecht	Lasley	Orenstein	Seaberg	Winter
Hartle	Lieder	Osthoff	Segal	Wynia
Haukoos	Marsh	Otis	Shaver	Spk. Norton
Heap	McDonald	Ozment	Simoneau	
Himle	McEachern	Pappas	Skoglund	
Hugoson	McKasy	Pauly	Solberg	

The bill was passed and its title agreed to.

H. F. No. 1207, A bill for an act relating to real property; altering certain redemption periods; amending Minnesota Statutes 1986, section 580.23, subdivision 2.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Forsythe	Kinkel	Nelson, D.	Rice
Anderson, R.	Frederick	Kludt	Nelson, K.	Richter
Battaglia	Frerichs	Knickerbocker	Neuenschwander	Riveness
Bauerly	Greenfield	Knuth	O'Connor	Rodosovich
Beard	Gruenes	Kostohryz	Ogren	Rose
Begich	Gutknecht	Krueger	Olsen, S.	Rukavina
Bennett	Hartle	Larsen	Olson, K.	Sarna
Bertram	Haukoos	Lasley	Omman	Schafer
Bishop	Heap	Lieder	Onnen	Schoenfeld
Blatz	Himle	Long	Orenstein	Schreiber
Boo	Hugoson	Marsh	Otis	Seaberg
Brown	Jacobs	McDonald	Ozment	Segal
Carlson, D.	Jaros	McEachern	Pappas	Shaver
Carlson, L.	Jefferson	McKasy	Pauly	Simoneau
Carruthers	Jennings	McLaughlin	Pelowski	Skoglund
Clark	Jensen	McPherson	Peterson	Solberg
Clausnitzer	Johnson, A.	Milbert	Poppenhagen	Sparby
Cooper	Johnson, R.	Miller	Price	Stanius
Dauner	Johnson, V.	Minne	Quinn	Steensma
DeBlieck	Kahn	Morrison	Quist	Sviggum
Dempsey	Kalis	Munger	Redalen	Swenson
Dille	Kelly	Murphy	Reding	Thiede
Dorn	Kelso	Nelson, C.	Rest	Tjornhom

Tompkins	Uphus	Vellenga	Waltman	Wynia
Trimble	Valento	Voss	Welle	Spk. Norton
Tunheim	Vanasek	Wagenius	Wenzel	

The bill was passed and its title agreed to.

H. F. No. 1223, A bill for an act relating to Morrison county; removing special qualifications for newspapers; repealing Laws 1980, chapter 526.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Larsen	Onnen	Seaberg
Anderson, R.	Gruenes	Lasley	Orenstein	Segal
Battaglia	Gutknecht	Lieder	Osthoff	Shaver
Bauerly	Hartle	Long	Otis	Simoneau
Beard	Haukoos	Marsh	Ozment	Skoglund
Begich	Heap	McDonald	Pappas	Solberg
Bennett	Himle	McEachern	Pauly	Sparby
Bertram	Hugoson	McKasy	Pelowski	Stanius
Bishop	Jacobs	McLaughlin	Peterson	Steensma
Blatz	Jaros	McPherson	Poppenhagen	Sviggum
Boo	Jefferson	Milbert	Price	Swenson
Brown	Jennings	Miller	Quinn	Thiede
Carlson, D.	Jensen	Minne	Quist	Tjornhom
Carlson, L.	Johnson, A.	Morrison	Redalen	Tompkins
Carruthers	Johnson, R.	Munger	Reding	Trimble
Clark	Johnson, V.	Murphy	Rice	Tunheim
Clausnitzer	Kahn	Nelson, C.	Richter	Uphus
Cooper	Kalis	Nelson, D.	Riveness	Valento
Dauner	Kelly	Nelson, K.	Rodosovich	Vanasek
DeBlieck	Kelso	Neuenschwander	Rose	Vellenga
Dempsey	Kinkel	O'Connor	Rukavina	Voss
Dille	Kludt	Ogren	Sarna	Wagenius
Dorn	Knickerbocker	Olsen, S.	Schafer	Waltman
Forsythe	Knuth	Olson, E.	Scheid	Welle
Frederick	Kostohryz	Olson, K.	Schoenfeld	Wenzel
Frerichs	Krueger	Omann	Schreiber	Wynia
				Spk. Norton

The bill was passed and its title agreed to.

H. F. No. 1390, A bill for an act relating to utilities; providing for representation of small business by attorney general in certain proceedings relating to utility rates, service, and other matters; amending Minnesota Statutes 1986, section 8.33.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Frerichs	Larsen	Onnen	Simoneau
Anderson, R.	Greenfield	Lasley	Orenstein	Skoglund
Battaglia	Gruenes	Lieder	Osthoff	Solberg
Bauerly	Gutknecht	Long	Otis	Sparby
Beard	Hartle	Marsh	Ozment	Stanius
Begich	Haukoos	McDonald	Pappas	Steensma
Bennett	Heap	McEachern	Pauly	Sviggum
Bertram	Himle	McKasy	Pelowski	Swenson
Bishop	Hugoson	McLaughlin	Peterson	Thiede
Blatz	Jacobs	McPherson	Poppenhagen	Tjornhom
Boo	Jaros	Milbert	Price	Tompkins
Brown	Jefferson	Miller	Quinn	Trimble
Burger	Jensen	Minne	Quist	Uphus
Carlson, D.	Johnson, A.	Morrison	Redalen	Valento
Carlson, L.	Johnson, R.	Munger	Reding	Vanasek
Carruthers	Johnson, V.	Murphy	Rest	Vellenga
Clark	Kahn	Nelson, C.	Rice	Voss
Clausnitzer	Kalis	Nelson, D.	Riveness	Wagenius
Cooper	Kelly	Nelson, K.	Rodosovich	Waltman
Dauner	Kelso	Neuenschwander	Rose	Welle
DeBlicck	Kinkel	O'Connor	Rukavina	Wenzel
Dempsey	Kludt	Ogren	Sarna	Winter
Dille	Knickerbocker	Olsen, S.	Schafer	Wynia
Dorn	Knuth	Olson, E.	Scheid	Spk. Norton
Forsythe	Kostohryz	Olson, K.	Seaberg	
Frederick	Krueger	Omann	Shaver	

The bill was passed and its title agreed to.

H. F. No. 1416, A bill for an act relating to the city of Minneapolis; providing for the appointment of the director of the office of emergency preparedness; amending Laws 1969, chapter 937, section 1, by adding a subdivision.

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 134 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Clark	Heap	Kludt	Miller
Anderson, R.	Clausnitzer	Himle	Knickerbocker	Minne
Battaglia	Cooper	Hugoson	Knuth	Morrison
Bauerly	Dauner	Jacobs	Kostohryz	Munger
Beard	DeBlicck	Jaros	Krueger	Murphy
Begich	Dempsey	Jefferson	Larsen	Nelson, C.
Bennett	Dille	Jennings	Lasley	Nelson, D.
Bertram	Dorn	Jensen	Lieder	Nelson, K.
Bishop	Forsythe	Johnson, A.	Long	Neuenschwander
Blatz	Frederick	Johnson, R.	Marsh	O'Connor
Boo	Frerichs	Johnson, V.	McDonald	Ogren
Brown	Greenfield	Kahn	McEachern	Olsen, S.
Burger	Gruenes	Kalis	McKasy	Olson, E.
Carlson, D.	Gutknecht	Kelly	McLaughlin	Olson, K.
Carlson, L.	Hartle	Kelso	McPherson	Omann
Carruthers	Haukoos	Kinkel	Milbert	Onnen

Orenstein	Quist	Schafer	Stanius	Vanasek
Osthoff	Redalen	Scheid	Steensma	Vellenga
Otis	Reding	Schoenfeld	Sviggrum	Voss
Ozment	Rest	Schreiber	Swenson	Wagenius
Pappas	Rice	Seaberg	Thiede	Waltman
Pauly	Richter	Segal	Tjornhom	Welle
Pelowski	Riveness	Shaver	Tompkins	Wenzel
Peterson	Rodosovich	Simoneau	Trimble	Winter
Poppenhagen	Rose	Skoglund	Tunheim	Wynia
Price	Rukavina	Solberg	Uphus	Spk. Norton
Quinn	Sarna	Sparby	Valento	

The bill was passed and its title agreed to.

## CALENDAR

H. F. No. 234, A bill for an act relating to employment; establishing unpaid leave of absences for new parents; setting conditions on return from leave; creating a cause of action; prohibiting cost of parental leave from increasing unemployment insurance experience rating; amending Minnesota Statutes 1986, section 268.06, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 181.

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 97 yeas and 36 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Hartle	Lieder	Orenstein	Simoneau
Anderson, R.	Himle	Long	Osthoff	Skoglund
Battaglia	Jacobs	Marsh	Otis	Solberg
Beard	Jaros	McEachern	Pappas	Steensma
Begich	Jefferson	McKasy	Pauly	Tjornhom
Bishop	Jennings	McLaughlin	Pelowski	Tompkins
Blatz	Jensen	Milbert	Peterson	Trimble
Boo	Johnson, A.	Minne	Price	Tunheim
Brown	Johnson, R.	Morrison	Quinn	Vanasek
Carlson, L.	Kahn	Munger	Reding	Vellenga
Carruthers	Kalis	Murphy	Rest	Voss
Clark	Kelly	Nelson, C.	Rice	Wagenius
Cooper	Kinkel	Nelson, D.	Riveness	Welle
DeBlieck	Kludt	Nelson, K.	Rodosovich	Wenzel
Dille	Knickerbocker	Neuenschwander	Rukavina	Winter
Dorn	Knuth	O'Connor	Sarna	Wynia
Forsythe	Kostohryz	Ogren	Scheid	Spk. Norton
Greenfield	Krueger	Olsen, S.	Schoenfeld	
Gruenes	Larsen	Olson, E.	Seaberg	
Gutknecht	Lasley	Olson, K.	Segal	

Those who voted in the negative were:

Bauerly	Bertram	Carlson, D.	Dauner	Frederick
Bennett	Burger	Clausnitzer	Dempsey	Frerichs

Haukoos	Miller	Redalen	Sparby	Valento
Heap	Omann	Richter	Stanius	Waltman
Hugoson	Onnen	Rose	Sviggum	
Johnson, V.	Ozment	Schafer	Swenson	
McDonald	Poppenhagen	Schreiber	Thiede	
McPherson	Quist	Shaver	Uphus	

The bill was passed and its title agreed to.

H. F. No. 1077, A bill for an act relating to retirement; conforming mandatory retirement provisions for public employees to the federal Age Discrimination in Employment Amendments of 1986; amending Minnesota Statutes 1986, sections 43A.34, subdivisions 1 and 4; 181.81, subdivision 1; 181.811; 354.44, subdivision 1a; 354A.21; 422A.09, subdivision 3; and 423.076; repealing Minnesota Statutes 1986, sections 43A.34, subdivision 2; 125.12, subdivision 5; and 473.419.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Gruenes	Lasley	Orenstein	Segal
Battaglia	Gutknecht	Lieder	Osthoff	Shaver
Bauerly	Hartle	Long	Otis	Simoneau
Beard	Haukoos	Marsh	Ozment	Skoglund
Begich	Heap	McDonald	Pappas	Solberg
Bennett	Himle	McEachern	Pauly	Sparby
Bertram	Hugoson	McKasy	Pelowski	Stanius
Bishop	Jacobs	McLaughlin	Peterson	Steensma
Blatz	Jaros	McPherson	Poppenhagen	Sviggum
Boo	Jefferson	Milbert	Price	Swenson
Brown	Jennings	Miller	Quinn	Thiede
Burger	Jensen	Minne	Quist	Tjornhom
Carlson, D.	Johnson, A.	Morrison	Redalen	Tompkins
Carlson, L.	Johnson, R.	Munger	Reding	Trimble
Carruthers	Johnson, V.	Murphy	Rest	Tunheim
Clark	Kahn	Nelson, C.	Rice	Uphus
Clausnitzer	Kalis	Nelson, D.	Richter	Valento
Cooper	Kelly	Nelson, K.	Rodosovich	Vanasek
Dauner	Kelso	Neuenschwander	Rose	Vellenga
DeBlieck	Kinkel	O'Connor	Rukavina	Voss
Dempsey	Kludt	Ogren	Sarna	Wagenius
Dorn	Knickerbocker	Olsen, S.	Schafer	Waltman
Forsythe	Knuth	Olson, E.	Scheid	Welle
Frederick	Kostohryz	Olson, K.	Schoenfeld	Wenzel
Frerichs	Krueger	Omann	Schreiber	Winter
Greenfield	Larsen	Onnen	Seaberg	Wynia
				Spk. Norton

The bill was passed and its title agreed to.

H. F. No. 1159, A bill for an act relating to retirement; public pension plan or fund assets; prohibiting certain transfers or uses of

assets; proposing coding for new law in Minnesota Statutes, chapter 356.

The 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 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Lasley	Osthoff	Shaver
Anderson, R.	Gruenes	Lieder	Otis	Simoneau
Battaglia	Gutknecht	Long	Ozment	Skoglund
Bauerly	Hartle	Marsh	Pappas	Sparby
Beard	Haukoos	McDonald	Pauly	Stanius
Begich	Heap	McEachern	Pelowski	Steensma
Bennett	Himle	McKasy	Peterson	Sviggum
Bertram	Hugoson	McLaughlin	Poppenhagen	Swenson
Bishop	Jacobs	McPherson	Price	Thiede
Blatz	Jaros	Milbert	Quinn	Tjornhom
Boo	Jefferson	Miller	Quist	Tompkins
Brown	Jennings	Minne	Redalen	Trimble
Burger	Jensen	Morrison	Reding	Tunheim
Carlson, D.	Johnson, A.	Munger	Rest	Uphus
Carlson, L.	Johnson, R.	Murphy	Rice	Valento
Carruthers	Johnson, V.	Nelson, C.	Richter	Vanasek
Clark	Kahn	Nelson, D.	Riveness	Vellenga
Clausnitzer	Kalis	Nelson, K.	Rodosovich	Voss
Cooper	Kelly	Neuenschwander	Rose	Wagenius
Dauner	Kelso	O'Connor	Rukavina	Waltman
DeBlicek	Kinkel	Ogren	Sarna	Welle
Dempsey	Kludt	Olsen, S.	Schafer	Wenzel
Dille	Knickerbocker	Olson, E.	Scheid	Winter
Dorn	Knuth	Olson, K.	Schoenfeld	Wynia
Forsythe	Kostohryz	Omann	Schreiber	Spk. Norton
Frederick	Krueger	Onnen	Seaberg	
Frerichs	Larsen	Orenstein	Segal	

The bill was passed and its title agreed to.

S. F. No. 440, A bill for an act relating to statutes; removing certain substantive gender references in Minnesota Statutes; amending Minnesota Statutes 1986, sections 13.83, subdivision 2; 88.11, subdivision 1; 176.111, subdivisions 3, 15, and 21; 218.021, subdivision 2; 252.07; 315.44; 315.48; 353.01, subdivision 2b; 358.14; 387.15; 387.16; 540.05; 548.06; 593.01, subdivision 1; 631.412; 641.06; 641.14; and 642.08; repealing Minnesota Statutes 1986, sections 176.011, subdivision 13; 315.49; 382.17; 459.16; and 593.02.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Hartle	Marsh	Pappas	Solberg
Battaglia	Haukoos	McDonald	Pauly	Sparby
Bauerly	Heap	McEachern	Pelowski	Stanius
Beard	Himle	McKasy	Peterson	Steensma
Begich	Hugoson	McLaughlin	Poppenhagen	Sviggum
Bennett	Jacobs	McPherson	Price	Swenson
Bertram	Jaros	Milbert	Quinn	Thiede
Bishop	Jefferson	Miller	Quist	Tjornhom
Blatz	Jennings	Minne	Redalen	Tompkins
Boo	Jensen	Morrison	Reding	Trimble
Brown	Johnson, A.	Munger	Rest	Tunheim
Burger	Johnson, R.	Murphy	Rice	Uphus
Carlson, D.	Johnson, V.	Nelson, C.	Richter	Valento
Carlson, L.	Kahn	Nelson, D.	Riveness	Vanasek
Carruthers	Kalis	Nelson, K.	Rodosovich	Vellenga
Clausnitzer	Kelly	Neuenschwander	Rose	Voss
Cooper	Kelso	O'Connor	Rukavina	Wagenius
Dauner	Kinkel	Ogren	Sarna	Waltman
Dempsey	Kludt	Olsen, S.	Schafer	Welle
Dille	Knickerbocker	Olson, E.	Scheid	Wenzel
Dorn	Knuth	Olson, K.	Schoenfeld	Winter
Forsythe	Kostohryz	Omman	Schreiber	Wynia
Frederick	Krueger	Onnen	Seaberg	Spk. Norton
Frerichs	Larsen	Orenstein	Segal	
Greenfield	Lasley	Osthoff	Shaver	
Gruenes	Lieder	Otis	Simoneau	
Gutknecht	Long	Ozment	Skoglund	

The bill was passed and its title agreed to.

H. F. No. 200, A bill for an act relating to abuse and neglect reporting; providing a standard for the disclosure of a reporter's name under the child abuse reporting act and the vulnerable adults reporting act; amending Minnesota Statutes 1986, sections 626.556, subdivision 11; and 626.557, subdivision 12.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Clausnitzer	Hugoson	Kostohryz	Murphy
Anderson, R.	Cooper	Jacobs	Krueger	Nelson, C.
Battaglia	Dauner	Jaros	Larsen	Nelson, D.
Bauerly	DeBlicke	Jefferson	Lasley	Nelson, K.
Beard	Dempsey	Jennings	Lieder	Neuenschwander
Begich	Dille	Jensen	Long	O'Connor
Bennett	Dorn	Johnson, A.	Marsh	Ogren
Bertram	Forsythe	Johnson, R.	McDonald	Olsen, S.
Bishop	Frederick	Johnson, V.	McEachern	Olson, E.
Blatz	Frerichs	Kahn	McKasy	Olson, K.
Boo	Greenfield	Kalis	McLaughlin	Omman
Brown	Gruenes	Kelly	McPherson	Onnen
Burger	Gutknecht	Kelso	Milbert	Orenstein
Carlson, D.	Hartle	Kinkel	Miller	Otis
Carlson, L.	Haukoos	Kludt	Minne	Ozment
Carruthers	Heap	Knickerbocker	Morrison	Pappas
Clark	Himle	Knuth	Munger	Pauly

Pelowski	Richter	Segal	Thiede	Wagenius
Peterson	Riveness	Shaver	Tjornhom	Waltman
Poppenhagen	Rodosovich	Simoneau	Tompkins	Welle
Price	Rose	Skoglund	Trimble	Wenzel
Quinn	Rukavina	Solberg	Tunheim	Winter
Quist	Sarna	Sparby	Uphus	Wynia
Redalen	Schafer	Stanius	Valento	Spk. Norton
Reding	Schoenfeld	Steensma	Vanasek	
Rest	Schreiber	Sviggum	Vellenga	
Rice	Seaberg	Swenson	Voss	

The bill was passed and its title agreed to.

H. F. No. 308, A bill for an act relating to crimes; including live performances in the statute regulating exposure of minors to sexually provocative material; amending Minnesota Statutes 1986, sections 617.291; and 617.294.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Gruenes	Lieder	Otis	Simoneau
Anderson, R.	Gutknecht	Long	Ozment	Skoglund
Battaglia	Hartle	Marsh	Pappas	Solberg
Bauerly	Haukoos	McDonald	Pauly	Sparby
Beard	Heap	McEachern	Pelowski	Stanius
Begich	Himle	McKasy	Peterson	Steensma
Bennett	Hugoson	McLaughlin	Poppenhagen	Sviggum
Bertram	Jacobs	McPherson	Price	Swenson
Blatz	Jaros	Milbert	Quinn	Thiede
Boo	Jefferson	Miller	Quist	Tjornhom
Brown	Jennings	Minne	Redalen	Tompkins
Burger	Jensen	Morrison	Reding	Trimble
Carlson, D.	Johnson, A.	Munger	Rest	Tunheim
Carlson, L.	Johnson, R.	Murphy	Rice	Valento
Carruthers	Johnson, V.	Nelson, C.	Richter	Vanasek
Clark	Kahn	Nelson, D.	Riveness	Vellenga
Clausnitzer	Kalis	Nelson, K.	Rodosovich	Voss
Cooper	Kelly	Neuenschwander	Rose	Wagenius
Dauner	Kelso	O'Connor	Rukavina	Waltman
DeBlicck	Kinkel	Ogren	Sarna	Welle
Dempsey	Kludt	Olsen, S.	Schafer	Wenzel
Dille	Knickerbocker	Olson, E.	Scheid	Winter
Dorn	Knuth	Olson, K.	Schoenfeld	Wynia
Forsythe	Kostohryz	Omann	Schreiber	Spk. Norton
Frederick	Krueger	Onnen	Seaberg	
Frerichs	Larsen	Orenstein	Segal	
Greenfield	Lasley	Osthoff	Shaver	

The bill was passed and its title agreed to.

H. F. No. 332, A bill for an act relating to environment; authorizing the pollution control agency to issue administrative orders assessing penalties; establishing a hearing procedure; providing for

the distribution and expenditure of monetary penalties; proposing coding for new law in Minnesota Statutes, chapter 116.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 78 yeas and 53 nays as follows:

Those who voted in the affirmative were:

Battaglia	Jennings	Marsh	Pappas	Solberg
Beard	Jensen	McEachern	Peterson	Stanius
Begich	Johnson, A.	McLaughlin	Price	Swenson
Boo	Johnson, R.	Milbert	Quinn	Tjornhom
Carlson, L.	Kahn	Minne	Reding	Tompkins
Carruthers	Kalis	Munger	Rest	Trimble
Clark	Kelly	Murphy	Riveness	Vanasek
Clausnitzer	Kelso	Nelson, C.	Rodosovich	Vellenga
Cooper	Kinkel	Nelson, D.	Rose	Voss
Dorn	Kludt	Nelson, K.	Rukavina	Wagenius
Greenfield	Knuth	O'Connor	Sarna	Welle
Gruenes	Kostohryz	Ogren	Scheid	Winter
Gutknecht	Larsen	Orenstein	Segal	Wynia
Jacobs	Lasley	Osthoff	Shaver	Spk. Norton
Jaros	Lieder	Otis	Simoneau	
Jefferson	Long	Ozment	Skoglund	

Those who voted in the negative were:

Anderson, G.	Dempsey	Krueger	Onnen	Sparby
Anderson, R.	Forsythe	McDonald	Pauly	Steensma
Bauerly	Frederick	McKasy	Pelowski	Sviggum
Bennett	Frerichs	McPherson	Poppenhagen	Thiede
Bertram	Hartle	Miller	Quist	Tunheim
Blatz	Haukoos	Morrison	Redalen	Uphus
Brown	Heap	Neuenschwander	Richter	Valento
Burger	Himle	Olsen, S.	Schafer	Waltman
Carlson, D.	Hugoson	Olson, E.	Schoenfeld	Wenzel
Dauner	Johnson, V.	Olson, K.	Schreiber	
DeBlicek	Knickerbocker	Omann	Seaberg	

The bill was passed and its title agreed to.

Segal was excused at 4:30 p.m.

### GENERAL ORDERS

Pursuant to Rules of the House, the House resolved itself into the Committee of the Whole with Norton in the Chair for consideration of bills pending on General Orders of the day. Long presided during a portion of the meeting of the Committee of the Whole. After some time spent therein the Committee arose.

#### REPORT OF THE COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following recommendations of the Committee were reported to the House:

H. F. Nos. 404, 499, 556, 677, 772, 823, 836, 839, 924, 948, 983, 1028, 1127 and 1224 were recommended to pass.

H. F. Nos. 291, 654, 999, 1060 and 1141 were recommended for progress.

H. F. Nos. 947 and 561 were recommended for progress retaining their places on General Orders.

H. F. No. 208 was recommended for progress retaining its place on General Orders until Tuesday, April 21, 1987.

H. F. No. 189 was recommended for progress retaining its place on General Orders until Monday, April 20, 1987.

H. F. No. 704 was recommended for re-referral to the Committee on Appropriations.

H. F. No. 845 was recommended for progress until Monday, April 20, 1987.

H. F. No. 534, the first engrossment, which it recommended to pass with the following amendment offered by Nelson, D.; Vanasek; Long; Larsen; Rose and Olsen, S.:

Page 9, line 29, after the colon, insert "the name, address, and all other information that may identify an individual filing a claim;"

Page 10, delete lines 3 to 7

H. F. No. 643, the first engrossment, which it recommended to pass with the following amendment offered by Clark:

Page 5, after line 26, insert:

"Sec. 6. Minnesota Statutes 1986, section 518B.01, is amended by adding a subdivision to read:

Subd. 18. [RECORDING HEARINGS.] All hearings held pursuant to this section shall be recorded by a court reporter or by electronic recording equipment as authorized by section 484.72."

Amend the title as follows:

Page 1, line 8, after the semicolon insert "requiring recording of hearings;"

Page 1, line 10, delete "a subdivision" and insert "subdivisions"

On the motion of Vanasek the report of the Committee of the Whole was adopted.

### MOTIONS AND RESOLUTIONS

Johnson, A., moved that the name of Scheid be added as an author on H. F. No. 283. The motion prevailed.

Marsh moved that the name of Pappas be stricken and the name of Clark be added as an author on H. F. No. 391. The motion prevailed.

Carlson, D., moved that the name of Knuth be added as an author on H. F. No. 1024. The motion prevailed.

Vellenga moved that the name of Quist be stricken and the name of Bennett be added as an author on H. F. No. 1228. The motion prevailed.

Kelly moved that the name of O'Connor be added as an author on H. F. No. 1348. The motion prevailed.

Jacobs moved that the name of Quinn be added as an author on H. F. No. 1375. The motion prevailed.

Schreiber moved that the name of Long be added as an author on H. F. No. 1562. The motion prevailed.

Otis moved that S. F. No. 296 be recalled from the Committee on Economic Development and Housing and together with H. F. No. 371, now on the Technical Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

Johnson, A., moved that H. F. No. 115 be returned to its author. The motion prevailed.

Olsen, S., and Segal introduced:

House Resolution No. 39, A House resolution congratulating the St. Louis Park High School Math Team for winning the State High School Mathematics League Tournament Championship.

The resolution was referred to the Committee on Rules and Legislative Administration.

House Concurrent Resolution No. 9 was reported to the House.

Kostohryz moved that House Concurrent Resolution No. 9 be now adopted.

HOUSE CONCURRENT RESOLUTION NO. 9

A House concurrent resolution designating the "Red Ribbon" to commemorate Minnesota citizens who are still missing in action or are being held against their will in Asian countries.

*Whereas*, the State of Minnesota is proud of the veterans of this nation's wars; and

*Whereas*, 8,800 Americans including 121 Minnesotans remain unaccounted for from the Korean conflict and 2,421 Americans including 44 Minnesotans remain unaccounted for from the Vietnam conflict; and

*Whereas*, the Legislature of the State of Minnesota promotes the displaying and flying of the "POW/MIA" flag as flown on the State Capitol and throughout the state; *Now, Therefore,*

*Be It Resolved* by the House of Representatives of the State of Minnesota, the Senate concurring, that it establishes an official symbol in memory of those Americans who are missing and unaccounted for. The symbol is a "Red Ribbon" and that the Red Ribbon shall be displayed in all public buildings and other appropriate locations on the national day of recognition, designated by the Congress of the United States, Friday, September 18, 1987, and until the issue is resolved.

*Be It Further Resolved* that the Chief Clerk of the House and the Secretary of the Senate are directed to prepare enrolled copies of this resolution, to be authenticated by their signatures and those of the Speaker of the House and the President of the Senate and present them to representatives of the various Minnesota veterans organizations.

The motion prevailed and House Concurrent Resolution No. 9 was adopted.

Frederick moved that the rules be so far suspended that H. F. No. 1456 be recalled from the Committee on Transportation, be given its second reading and be advanced to General Orders.

A roll call was requested and properly seconded.

The question was taken on the Frederick motion and the roll was called. There were 32 yeas and 96 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Heap	McKasy	Quist	Tjornhom
Blatz	Himle	McPherson	Redalen	Tompkins
Clausnitzer	Hugoson	Miller	Richter	Uphus
Dempsey	Johnson, V.	Morrison	Schreiber	Valento
Frederick	Knickerbocker	Olsen, S.	Shaver	
Frerichs	Marsh	Ozment	Swenson	
Haukoos	McDonald	Poppenhagen	Thiede	

Those who voted in the negative were:

Battaglia	Gruenes	Lieder	Pappas	Sparby
Bauerly	Gutknecht	Long	Pauly	Stanius
Beard	Hartle	McEachern	Pelowski	Steensma
Begich	Jacobs	McLaughlin	Peterson	Svigum
Bennett	Jaros	Milbert	Price	Trimble
Bertram	Jefferson	Minne	Quinn	Tunheim
Bishop	Jennings	Munger	Reding	Vanasek
Brown	Jensen	Murphy	Rest	Vellenga
Burger	Johnson, R.	Nelson, C.	Riveness	Voss
Carlson, D.	Kahn	Nelson, D.	Rodosovich	Wagenius
Carlson, L.	Kalis	Nelson, K.	Rose	Waltman
Carruthers	Kelly	O'Connor	Rukavina	Welle
Clark	Kelso	Ogren	Sarna	Wenzel
Cooper	Kinkel	Olson, E.	Schafer	Winter
Dauner	Kludt	Olson, K.	Scheid	Wynia
DeBlieck	Knuth	Omann	Schoenfeld	Spk. Norton
Dille	Kostohryz	Onnen	Seaberg	
Dorn	Krueger	Orenstein	Simoneau	
Forsythe	Larsen	Osthoff	Skoglund	
Greenfield	Lasley	Otis	Solberg	

The motion did not prevail.

Quinn, Orenstein, Milbert, Clausnitzer, Stanius, Rukavina, Beard, Osthoff, Tjornhom and Otis offered a resolution honoring Patrick Duffy Murphy, a member of the "Minnesota Golden Horses" hockey team. Stanius moved that the resolution be printed in the Journal. The motion prevailed. Following is the resolution:

*Whereas*, the Minnesota Golden Horses Hockey Team had its honor, not to mention other things, on the line in its game against the Massachusetts legislative hockey team on Saturday, April 11, 1987; and

*Whereas*, the Golden Horses trailed 5-3 and then 5-4 as the game neared its end; and

*Whereas*, Patrick Duffy Murphy, the distinguished Journal Editor of the Minnesota House of Representatives, took a pass and moved in on the Massachusetts goaltender; and

*Whereas*, Mr. Murphy held the puck much longer than a reasonable person would have and caused much consternation among his teammates; and

*Whereas, Mr. Murphy then faked the Massachusetts goaltender out of his, well, socks and backhanded the puck high into the net, thus assuring a tie for the good guys; Now, Therefore,*

*Be It Resolved, That the Minnesota House of Representatives recognizes and honors its Journal Editor, Patrick Duffy Murphy, and thanks him for making us look good.*

ADJOURNMENT

Vanasek moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:00 p.m., Tuesday, April 14, 1987.

EDWARD A. BURDICK, Chief Clerk, House of Representatives



## STATE OF MINNESOTA

## SEVENTY-FIFTH SESSION—1987

## THIRTY-THIRD DAY

SAINT PAUL, MINNESOTA, TUESDAY, APRIL 14, 1987

The House of Representatives convened at 2:00 p.m. and was called to order by Fred C. Norton, Speaker of the House.

Prayer was offered by Pastor Gene Hermeier, Redeemer Lutheran Church, Fridley, Minnesota.

The roll was called and the following members were present:

Anderson, G.	Gruenes	Lieder	Otis	Simoneau
Anderson, R.	Gutknecht	Long	Ozment	Skoglund
Battaglia	Hartle	Marsh	Pappas	Solberg
Bauerly	Haukoos	McDonald	Pauly	Sparby
Beard	Heap	McEachern	Pelowski	Stanius
Begich	Himle	McKasy	Peterson	Steensma
Bennett	Hugoson	McLaughlin	Poppenhagen	Sviggum
Bertram	Jacobs	McPherson	Price	Swenson
Bishop	Jaros	Milbert	Quinn	Thiede
Blatz	Jefferson	Miller	Quist	Tjornhom
Boo	Jennings	Minne	Redalen	Tompkins
Brown	Jensen	Morrison	Reding	Trimble
Burger	Johnson, A.	Munger	Rest	Tunheim
Carlson, D.	Johnson, R.	Murphy	Rice	Uphus
Carlson, L.	Johnson, V.	Nelson, C.	Richter	Valento
Carruthers	Kahn	Nelson, D.	Riveness	Vanasek
Clark	Kalis	Nelson, K.	Rodosovich	Vellenga
Clausnitzer	Kelly	Neuenschwander	Rose	Voss
Cooper	Kelso	O'Connor	Rukavina	Wagenius
Dauner	Kinkel	Ogren	Sarna	Waltman
DeBlieck	Kludt	Olsen, S.	Schafer	Welle
Dempsey	Knickerbocker	Olsen, E.	Scheid	Wenzel
Dille	Knuth	Olsen, K.	Schoenfeld	Winter
Dorn	Kostohryz	Omann	Schreiber	Wynia
Forsythe	Krueger	Onnen	Seaberg	Spk. Norton
Frerichs	Larsen	Orenstein	Segal	
Greenfield	Lasley	Osthoff	Shaver	

A quorum was present.

Frederick was excused.

The Chief Clerk proceeded to read the Journal of the preceding day. Skoglund moved that further reading of the Journal be dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

## REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 1542, 157, 228, 809, 872, 903, 909, 945, 1046, 1145, 1230, 1260, 1263, 1319, 1327, 1376, 1397, 1425, 1439, 1507, 1521, 464, 283, 371, 774, 990, 1111, 1163, 1193, 1204, 1209, 1277, 1308, 1314, 1348, 1409, 1421, 1444, 142, 376, 462, 521, 613, 638, 706, 762, 853, 1015, 1038, 1041, 1068, 1103, 1312, 1419, 1452, 534, 643 and 969 have been placed in the members' files.

S. F. No. 296 and H. F. No. 371, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

## SUSPENSION OF RULES

Jefferson moved that the rules be so far suspended that S. F. No. 296 be substituted for H. F. No. 371 and that the House File be indefinitely postponed. The motion prevailed.

## PETITIONS AND COMMUNICATIONS

The following communications were received:

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
SAINT PAUL 55155

April 7, 1987

The Honorable Fred C. Norton  
Speaker of the House of Representatives  
The State of Minnesota

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State the following House Files:

H. F. No. 1, relating to agriculture; extending and financing the interest rate buy-down program; establishing benefit limits; appropriating money; amending Laws 1986, chapter 398, article 23, section 4, by adding a subdivision.

H. F. No. 127, relating to nonprofit corporations; adoption services corporations; providing that pledges to make contributions to reim-

burse the corporation for expenses shall be voidable at the option of the person making the pledge and payment of expenses shall not be a prerequisite to providing adoption services; amending Minnesota Statutes 1986, section 317.65, subdivision 7.

H. F. No. 166, relating to real property; authorizing conveyance of state interest in certain land in St. Louis county.

H. F. No. 364, relating to cemeteries; increasing the limit on the permanent care and improvement fund; amending Minnesota Statutes 1986, section 306.41.

Sincerely,

RUDY PERPICH  
Governor

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
SAINT PAUL 55155

April 9, 1987

The Honorable Fred C. Norton  
Speaker of the House of Representatives  
The State of Minnesota

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State the following House Files:

H. F. No. 737, A resolution memorializing the President and Congress to prevent from taking effect the proposed Internal Revenue Service regulations that limit the lobbying activities by non-profit organizations.

H. F. No. 369, relating to human rights; changing certain requirements related to disabled persons; amending Minnesota Statutes 1986, sections 363.01, subdivision 25; 363.02, subdivision 3; and 363.03, subdivision 5.

Sincerely,

RUDY PERPICH  
Governor

STATE OF MINNESOTA  
OFFICE OF THE SECRETARY OF STATE  
ST. PAUL 55155

April 10, 1987

The Honorable Fred C. Norton  
Speaker of the House of Representatives

The Honorable Jerome M. Hughes  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1987 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S.F.</i> No.	<i>H.F.</i> No.	<i>Session Laws</i> <i>Chapter No.</i>	<i>Date Approved</i> <i>1987</i>	<i>Date Filed</i> <i>1987</i>
	1	15	April 7, 1987	April 7, 1987
	127	16	April 7, 1987	April 7, 1987
	166	17	April 7, 1987	April 7, 1987
	364	18	April 7, 1987	April 7, 1987
97		19	April 7, 1987	April 7, 1987
137		20	April 7, 1987	April 7, 1987
306		21	April 7, 1987	April 7, 1987
529		22	April 7, 1987	April 7, 1987
653		Resolution No. 3		April 7, 1987
	737	Resolution No. 4		April 9, 1987
	369	23	April 9, 1987	April 9, 1987
117		24	April 9, 1987	April 9, 1987
245		25	April 9, 1987	April 9, 1987
499		26	April 9, 1987	April 9, 1987

Sincerely,

JOAN ANDERSON GROWE  
Secretary of State

### REPORTS OF STANDING COMMITTEES

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 2, A bill for an act relating to economic development; rural development; renaming and providing new powers to the

agricultural resource loan guaranty board; establishing a mineral resources program; establishing a community development division in the department of energy and economic development; establishing the Greater Minnesota Corporation; establishing the rural development board; establishing the customized training program; establishing the Greater Minnesota Corporation; establishing the state supplemental education grant program; authorizing certain activities and requiring certain studies; appropriating money; amending Minnesota Statutes 1986, sections 11A.24, by adding a subdivision; 15.01; 41A.01; 41A.02, subdivisions 4, 5, 6, 11, and by adding a subdivision; 41A.03, subdivision 5; 41A.04; 41A.05, subdivisions 1, 3, and 5; 116J.01; 116J.03; 116J.36, subdivisions 2, 3b, and 8; 116J.37, subdivision 1; 116J.951, subdivision 2, and by adding subdivisions; 116J.955; 116J.961, subdivisions 1, 5, 6, 8, and 10; 116L.03, subdivision 2; 116M.04; 116M.06, subdivision 11; Laws 1983, chapter 334, section 7; proposing coding for new law in Minnesota Statutes, chapters 41A; 84; 116J; 116L; and 136A; proposing coding for new law as Minnesota Statutes, chapter 116N; and repealing Minnesota Statutes 1986, sections 41A.02, subdivisions 3 and 15; and 41A.08.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 11A.24, is amended by adding a subdivision to read as follows:

Subd. 8. [GREATER MINNESOTA CORPORATION.] The state board of investment may, subject to the provisions of subdivision 3, invest in bonds or notes issued or guaranteed by the Greater Minnesota Corporation, the rural finance authority, or any other subsidiary of or entity administered by the Greater Minnesota Corporation.

Sec. 2. Minnesota Statutes 1986, section 15.01, is amended to read:

#### 15.01 [DEPARTMENTS OF THE STATE.]

The following agencies are designated as the departments of the state government: the department of administration; the department of agriculture; the department of commerce; the department of corrections; the department of education; the department of jobs and training; the department of energy trade and economic development; the department of finance; the department of health; the department of human rights; the department of labor and industry; the department of military affairs; the department of natural resources; the department of employee relations; the department of public safety; the department of public service; the department of human services; the department of revenue; the department of transporta-

tion; the department of veterans affairs; and their successor departments.

Sec. 3. Minnesota Statutes 1986, section 41A.01, is amended to read:

41A.01 [PURPOSE.]

Sections 41A.01 to ~~41A.06~~ 41A.08 provide a framework for an agricultural resource loan guaranty development program, the purposes of which are to further the development of the state's agricultural resources and rural areas, improve the market for its agricultural products, further the promotion, attraction, encouragement, retention, and development of economically sound industry and commerce in rural areas, and promote economic development within the state. All credit advanced pursuant to loan guaranty commitments is to be secured by subrogation of the state to mortgage security and other security interests granted to the private lender, in proportion to the amount advanced by the state. A loan guaranty board is established to investigate the feasibility of each project, its conformity to public policy and to environmental standards, the qualifications of the owners, operators, and lenders, and the nature and extent of the security, prior to commitment. The board shall also seek to secure financial participation by private persons not supported by the guaranty, to assure that in these respects each project satisfies and will continue to satisfy criteria which are adequate in the judgment of the board.

Sec. 4. Minnesota Statutes 1986, section 41A.02, subdivision 3, is amended to read:

Subd. 3. [~~AGRICULTURAL RESOURCE LOAN GUARANTY DEVELOPMENT BOARD; BOARD.~~] "Agricultural resource loan guaranty development board" or "board" means the commissioner of finance as chair, the commissioner of agriculture, the commissioner of commerce, the commissioner of energy and economic development, and the director of the pollution control agency, the president of the Greater Minnesota Corporation and a member appointed by the Greater Minnesota Corporation board.

Sec. 5. Minnesota Statutes 1986, section 41A.02, subdivision 4, is amended to read:

Subd. 4. [~~AGRICULTURAL RESOURCE LOAN GUARANTY DEVELOPMENT FUND; GUARANTY FUND.~~] "Agricultural resource loan guaranty development fund" or "guaranty fund" means the fund created by section 41A.05.

Sec. 6. Minnesota Statutes 1986, section 41A.02, subdivision 5, is amended to read:

Subd. 5. [AGRICULTURAL RESOURCE LOAN GUARANTY DEVELOPMENT PROGRAM; PROGRAM.] "Agricultural resource loan guaranty development program" or "program" includes all projects, loan guaranties and bonds approved or issued pursuant to this chapter.

Sec. 7. Minnesota Statutes 1986, section 41A.02, subdivision 6, is amended to read:

Subd. 6. [AGRICULTURAL RESOURCE PROJECT; PROJECT.] "Agricultural resource project" or "project" means (1) any facility, or portion of a facility, located in the state which is operated or to be operated primarily for the production from agricultural resources of marketable products; (2) buildings, equipment, and land used for the commercial production of agricultural resources; (3) a facility or portion of a facility used to commercially produce fish or fish products from commercially-produced fish; or (4) real or personal property used or useful in connection with a revenue-producing enterprise, or a combination of two or more revenue-producing enterprises engaged in a business whether or not for profit, if the properties are not located within a city of the first class.

The land in clause (2) is limited to land on which the buildings and equipment are located and immediately surrounding land used for storage, waste disposal, and other functions directly related to the commercial production of agricultural resources at a facility. The land in clause (2) does not include land used for the growing or raising of crops or the grazing of livestock. For the purposes of this section, livestock does not include poultry.

A project includes a facility or portion of a facility for mixing or producing substances to be mixed with other substances for use as a fuel or as a substitute for petroleum or petrochemical feedstocks.

Sec. 8. Minnesota Statutes 1986, section 41A.02, subdivision 11, is amended to read:

Subd. 11. [LENDER.] "Lender" means ~~any~~ a corporation or an investment or commercial banking institution, savings and loan institution, insurance company, investment company, or other financial institution or institutional investor making, purchasing, or participating in a loan or any part of a loan or a public entity, including, but not limited to, a federal or state agency, authorized to make agricultural loans.

Sec. 9. Minnesota Statutes 1986, section 41A.02, subdivision 15, is amended to read:

Subd. 15. [STATE.] "State" actions contemplated in sections 41A.01 to 41A.06 may be taken on behalf of the state by resolutions of the agricultural resource loan guaranty development board,

subject to approval by the governor if required by the governor, or by a member of the board or another state officer in the department headed by the member, pursuant to authority delegated by resolution of the board. Resolutions of the board are effective when approved by the vote of a majority of its members.

Sec. 10. [41A.021] [SUCCESSOR STATUS.]

The board is the legal successor in all respects of the agricultural resource loan guaranty board created by Laws 1984, chapter 502, article 10, as originally named and constituted and all bonds, resolutions, contracts, and liabilities of the agricultural resource loan guaranty board are the bonds, resolutions, contracts, and liabilities of the board as renamed and reconstituted.

Sec. 11. [41A.022] [POWERS.]

In addition to the other powers granted by this chapter, the board may:

- (1) sue and be sued;
- (2) acquire, hold, lease, and transfer any interest in real and personal property for its corporate purposes;
- (3) sell at public or private sale a note, mortgage, or other instrument or obligation evidencing a loan;
- (4) obtain insurance against any loss in connection with its property in the amounts and from the insurers the board determines to be necessary or desirable;
- (5) obtain municipal bond insurance, letters of credit, surety obligations, or other similar agreements from financial institutions;
- (6) enter into other agreements or transactions, without regard to chapter 16B, the board considers necessary or appropriate to carry out the purposes of this chapter with any federal or state agencies, political subdivisions of the state, and other persons, firms, or corporations;
- (7) establish and collect fees without regard to chapter 14 or section 16A.128;
- (8) accept appropriations, gifts, grants, and bequests;
- (9) use money received from any source for any legal purpose; and
- (10) participate in loans for agricultural resource projects in accordance with section 10.

## Sec. 12. [41A.035] [LOAN PARTICIPATION.]

The board may participate in loans made to finance agricultural resource projects by purchasing from a lender up to 75 percent of the amount of an eligible loan. The loan may be for 100 percent of the cost of the project if the participation loan is in an amount of \$500,000 or less. The lender shall service the loan or cause it to be serviced in a manner that equally protects the lender's and the board's interests.

Sec. 13. Minnesota Statutes 1986, section 41A.03, subdivision 4, is amended to read:

Subd. 4. [PRINCIPAL AND INTEREST ASSISTANCE.] The state may at any time enter into a written contract with the borrower to pay the lender, on behalf of the borrower, an amount not greater than the amount of principal and interest to become due on one or more subsequent dates, without acceleration, if the state determines that (i) the borrower is not in default in payment of principal or interest due more than 60 days prior to the date of the contract; (ii) the borrower is or may become unable to meet in full principal or interest payments, or both, which are due or to become due within a specified period; (iii) it is in the public interest to permit the borrower to continue to pursue the purposes of the project; (iv) the probable net financial loss to the state will be less than that which would result in the event of a default; (v) the borrower is obligated by the contract to reimburse the state for all principal or interest advanced, with interest on those amounts, upon terms and conditions satisfactory to the state; and (vi) funds are available for allocation to the account established for the project in the guaranty agricultural development fund, and are continuously allocated to the account in accordance with the provisions of section 4, subdivision 3, in an amount equal to the amount of interest on the advances until actually reimbursed to the state by the borrower. All sums so advanced and interest on those amounts shall be secured by the mortgage lien and security interest granted by the loan agreement, but none of the advances shall thereafter be repaid to the state until and unless all principal and interest currently due on the loan has been fully paid. In the event of subsequent default by the borrower, acceleration by the lender, and payment by the state of the full amount due under the loan guaranty, the state shall be subrogated to the rights of the lender with respect to the principal paid by it under the contract. Upon payment of the loan in full, with accrued interest, the remaining amount of the advances and interest on the advances may be paid to the state.

Sec. 14. Minnesota Statutes 1986, section 41A.03, subdivision 5, is amended to read:

Subd. 5. [LIMITATION ON LIABILITY.] The liability of the state for loan guaranties or bonds authorized under this chapter is limited

to the amount of funds appropriated to the ~~guaranty~~ agricultural development fund pursuant to section 41A.06. The loan guaranties or bonds are not a general obligation or debt of the state.

Sec. 15. Minnesota Statutes 1986, section 41A.04, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENTS.] (a) Any applicant may file a written application with the state commissioner of energy and economic development on behalf of the board, to be considered by the ~~agricultural resource loan guaranty~~ board, for a guaranty by the state of a portion of a loan or for issuance of bonds for an agricultural resource project. In general, the application must provide information similar to that required by an investment banking or other financial institution considering such a project for debt financing. Specifically, each application must include in brief but precise form the following information, as supplied by the applicant, the borrower, or the lender:

(1) a description of the scope, nature, extent, and location of the proposed project, including the identity of the borrower and a preliminary or conceptual design of the project;

(2) a description of the technology to be used in the project and the prior construction and operating experience of the borrower with such projects;

(3) a detailed estimate of the items comprising the total cost of the project, including escalation and contingencies, with explanation of the assumptions underlying the estimate;

(4) a general description of the financial plan for the project, including the mortgage and security interests to be granted for the security of the guaranteed loan or the bonds, and all sources of equity, grants, or contributions or of borrowing the repayment of which is not to be secured by the mortgage and security interests, or, if so secured, is expressly subordinated to the guaranteed loan;

(5) an environmental report analyzing potential environmental effects of the project, any necessary or proposed mitigation measures, and other relevant data available to the applicant to enable the board to make an environmental assessment;

(6) a list of applications to be filed and estimated dates of approvals of permits required by federal, state, and local government agencies as conditions for construction and commencement of operation of the project;

(7) an estimated construction schedule;

(8) an analysis of the estimated cost of production of and market for the product, including economic factors justifying the analysis and proposed and actual marketing contracts, letters of intent, and contracts for the supply of feedstock;

(9) a description of the management experience of the borrower in organizing and undertaking similar projects;

(10) pro forma cash flow statements for the first five years of project operation including income statements and balance sheets;

(11) a description of the borrower's organization and, where applicable, a copy of its articles of incorporation or partnership agreement and bylaws;

(12) the estimated amount of the loan or bonds and percentage of the guaranty requested, the proposed repayment schedule, and other terms and conditions and security provisions of the loan;

(13) an estimate of the amounts and times of receipt of guaranty fees, sales and use taxes, property tax increments, and any other governmental charges which may be available for the support of the state guaranty agricultural development fund as a result of the construction of the project, with an analysis of the assumptions on which the estimate is based;

(14) a copy of any lending commitment issued by a lender to the borrower;

(15) a statement from the lender, if identified, as to its general experience in financing and servicing debt incurred for projects of the size and general type of the project, and its proposed servicing and monitoring plan; and

(16) additional information required by the board.

(b) The applicant shall pay upon filing of the application a fee equal to .25 percent of the amount of the loan guaranty or bond requested. The fee shall be paid to the commissioner of finance and deposited in the general fund. If the board determines not to issue a commitment for the project, the fee shall be refunded to the applicant, less the board's cost of processing, reviewing, and evaluating the application. If the board issues a commitment for the project and the application fee exceeds the board's cost of processing, reviewing, and evaluating the application, the balance shall be transferred from the general fund to the project account in the guaranty fund and credited against the amount of the commitment fee required in section 41A.03, subdivision 3, clause (j). The county or rural development finance authority may require the proposed borrower under the project to pay the application fee.

(e) If the application is made by an applicant other than the county or rural development finance authority and tax increment financing is to be used for the project, the application must include a copy of a resolution adopted by the governing body of the county or rural development finance authority in which the project is located. The resolution must authorize the use of tax increment financing for the project as required by section 41A.06, subdivision 5.

Sec. 16. Minnesota Statutes 1986, section 41A.05, subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT OF FUND.] For the purpose of developing the state's agricultural resources by extending credit on real estate security, the agricultural resource ~~loan guaranty development~~ fund is established as a special and dedicated fund to be held and invested separately from all other funds of the state. All money appropriated to the fund, and all guaranty fees, retail sales taxes, property tax increments, and other money from any source which may be credited to the fund pursuant to law or pursuant to the terms of grants, contributions, or contracts are appropriated and shall remain available for the purposes of the fund until those purposes have been fully accomplished. The board may establish within the ~~guaranty agricultural development~~ fund reserve funds, project accounts, or other restrictions it determines necessary or appropriate to carry out the purposes of this chapter. ~~Except as otherwise provided in this section, the fund may be used only for paying amounts due under loan guaranties and principal and interest assistance contracts entered into by the state, pursuant to the agricultural resource loan guaranty program~~ The board may use the fund to pay administrative costs and expenses of the program, including the personnel costs of positions in the approved complement of the department of energy and economic development serving as staff to the board.

Sec. 17. Minnesota Statutes 1986, section 41A.05, subdivision 2, is amended to read:

Subd. 2. [ISSUANCE OF BONDS.] (a) ~~Subject to section 16A.80, upon application pursuant to section 41A.04,~~ The board by resolution may exercise the powers of a rural development authority under sections 362A.01 to 362A.05 and the powers of a municipality under chapter 474 for the purposes of ~~providing money to pay the costs of a project financing one or more projects,~~ including the issuance of bonds and the ~~loan application of the bond proceeds and investment income pursuant to a lease, loan, loan guaranty, loan participation,~~ or other agreement. The bonds must be issued, sold, and secured on the terms and conditions and in the manner determined by resolution of the board. Sections 16A.80 and ~~474.23~~ 474.01, subdivisions 7 and 8, do not apply to the bonds.

Notwithstanding subdivision 1, a reserve established for the bonds provided by the borrower, including out of bond proceeds, may be

deposited and held in a separate account in the guaranty agricultural development fund and applied to the last installments of principal or interest on the bonds, subject to the reserves being withdrawn for any purpose permitted by subdivision 1. The board may by resolution or indenture pledge any or all amounts in the guaranty agricultural development fund, including any reserves and investment income on amounts in the fund, to secure the payment of principal and interest on any or all series of bonds, upon the terms and conditions as provided in the resolution or indenture. To the extent the board deems necessary or desirable to prevent interest on bonds from becoming subject to federal income taxation, (1) the amounts in the guaranty agricultural development fund shall be invested in obligations or securities with restricted yields and (2) the investment income on the amounts are released from the pledge securing the bonds or loan guaranty and appropriately applied to prevent taxation.

(b) Bonds issued pursuant to this chapter are not general obligations of the state or the board. The full faith and credit and taxing powers of the state and the board are not and may not be pledged for the payment of the bonds. No person may compel the levy of a tax for the payment or compel the appropriation of money of the state or the board for the payment of the bonds, except as specifically provided in this chapter.

(c) The issuance of bonds pursuant to this subdivision is subject to sections ~~474.18 to 474.25~~ 474A.11 and 474A.13. For purposes of sections ~~474.16~~ 474A.01 to 474.20 474A.21, the board is a local issuer and may apply for allocations of authority to issue private activity obligations and may enter into an agreement for the issuance of obligations by another issuer.

Sec. 18. Minnesota Statutes 1986, section 41A.05, subdivision 3, is amended to read:

Subd. 3. [COVENANT.] In fulfillment of the state's covenant with the beneficiary of each loan guaranty executed by the board on behalf of the state pursuant to the agricultural resource loan guaranty development program, in accordance with section 41A.04, subdivision 3, the state will not limit or alter the rights vested in the board to comply with the terms of the loan guaranties.

Sec. 19. Minnesota Statutes 1986, section 41A.05, subdivision 5, is amended to read:

Subd. 5. [GUARANTY AGRICULTURAL DEVELOPMENT FUND; REDUCTION.] Amounts in the guaranty agricultural development fund may be transferred to the general fund if the remaining amount in the fund exceeds the principal amount and one year's interest on the outstanding bonds and the guaranteed portion of outstanding guaranteed loans.

Sec. 20. Minnesota Statutes 1986, section 41A.06, subdivision 1, is amended to read:

Subdivision 1. [APPROPRIATION.] The payments, taxes, and governmental charges described in this section which are received as a consequence of the undertaking, completion, and operation of each agricultural resource ~~loan~~ project for which a loan guaranty is made by the state are appropriated to the ~~loan guaranty~~ agricultural development fund. This appropriation shall not lapse at the close of any fiscal year under the provisions of section 16A.28, and the receipts from the appropriation shall remain available as provided in section 41A.05, subdivision 1. The state is not obligated, however, to continue the appropriation with respect to charges not yet collected, except to the extent determined to be necessary for compliance with the terms of the loan guaranty agreement.

Sec. 21. Minnesota Statutes 1986, section 297A.44, subdivision 1, is amended to read:

Subdivision 1. All revenues, including interest and penalties, derived from the excise and use taxes imposed by sections 297A.01 to 297A.44 shall be deposited by the commissioner in the state treasury and credited to the general fund. All excise and use taxes derived from sales and use of property and services purchased for the construction and operation of an agricultural resource project, from and after the date on which a conditional commitment for a loan guaranty for the project is made pursuant to section 41A.04, subdivision 3, shall be deposited in the agricultural resource ~~loan guaranty~~ development fund. The commissioner of finance shall certify to the commissioner the date on which the project received the conditional commitment. The amount deposited in the ~~loan guaranty~~ agricultural development fund shall be reduced by any refunds and by the costs incurred by the department of revenue to administer and enforce the assessment and collection of the taxes.

Sec. 22. [84.96] [MINERAL RESOURCES PROGRAM.]

Subdivision 1. [FINDINGS.] The legislature finds that there has been a withdrawal of investment in mineral and timber resources of the state. To provide a diversified economic base in the state, it is necessary to stimulate investment in the state's natural resources. Mineral exploration by the private sector must be encouraged. The long-term health of the state will be aided by a diverse state economy that includes productive natural resource industries. A forestry management plan has been mandated to improve the use of forestry resources. Benefits from the state's mineral resources will be realized through a program coordinated by the department of natural resources to accelerate geologic mapping and mineral deposit evaluation and to provide analytical support to the mineral and timber industries.

Subd. 2. [PROGRAM.] The commissioner of natural resources shall coordinate a program, in cooperation with the Minnesota geological survey, the Minnesota resources research center, the natural resources research institute, and other available facilities, to:

- (1) accelerate geological mapping of the state;
- (2) accelerate evaluation of the state's mineral potential and other natural resources; and
- (3) provide analytical support for participants in the mineral industry.

Sec. 23. [93.001] [POLICY FOR MINERAL DEVELOPMENT.]

It is the policy of the state to provide a long-term commitment to mineral exploration evaluation, development, production, and commercialization to provide a diversified mineral economy in the state.

Sec. 24. [93.002] [MINERAL COORDINATING COMMITTEE.]

Subdivision 1. [ESTABLISHMENT.] The mineral coordinating committee is established to provide planning and assistance for diversified mineral development. The mineral coordinating committee consists of the director of the minerals division of the department of natural resources, the director of the Minnesota geological survey, the director of the University of Minnesota mineral resources research center, and the assistant director of the minerals division of the natural resources research institute. The director of the minerals division of the department of natural resources shall serve as chair. A member of the committee may designate another person of the member's organization to act in the member's place.

Subd. 2. [MINERAL DIVERSIFICATION PLAN.] The mineral coordinating committee shall prepare and adopt a ten-year plan for mineral diversification. The plan must:

- (1) increase the knowledge of the state's mineral potential;
- (2) stimulate the development of mineral resources in the state;
- (3) provide for basic minerals research; and
- (4) prioritize minerals programs under subdivision 3.

Subd. 3. [MINERALS PROGRAMS.] The mineral diversification plan must consider at least the following: aeromagnetic surveys, glacial till geochemistry surveys, geologic drilling and mapping, LMIC minerals data base, drill core examination and assay, indus-

trial minerals characterization and research, bedrock geochemistry, nonferrous minerals research, reclamation studies, economic evaluation of mineral resources, improved geophysical and remote sensing base, acquisition of sampling equipment and analyses, determination of mineral rights ownership, ferrous minerals research, evaluation of mineral resource occurrence, evaluation of value-added processes, ore deposit modeling, and basic mineral research.

Subd. 4. [SUBMISSION OF PLAN AND FUNDING PRIORITIES.] (a) The minerals coordinating committee shall submit the minerals diversification plan to the legislature by December 31, 1987.

(b) In the first year of each biennium, the minerals coordinating committee shall submit recommendations for funding priorities of the minerals diversification plan to the chairs of the house appropriations and environment and natural resources committee and the chairs of the senate finance and environment and natural resources committee.

Subd. 5. [AMENDMENTS AND TEMPORARY PLANS.] The minerals coordinating committee may amend the minerals diversification plan or adopt temporary priority plans for spending on minerals programs.

Sec. 25. Minnesota Statutes 1986, section 116J.01, is amended to read:

116J.01 [DEPARTMENT OF ENERGY AND ECONOMIC DEVELOPMENT.]

Subdivision 1. [APPOINTMENT.] The department of energy trade and economic development shall be supervised and controlled by the commissioner of energy and economic development, who shall be appointed by the governor and serve under the provisions of section 15.06.

Subd. 2. [CONFIDENTIAL SECRETARY.] The commissioner may appoint a confidential secretary in the unclassified service.

Subd. 3. [DEPARTMENTAL ORGANIZATION.] The commissioner shall organize the department as provided in section 15.06. The department shall be organized into ~~four~~ five divisions, which shall be designated the energy Minnesota office of trade division, the community development division, the economic development division, the policy analysis division, and the financial management division; and the office of tourism. Each division and office is responsible for administering the duties and functions assigned to it by law. When the duties of the divisions or office are not allocated by law, the commissioner may establish and revise the assignments of

each division and office. Each division shall be under the direction of a deputy commissioner in the unclassified service. The office of tourism is under the direction of a director of tourism in the unclassified service. The governor shall appoint the director of tourism.

Sec. 26. Minnesota Statutes 1986, section 116J.03, is amended to read:

116J.03 [DEFINITIONS.]

Subdivision 1. [SCOPE.] As used in chapter 116J, the terms defined in this section have the meaning given them.

Subd. 2. [COMMISSIONER.] "Commissioner" means the commissioner of energy trade and economic development.

Subd. 3. [DEPARTMENT.] "Department" means the department of energy trade and economic development.

Sec. 27. [116J.874] [COMMUNITY DEVELOPMENT DIVISION.]

Subdivision 1. [LEGISLATIVE FINDINGS.] The legislature finds that state programs directed to address community and economic development needs have been implemented in a diverse, fragmented, and inefficient manner. It is therefore in the public interest of the state to develop a comprehensive and integrated approach to administering and coordinating community development programs. The community development division in the department of trade and economic development will address these issues by building a community development framework using a community-based approach.

Subd. 2. [DUTIES.] The community development division shall:

(1) be responsible for administering and staffing all state community development and assistance programs including the economic recovery fund and the outdoor recreation grant program;

(2) be the division responsible for state administration of federally funded community development and assistance programs including the small cities development grant program and land and water conservation program;

(3) be responsible for state administration of the regional development commissions;

(4) provide technical assistance to rural communities in the area of community development;

(5) coordinate the development and review of state agency rural development policies in cooperation with regional development commissions;

(6) provide staff and consultant services to the rural development board; and

(7) be responsible for coordinating community assistance and development programs in cooperation with regional development commissions.

Sec. 28. [116J.8741] [RURAL DEVELOPMENT BOARD.]

Subdivision 1. [CREATION.] The legislature finds that it is in the public interest to coordinate and encourage community and economic development in the rural areas of the state. The rural development board is created to assist in developing a strategy for promoting rural development in the state.

Subd. 2. [MEMBERSHIP.] The board consists of the commissioner of trade and economic development; the commissioner of jobs and training; the commissioner of agriculture; the president of the Greater Minnesota Corporation board; the chair of the Minnesota association of counties; the chair of the Minnesota association of townships; the president of the league of Minnesota cities; the chair of the association of regional development commissions; the state director of vocational technical education; the chancellor of the state university board; the chancellor of the state board of community colleges; and the president of the University of Minnesota. The governor shall appoint five additional members from the general public to the board. Two of the public members must be members of farm organizations. One public member must represent the interests of business and one public member must represent the interests of organized labor. The governor shall take geographic interests and representation into account in the selection of public board members.

Subd. 3. [MEMBERSHIP TERMS.] The membership terms, compensation, removal, and filling of vacancies of public members of the board are as provided in section 15.0575.

Subd. 4. [CHAIR; OTHER OFFICERS.] The commissioner of trade and economic development shall serve as chair of the board. The board may elect other officers as is necessary from its members.

Subd. 5. [ADVISORY TASK FORCES; COMMITTEES.] The board may establish advisory task forces or committees to advise or assist the board in identifying and working with rural development issues. Persons on a task force or committee may not receive per diem but may be reimbursed for expenses.

Subd. 6. [STAFF; EXPENSES.] The department of trade and economic development shall provide staff, consultant support, materials, and administrative services necessary to the board's activities. The commissioner shall pay for the expenses of the board.

Subd. 7. [DUTIES.] The board has the following duties:

(a) The board, with the assistance of department staff, shall investigate and evaluate new methods to enhance rural development, particularly relating to economic diversification through private enterprises, including technologically innovative industries, value-added manufacturing, agriprocessing, information industries, and agricultural marketing.

(b) The board shall review and comment on the mineral resources program to the department of natural resources.

(c) The board shall review the services provided by state agencies, including the post-secondary education systems, to rural businesses and communities and make recommendations to the agency and the legislature that would enhance those services.

(d) The board shall prepare, with the assistance of department staff and other state agency staff, the rural investment guide required by subdivision 8.

(e) The board shall submit an annual report to the legislature by January 31 of each year. The report shall include a review of rural development in the state, an evaluation of rural development initiatives, and recommendations concerning state support for rural development.

Subd. 8. [RURAL INVESTMENT GUIDE.] The board shall prepare and adopt, after appropriate study and public hearings as necessary, a comprehensive rural investment guide for the state, consisting of policy statements, objectives, standards, and program criteria to guide state agencies in the creation and implementation of programs relating to rural development. The guide must recognize and encompass both the community and economic needs and resources of rural Minnesota and provide a plan to coordinate and allocate public and private resources to the rural areas of the state.

Sec. 29. [116J.8742] [MAIN STREET PROGRAM.]

The commissioner shall develop and administer a main street program to assist cities in the revitalization of their businesses. The purpose of the program is to strengthen local organization and local management of business districts so that cities become more self-reliant and not dependent on future state financial assistance. The

staff dedicated for this program shall assist cities that request assistance in the following manner:

(1) improving the organization of the business district including the leadership skills of business owners and city officials;

(2) establishing a marketing strategy to promote the business district to residents of the surrounding trade area;

(3) providing technical assistance in the design and rehabilitation of buildings in the business district including historic preservation; and

(4) establishing a strategy to strengthen existing businesses, recruit new businesses, diversify the mix of businesses, and develop vacant property in the business district.

Sec. 30. Minnesota Statutes 1986, section 116J.951, subdivision 2, is amended to read:

Subd. 2. [COMMISSIONER.] "Commissioner" means the commissioner of energy trade and economic development.

Sec. 31. Minnesota Statutes 1986, section 116J.951, is amended by adding a subdivision:

Subd. 5. [BOARD.] "Board" means the board of the Greater Minnesota Corporation created in section 45.

Sec. 32. Minnesota Statutes 1986, section 116J.951, is amended by adding a subdivision:

Subd. 6. [PRESIDENT.] "President" means the president of the Greater Minnesota Corporation.

Sec. 33. Minnesota Statutes 1986, section 116J.955, is amended to read:

#### 116J.955 [RURAL REHABILITATION REVOLVING FUND.]

Subdivision 1. [ESTABLISHMENT.] The rural rehabilitation revolving fund is established as an account in the state treasury. The money transferred to the state as a result of liquidating the rural rehabilitation corporation trust, and money derived from transfer of the trust to the state, must be credited to the rural rehabilitation revolving fund. ~~The principal amount of the rural rehabilitation revolving fund, \$9,300,000, may not be spent and must be invested by the state investment board. The income attributable to investment of the principal is appropriated to the commissioner for the activities of the rural development council.~~

Subd. 2. [EXPENDITURE OF INVESTMENT INCOME FUND.] ~~The commissioner board may only use the income from the investment of the rural rehabilitation revolving fund for the purposes that are allowed under the Minnesota rural rehabilitation corporation's charter and agreement with the United States Secretary of Agriculture as provided in Public Law Number 499, 81st Congress, enacted May 3, 1950 and as allowed under section 116J.961, subdivision 8. Not more than three percent of the book value of the Minnesota rural rehabilitation corporation's assets may be used for administrative purposes in a year without approval of the United States Secretary of Agriculture.~~

Subd. 3. [TRANSFER OF AUTHORIZED RECORDS TO COMMISSIONER BOARD.] ~~The authority, assets, books, and records held by the Minnesota rural rehabilitation corporation and later by the state executive council under Public Law Number 499, 81st Congress, May 3, 1950, is transferred to the commissioner.~~

Sec. 34. Minnesota Statutes 1986, section 116J.961, subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT.] ~~The governor's rural development council is established in the department of energy and economic development Greater Minnesota Corporation. The council shall consist of one representative from each of the state's development regions, including the seven-county metropolitan area, and the commissioner president.~~

Sec. 35. Minnesota Statutes 1986, section 116J.961, subdivision 5, is amended to read:

Subd. 5. [COUNCIL STAFF.] (a) ~~The commissioner board shall employ, with the concurrence of the council, an executive director staff experienced in public administration and rural development issues. The executive director is not a member of the council, but president and corporation staff shall perform duties the council may require in carrying out its responsibilities. The executive director's position is in the unclassified service.~~

(b) ~~The commissioner shall employ professional staff, clerical help, and other necessary employees upon the recommendation of the council and the executive director. Support staff shall serve in the classified civil service. The commissioner corporation shall also provide materials and administrative help necessary for the council's activities including personnel, budget, payroll, and contract administration.~~

Sec. 36. Minnesota Statutes 1986, section 116J.961, subdivision 6, is amended to read:

Subd. 6. [EXPENSES OF COUNCIL.] The ~~commissioner corporation~~ shall pay for the expenses of the council, the council staff, and the council's programs from the appropriation under section 116J.955, subdivision 1.

Sec. 37. Minnesota Statutes 1986, section 116J.961, subdivision 8, is amended to read:

Subd. 8. [ADMINISTRATION OF ANNUAL INVESTMENT INCOME FROM THE RURAL REHABILITATION REVOLVING FUND.] (a) The council shall administer the rural rehabilitation revolving fund by:

(1) administering a rural development grant program including the establishment of grant eligibility criteria, solicitation and review of grant applications, and determination of projects to be funded;

(2) developing priorities for state projects and activities related to rural development;

(3) providing technical help and rural development information services to state agencies, regional agencies, special districts, local governments, and interested citizens;

(4) preparing an annual budget and work program, and a biennial budget;

(5) preparing an annual report for the state office of the farmers home administration, United States Department of Agriculture outlining program activities and expenditures from the trust fund; and

(6) reporting to the house agriculture and senate agriculture and natural resources committees by January 31 of each year on the grants, projects, and activities of the council.

(b) The ~~commissioner corporation~~ shall make agreements or contracts to distribute grant funds to projects selected by the council.

Sec. 38. Minnesota Statutes 1986, section 116J.961, subdivision 10, is amended to read:

Subd. 10. [BUDGET.] The ~~commissioner corporation's board~~ shall review and approve a biennial budget prepared by the council and submit it to the governor and the legislature for approval as part of the biennial budget process.

Sec. 39. Minnesota Statutes 1986, section 116L.03, subdivision 2, is amended to read:

Subd. 2. [APPOINTMENT.] Members shall be appointed as follows: four members appointed by the speaker of the house; one member appointed by the minority leader of the house; four members appointed by the majority leader of the senate; one member appointed by the minority leader of the senate; eight members appointed by the governor; and the ~~commissioners of the departments~~ commissioner of energy trade and economic development, education, and jobs and training ~~the commissioner of jobs and training, and the state director of vocational technical education.~~

Sec. 40. [116L.06] [CUSTOMIZED RURAL TRAINING PROGRAM.]

Subdivision 1. [DEFINITIONS.] For the purposes of this section, "low-income" means equal to or below the nonmetropolitan median household income. "Principally" means at least 51 percent.

Subd. 2. [TRAINING PROGRAM.] The partnership may provide grants to educational or other nonprofit institutions for customized training for new or expanding businesses located outside of the metropolitan area defined in section 473F.02, subdivision 2. Grants may only be awarded for training projects designed to principally benefit low-income persons. The partnership shall use the criteria and guidelines specified under sections 116L.02 and 116L.04 to establish and administer the program.

Subd. 3. [NEW BUSINESS SET-ASIDE.] The partnership may set aside up to 50 percent of the amount available for the rural customized training program to provide customized training grants for new businesses locating in rural Minnesota. A set-aside grant may not be made for a business located within the state that relocates to rural Minnesota. The partnership shall use the guidelines specified under section 116L.04 to establish and administer the program, except that a committee consisting of the commissioner of trade and economic development, the chair of the Minnesota job skills partnership board, and the state director of vocational technical education may give final approval for training applications by a majority vote of the committee. Any amount left in the set-aside program at the end of the 1988 fiscal year may be used for the rural customized training program established in subdivision 2.

Sec. 41. Minnesota Statutes 1986, section 116M.04, is amended to read:

116M.04 [COMMUNITY DEVELOPMENT CORPORATIONS.]

Subdivision 1. For the purposes of this section, the following terms shall have the meanings given them:

Subd. 1a. "Authority" "Commissioner" means the energy commissioner of trade and economic development authority, formerly known as the small business finance agency.

Subd. 2. "Economic development region" means an area so designated in the governor's executive order number 60, dated June 12, 1970, as amended.

Subd. 3. "Federal poverty level" means the income level established by the United States Community Services Administration in Code of Federal Regulations, title 45, section 1060.2-2.

Subd. 4. "Low income" means an annual income below the federal poverty level.

Subd. 5. The authority commissioner shall administer this section and shall enforce the rules related to the community development corporations promulgated by the authority. The authority commissioner may amend, suspend, repeal or otherwise modify these rules as provided for in chapter 14.

Subd. 6. The authority commissioner shall designate a community development corporation as eligible to receive grants pursuant to this section if the corporation:

(a) Is a nonprofit corporation incorporated under chapter 317 or a federally recognized American Indian tribal government;

(b) Designates in its articles of incorporation or bylaws or a tribal constitution a specific geographic community within which it will operate. At least ten percent of the population within the designated community must have low income. Within the metropolitan area as defined in section 473.121, subdivision 2, a designated community shall be an identifiable neighborhood, or a combination of neighborhoods or home rule charter or statutory cities, townships, unincorporated areas or combinations thereof. Outstate designated communities shall to the extent possible not cross existing economic development boundaries;

(c) Limits voting membership to residents of the designated community;

(d) Has a board of directors with 15 to 30 members, unless the corporation can demonstrate to the authority that a smaller or larger board is more advantageous. At least 40 percent of the directors shall have incomes that do not exceed 80 percent of the county median family income and are not greater than 80 percent of the statewide median family income, as determined by the state demographer, and the remaining directors shall be members of the business or financial community and the community at large. At

least 60 percent of the directors shall be residents of the designated community, and to the greatest extent possible directors shall be residents of the designated community. The directors who must meet the income limitations of this paragraph shall be elected by the members of the corporation, and the remaining directors may be elected by the members of the corporation or selected by the directors who must meet the income limitations of this paragraph; **and**

(e) Hires low income residents of the designated community to fill nonmanagerial and nonprofessional positions; **and**

(f) Demonstrates that it has or will have the technical skills to analyze projects, is familiar with other available public and private funding sources and economic development programs, and has the capability to package economic development projects.

Subd. 7. The authority commissioner shall approve a grant to a community development corporation only for a project carried on within the designated community, except when the corporation demonstrates that a project carried on outside will have a significant impact inside the designated community.

Subd. 8. The authority commissioner may approve a grant to a community development corporation for planning, including organization of the corporation, training of the directors, creation of a comprehensive community economic development plan, and development of a proposal for a venture grant, or for establishment of a business venture, including assistance to an existing business venture, purchase of partial or full ownership of a business venture, or development of resources or facilities necessary for the establishment of a business venture.

Subd. 8a. The energy and economic development authority commissioner shall be named as an assignee of the rights of a state-funded community development corporation on any loan or other evidence of debt provided by a community development corporation to a private enterprise. The assignment of rights shall provide that it will be effective upon the dormancy or cessation of existence of the community development corporation. "Dormancy" for the purpose of this section means the continuation of the corporation in name only without any functioning officers or activities. Upon the cessation of the activities of a state-funded community development corporation, any assigned money paid to the energy and economic development authority commissioner shall be deposited into the economic development fund to be used for the purposes as set out in this chapter general fund.

Subd. 9. Factors considered by the authority commissioner in approving a grant to a community development corporation should include the creation of employment opportunities, the maximization

of profit and the effect on securing money from sources other than the state.

Subd. 10. Grants under this section shall not be available for programs conducted by churches or religious organizations or for securing or developing social services.

Subd. 11. A person shall not be excluded from participation in a program funded pursuant to this section because of race, color, religion, sex, age or national origin.

Sec. 42. [116N.01] [CITATION.]

Sections 42 to 57 may be cited as the "Greater Minnesota Corporation act."

Sec. 43. [116N.02] [PURPOSE.]

It is the intent of this legislation to ensure the development of new products, processes, and services that have the potential to contribute to the state's economy, particularly in nonmetropolitan areas. For these purposes, the Greater Minnesota Corporation is established to foster economic growth in Minnesota through cooperative research and development and investments in new products and businesses. It is the intention of the legislature to create the Greater Minnesota Corporation as a public corporation.

Sec. 44. [116N.03] [DEFINITIONS.]

Subdivision 1. [SCOPE.] The definitions in this section apply to chapter 116N.

Subd. 2. [AUTHORITY.] "Authority" means the rural finance authority established in section 49.

Subd. 3. [CORPORATION.] "Corporation" means the Greater Minnesota Corporation.

Subd. 4. [CORPORATION BOARD.] "Corporation Board" means the board of directors of the Greater Minnesota Corporation.

Subd. 5. [FINANCIAL INSTITUTION.] "Financial institution" means a bank, bank or trust company, trust company, mortgage company, credit union, mortgage banker, national banking association, savings bank, savings association, savings and loan association, building and loan association, insurance company, securities broker-dealer, financial organizations relating to commercial credit or venture capital, or a lender certified by the secretary of housing and urban development or by the administrator of veterans affairs, or approved or certified by the administrator of the farmers home

administration or any other financial or lending institution, whether organized under federal law or the laws of any state of the United States, and whether located within or without this state.

Subd. 6. [FUND.] "Fund" means the greater Minnesota fund established by section 55.

Subd. 7. [GREATER MINNESOTA.] "Greater Minnesota" means the area of the state not included in the definition of area in section 473F.02, subdivision 2.

Subd. 8. [INSTITUTE.] "Institute" means a regional research institute created in section 50.

Subd. 9. [PROJECT.] "Project" means any undertaking involving real or personal property connected with or a part of an industrial, agricultural processing, distribution, manufacturing, or research facility that is to be acquired, constructed, improved, or equipped with assistance furnished under the authority of sections 42 to 57, or any combination of them.

Subd. 10. [TARGETED URBAN AREA.] "Targeted urban area" means an area of one or more census tracts within a city of the first class not located in greater Minnesota that meets two of the following three requirements:

(a) The area had an unemployment rate that was twice the unemployment rate for the standard metropolitan statistical area that the city of the first class is part of as determined by the 1980 federal decennial census.

(b) The median household income in the area was equal to or less than 50 percent of the median household income for the standard metropolitan statistical area that the city of the first class is part of as determined by the 1980 federal decennial census.

(c) The area is characterized by residential dwelling units in need of substantial rehabilitation. An area qualifies under this clause if (1) 25 percent or more of the residential dwelling units are in substandard condition as determined by the city; or (2) 70 percent or more of the residential dwelling units in the area were built prior to 1940 as determined by the 1980 federal decennial census.

Sec. 45. [116N.04] [CORPORATION CREATED; BOARD OF DIRECTORS; PURPOSE AND DUTY.]

Subdivision 1. [CREATION; NAME.] The Greater Minnesota Corporation is created as a public corporation. The corporation is not a state agency under chapters 14, 15, or for any other purpose. All business of the corporation must be conducted under its name.

Subd. 2. [BOARD OF DIRECTORS.] The corporation is governed by a corporation board of 11 directors appointed by the governor to six-year terms. The governor shall make the initial appointments. As the terms of the initial appointees expire, appointments must be made by the board. The board may determine the compensation of its members. Directors shall be considered public officials for the purposes of section 10A.07.

Subd. 3. [INTEREST IN CONTRACT; PENALTY.] A director, employee, or officer of the corporation, subsidiary of the corporation or an organization selected under section 48 who is authorized by the corporation to take part in any manner in making any sale, lease, or contract in their official capacity are "public officers" for the purpose of section 471.87.

Subd. 4. [CONTRIBUTIONS TO PUBLIC OFFICIALS; DISCLOSURE.] Each director shall, when appointed, file a statement with the ethical practices board disclosing the nature, amount, date, and recipient of any contribution made to a public official, political committee, political fund, or political party, as defined in chapter 10A, that:

(1) was made within the four years preceding appointment to the Greater Minnesota board; and

(2) was subject to the reporting requirements of chapter 10A.

The statement must be updated quarterly during the director's term to reflect contributions made to public officials during the appointed director's tenure.

Subd. 5. [ARTICLES AND BYLAWS.] The corporation board of directors shall adopt articles of incorporation and bylaws necessary for the conduct of the business of the corporation consistent with the provisions of this chapter. The articles and bylaws must be filed with the secretary of state.

Subd. 6. [PLACES OF BUSINESS.] The corporation board shall locate and maintain the corporation's places of business within the state.

Subd. 7. [MEETINGS AND ACTIONS OF THE BOARD.] The corporation board shall meet at least twice a year and may hold additional meetings upon giving whatever notice the bylaws of the corporation might provide. Meetings of the corporation board, institute boards, the governor's council on rural development, the rural finance authority, and the research advisory board are subject to the provisions in section 471.705 except when information or data described in subdivision 8 is discussed.

Subd. 8. [APPLICATION AND INVESTIGATIVE DATA.] The following data is classified as private data with regard to data on individuals under section 13.02, subdivision 12, or as nonpublic data with regard to data not on individuals under section 13.02, subdivision 9, whichever is applicable:

(1) financial data, statistics, and information furnished in connection with assistance or proposed assistance under sections 42 to 57, including credit reports, financial statements, statements of net worth, income tax returns, either personal or corporate, and any other business and personal financial records;

(2) correspondence between members of the corporation board authority or employees of the corporation and applicants or other persons or entities regarding assistance or proposed assistance, and any investigative data obtained by the corporation board or authority, or employees of the corporation in relation to the assistance under sections 42 to 57;

(3) security information, trade secret information, or labor relations information, as defined in section 13.37, subdivision 1, disclosed to members of the corporation board authority, or employees of the corporation pursuant to sections 42 to 57.

Sec. 46. [116N.05] [CORPORATE PERSONNEL.]

Subdivision 1. [GENERALLY.] The corporation board shall appoint and set the compensation for a president and may appoint subordinate officers. The corporation board may designate the president as its general agent. Subject to the control of the corporation board, the president shall employ employees and agents as the president deems necessary. The staff of the corporation must include individuals knowledgeable in commercial and industrial financing, research and development, economic development, and general fiscal affairs. The corporation board shall define the duties and designate the titles of the employees and agents.

Subd. 2. [STATUS OF EMPLOYEES.] Employees, officers, and directors of the corporation are not state employees, but, at the option of the corporation board, may participate in the state retirement plan and the state deferred compensation plan for employees in the unclassified service and an insurance plan administered by the commissioner of employee relations.

Subd. 3. [CONTRIBUTIONS TO PUBLIC OFFICIALS; DISCLOSURE.] The president shall, when employed, file a statement with the ethical practices board disclosing the nature, amount, date, and recipient of any contribution made to a public official which:

(1) was made within the four years preceding employment with the Greater Minnesota board; and

(2) was subject to the reporting requirements of chapter 10A.

The statement must be updated quarterly during the president's employment to reflect contributions made to public officials during the president's tenure.

Sec. 47. [116N.06] [CORPORATE POWERS.]

Subdivision 1. [BOARD POWERS.] The corporation board shall have all powers necessary to accomplish the purposes of sections 42 to 57 including, but not limited to, the power to:

(1) sue, and be sued;

(2) have a seal and alter it at will;

(3) make and alter bylaws for its organization and internal management and, subject to agreements with noteholders or bondholders, to establish standards and policies with respect to its projects, operations, properties, and facilities;

(4) enter into contracts or agreements with a federal or state agency, person, business, or other organization;

(5) engage the service of legal, financial, technical, and other professionals;

(6) acquire and dispose of personal property, including intellectual property, royalties, stock, and stock warrants;

(7) acquire and dispose of real property or an interest in real property;

(8) obtain insurance;

(9) consent to the modification of a contract or agreement to which the corporation is a party;

(10) develop, buy, and possess financial and technical information, including credit reports and financial statements;

(11) sell, at public or private sale, a note, mortgage, or other instrument or obligation;

(12) borrow money to carry out its purposes and issue negotiable notes, which it may refund, guarantee, or insure in whole or in part with money from the fund, other assets of the corporation, or an account created by the corporation for that purpose;

(13) to acquire, construct, reconstruct, rehabilitate, improve, alter, repair, or provide for the construction, reconstruction, improvement, alteration, or repair of any project;

(14) to grant options to purchase any project or to renew any leases entered into by it in connection with any of its projects, on the terms and conditions it may deem advisable;

(15) to lend money, whether secured or unsecured; make grants; guarantee loans; purchase loan packages; purchase, sell, or pledge shares, bonds, or other obligations, or securities; and provide and commit to provide mortgage insurance on terms and conditions the corporation board or its designee may deem advisable;

(16) in connection with any property on which it has made a mortgage loan, to foreclose on the property, or commence an action to protect or enforce a right conferred upon it by a law, mortgage, contract, or other agreement, and to bid for and purchase the property at a foreclosure or other sale, or acquire or take possession of the property; and then complete, administer, pay the principal of and interest on any obligations incurred in connection with the property, dispose of, and otherwise deal with the property, as desirable to protect the interests of the corporation in it;

(17) acquire an interest in a product or a private business;

(18) provide advisory, consultative, training and educational services, technical assistance, and advice to a person, firm, partnership, or corporation, either public or private, or a community, in order to carry out the purposes of sections 42 to 57 and may charge fees for this service or assistance;

(19) receive payments in the form of royalties, dividends, or other proceeds in connection with the ownership, license, or leave of products or businesses;

(20) solicit and obtain private capital to carry out the purposes of sections 42 to 57;

(21) accept gifts, grants, and bequests and use or dispose of them for its purposes; and

(22) spend money from the Greater Minnesota fund and other money appropriated for purposes including expenses, for (i) the food, lodging, and travel of consultants and speakers hired by the board; and (ii) publications, advertising, and promotional activities for its projects, operations, properties, and facilities.

Subd. 2. [DESIGNATED POWERS.] The board may designate any of the powers granted in subdivision 1 to the rural finance authority

established in section 49, or the individual research institution boards established in section 50.

Sec. 48. [116N.07] [CHALLENGE GRANT PROGRAM.]

Subdivision 1. [ORGANIZATION.] The challenge grant program shall provide challenge grants to regional organizations selected by the corporation board under subdivision 4 to encourage private investment, provide jobs for low-income persons, and promote economic development in the rural areas of the state. The corporation board shall establish the program as provided in this section.

Subd. 2. [FUNDING REGIONS.] The corporation board shall divide greater Minnesota into six regions. The regions' boundaries must be coterminous with the boundaries of one or more of the development regions.

Subd. 3. [CHALLENGE GRANT PROGRAM ADMINISTRATION.] The corporation board shall establish a challenge grant account for each of the six regions. The corporation board shall designate up to \$..... for each challenge grant account, to be awarded over a period of three years. Challenge grant funds must be used for revolving loans and equity investments authorized under this section. The corporation board shall select nonprofit corporations to administer the challenge grant programs using the selection criteria in subdivision 4.

Subd. 4. [SELECTION OF ORGANIZATION TO ADMINISTER CHALLENGE GRANT PROGRAM.] The corporation board shall select at least one organization for each region to be responsible for administering the challenge grant programs and shall enter into grant agreements with the organizations. An organization is eligible to administer a challenge grant program if it is a nonprofit corporation and it can demonstrate that:

(1) its board of directors contains citizens experienced in rural development and representatives from the different geographic areas in the challenge grant program region, including the regional development commissions;

(2) it has the technical skills to analyze projects;

(3) it is familiar with other available public and private funding sources and economic development programs;

(4) it has the capability to package economic development projects; and

(5) it has the capability to establish and administer a revolving loan program.

Subd. 5. [REVOLVING LOAN FUND.] Each organization responsible for administering a challenge grant program shall provide loans from the challenge grant account to businesses in rural Minnesota to promote economic development in areas including technologically innovative industries, value added manufacturing, agriprocessing, information industries, and agricultural marketing. Each organization shall establish a regional revolving loan fund certified by the board, and shall process loan applications as provided in subdivision 6. The amount of state money allocated for each revolving loan is appropriated from the appropriate challenge grant account to the organization's regional revolving loan fund when the organization's board gives final approval for each loan.

Subd. 6. [LOAN CRITERIA AND PRIORITY.] (a) In processing a loan application, an organization responsible for administering a challenge grant program shall give priority to proposed borrowers who are not likely to undertake the project without assistance from the challenge grant program. Loans must be used for projects designed to principally benefit low-income persons through the creation of job opportunities for such persons. Loans may be used for capital assets and working capital. Among loan applicants, priority must be given on the basis of the number of permanent jobs created or retained by the project and the proportion of nonstate money leveraged by the revolving loan. The minimum revolving loan is \$5,000 and the maximum is \$100,000. The amount of state money appropriated from the challenge grant fund may not exceed 50 percent for each revolving loan. The amount of nonpublic money must equal at least 50 percent for each revolving loan. With the approval of the corporation board, a revolving loan may be used to provide up to 50 percent of the private investment required to qualify for grants from the economic recovery fund. A revolving loan may not exceed 25 percent of the total project cost of an individual project. A revolving loan may not be used for a retail development project.

(b) The corporation board shall establish a minimum interest rate for revolving loans to ensure that necessary management costs are covered.

(c) Money repaid to the challenge grant program must remain in the regional revolving loan fund for further distribution by the organization responsible for administering the challenge grant program.

(d) Administrative expenses must be paid out of the interest earned on revolving loans or from fees that the organizations may charge to businesses applying for loans.

(e) A business applying for a loan must be sponsored by a resolution of the governing body of the local government unit having jurisdiction over the area within which the project is located. For the

purposes of this subdivision, "local government unit" means a home rule charter or statutory city when the project is located in an incorporated area and a county when the project is located in an unincorporated area.

Subd. 7. [EQUITY INVESTMENTS.] The corporation board may allow a specific amount of the challenge grant account designated to each region to be used for the purpose of acquiring equity interests in new or existing businesses located in rural Minnesota. The organizations responsible for administering challenge grant programs may acquire equity investments in new or expanding businesses located in rural Minnesota. The organizations may also invest in qualified regional investment organizations. A qualified regional investment organization is a corporation or fund organized and located within the designated region which conducts a lending and investment program consistent with the goals of the challenge grant program.

Subd. 8. [DUTIES OF CHALLENGE GRANT ADMINISTRATION ORGANIZATION.] The organization responsible for administering a challenge grant program may contract with other regional development authorities to carry out all or part of its duties. The organization shall:

(1) submit an annual report to the corporation board, the governor, and the legislature by February 15 of each year that includes, at least, a description of projects supported by the program, an account of all loans made during the calendar year, the source and amount of all money collected and distributed by the program, the program's assets and liabilities, and an explanation of administrative expenses; and

(2) provide for an annual audit to be performed in accordance with generally accepted accounting practices and auditing standards and submit a copy of each annual audit report to the corporation board.

#### Sec. 49. [116N.08] [RURAL FINANCE AUTHORITY.]

Subdivision 1. [ESTABLISHMENT; PURPOSE.] The rural finance authority is created to provide financial assistance to individuals and businesses on behalf of the corporation.

Subd. 2. [APPOINTMENT.] The authority shall have 11 members. The president of the corporation and two members of the board shall serve on the authority. Eight members shall be appointed by the corporation board. Members of the authority should have extensive experience in business development, finance, banking, or venture capital. Terms and removal of members of the authority shall be set by the corporation board. Members of the authority shall serve without compensation but shall receive their necessary and actual expenses while engaged in the business of the corporation. Members

of the authority shall be considered public officials for the purposes of section 10A.07.

Subd. 3. [STAFFING.] The corporation may provide staff to assist the authority in carrying out its duties. The corporation may contract with an individual or for-profit or nonprofit organization to provide staff to the authority.

Subd. 4. [FINANCIAL ASSISTANCE.] The authority may provide financial assistance from the fund to individuals, businesses, and profit or nonprofit organizations. Financial assistance includes, but is not limited to, loan guarantees or insurance, direct loans, grants, interest subsidy payments, participation in loan packages, and equity financing.

Subd. 5. [STANDARDS.] The corporation board may establish minimum interest rates, security requirements, restrictions on the amount of authority financial participation in a project, and other standards and restrictions that the authority must follow in providing financial assistance.

Subd. 6. [PREFERENCE.] In providing financial assistance, the authority must give preference to individuals, businesses, or organizations that are starting or expanding their operations in greater Minnesota, targeted urban areas, and enterprise zones selected under section 273.1314 that are located in cities of the first class not located in greater Minnesota.

#### Sec. 50. [116N.09] [REGIONAL RESEARCH INSTITUTES.]

Subdivision 1. [ESTABLISHMENT.] The corporation board may establish up to four regional research institutes in greater Minnesota. Each institute shall be located adjacent to or near a public post-secondary education institution. The corporation board shall take into consideration how the location and focus of each institute will best utilize a region's resources and assist the region's businesses.

Subd. 2. [PURPOSE.] The purpose of the institutes is to provide applied research and development services to individuals, businesses, and for-profit or nonprofit organizations for the purposes of developing the region's economy through the utilization of the region's resources and through the development of technology in the region. Research and development services may include on-site research, product development grants, testing of production techniques and product quality, marketing and business management assistance, and feasibility studies.

Subd. 3. [INSTITUTE BOARD.] Each regional research institute is administered by a nine member institute board. The board for each institute consists of one Greater Minnesota Corporation board

member, the president of the corporation, two representatives of public post-secondary institutions in the area surrounding the institute, and five public members appointed by the corporation board. Each institute board shall elect a chairman and other board officers as it deems fit from its membership.

Subd. 4. [INSTITUTE ADMINISTRATION.] The board for each regional research institute must appoint an institute director to manage the operation of the institute. An institute board may contract with post-secondary education governing boards for research services of post-secondary institution staff, facilities, or equipment. The director may directly hire staff for the institutes.

Subd. 5. [RESEARCH CONTRACTS.] The board of each institute may enter into contracts with individuals, businesses, and organizations to provide research and development assistance at institute facilities or at other sites where appropriate. The corporation board is to establish contract guidelines.

Subd. 6. [PRODUCT DEVELOPMENT GRANTS.] The board of each institute may provide product development grants to those individuals, businesses, or organizations that, without financial assistance, would not be able to undertake the development of a product or technology-related service. The corporation board is to establish criteria for determining what individuals, businesses, or organizations are eligible to receive product development grants.

Subd. 7. [DESIGNATED RESEARCH INSTITUTES.] The agricultural utilization research institute established in section 51 and the natural resources research institute are designated as two of the regional research institutes.

Sec. 51. [116N.10] [AGRICULTURAL UTILIZATION RESEARCH INSTITUTE.]

Subdivision 1. [ESTABLISHMENT.] The corporation may establish an agricultural utilization research institute to promote the establishment of new markets and the expansion of existing markets for the state's agricultural commodities and products. The agricultural utilization research institute is one of the regional institutes authorized in section 50.

Subd. 2. [DUTIES.] The agricultural utilization research institute has at least the following responsibilities:

(1) identify the various market segments characterized by Minnesota's agricultural industry, address the individual needs of each segment, and identify development opportunities in each segment;

(2) develop and implement a utilization program for each segment that addresses the development needs of that segment and identifies techniques that might meet those needs;

(3) coordinate research among the public and private organizations and individuals specifically addressing procedures to transfer new technology to businesses and individuals; and

(4) provide research grants to public and private educational institutions and other organizations that are undertaking basic and applied research that would promote the development of the various agricultural industries.

Subd. 3. [STAFF] The corporation shall provide staff to the agricultural utilization research institute and assist in carrying out the duties of the agricultural utilization research institute. The corporation may contract with an organization or individual to provide all or a portion of the staff services required by the agricultural utilization research institute.

Subd. 4. [ADVISORY BOARD.] A 36 member advisory board is established to identify priorities for the agricultural utilization research institute. The advisory board shall consist of: the chair of the Minnesota house of representatives agricultural committee; the chair of the Minnesota senate agricultural committee; a representative from each of the 20 largest agricultural-related businesses in the state as determined by the corporation; a member from each of the appropriate trade organizations representing producers of beef cattle, dairy, corn, soybeans, pork, wheat, turkey, barley, wild rice, edible beans, eggs, and potatoes; a member of the Farmers Union; and a member of the Farm Bureau.

The advisory board shall annually provide a list of priorities and suggested research and marketing studies that should be undertaken by the agricultural utilization research institute.

#### Sec. 52. [116N.11] [RESEARCH ADVISORY BOARD.]

Subdivision 1. [ESTABLISHMENT.] The corporation board shall establish a research advisory board to provide advisory assistance to the corporation board, the research institute boards, and the rural finance authority.

Subd. 2. [APPOINTMENT.] The research advisory board shall consist of 11 members appointed by the corporation board. Terms and removal of members shall be set by the board and research advisory board members shall serve without compensation but shall receive their necessary and actual expenses while engaged in the business of the corporation. The membership of the advisory board must have representatives that are experienced or have expertise in

technology, applied research, agriculture, business, labor, and productivity.

Subd. 3. [DUTIES.] The research advisory board has the following duties and responsibilities:

(a) Identify specific areas where research and development will contribute to the productivity of the state's businesses and farms.

(b) Determine specific areas where financial assistance for research and development could assist the development of businesses and create new employment opportunities.

(c) Advise the corporation board in the development and establishment of the regional research institutes and the research grants to public and private post-secondary education institutions.

(d) Advise public and private post-secondary education institutions on the research and development needs of businesses in Minnesota.

(e) Review the applications and make recommendations to the corporation board for research grants to public and private post-secondary education institutions.

Sec. 53. [116N.12] [RESEARCH GRANTS TO EDUCATION UNITS.]

The corporation board may make matching grants to public and private post-secondary education institutions for applied research and development. Grants are to be made for projects which will likely result in assisting economic and employment development in greater Minnesota. The corporation board shall not give final approval to a research grant until it has received an evaluation and recommendation from the research advisory board.

Sec. 54. [116N.13] [INFORMATION ASSISTANCE.]

The corporation board or its designee must provide individuals, businesses, and organizations with information relating to federal, state, and local economic development programs. The corporation board must divide greater Minnesota into regions and have its own staff or its contracted organization's staff located in each of these regions to provide information assistance required in this section. The corporation board may contract with organizations, including but not limited to, regional development commissions, to provide the assistance under this section in each of the regions. The corporation's or designated organization's assigned staff to this function must have knowledge of existing private and federal, state, and local economic development programs and work in conjunction

with existing programs including state agency programs, the university extension service, and the small business development centers.

Sec. 55. [116N.14] [GREATER MINNESOTA FUND.]

(a) The Greater Minnesota fund is a separate account in the state treasury. The corporation board may create separate accounts within the fund for use in accordance with the fund's purposes. Money in the fund may be deposited in an institution designated as a depository for state funds under section 9.031. Money in the fund not needed for the immediate purposes of the corporation may be invested by the corporation in any way authorized by section 11A.24. Money in the fund may be used as provided in this chapter.

(b) The fund consists of:

- (1) all appropriations made to the corporation;
- (2) all fees and charges collected by the corporation;
- (3) income from investments and purchases;
- (4) all revenue from loans, rentals, royalties, dividends, and other proceeds collected in connection with lawful corporate purposes; and
- (5) all gifts, donations, and bequests made to the corporation.

Sec. 56. [116N.15] [AUDITS.]

The corporation board shall contract with a certified public accounting firm to audit the corporation and any subsidiary annually in accordance with generally accepted accounting standards.

The books and records of the corporation, the governor's council on rural development, the rural finance authority, challenge grant organizations, regional research institutes, research advisory boards, and any other subsidiary, fund, or entity to be administered or governed by the corporation are subject to audit without previous notice by the legislative auditor.

Sec. 57. [116N.16] [REPORTS.]

The corporation shall report to the legislature and the governor on its activities by January 1 of each year.

Sec. 58. [136A.125] [SUPPLEMENTAL GRANTS TO DISPLACED RURAL WORKERS.]

Subdivision 1. [PROGRAM; ELIGIBILITY.] (a) The higher education coordinating board shall establish and administer the state supplemental education grant program to assist displaced workers in rural areas of the state in paying the costs of attending public, post-secondary educational institutions. The board shall develop policies and procedures for the administration of grants, including the allocation of funds to eligible institutions, in accordance with section 136A.101.

(b) Only state residents who are enrolled in adult farm management programs or enrolled in a program designed to train people for employment are eligible to apply for grants under this section. Applicants must demonstrate financial need in accordance with policies and procedures established by the board. In developing eligibility policies, the board shall consider criteria for participation in state and federal programs designed to serve economically dislocated workers.

(c) The development of policies and procedures in accordance with this subdivision is not subject to chapter 14.

Subd. 2. [PART-TIME GRANTS.] Displaced workers in rural Minnesota areas are eligible to be considered for a part-time grant under section 136A.132. In awarding grants during the 1987-1989 biennium, participating post-secondary institutions shall consider the needs of displaced rural workers.

Subd. 3. [PUBLIC INFORMATION.] The board shall provide information to displaced workers in rural areas about post-secondary education opportunities and financial assistance to help them pay for their education, including existing state and federal programs and the state supplemental education grant program. The board shall develop and communicate the information in cooperation with the department of jobs and training, financial aid administrators, the agriculture extension service, and representatives of public and private post-secondary education institutions.

Sec. 59. Laws 1983, chapter 334, section 7, is amended to read:

Sec. 7. [REPEALER.]

Sections 1 to 6 are repealed June 30, 1987 1990.

Sec. 60. [DEVELOPMENT PLAN.]

The board of directors of the Greater Minnesota Corporation shall prepare a comprehensive development plan and submit it to the governor and the legislature by November 15, 1987. The development plan must include at least the following:

- (1) operating procedures;
- (2) accounting procedures;
- (3) grant procedures;
- (4) loan procedures;
- (5) personnel procedures and salaries for corporate personnel;
- (6) investment procedures; and
- (7) board conduct and ethics.

In addition, the development plan must include a budget proposal and a five-year plan. It must identify sources and amounts of available nongovernmental money and the purposes for which that money may be used, and it must suggest any further legislation that may be necessary to carry out the development plan.

Sec. 61. [INITIAL APPOINTMENTS.]

Notwithstanding section 45, subdivision 2, the governor shall appoint the initial members of the board of directors of the Greater Minnesota Corporation as follows: four to six-year terms, four to four-year terms, and three to two-year terms.

Sec. 62. [VENTURE CAPITAL STUDY.]

The Greater Minnesota Corporation shall study the effect and the possible administrative and legal structure of the establishment of a for-profit venture capital corporation. This venture capital corporation would be capitalized by a state appropriation that in turn would be converted into shares of stock owned by every resident of the state. This corporation would invest only in Minnesota companies or production facilities located in the state with a preference to ventures that utilize the state's resources and intermediate products and services. The venture capital corporation would invest in local capital venture pools that are managed by experienced private venture capital firms and this corporation would only provide investment capital for product development and start-up business development. The venture capital corporation would target its investment capital to products and businesses that reduce costs to the state's residents and government jurisdictions such as products that improve resource efficiency or products that improve the independence of the physically disabled.

The study may be completed directly by the Greater Minnesota Corporation or the corporation may contract with a business, state

agency, organization, or individual to complete the study. The study must include the examination of at least the following:

(1) the anticipated demand for venture capital that meets the investment criteria of the venture capital corporation;

(2) an estimation of the start-up costs of the venture capital corporation;

(3) an estimation of on-going administrative costs of the venture capital corporation including shareholder related costs;

(4) the most appropriate legal structure for the venture capital corporation including recommendations for the enabling legislation for the corporation;

(5) an estimation of the potential additional investment through stock purchases by Minnesota residents;

(6) an inventory of experienced and interested local venture capital firms that the corporation would utilize in distributing its venture capital; and

(7) an analysis of the type of products that meet the investment criteria of the venture capital corporation.

The Greater Minnesota Corporation shall submit the study to the legislature and the governor by January 15, 1988.

Sec. 63. [APPROPRIATION.]

(a) \$..... is appropriated from the general fund to the commissioner of trade and economic development for additional staffing for the agricultural development board for the fiscal year ending June 30, 1989.

(b) \$..... is appropriated from the general fund to the agricultural development fund. This appropriation is subject to Minnesota Statutes, section 41A.05, subdivision 1.

Sec. 64. [APPROPRIATION.]

Subdivision 1. [MINERAL RESOURCES PLAN.] \$..... is appropriated from the general fund to the commissioner of natural resources for implementation of section 22, to be available until June 30, 1988.

Subd. 2. [FORESTRY MANAGEMENT.] \$..... is appropriated from the general fund to the commissioner of natural resources for

implementation of the forestry management plan required in Minnesota Statutes, section 89.011.

\$. . . . . is appropriated from the general fund to the commissioner of natural resources for grants to counties or groups of counties for county forested tax-forfeited lands managed under county forestry assistance programs. The commissioner of natural resources shall make the appropriation available to counties with the amount proportional to the acreage of forested tax-forfeited land managed by the county. As a condition of receiving funds, the commissioner of natural resources must require work plans, semi-annual progress reports, and final program reports.

Sec. 65. [APPROPRIATION.]

\$. . . . . is appropriated from the general fund to the department of trade and economic development for the administrative expenses of the rural development board established in section 28.

Sec. 66. [APPROPRIATION.]

\$. . . . . is appropriated from the general fund to the Greater Minnesota Corporation established in section 45. The appropriation is used to fund the regional research institutes created in section 50, the applied research grants established in section 53, the product development grants established in section 50, the challenge grant program established in section 48, the business financial assistance programs of the rural finance authority created in section 49, and the technical assistance and administrative costs of the corporation and subsidiaries. The corporation board may allocate the appropriation between programs as the board deems fit. This appropriation is available until expended.

Sec. 67. [APPROPRIATION.]

\$. . . . . is appropriated from the general fund to the higher education coordinating board for the state supplemental education grant program established in section 58, to be available until expended.

Sec. 68. [APPROPRIATION.]

\$. . . . . is appropriated from the general fund to the jobs skills partnership board for the customized training program established in section 40.

Sec. 69. [APPROPRIATION.]

\$. . . . . is appropriated from the general fund to the department of trade and economic development for the community development corporation program.

## Sec. 70. [INSTRUCTIONS TO REVISOR.]

Subdivision 1. The revisor of statutes is directed to change the words "agricultural resource loan guaranty fund" wherever it appears in Minnesota Statutes to "agricultural development fund" in the next and subsequent editions of the statutes.

Subd. 2. The revisor of statutes is directed to change the words "agricultural resource loan guaranty board" and "agricultural resource loan guaranty program" wherever they appear in Minnesota Statutes to "agricultural development board" and "agricultural development program" in the next and subsequent editions of the statutes.

Subd. 3. The revisor of statutes is directed to change the words "commissioner of energy and economic development" and "department of energy and economic development" wherever they appear in Minnesota Statutes to "commissioner of trade and economic development" and "department of trade and economic development" in the next and subsequent editions of the statutes.

## Sec. 71. [TRANSFER.]

Subdivision 1. The responsibilities of the natural resource research institute are transferred to the Greater Minnesota Corporation. The corporation is a continuation of the research institute for purposes of those matters transferred from the institute to the corporation. Any proceeding, court action, or other business pending with the institute on the effective date of the transfer may be conducted and completed by the corporation. The unexpended balance of any appropriation to the University of Minnesota for purposes of the research institute is reappropriated to the corporation.

Subd. 2. The responsibilities of the state planning agency in regard to the main street program and the community improvement program are transferred to the department of trade and economic development. Section 15.039 applies to this transfer.

## Sec. 72. [DISSOLUTION.]

In the event of dissolution of the Greater Minnesota Corporation for any reason, the state of Minnesota, upon action by the governor, after consultation with the legislative advisory commission, may require return of all assets of the corporation to the state, in exchange for the assumption of all outstanding obligations of the corporation.

If the corporation is dissolved, or certain of its functions transferred to another entity, the assets and liabilities and property

associated with the dissolved or transferred functions must return to the state or to the entity designated by law.

Sec. 73. [EFFECTIVE DATES.]

Sections 1 to 21, 23 to 39, 41 to 57, 59 to 62, and 71 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to economic development; rural development; renaming and providing new powers to the agricultural resource loan guaranty board; establishing a mineral resources program; changing a department name to trade and economic development; establishing a community development division in the department of trade and economic development; establishing the Greater Minnesota Corporation; establishing the rural development board; establishing the customized training program; establishing the Greater Minnesota Corporation; establishing the state supplemental education grant program; authorizing certain activities and requiring certain studies; appropriating money; amending Minnesota Statutes 1986, sections 11A.24, by adding a subdivision; 15.01; 41A.01; 41A.02, subdivisions 3, 4, 5, 6, 11, and 15; 41A.03, subdivisions 4 and 5; 41A.04, subdivision 1; 41A.05, subdivisions 1, 2, 3, and 5; 41A.06, subdivision 1; 116J.01; 116J.03; 116J.951, subdivision 2, and by adding subdivisions; 116J.955; 116J.961, subdivisions 1, 5, 6, 8, and 10; 116L.03, subdivision 2; 116M.04; and 297A.44, subdivision 1; Laws 1983, chapter 334, section 7; proposing coding for new law in Minnesota Statutes, chapters 41A; 84; 93; 116J; 116L; and 136A; proposing coding for new law as Minnesota Statutes, chapter 116N."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 246, A bill for an act relating to education; establishing chemical abuse pre-assessment teams and community advisory teams; requiring teachers to report possession, use, and transfer of chemical substances by students; amending Minnesota Statutes 1986, sections 127.41, subdivision 3; and 260.161, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 126.

Reported the same back with the following amendments:

Page 1, line 26, delete "9" and insert "7"

Page 4, line 9, delete “; VOLUNTARY REPORTING”

Page 4, line 29, after “and” insert “that there is evidence that the report was made”

Page 6, lines 10 and 11, delete “chemical abuse problems of pupils” and insert “problems of chemical abuse (as defined in section 2) by pupils”

Page 6, line 19, delete “(c)” and insert “(3)”

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 285, A bill for an act relating to statutes; reenacting certain amendments to the dram shop act.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

#### “ARTICLE I

Section 1. [REENACTMENT.]

Minnesota Statutes, chapter 340A, as published in Minnesota Statutes 1986, is reenacted.

#### ARTICLE II

Section 1. Minnesota Statutes 1986, section 145.63, is amended to read:

145.63 [LIMITATION ON LIABILITY FOR SPONSORING ORGANIZATIONS AND MEMBERS OF REVIEW ORGANIZATIONS.]

Subdivision 1. [MEMBERS.] No person who is a member or employee of, who acts in an advisory capacity to or who furnishes counsel or services to, a review organization shall be liable for damages or other relief in any action brought by a person or persons whose activities have been or are being scrutinized or reviewed by a review organization, by reason of the performance by the person of any duty, function or activity of such review organization, unless the

performance of such duty, function or activity was motivated by malice toward the person affected thereby. No person shall be liable for damages or other relief in any action by reason of the performance of the person of any duty, function, or activity as a member of a review committee or by reason of any recommendation or action of the review committee when the person acts in the reasonable belief that the action or recommendation is warranted by facts known to the person or the review organization after reasonable efforts to ascertain the facts upon which the review organization's action or recommendation is made, except that any corporation designated as a review organization under the Code of Federal Regulations, title 42, section 466 (1983) shall be subject to actions for damages or other relief by reason of any failure of a person, whose care or treatment is required to be scrutinized or reviewed by the review organization, to receive medical care or treatment as a result of a determination by the review organization that medical care was unnecessary or inappropriate.

Subd. 2. [ORGANIZATIONS.] No state or local association of professionals or organization of professionals from a particular area shall be liable for damages or other relief in any action brought by a person whose activities have been or are being scrutinized or reviewed by a review organization established by the association or organization, unless the association or organization was motivated by malice towards the person affected by the review or scrutiny.

Sec. 2. Minnesota Statutes 1986, section 340A.801, subdivision 1, is amended to read:

Subdivision 1. [RIGHT OF ACTION.] A spouse, child, parent, guardian, employer, or other person injured in person, property, or means of support, or who incurs other pecuniary loss by an intoxicated person or by the intoxication of another person, has a right of action in the person's own name for all damages sustained against a person who caused the intoxication of that person by illegally selling alcoholic beverages. All damages recovered by a minor under this section must be paid either to the minor or to the minor's parent, guardian, or next friend as the court directs.

Sec. 3. Minnesota Statutes 1986, section 340A.501, is amended to read:

#### 340A.501 [RESPONSIBILITY OF LICENSEE.]

Every licensee is responsible for the conduct in the licensed establishment and any sale of alcoholic beverage by any employee authorized to sell alcoholic beverages in the establishment is the act of the licensee for the purposes of all provisions of this chapter except sections 340A.701, 340A.702, and 340A.703.

Sec. 4. [REPEALER.]

Minnesota Statutes 1986, section 340A.801, subdivision 5, is repealed.

Sec. 5. [EFFECTIVE DATE.]

Article II, section 2, is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to liquor laws; eliminating vicarious criminal liability for the employer of an individual who violates a liquor law; reenacting certain amendments to the dram shop act; providing for liability of professional review organizations; amending Minnesota Statutes 1986, sections 145.63; 340A.501; and 340A.801, subdivision 1; repealing Minnesota Statutes 1986, section 340A.801, subdivision 5."

With the recommendation that when so amended the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 290, A bill for an act relating to human services; establishing a board of social work examiners; licensing and regulating social workers; providing penalties; appropriating money; amending Minnesota Statutes 1986, section 214.01, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 148A.

Reported the same back with the following amendments:

Page 3, line 32, delete "or" and insert "of"

Page 4, line 21, after "(5)" insert ", or as provided under Minnesota Rules, parts 9500.1070, 9500.1020, or their successor parts"

Page 4, line 36, delete "nine" and insert "ten"

Page 5, line 2, delete "and"

Page 5, line 3, before the period insert "; and"

(3) one school social worker licensed by the board of teaching"

Page 5, line 15, delete "one member" and insert "two members" and delete "a person" and insert "persons"

Page 5, line 16, delete "two" and insert "four"

Page 5, line 20, delete "(4)" and insert "(5)"

Page 5, line 29, delete "4 to 6" and insert "1 to 12"

Page 7, line 11, delete "and"

Page 7, line 12, delete the period and insert "; and

(6) in addition, at least one member shall be a person of color and at least one member shall reside outside of the seven-county metropolitan area."

Page 11, line 16, after the semicolon insert "or"

Page 11, line 18, delete "; or" and insert a period

Page 11, delete lines 19 and 20

Page 12, line 10, delete "qualified"

Page 12, line 11, delete "of a social" and insert "for which they are qualified or licensed"

Page 12, line 12, delete "work nature"

Page 12, line 14, delete "performing"

Page 12, delete line 15

Page 12, line 16, delete "state, or federal agencies"

Page 12, line 18, delete "adjustment or school guidance"

Page 12, line 20, delete "workers" and insert "persons"

Page 13, after line 4, insert:

"Subd. 5. [FEDERALLY RECOGNIZED TRIBES AND PRIVATE NONPROFIT AGENCIES WITH A MINORITY FOCUS.] The licensure of social workers who are employed by federally recognized tribes, or by private nonprofit agencies whose primary service focus addresses ethnic minority populations, and are themselves members of ethnic minority populations within said agencies, shall be voluntary."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 297, A bill for an act relating to real property; creating a lien against real property for expenses incurred by agencies or political subdivisions in taking action to protect public health, safety, or the environment with respect to the release of substances; providing for filing, enforcement, and appeal of the lien; proposing coding for new law in Minnesota Statutes, chapter 514.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [514.675] [LIEN FOR EXPENSES OF ACTIONS TO PROTECT PUBLIC HEALTH, SAFETY, OR THE ENVIRONMENT.]

Subdivision 1. [DEFINITIONS.] The definitions in this subdivision apply to this section unless the context clearly requires otherwise.

(a) “Agency” means the pollution control agency.

(b) “Release” means a release of a hazardous substance or pollutant or contaminant as those terms are defined in section 115B.02, or a discharge of pollutants subject to the requirements of section 115.061.

(c) “Remedial action” means action to prevent, control, mitigate, or remedy a release or threatened release, including related investigation, preparation, and monitoring activities.

Subd. 2. [LIEN CREATED; EXPIRATION.] When the agency takes remedial action that is reasonable and necessary to protect the public health, safety, or the environment, all expenses incurred by the agency in taking the remedial action, including administrative and legal expenses, constitute a lien against the real property owned by any person who is legally responsible for the release. The lien is effective upon filing of a notice of lien in the office of the county recorder or the registrar of titles in the county where the property is located. The lien expires ten years after the date the notice of lien is filed unless, before the date of expiration, the agency perfects the lien by filing a lien statement as provided in subdivision 5. If the agency determines that remedial action has been completed and that the remedial action is adequate to protect the public health, safety, and environment, no lien under this section may attach to the property where the remedial action was taken except for expenses of

remedial action required by a release that had not yet occurred or was unknown at the time the determination was made.

Subd. 3. [RELATIONSHIP TO OTHER LIENS.] (a) Except as provided in paragraph (c), and to the extent of any increase in market value of the real property attributable to the remedial action, the lien has priority over all other liens and encumbrances on the real property, regardless of when recorded, including liens and encumbrances recorded before the effective date of this section.

(b) With respect to any amount of a lien that exceeds the increase in market value of the real property attributable to the remedial action or a lien on real property where there is no increase in market value attributable to the remedial action, the lien is subordinate to all other liens and encumbrances recorded or arising before the notice of the lien is filed.

(c) A lien on any real property, the greater part of which is devoted to single or multifamily housing, is subordinate to all other liens and encumbrances recorded or arising before the notice of lien is filed.

Subd. 4. [PROPERTY SUBJECT TO LIEN.] The following real property owned by a person who is legally responsible for the release is subject to the lien created under this section:

(1) real property where the release occurred or where the remedial action is taken;

(2) real property contiguous to the property against which the lien may be filed under clause (1) if, within the five years preceding the filing of the notice of lien, the contiguous property was included in the legal description of the property against which the lien may be filed under clause (1); and

(3) real property where the substances present in the release were generated or stored before coming to be located at the property where the release originated.

Subd. 5. [FILING AND RECORDING; APPRAISAL.] (a) A notice of the lien created by this section may be filed after the agency has provided to the owner of the property against which the lien is to be filed, and to any record holder of a first mortgage on the property, notice of the agency's intent to take remedial action and an opportunity to negotiate an agreement with the agency concerning the taking of remedial action and reimbursement of the agency's remedial action expenses. In the case of remedial action to be taken under section 115B.17, the procedures required as a condition of taking action under section 115B.17, subdivision 1, constitute notice and opportunity for negotiation under this subdivision provided that any record holder of a first mortgage on the property is afforded the

same notice and opportunity to negotiate as that afforded to a legally responsible person.

(b) The notice of lien must state the date when remedial action began, the address and telephone number of the agency, the purpose of the remedial action, the name of the owner, and the legal description of the real property subject to the lien.

(c) At any time after expenses have been incurred, a lien statement may be filed showing (1) the purpose and amount of the expenses incurred in taking the remedial action; (2) the address and telephone number of the agency; (3) the amount of any increase in the market value of the real property attributable to the remedial action; and (4) the name of the owner and the legal description of the property subject to the lien. The filing of a lien statement perfects the lien retroactively to the date on which the notice of lien was filed.

(d) Except for a lien against real property where no increase in market value is claimed, appraisals of the market value of the real property before and after the remedial action shall be attached to the lien statement. Except as otherwise provided in this clause, an appraisal of the market value of the real property shall be made before the agency takes remedial action, and shall take into account the existence and scope of the release for which remedial action will be taken. Appraisals shall be performed by a qualified, independent appraiser selected by the agency. No appraisal is required before any preparation or investigation incident to the remedial action is completed, or before taking remedial action to address an emergency requiring immediate action. In the case of emergency remedial action, the appraisal of market value of the real property before remedial action shall be made as soon as practicable after the remedial action begins.

(e) When a notice of lien has been filed but no lien statement has been filed, the agency shall execute a release of the notice upon request of any person with a legal interest in the real property if the agency determines that any claim for expenses incurred in taking remedial action has been satisfied or that legally enforceable arrangements have been made by agreement, stipulation, or otherwise for taking remedial action or reimbursement of the agency's remedial action expenses. After a lien statement has been filed, the agency shall execute a partial or full satisfaction of the lien upon request of any person with a legal interest in the real property if the claim for expenses incurred in taking remedial action has been partially or fully paid.

(f) Notices and statements shall be filed in the office of the county recorder or the office of the registrar of titles of the county in which the real property is located. No attestation, certification, or acknowledgement is required as a condition of filing.

Subd. 6. [ACTION TO CHALLENGE LIEN.] Within 30 days after filing a lien statement, the agency shall serve a copy of the lien statement upon the owner of the property in the manner provided for service of pleadings under the rules of civil procedure. If the lien statement shows an increase in the market value of the real property attributable to the remedial action, the agency shall serve a copy of the lien statement and appraisals on the owner and all lien holders and encumbrancers of record. The owner, and any holder of a lien or encumbrance that is made subordinate to the lien, may challenge the amount, validity, or priority of the lien by commencing an action in district court within 60 days after the date of service.

If an action is brought challenging the amount of increase in value of the real property attributable to the remedial action the court shall appoint commissioners to determine the increase in value and shall make a final determination of the increased value attributable to the remedial action consistent with the provisions for determining value of property as provided in chapter 117, as far as practicable. The agency's certification of expenses shall be prima facie evidence that the expenses are reasonable and necessary. The action provided in this subdivision is the exclusive method of challenging the amount, validity, or priority of a lien for which a lien statement is filed as provided under this section.

Subd. 7. [ENFORCEMENT.] (a) When the lien created under this section is perfected by the filing of a lien statement, and subject to any challenge under subdivision 6, the lien is enforceable by foreclosure in the manner provided for the foreclosure of judgment liens under chapter 550. Except as provided in paragraph (b), the lien may be enforced against any person who owned the real property at the time the notice of lien was filed or who acquires ownership of the real property after the notice of lien is filed.

(b) In the case of an owner of the real property at the time that the notice of lien is filed, the lien is enforceable against the owner only when ownership of the real property is transferred to another person or when the agency obtains a judgment that the owner is a person legally responsible for the release.

Subd. 8. [OFFICER RESPONSIBLE FOR ADMINISTRATION; DISPOSITION OF PAYMENTS.] The filing, mailing, or serving of a document authorized or required under this section is the responsibility of the director of the agency, or by a delegate of the director. Amounts received in payment of claims for expenses incurred in taking remedial action, or in satisfaction of any lien under this section shall be deposited in the fund from which the expenses were paid by the agency.

Subd. 9. [OTHER REMEDIES PRESERVED.] Nothing in this section shall be construed to affect the right of the agency to use any

remedy available under any other law to recover expenses incurred in taking remedial action.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment.

Delete the title and insert:

“A bill for an act relating to real property; creating a lien against real property for expenses incurred by the pollution control agency in taking action to protect public health, safety, or the environment with respect to the release of substances; providing for filing, enforcement, and appeal of the lien; proposing coding for new law in Minnesota Statutes, chapter 514.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 350, A bill for an act relating to crime; extending the crimes of murder in the second degree and manslaughter in the first degree to deaths caused by the sale or distribution of controlled substances; imposing penalties; amending Minnesota Statutes 1986, sections 609.19; and 609.20; proposing coding for new law in Minnesota Statutes, chapter 152.

Reported the same back with the following amendments:

Page 2, line 7, after “(3)” insert “Proximately”

Page 2, line 8, delete “the”

Page 2, line 8, delete “of any person,” and after “by” insert “, directly or indirectly,”

Page 3, line 1, after “(4)” insert “Proximately”

Page 3, line 2, delete “the”

Page 3, line 2, delete “of any person,” and after “by” insert “, directly or indirectly,”

Page 3, after line 5, insert:

“Sec. 4. [609.228] [GREAT BODILY HARM CAUSED BY DISTRIBUTION OF DRUGS.]

Whoever proximately causes great bodily harm by, directly or indirectly, unlawfully selling, giving away, bartering, delivering, exchanging, distributing, or administering a controlled substance classified in schedule I or II may be sentenced to imprisonment for not more than ten years or to payment of a fine of not more than \$20,000, or both.”

Page 3, line 7, delete “3” and insert “4” and delete everything after “effective” and insert “August 1, 1987”

Page 3, line 8, delete “enactment”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after the first semicolon insert “making it a felony to cause great bodily harm by selling or distributing certain controlled substances;”

Page 1, line 8, delete “chapter” and insert “chapters” and before the period insert “and 609”

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 388, A bill for an act relating to crimes; providing for attachment of financial assets of persons charged with committing a felony; enhancing penalties for using a false name to get a credit card; updating the wiretap law; prohibiting persons from defrauding insurers by concealing or removing property for the purpose of making a fraudulent insurance claim; amending Minnesota Statutes 1986, sections 609.611; 609.821, subdivisions 2 and 3; and 626A.05, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 609.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [609.532] [ATTACHMENT OF DEPOSITED FUNDS.]

Subdivision 1. [ATTACHMENT.] Upon application by the prosecuting authority, a court may issue an attachment order directing a bank or financial institution to freeze some or all of the funds or assets deposited with or held by the bank or financial institution by or on behalf of an account holder charged with the commission of a felony offense.

Subd. 2. [APPLICATION.] The application of the prosecuting authority required by this chapter must contain:

(1) a copy of a criminal complaint issued by a court of competent jurisdiction that alleges the commission of a felony by the account holder;

(2) a statement of the actual financial loss caused by the account holder in the commission of the alleged felony, if not already stated in the complaint; and

(3) identification of the account holder's name or names and bank or financial institution account number or numbers.

Subd. 3. [ISSUANCE OF A COURT ORDER.] If the court is satisfied that (1) there is probable cause that the account holder was involved in the commission of a felony offense; (2) the accounts of the account holder are specifically identified; (3) there was an aggregate loss of \$10,000 or more as a result of the commission of the alleged felony; and (4) it is necessary to freeze the account holder's funds or assets to ensure eventual restitution to victims of the alleged offense, the court may order the bank or financial institution to freeze all or part of the account holder's deposited funds or assets so that the funds or assets may not be withdrawn or disposed of until further order of the court.

Subd. 4. [DUTY OF BANKS OR FINANCIAL INSTITUTIONS.] Upon receipt of the order authorized by this section, a bank or financial institution must not permit any funds or assets that were frozen by the order to be withdrawn or disposed of, absent further order of the court.

Subd. 5. [RELEASE OF FUNDS.] (a) The account holder may, upon notice and motion, schedule a hearing to contest the freezing of funds or assets and to seek the release of all or part of them.

(b) The account holder is entitled to an order releasing the freeze by showing:

(1) that the holder has posted a bond or other adequate surety, guaranteeing that, upon conviction, adequate funds or assets will be available to pay complete restitution to victims of the alleged offense;

(2) that there is no probable cause to believe that the account holder was involved in the alleged offense;

(3) that the amount of funds or assets frozen is more than is necessary to pay complete restitution to all victims of the alleged offense;

(4) that a joint account holder who is not involved in the alleged criminal activity has deposited all or part of the funds; or

(5) that the funds or assets should be returned in the interests of justice.

(c) It is not grounds for the release of funds or assets that the particular accounts frozen do not contain funds or assets that were proceeds from or used in the commission of the alleged offense.

Subd. 6. [DISPOSITION OF FUNDS.] (a) If the defendant is convicted of a felony or a lesser offense, the funds or assets may be used to pay complete restitution to victims of the offense. This section may be carried out by an appropriate court order to the bank or financial institution that directs that all or part of the frozen funds or assets be turned over to the court or its designee.

(b) If the defendant is acquitted or the charges are dismissed, the freeze on the defendant's funds or assets must be ended immediately, upon an appropriate court order.

Subd. 7. [TIME LIMIT.] The freeze permitted by this section shall expire 24 months after the date of the court's initial attachment order unless this time limit is extended by the court in writing upon a showing of good cause by the prosecution.

Subd. 8. [NOTICE.] Within ten days after a court issues an attachment order as permitted by this section, the prosecutor shall cause a copy of the order to be sent to the accountholder's last known address or to the accountholder's attorney, if known.

Sec. 2. Minnesota Statutes 1986, section 609.611, is amended to read:

609.611 [DEFRAUDING INSURER.]

Whoever with intent to injure or defraud an insurer, damages or removes or conceals any property real or personal, whether the actor's own or that of another, which is at the time insured by any person, firm or corporation against loss or damage;

(a) May be sentenced to imprisonment for not more than three years or to payment of fine of not more than \$5,000, or both if the value insured for is less than \$20,000; or

(b) May be sentenced to imprisonment for not more than five years or to payment of fine of not more than \$10,000, or both if the value insured for is \$20,000 or greater;

(c) Proof that the actor recovered or attempted to recover on a policy of insurance by reason of the fire is relevant but not essential to establish the actor's intent to defraud the insurer.

Sec. 3. Minnesota Statutes 1986, section 626A.05, subdivision 2, is amended to read:

Subd. 2. [OFFENSES FOR WHICH INTERCEPTION OF WIRE OR ORAL COMMUNICATION MAY BE AUTHORIZED.] A warrant authorizing interception of wire or oral communications by investigative or law enforcement officers may only be issued when the interception may provide evidence of the commission of gambling or any criminal felony offense involving murder, manslaughter, aggravated assault in the first, second, and third degrees, aggravated robbery, kidnapping, aggravated rape criminal sexual conduct in the first, second, and third degrees, prostitution, bribery, perjury, escape from custody, theft, receiving stolen property, embezzlement, burglary in the first, second, and third degrees, forgery, aggravated forgery, and offenses relating to gambling and controlled substances, or an attempt or conspiracy to commit any of these offenses, as punishable under sections 609.185, 609.19, 609.195, 609.20, ~~609.225~~ 609.221, 609.222, 609.223, 609.2231, 609.245, 609.25, ~~609.291~~ 609.342, 609.343, 609.344, 609.321 to 609.324, 609.42, 609.48, 609.485, subdivision 4, clause (1), 609.52, 609.53, 609.54, ~~609.58~~ 609.581, 609.625, 609.63, 609.76, 609.825, and chapter 152.

Sec. 4. [EFFECTIVE DATE.]

Sections 1 to 3 are effective August 1, 1987, and apply to crimes committed on or after that date."

Amend the title as follows:

Page 1, line 4, delete everything after the semicolon

Page 1, line 5, delete "get a credit card;"

Page 1, line 9, delete "609.821,"

Page 1, line 10, delete "subdivisions 2 and 3;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 389, A bill for an act relating to retirement; local police and firefighters relief associations; authorized administrative expenses; amending Minnesota Statutes 1986, section 69.80.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 413, A bill for an act relating to public safety; increasing taxable gross weight of vehicles at which proof of payment of use tax is required; providing for permits for new vehicles used in events for promotion purposes; changing trip permit conditions; increasing fine for unlawful use of registration plates or certificates; allowing police to give age of parties in traffic accident to media; providing for service of notice of driver's license revocation by court; providing for chemical tests to determine presence of alcohol or controlled substance; prescribing contents of petition for judicial review of driver's license revocation; subjecting alcohol problem assessment rules to administrative procedure act; prescribing actions by drivers on one-way road when emergency vehicle approaching; requiring school buses on one-way, separated roads with shoulders to load and unload without flashing lights; allowing peace officers to weigh pickup towing trailer or semitrailer; providing for \$10 fee for class A classified provisional driver's license; allowing inspection of school buses for approved wheelchair devices; amending Minnesota Statutes 1986, sections 168.013, subdivision 20; 168.187, subdivision 17; 168.36, subdivision 2; 169.09, subdivision 13; 169.121, subdivision 7; 169.123, subdivision 5c; 169.124, subdivision 2; 169.20, subdivision 5; 169.44, subdivision 2; 169.85; 171.06, subdivision 2; and 299A.11; proposing coding for new law in Minnesota Statutes, chapter 168.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 168.013, subdivision 20, is amended to read:

Subd. 20. [FEDERAL HEAVY VEHICLE USE TAX; PROOF OF PAYMENT.] No person may register a motor vehicle that, along with the trailers and semitrailers customarily used with the same type of motor vehicle, has a taxable gross weight of at least ~~33,000~~ 55,000 pounds and is subject to the use tax imposed by the Internal Revenue Code of 1954, section 4481, unless proof of payment of the use tax, if required and in a form as may be prescribed by the secretary of the treasury, is presented.

Sec. 2. [168.093] [PROMOTIONAL EVENT PERMITS.]

On payment of a fee of \$10 per vehicle, the registrar may issue a permit to a new motor vehicle dealer for new vehicles to be used in a promotional event such as a golf tournament or parade. There must be at least three vehicles in the event. The permit must be in a form as the registrar may determine and must show the vehicle description, the owner or dealer, the promotional event, and the dates of the event. Payments received for the permits must be paid into the state treasury and credited to the highway user tax distribution fund. The receipt copy of the permit, whenever practicable, must be posted upon the left side of the inside rear window of the vehicle.

Sec. 3. Minnesota Statutes 1986, section 168.187, subdivision 17, is amended to read :

Subd. 17. [TRIP PERMITS.] The commission may, subject to agreements or arrangements made or entered into pursuant to subdivision 7 issue trip permits for use of Minnesota highways by individual vehicles, on an occasional basis, for periods not to exceed 96 ~~120~~ hours in compliance with rules promulgated pursuant to subdivision 23 and upon payment of a fee of \$10 ~~\$15~~.

Sec. 4. Minnesota Statutes 1986, section 168.36, subdivision 2, is amended to read:

Subd. 2. [CERTAIN ACTS, MISDEMEANORS.] Any person who shall loan or use any number plate or registration certificate upon or in connection with any motor vehicle except the one for which the same was duly issued, or upon any such motor vehicle after such certificate or plates, or the right to use the same, have expired, or any person who shall retain in possession or shall fail to surrender, as herein provided, any such number plate or registration certificate shall be guilty of a misdemeanor. Any person who manufactures, buys, sells, uses or displays motor vehicle license number plates, motor vehicle registration certificates, or tax receipts issued by this state or any other state, territory or district in the United States, without proper authority from such state, territory or district of the United States, shall be guilty of a misdemeanor, and, upon conviction thereof, punished by a fine of not less than ~~\$25~~ \$25 nor more than

\$100 \$700 or by confinement of not less than 15 nor more than 90 days or by both such fine and imprisonment.

Sec. 5. Minnesota Statutes 1986, section 169.09, subdivision 13, is amended to read:

Subd. 13. [ACCIDENT REPORTS CONFIDENTIAL.] All written reports and supplemental reports required under this section to be provided to the department of public safety shall be without prejudice to the individual so reporting and shall be for the confidential use of the department of public safety and other appropriate state, federal, county and municipal governmental agencies for accident analysis purposes, except that the department of public safety or any law enforcement department of any municipality or county in this state shall, upon written request of any person involved in an accident or upon written request of the representative of the person's estate, surviving spouse, or one or more surviving next of kin, or a trustee appointed pursuant to section 573.02, disclose to the requester, the requester's legal counsel or a representative of the requester's insurer any information contained therein except the parties' version of the accident as set out in the written report filed by the parties or may disclose identity of a person involved in an accident when the identity is not otherwise known or when the person denies presence at the accident. No report shall be used as evidence in any trial, civil or criminal, arising out of an accident, except that the department of public safety shall furnish upon the demand of any person who has, or claims to have, made a report, or, upon demand of any court, a certificate showing that a specified accident report has or has not been made to the department of public safety solely to prove a compliance or a failure to comply with the requirements that the report be made to the department of public safety. Disclosing any information contained in any accident report, except as provided herein, is unlawful and a misdemeanor.

Nothing herein shall be construed to prevent any person who has made a report pursuant to this chapter from providing information to any persons involved in an accident or their representatives or from testifying in any trial, civil or criminal, arising out of an accident, as to facts within the person's knowledge. It is intended by this subdivision to render privileged the reports required but it is not intended to prohibit proof of the facts to which the reports relate. Legally qualified newspaper publications and licensed radio and television stations shall upon request to a law enforcement agency be given an oral statement covering only the time and place of the accident, the names, ages, and addresses of the parties involved, whether a citation was issued, and if so, what it was for, and a general statement as to how the accident happened without attempting to fix liability upon anyone, but said legally qualified newspaper publications and licensed radio and television stations shall not be given access to the hereinbefore mentioned confidential reports, nor shall any such statements or information so orally given

be used as evidence in any court proceeding, but shall merely be used for the purpose of a proper publication or broadcast of the news. Release of data on juveniles shall be governed by section 13.32.

When these reports are released for accident analysis purposes the identity of any involved person shall not be revealed. Data contained in these reports shall only be used for accident analysis purposes, except as otherwise provided by this subdivision. Accident reports and data contained therein which may be in the possession or control of departments or agencies other than the department of public safety shall not be discoverable under any provision of law or rule of court.

Notwithstanding other provisions of this subdivision to the contrary, the commissioner of public safety shall give to the commissioner of transportation the name and address of a carrier, subject to section 221.031 named in an accident report filed under subdivision 7 or 8. The commissioner shall use this information to enforce accident report requirements under chapter 221. In addition the commissioner of public safety may give to the United States Department of Transportation all commercial vehicle accident information in connection with federal grant programs relating to safety.

The department may charge authorized persons a \$5 fee for a copy of an accident report.

Sec. 6. Minnesota Statutes 1986, section 169.121, subdivision 7, is amended to read:

Subd. 7. On behalf of the commissioner of public safety a court shall serve notice of revocation on a person convicted of a violation of this section only when the person's driving privileges are not then under revocation for, or the revocation has not already been served for, the implied consent arising under that violation. The court shall take the license or permit of the driver, if any, or obtain a sworn affidavit stating that the license or permit cannot be produced, and send it to the commissioner with a record of the conviction and issue a temporary license effective only for the period during which an appeal from the conviction may be taken. No person who is without driving privileges at the time shall be issued a temporary license and any temporary license issued shall bear the same restrictions and limitations as the driver's license or permit for which it is exchanged.

The commissioner shall issue additional temporary licenses until the final determination of whether there shall be a revocation under this section.

Sec. 7. Minnesota Statutes 1986, section 169.123, subdivision 5c, is amended to read:

Subd. 5c. [PETITION FOR JUDICIAL REVIEW.] Within 30 days following receipt of a notice and order of revocation pursuant to this section, a person may petition the court for review. The petition shall be filed with the court administrator of county or municipal court in the county where the alleged offense occurred, together with proof of service of a copy on the commissioner of public safety, and accompanied by the standard filing fee for civil actions. No responsive pleading shall be required of the commissioner of public safety, and no court fees shall be charged for the appearance of the commissioner of public safety in the matter.

The petition shall be captioned in the name of the person making the petition as petitioner and the commissioner of public safety as respondent. The petition must include the petitioner's date of birth, driver's license number, date of the offense, and a copy of the notice of revocation. The petition shall state with specificity the grounds upon which the petitioner seeks rescission of the order of revocation or denial.

The filing of the petition shall not stay the revocation or denial. The reviewing court may order a stay of the balance of the revocation if the hearing has not been conducted within 60 days after filing of the petition upon terms the court deems proper. Judicial reviews shall be conducted according to the rules of civil procedure.

Sec. 8. Minnesota Statutes 1986, section 169.124, subdivision 2, is amended to read:

Subd. 2. The alcohol problem assessment shall be conducted under the direction of the court and by such persons or agencies as the court deems qualified to provide the alcohol problem assessment and assessment report as described in section 169.126. The alcohol problem assessment may be conducted by court services probation officers having the required knowledge and skills in the assessment of alcohol problems, by alcoholism counselors, by persons conducting court sponsored driver improvement clinics if in the judgment of the court such persons have the required knowledge and skills in the assessment of alcohol problems, by appropriate staff members of public or private alcohol treatment programs and agencies or mental health clinics, by court approved volunteer workers such as members of alcoholics anonymous, or by such other qualified persons as the court may direct. The commissioner of public safety shall provide the courts with information and assistance in establishing alcohol problem assessment programs suited to the needs of the area served by each court. The commissioner shall consult with the alcohol and other drug abuse section in the department of human services and with local community mental health boards in providing such information and assistance to the courts. The commissioner of public safety shall promulgate rules and standards under chapter 14, consistent with this subdivision, for reimbursement under the

provisions of subdivision 3. ~~The promulgation of such rules and standards shall not be subject to chapter 14.~~

Sec. 9. Minnesota Statutes 1986, section 169.20, subdivision 5, is amended to read:

Subd. 5. [EMERGENCY VEHICLE.] Upon the immediate approach of an authorized emergency vehicle equipped with at least one lighted lamp exhibiting red light visible under normal atmospheric conditions from a distance of 500 feet to the front of such vehicle and, except where otherwise not required by law, when the driver is giving audible signal by siren, the driver of each other vehicle shall yield the right-of-way and shall immediately drive to a position parallel to and as close as possible to the right-hand edge or curb of the highway clear of any intersection, and shall stop and remain in this position until the authorized emergency vehicle has passed, except when otherwise directed by a police officer. The driver of another vehicle on a one-way roadway shall drive to the closest edge or curb and stop. The driver of an authorized emergency vehicle escorting the movement of a vehicle or load which is oversize or overweight need not sound an audible signal by siren but shall exhibit the light required by this paragraph. The driver of each other vehicle then shall yield the right-of-way, as required by this paragraph, to the emergency vehicle escorting the vehicle or load which is oversize or overweight.

Upon the approach of an authorized emergency vehicle the driver of each street car and the operator of each trackless trolley car shall immediately stop such car clear of any intersection and keep it in this position and keep the doors and gates of the street car or trackless trolley car closed until the authorized emergency vehicle has passed, except when otherwise directed by a police officer.

This subdivision shall not operate to relieve the driver of an authorized emergency vehicle from the duty to drive with due regard for the safety of persons using the highways.

Sec. 10. Minnesota Statutes 1986, section 169.44, subdivision 2, is amended to read:

Subd. 2. [LOADING AND UNLOADING PASSENGERS; USE OF SIGNALS.] (a) Drivers of a vehicle outwardly equipped and identified as a school bus shall actuate the prewarning flashing amber signals of the bus before stopping to load or unload a school child or children at least 300 feet when operating outside an incorporated municipality and at least 100 feet when operating within an incorporated municipality and, upon stopping for such purpose, such drivers shall extend the stop signal arm and actuate the flashing red signals and shall not retract the stop signal arm and extinguish the flashing red signals until loading or unloading is completed and persons who must cross the street or highway are safely across.

(b) School bus drivers shall not actuate the prewarning flashing amber signals or flashing red signals:

(1) in special school bus loading areas where the bus is entirely off the traveled portion of the road;

(2) in residence or business districts of cities except when directed by the local school administrator;

(3) when a school bus is being used on a highway for purposes other than the actual transportation of school children to or from school or a school approved activity, in which event the words "school bus" on the front and rear of the bus shall be removed or completely concealed; and

(4) at railroad grade crossings; and

(5) when loading and unloading persons while the bus is completely off the traveled portion of a separated, one-way roadway that has adequate shoulders. The driver shall drive the bus completely off the traveled portion of a separated, one-way roadway with adequate shoulders before loading or unloading persons.

(c) Where school children must cross the road before boarding or after being discharged from the bus, the driver of a school bus or a school bus patrol may supervise such crossings making use of the standard school patrol flag or signal as approved and prescribed by the commissioner of public safety. When children are alighting from a school bus, the driver shall visually ascertain that alighting children shall be a safe distance from the bus before moving the bus.

(d) Vehicles not outwardly equipped and identified as school buses shall load or unload school children only from the right-hand side of the vehicle, except on a one-way street such vehicle shall load or unload school children only from the curb side of the vehicle.

Sec. 11. Minnesota Statutes 1986, section 171.06, subdivision 2, is amended to read:

Subd. 2. [FEES.] (a) The fees for a license and Minnesota identification card are as follows:

Classified Driver License	C-\$10	B-\$15	A-\$20
Classified Provisional D.L.	C-\$6	B-\$10	<u>A-\$10</u>
Instruction Permit			\$4
Duplicate Driver or Provisional License			\$3
Minnesota identification card, except as otherwise provided in section 171.07, subdivisions 3 and 3a			\$6

Sec. 12. Minnesota Statutes 1986, section 299A.11, is amended to read:

**299A.11 [VEHICLES TRANSPORTING WHEELCHAIR USERS; DEFINITIONS.]**

The following terms have the definitions given them for the purposes of sections 299A.11 to 299A.18:

(a) "Wheelchair securement device" or "securement device" means an apparatus installed in a motor vehicle for the purpose of securing an occupied wheelchair into a location in the vehicle and preventing movement of that wheelchair while the vehicle is in motion.

(b) "Operator" means any person, firm, partnership, corporation, service club, public or private agency, city, town or county. ~~The provisions of Laws 1978, chapter 752, shall Section 299A.15 does not apply to any school bus as defined in section 169.01, subdivision 6, which is subject to regular school bus inspections pursuant to section 169.451.~~

(c) "Transportation service" means the transportation by motor vehicle, other than a school bus manufactured prior to January 1, 1988, of any sick, injured, invalid, incapacitated, or handicapped individual while occupying a wheelchair, which transportation is offered or provided by any operator to the public or to its employees or in connection with any other service offered by the operator including schooling or nursing home, convalescent or child care services.

Delete the title and insert:

"A bill for an act relating to public safety; increasing taxable gross weight of vehicles at which proof of payment of use tax is required; providing for permits for new vehicles used in events for promotion purposes; changing trip permit conditions; increasing fine for unlawful use of registration plates or certificates; allowing police to give age of parties in traffic accident to media; providing for the disclosure of certain information from accident reports; providing for service of notice of driver's license revocation by court; prescribing contents of petition for judicial review of driver's license revocation; subjecting alcohol problem assessment rules to administrative procedure act; prescribing actions by driver on one-way road when emergency vehicle approaching; requiring school buses on one-way, separated roads with shoulders to load and unload without flashing lights; providing for \$10 fee for class A classified provisional driver's license; allowing inspection of school buses for approved wheelchair devices; amending Minnesota Statutes 1986, sections 168.013, subdivision 20; 168.187, subdivision 17; 168.36, subdivision 2; 169.09, subdivision 13; 169.121, subdivision 7; 169.123, subdivision 5c; 169.124, subdivision 2; 169.20, subdivision 5; 169.44, subdivision 2;

171.06, subdivision 2; and 299A.11; proposing coding for new law in Minnesota Statutes, chapter 168."

With the recommendation that when so amended the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 463, A bill for an act relating to retirement; public employees retirement association; lowering vesting standards; amending Minnesota Statutes 1986, sections 353.29, subdivision 1; 353.30, subdivision 1c; 353.32, subdivision 1a; 353.33, subdivision 1; 353.34, subdivision 3; 353.651, subdivision 1; 353.657, subdivision 2a; 353.71, subdivision 1; and 356.30, subdivision 1.

Reported the same back with the following amendments:

Page 1, after line 10, insert:

"Section 1. Minnesota Statutes 1986, section 352.113, subdivision 1, is amended to read:

Subdivision 1. [AGE AND SERVICE REQUIREMENTS.] Any employee covered by the system who is less than 65 years of age who becomes totally and permanently disabled after ~~ten~~ five or more years of allowable service and any employee who is at least 50 years of age but less than 65 years of age who becomes totally and permanently disabled after five or more years of allowable service shall be entitled to a disability benefit in an amount provided in subdivision 3. If such disabled employee's state service has terminated at any time, at least ~~five~~ three years of allowable service must have been rendered after last becoming a state employee covered by the system.

Sec. 2. Minnesota Statutes 1986, section 352.115, subdivision 1, is amended to read:

Subdivision 1. [AGE AND SERVICE REQUIREMENTS.] After separation from state service any employee (a) who has attained the age of at least 55 years and who is entitled to credit for not less than ~~ten~~ five years allowable service or (b) who has received credit for not less than 30 years allowable service regardless of age is entitled upon application to a retirement annuity.

Sec. 3. Minnesota Statutes 1986, section 352.12, subdivision 2, is amended to read:

Subd. 2. [SURVIVING SPOUSE BENEFIT.] If an employee or former employee who has attained the age of at least 50 years and has credit for not less than ~~ten~~ five years allowable service or who has credit for not less than 30 years of allowable service, regardless of age attained, dies before an annuity or disability benefit has become payable, notwithstanding any designation of beneficiary to the contrary, the surviving spouse of the employee may elect to receive, in lieu of the refund with interest provided in subdivision 1, an annuity equal to the joint and 100 percent survivor annuity which the employee could have qualified for had the employee terminated service on the date of death. The surviving spouse may apply for the annuity at any time after the date on which the deceased employee would have attained the required age for retirement based on the employee's allowable service. The annuity shall be computed as provided in sections 352.115, subdivisions 1, 2, and 3, and 352.116, subdivisions 1 and 3. Sections 352.22, subdivision 3, and 352.72, subdivision 2, apply to a deferred annuity payable under this subdivision. The annuity shall cease with the last payment received by the surviving spouse in the lifetime of the surviving spouse. An amount equal to the excess, if any, of the accumulated contributions which were credited to the account of the deceased employee over and above the total of the benefits paid and payable to the surviving spouse shall be paid to the deceased employee's last designated beneficiary or, if none, to the surviving children of the deceased spouse in equal shares or, if none, to the surviving parents of the deceased spouse or, if none, to the representative of the estate of such deceased spouse. Any employee may request in writing that this subdivision not apply and that payment be made only to a designated beneficiary as otherwise provided by this chapter.

Sec. 4. Minnesota Statutes 1986, section 352.22, subdivision 3, is amended to read:

Subd. 3. [DEFERRED ANNUITY.] (1) Any employee with at least ~~ten~~ five years of allowable service when such termination occurs may elect to leave the accumulated contributions in the fund and thereby be entitled to a deferred retirement annuity. This annuity shall be computed in the manner provided by the law in effect at the time state service terminated, on the basis of allowable service prior to termination of service.

(2) An employee on layoff or on leave of absence without pay, except a leave of absence for health reasons, who does not return to state service shall have any annuity, deferred annuity or other benefit to which the employee may become entitled computed under the law in effect on the last working day.

(3) No application for a deferred annuity shall be made more than 60 days prior to the time the former employee reaches the required age for entitlement to the payment of the annuity. The deferred annuity shall begin to accrue no earlier than 60 days prior to the

date the application is filed in the office of the system, but in no event prior to the date the employee reaches the required age for entitlement to the annuity nor prior to the day following the termination of state service in a position not covered by the retirement system nor prior to the day following the termination of employment in a position which requires the employee to be a member of either the public employees retirement association or the teachers retirement association.

(4) Application for the accumulated contributions left on deposit with the fund may be made at any time after 30 days following the date of termination of service.

Sec. 5. Minnesota Statutes 1986, section 352.72, subdivision 1, is amended to read:

Subdivision 1. [ENTITLEMENT TO ANNUITY.] Any person who has been an employee covered by the Minnesota state retirement system, or a member of the public employees retirement association including the public employees retirement association police and firefighters' fund, or the teachers retirement association, or the state patrol retirement association, or any other public employee retirement system in the state of Minnesota having a like provision but excluding all other funds providing benefits for police officers or firefighters shall be entitled when qualified to an annuity from each fund if total allowable service in all funds or in any two of these funds totals ~~ten~~ five or more years, provided no portion of the allowable service upon which the retirement annuity from one fund is based is again used in the computation for benefits from another fund and provided further that a refund has not been taken from any one of these funds since service entitling the employee to coverage under the system or the employee's membership in any of the associations last terminated. The annuity from each fund shall be determined by the appropriate provisions of the law except that the requirement that a person must have at least ~~ten~~ five years allowable service in the respective system or association shall not apply for the purposes of this section provided the combined service in two or more of these funds equals ~~ten~~ five or more years.

Sec. 6. Minnesota Statutes 1986, section 352.93, subdivision 1, is amended to read:

Subdivision 1. After separation from state service an employee covered under section 352.91 who has attained the age of at least 55 years and has credit for not less than a total of ~~ten~~ five years of covered correctional service and regular Minnesota state retirement system service shall be entitled upon application to a retirement annuity under this section based only on covered correctional employees' service. Application may be made no earlier than 60 days prior to the date the employee is eligible to retire by reason of both age and service requirements.

For the purpose of this section, average salary means the average of the monthly salary during the employees' highest five successive years of salary as an employee covered by the Minnesota state retirement system.

Sec. 7. Minnesota Statutes 1986, section 352B.08, subdivision 1, is amended to read:

Subdivision 1. Every member who is credited with ~~ten~~ five or more years of allowable service shall be entitled to separate from such state service and upon attaining the age of 55 years, shall be entitled to receive a life annuity, upon separation from state service. Members shall make application for an annuity in a form and manner prescribed by the executive director. No application may be made more than 60 days prior to the date the member is eligible to retire by reason of both age and service requirements. An annuity shall begin to accrue no earlier than 90 days prior to the date the application is filed with the executive director.

Sec. 8. Minnesota Statutes 1986, section 352B.11, subdivision 2, is amended to read:

Subd. 2. [DEATH; PAYMENT TO SPOUSE AND CHILDREN.] In the event any member serving actively as a member, a member receiving the disability benefit provided by section 352B.10, clause (1), or a former member receiving a disability benefit as provided by section 352B.10, clause (3) dies from any cause, the surviving spouse and dependent child or dependent children shall be entitled to benefit payments as follows:

(a) A member with at least ~~ten~~ five years of allowable service or a former member with at least 20 years of allowable service is deemed to have elected a 100 percent joint and survivor annuity payable to a surviving spouse only on or after the date the member or former member attained or would have attained the age of 55.

(b) The surviving spouse of a member who had credit for less than ~~ten~~ five years of service shall receive, for life, a monthly annuity equal to 20 percent of that portion of the average monthly salary of the member from which deductions were made for retirement. If the surviving spouse remarries, the annuity shall cease as of the date of the remarriage.

(c) The surviving spouse of a member who had credit for at least ~~ten~~ five years of service and who dies after attaining 55 years of age, may elect to receive a 100 percent joint and survivor annuity, for life, notwithstanding a subsequent remarriage, in lieu of the annuity prescribed in clause (b).

(d) The surviving spouse of any member who had credit for ~~ten~~ five years or more and who was not 55 years of age at death, shall receive

the benefit equal to 20 percent of the average monthly salary as described in clause (b) until the deceased member would have reached the age of 55 years, and beginning the first of the month following that date, may elect to receive the 100 percent joint and survivor annuity. If the surviving spouse remarries prior to the deceased member's 55th birthdate, all benefits or annuities shall cease as of the date of remarriage. Remarriage subsequent to the deceased member's 55th birthday shall not affect the payment of the benefit.

(e) Each dependent child shall receive a monthly annuity equal to ten percent of that portion of the average monthly salary of the former member from which deductions were made for retirement. A dependent child over the age of 18 years and under the age of 22 years also may receive the monthly benefit provided herein, if the child is continuously attending an accredited school as a full-time student during the normal school year as determined by the director. If the child does not continuously attend school but separates from full time attendance during any portion of a school year, the annuity shall cease at the end of the month of separation. In addition, a payment of \$20 per month shall be prorated equally to surviving dependent children when the former member is survived by one or more dependent children. Payments for the benefit of any qualified dependent child shall be made to the surviving spouse, or if there be none, to the legal guardian of the child. The maximum monthly benefit shall not exceed 40 percent of the average monthly salary for any number of children.

(f) If the member shall die under circumstances which entitle the surviving spouse and dependent children to receive benefits under the workers' compensation law, amounts equal to the workers' compensation benefits received by them shall not be deducted from the benefits payable pursuant to this section.

(g) The surviving spouse of a deceased former member who had credit for ~~ten~~ five or more years of allowable service, but excluding the spouse of a former member receiving a disability benefit under the provisions of section 352B.10, clause (3), shall be entitled to receive the 100 percent joint and survivor annuity at such time as the deceased member would have reached the age of 55 years, provided the surviving spouse has not remarried prior to that date. In the event of the death of a former member who does not qualify for other benefits under this chapter, the surviving spouse or, if none, the children or heirs shall be entitled to receive a refund of the accumulated deductions left in the fund plus interest at the rate of five percent per annum compounded annually.

Sec. 9. Minnesota Statutes 1986, section 352B.30, subdivision 1, is amended to read:

Subdivision 1. [ENTITLEMENT TO ANNUITY.] Any person who has been an employee covered by the Minnesota state retirement

system, or a member of the public employees retirement association including the public employees retirement association police and firefighters' fund, or the teachers retirement association, or the state patrol retirement fund, or any other public employee retirement system in the state of Minnesota having a like provision but excluding all other funds providing benefits for police or firefighters shall be entitled when qualified to an annuity from each fund if total allowable service in all funds or in any two of these funds totals ten five or more years, provided no portion of the allowable service upon which the retirement annuity from one fund is based is again used in the computation for benefits from another fund and provided further that the member has not taken a refund from any one of these funds since service entitling the member to coverage under the system or membership in any of the associations last terminated. The annuity from each fund shall be determined by the appropriate provisions of the law except that the requirement that a person must have at least ~~ten~~ ten five years allowable service in the respective system or association shall not apply for the purposes of this section provided the combined service in two or more of these funds equals ten five or more years."

Page 5, after line 30, insert:

"Sec. 18. Minnesota Statutes 1986, section 354.44, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENTS AS TO AGE AND SERVICE.] Any member or former member who ceases or has ceased to render teaching services in any school or institution covered by the provisions of this chapter, and who has attained the age of at least 55 years with not less than ten five years allowable service, or who has received credit for not less than 30 years allowable service regardless of age, is entitled upon written application to a retirement annuity.

Sec. 19. Minnesota Statutes 1986, section 354.46, subdivision 2, is amended to read:

Subd. 2. [DEATH WHILE ELIGIBLE DESIGNATED BENEFICIARY BENEFIT.] The surviving spouse of any member or former member who has attained the age of at least 50 years and has credit for at least ten five years of allowable service or who has credit for at least 30 years of allowable service irrespective of age shall be entitled to joint and survivor annuity coverage in the event of death of the member prior to retirement. If the surviving spouse does not elect to receive a surviving spouse benefit provided pursuant to subdivision 1, if applicable, or does not elect to receive a refund of accumulated member contributions provided pursuant to section 354.47, subdivision 1, or 354.62, subdivision 5, clause (3), whichever is applicable, the surviving spouse shall be entitled to receive, upon written application on a form prescribed by the executive director, a benefit equal to the second portion of a 100 percent joint and

survivor annuity as provided pursuant to section 354.45 and computed pursuant to section 354.44, subdivision 2, 6 or 7, whichever is applicable. The surviving spouse may apply for the annuity at any time after the date on which the deceased employee would have attained the required age for retirement based on the employee's allowable service. Sections 354.44, subdivisions 6 and 7, and 354.60 apply to a deferred annuity payable under this section. If the member was a participant in the variable annuity division, the applicable portion of the benefit shall be computed pursuant to section 354.62, subdivision 5, clause (1). The benefit shall be payable for life.

Sec. 20. Minnesota Statutes 1986, section 354.48, subdivision 1, is amended to read:

Subdivision 1. [AGE, SERVICE AND SALARY REQUIREMENTS.] Any member who became totally and permanently disabled after at least ~~ten~~ five years of allowable service or after age 50 with five years of allowable service, whichever is sooner shall be entitled to a disability benefit in an amount provided in subdivision 3. If such disabled person's teaching service has terminated at any time, at least ~~five~~ three of the required ~~ten~~ five years of allowable service must have been rendered after last becoming a member. Any member whose average salary is less than \$75 per month shall not be entitled to disability benefits.

Sec. 21. Minnesota Statutes 1986, section 354.49, subdivision 3, is amended to read:

Subd. 3. Any person who has attained the age of at least 65 with less than ~~ten~~ five years of credited allowable service shall be entitled to receive a refund in an amount equal to the person's accumulated deductions plus interest in lieu of a proportionate annuity pursuant to section 356.32 except those covered under the provisions of section 354.44, subdivisions 6 or 7 in which case the refund shall be an amount equal to the accumulated deductions credited to the person's account as of June 30, 1957 and after July 1, 1957 the accumulated deductions plus interest at the rate of five percent compounded annually.

Sec. 22. Minnesota Statutes 1986, section 354.60, is amended to read:

354.60 [SERVICE IN OTHER PUBLIC RETIREMENT FUNDS; ANNUITY.]

Any person who has been a member of the Minnesota state retirement system or the public employees retirement association including the public employees retirement association police and fire fund or the teachers retirement association or the Minnesota state patrol retirement association, or any other public employee retire-

ment system in the state of Minnesota having a like provision but excluding all other funds providing benefits for police officers or firefighters shall be entitled when qualified to an annuity from each fund if the person's total allowable service in all three funds or in any two of these funds totals ~~ten~~ five or more years, provided no portion of the allowable service upon which the retirement annuity from one fund is based is again used in the computation for benefits from another fund and provided further that the person has not taken a refund from any one of these three funds since the person's membership in that association has terminated. The annuity from each fund shall be determined by the appropriate provisions of the law except that the requirement that an annuitant have at least ~~ten~~ five years' membership service or ~~ten~~ five years of allowable service in the respective association shall not apply for the purposes of this section provided the combined service in two or more of these funds equals ~~ten~~ five or more years.

Sec. 23. Minnesota Statutes 1986, section 354A.31, subdivision 1, is amended to read:

Subdivision 1. [AGE AND SERVICE REQUIREMENTS.] Any coordinated member or former coordinated member who has ceased to render teaching service for the school district in which the teachers retirement fund association exists and who has either attained the age of at least 55 years with not less than ~~ten~~ five years of allowable service credit or received credit for not less than 30 years of allowable service regardless of age, shall be entitled upon written application to a retirement annuity.

Sec. 24. Minnesota Statutes 1986, section 354A.31, subdivision 5, is amended to read:

Subd. 5. [UNREDUCED NORMAL RETIREMENT ANNUITY.] Upon retirement at age 65 with at least ~~ten~~ five years of service credit or at age 62 with at least 30 years of service credit, a coordinated member shall be entitled to a normal retirement annuity calculated pursuant to subdivision 4.

Sec. 25. Minnesota Statutes 1986, section 354A.31, subdivision 6, is amended to read:

Subd. 6. [REDUCED RETIREMENT ANNUITY.] Upon retirement at an age prior to age 65 with ~~ten~~ five years of service credit or prior to age 62 with at least 30 years of service credit, a coordinated member shall be entitled to a retirement annuity in an amount equal to the normal retirement annuity reduced by one-half of one percent for each month that the coordinated member is under the age of 65 if the coordinated member has less than 30 years of service credit or is under the age of 62 if the coordinated member has at least 30 years of service credit but is over the age of 59, and reduced

by one-fourth of one percent for each month that the coordinated member is under the age of 60.

Sec. 26. Minnesota Statutes 1986, section 354A.35, subdivision 2, is amended to read:

Subd. 2. [DEATH WHILE ELIGIBLE TO RETIRE; SURVIVING SPOUSE OPTIONAL ANNUITY.] The surviving spouse of any coordinated member who has attained the age of at least 50 years and has credit for at least ~~ten~~ five years of service or has credit for at least 30 years of service regardless of age shall be entitled to joint and survivor annuity coverage in the event of death of the member prior to retirement. The surviving spouse may apply for the annuity at any time after the date on which the deceased employee would have attained the required age for retirement based on the employee's allowable service. The member's surviving spouse shall be paid a joint and survivor annuity as provided in section 354A.32 and computed pursuant to section 354A.31. Sections 354A.37, subdivision 2, and 354A.39 apply to a deferred annuity payable under this section. The benefits shall be payable for life.

Sec. 27. Minnesota Statutes 1986, section 354A.36, subdivision 1, is amended to read:

Subdivision 1. [MINIMUM AGE, SERVICE AND SALARY REQUIREMENTS.] Any coordinated member who has ~~either~~ at least ~~ten~~ five years of allowable service credit ~~or attained the age of at least 50 years with at least five years of allowable service credit~~, has an average salary of at least \$75 per month and has become totally and permanently disabled shall be entitled to a disability benefit. If the disabled coordinated member's allowable service credit has not been continuous, at least ~~five~~ three years of the required allowable service shall be required to have been rendered subsequent to the last interruption in service.

Sec. 28. Minnesota Statutes 1986, section 354A.39, is amended to read:

354A.39 [SERVICE IN OTHER PUBLIC RETIREMENT FUNDS; ANNUITY.]

Any person who has been a member of the Minnesota state retirement system, the public employees retirement association including the public employees retirement association police and fire fund, the teachers retirement association, the Minnesota state patrol retirement association, the legislators retirement plan, the constitutional officers retirement plan, the Minneapolis employees retirement fund, the Duluth teachers retirement fund association new law coordinated program, the Minneapolis teachers retirement fund association coordinated program, the St. Paul teachers retirement fund association coordinated program, or any other public

employee retirement system in the state of Minnesota having a like provision but excluding all other funds providing retirement benefits for police officers or firefighters shall be entitled when qualified to an annuity from each fund if the person's total allowable service in all of the funds or in any two or more of the funds totals ~~ten~~ five or more years, provided that no portion of the allowable service upon which the retirement annuity from one fund is based is used again in the computation for a retirement annuity from another fund and provided further that the person has not taken a refund from any of funds or associations since the person's membership in the fund or association has terminated. The annuity from each fund or association shall be determined by the appropriate provisions of the law governing each fund or association, except that the requirement that a person must have at least ~~ten~~ five years of allowable service in the respective fund or association shall not apply for the purposes of this section, provided that the aggregate service in two or more of these funds equals ~~ten~~ five or more years."

Page 6, line 10, strike "ten" and insert "five"

Page 7, delete lines 26 to 32, and insert:

"Sec. 30. [423A.19] [REDUCED VESTING REQUIREMENT]

Subdivision 1. [REDUCED VESTING.] Notwithstanding any general law or special law to the contrary, for a police or salaried firefighters relief association that implements the provision with municipal approval as provided in subdivision 4, any person with at least five years of service credited by the relief association shall be entitled upon termination of active service and reaching at least the required normal retirement age to receive a pro rata monthly service pension. The pro rata monthly service pension shall be calculated in the amount and manner specified by the board of trustees, but shall not exceed that portion of the service pension payable upon meeting the minimum age and years of service requirements that the person's actual years and portions of years of service bear to the minimum service requirement.

Subd. 2. [SURVIVOR BENEFIT COVERAGE.] A person entitled to or receiving a reduced vesting service pension as provided in subdivision 1 shall be entitled to surviving spouse benefit coverage, surviving child benefit coverage, or both, if all other qualification requirements are met. The survivor benefit shall be calculated in the amount and manner specified by the board of trustees, but shall not exceed that portion of survivor benefit payable to a survivor of a deceased retired member who had met the minimum years of service requirement that the actual years and portions of years service of the person bear to the minimum service requirement for a service pension.

Subd. 3. [POSTRETIREMENT ADJUSTMENTS.] A reduced vesting service pension as provided in subdivision 1, or a survivor benefit payable on behalf of a deceased person entitled to or receiving a reduced vesting service pension as provided in subdivision 2, shall be entitled to postretirement adjustments if the comparable pension or benefit payable when the full minimum service requirement has been met is subject to postretirement adjustments. The postretirement adjustment shall be the same percentage increase as the postretirement adjustment for the comparable pension or benefit payable when the full minimum service requirement has been met.

Subd. 4. [IMPLEMENTATION.] The reduced vesting requirement shall be implemented by a local relief association through an amendment to the bylaws of the relief association with approval by the governing body of the applicable municipality as required by section 69.77, subdivision 2i. The bylaw amendment shall not be effective until a certified copy of the amendment and the municipal approval has been filed with the executive director of the legislative commission on pensions and retirement, the state auditor, and the secretary of state."

Page 7, line 34, delete "9" and insert "30"

Renumber the sections in sequence

Delete the title and insert:

"A bill for an act relating to retirement; various public retirement plans and funds; lowering vesting standards; amending Minnesota Statutes 1986, sections 352.113, subdivision 1; 352.115, subdivision 1; 352.12, subdivision 2; 352.22, subdivision 3; 352.72, subdivision 1; 352.93, subdivision 1; 352B.08, subdivision 1; 352B.11, subdivision 2; 352B.30, subdivision 1; 353.29, subdivision 1; 353.30, subdivision 1c; 353.32, subdivision 1a; 353.33, subdivision 1; 353.34, subdivision 3; 353.651, subdivision 1; 353.657, subdivision 2a; 353.71, subdivision 1; 354.44, subdivision 1; 354.46, subdivision 2; 354.48, subdivision 1; 354.49, subdivision 3; 354.60; 354A.31, subdivisions 1, 5, and 6; 354A.35, subdivision 2; 354A.36, subdivision 1; 354A.39; and 356.30, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 423A."

With the recommendation that when so amended the bill pass.

The report was adopted.

Otis from the Committee on Economic Development and Housing to which was referred:

H. F. No. 512, A bill for an act relating to energy conservation; appropriating certain funds to the department of jobs and training for low-income energy conservation programs; appropriating money.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [COMMISSION TO DEVELOP PLAN.]

The legislative advisory commission, as created in section 3.30, shall develop a plan for allocation of the money appropriated by section 4.

Sec. 2. [ENERGY CONSERVATION PLAN.]

The legislative advisory commission shall appoint a task force of no more than 20 members. The task force shall include representatives of local government; individuals, nonprofit organizations or community groups that have an interest in low income weatherization; and other community groups selected by the legislative advisory commission. The task force shall prepare and recommend to the commission an energy conservation allocation plan allocating the money appropriated by section 4. The commission may amend the plan as necessary, shall approve the final version of the plan, and shall allocate the appropriated money according to the plan and this section. The commission shall allocate the money to activities that the commission determines are permitted under any applicable court order and federal statute or rule and that will substantially and measurably reduce the consumption of fossil fuels within the state. Not less than half of the money appropriated under section 4 each year shall be used to maintain low income energy conservation programs administered by the department of jobs and training and other energy conservation programs.

Sec. 3. [PLAN REVISION.]

The energy conservation allocation plan shall be revised and approved quarterly by the legislative advisory commission in order to allocate any additional funds received since the previous allocation.

Sec. 4. [APPROPRIATION.]

Money received before or after the effective date of this section by the governor, the commissioner of finance, or any other state agency as a result of the settlement of the parties and order of the United States District Court for the District of Kansas in the case of In Re Department of Energy Stripper Well Exemption Litigation, 578 F. Supp. 586 (D. Kan. 1983) and all other money received after the effective date of this section by any of those entities or agencies, resulting from overcharges by oil companies in violation of federal law, is appropriated to the legislative advisory commission and shall be allocated as provided in the energy conservation allocation plan approved by the commission.

## Sec. 5. [ENVIRONMENTAL LEARNING CENTER.]

Notwithstanding subdivisions 2 and 4, \$282,000 of the money received as a result of the settlement of the parties and order of the United States District Court for the District of Kansas in the case of In Re Department of Energy Stripper Well Exemption Litigation, 578 F. Supp. 586 (D. Kan. 1983) is appropriated to the Department of Energy and Economic Development or its successor for the purposes of a grant to the Environmental Learning Center for the construction of a central heating alternative fuel system.

## Sec. 6. [EFFECTIVE DATE.]

Sections 1 to 5 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to energy conservation; appropriating oil overcharge funds to the legislative advisory commission; requiring the development of a plan for allocating appropriated funds; appropriating money."

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 593, A bill for an act relating to crimes; prescribing higher penalties for major theft; providing that orders of restitution may be entered in favor of corporate victims; allowing the court to amend or issue orders of restitution when the defendant is on probation or supervised release; extending the statute of limitations for most crimes to five years; amending Minnesota Statutes 1986, sections 90.301, subdivision 6; 256.98; 256B.35, subdivision 5; 393.07, subdivision 10; 609.52, subdivision 3; 611A.01; 611A.04, subdivision 1; and 628.26.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [65B.80] [DEFINITIONS.]

Subdivision 1. [TERMS.] The following terms have the meanings given for purposes of sections 1 to 4.

Subd. 2. [AUTHORIZED PERSON.] "Authorized person" means the prosecuting attorney responsible for prosecutions in the county

where the motor vehicle theft occurred, the bureau of criminal apprehension, and the sheriff or chief of police responsible for investigation in the county where the motor vehicle theft occurred.

Subd. 3. [RELEVANT.] "Relevant" information or evidence means information having a tendency to make the existence of any fact that is of consequence to the investigation or determination of the issue more or less probable than it would be without the evidence.

Sec. 2. [65B.81] [DISCLOSURE OF INFORMATION.]

Subdivision 1. [REQUEST.] After receiving a written request, an insurance company must release to an authorized person any relevant information in the company's possession that relates to the motor vehicle theft. Relevant information is limited to:

(1) pertinent insurance policy information, including the application for a policy, that is relevant to a motor vehicle theft under investigation by the authorized person;

(2) policy premium payment records that are available;

(3) a history of previous claims made by the insured including, where the insured is a corporation or partnership, a history of previous claims by a subsidiary or any affiliates, and a history of claims of any other business association in which individual officers or partners or their spouses were known to be involved; and

(4) material relating to the investigation of the theft, including statements of any person, proof of loss, and any other evidence relevant to the investigation.

Subd. 2. [NOTIFICATION BY INSURER REQUIRED.] If an insurance company has reason to believe that a motor vehicle theft in which it has an interest may be fraudulently claimed, the company shall, in writing, notify an authorized person and provide the person with all relevant information specified in subdivision 1 relating to the motor vehicle theft. It is sufficient for the purpose of this subdivision if an insurance company notifies and provides relevant information to one authorized person.

Subd. 3. [RELEASE OF INFORMATION.] An authorized person provided with information under subdivision 1 or 2 may, to further official purposes, release or provide the information to any other authorized person.

Subd. 4. [INFORMATION FROM AUTHORIZED PERSON.] An insurance company that provides information to an authorized person may request relevant information in writing from the authorized person and the authorized person must provide the requested

information within 30 days. The relevant information provided under this subdivision may not include nonconviction criminal history record information or any other information that is detrimental to an ongoing criminal investigation or would reveal the identity of a confidential source of information. An authorized person who does not furnish the requested information shall notify the insurance company of the reasons why the information cannot be furnished within 30 days of the request.

Subd. 5. [IMMUNITY FROM LIABILITY.] An insurance company or its agent acting in its behalf, or an authorized person who releases information, whether oral or written, acting in good faith, under subdivisions 1 to 3a, is immune from any liability, civil or criminal, that might otherwise be incurred or imposed.

Sec. 3. [65B.82] [EVIDENCE.]

Data received under sections 1 to 4 by an authorized person or insurance company is confidential data under section 13.02, subdivision 3, until its release is required in connection with a criminal or civil proceeding.

Sec. 4. [65B.83] [ENFORCEMENT.]

Subdivision 1. [INTENTIONAL REFUSAL TO RELEASE.] An insurance company or officer may not intentionally refuse to release any information requested under section 3, subdivision 1.

Subd. 2. [INTENTIONAL REFUSAL TO NOTIFY.] An insurance company, or its employee or officer, may not intentionally refuse to provide notice or relevant information to authorized persons under section 2, subdivision 2.

Subd. 3. [PENALTY.] Whoever violates the provisions of subdivision 1 or 2 is guilty of a misdemeanor.

Sec. 5. Minnesota Statutes 1986, section 90.301, subdivision 6, is amended to read:

Subd. 6. [TICKET FOR THEFT VIOLATIONS.] The commissioner may design and issue a ticket in the form, and having the effect, of a summons and complaint, for use in cases of theft of state timber or other state property, where the value of the property is within the limits established by section 609.52, subdivision 3, clause (5) (6). The ticket shall provide for the name and address of the person charged with the violation, the offense charged, the time and place the person is to appear before a court, and any other necessary information.

Sec. 6. Minnesota Statutes 1986, section 256.98, is amended to read:

256.98 [WRONGFULLY OBTAINING ASSISTANCE; THEFT.]

A person who obtains, or attempts to obtain, or aids or abets any person to obtain by means of a willfully false statement or representation, by intentional concealment of a material fact, or by impersonation or other fraudulent device, assistance to which the person is not entitled or assistance greater than that to which the person is entitled, or who knowingly aids or abets in buying or in any way disposing of the property of a recipient or applicant of assistance without the consent of the local agency with intent to defeat the purposes of sections 256.12, 256.72 to 256.872, chapter 256B, is guilty of theft and shall be sentenced pursuant to section 609.52, subdivision 3, clauses ~~(1)~~, (2), (3), and ~~(5)~~ (6). The amount of the assistance incorrectly paid shall be the difference between the amount of assistance actually received and the amount to which the recipient would have been entitled under state and federal law had the welfare agency been informed of all material facts. The amount of any assistance determined to have been incorrectly paid shall be recoverable from the recipient or the recipient's estate by the county or the state as a debt due the county or the state or both in proportion to the contribution of each. Any amounts recovered shall be paid to the appropriate units of government in the same manner as provided in section 256.863. To prosecute or to recover assistance wrongfully obtained under this section, the attorney general or the appropriate county attorney, acting independently or at the direction of the attorney general, may institute a criminal or civil action.

Sec. 7. Minnesota Statutes 1986, section 256B.35, subdivision 5, is amended to read:

Subd. 5. The nursing home may transfer the personal allowance to someone other than the recipient only when the recipient or the recipient's guardian or conservator designates that person in writing to receive or expend funds on behalf of the recipient and that person certifies in writing that the allowance is spent for the well being of the recipient. Persons, other than the recipient, in possession of the personal allowance, may use the allowance only for the well being of the recipient. Any person, other than the recipient, who, with intent to defraud, uses the personal needs allowance for purposes other than the well being of the recipient shall be guilty of theft and shall be sentenced pursuant to section 609.52, subdivision 3, clauses ~~(1)~~, (2), (3), and ~~(5)~~ (6). To prosecute under this subdivision, the attorney general or the appropriate county attorney, acting independently or at the direction of the attorney general, may institute a criminal action. A nursing home that transfers personal needs allowance funds to a person other than the recipient in good faith and in compliance with this section shall not be held liable under this subdivision.

Sec. 8. Minnesota Statutes 1986, section 393.07, subdivision 10, is amended to read:

Subd. 10. [FEDERAL FOOD STAMP PROGRAM.] (a) The county welfare board shall establish and administer the food stamp program pursuant to rules of the commissioner of human services and all federal laws and regulations. The commissioner of human services shall monitor food stamp program delivery on an ongoing basis to ensure that each county complies with federal laws and regulations. Program requirements to be monitored include, but are not limited to, number of applications, number of approvals, number of cases pending, length of time required to process each application and deliver benefits, number of applicants eligible for expedited issuance, length of time required to process and deliver expedited issuance, number of terminations and reasons for terminations, client profiles by age, household composition and income level and sources, and the use of phone certification and home visits. The commissioner shall determine the county-by-county and statewide participation rate. The commissioner shall report on the monitoring activities on a county-by-county basis in a report presented to the legislature by July 1 each year. This monitoring activity shall be separate from the management evaluation survey sample required under federal regulations.

(b) On July 1 of each year, the commissioner of human services shall determine a statewide and county-by-county food stamp program participation rate. The commissioner may designate a different agency to administer the food stamp program in a county if the agency administering the program fails to increase the food stamp program participation rate among families or eligible individuals, or comply with all federal laws and regulations governing the food stamp program. The commissioner shall review agency performance annually to determine compliance with this paragraph.

(c) The county welfare board shall participate in a food stamp quality control system subject to the supervision of the commissioner of human services and pursuant to federal regulations.

Any person who commits any of the following acts is guilty of theft and shall be sentenced pursuant to section 609.52, subdivision 3, clauses (1), (2), (3), and ~~(5)~~ (6):

(1) Obtains or attempts to obtain, or aids or abets any person to obtain by means of a willfully false statement or representation, or intentional concealment of a material fact, food stamps to which the person is not entitled or in an amount greater than that to which entitled; or

(2) Presents or causes to be presented, coupons for payment or redemption knowing them to have been received, transferred or used in a manner contrary to existing state or federal law; or

(3) Willfully uses or transfers food stamp coupons or authorization to purchase cards in any manner contrary to existing state or federal law.

The amount of food stamps incorrectly issued shall be the difference between the amount of food stamps actually received and the amount to which the recipient would have been entitled under state and federal law had the welfare agency been informed of all material facts. The amount of any food stamps determined to have been incorrectly issued, used, transferred or presented shall, unless otherwise determined by the county welfare board in order to prevent undue hardship, be recoverable from the recipient, or user, or the recipient's or user's estate by the county as a debt due the county.

Sec. 9. Minnesota Statutes 1986, section 609.52, subdivision 3, is amended to read:

Subd. 3. [SENTENCE.] Whoever commits theft may be sentenced as follows:

(1) To imprisonment for not more than 20 years or to payment of a fine of not more than \$100,000, or both, if the value of the property or services stolen is more than \$35,000 and the conviction is for a violation of subdivision 2, clause (3), (4), (15), or (16); or

(2) To imprisonment for not more than ten years or to payment of a fine of not more than \$20,000, or both, if the value of the property or services stolen exceeds \$2,500, or if the property stolen was a controlled substance listed in schedule 1 or 2 pursuant to section 152.02 with the exception of marijuana; or

~~(2)~~ (3) To imprisonment for not more than five years or to payment of a fine of not more than \$10,000, or both, if the value of the property or services stolen is more than \$250 but not more than \$2,500, or if the property stolen was a controlled substance listed in schedule 3, 4, or 5 pursuant to section 152.02; or

~~(3)~~ (4) To imprisonment for not more than five years or to payment of a fine of not more than \$10,000, or both, notwithstanding the value of the property or services stolen is not more than \$250, if any of the following circumstances exist:

(a) The property is taken from the person of another or from a corpse, or grave or coffin containing a corpse; or

(b) The property is a record of a court or officer, or a writing, instrument or record kept, filed or deposited according to law with or in the keeping of any public officer or office; or

(c) The property is taken from a burning building or upon its removal therefrom, or from an area of destruction caused by civil disaster, riot, bombing, or the proximity of battle; or

(d) The property consists of public funds belonging to the state or to any political subdivision or agency thereof; or

(e) The property is a firearm; or

(f) The property stolen was a motor vehicle as defined in section 609.55; or

(4) (5) To imprisonment for not more than ten years or to payment of a fine of not more than \$20,000, or both, if the property stolen is an article representing a trade secret; or if the property stolen is an explosive or an incendiary device; or

(5) (6) In all other cases where the value of the property or services stolen is \$250 or less, to imprisonment for not more than 90 days or to payment of a fine of not more than \$700, or both, provided, however, in any prosecution under clauses (1), (2), (3), (4), and (13) of subdivision 2 the value of the money or property or services received by the defendant in violation of any one or more of the above provisions within any six-month period may be aggregated and the defendant charged accordingly in applying the provisions of this subdivision; provided that when two or more offenses are committed by the same person in two or more counties, the accused may be prosecuted in any county in which one of the offenses was committed for all of the offenses aggregated under this paragraph.

Sec. 10. Minnesota Statutes 1986, section 611A.01, is amended to read:

#### 611A.01 [DEFINITIONS.]

For the purposes of sections 611A.01 to 611A.04 and 611A.06:

(a) "Crime" means conduct that is included within the definition of "crime" in section 609.02, subdivision 1, or would be included within that definition but for the fact that (i) the person engaging in the conduct lacked capacity to commit the crime under the laws of this state, or (ii) the act was alleged or found to have been committed by a juvenile;

(b) "Victim" means a natural person who incurs loss or harm as a result of a crime, and for purposes of sections 611A.04 and 611A.045, also includes a corporation that incurs loss or harm as a result of a crime. If the victim is a natural person and is deceased, "victim" means the deceased's surviving spouse or next of kin; and

(c) "Juvenile" has the same meaning as given to the term "child" in section 260.015, subdivision 2.

Sec. 11. Minnesota Statutes 1986, section 611A.04, subdivision 1, is amended to read:

Subdivision 1. [REQUEST; DECISION.] (a) A victim of a crime has the right to request that restitution be considered as part of the disposition of a criminal charge or juvenile delinquency proceeding against the offender. The request for restitution shall be made by the victim in writing in affidavit form, describing the items or elements of loss and itemizing the total dollar amounts of restitution claimed, and the reasons justifying these amounts, if the request is for monetary or property restitution. In order to be considered by the court, the request must be received by the court administrator of the appropriate court at least three business days before the sentencing or dispositional hearing. The court administrator shall provide copies of this request to the prosecutor and the offender at least 24 hours before the sentencing or dispositional hearing.

(b) The court may amend or issue an order of restitution after the sentencing or dispositional hearing if:

(1) the offender is on probation or supervised release;

(2) a request for restitution is filed by the victim or prosecutor in affidavit form as required under paragraph (a); and

(3) the true extent of the victim's loss was not known at the time of the sentencing or dispositional hearing.

If the court holds a hearing on the restitution request, the court must notify the offender, the offender's attorney, the victim, and the prosecutor at least five business days before the hearing. The court's restitution decision is governed by this section and section 611A.045.

(c) The court shall grant or deny restitution, and shall state on the record its reasons for its decision on restitution if a request for restitution has been made.

Sec. 12. Minnesota Statutes 1986, section 628.26, is amended to read:

#### 628.26 [LIMITATIONS.]

(a) Indictments or complaints for murder may be found or made at any time after the death of the person killed.

(b) Indictments or complaints for violation of section 609.42, subdivision 1, clause (1) or (2) shall be found or made and filed in the proper court within six years after the commission of the offense.

(c) Indictments or complaints for violation of sections 609.342 to 609.345 if the victim was under the age of 18 years at the time the offense was committed, shall be found or made and filed in the proper court within seven years after the commission of the offense.

(d) Indictments or complaints for violation of sections 609.466 and 609.52, subdivision 2, clause (3)(d) shall be found or made and filed in the proper court within six years after the commission of the offense.

(e) Indictments or complaints for violation of section 609.52, subdivision 2, clause (3), (4), (15), or (16), where the value of the property or services stolen is more than \$35,000, shall be found or made and filed in the proper court within five years after the commission of the offense.

(e) (f) In all other cases, indictments or complaints shall be found or made and filed in the proper court within three years after the commission of the offense; but the time during which the defendant shall not be an inhabitant of, or usually resident within, this state, shall not constitute any part of the limitations imposed by this section.

### Sec. 13. [EFFECTIVE DATE.]

Sections 6 to 11 are effective August 1, 1987, and apply to crimes committed on or after that date. Sections 1 to 5, 12, and 13 are effective August 1, 1987."

Delete the title and insert:

"A bill for an act relating to crimes; requiring insurance companies to notify and release insurance policy information to certain law enforcement and prosecutorial authorities regarding motor vehicle thefts under investigation; prescribing higher penalties for major theft and motor vehicle theft; providing that orders of restitution may be entered in favor of corporate victims; allowing the court to amend or issue orders of restitution when the defendant is on probation or supervised release; extending the statute of limitations for certain major thefts to five years; amending Minnesota Statutes 1986, sections 90.301, subdivision 6; 256.98; 256B.35, subdivision 5; 393.07, subdivision 10; 609.52, subdivision 3; 611A.01; 611A.04, subdivision 1; and 628.26; proposing coding for new law in Minnesota Statutes, chapter 65B."

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 609, A bill for an act relating to government data practices; giving the department of energy and economic development access to certain employment data; amending Minnesota Statutes 1986, section 268.12, subdivision 12:

Reported the same back with the following amendments:

Page 2, line 35, after "development" insert "may have access to nonpublic data as defined in section 13.02, subdivision 9, but not to private data on individuals as defined in section 13.02, subdivision 12"

With the recommendation that when so amended the bill pass.

The report was adopted.

Osthoff from the Committee on Metropolitan Affairs to which was referred:

H. F. No. 610, A bill for an act relating to metropolitan government; regulating conflicts of interest of the metropolitan airports commission; proposing coding for new law in Minnesota Statutes, chapter 473.

Reported the same back with the following amendments:

Page 1, line 10, delete everything after "means"

Page 1, delete lines 11 to 13, and insert "an air carrier or a business organization that acts as a fixed base operator under agreement with the commission as the commission's agent for the purpose of supplying goods and services to air carriers and other airport users."

Page 1, after line 16, insert:

"(c) "Air carrier" means any entity conducting or proposing to conduct operations at an airport owned by the commission pursuant to a certificate to conduct air transportation services in accordance with United States Code, title 49, sections 1371, 1372, 1375, 1386, 1387, 1388, or any other applicable provision of law by which the entity may conduct commercial air transportation services."

Page 1, line 20, delete "2" and insert "or"

Page 1, line 21, delete everything after "treatment" and insert a period

Page 1, delete lines 22 to 25

Page 2, delete line 1

Page 2, line 7, delete "directly or indirectly"

Page 2, line 33, delete "directly or indirectly"

Page 3, line 6, delete "directly or indirectly"

With the recommendation that when so amended the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 614, A bill for an act relating to retirement; Minneapolis teachers retirement fund association; authorizing certain amendments to its articles of incorporation affecting benefits.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [MINNEAPOLIS TEACHERS RESTRUCTURING OF RETIREMENT BENEFITS; POSTRETIREMENT ADJUSTMENT MECHANISM.]

(a) In accordance with Minnesota Statutes, section 354A.12, subdivision 4, approval is granted for the Minneapolis teachers retirement fund association to amend its articles of incorporation by repealing article IX, subsection (18), authorizing lump sum postretirement adjustments payable to retirees or beneficiaries.

(b) In accordance with Minnesota Statutes, section 354A.12, subdivision 4, if the repeal authorized by paragraph (a) occurs, approval is granted for the Minneapolis teachers retirement fund association to amend or make an addition to its articles of incorporation as follows:

(1) Article IX, subsection (11), authorizing formula retirement annuity benefits, may be amended to authorize all teachers who retired before June 1, 1985, other than persons receiving a money purchase annuity under article IX, subsection (3), receiving a death benefit under article IX, subsection (4), item C, or receiving a total disability benefit under article IX, subsection (5), to receive as of the first day of the month following the effective date of the amendment a recomputed annuity determined according to the 1975

revised formula annuity without regard to the 30-year service limitation applicable to teachers who retired after May 1, 1974, and before June 1, 1985;

(2) Article IX, subsection (14) D, providing an annual automatic annuity increase of 1½ percent to all annuitants who have been receiving an annuity for at least 24 months and who have attained the age of 65 may be amended to increase the annual automatic increase annuity to two percent per fiscal year on January 1, or July 1, whichever applies, and to extend eligibility for that increase annuity to all annuitants who have been receiving an annuity for at least 12 months, irrespective of the attained age of the annuitant;

(3) Article IX, subsection (14), may be amended by adding a provision authorizing an increase in the annuity of any annuitant who retired on or before July 1, 1986, in the amount of four percent of the annuity the member is otherwise eligible to receive on July 1, 1987, including any other increases granted as of that date under articles of incorporation amendments authorized by the section but excluding the annual automatic increase annuity payable under article IX, subsection (14), item D, on July 1, 1987, for each full year that the member has been retired and receiving an annuity, to a maximum of 20 percent;

(4) Article IX, subsection (14), may be amended by adding a provision authorizing payment, as of July 1, 1987, of an increase in a normal retirement annuity, joint and survivor annuity or term certain optional annuity of retired teachers of the positive dollar amount difference between a minimum normal retirement annuity equal to \$25 per month for each full year of teaching service, to a maximum of 30 years, and the amount of the normal retirement annuity, joint and survivor annuity or term certain optional annuity payable on June 1, 1987, to retired teachers who were members of the basic program, who ceased active teaching service in the city public schools, who are receiving a normal retirement annuity and who have not withdrawn a portion of required member deposits upon applying for the normal retirement annuity. If the difference is not a positive dollar amount, no increase shall be payable and no reduction shall be imposed. For persons to whom a remainder portion of a joint and survivor annuity or a term certain optional annuity is payable, a proportional increase is payable; and

(5) Article IX may be amended by adding a new subsection providing for an investment related postretirement adjustment mechanism. An annual postretirement may be paid if there is any excess investment income. The determination shall be made by the board of trustees in consultation with the actuary retained by the legislative commission on pensions and retirement. The fund has excess investment income if the time weighted total rate of return earned by the fund over the most recent three year fiscal year period has exceeded the rate of eight percent or the applicable postretire-

ment interest rate assumption specified in Minnesota Statutes, section 356.215, subdivision 4d, whichever is greater. In determining the total rate of return, the board shall use the formula or formulas established by the state board of investment under Minnesota Statutes, section 11A.04, clause (11) and in effect on January 1, 1987. The amount by which the excess investment income exceeds the minimum interest rate shall be expressed as a percentage and carried to four decimal places. An annual postretirement adjustment is payable to a person who is receiving an annuity under article IX, subsections (8), (9), or (11), or article XI, subsection (5), who is receiving a death benefit under article IX, subsection (4), or who is receiving a joint and survivor annuity or term certain optional annuity under article IX, subsection (2), clauses (b) or (c), and who has received the annuity or benefit in the person's own right or in combination with the initial recipient of the annuity for at least 12 months as of the determination date. The determination date is June 30 and determinations shall be made as soon as practicable after that date. The board of trustees shall determine the percentage amount of the postretirement adjustment payable, but the percentage amount shall not exceed the amount by which the excess investment income exceeds the minimum interest rate. The board of trustees shall include in the provision criteria to govern the exercise of its discretion in determining the instances under which an annual postretirement adjustment of less than the full determined percentage is payable. The annual postretirement adjustment is payable on January 1 following the determination date and is payable for the duration of the annuity or benefit.

Sec. 2. [WITHDRAWAL OF AUTHORITY.]

The authority for the amendment of article IX of the articles of incorporation of the Minneapolis teachers retirement fund association adding subsection (18) to provide a lump sum postretirement adjustment to certain annuitants and survivor benefit recipients under Laws 1981, chapter 159, section 1, clause (1) is withdrawn.

Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective the day following final enactment."

With the recommendation that when so amended the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 682, A bill for an act relating to state departments and agencies; creating a commission for the quincentennial of the Hispanic presence in the western hemisphere.

Reported the same back with the following amendments:

Page 1, before line 25, insert:

“One of the legislative members must be a member of the minority caucus.”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 701, A bill for an act relating to public utilities; authorizing the public utilities commission to deregulate competitive telecommunications services; requiring interexchange companies to pay reasonable access fees; requiring certain companies to post a bond; prohibiting telephone companies from subsidizing competitive services from noncompetitive services; requiring telephone companies to provide full disclosure of their services and rates; authorizing the commission to require telephone companies to upgrade their services; providing that local telephone exchanges may not be sold without commission approval; requiring persons providing private shared tenant service to grant certain access; requiring the state planning agency to conduct a study on universal service assistance; amending Minnesota Statutes 1986, sections 237.01, subdivision 2, and by adding a subdivision; 237.081, subdivision 1a, and by adding a subdivision; 237.11; 237.12; 237.16, subdivision 1; 237.17; and 237.22; proposing coding for new law in Minnesota Statutes, chapter 237; repealing Minnesota Statutes 1986, sections 237.13; 237.41; 237.42; and 237.43.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [237.50] [TELECOMMUNICATIONS POLICY.]

The legislature declares that it is the policy of the state to:

- (1) preserve affordable universal telecommunications service;
- (2) maintain and advance the efficiency, quality, and availability of telecommunications service;
- (3) ensure that customers pay only reasonable charges for telecommunications services;
- (4) ensure that rates for noncompetitive telecommunications services do not subsidize the competitive ventures of regulated telecommunications companies;

(5) promote diversity in the supply of telecommunications services and products in telecommunications markets throughout the state;

(6) ensure that all telecommunications services bear a fair and reasonable share of the costs of facilities used in providing the services;

(7) ensure that customers throughout the state are not subject to unreasonable discrimination in the price or availability of telecommunications services;

(8) remove in an orderly manner unnecessary regulatory requirements on telecommunications providers or specific telecommunications services where effective and fair competition is found;

(9) make regulation of telephone companies administratively efficient;

(10) minimize disparities between urban and rural areas of the state; and

(11) foster development of the telecommunications infrastructure to encourage telecommunications-related economic development.

Sec. 2. [237.51] [DEFINITIONS.]

Subdivision 1. [SCOPE.] The terms used in sections 1 to 20 have the meanings given them in this section.

Subd. 2. [EFFECTIVE COMPETITION.] "Effective competition" exists when the criteria of section 4, subdivision 4, have been satisfied for a service.

Subd. 3. [EMERGING COMPETITION.] "Emerging competition" exists when the criteria of section 4, subdivision 4, have not been satisfied, but there is a trend toward effective competition.

Subd. 4. [COMPETITIVE SERVICE.] "Competitive service" means a service that has been determined to be nonessential or to be subject to effective competition or emerging competition.

Subd. 5. [NONCOMPETITIVE SERVICE.] "Noncompetitive service" means a service that has not been classified as competitive by the commission.

Subd. 6. [NONESENTIAL SERVICE.] "Nonessential service" means a service that is not essential to the well-being of the customer.

Sec. 3. [237.52] [CONTINUED REGULATION OF NONCOMPETITIVE, ESSENTIAL SERVICES.]

Subdivision 1. [APPLICABILITY.] Sections 3, 4, 5, and 7 do not apply to a telephone company unless the company notifies the public utilities commission in writing of its decision to be subject to all of those sections. The company may not revoke its decision to be subject to those sections.

Subd. 2. [RATE CHANGE PROCEDURES.] A company may change its rates and charges for the following noncompetitive, essential services identified in subdivision 3 by complying with section 237.075 and sections 7 and 8. The commission may also investigate matters related to the provision of these services and make orders relating to the services as may be appropriate under section 237.081.

Subd. 3. [SPECIFIC SERVICES.] The noncompetitive, essential services covered by this section are:

(1) single and multiparty flat-rate, metered, and measured local residential lines and usage;

(2) single and multiparty flat-rate, metered, and measured business lines and usage;

(3) extended area service;

(4) flat-rate key system lines;

(5) flat-rate private branch exchange trunks;

(6) specialized services or equipment provided for physically handicapped customers;

(7) switched and special access services to the local network, excluding billing and collection services, provided to other telephone companies;

(8) civil aid defense warning services;

(9) residential and one-and two-line business touch-tone service;

(10) residential and one-and two-line business speed calling, three-way call, call-waiting and call-forwarding (call transfer) services, and remote call-forwarding services;

(11) universal emergency number service "911";

(12) public interexchange carrier access service;

(13) semipublic message-rate service;

(14) semipublic flat-rate service;

(15) directory assistance service; and

(16) installation and service charges related to the services in clauses (1) to (5), as identified in the company's local exchange tariffs as of the effective date of its notification under subdivision 1.

A telephone company may not discontinue any of these services without the express approval of the commission.

Subd. 4. [OTHER SERVICES.] Services except those identified in subdivision 3 are deemed to be either nonessential or subject to emerging competition unless and until a different determination is made under section 4 or 5, subdivision 7.

Sec. 4. [237.53] [CLASSIFICATION OF COMPETITIVE SERVICES; HEARING.]

Subdivision 1. [PETITION.] A person, or the commission on its own motion, may petition to have a service of a telephone company classified as subject to effective competition or emerging competition. The petition must be served on the commission, the department of public service, the office of the attorney general, and any other person designated by the commission. The petition must contain at least:

(1) a list of the known alternative providers of the service available to the company's customers;

(2) an estimate of the company's current market share;

(3) identification of barriers to entry or exit from the market for the service; and

(4) a description of affiliate relationships with any other provider of the service in the company's market.

Subd. 2. [EXPEDITED PROCEEDING.] A person who files a petition under subdivision 1 may request that the commission determine the classification of the service through an expedited proceeding under section 6 or a contested case hearing. If an expedited proceeding is requested, the commission must provide interested persons an opportunity to comment on the appropriateness of the process and the merits of the petition.

When an expedited proceeding is requested, the commission must make a final determination within 60 days of the date on which all

required information required pursuant to subdivision 1 is filed, unless during the 60 days the commission finds that a material issue of fact is in dispute in which case it must order a contested case hearing be conducted to evaluate the petition.

Subd. 3. [CONTESTED CASE HEARING.] If a contested case hearing is held under this section, the commission shall make a final determination on the petition within eight months from the date the petitioning party requests a contested case hearing or from the date the commission orders a contested case hearing under subdivision 2. When a contested case hearing is requested in the petition or when the commission acts on its own motion, this deadline may be extended for no more than 60 days by agreement of all parties or by order of the commission if the commission finds that the case cannot be completed within the required time and that without an extension there is substantial probability that the public interest will be harmed.

Subd. 4. [CRITERIA.] (a) In determining whether a service is subject to either effective competition or emerging competition from available alternative services, the commission shall consider and make findings on the following factors:

(1) the number and sizes of alternative providers of service and affiliation to other providers;

(2) the extent to which services are available from alternative providers in the relevant market;

(3) the ability of alternative providers to make functionally equivalent or substitute services readily available at competitive rates, terms, and conditions of service;

(4) the market share, the ability of the market to hold prices close to cost, and other economic measures of market power; and

(5) the necessity of the service to the well-being of the customer.

(b) In order for the commission to find a service subject to effective competition the alternative service must be available to over 50 percent of the company's customers for that service.

(c) In order for the commission to find a service subject to emerging competition the alternative service must be available to over 20 percent of the company's customers for that service.

Subd. 5. [BURDEN OF PROOF.] The person that files the petition under subdivision 1 has the burden of proving that competition exists and that classifying the service as other than noncompetitive will serve the public interest.

Subd. 6. [INTERIM RELIEF.] A telephone company that has a petition pending before the commission under this section to declare a service competitive may decrease its price for that service without

notice while the commission considers the petition. A company must provide an incremental cost study if requested by the commission. The commission shall suspend a company's right under this subdivision to decrease rates if, after an expedited hearing conducted under subdivision 2, the commission finds that the service is being priced below cost, or that the company has within the previous 12 months charged customers interim rates under this subdivision for the same service, and that service was determined by the commission to be noncompetitive.

Sec. 5. [237.54] [EFFECTIVE COMPETITION.]

Subdivision 1. [RATE CHANGE; EFFECTIVE COMPETITION.] A company whose service has been determined to be subject to effective competition may decrease the rate for that service effective without notice to its customers or the commission, and may increase the rate for that service effective upon notice to its customers at least one billing cycle in advance of the increase. A company whose service is declared subject to effective competition is not subject to the requirements of section 237.07 for that service. When an interLATA long distance service is classified as subject to effective competition, it must be so classified for all providers of that service.

Subd. 2. [RATE CHANGE; EMERGING COMPETITION.] A company must file a price list for nonessential services and services subject to emerging competition with the public utilities commission and the department of public service. Price lists must contain the rates, toll, and charges for every kind of service together with the rules, regulations, and classifications used in conducting the telephone business. This chapter does not prohibit a telephone company from including limitations on liability as terms or conditions in the price lists. A company may decrease the rate for a nonessential service or service subject to emerging competition that is listed in the price list, effective ten days after filing a new price list with the commission. A company may increase the rate for a nonessential service or a service subject to emerging competition effective 30 days after notice is given to affected customers, the commission, and the department. The notice to the commission and the department for a rate increase must include an incremental cost study supporting the increase. The department shall investigate an increase or decrease in rates and report its findings to the commission. The commission may, after a contested case hearing or an expedited hearing under section 4, subdivision 2, order price adjustments retroactive to the date the price change went into effect and order the company to make necessary refunds to affected customers if the commission finds that the price charged by the company is excessive. A refund must be ordered within ten months of the date of the notice of the rate change.

Subd. 3. [DISCRIMINATION.] No telephone company shall offer telecommunications service within the state upon terms or rates

that are unreasonably discriminatory. No telephone company shall unreasonably limit its service offerings to particular geographic areas unless facilities necessary for the service are not available and cannot be made available at reasonable costs. The rates of a telephone company must be the same in all geographic locations of the state unless for good cause the commission approves different rates. A company that offers long-distance services shall charge uniform rates and charges on all long-distance routes and in all geographic areas in the state where it offers the services. However, a company may offer or provide volume discounts in connection with intrastate long-distance services and may pass through any state, municipal, or local taxes in the specific geographic areas from which the taxes originate. Nothing in this subdivision authorizes a telephone company to provide service outside of its franchised service area except as provided in section 237.16.

Subd. 4. [COST OF SERVICE.] Prices or rates charged for competitive services must cover the incremental costs of providing the service. If a telephone company provides both local service and long distance toll services, that company shall, in determining the cost of toll, include at least the same level of contribution to common and joint costs as is contained in the access charges to other telephone companies. The company may do so on an aggregate basis, instead of on a time or mileage band basis.

Subd. 5. [REPORTING REQUIREMENTS; EXCEPTION.] A telephone company that offers only competitive services is not subject to the accounting and reporting requirements of this chapter unless otherwise ordered by the commission for good cause. A telephone company that offers both competitive and noncompetitive services is not subject to the reporting requirements with regard to its effective competition services.

Subd. 6. [COMPLAINTS.] Competitive and nonessential services are subject to the complaint procedures of section 237.081. In a complaint proceeding, the company providing the service bears the burden of proving that the prices charged cover its incremental costs and a reasonable contribution to the common and joint costs of the company and are fair, just, and reasonable.

Subd. 7. [REGULATION REINSTATED.] The commission, on its own motion or upon complaint, shall reclassify a service as noncompetitive or as subject to emerging competition and reinstate, in whole or in part, rate regulation of the service, if, after notice and hearing, the commission finds either:

(1) that the competitive market for that service, on review of the criteria found in section 4, subdivision 4, has failed so that rate regulation of that service is necessary to protect the interest of consumers, that it has considered the alternatives to rate regula-

tion, and that the benefits of rate regulation outweigh the burdens of rate regulation; or

(2) that unreasonable discrimination has occurred between different areas of the state.

In a proceeding begun under this section to reclassify a service, except in a proceeding begun by a provider of telephone services, the telephone company bears the burden of proving that the services are appropriately classified. In a proceeding begun under this section by a provider of telephone services, that party bears the burden of proving that the existing classification is inappropriate.

Sec. 6. [237.55] [EXPEDITED PROCEEDINGS.]

Notwithstanding chapter 14, the commission may conduct an expedited proceeding when authorized under this chapter. In an expedited proceeding, the commission shall give prior notice to interested persons and provide them with an opportunity to present statements of fact and argument and to reply, either orally or in writing or both. In an expedited proceeding, the pleadings must be verified, and oral statements of fact must be made under oath or affirmation. The commission shall make a decision in an expedited proceeding based on the record.

Sec. 7. [237.56] [GENERAL RATE PROCEEDINGS; JOINT COSTS; NONCOMPETITIVE SERVICES.]

Subdivision 1. [FINANCIAL REQUIREMENTS.] Paragraph (a) or (b) governs a proceeding initiated under section 237.075 or 237.081 to change the rates for noncompetitive services. The company shall elect that rate changes be made in accordance with either paragraph (a) or (b) and that election is binding on the commission in all respects.

(a) The company may demonstrate the revenue requirement for its noncompetitive services by providing:

(1) revenues, expenses, and embedded investments directly related to the provision of the noncompetitive services;

(2) a reasonable portion of the net income generated jointly or arising from jointly competitive and noncompetitive services, and net income received by a telephone company as a result of the sale of telephone number listings, charges and advertising for use in white pages, yellow pages, other directory and other related services, must be treated as arising jointly from competitive and noncompetitive services; and

(3) a reasonable portion of the company's total joint and common costs to be attributable to the provision of the noncompetitive services.

(b) Alternatively, the company may demonstrate the revenue requirement for its noncompetitive services by providing:

(1) revenues, expenses, and embedded investments related to all of its services; and

(2) to the extent that the company's embedded costs for competitive services, and a reasonable portion of the joint and common costs attributable to the competitive services, exceed the revenues produced by those competitive services, the difference must be added to the company's total revenues.

Subd. 2. [CROSS-SUBSIDIZATION.] A telephone company shall not subsidize its competitive services from its noncompetitive services through allocations of costs, cost-sharing agreements, or by other means, direct or indirect. When an investment is for both noncompetitive and competitive services, the company shall demonstrate that the benefits received by the noncompetitive customers justify the allocation of costs proposed by the company. Allocations and cost assignments must be reviewed at least every five years and a report detailing the methods and results must be filed with the department and the commission. An independent telephone company or a municipal or cooperative telephone association is not required to file a report as required by this subdivision provided that its allocations and cost assignments are subject to review upon order of the commission. If the commission determines that the methods chosen by the company are not satisfactory, the commission may order changes in the methods used and make necessary prospective adjustments in noncompetitive rates being charged to reflect the changes in cost.

Subd. 3. [ADDITIONAL INFORMATION.] The commission may require a telephone company to provide information regarding the revenues, expenses, investments, and costs for all of its services.

Sec. 8. [237.57] [MISCELLANEOUS TARIFFS.]

Subdivision 1. [GENERAL.] Notwithstanding section 237.075, rates for noncompetitive services may be set or changed subject to this section.

Subd. 2. [LANGUAGE CHANGES.] If language describing a rate, term, or condition of service in a tariff is changed, without substantially altering the application of the tariff, the change may take effect upon one-day notice to the public utilities commission.

Subd. 3. [COST INCREASES.] If the actual costs of providing a particular service have increased since the last proceeding under section 237.075, the rate for that service may be increased to recover those costs. The company requesting this rate increase shall file with its request the cost data it relies upon for the increase. The department of public service shall review the request and make a recommendation to the commission regarding the appropriateness of the request within 20 calendar days of filing the request by the telephone company. If the department notifies the company within 15 days of the filing that additional information is required, the department shall make its recommendation to the commission within 20 calendar days after receipt of that additional information. If the company fails to provide adequate information within 20 calendar days of the department request, the department shall recommend denial of the company request on the basis of failure to provide adequate information. The commission shall either approve or reject the request under this subdivision within 20 calendar days of the receipt of the department recommendation. In order to qualify as a change in costs, it must be a cost change related to a particular service rather than a general overall increase applicable to most of the company's services, and an actual change in costs must have occurred rather than the discovery of a change in costs as a result of conducting a new cost study.

Subd. 4. [REDUCING RATES.] A company may reduce its rates for one or more services effective 20 days after filing the rates with the commission.

Subd. 5. [BURDEN OF PROOF.] The burden of proof that the requested rates are reasonable under this section is on the telephone company.

Subd. 6. [FILING OF DOCUMENTS.] A copy of filings made under this section must be served on the commission, the department, and the attorney general.

Subd. 7. [COMMISSION REVIEW.] Nothing in this section prevents the commission from ordering that a requested change not take effect, or from subsequently amending the rates either through a complaint proceeding, a commission investigation, or through a proceeding conducted under section 237.075.

Sec. 9. [237.58] [REGISTRATION; BOND.]

A person, firm, or corporation seeking to offer a telephone service to the public, that is nonessential or competitive, shall register with the department of public service and the public utilities commission 30 days before beginning operation in this state. A telephone company holding authority under this chapter before August 1, 1987, does not need to register under this section. A person, firm, or corporation seeking to offer a noncompetitive essential telephone

service to the public is governed by section 237.16. Telephone companies offering services that have been found to be nonessential or competitive shall, unless waived by the commission, either post and maintain a bond or other security with the department to cover liabilities owed to customers for deposits or advance payments, or shall not require advance payments or deposits from customers.

**Sec. 10. [237.59] [PRIVATE SHARED TELECOMMUNICATIONS SERVICES.]**

Subdivision 1. [DEFINITION.] For the purposes of this section, "private shared telecommunications services" means the provision of telephone services and equipment within a user group located in discrete private premises, in building complexes, campuses, or high-rise buildings, by a commercial shared services provider or by a user association, through privately owned customer premises equipment and includes the provision of connections to the facilities of a local exchange and to interexchange telecommunications companies.

Subd. 2. [REQUIREMENTS.] A person who owns or operates a building, property, complex, or other facility where a private shared telecommunications system is operated shall establish a single demarcation point for services and facilities provided by a franchised local exchange telephone company that is mutually agreeable to the property owner or operator and the telephone company. The obligation of a telephone company to provide service to a customer at a location where a private shared telecommunications system is operated is limited to providing telephone company service and facilities up to the demarcation point established for the property where the private shared telecommunications system is located.

Subd. 3. [ACCESS TO ALTERNATIVE PROVIDERS.] A tenant of a building, property, complex, or other facility where a private shared telecommunications system is operated may establish a direct connection to and receive telephone service from the regularly franchised local exchange telephone company serving the area where the private shared telecommunications system is located. At the request of a tenant where a private shared telecommunications system is operated, the owner or manager of the property shall make facilities or conduit space available to the tenant to allow the tenant to make separate connection to and to receive telephone service directly from the telephone company operating local exchange service in the area. The tenant has the choice of installing the tenant's own facilities or using the existing facilities. The facilities or conduit space must be provided by the owner or operator to the tenant at a reasonable rate and on reasonable terms and conditions. It is the obligation of the tenant to arrange for premises wire, cable, or other equipment necessary to connect the tenant's telephone equipment with the facilities of the telephone company operating local exchange service at the location of the demarcation point.

Subd. 4. [ENFORCEMENT.] If the commission finds that the owner or operator of a private shared telecommunications system has failed to comply with a request under this section, the commission may order the owner or operator to make facilities or conduit space available sufficient to allow the tenant to make separate connection with the telephone company, and provide the services at reasonable prices and on reasonable terms and conditions.

Subd. 5. [EXEMPTION.] A provider of private shared telecommunications services is exempt from section 237.16 if the telecommunications services are only provided to tenants or for the provider's own use.

Subd. 6. [SERVICE BY LOCAL TELEPHONE COMPANY.] The telephone company providing local exchange service shall provide service to anyone located within a shared services building at the demarcation point within a reasonable time upon request.

Sec. 11: [237.59] [AFFILIATED TRANSACTIONS.]

Subdivision 1. [DEFINITION.] For the purposes of this section, "affiliated company" means a person, company, corporation, or other entity in which the telephone company has an affiliated interest as defined under section 216B.48, subdivision 1.

Subd. 2. [RECORDS.] Telephone companies, except companies that provide only services that have been found to be competitive, shall maintain records for a period of three years documenting transactions in excess of \$50,000 with an affiliated company. The documentation must contain:

- (1) the name of the affiliate;
- (2) a description of the transaction or contract;
- (3) the dollar value of the transaction or contract;
- (4) in the case of goods and services purchased from an affiliate, evidence of efforts made by the telephone company to secure the same or functionally equivalent goods or services from a nonaffiliated supplier;
- (5) in the case of services provided to an affiliate, evidence of the fair market value of those goods or services.

Subd. 3. [COMMISSION REVIEW.] In a proceeding for the approval of rates for noncompetitive services, the burden is on the company to prove that goods or services acquired from or sold to affiliates were transferred at fair market value. The determination

of fair market value shall include but not be limited to durability, quality, service, and price.

Sec. 12. [237.60] [DISCLOSURE.]

Subdivision 1. [NOTICE OF SERVICE OPTIONS.] A telephone company, when a residential customer initially requests service or requests a change of service, and annually in the form of a bill insert, shall advise each residential customer of the price of all service options available to that customer. The requirement of an annual notice through a bill insert does not apply to interexchange service.

Subd. 2. [FILING.] Copies of both the written notices and information provided to customer service representatives concerning full disclosure must be filed once every 12 months with the commission and the department. Independent telephone companies and municipal, cooperative telephone associations are exempt from the requirements of this subdivision unless otherwise ordered by the commission.

Subd. 3. [ENFORCEMENT.] If, after an expedited procedure conducted under section 6, the commission finds that a telephone company is failing to provide full disclosure, it shall order the company to take corrective action as necessary.

Sec. 13. Minnesota Statutes 1986, section 237.01, subdivision 3, is amended to read:

Subd. 3. [INDEPENDENT TELEPHONE COMPANY.] "Independent telephone company" means a telephone company organized and operating under chapter 301 or 302A or authorized to do business in Minnesota under chapter 303 as of January 1, 1983, and providing local exchange service to fewer than 15,000 30,000 subscribers within the state.

Sec. 14. Minnesota Statutes 1986, section 237.081, subdivision 1a, is amended to read:

Subd. 1a. Upon a complaint made against any cooperative telephone association, independent telephone company, or a municipal telephone utility by any other provider of telecommunications service, the governing body of any political subdivision, or by no fewer than five percent or 100, whichever is the lesser number, of the subscribers or spouses of subscribers of the particular cooperative telephone association, independent telephone company, or municipal telephone utility, that any of the rates, tolls, tariffs, charges or schedules or any regulation, measurement, practice, act or omission affecting or relating to the production, transmission, delivery or furnishing of telephone service or any service in connection therewith is in any respect unreasonable, insufficient or unjustly discrim-

inatory, or that any service is inadequate or cannot be obtained, the commission shall proceed to make an investigation as it may deem necessary. If the commission may dismiss any complaint without a hearing if in its opinion a hearing is not in the public interest finds that all significant issues raised have not been resolved to its satisfaction, it shall order a hearing.

Sec. 15. Minnesota Statutes 1986, section 237.11, is amended to read:

**237.11 [INSPECTION OF BOOKS OF TELEPHONE COMPANIES IN CASE OF FAILURE TO MAKE REPORTS.]**

Every telephone company subject to the provisions of this chapter, wherever organized, shall keep an office in this state, and make such reports to the department as it shall from time to time require. All books, records, and files, whether they relate to competitive or noncompetitive services, and all of its property shall be at all times subject to inspection by the commission, the department, and the attorney general. It shall close its accounts and take therefrom a balance sheet on December 31 of each year, and on or before May 1 following, such balance sheet, together with such other information as the department shall require, verified by an officer of the telephone company, shall be filed with the commission, the department, and the attorney general.

In the event that any telephone company shall fail to file its annual report, as provided by this section, the department is authorized to make such an examination of the books, records, and vouchers of the company as is necessary to procure the necessary data for the annual report and cause the same to be prepared. The expense of procuring this data and preparing this report shall be paid by the telephone company failing to report, and the amount paid shall be credited by the state treasurer to funds appropriated for the expense of the department.

The department is authorized to force collection of such sum by an action at law in the name of the department.

Sec. 16. Minnesota Statutes 1986, section 237.12, is amended to read:

**237.12 [CONNECTIONS BETWEEN TELEPHONE COMPANIES DISCONTINUED ONLY ON ORDER.]**

**Subdivision 1. [INTERCONNECTION.]** When public convenience requires the same, every telephone company shall, for a reasonable compensation, permit a physical connection or connections to be made, and telephone service to be furnished between any telephone exchange system operated by it, and the telephone toll line or lines operated by another company, or between its telephone toll line or

lines and the telephone exchange system of another telephone company, or between its toll line and the toll line of another company, whenever such physical connection or connections are practicable and will not result in irreparable injury to the telephone system so compelled to be connected. The term "physical connection," as used in this section, means such number of trunk lines or complete wire circuits and connections as may be required to furnish reasonable and adequate service between such telephone lines and exchanges and shall not be deemed to provide for any connection whereby one line or circuit is to be bridged upon another line or circuit. In case of failure of the telephone companies concerned to allow or agree upon such physical connection or connections, or the terms and conditions upon which the same shall be made, application may be made to the department commission for an order requiring such connection and fixing the compensation, terms and conditions thereof, and if after investigation and hearing the department commission shall find that such physical connections will not result in irreparable injury to such telephone properties, it the commission shall by order direct that such connections be made, and prescribe reasonable conditions and compensation therefor and for the joint use thereof, and by whom the expense of making and maintaining such connection or connections shall be paid. When application is made to the department requesting physical connection it shall be presumed that such connection is necessary, and that the public convenience will be promoted thereby, and the burden of overcoming such presumption shall be upon the party resisting such application. The telephone companies so connecting shall give service over the connecting line or lines without preference to or discrimination against any service or telephone company whatever.

Subd. 2. [DISCONTINUANCE.] Wherever a physical connection or connections exist between any telephone exchange system operated by a telephone company and the toll line or lines operated by another telephone company or between its toll line or lines and the telephone exchange system of another telephone company, or between its toll line and the toll line of another telephone company, neither of the companies shall cause such connection to be severed or the service between the companies to be discontinued without first obtaining an order from the department commission upon an application for permission to discontinue such physical connection. Upon the filing of an application for discontinuance of such a connection, the department shall investigate and ascertain whether public convenience requires the continuance of such physical connection, and if the department so finds, the commission shall fix the compensation, terms and conditions of the continuance of the physical connection and service between the telephone companies.

Subd. 3. [COMPENSATION.] Telephone companies providing interexchange telecommunications services shall pay compensation to telephone companies providing local telecommunications services that includes a fair and reasonable portion of:

(1) the costs of local exchange facilities used in connection with interexchange telecommunications services, including facilities connecting a customer to local switching facilities; and

(2) the common costs of companies providing local telecommunications services.

Sec. 17. Minnesota Statutes 1986, section 237.16, subdivision 1, is amended to read:

Subdivision 1. For the purpose of bringing about uniformity of practice, the commission shall have the exclusive right to grant authority to any telephone company to construct telephone lines or exchanges for furnishing local service to subscribers in any municipality of this state, and to prescribe the terms and conditions upon which construction may be carried on, and whenever the commission grants such authority, it shall be in the form of a permit of indeterminate duration—coupled with the right to the municipality to purchase the telephone plant within the city, as hereinafter provided. No lines or equipment shall be constructed or installed for the purpose of furnishing local rural or toll telephone service to the inhabitants or telephone users in any locality in this state, where there is then in operation in the locality or territory affected thereby another telephone company already furnishing such service, without first securing from the commission a declaration, after a public hearing, that public convenience requires such proposed telephone lines or equipment; but the governing body of any municipality shall have the same powers of regulation which it now possesses with reference to the location of poles and wires so as to prevent any interference with the safe and convenient use of streets and alleys by the public.

Sec. 18. Minnesota Statutes 1986, section 237.17, is amended to read:

#### 237.17 [EXTENSION OF LONG DISTANCE LINES.]

Any telephone company may extend its long distance lines into or through any city of this state for the furnishing of long distance service only, subject to the regulation of the governing body of such city relative to the location of the poles and wires and the preservation of the safe and convenient use of such streets and alleys to the public; provided that if such lines are to furnish service between communities or localities then served by another company, a certificate of public convenience must first be obtained as required by section 237.16.

Sec. 19. Minnesota Statutes 1986, section 237.22, is amended to read:

#### 237.22 [DEPRECIATION; AMORTIZATION.]

The commission shall fix proper and adequate rates and methods of depreciation and amortization with respect to telephone company property and every telephone company shall conform its depreciation accounts for property used in whole or in part to provide noncompetitive services to the rates and methods fixed by the commission.

Sec. 20. [UNIVERSAL SERVICE ASSISTANCE; STUDY AND REPORT.]

The state planning agency shall conduct a study to determine whether a universal service assistance program should be adopted in order to help low-income individuals obtain and retain telephone service. The state planning agency shall seek advice from the telephone industry, the human services department, the public utilities commission, the department of public service, the attorney general, and the various nongovernmental organizations representing consumers. The state planning agency shall report its findings to the legislature by January 1, 1988.

Sec. 21. [REPEALER.]

Minnesota Statutes 1986, sections 237.13, 237.41, 237.42, and 237.43, are repealed.

Sec. 22. [EFFECTIVE DATE.]

Sections 1 to 12 are effective August 1, 1987, and are repealed effective August 1, 1992."

Delete the title and insert:

"A bill for an act relating to public utilities; providing for the reduced regulation of certain competitive telecommunications services, with limitations and procedures; requiring persons providing private shared tenant service to grant certain access; requiring a study and report on universal service assistance; amending Minnesota Statutes 1986, sections 237.01, subdivision 3; 237.081, subdivision 1a; 237.11; 237.12; 237.16, subdivision 1; 237.17; and 237.22; proposing coding for new law in Minnesota Statutes, chapter 237; repealing Minnesota Statutes 1986, sections 237.13; 237.41; 237.42; and 237.43."

With the recommendation that when so amended the bill pass.

The report was adopted.

Osthoff from the Committee on Metropolitan Affairs to which was referred:

H. F. No. 744, A bill for an act relating to metropolitan government; adding the chair of the transit commission to membership on the metropolitan financial reporting and management advisory committee; amending Minnesota Statutes 1986, section 473.1623, subdivision 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 15A.081, subdivision 1, is amended to read:

Subdivision 1. The governor shall set the salary rate within the ranges listed below for positions specified in this subdivision, upon approval of the legislative commission on employee relations and the legislature as provided by section 43A.18, subdivisions 2 and 5:

	Salary Range Effective July 1, 1983
Commissioner of education;	\$57,500-\$70,000
Commissioner of finance;	
Commissioner of transportation;	
Commissioner of human services;	
Executive director, state board of investment;	
Commissioner of administration;	\$50,000-\$60,000
Commissioner of agriculture;	
Commissioner of commerce;	
Commissioner of corrections;	
Commissioner of jobs and training;	
Commissioner of employee relations;	
Commissioner of energy and economic development;	
Commissioner of health;	
Commissioner of labor and industry;	
Commissioner of natural resources;	
Commissioner of revenue;	
Commissioner of public safety;	
Chair, waste management board;	
Chief administrative law judge;	

office of administrative hearings;  
 Director, pollution control agency;  
 Director, state planning agency;  
 Executive director, housing finance agency;  
 Executive director, public employees  
 retirement association;  
 Executive director, teacher's retirement  
 association;  
 Executive director, state retirement system;  
 Chair, metropolitan council;  
~~Chair, regional transit board;~~  
 Coordinator of full productivity and  
 opportunity;

Commissioner of human rights;	\$40,000-\$52,500
Director, department of public service;	
Commissioner of veterans' affairs;	
Director, bureau of mediation services;	
Commissioner, public utilities commission;	
Member, transportation regulation board.	

Sec. 2. Minnesota Statutes 1986, section 15A.081, subdivision 7, is amended to read:

Subd. 7. [PART-TIME METROPOLITAN OFFICERS.] The governor shall set the salary rate within the range set forth below for the following part-time positions, upon approval of the legislative commission on employee relations and the legislature as provided by section 43A.18, subdivisions 2 and 5:

	Effective July 1, 1985
Chair, metropolitan airports commission	\$15,000-\$25,000
Chair, metropolitan waste control commission	

	<u>Effective</u> <u>January 1, 1988</u>
<u>Chair, regional transit board</u>	<u>\$15,000-\$25,000</u>

Fringe benefits for unclassified employees of the metropolitan waste control commission shall not exceed those fringe benefits received by unclassified employees of the metropolitan council.

Sec. 3. Minnesota Statutes 1986, section 473.1623, subdivision 2, is amended to read:

Subd. 2. [FINANCIAL REPORTING AND MANAGEMENT ADVISORY COMMITTEE.] A financial reporting and management advisory committee is created, consisting of the chairs of the council and the following metropolitan agencies: the waste control commission, transit board, transit commission, metropolitan airports commission, and sports facilities commission. The committee is established to assist and advise the council and other governing boards in meeting the requirements of this section. Staff and administrative services for the committee must be provided by the council and the member agencies. Other agencies shall make financial information available upon request.

Sec. 4. Minnesota Statutes 1986, section 473.373, is amended by adding a subdivision to read:

Subd. 1a. [PURPOSE.] The board is established: (1) to foster effective delivery of existing transit services and encourage innovation in transit service, (2) to prepare implementation and financial plans for the metropolitan transit system, (3) to set policies and standards for implementing the transit policies and programs of the state and the transit policies of the metropolitan council in the metropolitan area, (4) to conduct transit research and evaluation, and (5) to administer state and metropolitan transit subsidies.

The board shall arrange with others for the delivery and provision of transit services and facilities. The board shall avoid, to the greatest extent possible, direct operational planning, administration, or management of specific transit services and facilities.

Sec. 5. Minnesota Statutes 1986, section 473.377, is amended by adding a subdivision to read:

Subd. 4. [FARE POLICY.] The plan must contain a statement of the policies that will govern the imposition of user charges for various types of transit service and the policies that will govern decisions by the board to change fare policy.

Sec. 6. Minnesota Statutes 1986, section 473.377, is amended by adding a subdivision to read:

Subd. 5. [LOCAL REVIEW AND COMMENT.] At least 30 days before holding the hearing required on the implementation plan or revision, the board shall submit copies of the plan or a summary of the plan to the chief administrative officer of each statutory and home rule charter city, town, and county in the metropolitan area, along with notice of the hearing and an invitation to testify and submit comments.

Sec. 7. Minnesota Statutes 1986, section 473.38, subdivision 2, is amended to read:

Subd. 2. [FINANCIAL PLAN; COUNCIL APPROVAL.] Along with its annual budget, each even-numbered year the board shall prepare a financial plan for the succeeding three calendar years, in half-year segments. The financial plan must be consistent with the board's implementation plan and must contain the elements specified in section 473.1623, subdivision 3. The financial plan must contain schedules of user charges and any changes in user charges planned or anticipated by the board during the period of the plan. The financial plan must contain a proposed request for state financial assistance for the succeeding biennium. The board shall submit the financial plan to the council for review and approval or disapproval. The council may approve or disapprove in whole or in part. The council may disapprove only for inconsistency with the policy plan of the council.

Sec. 8. Minnesota Statutes 1986, section 473.39, subdivision 1a, is amended to read:

Subd. 1a. [~~AMOUNT; I-394 FACILITIES AMOUNTS.~~] (a) The council may issue certificates of indebtedness, bonds, or other obligations under this section in an amount not exceeding \$8,500,000 \$17,000,000 for expenditure financial assistance to the commission, as prescribed in the implementation plan of the board and the capital program of the commission. ~~Of this~~

(b) The council may issue certificates of indebtedness, bonds, or other obligations under this section in an amount, no more than not exceeding \$1,500,000 may be spent for land acquisition and capital improvements for park and ride lots and transit transfer stations planned for the interstate highway described in section 161.123, clause (2), commonly known as I-394. These facilities may be constructed and maintained by the metropolitan transit commission. The board shall require, as a condition of financial assistance to the commission, that the commission make facilities it constructs, acquires, or improves for I-394 with funds provided under this provision available to all transit providers on a nondiscriminatory basis, as the board defines these terms.

Sec. 9. [FARES.]

The board may not alter fare policies nor may the commission alter fare schedules existing on January 1, 1987, until:

(1) the board has satisfied statutory transit and financial planning requirements by: (i) adopting plans and policies on fares, as required by Laws 1985, First Special Session chapter 10, section 30 and restated by sections 3 and 4 of this act; (ii) adopting an implementation plan under Minnesota Statutes 1986, section 473.161, that has been approved by the council, including any revisions required by the council, under Minnesota Statutes 1986, section 473.161; (iii) adopting an approved financial plan under Minnesota Statutes

1986, section 473.38, subdivision 2, as amended; and (iv) submitting the implementation and financial plans adopted under clauses (ii) and (iii) to the legislature with its request for state financial assistance; and

(2) the legislature has acted on the board's request for state financial assistance submitted under clause (1).

#### Sec. 10. [FEDERAL GRANTS.]

The board may not be a recipient of federal capital or operating assistance for transit until:

(1) the board has satisfied statutory planning requirements by: (i) adopting plans and policies on fares, as required by Laws 1985, First Special Session chapter 10, section 30 and restated by sections 3 and 4 of this act; (ii) adopting an implementation plan under Minnesota Statutes 1986, section 473.161, that has been approved by the council, including any revisions required by the council, under Minnesota Statutes 1986, section 473.161; (iii) adopting an approved financial plan under Minnesota Statutes 1986, section 473.38, subdivision 2, as amended; and (iv) submitting the implementation and financial plans adopted under clauses (ii) and (iii) to the legislature with its request for state financial assistance;

(2) the legislature has acted on the board's request for state financial assistance submitted under clause (1); and

(3) the board has studied and reported to the legislature on the effects, advantages, and disadvantages of transferring the authority to receive these funds from the commission to the board and on how and for what purpose the board would use the funds differently than the commission could use the funds.

#### Sec. 11. [ROUTE PLANNING AND SCHEDULING.]

The board shall contract with the commission or other operators or local governments for route planning and scheduling services in any configuration of new or reconfiguration of existing transit services and routes, including route planning and scheduling necessary for the test marketing program, the service bidding program, and the interstate highway described in Minnesota Statutes, section 161.123, clause (2), commonly known as I-394. Route planning and scheduling is subject to approval by the board for conformity to the board's transit implementation plans and route, schedule, and other service standards, objectives, and policies established by the board.

#### Sec. 12. [SERVICE BIDDING.]

The board may competitively bid transit service only in accordance with standards, procedures, and guidelines adopted by resolution of the board. The board shall establish a project advisory team to assist and advise the board in developing and implementing standards, procedures, and guidelines. The project advisory team must include representatives of the commission, the Amalgamated Transit Union Local 1005, private operators, local governments, and other persons interested in the subject. At least 60 days before adopting any standards, procedures, or guidelines for competitive bidding of transit service, the board shall hold a public hearing on the subject. The board shall publish notice of the hearing in newspapers of general circulation in the metropolitan area not less than 15 days before the hearing. At the hearing all interested persons must be afforded an opportunity to present their views orally and in writing. Following the hearing, and after considering the testimony, the board shall revise and adopt the standards, procedures, and guidelines.

Sec. 13. [APPROPRIATION.]

Subdivision 1. [AMOUNTS.] The following amounts are appropriated from ..... to the regional transit board for the purposes and fiscal years specified:

1988    1989

- (1) Regular route MTC service
- (2) Other regular route service
- (3) Metro mobility
- (4) Small urban, rural, and replacement services
- (5) Test marketing of new services
- (6) Light rail transit studies
- (7) Planning and programs
- (8) Administration

The unencumbered balance remaining in the first year does not cancel but is available for the second year.

Subd. 2. [LIMITATIONS.] (a) The board may not reduce the amounts available for expenditure under subdivision 1, categories (1) to (5), or spend any money, except money received from federal grants and private contributions, for the purposes of categories (6) to (8) in addition to the amounts appropriated. The board may not transfer funds among categories except as provided in paragraph (b);

(b) The board may not transfer funds among categories until:

(1) the board has satisfied statutory transit and financial planning requirements by: (i) adopting plans and policies on fares, as required

by Laws 1985, First Special Session chapter 10, section 30 and restated by sections 3 and 4 of this act; (ii) adopting an implementation plan under Minnesota Statutes 1986, section 473.161, that has been approved by the council, including any revisions required by the council, under Minnesota Statutes 1986, section 473.161; (iii) adopting an approved financial plan under Minnesota Statutes 1986, section 473.38, subdivision 2, as amended; and (iv) submitting the implementation and financial plans to the legislature adopted under clauses (ii) and (iii) with its request for state financial assistance; and

(2) the legislature has acted on the board's request for state financial assistance submitted under clause (1).

Sec. 14. [APPLICATION.]

Sections 3 to 12 apply in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 15. [EFFECTIVE DATE.]

Section 1 is effective January 1, 1988."

Delete the title and insert:

"A bill for an act relating to metropolitan government; adding the chair of the transit commission to membership on the metropolitan financial reporting and management advisory committee; fixing the compensation of the chair and providing duties of the regional transit board; appropriating money; amending Minnesota Statutes 1986, sections 15A.081, subdivisions 1 and 7; 473.1623, subdivision 2; 473.373, by adding a subdivision; 473.377, by adding subdivisions; 473.38, subdivision 2; and 473.39, subdivision 1a."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 758, A bill for an act relating to occupations and professions; establishing a board of marriage and family therapy; licensing and regulating marriage and family therapists; providing penalties; appropriating money; amending Minnesota Statutes

1986, section 214.01, subdivision 2; proposing coding for new law as Minnesota Statutes, chapter 148B.

Reported the same back with the following amendments:

Page 6, after line 30, insert:

“Subd. 3. [FEDERALLY RECOGNIZED TRIBES AND PRIVATE NONPROFIT AGENCIES WITH A MINORITY FOCUS.] The licensure of marriage and family therapists who are employed by federally recognized tribes and private nonprofit agency marriage and family therapists, whose primary service focus addresses ethnic minority populations and who are themselves members of ethnic minority populations within said agencies, shall be voluntary for a period of five years at which time the legislature will review the need for mandatory licensure for all marriage and family therapists.”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 822, A bill for an act relating to commerce; requiring that solicitations for new open-end credit contain specific disclosures respecting conditions and costs; prescribing penalties; providing remedies; proposing coding for new law in Minnesota Statutes, chapter 334.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [325G.40] [CITATION.]

Sections 325G.40 to 325G.45 may be cited as the “credit card disclosure act.”

Sec. 2. [325G.41] [DEFINITIONS AND COMPUTATIONS.]

Subdivision 1. Except as otherwise provided, the terms used in sections 325G.40 to 325G.45 have the meanings prescribed in the Code of Federal Regulations, title 12, part 226. Except as otherwise provided, the computations required under sections 325G.40 to 325G.45 shall be made as provided in the Code of Federal Regulations, title 12, part 226.

Subd. 2. "Credit card application" means any written form, document, or material distributed by or on behalf of a creditor and designed to be used by a consumer to request or accept the issuance of a credit card.

Subd. 3. "Creditor" includes any credit card issuer that extends either open-end credit or credit that is not subject to a finance charge and is not payable in installments.

Sec. 3. [325G.42] [CREDIT CARD DISCLOSURES.]

Subdivision 1. [REQUIRED DISCLOSURES.] Any credit card application distributed in this state must disclose the following terms of the credit card plan, if applicable:

(1) Any periodic rate or rates that may be applied to the account, expressed as an annual percentage rate or rates. If the account is subject to a variable rate, the creditor may disclose the rate as of a specific date and indicate that the rate may vary, or may identify the index and any amount or percentage added to, or subtracted from, that index and used to determine the rate. For purposes of this section, the amount or percentage shall be referred to as the "spread." If charges incurred by use of the credit card are due and payable upon receipt of a periodic statement of charges, then that fact shall be disclosed.

(2) Any membership, participation, or other fee that may be imposed as a condition of the issuance or renewal of a credit card, expressed as an annual amount.

(3) Any minimum, fixed, transaction, activity or similar charge.

(4) Any other fees that may be charged to the account, including late payment fees and charges for exceeding credit limits.

(5) The date or occasion upon which the finance charge, if any, begins to accrue on a transaction.

Subd. 2. [FORM OF DISCLOSURES.] The disclosures required under this section shall be written in plain language, as defined in section 325G.11; shall be in bold face type of a minimum size of ten points; shall be clear and conspicuous; and shall be prominently set apart from the remaining portions of the credit card application or other written material, by the use of margins, enclosures, underlining, contrasting colors, or similar methods.

Subd. 3. [OPTIONAL DISCLOSURE CHART.] A creditor need not present the disclosures required by subdivision 1 of this section in any specific form other than as provided in subdivision 2. However, disclosures shall be conclusively presumed to satisfy the require-

ments of subdivision 1 if the required disclosures satisfy the requirements of subdivision 2 and are presented in a chart, substantially similar to the following description:

(1) The chart shall consist of contiguous boxes, and each required disclosure shall appear exclusively within one of the boxes.

(2) The first box shall contain the wording "Annual Percentage Rate" in capital letters, underneath which the creditor's rate will appear. If the rate is a variable rate, the creditor may eliminate the box, leave the box blank, or indicate "no," "none," or "does not apply." If the creditor does not impose a periodic rate but instead requires that credit incurred by use of the credit card be repaid upon receipt of a periodic statement of charges, then the first box shall state "Full payment due upon receipt of billing statement."

(3) The second box shall contain the wording "Variable Rate Index and Spread" in capital letters, underneath which the creditor's rate will appear. If the rate is a fixed rate, or if full payment is due upon receipt of a periodic statement of charges, then the creditor may eliminate the box, leave the box blank, or indicate "no," or "none," or "does not apply."

(4) The third box shall contain the wording "Other Fees" in capital letters and shall disclose all other fees, including late payment penalties and any charges for exceeding the credit limit.

(5) The fourth box shall contain the wording "Annual Fee" in capital letters, beneath which the appropriate information shall be disclosed.

(6) The fifth box shall contain the wording "Transaction Fee" in capital letters, underneath which the appropriate information shall be disclosed.

(7) The sixth box shall contain the wording "Free Period" or "Grace Period," in capital letters, underneath which the appropriate information shall be disclosed. For example, "30 days" or "yes, if full payment is received by next billing date" or "yes, if full new balance is paid by due date."

Subd. 4. [ADDITIONAL DISCLOSURES PERMITTED.] Nothing in this section prohibits a creditor from disclosing additional terms, conditions, or information, whether or not relating to the disclosures required under this section, in conjunction with the disclosures required by this section.

Subd. 5. [EXCEPTION.] This section does not apply to any advertisement, catalogue, or other written document or material which does not contain a credit card application.

## Sec. 4. [325G.43] [PENALTIES.]

A person violating section 325G.42 is subject to the penalties provided in section 8.31.

## Sec. 5. [325G.44] [DAMAGES.]

A person injured by a violation of section 325G.42 may recover actual damages in an action other than a class action, together with costs and disbursements, including a reasonable attorney's fee and receive other equitable relief as determined by the court.

## Sec. 6. [325G.45] [FEDERAL LAW.]

If a creditor is required under federal law to make disclosure of the terms required in section 325G.42, and the creditor makes such disclosures in connection with the distribution of a credit card application, then the creditor shall be deemed to have complied with the requirements of section 325G.42 if the creditor complies with the federal disclosure requirement.

## Sec. 7. [325G.46] [NOTIFICATION OF ANNUAL FEE.]

The customer must be notified of the amount of the annual fee, if any, and the date the fee is payable at least 30 days before the account is charged for the fee, and during that 30-day period the customer may cancel the open-end credit plan without penalty other than payment of any outstanding balance.

## Sec. 8. [EFFECTIVE DATE.]

This act is effective June 30, 1988."

Delete the title and insert:

"A bill for an act relating to commerce; requiring that credit card applications contain specific disclosures respecting conditions and costs; prescribing penalties; providing remedies; proposing coding for new law in Minnesota Statutes, chapter 325G."

With the recommendation that when so amended the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 829, A bill for an act relating to human services; establishing the office of assistant commissioner of mental health;

establishing a state advisory council on mental health; creating a mental health division in the department of human services; proposing coding for new law in Minnesota Statutes, chapter 245.

Reported the same back with the following amendments:

Page 3, after line 34, insert:

"Terms, compensation, and removal of members and filling of vacancies are governed by section 15.059, except that members shall not receive a per diem. The council does not expire as provided in section 15.059."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 837, A bill for an act relating to natural resources; creating the state board of water and land resources and providing for its administration and powers and duties; abolishing the state soil and water conservation board and the water resources board; amending the duties of the environmental quality board; amending Minnesota Statutes 1986, sections 40.01, subdivision 4; 40.03, subdivision 4; 40.035, subdivision 2; 40.21, subdivisions 1 and 3; 40.43, subdivision 1; 105.73; 110B.02, subdivision 2; 112.35, subdivision 4; 116C.03, subdivision 2; 473.876, by adding a subdivision; 473.877, subdivision 2; 473.8771, subdivisions 1 and 2; and 473.878, subdivisions 7 and 8; proposing coding for new law in Minnesota Statutes, chapter 110B; repealing Minnesota Statutes 1986, sections 40.03, subdivisions 1, 1a, 2, and 3; 105.71; 116C.40, subdivision 3; and 116C.41, subdivision 2.

Reported the same back with the following amendments:

Page 8, line 3, delete "board may contract" and insert "commissioner of administration shall provide and make available within the department of agriculture suitable and adequate office facilities and space for the board. The commissioner of agriculture shall provide and make available administrative services required by the board in administration of its functions."

Page 8, delete lines 4 to 6

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 849, A bill for an act relating to Indian child welfare; establishing direct grants to tribal governments, Indian social service organizations, and local social service agencies to fund Indian child welfare programs; establishing an Indian child welfare advisory council; amending Minnesota Statutes 1986, sections 257.35; and 257.351, subdivision 15, and by adding subdivisions; 257.354, subdivision 4, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 257; repealing Minnesota Statutes 1986, section 245.76.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 938, A bill for an act relating to retirement; regulating workers' compensation offsets to public employee retirement association benefits; amending Minnesota Statutes 1986, sections 353.29, subdivision 2; 353.33, subdivision 5, and by adding a subdivision; 353.651, subdivision 2; 353.656, subdivision 2, and by adding a subdivision.

Reported the same back with the following amendments:

Page 2, line 7, delete "personal lifetime" and insert "single life annuity actuarial equivalent"

Page 2, line 20, delete "receiving" and insert "eligible to receive a" and delete "payments"

Page 2, line 21, delete "pursuant to" and insert "under the provisions of"

Page 2, line 25, delete everything after the third comma

Page 2, delete lines 26 and 27

Page 2, line 28, delete "that amount" and insert "calculated"

Page 3, lines 26 and 27, reinstate the stricken language

Page 3, line 27, delete "personal lifetime" and insert "single life annuity actuarial equivalent"

Page 4, line 3, delete "receiving" and insert "eligible to receive a"

Page 4, line 4, delete "payments pursuant to" and insert "under the provisions of"

Page 4, line 8, delete everything after the third comma

Page 4, delete lines 9 and 10

Page 4, line 11, delete "that amount" and insert "calculated"

With the recommendation that when so amended the bill pass.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 943, A bill for an act relating to the attorney general; creating a consumer protection account; providing for its administration; amending Minnesota Statutes 1986, section 8.31, subdivisions 2b, 3, and by adding subdivisions.

Reported the same back with the following amendments:

Page 2, delete lines 4 to 13 and insert:

"Subd. 2c. [CONSUMER EDUCATION ACCOUNT.] If a court of competent jurisdiction finds that a sum recovered under this section for the benefit of injured persons cannot reasonably be distributed to the victims, because the victims cannot readily be located or identified, or because the cost of distributing the money would outweigh the benefit to the victims, then the court may order that the money be paid into a consumer education account. All such sums shall be deposited into the state treasury and credited to the consumer education account. All money in the consumer education account is appropriated to the attorney general for the following purposes:

(a) To prepare and distribute educational materials to inform the public regarding consumer protection laws and consumer rights;

(b) To underwrite educational seminars and other forms of educational projects for the benefit of consumers and businesses; and

(c) To contract for or conduct educational or research projects in the field of consumer protection, to further the purposes of the laws referred to in subdivision 1."

Page 2, line 21, strike "and" and insert a comma

Page 2, line 23, before the period insert "as provided in subdivision 3c"

Page 2, line 34, after "treasury" insert a comma and delete "except money may be" and insert "but sums recovered and deposited pursuant to subdivision 2c shall be credited to"

Page 2, line 35, delete "deposited into"

Page 3, delete lines 9 to 11 and insert "persons. Upon the order of a court having jurisdiction over the matter, reasonable fees and expenses may be paid to the administrator out of any sums recovered under this section or administered by the administrator."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 1030, A bill for an act relating to water pollution; providing for grants and loans for the construction and rehabilitation of wastewater treatment facilities and systems; authorizing rulemaking; appropriating money; amending Minnesota Statutes 1986, sections 116.16, subdivision 5; 116.167; 116.18, subdivisions 2a, 3a, and by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 116.

Reported the same back with the following amendments:

Page 2, lines 15 to 22, delete the new language and insert:

"For purposes of awarding independent state grants, the agency may waive the federal 20-year planning requirement for municipalities with populations of less than 1,500."

Page 3, line 36, after "rules" delete "and may adopt emergency"

Page 4, line 1, delete "rules"

Page 4, line 13, delete "25" and insert "50"

Page 4, line 13, after "percent" insert "of the nonfederal share"

Page 4, line 16, strike the semicolon, strike the remaining language and insert a period

Page 4, lines 17 to 24, delete all new language and strike all existing language

Page 6, line 29, after "permit" insert "over 20 years"

Page 7, line 5, after "rules" delete "and may adopt"

Page 7, line 6, delete "emergency rules"

Page 8, line 2, after "permanent" delete "and emergency"

Page 8, line 17, before the period insert "to projects funded under the federal Water Pollution Control Act or the independent state grants program"

Page 9, line 13 to page 11, line 4, delete sections 8, 9, and 10

Page 11, line 8, delete "June 30, 1989" and insert "expended"

Renumber the remaining section

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 1039, A bill for an act relating to occupations and professions; providing for the licensure of private detectives and protective agents; providing definitions; providing board powers and duties; specifying application and administrative procedure; authorizing rulemaking; requiring payment of fees; providing penalties; amending Minnesota Statutes 1986, sections 326.32, subdivisions 1, 5, 11, and by adding subdivisions; 326.33, subdivisions 1 and 2; 326.336; 326.338, subdivision 1, and by adding a subdivision; and 326.339; proposing coding for new law in Minnesota Statutes, chapter 326; repealing Minnesota Statutes 1986, sections 326.32, subdivisions 6 and 7; 326.33, subdivisions 3, 4, and 5; 326.331; 326.332; 326.333; 326.334; 326.337; and 326.338, subdivisions 2 and 3.

Reported the same back with the following amendments:

Page 3, line 1, after "superintendent," insert "and the following members appointed by the commissioner of public safety:"

Page 12, line 15, delete the second "a" and insert ";

(1) a surety bond to the state of Minnesota in the penal sum of \$10,000 has been executed and filed with the board. The surety bond must be executed by a company authorized to do business in the state of Minnesota, must name the applicant as principal, and must state that the applicant and each of the applicant's employees shall faithfully observe all of the laws of Minnesota and of the United States, and shall pay all damages suffered by any person by reason of the violation of any such law by the applicant, or by the commission of any willful and malicious wrong by the applicant in the course of such business; and

(2) the applicant furnishes proof, acceptable to the board, of the applicant's ability to respond in damages for liability on account of accidents or wrongdoings arising out of the ownership and operation of a private detective or protective agent business. Proof of financial responsibility may be given by filing with the board one of the following:

(a) a certificate of insurance demonstrating coverage for general liability, completed operations, and personal injury. Personal injury insurance must include: (i) false arrest, detention, imprisonment, and malicious prosecution; (ii) libel, slander, defamation, and violation of rights of privacy; and (iii) wrongful entry, eviction, and other invasion of rights of private occupancy. The certificate must provide that the insurance shall not be modified or canceled unless 30 days prior notice is given to the board.

(b) an annual net worth statement, signed by a licensed certified public accountant evidencing that the applicant has a net worth of at least the following: (i) for an applicant with no employees, \$10,000; (ii) for an applicant with 1 to 10 employees, \$15,000; (iii) for an applicant with 11 to 25 employees, \$25,000; (iv) for an applicant with 26 to 50 employees, \$50,000; (v) for an applicant with 51 or more employees, \$100,000.

Data indicating which of the above requirements an applicant must comply with is public data. The contents of the net worth statement are private data on individuals or nonpublic data, as defined in section 13.02.

(c) an irrevocable letter of credit from a financial institution acceptable to the board in the amount listed in the categories in subdivision (b)."

Page 12, delete lines 16 to 19

Page 13, line 5, delete "INSURANCE" and insert "BOND AND PROOF OF FINANCIAL RESPONSIBILITY"

Page 13, line 6, delete everything after "a" and insert "\$10,000 surety bond, and show proof of financial responsibility as required in section 17, subdivision 3."

Page 13, delete line 7

Page 13, line 10, after "display" insert ", in a manner that implies that the person is an employee or agent of a governmental agency."

Page 13, line 13, after "highway patrol," insert "sheriff,"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Osthoff from the Committee on Metropolitan Affairs to which was referred:

H. F. No. 1043, A bill for an act relating to metropolitan government; providing for qualifications of commission members, budget criteria, plans, and reports; amending Minnesota Statutes 1986, sections 473.141, subdivision 2, and by adding a subdivision; 473.161, subdivision 1c; 473.1623, subdivisions 4 and 5; 473.303, by adding a subdivision; 473.377, subdivision 1; and 473.604, subdivision 1, and by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 473.141, subdivision 2, is amended to read:

Subd. 2. [MEMBERSHIP; APPOINTMENTS.] (a) Each agency consists of eight members, plus a chair appointed as provided in subdivision 3. The metropolitan council shall appoint the eight members on a nonpartisan basis after consultation with the members of the legislature from the district for which the member is to be appointed. The consultation with legislators in the affected district must include informing each legislator of the name, address, and background of each candidate for appointment and soliciting and reporting to the appointments committee the recommendations of each legislator on the appointment.

(b) In addition to the notice required in section 15.0597, subdivision 4, notice of vacancies and expiration of terms must be published in newspapers of general circulation in the metropolitan area and the appropriate districts. The council shall notify in writing the

governing bodies of the statutory and home rule charter cities, counties, and towns having territory in the district for which the member is to be appointed. The notices must describe the appointment process and invite participation and recommendations on the appointment.

(c) The council shall establish an appointments committee, composed of members of the council, to screen and review candidates. Following the submission of member applications to the metropolitan council as provided under section 15.0597, subdivision 5, the appointments committee shall conduct public meetings, following appropriate notice, to accept statements from or on behalf of persons who have applied or been nominated for appointment and to allow consultation with and secure the advice of the public and local elected officials. The committee shall hold the meeting on each appointment in the district or in a reasonably convenient and accessible location in the part of the metropolitan area in which the district is located. The committee may consolidate meetings. Following the meetings, the committee shall submit to the council a written report that lists the persons who have applied or been nominated or recommended for the position, along with a description of the background and qualifications of each. In making its recommendation, the committee specifically shall consider evidence of the candidate's commitment to regularly communicate on issues before the agency with metropolitan council members, legislators, and local elected officials in the district, and the committee shall report its findings on this subject in its written report to the council.

(d) One member shall be appointed from each of the following agency districts:

- (1) district A, consisting of council districts 1 and 2;
- (2) district B, consisting of council districts 3 and 7;
- (3) district C, consisting of council districts 4 and 5;
- (4) district D, consisting of council districts 6 and 10;
- (5) district E, consisting of council districts 8 and 9;
- (6) district F, consisting of council districts 11 and 12;
- (7) district G, consisting of council districts 13 and 14; and
- (8) district H, consisting of council districts 15 and 16.

Sec. 2. Minnesota Statutes 1986, section 473.141, is amended by adding a subdivision to read:

Subd. 3a. [MEMBERS; DUTIES.] Each member shall communicate regularly with metropolitan council members, legislators, and local government officials in the district the member represents.

Sec. 3. Minnesota Statutes 1986, section 473.161, subdivision 1c, is amended to read:

Subd. 1c. [SERVICES AND SYSTEMS MANAGEMENT.] The plan must include a services and systems management component that describes the levels and costs of services that will be provided to service areas and populations within the metropolitan area. The component must describe: (1) service needs, objectives, and priorities; (2) changes in existing services; (3) deployment of new services; (4) distribution and coordination of services; (5) timing, priority, and location, with maps, of service areas, routes, levels of service, and similar matters, as appropriate to the type of service; (6) delivery methods and providers; ~~(6) (7)~~ system management and administration; ~~(7) (8)~~ costs; ~~(8) (9)~~ manner of finance and revenue sources, including federal and state funds, private funds, taxes, and user charges; and ~~(9) (10)~~ fiscal effects.

Sec. 4. Minnesota Statutes 1986, section 473.1623, subdivision 2, is amended to read:

Subd. 2. [FINANCIAL REPORTING AND MANAGEMENT ADVISORY COMMITTEE.] A financial reporting and management advisory committee is created, consisting of the chairs of the council and the following metropolitan agencies: the waste control commission, transit board, transit commission, metropolitan airports commission, and sports facilities commission. The committee is established to assist and advise the council and other governing boards in meeting the requirements of this section. Staff and administrative services for the committee must be provided by the council and the member agencies. Other agencies shall make financial information available upon request.

Sec. 5. Minnesota Statutes 1986, section 473.1623, subdivision 4, is amended to read:

Subd. 4. [FINANCIAL REPORTING; BUDGETING.] (a) The advisory committee, with the assistance of the state auditor and the legislative auditor, shall develop uniform or consistent standards, formats, and procedures for the budgets and financial reports of the council and all metropolitan agencies. The council shall report to the legislature from time to time on progress made by the committee in improving the uniformity and quality of budgets and financial reports and on legislation that may be needed for this purpose.

(b) The council and each metropolitan agency shall prepare a summary budget for agency fiscal year 1988 and each year thereafter. The advisory committee, with the assistance of the state auditor

and the legislative auditor, shall develop guidelines and models for the summary budgets. The purpose of the summary budget is to increase public knowledge and agency accountability by providing citizens outside of the agency with a condensed, accessible, and graphic description of the financial affairs of the agency. The document should contain a coherent, effectively communicated, understandable statement of: financial trends and forecasts; budget policies and policy changes; agency financial assumptions, objectives and plans; revenue sources and expenditures by program category; personnel policies, decisions, and allocation; budgetary performance measures; and similar matters serving the purpose of the document.

Sec. 6. Minnesota Statutes 1986, section 473.1623, subdivision 5, is amended to read:

Subd. 5. [ADMINISTRATIVE COORDINATION.] The advisory committee shall evaluate the benefits, costs, methods, and effects, including operational effects, of joint or uniform and coordinated exercise of powers by the council and metropolitan agencies for appropriate administrative functions. The study must include at least ongoing managerial reporting, contracts, purchasing, data processing, and personnel. The council shall report to the legislature from time to time on the findings and recommendations of the advisory committee to date by January 1, 1987, and on legal and other impediments to increased coordination of administrative functions. Before submitting the report, the council shall request comments on the report from the affected metropolitan agencies, and the comments must be submitted along with the report.

Sec. 7. [473.247] [METROPOLITAN AGENCIES; PUBLIC INFORMATION.]

The council shall publish a consolidated metropolitan bulletin or register containing official notices, meeting and hearing schedules, notices of adopted ordinances, rules, policies, and similar matters for the council and all metropolitan agencies. Metropolitan agencies shall cooperate with the council in providing timely information for publication.

Sec. 8. Minnesota Statutes 1986, section 473.303, is amended by adding a subdivision to read:

Subd. 3a. [MEMBERS; DUTIES.] Members have the duties imposed by section 2.

Sec. 9. Minnesota Statutes 1986, section 473.373, is amended by adding a subdivision to read:

Subd. 1a. [PURPOSE.] The board is established: (1) to foster effective delivery of existing transit services and encourage innova-

tion in transit service, (2) to prepare implementation and financial plans for the metropolitan transit system, (3) to set policies and standards for implementing the transit policies and programs of the state and the transit policies of the metropolitan council in the metropolitan area, (4) to conduct transit research and evaluation, and (5) to administer state and metropolitan transit subsidies.

The board shall arrange with others for the delivery and provision of transit services and facilities. The board shall avoid, to the greatest extent possible, direct operational planning, administration, or management of specific transit services and facilities.

Sec. 10. Minnesota Statutes 1986, section 473.377, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENT.] The transit board shall prepare, submit to the council, and adopt an implementation plan as provided in section 473.161. The services and systems management component of the board's plan must include a description of the special transportation service provided under section 473.386. The board shall prepare an implementation plan meeting the requirements of this section and submit the plan to the council by August 1, 1986, and thereafter at a time prescribed by the council.

Sec. 11. Minnesota Statutes 1986, section 473.377, is amended by adding a subdivision to read:

Subd. 4. [FARE POLICY.] The plan must contain a statement of the policies that will govern the imposition of user charges for various types of transit service and the policies that will govern decisions by the board to change fare policy.

Sec. 12. Minnesota Statutes 1986, section 473.377, is amended by adding a subdivision to read:

Subd. 5. [LOCAL REVIEW AND COMMENT.] At least 30 days before holding the hearing required on the implementation plan or revision, the board shall submit copies of the plan or a summary of the plan to the chief administrative officer of each statutory and home rule charter city, town, and county in the metropolitan area, along with notice of the hearing and an invitation to testify and submit comments.

Sec. 13. Minnesota Statutes 1986, section 473.38, subdivision 2, is amended to read:

Subd. 2. [FINANCIAL PLAN; COUNCIL APPROVAL.] Along with its annual budget, each even-numbered year the board shall prepare a financial plan for the succeeding three calendar years, in half-year segments. The financial plan must be consistent with the

board's implementation plan and must contain the elements specified in section 473.1623, subdivision 3. The financial plan must contain schedules of user charges and any changes in user charges planned or anticipated by the board during the period of the plan. The financial plan must contain a proposed request for state financial assistance for the succeeding biennium. The board shall submit the financial plan to the council for review and approval or disapproval. The council may approve or disapprove in whole or in part. The council may disapprove only for inconsistency with the policy plan of the council.

Sec. 14. Minnesota Statutes 1986, section 473.604, subdivision 1, is amended to read:

Subdivision 1. The following persons and their respective successors shall constitute the members and governing body of the corporation, namely:

(1) All of the members and commissioners in office January 1, 1973, for the remainder of the terms for which they were appointed or otherwise selected, respectively;

(2) The mayor of each of the cities, or a qualified voter appointed by the mayor, for the term of office as mayor;

(3) A member of the council of each of the cities, appointed by the council for a term of four years commencing in July, 1977;

(4) A member of the park board of Minneapolis appointed by that board and a second member of the council of St. Paul, appointed by it, each for a term of two years commencing in July, 1979;

(5) One additional resident of each city, who does not hold any office under the state or any of its political subdivisions except that of notary public, herein termed a "citizen commissioner," such member in St. Paul to be appointed by the mayor, with the approval of the council, and in Minneapolis by the council, with the approval of the mayor; each for a term of two years commencing in July, 1979;

(6) Six additional members, each appointed by the governor on a nonpartisan basis, and each holding no other office under the state or any of its political subdivisions except that of notary public; for terms and with residence qualifications as follows:

(a) (1) A resident of the area of the counties of Washington and Ramsey, outside of St. Paul, for a four-year term commencing in July, 1974, and a successor for a term ending July 1, 1981;

(2) A resident of the county of Anoka, for a four-year term commencing in July, 1974, and a successor for a term ending July 1, 1981;

(3) Three residents of the area of the counties of Carver, Scott and Hennepin, outside Minneapolis, for a two-year term commencing in July, 1974, and their successors for a term ending July 1, 1981;

(4) A resident of the county of Dakota, for a four-year term commencing in July, 1974, and a successor for a term ending July 1, 1981;

(b) As successors to all members referred to in paragraphs (2) to (6)(a), whose terms will expire in July, 1981, a number of members appointed from precincts equal or nearest to but not exceeding half the number of districts which are provided by law for the selection of members of the metropolitan council in section 473.123. Each member shall be a resident of the precinct represented. The members shall be appointed by the governor as follows: a number as near as possible to one-fourth, for a term of one year; a similar number for a term of two years; a similar number for a term of three years; and a similar number for a term of four years, all of which terms shall commence on July 1, 1981. The successors of each member shall be appointed for four-year terms commencing in July of each fourth year after the expiration of the original term. Before making an appointment, the governor shall consult with each member of the legislature from the precinct for which the member is to be appointed, to solicit the legislator's recommendation on the appointment;

(7) One member appointed by the governor of the state, who shall be chair of the corporation, appointed for a term coterminous with that of the governor.

Sec. 15. Minnesota Statutes 1986, section 473.604, is amended by adding a subdivision to read:

Subd. 3a. Precinct boundaries existing on March 1, 1987, for appointments under subdivision 1 may not be changed and remain fixed until reapportionment under this subdivision. The terms of all members appointed from precincts under subdivision 1 expire on the effective date of the next apportionment of metropolitan council districts under section 473.123, subdivision 3a. Members shall continue to serve until the governor appoints eight members from newly drawn districts defined in section 473.141, subdivision 2, for terms provided in section 473.141, subdivision 4a. Thereafter, the eight members must be appointed by the governor from the districts defined in section 473.141, subdivision 2, for terms provided in section 473.141, subdivision 4a.

Sec. 16. Minnesota Statutes 1986, section 473.604, is amended by adding a subdivision to read:

Subd. 7. [MEMBERS; DUTIES.] Members appointed from precincts under subdivision 1 have the duties imposed by section 2.

Sec. 17. [REPORT; METROPOLITAN AGENCIES.]

By January 1, 1988, the council and each agency represented on the advisory committee established under section 473.1623 shall report to the legislature on the following:

(1) agency personnel practices, including an analysis of trends, compliance with legal requirements, health care and other benefits, and salary levels in comparison with relevant job markets; and

(2) ethical practices requirements for board members and employees of each agency, including the sources of the requirements, agency comparisons, and comparison with requirements for state and local government officers and employees.

Sec. 18. [ROUTE PLANNING AND SCHEDULING.]

The board shall contract with the commission or other operators or local governments for route planning and scheduling services in any configuration of new or reconfiguration of existing transit services and routes, including route planning and scheduling necessary for the test marketing program, the service bidding program, and the interstate highway described in section 161.123, clause (2), commonly known as I-394. Route planning and scheduling is subject to approval by the board for conformity to the board's transit implementation plans and route, schedule, and other service standards, objectives, and policies established by the board.

Sec. 19. [SERVICE BIDDING.]

The board may competitively bid transit service only in accordance with standards, procedures, and guidelines adopted by resolution of the board. The board shall establish a project management team to assist and advise the board in developing and implementing standards, procedures, and guidelines. The project management team must include representatives of the commission, the Amalgamated Transit Union Local 1005, private operators, local governments, and other persons interested in the subject. At least 60 days before adopting any standards, procedures, or guidelines for competitive bidding of transit service, the board shall hold a public hearing on the subject. The board shall publish notice of the hearing in newspapers of general circulation in the metropolitan area not less than 15 days before the hearing. At the hearing all interested persons must be afforded an opportunity to present their views

orally and in writing. Following the hearing, and after considering the testimony, the board shall revise and adopt the standards, procedures, and guidelines.

Sec. 20. [APPLICATION.]

Sections 1 to 19 are effective in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington."

Delete the title and insert:

"A bill for an act relating to metropolitan government; providing for qualifications, terms, compensation, and duties of members of various metropolitan agencies; requiring various publications, plans, and reports; regulating routes and service bidding; amending Minnesota Statutes 1986, sections 473.141, subdivision 2, and by adding a subdivision; 473.161, subdivision 1c; 473.1623, subdivisions 2, 4, and 5; 473.303, by adding a subdivision; 473.373, by adding a subdivision; 473.377, subdivision 1, and by adding subdivisions; 473.38, subdivision 2; and 473.604, subdivision 1, and by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 473."

With the recommendation that when so amended the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 1052, A bill for an act relating to retirement; establishing a special retirement plan for correctional officers at correctional facilities or city or county jails; amending Minnesota Statutes 1986, sections 356.20, subdivision 2; 356.30, subdivision 3; and 356.32, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 353.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Otis from the Committee on Economic Development and Housing to which was referred:

H. F. No. 1074, A bill for an act relating to small business; authorizing the bureau of small business within the department of energy and economic development to engage in certain collaborative

activities with small business development centers; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 116J.

Reported the same back with the following amendments:

Page 2, line 12, delete "\$....." and insert "\$500,000"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 1217, A bill for an act relating to family law; appropriating money to the University of Minnesota for the Hubert H. Humphrey Institute of Public Affairs to study mediation in marriage dissolution cases.

Reported the same back with the following amendments:

Page 1, lines 10 and 11, delete "Hubert H. Humphrey Institute of Public Affairs" and insert "Center for Urban and Regional Affairs Conflict and Change Project"

Page 1, line 12, after the period, insert "This appropriation is not available unless matching funds in the amount of \$..... are obtained from other sources for the purpose of the study."

Amend the title as follows:

Page 1, lines 3 and 4, delete "Hubert H. Humphrey Institute of Public Affairs" and insert "Center for Urban and Regional Affairs Conflict and Change Project"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 1281, A bill for an act relating to liquor; authorizing Lake county to issue seasonal on-sale licenses.

Reported the same back with the following amendments:

Page 1, line 11, delete "six" and insert "nine"

With the recommendation that when so amended the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 1315, A bill for an act relating to state agencies; establishing a telecommunications and computer expenditure committee; amending Minnesota Statutes 1986, section 16B.41.

Reported the same back with the following amendments:

Page 2, after line 21, insert:

"Subd. 3. The commissioner may appoint an office director and other staff. The director shall serve in the unclassified service."

Page 2, line 22, delete "3" and insert "4"

Page 2, line 29, after "agencies," insert "the supreme court,"

Amend the title as follows:

Page 1, line 2, delete "a" and insert "an"

Page 1, delete line 3 and insert "office of information systems management;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Jaros from the Committee on Higher Education to which was referred:

H. F. No. 1324, A bill for an act relating to education; establishing a task force on financing post-secondary education; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 3.

Reported the same back with the following amendments:

Page 1, line 17, delete "17" and insert "19"

Page 1, line 18, delete "and" and insert a comma

Page 1, line 19, after "council" insert ", and a representative of the Minnesota association of private post-secondary schools"

Page 2, line 5, delete "and"

Page 2, line 7, before the period insert "; and

(9) the chair of the higher education coordinating board or a designee"

Page 2, line 29, after the period insert "In addition, the higher education coordinating board shall report to the education committees of the legislature on the above subject areas by January 15, 1989."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 1366, A bill for an act relating to occupations and professions; requiring the licensing of interior designers; defining the practice of interior design; providing for exemptions; providing for administration of licensing requirements; amending Minnesota Statutes 1986, sections 214.01, subdivision 3; 214.04, subdivision 3; 326.02, subdivision 1, and by adding a subdivision; 326.03, subdivision 1, and by adding a subdivision; 326.04; 326.05; 326.06; 326.07; 326.08, subdivision 2; 326.09; 326.10, subdivisions 1, 2, 2a, and by adding a subdivision; 326.11, subdivision 1; 326.12; 326.13; and 326.14.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [MINNESOTA TASK FORCE ON INTERIOR DESIGNERS AND DECORATORS.]

Subdivision 1. [TASK FORCE CREATED.] The Minnesota task force on interior designers and decorators is created to be effective until January 15, 1988.

Subd. 2. [PURPOSE.] The purpose of the task force is to study whether or not licensure of interior designers or decorators, or both, is necessary to protect the health, welfare, and safety of the public. The purpose of the task force is also to determine how the disciplines of interior design and interior decorating interface with other

related professions. In assessing this interaction, the task force shall determine whether a licensing requirement gives any group an economic advantage over another rather than protects the public.

Subd. 3. [MEMBERSHIP; CHAIR.] The task force consists of 13 members as follows: 12 members appointed by the commissioner of commerce; and the executive secretary of the state board of architecture, engineering, land surveying, and landscape architecture. The executive secretary shall act as chair.

Subd. 4. [ASSISTANCE OF AGENCIES.] The task force may request information from state agencies to assist the task force in the performance of its duties.

Subd. 5. [DUTIES.] (a) The task force shall assess educational programs offered in the state of Minnesota and determine whether the programs satisfy the requirements of an effective and comprehensive approach to licensure.

(b) The task force shall determine how the discipline of interior design interfaces with other professions and whether the need and appropriateness of licensing interior designers or decorators, or both, serves the best interests of the public.

(c) If licensure is determined to be in the best interests of the public, the task force shall study the title versus practice approach. The economic consequences and ramifications of licensure with respect to the title versus practice approach shall be assessed.

(d) The task force shall study the effectiveness of an administrative board designed to govern and enforce a licensure program.

(e) The task force shall study how a board appointed by the commissioner of commerce can effectively review and compare, for purposes of licensure, out-of-state registration programs with Minnesota's proposed licensure requirements.

Subd. 6. [REPORT.] The task force shall, by January 15, 1988, submit a report containing findings and recommendations to the commissioner of commerce and the state legislature.

Sec. 2. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to occupations and professions; creating the Minnesota task force on interior designers and decorators and providing for its duties."

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 1371, A bill for an act relating to courts; specifying certain locations for holding court in Ramsey county; providing for the disposition of fees and fines from the courts in Ramsey county; amending Minnesota Statutes 1986, section 488A.20, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 488A.

Reported the same back with the following amendments:

Page 1, line 11, delete "terms of" and after "court" insert "functions"

Page 1, delete lines 17 to 26

Page 2, delete line 1

Pages 2 to 4, delete section 2

Page 4, after line 3, insert:

"Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment."

Amend the title as follows:

Page 1, line 3, delete "providing for the"

Page 1, delete lines 4 and 5

Page 1, line 6, delete everything before "proposing"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 1374, A bill for an act relating to the office of the attorney general; removing the numerical limit on the number of assistant

attorneys general; authorizing the attorney general to delegate contract review duties; amending Minnesota Statutes 1986, section 8.02, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 8.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 1388, A bill for an act relating to state government; establishing a certification process in the department of transportation for set-aside programs; authorizing rulemaking; proposing coding for new law in Minnesota Statutes, chapter 161.

Reported the same back with the following amendments:

Page 1, line 18, delete "50" and insert "51"

Page 1, line 22, delete "Spanish-speaking" and insert "Hispanic"

Page 1, lines 22 and 23, delete "American Orientals" and insert "Asian Americans"

Page 2, line 22, delete "50" and insert "51"

Page 3, line 8, after the period insert "Standards included in the rules shall, at minimum, be no less stringent than standards currently maintained by any state or metropolitan agency or political subdivision."

Page 3, line 21, delete "11" and insert "15"

Page 3, line 23, delete "Four" and insert "Two"

Page 3, line 24, delete "two" and insert "one"

Page 3, line 24, after "member" insert "each"

Page 3, line 26, after "Minnesota" insert "the Minnesota Business League, the Indian Chamber of Commerce, the Hispanic Chamber of Commerce, National Association of Women in Construction, National Association of Women Business Owners, and the Council of Asian Pacific Minnesotans"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Otis from the Committee on Economic Development and Housing to which was referred:

H. F. No. 1399, A bill for an act relating to economic development; authorizing certain entities involved in economic development to participate in secondary markets; authorizing the use of appropriated money for secondary market purposes; amending Minnesota Statutes 1986, sections 116M.04, by adding a subdivision; 116M.08, by adding a subdivision; 362A.03, by adding a subdivision; 458.192, by adding a subdivision; 458C.14, by adding a subdivision; and 462.445, subdivision 4.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 1412, A bill for an act relating to state land; authorizing private sale of certain tax-forfeited land in Lake county to city of Two Harbors.

Reported the same back with the following amendments:

Page 1, after line 24, insert:

“Sec. 2. Minnesota Statutes 1986, section 92.67, subdivision 4, is amended to read:

Subd. 4. [TIMING OF SALES.] (a) The commissioner shall offer lakeshore cabin site lots for sale pursuant to written request and in accordance with the following schedule:

(1) as to requests received before January 1, 1987, the sale shall be held ~~in June, July, or August 1987~~ not later than October 31, 1987, if possible. However, if a lot is not offered for sale by that date, the lot shall be offered for sale at the next sale in the next year;

(2) as to requests received each calendar year after December 31, 1986, the sale shall be held in June, July, or August of the year after the request is received.

(b) The last sales shall be held in 1992. Lots not sold the first year offered may be reoffered in a succeeding year, following reappraisal if it is determined necessary by the commissioner.

(c) If a person other than the lessee purchases the leased lakeshore cabin site, the purchaser must make payment in full to the lessee at the time of the sale for the appraised value of any improvements. Failure of a successful bidder to comply with this provision voids the sale and the property must be rebid, if possible, at the same sale."

Page 2, line 3, after the period insert "Section 2 is effective the day following final enactment."

Renumber the remaining section in sequence

Amend the title as follows:

Page 1, line 4, before the period insert "; providing timing for 1987 sales of lakeshore lots; amending Minnesota Statutes 1986, section 92.67, subdivision 4"

With the recommendation that when so amended the bill pass.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 1435, A bill for an act relating to agriculture; providing for reduction of payment adjustment obligations; authorizing principal buy-down for certain loans; establishing a special fund; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 41.

Reported the same back with the following amendments:

Page 3, after line 33, insert:

"Sec. 3. [41.66] [PARTICIPANT-LENDER WITHDRAWAL.]

Subdivision 1. [APPLICATION.] A participant and a lender may submit a request to the commissioner for complete withdrawal from the program. If approved, the lender would release the commissioner from any further obligations under the loan guarantee and the commissioner would release the participant from any obligations the participant may have under either section 41.57, subdivision 2 or 41.56, subdivision 3.

Subd. 2. [APPROVAL DECISION.] The commissioner shall submit all applications to the executive council with a recommendation.

A written notification of the executive council's decision must be sent to the participant.

Page 3, line 34, delete "41.66" and insert "41.67"

Renumber the sections in sequence

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 1453, A bill for an act relating to economic development; providing for review of state-funded scientific and technologically related research; creating a division of science and technology within the department of energy and economic development; creating a committee on science and technology research and development and providing for its powers and duties; appropriating money; amending Minnesota Statutes 1986, section 116J.01, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 116J; repealing Minnesota Statutes 1986, section 116J.94.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Jaros from the Committee on Higher Education to which was referred:

H. F. No. 1468, A bill for an act relating to education; adopting a common course numbering system for higher education; assigning the planning for implementation of a common course numbering system for higher education to a task force assisted by the staff of the higher education coordinating board; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 135A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [TASK FORCE.]

Subdivision 1. [ESTABLISHED.] A task force on common course numbering in post-secondary education is established. The purpose

of the task force is to study and report on the benefits to students, cost, and feasibility of implementing a common course numbering system.

Subd. 2. [MEMBERSHIP.] The task force consists of 25 members as follows: one system level administrator experienced in transfer of credit issues, one campus level administrator experienced in curriculum development issues, and two faculty members appointed by each of the post-secondary systems: the AVTI's, the community colleges, the state universities, the University of Minnesota, and the private colleges, and one student representative from each post-secondary system appointed by the student advisory council.

Subd. 3. [DUTIES.] The task force shall study the expected outcomes and benefits of expanded course equivalency, a common course numbering system for higher education, more accessible transfer information, and students' opportunities for completion of their undergraduate educations. It is expected that AVTIs will be included in these recommendations when they change to a course credit hour basis.

The task force study and report shall be coordinated by the higher education coordinating board.

Subd. 4. [HECB ROLE.] The higher education coordinating board shall provide all necessary staff assistance and information to the task force. Compensation of task force members must be according to Minnesota Statutes, section 15.059, subdivision 3.

Subd. 5. [REPORT.] By February 1, 1988, the task force shall submit to the education committees of the legislature its report and recommendations. The task force terminates on June 30, 1988.

## Sec. 2. [APPROPRIATION.]

\$40,000 in fiscal year 1988 is appropriated from the general fund to the higher education coordinating board for the purposes of section 1."

Delete the title and insert:

"A bill for an act relating to education; establishing a task force on common course numbering in post-secondary education; appropriating money."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 1505, A bill for an act relating to state government; creating an international music and communications arts center task force; appropriating money.

Reported the same back with the following amendments:

Page 1, line 25, delete "15.0597" and insert "15.059"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 1508, A bill for an act relating to peace officers; eliminating the bureau of criminal apprehension's duty to supply a training schedule to the peace officer standards and training board; authorizing the bureau of criminal apprehension to charge a fee for certain training courses; amending Minnesota Statutes 1986, section 626.852; repealing Minnesota Statutes 1986, section 626.849.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 1525, A bill for an act relating to corrections; raising fees for reinstatement of drivers licenses; changing allocation of fees; amending Minnesota Statutes 1986, section 171.29, subdivision 2.

Reported the same back with the following amendments:

Page 1, line 18, delete "37.5" and insert "25"

Page 1, line 20, delete "37.5" and insert "50"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

S. F. No. 94, A bill for an act relating to public health; requiring an itemized billing for hearing aid repairs; amending Minnesota Statutes 1986, section 145.43, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, line 12, before the period insert "provided the cost of the repairs is \$150 or more"

With the recommendation that when so amended the bill pass.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 246, 285, 297, 350, 388, 389, 413, 463, 512, 593, 609, 610, 614, 701, 822, 938, 1043, 1052, 1281, 1366, 1371, 1374, 1399, 1412 and 1508 were read for the second time.

## SECOND READING OF SENATE BILLS

S. F. Nos. 296 and 94 were read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Kelso introduced:

H. F. No. 1591, A bill for an act relating to waste management; permitting towns to charge a fee for certain deposits; amending Minnesota Statutes 1986, section 115A.921.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Minne introduced:

H. F. No. 1592, A bill for an act relating to environment; allowing composite samples of transformer oil with PCB; prescribing the

manner of sampling; amending Minnesota Statutes 1986, section 116.37, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Wenzel; Johnson, R.; Kinkel; McEachern and Rose introduced:

H. F. No. 1593, A bill for an act relating to retirement; public employees retirement association; authorizing retirement under a rule of 85; amending Minnesota Statutes 1986, section 353.30, subdivision 1a.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Olson, K.; McEachern; Anderson, G.; Winter and DeBlicek introduced:

H. F. No. 1594, A bill for an act relating to education; appropriating money to the department of education for a grant to the Des Moines river valley telecommunications project.

The bill was read for the first time and referred to the Committee on Education.

Solberg, Pappas, Rice, Dempsey and Anderson, G., introduced:

H. F. No. 1595, A bill for an act relating to the judiciary; public defenders; requiring the state board of public defense to adopt standards governing district public defender offices; authorizing the state board of public defense to fix the salary of the state public defenders; requiring the state public defender to provide training for state and district public defenders; providing that compensation of district public defenders may not exceed compensation of county attorneys; allowing representation of indigents by public defender before formal appointment; providing for state funding of district public defenders by weighted caseload; appropriating money; amending Minnesota Statutes 1986, sections 611.215, subdivisions 1 and 2; 611.216, subdivisions 1, 2, and 3; 611.23; 611.24; 611.25; 611.26, subdivisions 1, 2, 3, 4, and 6; and 611.27, subdivisions 1, 2, and 3; proposing coding for new law in Minnesota Statutes, chapter 611; repealing Minnesota Statutes 1986, sections 611.22; and 611.26, subdivisions 5 and 8.

The bill was read for the first time and referred to the Committee on Judiciary.

**MESSAGES FROM THE SENATE**

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 464 and 614.

PATRICK E. FLAHAVER, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 63, 248, 557 and 593.

PATRICK E. FLAHAVER, Secretary of the Senate

**FIRST READING OF SENATE BILLS**

S. F. No. 464, A bill for an act relating to natural resources; authorizing counties to retain certain fees for the issuance of cross country ski licenses; amending Minnesota Statutes 1986, section 85.41, subdivision 2.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

S. F. No. 614, A bill for an act relating to natural resources; authorizing the commissioner to set the date for "Take a Kid Fishing Weekend"; amending Minnesota Statutes 1986, section 97A.445, subdivision 1.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

S. F. No. 63, A bill for an act relating to motor vehicles; providing that passenger automobile license plates be issued for a six-year period; providing for license plate replacement fees; amending Minnesota Statutes 1986, section 168.12, subdivisions 1, 2a, and 5; repealing Minnesota Statutes 1986, section 168.12, subdivisions 3 and 4.

The bill was read for the first time and referred to the Committee on Appropriations.

S. F. No. 248, A bill for an act relating to elections; ensuring the availability of absentee ballots for statewide elections; amending Minnesota Statutes 1986, sections 40.05, subdivision 3; 203B.05, subdivision 2; 204B.09, subdivision 2; 204B.35, subdivision 4; 205.065, subdivisions 2 and 3; and 205.13, subdivision 1.

The bill was read for the first time.

Price moved that S. F. No. 248 and H. F. No. 376, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 557, A bill for an act relating to Ramsey county; providing for a charter commission to recommend a form of county government and providing for its adoption.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

S. F. No. 593, A bill for an act relating to human services; clarifying statutes relating to the preadmission screening program; amending Minnesota Statutes 1986, section 256B.091, subdivisions 2, 3, 4, 6, and 8.

The bill was read for the first time and referred to the Committee on Health and Human Services.

## CALENDAR

H. F. No. 404, A bill for an act relating to railroads; providing for designation of exempt railroad grade crossings; requiring stop signs at railroad grade crossings; amending Minnesota Statutes 1986, sections 169.28; and 219.20.

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 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Lieder	Osthoff	Shaver
Anderson, R.	Gruenes	Marsh	Otis	Simoneau
Battaglia	Gutknecht	McDonald	Ozment	Skoglund
Bauerly	Hartle	McEachern	Pappas	Solberg
Beard	Haukoos	McKasy	Pauly	Sparby
Begich	Heap	McLaughlin	Pelowski	Stanius
Bennett	Hugoson	McPherson	Peterson	Steensma
Bertram	Jaros	Milbert	Poppenhagen	Sviggum
Blatz	Jefferson	Miller	Price	Thiede
Boo	Jennings	Minne	Quinn	Tjornhom
Brown	Jensen	Morrison	Redalen	Tompkins
Burger	Johnson, A.	Munger	Reding	Trimble
Carlson, D.	Johnson, R.	Murphy	Rest	Tunheim
Carlson, L.	Johnson, V.	Nelson, C.	Rice	Uphus
Carruthers	Kalis	Nelson, D.	Richter	Valento
Clark	Kelly	Nelson, K.	Rodosovich	Vanasek
Clausnitzer	Kelso	Neuenschwander	Rose	Vellenga
Cooper	Kinkel	O'Connor	Rukavina	Voss
Dauner	Kludt	Ogren	Sarna	Wagenius
DeBlicek	Knickerbocker	Olsen, S.	Schafer	Waltman
Dempsey	Knuth	Olson, E.	Scheid	Welle
Dille	Kostohryz	Olson, K.	Schoenfeld	Wenzel
Dorn	Krueger	Omann	Schreiber	Winter
Forsythe	Larsen	Onnen	Seaberg	Wynia
Frerichs	Lasley	Orenstein	Segal	Spk. Norton

The bill was passed and its title agreed to.

H. F. No. 499, A bill for an act relating to metropolitan government; changing the treatment of current value credits and modifying the cost allocation system of the metropolitan waste control commission; providing for a reserve fund for the commission; authorizing appointment of advisory committees by the commission; authorizing an implementation period for transition to a new cost allocation system; amending Minnesota Statutes 1986, sections 473.511, subdivision 4; and 473.517, subdivisions 1, 2, 3, and 9; repealing Minnesota Statutes 1986, section 473.517, subdivisions 4, 5, and 7.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Boo	DeBlicek	Heap	Kahn
Anderson, R.	Brown	Dempsey	Hugoson	Kalis
Battaglia	Burger	Dille	Jacobs	Kelly
Bauerly	Carlson, D.	Dorn	Jaros	Kelso
Beard	Carlson, L.	Forsythe	Jefferson	Kinkel
Begich	Carruthers	Frerichs	Jennings	Kludt
Bennett	Clark	Greenfield	Jensen	Knickerbocker
Bertram	Clausnitzer	Gruenes	Johnson, A.	Knuth
Bishop	Cooper	Gutknecht	Johnson, R.	Kostohryz
Blatz	Dauner	Hartle	Johnson, V.	Krueger

Larsen	Nelson, C.	Pelowski	Schoenfeld	Uphus
Lasley	Nelson, D.	Peterson	Schreiber	Valento
Lieder	Nelson, K.	Poppenhagen	Seaberg	Vanasek
Long	Neuenschwander	Price	Segal	Vellenga
Marsh	O'Connor	Quinn	Shaver	Voss
McDonald	Ogren	Redalen	Simoneau	Wagenius
McEachern	Olson, S.	Reding	Solberg	Waltman
McKasy	Olson, E.	Rest	Sparby	Welle
McLaughlin	Olson, K.	Rice	Stanius	Wenzel
McPherson	Omann	Richter	Steensma	Winter
Milbert	Onnen	Riveness	Sviggum	Wynia
Miller	Orenstein	Rodosovich	Thiede	Spk. Norton
Minne	Otis	Rose	Tjornhom	
Morrison	Ozment	Rukavina	Tompkins	
Munger	Pappas	Sarna	Trimble	
Murphy	Pauly	Schafer	Tunheim	

The bill was passed and its title agreed to.

H. F. No. 534, A bill for an act relating to the collection and dissemination of data; classifying data; proposing classifications of data as private, nonpublic, and protected nonpublic; clarifying issues relating to the administration of data; amending Minnesota Statutes 1986, sections 13.03, subdivision 3; 13.04, subdivision 2; 13.05, subdivision 4; 13.38; 13.39, subdivision 3; 13.41, subdivision 4; 13.43, by adding a subdivision; 13.46, subdivision 7, and by adding a subdivision; and 13.76; proposing coding for new law in Minnesota Statutes, chapter 13.

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:

Anderson, G.	Dorn	Knuth	O'Connor	Riveness
Anderson, R.	Forsythe	Kostohryz	Ogren	Rodosovich
Battaglia	Frerichs	Krueger	Olsen, S.	Rose
Bauerly	Greenfield	Larsen	Olson, E.	Rukavina
Beard	Gruenes	Lasley	Olson, K.	Sarna
Begich	Gutknecht	Lieder	Omann	Schafer
Bennett	Hartle	Long	Onnen	Scheid
Bertram	Haukoos	Marsh	Orenstein	Schoenfeld
Bishop	Heap	McDonald	Osthoff	Schreiber
Blatz	Hugoson	McEachern	Otis	Seaberg
Boo	Jacobs	McKasy	Ozment	Segal
Brown	Jaros	McLaughlin	Pappas	Shaver
Burger	Jefferson	McPherson	Pauly	Simoneau
Carlson, D.	Jennings	Milbert	Pelowski	Skoglund
Carlson, L.	Jensen	Miller	Peterson	Solberg
Carruthers	Johnson, A.	Minne	Poppenhagen	Sparby
Clark	Johnson, R.	Morrison	Price	Stanius
Clausnitzer	Johnson, V.	Munger	Quinn	Steensma
Cooper	Kalis	Murphy	Redalen	Sviggum
Dauner	Kelly	Nelson, C.	Reding	Thiede
DeBlicke	Kelso	Nelson, D.	Rest	Tjornhom
Dempsey	Kinkel	Nelson, K.	Rice	Tompkins
Dille	Kludt	Neuenschwander	Richter	Trimble

Tunheim	Vanasek	Wagenius	Wenzel
Uphus	Vellenga	Waltman	Winter
Valento	Voss	Welle	Spk. Norton

The bill was passed and its title agreed to.

H. F. No. 556, A bill for an act relating to human services; establishing difficulty of care payments for children in foster care; amending Minnesota Statutes 1986, section 256.82, subdivision 3, and by adding a subdivision.

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:

Anderson, G.	Greenfield	Lieder	Otis	Simoneau
Anderson, R.	Gruenes	Marsh	Ozment	Skoglund
Battaglia	Gutknecht	McDonald	Pappas	Solberg
Bauerly	Hartle	McEachern	Pauly	Sparby
Beard	Haukoos	McKasy	Pelowski	Stanius
Begich	Heap	McLaughlin	Peterson	Steenasma
Bennett	Hugoson	McPherson	Poppenhagen	Sviggum
Bertram	Jacobs	Milbert	Price	Thiede
Bishop	Jaros	Miller	Quinn	Tjornhom
Blatz	Jefferson	Minne	Redalen	Tompkins
Boo	Jennings	Morrison	Reding	Trimble
Brown	Jensen	Munger	Rest	Tunheim
Burger	Johnson, A.	Murphy	Rice	Uphus
Carlson, D.	Johnson, R.	Nelson, C.	Richter	Valento
Carlson, L.	Johnson, V.	Nelson, D.	Riveness	Vanasek
Carruthers	Kalis	Nelson, K.	Rodosovich	Vellenga
Clark	Kelly	Neuenschwander	Rose	Voss
Clausnitzer	Kelso	O'Connor	Rukavina	Wagenius
Cooper	Kinkel	Ogren	Sarna	Waltman
Dauner	Kludt	Olsen, S.	Schafer	Wenzel
DeBlieck	Knickerbocker	Olson, E.	Scheid	Winter
Dempsey	Knuth	Olson, K.	Schoenfeld	Wynia
Dille	Kostohryz	Omman	Schreiber	Spk. Norton
Dorn	Krueger	Onnen	Seaberg	
Forsythe	Larsen	Orenstein	Segal	
Frichs	Lasley	Osthoff	Shaver	

The bill was passed and its title agreed to.

H. F. No. 643, A bill for an act relating to domestic abuse; prohibiting modification or vacation of certain orders for protection in a marriage dissolution proceeding; providing that certain actions are not violations of an order for protection; requiring written notice to respondents of penalties for violation of an order; requiring notice to peace officers; requiring recording of hearings; amending Minnesota Statutes 1986, sections 518.131, subdivision 2; and 518B.01, subdivisions 4, 6, 14, and by adding subdivisions.

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 1 nay as follows:

Those who voted in the affirmative were:

Anderson, G.	Gruenes	Marsh	Ozment	Skoglund
Anderson, R.	Gutknecht	McDonald	Pappas	Solberg
Battaglia	Hartle	McEachern	Pauly	Sparby
Bauerly	Haukoos	McKasy	Pelowski	Stanius
Beard	Heap	McLaughlin	Peterson	Steensma
Begich	Hugoson	McPherson	Poppenhagen	Sviggum
Bennett	Jacobs	Milbert	Price	Thiede
Bertram	Jaros	Miller	Quinn	Tjornhom
Blatz	Jefferson	Minne	Redalen	Tompkins
Boo	Jennings	Morrison	Reding	Trimble
Brown	Jensen	Munger	Rest	Tunheim
Burger	Johnson, A.	Murphy	Rice	Uphus
Carlson, D.	Johnson, R.	Nelson, C.	Richter	Valento
Carlson, L.	Johnson, V.	Nelson, D.	Riveness	Vanasek
Carruthers	Kalis	Nelson, K.	Rodosovich	Vellenga
Clark	Kelly	Neuenschwander	Rose	Voss
Clausnitzer	Kelso	O'Connor	Rukavina	Wagenius
Cooper	Kinkel	Ogren	Sarna	Waltman
Dauner	Kludt	Olsen, S.	Schafer	Welle
DeBlicck	Knickerbocker	Olson, E.	Scheid	Wenzel
Dempsey	Knuth	Olson, K.	Schoenfeld	Winter
Dille	Kostohryz	Omann	Schreiber	Wynia
Dorn	Krueger	Onnen	Seaberg	Spk. Norton
Forsythe	Larsen	Orenstein	Segal	
Frerichs	Lasley	Osthoff	Shaver	
Greenfield	Lieder	Otis	Simoneau	

Those who voted in the negative were:

Bishop

The bill was passed and its title agreed to.

H. F. No. 677, A bill for an act relating to education; requiring school districts to establish local literacy policies and standards for high school graduation; amending Minnesota Statutes 1986, section 126.66, by adding a subdivision.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Bauerly	Bennett	Boo	Carlson, D.
Anderson, R.	Beard	Bertram	Brown	Carlson, L.
Battaglia	Begich	Blatz	Burger	Carruthers

Clark	Johnson, R.	Miller	Poppenhagen	Sparby
Clausnitzer	Johnson, V.	Minne	Price	Stanius
Cooper	Kahn	Morrison	Quinn	Steensma
Dauner	Kalis	Munger	Quist	Svigum
DeBlieck	Kelly	Murphy	Redalen	Swenson
Dempsey	Kelso	Nelson, C.	Reding	Thiede
Dille	Kinkel	Nelson, D.	Rest	Tjornhom
Dorn	Kludt	Nelson, K.	Rice	Tompkins
Forsythe	Knickerbocker	Neuenschwander	Richter	Trimble
Frerichs	Knuth	O'Connor	Riveness	Tunheim
Greenfield	Kostohryz	Ogren	Rodosovich	Uphus
Gruenes	Krueger	Olsen, S.	Rose	Valento
Gutknecht	Larsen	Olson, E.	Rukavina	Vellenga
Hartle	Lasley	Olson, K.	Schafer	Voss
Haukoos	Lieder	Omann	Scheid	Wagenius
Heap	Long	Onnen	Schoenfeld	Waltman
Hugoson	Marsh	Orenstein	Schreiber	Welle
Jacobs	McDonald	Osthoff	Seaberg	Wenzel
Jaros	McEachern	Ozment	Segal	Winter
Jefferson	McKasy	Pappas	Shaver	Wynia
Jennings	McLaughlin	Pauly	Simoneau	Spk. Norton
Jensen	McPherson	Pelowski	Skoglund	
Johnson, A.	Milbert	Peterson	Solberg	

The bill was passed and its title agreed to.

H. F. No. 772, A bill for an act relating to retirement; establishing a voluntary retirement plan for certain qualified employees of public and private ambulance services; proposing coding for new law as Minnesota Statutes, chapter 353A.

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 117 yeas and 8 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Dorn	Krueger	Olsen, S.	Schoenfeld
Anderson, R.	Greenfield	Larsen	Olson, K.	Seaberg
Battaglia	Gruenes	Lasley	Omann	Segal
Bauerly	Hartle	Lieder	Onnen	Shaver
Beard	Haukoos	Long	Orenstein	Simoneau
Begich	Heap	Marsh	Otis	Skoglund
Bennett	Himle	McDonald	Ozment	Solberg
Bertram	Hugoson	McEachern	Pappas	Sparby
Bishop	Jacobs	McKasy	Pauly	Stanius
Blatz	Jaros	McLaughlin	Pelowski	Steensma
Boo	Jefferson	McPherson	Peterson	Svigum
Brown	Jennings	Milbert	Poppenhagen	Swenson
Burger	Jensen	Miller	Price	Tompkins
Carlson, D.	Johnson, A.	Minne	Quinn	Trimble
Carlson, L.	Johnson, R.	Morrison	Redalen	Tunheim
Carruthers	Johnson, V.	Munger	Reding	Uphus
Clark	Kalis	Murphy	Rest	Valento
Clausnitzer	Kelly	Nelson, C.	Rice	Vellenga
Cooper	Kelso	Nelson, D.	Richter	Voss
Dauner	Kinkel	Nelson, K.	Rodosovich	Wagenius
DeBlieck	Kludt	Neuenschwander	Rose	Waltman
Dempsey	Knuth	O'Connor	Rukavina	Welle
Dille	Kostohryz	Ogren	Schafer	Wenzel
				Winter
				Spk. Norton

Those who voted in the negative were:

Frerichs	Knickerbocker	Quist	Thiede
Gutknecht	Osthoff	Schreiber	Tjornhom

The bill was passed and its title agreed to.

H. F. No. 823, A bill for an act relating to labor; prohibiting certain terminations; requiring notice of reasons for terminations; providing a penalty; proposing coding for new law in Minnesota Statutes, chapter 181.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Gruenes	Lasley	Osthoff	Skoglund
Anderson, R.	Gutknecht	Lieder	Ozment	Solberg
Battaglia	Hartle	Long	Pappas	Sparby
Bauerly	Haukoos	Marsh	Pauly	Stanius
Beard	Heap	McDonald	Pelowski	Steenasma
Begich	Himle	McEachern	Peterson	Svigggum
Bennett	Hugoson	McKasy	Poppenhagen	Swenson
Bertram	Jacobs	McLaughlin	Price	Thiede
Bishop	Jaros	McPherson	Quinn	Tjornhom
Blatz	Jefferson	Milbert	Quist	Tompkins
Brown	Jennings	Miller	Redalen	Trimble
Burger	Jensen	Minne	Reding	Tunheim
Carlson, D.	Johnson, A.	Morrison	Rest	Uphus
Carlson, L.	Johnson, R.	Munger	Rice	Valento
Carruthers	Johnson, V.	Murphy	Richter	Vanasek
Clark	Kahn	Nelson, C.	Rodosovich	Vellenga
Clausnitzer	Kalis	Nelson, D.	Rose	Voss
Cooper	Kelly	Nelson, K.	Rukavina	Wagenius
Dauner	Kelso	O'Connor	Schafer	Waltman
DeBlieck	Kinkel	Ogren	Scheid	Welle
Dempsey	Kludt	Olsen, S.	Schoenfeld	Wenzel
Dille	Knickerbocker	Olson, E.	Schreiber	Winter
Dorn	Knuth	Olson, K.	Seaberg	Wynia
Forsythe	Kostohryz	Omann	Segal	Spk. Norton
Frerichs	Krueger	Onnen	Shaver	
Greenfield	Larsen	Orenstein	Simoneau	

The bill was passed and its title agreed to.

H. F. No. 836, A bill for an act relating to natural resources; revising the boundary of Lost River State Forest; amending Minnesota Statutes 1986, section 89.021, subdivision 59.

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:

Anderson, R.	Gruenes	Lieder	Otis	Solberg
Battaglia	Gutknecht	Long	Ozment	Sparby
Bauerly	Hartle	Marsh	Pappas	Stanius
Beard	Haukoos	McDonald	Pauly	Steensma
Begich	Heap	McEachern	Pelowski	Sviggum
Bennett	Himle	McKasy	Peterson	Swenson
Bertram	Hugoson	McLaughlin	Poppenhagen	Thiede
Bishop	Jacobs	McPherson	Price	Tjornhom
Blatz	Jaros	Milbert	Quinn	Tompkins
Boo	Jefferson	Miller	Quist	Trimble
Brown	Jennings	Minne	Redalen	Tunheim
Burger	Jensen	Morrison	Reding	Uphus
Carlson, D.	Johnson, A.	Munger	Rest	Valento
Carlson, L.	Johnson, R.	Murphy	Rice	Vanasek
Carruthers	Johnson, V.	Nelson, C.	Richter	Vellenga
Clark	Kalis	Nelson, D.	Rodosovich	Voss
Clausnitzer	Kelly	Nelson, K.	Rose	Wagenius
Cooper	Kelso	O'Connor	Rukavina	Waltman
Dauner	Kinkel	Ogren	Schafer	Welle
DeBlicke	Kludt	Olsen, S.	Scheid	Wenzel
Dempsey	Knickerbocker	Olson, E.	Schoenfeld	Winter
Dille	Knuth	Olson, K.	Seaberg	Wynia
Dorn	Kostohryz	Omann	Segal	Spk. Norton
Forsythe	Krueger	Onnen	Shaver	
Frerichs	Larsen	Orenstein	Simoneau	
Greenfield	Lasley	Osthoff	Skoglund	

The bill was passed and its title agreed to.

H. F. No. 839, A bill for an act relating to public safety; local emergency telephone service; requiring automatic location identification for public safety answering points; amending Minnesota Statutes 1986, section 403.02, subdivision 6, and by adding a subdivision.

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 108 yeas and 19 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Cooper	Jennings	Long	Olsen, S.
Anderson, R.	Dauner	Jensen	Marsh	Olson, E.
Battaglia	DeBlicke	Johnson, R.	McKasy	Olson, K.
Bauerly	Dorn	Kahn	McLaughlin	Omann
Beard	Forsythe	Kalis	Milbert	Onnen
Begich	Frerichs	Kelly	Minne	Orenstein
Bennett	Greenfield	Kelso	Morrison	Otis
Bertram	Gruenes	Kinkel	Munger	Ozment
Boo	Hartle	Kludt	Murphy	Pappas
Brown	Haukoos	Knuth	Nelson, C.	Pauly
Burger	Heap	Kostohryz	Nelson, D.	Pelowski
Carlson, L.	Himle	Krueger	Nelson, K.	Peterson
Carruthers	Jacobs	Larsen	Neuenschwander	Price
Clark	Jaros	Lasley	O'Connor	Quinn
Clausnitzer	Jefferson	Lieder	Ogren	Redalen

Reding	Schoenfeld	Sparby	Tunheim	Welle
Rest	Seaberg	Stanius	Uphus	Wenzel
Rice	Segal	Steensma	Valento	Winter
Riveness	Shaver	Swenson	Vanasek	Wynia
Rodosovich	Simoneau	Tjornhom	Vellenga	Spk. Norton
Rose	Skoglund	Tompkins	Voss	
Rukavina	Solberg	Trimble	Wagenius	

Those who voted in the negative were:

Carlson, D.	Knickerbocker	Miller	Richter	Sviggum
Dempsey	McDonald	Osthoff	Schafer	Thiede
Gutknecht	McEachern	Poppenhagen	Scheid	Waltman
Johnson, V.	McPherson	Quist	Schreiber	

The bill was passed and its title agreed to.

H. F. No. 924, A bill for an act relating to corrections; removing the Minnesota correctional industries from state competitive bidding requirements; amending Minnesota Statutes 1986, section 241.27, subdivision 2.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 125 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Lieder	Osthoff	Shaver
Anderson, R.	Gruenes	Marsh	Otis	Simoneau
Battaglia	Gutknecht	McDonald	Ozment	Skoglund
Bauerly	Hartle	McEachern	Pappas	Solberg
Beard	Heap	McKasy	Pauly	Sparby
Begich	Himle	McLaughlin	Pelowski	Stanius
Bennett	Hugoson	McPherson	Peterson	Steensma
Bertram	Jacobs	Milbert	Poppenhagen	Sviggum
Blatz	Jaros	Miller	Price	Swenson
Boo	Jefferson	Minne	Quinn	Tjornhom
Brown	Jennings	Morrison	Quist	Tompkins
Burger	Jensen	Munger	Redalen	Trimble
Carlson, D.	Johnson, A.	Murphy	Reding	Tunheim
Carlson, L.	Johnson, R.	Nelson, C.	Rest	Uphus
Carruthers	Kalis	Nelson, D.	Rice	Valento
Clark	Kelly	Nelson, K.	Riveness	Vanasek
Clausnitzer	Kelso	Neuenschwander	Rodosovich	Vellenga
Cooper	Kinkel	O'Connor	Rose	Voss
Dauner	Kludt	Ogren	Rukavina	Wagenius
DeBlieck	Knickerbocker	Olsen, S.	Schafer	Waltman
Dempsey	Knuth	Olson, E.	Scheid	Welle
Dille	Kostohryz	Olson, K.	Schoenfeld	Wenzel
Dorn	Krueger	Omman	Schreiber	Winter
Forsythe	Larsen	Onnen	Seaberg	Wynia
Frerichs	Lasley	Orenstein	Segal	Spk. Norton

Those who voted in the negative were:

Thiede

The bill was passed and its title agreed to.

H. F. No. 948, A bill for an act relating to state government; providing for affirmative action improvements; regulating job eligibility lists; providing for the title of state agency heads; giving the commissioner of health access to private or confidential data on individual state employees for purposes of epidemiologic studies; setting a mandatory age for certain employees and abolishing it for others; regulating hiring and personnel practices; amending Minnesota Statutes 1986, sections 15.06, subdivision 1; 15.46; 43A.08, subdivision 1; 43A.13, subdivisions 1 and 7; 43A.18, subdivision 4; 43A.191, subdivision 3; 43A.24, subdivision 2; 43A.30, subdivision 4; 43A.33, subdivision 3; 43A.34, subdivisions 1, 3, and 4; repealing Minnesota Statutes 1986, sections 15.45, subdivision 3; 15.47; and 43A.34, subdivision 2.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 120 yeas and 7 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Larsen	Onnen	Shaver
Anderson, R.	Gruenes	Lasley	Orenstein	Simoneau
Battaglia	Gutknecht	Lieder	Otis	Skoglund
Bauerly	Hartle	Long	Ozment	Solberg
Beard	Haukoos	Marsh	Pappas	Sparby
Begich	Heap	McEachern	Pauly	Stanius
Bennett	Himle	McKasy	Pelowski	Steenasma
Bertram	Hugoson	McLaughlin	Peterson	Svigum
Blatz	Jacobs	McPherson	Price	Swenson
Brown	Jaros	Miller	Quinn	Tjornhom
Burger	Jefferson	Minne	Redalen	Trimble
Carlson, D.	Jennings	Morrison	Reding	Tunheim
Carlson, L.	Jensen	Munger	Rest	Uphus
Carruthers	Johnson, A.	Murphy	Rice	Valento
Clark	Johnson, R.	Nelson, C.	Richter	Vanasek
Clausnitzer	Kalis	Nelson, D.	Riveness	Vellenga
Cooper	Kelly	Nelson, K.	Rodosovich	Voss
Dauner	Kelso	Neuenschwander	Rose	Wagenius
DeBlieck	Kinkel	O'Connor	Rukavina	Waltman
Dempsey	Kludt	Ogren	Schafer	Welle
Dille	Knickerbocker	Olsen, S.	Schoenfeld	Wenzel
Dorn	Knuth	Olson, E.	Schreiber	Winter
Forsythe	Kostohryz	Olson, K.	Seaberg	Wynta
Frerichs	Krueger	Omann	Segal	Spk. Norton

Those who voted in the negative were:

Bishop	Milbert	Quist	Thiede
McDonald	Osthoff	Scheid	

The bill was passed and its title agreed to.

H. F. No. 983, A bill for an act relating to education; adding post-secondary vocational technical representation to UFARS and ESV computer councils; clarifying certain duties of the state board of vocational technical education and the state director of vocational technical education; applying a consistent name to schools operating under standards of the state board of vocational technical education; amending Minnesota Statutes 1986, sections 15.014, subdivision 3; 120.05; 121.901, subdivision 1; 121.933; 121.934, subdivisions 1 and 2; 123.37, subdivision 1a; 126.12, subdivision 2; 136C.04, subdivision 12, and by adding a subdivision; and 136C.29, subdivision 5; repealing Minnesota Statutes 1986, sections 136C.32; and 136C.35.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Gutknecht	Lieder	Otis	Simoneau
Anderson, R.	Hartle	Long	Ozment	Skoglund
Battaglia	Hankoos	Marsh	Pappas	Solberg
Bauerly	Heap	McDonald	Pauly	Sparby
Beard	Himle	McEachern	Pelowski	Stanius
Begich	Hugoson	McKasy	Peterson	Steensma
Bennett	Jacobs	McLaughlin	Poppenhagen	Sviggum
Bertram	Jaros	McPherson	Price	Swenson
Blatz	Jefferson	Milbert	Quinn	Thiede
Brown	Jennings	Miller	Quist	Tjornhom
Burger	Jensen	Minne	Redalen	Tompkins
Carlson, D.	Johnson, A.	Morrison	Reding	Trimble
Carlson, L.	Johnson, R.	Munger	Rest	Tunheim
Carruthers	Johnson, V.	Murphy	Rice	Uphus
Clark	Kahn	Nelson, C.	Richter	Valento
Clausnitzer	Kalis	Nelson, D.	Riveness	Vanasek
Cooper	Kelly	Nelson, K.	Rodosovich	Vellenga
Dauner	Kelso	Neuenschwander	Rose	Voss
DeBlieck	Kinkel	O'Connor	Rukavina	Wagenius
Dempsey	Kludt	Ogren	Schafer	Waltman
Dille	Knickerbocker	Olsen, S.	Scheid	Welle
Dorn	Knuth	Olson, E.	Schoenfeld	Wenzel
Forsythe	Kostohryz	Olson, K.	Schreiber	Winter
Frerichs	Krueger	Omann	Seaberg	Wynia
Greenfield	Larsen	Onnen	Segal	Spk. Norton
Gruenes	Lasley	Orenstein	Shaver	

The bill was passed and its title agreed to.

H. F. No. 1028, A bill for an act relating to labor; regulating mediation, fact finding, and other functions of the bureau of mediation services; providing for violations of the labor union democracy act; amending Minnesota Statutes 1986, sections 179.02, subdivision 2, and by adding a subdivision; 179.07; 179.08; 179.083; 179.22; 179.38; proposing coding for new law in Minnesota Statutes, chapter 179; repealing Minnesota Statutes 1986, sections 179.05; 179.23; and 179.24.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Gutknecht	Lieder	Osthoff	Shaver
Anderson, R.	Hartle	Long	Otis	Simoneau
Battaglia	Haukoos	Marsh	Ozment	Skoglund
Bauerly	Heap	McDonald	Pappas	Solberg
Beard	Himle	McEachern	Pauly	Sparby
Begich	Hugoson	McKasy	Pelowski	Stanius
Bennett	Jacobs	McLaughlin	Peterson	Steenasma
Bertram	Jaros	McPherson	Poppenhagen	Swiggum
Blatz	Jefferson	Milbert	Price	Swenson
Brown	Jennings	Miller	Quinn	Thiede
Burger	Jensen	Minne	Quist	Tjornhom
Carlson, D.	Johnson, A.	Morrison	Redalen	Tompkins
Carlson, L.	Johnson, R.	Munger	Reding	Trimble
Carruthers	Johnson, V.	Murphy	Rest	Tunheim
Clark	Kahn	Nelson, C.	Rice	Uphus
Clausnitzer	Kalis	Nelson, D.	Richter	Valento
Cooper	Kelly	Nelson, K.	Riveness	Vanasek
Dauner	Kelso	Neuenschwander	Rodosovich	Vellenga
DeBlieck	Kinkel	O'Connor	Rose	Voss
Dempsey	Kludt	Ogren	Rukavina	Wagenius
Dille	Knickerbocker	Olsen, S.	Schafer	Waltman
Dorn	Knuth	Olson, E.	Scheid	Welle
Forsythe	Kostohryz	Olson, K.	Schoenfeld	Wenzel
Frerichs	Krueger	Omann	Schreiber	Winter
Greenfield	Larsen	Onnen	Seaberg	Wynia
Gruenes	Lasley	Orenstein	Segal	Spk. Norton

The bill was passed and its title agreed to.

H. F. No. 1127, A bill for an act relating to utilities; providing for the establishment of flexible gas utility rates for certain customers subject to effective competition; requiring the department of public service to conduct a study; providing for recovery of study costs; proposing coding for new law in Minnesota Statutes, chapter 216B.

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:

Anderson, G.	Blatz	Clausnitzer	Forsythe	Heap
Battaglia	Brown	Cooper	Frerichs	Himle
Bauerly	Burger	Dauner	Greenfield	Hugoson
Beard	Carlson, D.	DeBlieck	Gruenes	Jacobs
Begich	Carlson, L.	Dempsey	Gutknecht	Jaros
Bennett	Carruthers	Dille	Hartle	Jefferson
Bertram	Clark	Dorn	Haukoos	Jennings

Jensen	McDonald	Omann	Rodosovich	Tjornhom
Johnson, A.	McEachern	Onnen	Rose	Tompkins
Johnson, R.	McKasy	Orenstein	Rukavina	Trimble
Johnson, V.	McLaughlin	Osthoff	Schafer	Tunheim
Kahn	McPherson	Otis	Scheid	Uphus
Kalis	Milbert	Ozment	Schoenfeld	Valento
Kelly	Miller	Pappas	Schreiber	Vanasek
Kelso	Morrison	Pauly	Seaberg	Vellenga
Kinkel	Munger	Pelowski	Segal	Voss
Kludt	Murphy	Peterson	Shaver	Wagenius
Knickerbocker	Nelson, C.	Poppenhagen	Simoneau	Waltman
Knuth	Nelson, D.	Price	Skoglund	Wenzel
Kostohryz	Nelson, K.	Quinn	Solberg	Winter
Krueger	Neuenschwander	Quist	Sparby	Wynia
Larsen	O'Connor	Redalen	Stanius	Spk. Norton
Lasley	Ogren	Reding	Steensma	
Lieder	Olsen, S.	Rest	Sviggum	
Long	Olson, E.	Richter	Swenson	
Marsh	Olson, K.	Riveness	Thiede	

Those who voted in the negative were:

Minne

The bill was passed and its title agreed to.

H. F. No. 1224, A bill for an act relating to local government; permitting the establishment of a joint economic development authority in Cook county; authorizing a lodging tax in certain towns.

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 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Dorn	Kinkel	Murphy	Price
Anderson, R.	Forsythe	Kludt	Nelson, C.	Quinn
Battaglia	Frerichs	Knickerbocker	Nelson, D.	Quist
Bauerly	Greenfield	Knuth	Nelson, K.	Redalen
Beard	Gruenes	Kostohryz	Neuenschwander	Reding
Begich	Gutknecht	Krueger	O'Connor	Rest
Bennett	Hartle	Larsen	Ogren	Richter
Bertram	Haukoos	Lasley	Olsen, S.	Riveness
Blatz	Heap	Lieder	Olson, E.	Rodosovich
Brown	Himle	Long	Olson, K.	Rose
Burger	Hugoson	Marsh	Omann	Rukavina
Carlson, D.	Jacobs	McDonald	Onnen	Schafer
Carlson, L.	Jaros	McEachern	Orenstein	Scheid
Carruthers	Jennings	McKasy	Osthoff	Schoenfeld
Clark	Jensen	McLaughlin	Otis	Schreiber
Clausnitzer	Johnson, A.	McPherson	Ozment	Seaberg
Cooper	Johnson, R.	Milbert	Pappas	Segal
Dauner	Johnson, V.	Miller	Pauly	Shaver
DeBlieck	Kalis	Minne	Pelowski	Simoneau
Dempsey	Kelly	Morrison	Peterson	Skoglund
Dille	Kelso	Munger	Poppenhagen	Solberg

Sparby	Thiede	Valento	Waltman	Spk. Norton
Stanius	Tjornhom	Vanasek	Welle	
Steensma	Trimble	Vellenga	Wenzel	
Sviggum	Tunheim	Voss	Winter	
Swenson	Uphus	Wagenius	Wynia	

The bill was passed and its title agreed to.

## GENERAL ORDERS

Pursuant to Rules of the House, the House resolved itself into the Committee of the Whole with Norton in the Chair for consideration of bills pending on General Orders of the day. Long presided during a portion of the meeting of the Committee of the Whole. After some time spent therein the Committee arose.

### REPORT OF THE COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following recommendations of the Committee were reported to the House:

H. F. Nos. 561, 1225, 1267, 31, 119, 217, 532, 642, 1054, 1112, 1120, 1170, 1213, 170, 457, 596 and 1009 were recommended to pass.

H. F. Nos. 654, 999, 1060, 1141, 401, 490, 715, 846, 905, 1113, 1147, 1155 and 895 were recommended for progress.

H. F. No. 291 was recommended for progress retaining its place on General Orders.

H. F. Nos. 85, 487 and 949 were recommended for progress until Monday, April 20, 1987.

H. F. No. 466 was recommended for progress until Tuesday, April 21, 1987.

H. F. Nos. 242 and 830 were recommended for progress until Wednesday, April 22, 1987.

H. F. No. 14 was recommended for progress until Tuesday, April 28, 1987.

H. F. No. 645 was recommended for progress until Friday, May 1, 1987.

H. F. No. 947 which it recommended to pass with the following amendments:

Offered by Begich and Murphy:

Page 1, after line 23, insert:

“Sec. 2. [ST. LOUIS COUNTY CONVEYANCE.]

Notwithstanding the public sale requirements of Minnesota Statutes, section 282.01, St. Louis county may sell and convey tax-forfeited land described in this section to Jerald J. Chesney, 139 Fish Lake Road, Duluth, Minnesota 55803, at private sale, but otherwise in the manner provided for appraisal, sale, and conveyance of tax-forfeited land by Minnesota Statutes, chapter 282.

The land that may be sold is in St. Louis county and described as: The East half of the Northwest quarter of the Northeast quarter, Section 25, Township 52 North, Range 15 West, consisting of approximately 20 acres.”

Pages 1 and 2, delete section 2 and insert:

“Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective the day following final enactment.”

Offered by Boo:

Page 1, after line 23, insert:

“Sec. 3. [ST. LOUIS COUNTY CONVEYANCE.]

Notwithstanding Minnesota Statutes 1986, section 282.018, and the public sale requirements of Minnesota Statutes, section 282.01, St. Louis county may sell and convey certain tax-forfeited land described in this section to Mark G. Peterson and Mildred A. Peterson of 104 West Mankato Street, Duluth, Minnesota 55803, at private sale, but otherwise in the manner provided for appraisal, sale, and conveyance of tax-forfeited land under Minnesota Statutes, chapter 282.

The land described in this section may be sold for a consideration not less than its appraised value. The conveyance must be in a form approved by the attorney general.

The land that may be sold is a 0.73 acre parcel on Linwood Lake in St. Louis county and described as the North 45 feet of Government Lot 2, Section 28, Township 56 North, Range 14 West.

This section is effective the day following final enactment.”

Renumber the sections in sequence

Correct internal references accordingly

Amend the title accordingly

On the motion of Vanasek the report of the Committee of the Whole was adopted.

ROLL CALLS IN COMMITTEE OF THE WHOLE

Pursuant to rule 1.6, the following roll calls were taken in the Committee of the Whole:

Clausnitzer moved to amend H. F. No. 1225, the first engrossment, as follows:

Page 1, delete line 13

Page 1, line 14, delete everything before the period and insert:

“which qualifies under section 125 of the Internal Revenue Code of 1986, as amended through December 31, 1986”

Page 1, delete lines 22 to 25

Page 2, delete lines 1 to 11

Renumber the remaining subdivisions

The question was taken on the Clausnitzer amendment and the roll was called. There were 51 yeas and 72 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Forsythe	Kludt	Omann	Schreiber
Bauerly	Frerichs	Knickerbocker	Onnen	Seaberg
Bennett	Gruenes	Krueger	Ozment	Shaver
Bertram	Gutknecht	Marsh	Pauly	Sparby
Bishop	Hartle	McDonald	Poppenhagen	Sviggum
Blatz	Haukoos	McKasy	Quist	Thiede
Burger	Heap	McPherson	Redalen	Tjornhom
Clausnitzer	Himle	Miller	Reding	Tunheim
Dempsey	Hugoson	Morrison	Richter	Uphus
Dille	Johnson, V.	Olsen, S.	Schafer	Valento
				Waltman

Those who voted in the negative were:

Bagtaglia	Carlson, L.	DeBlieck	Jefferson	Kelly
Beard	Carruthers	Dorn	Jensen	Kelso
Begich	Clark	Greenfield	Johnson, R.	Kinkel
Boo	Cooper	Jacobs	Kahn	Knuth
Carlson, D.	Dauner	Jaros	Kalis	Kostohryz

Larsen	Nelson, C.	Pappas	Schoenfeld	Voss
Lasley	Nelson, D.	Peterson	Segal	Wagenius
Lieder	Nelson, K.	Price	Simoneau	Welle
Long	O'Connor	Quinn	Skoglund	Wenzel
McEachern	Ogren	Rest	Solberg	Winter
McLaughlin	Olson, E.	Rice	Steenma	Wynia
Milbert	Olson, K.	Riveness	Swenson	Spk. Norton
Minne	Orenstein	Rodosovich	Tompkins	
Munger	Osthoff	Rukavina	Trimble	
Murphy	Otis	Scheid	Vellenga	

The motion did not prevail and the amendment was not adopted.

The question was taken on the motion to recommend passage of H. F. No. 1120 and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Hartle	Long	Ozment	Solberg
Anderson, R.	Haukoos	McDonald	Pappas	Sparby
Battaglia	Heap	McEachern	Pauly	Stanius
Bauerly	Himle	McKasy	Felowski	Steenma
Beard	Hugoson	McLaughlin	Peterson	Svigum
Begich	Jacobs	McPherson	Price	Swenson
Bennett	Jaros	Milbert	Quinn	Thiede
Bertram	Jefferson	Miller	Quist	Tjornhom
Bishop	Jennings	Minne	Redalen	Tompkins
Blatz	Jensen	Morrison	Reding	Trimble
Brown	Johnson, A.	Munger	Rest	Tunheim
Burger	Johnson, R.	Murphy	Rice	Uphus
Carlson, D.	Johnson, V.	Nelson, C.	Richter	Valento
Carlson, L.	Kahn	Nelson, D.	Riveness	Vanasek
Carruthers	Kalis	Nelson, K.	Rodosovich	Vellenga
Clark	Kelly	Neuenschwander	Rose	Voss
Clausnitzer	Kelso	O'Connor	Rukavina	Wagenius
Dauner	Kinkel	Ogren	Sarna	Waltman
DeBlick	Kludt	Olsen, S.	Schafer	Welle
Dempsey	Knickerbocker	Olson, E.	Scheid	Wenzel
Dille	Knuth	Olson, K.	Schoenfeld	Winter
Forsythe	Kostohryz	Omman	Schreiber	Wynia
Frerichs	Krueger	Onnen	Segal	Spk. Norton
Greenfield	Larsen	Orenstein	Shaver	
Gruenes	Lasley	Osthoff	Simoneau	
Gutknecht	Lieder	Otis	Skoglund	

The motion prevailed.

## MOTIONS AND RESOLUTIONS

Wenzel moved that the name of Uphus be added as an author on H. F. No. 404. The motion prevailed.

Nelson, D., moved that the name of Shaver be added as an author on H. F. No. 837. The motion prevailed.

Olsen, S., moved that her name be stricken as an author on H. F. No. 843. The motion prevailed.

Rukavina moved that the name of Long be stricken and the name of Begich be added as an author on H. F. No. 862. The motion prevailed.

Olsen, S., moved that her name be stricken as an author on H. F. No. 1230. The motion prevailed.

Ogren moved that the names of Osthoff, Otis and Sarna be added as authors on H. F. No. 1390. The motion prevailed.

Larsen moved that the name of O'Connor be added as an author on H. F. No. 1505. The motion prevailed.

Trimble moved that H. F. No. 512, now on Technical General Orders, be re-referred to the Committee on Appropriations. The motion prevailed.

#### ADJOURNMENT

Vanasek moved that when the House adjourns today it adjourn until 12:00 noon, Wednesday, April 15, 1987. The motion prevailed.

Vanasek moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 12:00 noon, Wednesday, April 15, 1987.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

## STATE OF MINNESOTA

## SEVENTY-FIFTH SESSION—1987

## THIRTY-FOURTH DAY

SAINT PAUL, MINNESOTA, WEDNESDAY, APRIL 15, 1987

The House of Representatives convened at 12:00 noon and was called to order by Fred C. Norton, Speaker of the House.

Prayer was offered by Pastor Corinne Chilstrom, Bethlehem Lutheran Church, Minneapolis, Minnesota.

The roll was called and the following members were present:

Anderson, G.	Frerichs	Krueger	Omann	Seaberg
Anderson, R.	Greenfield	Larsen	Onnen	Segal
Battaglia	Gruenes	Lasley	Orenstein	Shaver
Bauerly	Gutknecht	Lieder	Osthoff	Simoneau
Beard	Hartle	Long	Otis	Skoglund
Begich	Haukoos	Marsh	Ozment	Solberg
Bennett	Heap	McDonald	Pappas	Sparby
Bertram	Himle	McEachern	Pauly	Stanius
Bishop	Hugoson	McKasy	Pelowski	Steensma
Blatz	Jacobs	McLaughlin	Peterson	Svigum
Boo	Jaros	McPherson	Poppenhagen	Swenson
Brown	Jefferson	Milbert	Price	Thiede
Burger	Jennings	Miller	Quinn	Tjornhom
Carlson, D.	Jensen	Minne	Reding	Tompkins
Carlson, L.	Johnson, A.	Morrison	Rest	Trimble
Carruthers	Johnson, R.	Munger	Rice	Tunheim
Clark	Johnson, V.	Murphy	Richter	Upbus
Clausnitzer	Kahn	Nelson, C.	Riveness	Valento
Cooper	Kalis	Nelson, D.	Rodosovich	Vanasek
Dauner	Kelly	Nelson, K.	Rose	Vellenga
DeBlieck	Kelso	Neuenschwander	Rukavina	Wagenius
Dempsey	Kinkel	O'Connor	Sarna	Waltman
Dille	Kludt	Ogren	Schafer	Welle
Dorn	Knickerbocker	Olson, S.	Scheid	Wenzel
Forsythe	Knuth	Olson, E.	Schoenfeld	Winter
Frederick	Kostohryz	Olson, K.	Schreiber	Wynia
				Spk. Norton

A quorum was present.

Quist, Redalen and Voss were excused.

The Chief Clerk proceeded to read the Journal of the preceding day. Kelly moved that further reading of the Journal be dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

## REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 389, 1052, 1374, 1399, 1508, 297, 388, 609, 1043, 1366, 1371, 1412, 614, 701, 938, 1281, 246, 285, 413, 463, 593, 610, 822, 350 and 947 and S. F. Nos. 464, 614, 63, 248, 557, 593 and 94 have been placed in the members' files.

S. F. No. 248 and H. F. No. 376, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

## SUSPENSION OF RULES

Price moved that the rules be so far suspended that S. F. No. 248 be substituted for H. F. No. 376 and that the House File be indefinitely postponed. The motion prevailed.

## REPORTS OF STANDING COMMITTEES

Kalis from the Committee on Transportation to which was referred:

H. F. No. 80, A bill for an act relating to motor vehicles; providing that certain license plates be issued every six years; amending Minnesota Statutes 1986, section 168.12, subdivisions 1, 2a, and 5.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1986, section 168.12, subdivision 1, is amended to read:

Subdivision 1. [NUMBER PLATES; VISIBILITY, PERIODS OF ISSUANCE.] The registrar, upon the approval and payment, shall issue to the applicant the number plates required by law, bearing the state name and the number assigned. The number assigned may be a combination of a letter or sign with figures. The color of the plates and the color of the abbreviation of the state name and the number assigned shall be in marked contrast. The plates shall be lettered, spaced, or distinguished to suitably indicate the registration of the vehicle according to the rules of the registrar, and when a vehicle is registered on the basis of total gross weight, the plates issued shall clearly indicate by letters or other suitable insignia the maximum gross weight for which the tax has been paid. These number plates shall be so treated as to be at least 100 times brighter than the conventional painted number plates. When properly

mounted on an unlighted vehicle, these number plates, when viewed from a vehicle equipped with standard headlights, shall be visible for a distance of not less than 1,500 feet and readable for a distance of not less than 110 feet. The registrar shall issue these number plates for the following periods:

(1) Number plates issued pursuant to sections 168.27, subdivisions 16 and 17, and 168.053 shall be for a one-year period;

(2) New number plates issued pursuant to section 168.012, subdivision 1, shall be issued to a vehicle for as long as it is owned by the exempt agency and shall not be transferable from one vehicle to another but may be transferred with the vehicle from one tax exempt agency to another;

(3) Plates issued for passenger automobiles as defined in section 168.011, subdivision 7, ~~motorcycles, motorized bicycles, and motor scooters~~ shall be issued for a six-year period ~~starting not later than October 1986, or until the next general reissuance of plates every six years thereafter, whichever is less; and. All plates issued under this paragraph must be replaced if they are six years old or older at the time of annual registration or will become so during the registration period.~~

(4) Plates for any vehicle not specified in ~~clauses~~ paragraphs (1), (2) and (3), except for trailers as hereafter provided, shall be issued for the life of the vehicle. Beginning with number plates issued for the year 1981, plates issued for trailers with a total gross weight of 3,000 pounds or less shall be issued for the life of the trailer and shall be not more than seven inches in length and four inches in width.

In a year in which plates are not issued, the registrar shall issue for each registration a tab or sticker to designate the year of registration. This tab or sticker shall show the calendar year or years for which issued, and is valid only for that period. The number plates, number tabs, or stickers issued for a motor vehicle may not be transferred to another motor vehicle during the period for which it is issued.

Notwithstanding any other provision of this subdivision, number plates issued to a vehicle which is used for behind-the-wheel instruction in a driver education course in a public school may be transferred to another vehicle used for the same purpose without payment of any additional fee. The registrar shall be notified of each transfer of number plates under this paragraph, and may prescribe a form for notification.

Sec. 2. Minnesota Statutes 1986, section 168.12, subdivision 2a, is amended to read:

Subd. 2a. [PERSONALIZED LICENSE PLATES.] Personalized license plates must be issued to an applicant for registration of a passenger automobile, van, or pickup truck, motorcycle, or self-propelled recreational vehicle, upon compliance with the laws of this state relating to registration of the vehicle and upon payment of a one-time fee of \$100 in addition to the registration tax required by law for the vehicle. The commissioner shall designate a replacement fee for personalized license plates that is calculated to cover the cost of replacement. This fee is required whenever the personalized license plates are required to be replaced by law. In lieu of the numbers assigned as provided in subdivision 1, personalized license plates must have imprinted on them a series of not more than six numbers and letters in any combination. When an applicant has once obtained personalized plates, the applicant shall have a prior claim for similar personalized plates in the next succeeding year that plates are issued if application is made for them at least 30 days before the first date that registration can be renewed. The commissioner of public safety shall adopt rules in the manner provided by chapter 14, regulating the issuance and transfer of personalized license plates. No words or combination of letters placed on personalized license plates may be used for commercial advertising, be of an obscene, indecent, or immoral nature, or be of a nature that would offend public morals or decency. The call signals or letters of a radio or television station are not commercial advertising for the purposes of this subdivision.

Notwithstanding the provisions of subdivision 1, personalized license plates issued under this subdivision may be transferred to another motor vehicle owned or jointly owned by the applicant, upon the payment of a fee of \$5, which must be paid into the state treasury and credited to the highway user tax distribution fund. The registrar may by rule provide a form for notification.

Notwithstanding any law to the contrary, if the personalized license plates are lost, stolen, or destroyed, the applicant may apply and shall receive duplicate license plates bearing the same combination of letters and numbers as the former personalized plates upon the payment of a \$5 fee.

~~The fee prescribed for personalized license plates must be paid only in those years in which the number plate itself is issued, and must not be payable in a year in which a year plate, tab, or sticker is issued in lieu of a number plate.~~

Fees from the sale of permanent and duplicate personalized license plates must be paid into the state treasury and credited to the highway user tax distribution fund.

Sec. 3. Minnesota Statutes 1986, section 168.12, subdivision 5, is amended to read:

Subd. 5. [ADDITIONAL FEE.] In addition to any fee otherwise authorized or any tax otherwise imposed upon any motor vehicle, the payment of which is required as a condition to the issuance of any number license plate or plates, the commissioner of public safety may impose a fee of \$2 for a license plate for a motorcycle, motorized bicycle, or motorized sidecar, and ~~\$3~~ \$2 for license plates, other than license plates issued pursuant to section 168.27, subdivisions 16 and 17, for passenger automobiles; ~~provided that no fee is required for plates issued within one calendar year before a general reissuance of plates under subdivision 1.~~ Graphic design license plates shall only be issued for vehicles registered pursuant to section 168.017 and recreational vehicles registered pursuant to section 168.013, subdivision 1g.

Sec. 4. [TRANSITION.]

Passenger automobile license plates issued under Minnesota Statutes, section 168.12, subdivision 1, paragraph (3), before the effective date of this section must be replaced during the sixth year after they were issued.

Sec. 5. [REPEALER.]

Minnesota Statutes 1986, section 168.12, subdivisions 3 and 4, are repealed.

Section 4 is repealed January 1, 1990.

Sec. 6. [EFFECTIVE DATE.]

Sections 1 to 5 are effective the day following final enactment."

Amend the title as follows:

Page 1, line 5, before the period insert "; repealing Minnesota Statutes 1986, section 168.12, subdivisions 3 and 4"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Skoglund from the Committee on Financial Institutions and Insurance to which was referred:

H. F. No. 165, A bill for an act relating to insurance; establishing rates for cooperative housing and neighborhood real estate trust

insurance within the Minnesota FAIR plan; proposing coding for new law in Minnesota Statutes, chapter 65A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

**“Section 1. [65A.375] [RATES FOR COOPERATIVE HOUSING AND NEIGHBORHOOD REAL ESTATE TRUST INSURANCE.]**

The commissioner shall set the rates for cooperative housing, organized under chapter 308, and for neighborhood real estate trusts, characterized as nonprofit ownership of real estate with resident control, which rates shall be actuarially sound.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 230, A bill for an act relating to elections; authorizing combination of certain municipalities for election purposes; amending Minnesota Statutes 1986, sections 204B.14, subdivisions 2, 4, 5, and by adding a subdivision; 204B.16, subdivision 1; and 204B.21, subdivision 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1986, section 204B.14, subdivision 2, is amended to read:

Subd. 2. [SEPARATE PRECINCTS; REQUIREMENTS.] The following shall constitute at least one election precinct:

(a) Each city ward; and

(b) Each town and each statutory city, unless a town and statutory city municipalities are combined for election purposes under subdivision 8. Notwithstanding any law to the contrary, each town and each statutory city located within the metropolitan area as defined in section 473.121, subdivision 2 shall constitute at least one election precinct.

Sec. 2. Minnesota Statutes 1986, section 204B.14, subdivision 4, is amended to read:

Subd. 4. [BOUNDARY CHANGE PROCEDURE.] Any change in the boundary of an election precinct shall be adopted at least 90 days before the date of the next election, and shall not take effect until notice of the change has been posted in the office of the municipal clerk or county auditor for at least 60 days. Except in the case of the combination or separation of municipalities for election purposes under subdivision 8, the municipal clerk or county auditor shall notify each affected registered voter of the change in election precinct boundaries at least 30 days prior to the first election held after the change takes effect.

Sec. 3. Minnesota Statutes 1986, section 204B.14, subdivision 5, is amended to read:

Subd. 5. [PRECINCT BOUNDARIES; DESCRIPTION; MAPS.] Each municipal clerk shall prepare and file with the county auditor of each county in which the municipality is located, with the secretary of state and with the state planning director maps showing the correct boundaries of each election precinct in the municipality. At least 30 days before any change in an election precinct or in a corporate boundary becomes effective, the municipal clerk shall prepare maps showing the new boundaries of the precincts and shall forward copies of these maps to the secretary of state, the appropriate county auditors and the state planning director. The clerk shall retain copies of the precinct maps for public inspection. The county auditor shall prepare and file precinct boundary maps for precincts in unorganized territories, and the municipal clerk designated in the combination agreement shall prepare and file precinct boundary maps in the case of municipalities combined for election purposes under subdivision 8, in the same manner as provided for precincts in municipalities. For every election held in the municipality the election judges shall be furnished precinct maps as provided in section 201.061, subdivision 6.

Sec. 4. Minnesota Statutes 1986, section 204B.14, is amended by adding a subdivision to read:

Subd. 8. [COMBINED PRECINCT.] (a) Up to four contiguous municipalities located entirely outside the metropolitan area as defined in section 473.121, subdivision 2, that are contained in the same legislative district, congressional district, and county commissioner district may enter into a combination agreement to form one precinct for state and county election purposes, upon the approval of the county auditor. The total inhabitants of all municipalities entering into a combination agreement may not exceed 1,000 inhabitants. The governing body of each municipality proposing to enter into a combination agreement must provide the inhabitants of the municipality with published and posted notice of the proposed agreement three weeks before the second Tuesday in March. A combination agreement must be approved by resolutions of all of the governing bodies of the combining municipalities on or before the

second Tuesday in March of an election year. A copy of the combination agreement must be submitted to the county auditor for approval, on or before May 1 of an election year.

(b) One or more of the municipalities in the combined precinct may withdraw from the combination by a resolution of the governing body of the withdrawing municipality, passed on or before the second Tuesday in March of an election year. The withdrawing municipality shall file the resolution with the county auditor no later than May 1 of an election year. The decision of any one municipality to withdraw from the combination agreement automatically dissolves the combination unless all the remaining municipalities continue to meet all the requirements of this subdivision.

(c) The combination agreement must specify the designated polling place and the municipal election officials or governing bodies responsible for appointing election judges and the chair of the election board, posting notices, preparing precinct maps, and carrying out other election duties required by law.

(d) In combining or separating, the municipalities must meet the time requirements specified in this section for changing precinct boundaries and in section 204B.16, subdivision 3, for designating a different polling place.

Sec. 5. Minnesota Statutes 1986, section 204B.21, subdivision 2, is amended to read:

Subd. 2. [APPOINTING AUTHORITY; POWERS AND DUTIES.] Election judges for precincts in a municipality shall be appointed by the governing body of the municipality. Election judges for precincts in unorganized territory shall be appointed by the county board. Election judges for a precinct composed of two or more municipalities must be appointed by the governing body of the municipality or municipalities responsible for appointing election judges as provided in the agreement to combine for election purposes. Appointments shall be made from lists furnished pursuant to subdivision 1 subject to the eligibility requirements and other qualifications established or authorized under section 204B.19. If no lists have been furnished or if additional election judges are required after all listed names have been exhausted, the appointing authority may appoint any other individual to serve as an election judge subject to the same requirements and qualifications. The appointments shall be made at least 25 days before the election at which the election judges will serve.

Sec. 6. Minnesota Statutes 1986, section 204B.22, subdivision 1, is amended to read:

Subdivision 1. [MINIMUM NUMBER REQUIRED.] A minimum of three election judges shall be appointed for each precinct. In a

precinct of municipalities combined for election purposes under section 204B.14, subdivision 8, at least one judge must be appointed from each municipality in the combined precinct, provided that not less than three judges shall be appointed for each combined precinct. The appointing authorities may appoint election judges for any precinct in addition to the number required by this subdivision including additional election judges to count ballots after voting has ended."

Delete the title and insert:

"A bill for an act relating to elections; authorizing combination of certain municipalities for election purposes; amending Minnesota Statutes 1986, sections 204B.14, subdivisions 2, 4, 5, and by adding a subdivision; 204B.21, subdivision 2; and 204B.22, subdivision 1."

With the recommendation that when so amended the bill pass.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 302, A bill for an act relating to health and environment; providing for asbestos regulation; directing the commissioner of health to regulate and license persons or entities enclosing, removing, or encapsulating asbestos; providing penalties; proposing coding for new law as Minnesota Statutes, chapter 160.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [326.70] [TITLE.]

Sections 1 to 12 may be cited as the "asbestos abatement act."

Sec. 2. [326.71] [PURPOSE.]

The legislature finds that the enclosure, removal, and encapsulation of asbestos, when improperly performed, creates unnecessary health and safety hazards that are detrimental to the state's interest, and that of its citizens, in terms of wages lost, insurance, medical expenses, disability compensation payments, family life, preservation of human resources, and unfair competition to craftspersons, their unions, and their employers. The legislature declares it to be the purpose and policy of the state to reduce asbestos-related hazards by:

(1) encouraging contracting parties, citizens, and insurance companies in their efforts to reduce disabling asbestos hazards and to stimulate initiation of new programs and to perfect existing programs for controlling the use and removal of asbestos;

(2) creating a climate for developing innovative methods for dealing with the severe health hazards caused by asbestos materials;

(3) encouraging competence and knowledge in, and reducing exposure to, asbestos through the licensing of contractors and workers;

(4) providing for the adoption of standards for the enclosure, removal, encapsulation, storage, sale, disposal, and use of asbestos and asbestos-containing material; and

(5) establishing an enforcement program for these standards, that includes reporting procedures.

Sec. 3. [326.72] [DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] The definitions in this section apply to sections 1 to 12.

Subd. 2. [ASBESTOS.] "Asbestos" means the asbestiform varieties of chrysotile (serpentine), crocidolite (riebeckite), amosite (cummingtonite-grunerite), anthophyllite, tremolite, and actinolite.

Subd. 3. [ASBESTOS-CONTAINING MATERIAL.] "Asbestos-containing material" means material that contains more than one percent asbestos by weight.

Subd. 4. [ASBESTOS-RELATED WORK.] "Asbestos-related work" means the enclosure, removal, or encapsulation of asbestos-containing material in a quantity that meets or exceeds the United States Environmental Protection Agency's requirement of 260 lineal feet of friable asbestos on pipes or 160 square feet of friable asbestos on other facility components.

Subd. 5. [COMMISSIONER.] "Commissioner" means the commissioner of health and the commissioner's authorized delegates.

Subd. 6. [CONTRACTING ENTITY.] "Contracting entity" means a public or private body, board, natural person, corporation, partnership, proprietorship, joint venture, fund, authority, or similar entity that contracts with an employer or person to do asbestos-related work for the benefit of the contracting entity.

Subd. 7. [EMPLOYEE.] "Employee" means a person who works directly or indirectly for an employer.

Subd. 8. [EMPLOYER.] "Employer" means an individual, body, board, corporation, partnership, proprietorship, joint venture, fund, authority, or similar entity directly or indirectly employing an employee. This term applies to private employers and to the state, its political subdivisions, and any boards, commissions, schools, institutions, or authorities created or recognized by them.

Sec. 4. [326.73] [ASBESTOS LICENSE.]

Subdivision 1. [WHEN LICENSE REQUIRED.] An employer or other person within the state intending to directly perform or cause to be performed through subcontracting or similar delegation any asbestos-related work either for financial gain or with respect to the employer's or person's own property shall first apply for and obtain a license from the commissioner. The license shall be in writing, be dated when issued, contain an expiration date, be signed by the commissioner, and give the name and address of the employer or person to whom it is issued.

Subd. 2. [DISPLAY OF LICENSE.] Licensees shall post a sign with the words, in letters four or more inches high, "licensed by the state of Minnesota for asbestos work" in a conspicuous place outside of the asbestos abatement work area. The actual license or a copy certified by the commissioner shall be readily available at the work site for inspection by the commissioner, other public officials charged with the health, safety, and welfare of the state's citizens and the contracting entity.

Sec. 5. [326.74] [EMPLOYEE ASBESTOS CERTIFICATIONS.]

Before an employee performs asbestos-related work, the employee shall first obtain a certificate from the commissioner certifying that the employee is qualified to perform the work. No certificate shall be issued unless the employee has taken a course of training in asbestos control and removal, passed an examination in those subjects, and demonstrated to the commissioner the ability to perform asbestos-related work safely in accordance with the current state-of-the-art technology. The commissioner shall specify the course of training necessary. The certificate issued by the commissioner shall be in writing, be dated when issued, contain an expiration date, be signed by the commissioner, and contain the name and address of the employee to whom it is issued. The certificate shall be carried by the employee and be readily available for inspection by the commissioner, other public officials charged with the health, safety, and welfare of the state's citizens, and the contracting entity.

Sec. 6. [326.75] [REPORTING ASBESTOS WORK.]

A licensed employer, at least five calendar days before abating asbestos, shall give written notice to the commissioner of the project. The notice shall contain the following information:

- (1) a brief description of the work to be performed;
- (2) the name of the contracting entity;
- (3) the location and address of the project work site;
- (4) the approximate duration of the project;
- (5) the approximate amount of the asbestos involved in the project;
- (6) the name of any project manager; and
- (7) other information required by the commissioner.

Sec. 7. [326.76] [FEES.]

Subdivision 1. [LICENSING FEE.] An employer or other person required to be licensed under section 4 shall, before receipt of the license and before causing asbestos-related work to be performed, pay the commissioner an annual license fee of \$100.

Subd. 2. [CERTIFICATION FEE.] Employees required to be certified under section 4 shall, before performing asbestos-related work, pay the commissioner a certification fee of \$50.

Subd. 3. [PERMIT FEE.] Before beginning asbestos-related work, a licensee shall pay a project permit fee to the commissioner equal to one percent of the total costs of the asbestos-related work. Proceeds of the fee are continually appropriated to the commissioner and shall be used by the commissioner to pay for necessary project inspections and air testing.

Subd. 4. [DEPOSIT OF FEES.] Fees collected under this section shall be deposited in the asbestos abatement revolving fund created by section 12.

Sec. 8. [326.77] [DUTIES OF CONTRACTING ENTITIES.]

A contracting entity intending to have asbestos-related work performed for its benefit shall include in the specifications and contracts for the work a requirement that the work be performed by contractors and subcontractors licensed by the commissioner under sections 1 to 12. No contracting entity shall allow asbestos-related work to be performed for its benefit unless it has seen that the employer has a valid license. A contracting entity's failure to comply with this section does not relieve an employer from any of its responsibilities under sections 1 to 12.

Sec. 9. [326.78] [INDOOR AIR STANDARD.]

(a) The commissioner may adopt rules establishing an indoor air standard for asbestos.

(b) Until the rules become effective, asbestos remaining in the air following the completion of an abatement project shall not exceed .01 fibers greater than 5.0 microns in length per cubic centimeter of air.

Sec. 10. [326.79] [DUTIES OF THE COMMISSIONER.]

Subdivision 1. [RULEMAKING.] The commissioner shall, before July 1, 1988, adopt and begin enforcement of rules necessary to implement sections 1 to 12. The rules adopted shall not be duplicative of rules adopted by the commissioner of the department of labor and industry. The rules shall include rules in the following areas:

- (1) application, enclosure, removal, and encapsulation procedures;
- (2) license and certificate qualification requirements;
- (3) examinations for obtaining a license and certificate;
- (4) training necessary for employee certification;
- (5) qualifications for managers of asbestos abatement projects;
- (6) abatement specifications;
- (7) any contractor bonding and insurance requirements deemed necessary by the commissioner;
- (8) license and certificate issuance and revocation procedures;
- (9) suspension or revocation of licenses or certificates;
- (10) license and certificate suspension and revocation criteria;
- (11) cleanup standards;
- (12) continuing education requirements; and
- (13) other rules necessary to implement sections 1 to 12.

Subd. 2. [ISSUANCE OF LICENSES AND CERTIFICATES.] The commissioner may issue licenses to employers and certificates to employees who meet the criteria in sections 1 to 12 and the commissioner's rules. Licenses and certificates shall be valid for at least 12 months.

Subd. 3. [DELEGATION.] The commissioner may, in writing, delegate the inspection and enforcement authority granted in sections 1 to 12 to other state agencies regulating asbestos.

Subd. 4. [ACCESS TO INFORMATION AND PROPERTY.] (a) Any person who the commissioner has reason to believe is engaged in asbestos-related work, or who is the owner of real property where the asbestos-related work is being undertaken, when requested by the commissioner, or any member, employee, or agent thereof who is authorized by the commissioner, shall furnish the commissioner any information that the person may have or may reasonably obtain that is relevant to the asbestos-related work.

(b) The commissioner or any person authorized by the commissioner, upon presentation of credentials and with reason to believe that violations of this act may be occurring, may:

(1) examine and copy any books, papers, records, memoranda, or data regarding the asbestos-related project of any person who has a duty to provide information to the department under paragraph (a); and

(2) enter upon any public or private property to take action authorized by this section including obtaining information from any person who has a duty to provide the information under paragraph (a), and conducting surveys or investigations.

Subd. 5. [SUBPOENAS.] In matters under investigation by or pending before the commissioner under sections 1 to 12, the commissioner may issue subpoenas and compel the attendance of witnesses and the production of papers, books, records, documents, and other relevant evidentiary material. A person failing or refusing to comply with the subpoena or order may, upon application by the commissioner to the district court in any district, be ordered by the court to comply with the order or subpoena. The commissioner may also administer oaths and affirmations to witnesses. Depositions may be taken within or without the state in the manner provided by law for the taking of depositions in civil actions. A subpoena or other process or paper may be served upon any person anywhere within the state by an officer authorized to serve subpoenas in civil actions, with the same fees and mileage costs paid, and in the manner as prescribed by law, for process of the state district courts. Fees and mileage and other costs of persons subpoenaed by the commissioner shall be paid in the manner prescribed for proceedings in district court.

Subd. 6. [CEASE AND DESIST ORDER.] (a) The commissioner may issue an order requiring an employer to cease asbestos-related work if the commissioner determines that a condition exists that poses an immediate danger to the public health. For purposes of this

subdivision, an immediate danger to the public health exists if the commissioner determines that:

(1) air quality standards are being exceeded;

(2) asbestos-related work is being undertaken in a manner violative of applicable state or federal law;

(3) the employer or an employee working at the project site is not licensed or certified, or in possession of a current license or certificate, as the case may be; or

(4) the employer has not reported the project under section 6.

(b) The order is effective for a maximum of 60 days. Following issuance of the order, the commissioner shall provide the contractor or individual with an opportunity for a hearing under the contested case provisions of chapter 14. At the hearing, the commissioner shall decide whether to rescind, modify, or reissue the previously made order. A modified or reissued order is effective for a maximum of 60 days from the date of modification or reissuance.

Subd. 7. [ORDER FOR CORRECTIVE ACTION.] After notice and opportunity for hearing under the contested case provisions of chapter 14, the commissioner may issue an order requiring anyone violating sections 1 to 12 or a rule of the commissioner to take corrective action as the commissioner determines will accomplish the purpose of the project and prevent future violation. The order shall contain a date by which the violation must be corrected.

Subd. 8. [INJUNCTIVE RELIEF.] In addition to any other remedy provided by law, the commissioner may bring an action for injunctive relief in the district court in Ramsey county or, at the commissioner's discretion, in the district court in the county in which an asbestos-related work is being undertaken to halt the work or an activity connected with it. A temporary restraining order or other injunctive relief may be granted by the court in the proceeding if continuation of the work or an activity connected with it would result in an imminent risk of harm to any person.

Subd. 9. [OTHER POWERS.] The commissioner may exercise any other power necessary to assure the implementation and administration of sections 1 to 12.

Sec. 11. [326.81] [SUSPENSIONS; REVOCATIONS.]

The commissioner or the commissioner's designee may suspend or revoke a license or certificate for repeated or serious violations of sections 1 to 12 in accordance with procedures adopted by rule by the commissioner and the contested case procedures of chapter 14.

Sec. 12. [326.83] [ASBESTOS ABATEMENT REVOLVING FUND.]

Subdivision 1. [CREATION; APPROPRIATION.] The asbestos abatement revolving fund is created as a separate account in the state treasury. The fund consists of the fees collected under section 7. The money in the fund is continually appropriated to the commissioner for the purposes of sections 1 to 12.

Subd. 2. [UNOBLIGATED EXCESS TRANSFERRED.] When the unobligated money in the asbestos abatement revolving fund exceeds \$500,000 at the end of any fiscal year, the unobligated amount in excess of that amount shall be transferred to the general fund.

Sec. 13. [APPROPRIATION.]

\$180,000 is appropriated to the commissioner of health for the purposes of sections 1 to 12, to be available until June 30, 1989.

Sec. 14. [EFFECTIVE DATE.]

Sections 9, paragraph (a); 10; and 13 are effective the day following final enactment. Sections 1 to 8; 9, paragraph (b); 11; and 12 are effective on the date on which rules adopted by the commissioner under section 10 become effective.

Delete the title and insert:

“A bill for an act relating to health; providing for asbestos regulation; directing the commissioner of health to regulate and license persons or entities enclosing, removing, or encapsulating asbestos; providing for suspension and revocation of licenses and certificates; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 326.”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 305, A bill for an act relating to the city of Mankato; authorizing location of certain polling places more than 3,000 feet outside precinct boundaries.

Reported the same back with the following amendments:

Page 1, line 9, after "place" insert "or polling places" and delete "a precinct that is" and insert "precincts 1, 2, and 3"

Page 1, line 12, after the period insert "The new polling place or polling places for precincts 1, 2, and 3 may not be located more than four miles from the existing precinct boundaries."

Page 1, after line 16, insert:

"Sec. 3. [EFFECTIVE DATE.]

Section 1 is effective until December 31, 1991."

With the recommendation that when so amended the bill pass.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 585, A bill for an act relating to human services; prohibiting the use of faradic shock in certain facilities; including certain aversive and deprivation procedures as abuse; amending Minnesota Statutes 1986, sections 245.825, subdivision 1; 626.556, subdivision 2; and 626.557, subdivision 2.

Reported the same back with the following amendments:

Page 1, line 14, after "facilities" insert "and licensed services"

Page 2, line 4, after the period insert "For any persons receiving faradic shock as of April 1, 1987, the prohibition against the use of faradic shock shall not apply, except that for each such person a plan to reduce and eliminate the use of faradic shock shall be in effect by July 1, 1987."

With the recommendation that when so amended the bill pass.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 630, A bill for an act relating to health; allowing health maintenance organizations to adjust premiums paid based on actual

health services utilization; amending Minnesota Statutes 1986, section 62D.04, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1986, section 62D.04, subdivision 1, is amended to read:

Subdivision 1. Upon receipt of an application for a certificate of authority, the commissioner of health shall determine whether the applicant for a certificate of authority has:

(a) demonstrated the willingness and potential ability to assure that health care services will be provided in such a manner as to enhance and assure both the availability and accessibility of adequate personnel and facilities;

(b) arrangements for an ongoing evaluation of the quality of health care;

(c) a procedure to develop, compile, evaluate, and report statistics relating to the cost of its operations, the pattern of utilization of its services, the quality, availability and accessibility of its services, and such other matters as may be reasonably required by regulation of the commissioner of health;

(d) reasonable provisions for emergency and out of area health care services;

(e) demonstrated that it is financially responsible and may reasonably be expected to meet its obligations to enrollees and prospective enrollees. In making this determination, the commissioner of health may consider:

(1) the financial soundness of its arrangements for health care services and the proposed schedule of charges used in connection therewith;

(2) the adequacy of its working capital;

(3) arrangements which will guarantee for a reasonable period of time the continued availability or payment of the cost of health care services in the event of discontinuance of the health maintenance organization;

(4) agreements with providers for the provision of health care services; and

(5) any deposit of cash or securities submitted in accordance with section 62D.041.

(f) demonstrated that it will assume full financial risk on a prospective basis for the provision of comprehensive health maintenance services, including hospital care; provided, however, that the requirement in this paragraph shall not prohibit the following:

(1) a health maintenance organization from obtaining insurance or making other arrangements (i) for the cost of providing to any enrollee comprehensive health maintenance services, the aggregate value of which exceeds \$5,000 in any year, (ii) for the cost of providing comprehensive health care services to its members on a nonelective emergency basis, or while they are outside the area served by the organization, or (iii) for not more than 95 percent of the amount by which the health maintenance organization's costs for any of its fiscal years exceed 105 percent of its income for such fiscal years; and

(2) a health maintenance organization from having a provision in a group health maintenance contract allowing an adjustment of premiums paid based upon the actual health services utilization of the enrollees covered under the contract, except that at no time during the life of the contract shall the contract holder fully self-insure the financial risk of health care services delivered under the contract. Risk sharing arrangements shall be subject to the requirements of sections 62D.01 to 62D.30;

(g) otherwise met the requirements of sections 62D.01 to 62D.29.

Sec. 2. Minnesota Statutes 1986, section 62D.08, subdivision 3, is amended to read:

Subd. 3. Such report shall be on forms prescribed by the commissioner of health, and shall include:

(a) A financial statement of the organization, including its balance sheet and receipts and disbursements for the preceding year certified by an independent certified public accountant, reflecting at least (1) all prepayment and other payments received for health care services rendered, (2) expenditures to all providers, by classes or groups of providers, and insurance companies or nonprofit health service plan corporations engaged to fulfill obligations arising out of the health maintenance contract, and (3) expenditures for capital improvements, or additions thereto, including but not limited to construction, renovation or purchase of facilities and capital equipment, and (4) a supplementary statement of assets, liabilities, premium revenue, and expenditures for risk sharing business under section 62D.04, subdivision 1, on forms prescribed by the commissioner;

(b) The number of new enrollees enrolled during the year, the number of enrollees as of the end of the year and the number of enrollees terminated during the year;

(c) A summary of information compiled pursuant to section 62D.04, subdivision 1, clause (c) in such form as may be required by the commissioner of health;

(d) A report of the names and addresses of all persons set forth in section 62D.03, subdivision 4, clause (c) who were associated with the health maintenance organization or the major participating entity during the preceding year, and the amount of wages, expense reimbursements, or other payments to such individuals for services to the health maintenance organization or the major participating entity, as those services relate to the health maintenance organization, including a full disclosure of all financial arrangements during the preceding year required to be disclosed pursuant to section 62D.03, subdivision 4, clause (d); and

(e) Such other information relating to the performance of the health maintenance organization as is reasonably necessary to enable the commissioner of health to carry out the duties under sections 62D.01 to 62D.29.

Sec. 3. Minnesota Statutes 1986, section 62D.10, is amended by adding a subdivision to read:

Subd. 6. Health maintenance organization contracts under section 62D.04, subdivision 1, shall include a clear statement of the risk sharing arrangement."

Delete the title and insert:

"A bill for an act relating to health; allowing health maintenance organizations to adjust premiums based on actual health services utilization; amending Minnesota Statutes 1986, sections 62D.04, subdivision 1; 62D.08, subdivision 3; and 62D.10, by adding a subdivision."

With the recommendation that when so amended the bill pass.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 668, A bill for an act relating to health; extending the moratorium on hospital capacity expansion; amending Laws 1984, chapter 654, article 5, section 57, subdivision 1.

Reported the same back with the following amendments:

Page 1, line 21, after "facility" insert "that seeks to build or relocate within the same county in which it is located and"

Page 2, line 6, strike "or"

Page 2, line 8, after "2" strike the period and insert a semicolon

Page 2, after line 8, insert:

"(5) a project involving consolidation specialty hospital services within the Minneapolis-St. Paul metropolitan area that would not result in a net increase in the number of pediatric specialty hospital beds among the hospitals being consolidated; or

(6) a project involving the temporary relocation of pediatric-orthopedic hospital beds to an existing licensed hospital, to allow for the reconstruction of a new philanthropic, pediatric-orthopedic hospital on its existing site, and which will not result in a net increase in the number of hospital beds. Upon completion of the reconstruction, the licenses of both hospitals shall be reinstated at the capacity that existed on each site prior to the relocation."

Page 2, line 11, after "buildings" insert "or within a hospital corporate system"

Page 2, line 13, strike "at that site" and "hospital"

Page 2, strike lines 14 to 16 and insert "more than 50 percent of the hospital beds from a closed facility site or complex being relocated to another existing licensed facility site or complex and an existing site or complex does not increase its total licensed hospital bed capacity by more than 50 percent; (3) a relocation outside a federal health systems agency boundary in place on July 1, 1983; or (4) construction of a new hospital building."

With the recommendation that when so amended the bill pass.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 722, A bill for an act relating to health; creating exceptions to the nursing home moratorium; establishing a review process for approval of additional exceptions to the moratorium; prohibiting renewal of licenses for nursing home and boarding care home beds in rooms with more than four beds; appropriating money; amending Minnesota Statutes 1986, sections 144.55, subdivision 6;

144A.05; and 144A.071, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 144A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1986, section 144.55, subdivision 6, is amended to read:

Subd. 6. [SUSPENSION, REVOCATION, AND REFUSAL TO RENEW.] (a) The commissioner may refuse to grant or renew, or may suspend or revoke, a license on any of the following grounds:

(1) Violation of any of the provisions of sections 144.50 to 144.56 or the rules or standards issued pursuant thereto;

(2) Permitting, aiding, or abetting the commission of any illegal act in the institution;

(3) Conduct or practices detrimental to the welfare of the patient; or

(4) Obtaining or attempting to obtain a license by fraud or misrepresentation.

(b) The commissioner shall not renew a license for a boarding care bed in a resident room with more than four beds.

Sec. 2. Minnesota Statutes 1986, section 144A.05, is amended to read:

#### 144A.05 [LICENSE RENEWAL.]

Unless the license expires in accordance with section 144A.06 or is suspended or revoked in accordance with section 144A.11, a nursing home license shall remain effective for a period of one year from the date of its issuance. The commissioner of health by rule shall establish forms and procedures for the processing of license renewals. The commissioner of health shall approve a license renewal application if the facility continues to satisfy the requirements, standards and conditions prescribed by sections 144A.01 to 144A.17 and the rules promulgated thereunder. The commissioner shall not approve the renewal of a license for a nursing home bed in a resident room with more than four beds. Except as provided in section 144A.08, a facility shall not be required to submit with each application for a license renewal additional copies of the architectural and engineering plans and specifications of the facility. Before approving a license renewal, the commissioner of health shall determine that the facility's most recent balance sheet and its most

recent statement of revenues and expenses, as audited by the state auditor, by a certified public accountant licensed by this state or by a public accountant as defined in section 412.222, have been received by the department of human services.

Sec. 3. Minnesota Statutes 1986, section 144A.071, subdivision 3, is amended to read:

Subd. 3. [EXCEPTIONS.] The commissioner of health, in coordination with the commissioner of human services, may approve the addition of a new certified bed or the addition of a new licensed nursing home bed, under the following conditions:

(a) to replace a bed decertified after May 23, 1983 or to address an extreme hardship situation, in a particular county that, together with all contiguous Minnesota counties, has fewer nursing home beds per 1,000 elderly than the number that is ten percent higher than the national average of nursing home beds per 1,000 elderly individuals. For the purposes of this section, the national average of nursing home beds shall be the most recent figure that can be supplied by the federal health care financing administration and the number of elderly in the county or the nation shall be determined by the most recent federal census or the most recent estimate of the state demographer as of July 1, of each year of persons age 65 and older, whichever is the most recent at the time of the request for replacement. In allowing replacement of a decertified bed, the commissioners shall ensure that the number of added or recertified beds does not exceed the total number of decertified beds in the state in that level of care. An extreme hardship situation can only be found after the county documents the existence of unmet medical needs that cannot be addressed by any other alternatives;

(b) to certify a new bed in a facility that commenced construction before May 23, 1983. For the purposes of this section, "commenced construction" means that all of the following conditions were met: the final working drawings and specifications were approved by the commissioner of health; the construction contracts were let; a timely construction schedule was developed, stipulating dates for beginning, achieving various stages, and completing construction; and all zoning and building permits were secured;

(c) to certify beds in a new nursing home that is needed in order to meet the special dietary needs of its residents, if: the nursing home proves to the commissioner's satisfaction that the needs of its residents cannot otherwise be met; elements of the special diet are not available through most food distributors; and proper preparation of the special diet requires incurring various operating expenses, including extra food preparation or serving items, not incurred to a similar extent by most nursing homes;

(d) to license a new nursing home bed in a facility that meets one of the exceptions contained in clauses (a) to (c);

(e) to license nursing home beds in a facility that has submitted either a completed licensure application or a written request for licensure to the commissioner before March 1, 1985, and has either commenced any required construction as defined in clause (b) before May 1, 1985, or has, before May 1, 1985, received from the commissioner approval of plans for phased-in construction and written authorization to begin construction on a phased-in basis. For the purpose of this clause, "construction" means any erection, building, alteration, reconstruction, modernization, or improvement necessary to comply with the nursing home licensure rules; or

(f) to certify or license new beds in a new facility that is to be operated by the commissioner of veterans' affairs or when the costs of constructing and operating the new beds are to be reimbursed by the commissioner of veterans' affairs or the United States Veterans Administration;

(g) to license or certify beds in a new facility constructed to replace a facility that was destroyed after June 30, 1987, by fire, lightning, or other hazard provided:

(1) destruction was not caused by the intentional act of or at the direction of a controlling person of the facility;

(2) at the time the facility was destroyed the controlling persons of the facility maintained insurance coverage for the type of hazard that occurred in an amount that a reasonable person would conclude was adequate;

(3) the net proceeds from an insurance settlement for the damages caused by the hazard are applied to the cost of the new facility;

(4) the new facility is constructed on the same site as the destroyed facility or to another site subject to the restrictions in section 4, subdivision 5; and

(5) the number of licensed and certified beds in the new facility does not exceed the number of licensed and certified beds in the destroyed facility;

(h) to license or certify beds that are moved from one location to another within a nursing home facility, provided the total costs of remodeling performed in conjunction with the relocation of beds does not exceed ten percent of the appraised value of the facility or \$200,000, whichever is less, or to license or certify beds in a facility for which the total costs of remodeling or renovation exceed ten percent of the appraised value of the facility or \$200,000, whichever

is less, if the facility makes a written commitment to the commissioner of human services that it will not seek to receive an increase in its property-related payment rate by reason of the remodeling or renovation;

(i) to license or certify beds in a facility that has been involuntarily delicensed or decertified for participation in the medical assistance program, provided that an application for relicensure or recertification is submitted to the commissioner within 120 days after delicensure or decertification;

(j) to license or certify beds in a project approved by the interagency board for quality assurance under section 4;

(k) to license or certify nursing home beds in a hospital facility that are relocated from a different hospital facility provided:

(1) the hospital in which the nursing home beds were originally located ceases to function as an acute care facility; or

(2) necessary support services for nursing homes as required for licensure under sections 144A.02 to 144A.10, such as dietary, physical plant, housekeeping, physical therapy, occupational therapy, and administration, are no longer available from the original hospital site; and

(3) the hospitals share common ownership or affiliation; and

(4) the nursing home beds are not certified for participation in the medical assistance program; or

(l) to license or certify beds that are moved from one location to another within an existing identifiable complex of hospital buildings if the facility will make a written commitment to the commissioner of human services that it will not seek to receive an increase in its property-related payment rate as a result of the relocation and will delicense the same number of acute care beds within the existing complex of hospital buildings.

Sec. 4. [144A.073] [REVIEW OF PROPOSALS REQUIRING EX-CEPTIONS TO THE MORATORIUM.]

Subdivision 1. [DEFINITIONS.] For purposes of this section, the following terms have the meanings given them:

(a) "Conversion" means the relocation of a nursing home bed from a nursing home to an attached hospital.

(b) "Renovation" means extensive remodeling of, or construction of an addition to, a facility on an existing site with a total cost

exceeding ten percent of the appraised value of the facility or \$200,000, whichever is less.

(c) "Replacement" means the demolition and reconstruction of all or part of an existing facility.

(d) "Upgrading" means a change in the level of licensure of a bed from a boarding care bed to a nursing home bed, in a certified boarding care facility that is attached to a nursing home.

Subd. 2. [REQUEST FOR PROPOSALS.] By July 1, 1988, and subsequent years, the interagency board shall publish in the State Register a request for proposals for nursing home projects requiring exceptions to the nursing home moratorium. The notice must describe the information that must accompany a request and state that proposals must be submitted to the interagency board by September 30. The notice must include the amount of the legislative appropriation available for the additional costs to the medical assistance program of projects approved under this section. If no money is appropriated for a year, the notice for that year must state that proposals will not be requested because no appropriations were made. To be considered for approval, a proposal must include the following information:

(1) whether the request is for renovation, replacement, upgrading, or conversion;

(2) a description of the problem the project is designed to address;

(3) a description of the proposed project;

(4) an analysis of projected costs, including initial construction and remodeling costs, site preparation costs, financing costs, and estimated operating costs during the first two years after completion of the project;

(5) for proposals involving replacement of all or part of a facility, the proposed location of the replacement facility and an estimate of the cost of addressing the problem through renovation;

(6) for proposals involving renovation, an estimate of the cost of addressing the problem through replacement; and

(7) the proposed timetable for commencing construction and completing the project.

Subd. 3. [REVIEW AND APPROVAL OF PROPOSALS.] Within the limits of money specifically appropriated to the medical assistance program for this purpose, the interagency board for quality assurance may grant exceptions to the nursing home licensure or

certification moratorium for proposals that satisfy the requirements of this section. The interagency board shall appoint an advisory review panel composed of representatives of consumers and providers to review proposals and provide comments and recommendations to the board. The commissioners of human services and health shall provide staff and technical assistance to the board for the review and analysis of proposals. The interagency board shall hold a public hearing before making a final decision on project approvals. The board shall approve or disapprove proposals before December 1 based on a comparison and ranking of proposals using the criteria in subdivision 4. The cost to the medical assistance program of the proposals approved must be within the limits of the appropriations specifically made for this purpose. Approval of a proposal expires seven months after approval unless the facility has commenced construction as defined in section 144A.071, subdivision 3, paragraph (b). The board shall report to the legislature annually by January 1. The report must include the projects approved, the criteria used to select proposals for approval, and the estimated costs of the projects, including the costs of initial construction and remodeling, and the estimated operating costs during the first two years after the project is completed.

Subd. 4. [CRITERIA FOR REVIEW.] (a) The following criteria must be used to compare and rank all proposals submitted:

(1) the extent to which the average occupancy rate of the facility supports the need for the proposed project;

(2) the extent to which the average occupancy rate of all facilities in the county in which the applicant is located, together with all contiguous Minnesota counties, supports the need for the proposed project;

(3) the extent to which the proposal furthers state long-term care goals, including the goal of enhancing the availability and use of alternative care services and the goal of reducing the number of long-term care resident rooms with more than two beds;

(4) the cost effectiveness of the proposal, including the proposal's long-term effects on the costs of the medical assistance program, as determined by the commissioner of human services; and

(5) the feasibility and appropriateness of the proposal, as determined by the commissioner of health.

(b) In addition to the criteria in paragraph (a), the following criteria must be used to evaluate, compare, and rank proposals involving renovation or replacement:

(1) the extent to which the project improves conditions that affect the health or safety of residents, such as narrow corridors, narrow door frames, unenclosed fire exits, and wood frame construction;

(2) the extent to which the project improves conditions that affect the quality of life of residents in a facility or the ability of the facility to provide efficient care, such as a relatively high number of residents in a room; inadequate lighting or ventilation; poor access to bathing or toilet facilities; a lack of available ancillary space for dining rooms, day rooms, or rooms used for other activities; problems relating to heating, cooling, or energy efficiency; inefficient location of nursing stations; or narrow corridors.

Subd 5. [REPLACEMENT RESTRICTIONS.] Proposals submitted or approved under this section involving replacement must provide for replacement of the facility on the existing site except as allowed in this subdivision. Facilities located in a metropolitan statistical area may relocate to a site within the same census tract or a contiguous census tract. In the seven-county metropolitan area, the health planning areas as adopted in March 1982 by the metropolitan council shall be used. Facilities located outside a metropolitan statistical area may relocate to a site within the same city or township, or within a contiguous township. A replacement facility must not be relocated to a site more than six miles from the existing site.

Subd. 6. [CONVERSION RESTRICTIONS.] Proposals submitted or approved under this section involving conversion must satisfy the following conditions:

- (a) Conversion is limited to a total of five beds.
- (b) An equivalent number of hospital beds must be delicensed.
- (c) The average occupancy rate in the existing nursing home beds must be greater than 96 percent according to the most recent annual statistical report of the department of health.
- (d) The cost of remodeling the hospital rooms to meet current nursing home construction standards must not exceed ten percent of the appraised value of the nursing home or \$200,000, whichever is less.
- (e) The conversion must not result in an increase in operating costs.

Subd. 7. [UPGRADING RESTRICTIONS.] Proposals submitted or approved under this section involving upgrading must satisfy the following conditions:

(a) No proposal for upgrading may be approved after June 30, 1989.

(b) No more than one proposal for upgrading may be approved for a facility.

(c) Upgrading is limited to a total of ten beds.

(d) The facility must meet minimum nursing home care standards.

(e) Upgrading must not result in an increase in per diem operating costs.

(f) If beds are upgraded to nursing home beds, the number of boarding care beds in a facility must not increase in the future.

(g) The average occupancy rate in the existing nursing home beds must be greater than 96 percent according to the most recent annual statistical report of the department of health.

(h) The cost of remodeling the facility to meet current nursing home construction standards must not exceed ten percent of the appraised value of the facility or \$200,000, whichever is less.

Subd. 8. [RULEMAKING.] The interagency board shall adopt rules to implement this section.

Sec. 5. Minnesota Statutes 1986, section 144A.27, is amended to read:

144A.27 [ACTING ADMINISTRATORS.]

If a licensed nursing home administrator is removed from the position by death or other unexpected cause, the controlling persons of the nursing home suffering the removal may designate an acting nursing home administrator who may serve without a license for no more than 90 days, unless an extension is granted by the board of examiners shall secure an acting administrator's license within 30 days of appointment as the acting administrator.

Sec. 6. Minnesota Statutes 1986, section 256B.431, subdivision 2b, is amended to read:

Subd. 2b. [OPERATING COSTS, AFTER JULY 1, 1985.] (a) For rate years beginning on or after July 1, 1985, the commissioner shall establish procedures for determining per diem reimbursement for operating costs.

(b) The commissioner shall contract with an econometric firm with recognized expertise in and access to national economic change indices that can be applied to the appropriate cost categories when determining the operating cost payment rate.

(c) The commissioner shall analyze and evaluate each nursing home's cost report of allowable operating costs incurred by the nursing home during the reporting year immediately preceding the rate year for which the payment rate becomes effective.

(d) The commissioner shall establish limits on actual allowable historical operating cost per diems based on cost reports of allowable operating costs for the reporting year that begins October 1, 1983, taking into consideration relevant factors including resident needs, geographic location, size of the nursing home, and the costs that must be incurred for the care of residents in an efficiently and economically operated nursing home. In developing the geographic groups for purposes of reimbursement under this section, the commissioner shall ensure that nursing homes in any county contiguous to the Minneapolis-St. Paul seven-county metropolitan area are included in the same geographic group. The limits established by the commissioner shall not be less, in the aggregate, than the 60th percentile of total actual allowable historical operating cost per diems for each group of nursing homes established under subdivision 1 based on cost reports of allowable operating costs in the previous reporting year. The limits established under this paragraph remain in effect until the commissioner establishes a new base period. Until the new base period is established, the commissioner shall adjust the limits annually using the appropriate economic change indices established in paragraph (e). In determining allowable historical operating cost per diems for purposes of setting limits and nursing home payment rates, the commissioner shall divide the allowable historical operating costs by the actual number of resident days, except that where a nursing home is occupied at less than 90 percent of licensed capacity days, the commissioner may establish procedures to adjust the computation of the per diem to an imputed occupancy level at or below 90 percent. The commissioner shall establish efficiency incentives as appropriate. The commissioner may establish efficiency incentives for different operating cost categories. The commissioner shall consider establishing efficiency incentives in care related cost categories. The commissioner may combine one or more operating cost categories and may use different methods for calculating payment rates for each operating cost category or combination of operating cost categories. For the rate year beginning on July 1, 1985, the commissioner shall:

(1) allow nursing homes that have an average length of stay of 180 days or less in their skilled nursing level of care, 125 percent of the care related limit and 105 percent of the other operating cost limit established by rule; and

(2) exempt nursing homes licensed on July 1, 1983, by the commissioner to provide residential services for the physically handicapped under Minnesota Rules, parts 9570.2000 to 9570.3600, from the care related limits and allow 105 percent of the other operating cost limit established by rule.

For the purpose of calculating the other operating cost efficiency incentive for nursing homes referred to in clause (1) or (2), the commissioner shall use the other operating cost limit established by rule before application of the 105 percent.

(e) The commissioner shall establish a composite index or indices by determining the appropriate economic change indicators to be applied to specific operating cost categories or combination of operating cost categories.

(f) Each nursing home shall receive an operating cost payment rate equal to the sum of the nursing home's operating cost payment rates for each operating cost category. The operating cost payment rate for an operating cost category shall be the lesser of the nursing home's historical operating cost in the category increased by the appropriate index established in paragraph (e) for the operating cost category plus an efficiency incentive established pursuant to paragraph (d) or the limit for the operating cost category increased by the same index. If a nursing home's actual historic operating costs are greater than the prospective payment rate for that rate year, there shall be no retroactive cost settle-up. In establishing payment rates for one or more operating cost categories, the commissioner may establish separate rates for different classes of residents based on their relative care needs.

(g) The commissioner shall include the reported actual real estate tax liability or payments in lieu of real estate tax of each proprietary nursing home as an operating cost of that nursing home. For rate years beginning on or after July 1, 1987, the reported actual real estate tax liability or payments in lieu of real estate tax of nursing homes shall be adjusted to include an amount equal to one-half of the dollar change in real estate taxes from the prior year. The commissioner shall include a reported actual special assessment, and reported actual license fees required by the Minnesota department of health, for each nursing home as an operating cost of that nursing home. Total adjusted real estate tax liability, payments in lieu of real estate tax, actual special assessments paid, and license fees paid as required by the Minnesota department of health, for each nursing home (1) shall be divided by actual resident days in order to compute the operating cost payment rate for this operating cost category, (2) shall not be used to compute the 60th percentile or other operating cost limits established by the commissioner, and (3) shall not be increased by the composite index or indices established pursuant to paragraph (e).

(h) For rate years beginning on or after July 1, 1987, the commissioner shall adjust the rates of the nursing home that meets the criteria for special dietary needs of its residents as described in section 144A.071, subdivision 3, clause (c), and the special dietary needs involve the preparation of Kosher foods as defined in section 31.651. The adjustment shall be the difference between the nursing home's allowable historical raw food cost per diem and 115 percent of the median historical allowable raw food cost per diem of the corresponding geographic group. The adjustment shall be calculated based on allowable costs incurred during the reporting year ending in 1986, and shall be adjusted each rate year by the raw food component of the economic change index established pursuant to section 256B.431, 2b(e). An adjustment for dietary consulting shall be the difference between the nursing home's allowable historical dietary consulting cost per diem and 115 percent of the median historical allowable dietary consulting cost per diem of the corresponding geographic group. An adjustment for dietary supplies shall be the difference between the nursing home's allowable historical dietary supply cost per diem and 105 percent of the median historical allowable dietary supply cost per diem of the corresponding geographic group. The rate adjustment shall be reduced by the applicable phase-in percentage as provided under section 256B.431, subdivision 2(h).

Sec. 7. Minnesota Statutes 1986, section 256B.431, subdivision 2e, is amended to read:

Subd. 2e. [NEGOTIATED RATES CONTRACTS FOR SERVICES FOR VENTILATOR DEPENDENT PERSONS.] Until procedures for determining operating cost payment rates according to mix of resident needs are established, the commissioner may negotiate, with a nursing home that is eligible to receive medical assistance payments, a payment rate of up to 125 percent of the allowed payment rate to be paid for a period of up to three months for individuals who have been hospitalized for more than 100 days, or who have extensive care needs based on nursing hours actually provided or mental or physical disability, or who need respite care for a specified and limited time period. In addition, the commissioner shall take into consideration facilities which historically provided nursing hours at or near the maximum limits which were subsequently reduced as a consequence of payment rate reductions. The payment rate shall be based on an assessment of the nursing home's resident mix as determined by the commissioner of health. When circumstances dictate, the commissioner has authority to renegotiate payment rates for an additional period of time. The payment rate negotiated and The commissioner may contract with a nursing home eligible to receive medical assistance payments to provide services to a ventilator dependent person identified by the commissioner according to criteria developed by the commissioner, including:

(1) nursing home care has been recommended for the person by a preadmission screening team;

- (2) the person has been assessed at case mix classification K;
- (3) the person has been hospitalized for at least six months and no longer requires inpatient acute care hospital services; and
- (4) the commissioner has determined that necessary services for the person cannot be provided under existing nursing home rates.

The commissioner may issue a request for proposals to provide services to a ventilator dependent person to nursing homes eligible to receive medical assistance payments and shall select nursing homes from among respondents according to criteria developed by the commissioner, including:

- (1) the cost effectiveness and appropriateness of services;
- (2) the nursing home's compliance with federal and state licensing and certification standards; and
- (3) the proximity of the nursing home to a ventilator dependent person identified by the commissioner who requires nursing home placement.

The commissioner may negotiate an adjustment to the operating cost payment rate for a nursing home selected by the commissioner from among respondents to the request for proposals. The negotiated adjustment must reflect only the actual additional cost of meeting the specialized care needs of a ventilator dependent person identified by the commissioner for whom necessary services cannot be provided under existing nursing home rates and which are not otherwise covered under Minnesota Rules, parts 9549.0010 to 9549.0080 or 9505.0170 to 9505.0475. The negotiated adjustment shall not affect the payment rate charged to private paying residents under the provisions of section 256B.48, subdivision 1. The negotiated adjustment paid pursuant to this paragraph is specifically exempt from the definition of "rule" and the rulemaking procedures required by chapter 14 and section 256B.502.

Sec. 8. Minnesota Statutes 1986, section 256B.431, subdivision 3a, is amended to read:

Subd. 3a. [PROPERTY-RELATED COSTS AFTER JULY 1, 1985.]  
(a) For rate years beginning on or after July 1, 1985, the commissioner, by permanent rule, shall reimburse nursing home providers that are vendors in the medical assistance program for the rental use of real estate and depreciable equipment. "Real estate" means land improvements, buildings, and attached fixtures used directly for resident care. "Depreciable equipment" means the standard moveable resident care equipment and support service equipment generally used in long-term care facilities.

(b) In developing the method for determining payment rates for the rental use of nursing homes, the commissioner shall consider factors designed to:

- (1) simplify the administrative procedures for determining payment rates for property-related costs;
- (2) minimize discretionary or appealable decisions;
- (3) eliminate any incentives to sell nursing homes;
- (4) recognize legitimate costs of preserving and replacing property;
- (5) recognize the existing costs of outstanding indebtedness allowable under the statutes and rules in effect on May 1, 1983;
- (6) address the current value of, if used directly for patient care, land improvements, buildings, attached fixtures, and equipment;
- (7) establish an investment per bed limitation;
- (8) reward efficient management of capital assets;
- (9) provide equitable treatment of facilities;
- (10) consider a variable rate; and
- (11) phase-in implementation of the rental reimbursement method.

(c) No later than January 1, 1984, the commissioner shall report to the legislature on any further action necessary or desirable in order to implement the purposes and provisions of this subdivision.

(d) For rate years beginning on or after July 1, 1987, a nursing home which reduces licensed bed capacity shall be allowed to:

(1) aggregate the applicable investment per bed limits based on the number of beds licensed prior to the reduction; and

(2) establish capacity days for each rate year following the licensure reduction based on the number of beds licensed on the previous April 1 if the commissioner is notified of the change by April 4. The notification must include a copy of the delicensure request that has been submitted to the commissioner of health.

Sec. 9. Minnesota Statutes 1986, section 256B.431, is amended by adding a subdivision to read:

Subd. 3b. [DEPRECIATION RECAPTURE.] The sale of a nursing home which occurred on or after July 1, 1987, shall result in depreciation recapture payments to be paid by the buyer to the commissioner within 60 days of the department's notification if the sale price exceeds the nursing home's allowable historical cost of capital assets including land recognized by the commissioner at the time of the sale, reduced by accumulated depreciation. The gross recapture amount shall be the lesser of the actual gain on the sale or actual depreciation recognized for the purpose of calculating medical assistance payment rates from November 1, 1972, through the date of the sale. The gross recapture amount shall be allocated to each reporting year from November 1, 1972, through the date of the sale in the same ratio as depreciation amounts recognized for the purpose of calculating medical assistance payment rates. The amount allocated to each reporting year shall be divided by the total actual resident days in that reporting year, thereby determining a cost-per-resident day. The recapture amount shall be the cost-per-resident day for each reporting year times the actual medical assistance resident days for the corresponding rate year following each reporting year. No payment of depreciation recapture shall be assessed with respect to a portion of a rate year beginning after June 30, 1985, in which the property-related payment rate was based on the nursing home's rental value. For the purpose of this subdivision, the sale of a nursing home means the sale or transfer of a nursing home's capital assets or capital stock or the redemption of ownership interests by members of a partnership. In the case of a sale or transfer of a nursing home in which the new operator leases depreciable equipment used in the nursing home business from the prior operator, or an affiliate of the prior operator, the net present value of the lease shall be added to the transaction price for the purpose of determining the actual gain on the sale. In the case of a partial sale of a nursing home, the provisions of this subdivision will be applied proportionately to sales or accumulations of sales that exceed 20 percent of a nursing home's capital assets or capital stock. Depreciation recapture payments resulting from the sale of a nursing home which occurred before July 1, 1985, shall be calculated in accordance with reimbursement regulations in effect on the date of the sale.

Sec. 10. Minnesota Statutes 1986, section 256B.431, is amended by adding a subdivision to read:

Subd. 3c. [PLANT AND MAINTENANCE COSTS.] For the rate years beginning on or after July 1, 1987, the commissioner shall allow as an expense in the reporting year of occurrence the lesser of the actual allowable plant and maintenance costs for supplies, minor equipment, equipment repairs, building repairs, purchased services and service contracts, except for arms-length service contracts whose primary purpose is supervision, or \$325 per licensed bed.

Sec. 11. Minnesota Statutes 1986, section 256B.431, subdivision 4, is amended to read:

Subd. 4. [SPECIAL RATES.] (a) For the rate years beginning July 1, 1983, and July 1, 1984, a newly constructed nursing home or one with a capacity increase of 50 percent or more may, upon written application to the commissioner, receive an interim payment rate for reimbursement for property-related costs calculated pursuant to the statutes and rules in effect on May 1, 1983 and for operating costs negotiated by the commissioner based upon the 60th percentile established for the appropriate group under subdivision 2a, to be effective from the first day a medical assistance recipient resides in the home or for the added beds. For newly constructed nursing homes which are not included in the calculation of the 60th percentile for any group, subdivision 2f, the commissioner shall establish by rule procedures for determining interim operating cost payment rates and interim property-related cost payment rates. The interim payment rate shall not be in effect for more than 17 months. The commissioner shall establish, by emergency and permanent rules, procedures for determining the interim rate and for making a retroactive cost settle-up after the first year of operation; the cost settled operating cost per diem shall not exceed 110 percent of the 60th percentile established for the appropriate group. Until procedures determining operating cost payment rates according to mix of resident needs are established, the commissioner shall establish by rule procedures for determining payment rates for nursing homes which provide care under a lesser care level than the level for which the nursing home is certified.

(b) For the rate years beginning on or after July 1, 1985, a newly constructed nursing home or one with a capacity increase of 50 percent or more may, upon written application to the commissioner, receive an interim payment rate for reimbursement for property related costs, operating costs, and real estate taxes and special assessments calculated under rules promulgated by the commissioner.

(c) For rate years beginning on or after July 1, 1983, the commissioner may exclude from a provision of 12 MCAR S 2.050 any facility that is licensed by the commissioner of health only as a boarding care home, certified by the commissioner of health as an intermediate care facility, is licensed by the commissioner of human services under Minnesota Rules, parts 9520.0500 to 9520.0690, and has less than five percent of its licensed boarding care capacity reimbursed by the medical assistance program. Until a permanent rule to establish the payment rates for facilities meeting these criteria is promulgated, the commissioner shall establish the medical assistance payment rate as follows:

(1) The desk audited payment rate in effect on June 30, 1983, remains in effect until the end of the facility's fiscal year. The commissioner shall not allow any amendments to the cost report on which this desk audited payment rate is based.

(2) For each fiscal year beginning between July 1, 1983, and June 30, 1985, the facility's payment rate shall be established by increasing the desk audited operating cost payment rate determined in clause (1) at an annual rate of five percent.

(3) For fiscal years beginning on or after July 1, 1985, the facility's payment rate shall be established by increasing the facility's payment rate in the facility's prior fiscal year by the increase indicated by the consumer price index for Minneapolis and St. Paul.

(4) For the purpose of establishing payment rates under this paragraph, the facility's rate and reporting years coincide with the facility's fiscal year.

A facility that meets the criteria of this paragraph shall submit annual cost reports on forms prescribed by the commissioner.

For the rate year beginning July 1, 1985, each nursing home total payment rate must be effective two calendar months from the first day of the month after the commissioner issues the rate notice to the nursing home. From July 1, 1985, until the total payment rate becomes effective, the commissioner shall make payments to each nursing home at a temporary rate that is the prior rate year's operating cost payment rate increased by 2.6 percent plus the prior rate year's property-related payment rate and the prior rate year's real estate taxes and special assessments payment rate. The commissioner shall retroactively adjust the property-related payment rate and the real estate taxes and special assessments payment rate to July 1, 1985, but must not retroactively adjust the operating cost payment rate.

(d) For the purposes of reimbursement under Minnesota Rules, parts 9549.0010 to 9549.0080, the following types of transactions shall not be considered a sale or reorganization of a provider entity:

- (1) the sale or transfer of a nursing home upon death of an owner;
- (2) the sale or transfer of a nursing home due to serious illness or disability of an owner as defined under the social security act; or
- (3) the sale or transfer of the nursing home upon retirement of an owner at 62 years of age or older.

Sec. 12. Minnesota Statutes 1986, section 256B.50, subdivision 2, is amended to read:

Subd. 2. [APPRAISED VALUE; APPEALS BOARD.] (a) Appeals concerning the appraised value of a nursing home's real estate must be heard by a three-person appeal board appointed by the commis-

sioner. The real estate as defined in section 256B.431, subdivision 3, must be appraised using the depreciated replacement cost method.

(b) Members of the appeals board shall be appointed by the commissioner from the list of appraisers approved for state contracts by the commissioner of administration. In making the selection, the commissioner of human services shall ensure that each member is experienced in the use of the depreciated replacement cost method and is free of any personal, political, or economic conflict of interest that may impair the member's ability to function in a fair and objective manner.

(c) The appeals board shall appoint one of its members to act as chief representative and shall examine witnesses when it is necessary to make a complete record. Facts to be considered by the board are limited to those in existence at the time of the appraisal being appealed. The board shall issue a written report regarding each appeal to the commissioner within 30 days following the close of the record. The report must contain findings of fact, conclusions, and a recommended disposition based on a majority decision of the board. A copy of the report must be served upon all parties.

(d) The commissioner shall issue an order adopting, rejecting, or modifying the appeal board's recommendation within 30 days of receipt of the report. A copy of the decision must be served upon all parties.

(e) Within 30 days of receipt of the commissioner's order, the appealing party may appeal to the Minnesota court of appeals. The court's decision is limited to a determination of the appraised value of the real estate and must not include costs assessed against either party. (a) An appeal request concerning the appraised value of a nursing home's real estate as established by an appraisal conducted after July 1, 1986, shall state the appraised value the nursing home believes is correct for the building, land improvements, and attached equipment and the name and address of the firm with whom contacts may be made regarding the appeal. The appeal request shall include a separate appraisal report prepared by an independent appraiser of real estate which supports the total appraised value claimed by the nursing home. The appraisal report shall be based on an on-site inspection of the nursing home's real estate using the depreciated replacement cost method and must be in a form comparable to that used in the commissioner's appraisal. The appraisal report shall include information related to the training, experience, and qualifications of the appraiser who conducted and prepared the appraisal report for the nursing home.

(b) A nursing home which has filed an appeal request prior to the effective date of this law concerning the appraised value of its real estate as established by an appraisal conducted before July 1, 1986, must submit to the commissioner the information described under

paragraph (a) within 60 days of the effective date of this act in order to preserve the appeal.

(c) An appeal request which has been filed pursuant to the provisions of paragraph (a) or (b) shall be finally resolved through an agreement entered into by and between the commissioner and the nursing home or by the determination of an independent review appraiser based upon an on-site inspection of the nursing home's real estate using the depreciated replacement cost method in a form comparable to that used in the commissioner's appraisal. The review appraiser shall be selected by the commissioner and the nursing home by alternately striking names from a list of appraisers approved for state contracts by the commissioner of administration. The review appraiser shall make assurances to the satisfaction of the commissioner and the nursing home that the review appraiser is experienced in the use of the depreciated cost method of appraisals and that the review appraiser is free of any personal, political, or economic conflict of interest that may impair the ability to function in a fair and objective manner. The commissioner shall pay costs of the review appraiser through a negotiated rate for services of the review appraiser.

(d) The decision of the review appraiser is final and is not appealable. Exclusive jurisdiction for appeals of the appraised value of nursing homes lies with the procedures set out in this subdivision. No court of law shall possess subject matter jurisdiction to hear appeals of appraised value determinations of nursing homes.

### Sec. 13. [STUDY AND REPORT.]

The interagency board for quality assurance shall study the following issues and report to the legislature by December 15, 1988, on its findings and recommendations:

(1) the advisability of changing the definition of "hardship" for purposes of the nursing home moratorium;

(2) the advisability of defining the need for nursing home beds in terms of the population aged 75 and older; and

(3) the existence of a geographic maldistribution of long-term care beds and alternative care services in the state.

### Sec. 14. [APPROPRIATIONS.]

The following amounts are appropriated from the general fund to the agencies named for the costs associated with the moratorium exception review process and other responsibilities created by sections 1 to 5:

- (1) \$..... to the commissioner of health;
- (2) \$..... to the commissioner of human services; and
- (3) \$..... to the interagency board for quality assurance.

Sec. 15. [EFFECTIVE DATES.]

Sections 1 and 2 are effective July 1, 1989. Sections 3 to 14 are effective July 1, 1987."

Delete the title and insert:

"A bill for an act relating to health; creating exceptions to the nursing home moratorium; establishing a review process for approval of additional exceptions to the moratorium; prohibiting renewal of licenses for nursing home and boarding care home beds in rooms with more than four beds; providing for changes in property-related costs for reduced licensed bed capacity; allowing for depreciation recapture; providing for a new appeals procedure for appraised value appeal requests; appropriating money; amending Minnesota Statutes 1986, sections 144.55, subdivision 6; 144A.05; 144A.071, subdivision 3; 144A.27; 256B.431, subdivisions 2b, 2e, 3a, 4, and by adding subdivisions; and 256B.50, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 144A."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Skoglund from the Committee on Financial Institutions and Insurance to which was referred:

H. F. No. 792, A bill for an act relating to credit unions; permitting certain groups to join existing credit unions; amending Minnesota Statutes 1986, section 52.05.

Reported the same back with the following amendments:

Page 2, line 7, reinstate the stricken language and delete the new language

Page 2, line 8, delete the new language

Page 2, line 18, reinstate the stricken language

Page 2, line 19, reinstate the stricken language

Page 2, line 20, reinstate the stricken language and delete the new language

Page 2, line 22, delete "In addition to any other provisions the"

Page 2, line 23, delete "commissioner considers proper,"

Page 2, line 26, delete "There shall not be a"

Page 2, line 27, delete "contrary presumption for groups larger than 1,500."

With the recommendation that when so amended the bill pass.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 856, A bill for an act relating to local government; allocating community service block grant discretionary funds; designating certain counties eligible entities for community action funds; amending Minnesota Statutes 1986, sections 268.52, subdivision 2; and 268.53, subdivision 1.

Reported the same back with the following amendments:

Pages 1 and 2, delete section 1

Page 2, line 17, delete "Sec. 2." and insert "Section 1."

Page 2, lines 28 to 30, delete the new language and insert "For purposes of this subdivision, "eligible entity" also means any community action agency which qualified under all federal and state regulations applicable during the period from 1981 to September 30, 1984, which includes only Olmsted and Freeborn counties."

Amend the title as follows:

Page 1, lines 2 and 3, delete "allocating community service block grant discretionary funds;"

Page 1, line 6, delete "sections 268.52, subdivision 2; and" and insert "section"

With the recommendation that when so amended the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 862, A bill for an act relating to commerce; creating a legislative commission to study proposed low-level military air training in northeastern Minnesota; prescribing its duties.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 904, A bill for an act relating to human services; requiring notification to spouse of nursing home resident; amending Minnesota Statutes 1986, section 256B.48, by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1986, section 256B.48, is amended by adding a subdivision to read:

Subd. 8. [NOTIFICATION TO A SPOUSE.] When a private pay resident who has not yet been screened by the preadmission screening team is admitted to a nursing home or boarding care facility, the nursing home or boarding care facility must notify the resident and the resident's spouse of the following:

(1) their right to retain certain resources under section 256B.14, subdivision 2; and

(2) that the federal Medicare hospital insurance benefits program covers post-hospital extended care services in a qualified skilled nursing facility for up to 100 days and that there are several limitations on this benefit. The resident and the resident's family must be informed about all mechanisms to appeal limitations imposed under this federal benefit program.

This notice may be included in the nursing home's or boarding care facility's admission agreement and must clearly explain what resources the resident and spouse may retain if the resident applies for medical assistance. The department of human services must notify nursing homes and boarding care facilities of changes in the determination of medical assistance eligibility that relate to resources retained by a resident and the resident's spouse.

The preadmission screening team has primary responsibility for informing all private pay applicants to a nursing home or boarding care facility of the resources the resident and spouse may retain.

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 931, A bill for an act relating to public guardianship; modifying standards and procedures for the appointment of public guardians for mentally retarded persons; providing for powers and duties of public guardians; amending Minnesota Statutes 1986, sections 252.291, subdivision 3; 252A.01; 252A.02, subdivisions 2, 4, 6, 7, 8, 11, 12, and by adding subdivisions; 252A.03, subdivisions 2 and 3; 252A.04, subdivisions 1 and 3; 252A.05; 252A.06; 252A.07, subdivisions 1 and 3; 252A.14; 252A.16; 252A.17; 252A.19, subdivisions 1, 2, and 3, and by adding a subdivision; 252A.20, subdivision 1; 252A.21, subdivision 2; 253B.03, subdivisions 1 and 6; and 525.56, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 252A; repealing Minnesota Statutes 1986, sections 252A.08; 252A.10; 252A.11; 252A.13; 252A.15; and 252A.18.

Reported the same back with the following amendments:

Page 11, line 29, delete "quarterly" and insert "twice a year"

Page 11, after line 29, insert:

"(2) prohibit filming a ward in any way that would reveal the identity of the ward;"

Re-number remaining clauses

Page 11, line 36, delete "involvement" and insert "input"

Page 15, line 6, delete "quarterly" and insert "twice a year"

Page 16, delete line 33, and insert "services. Consent must be obtained from the person or person's guardian except for emergency procedures as permitted under rules of the commissioner adopted under section 245.825."

Page 16, line 34, delete the new language

Page 17, line 10, delete "as defined" and insert "except for emergency procedures permitted in rules of the commissioner adopted"

Page 21, delete lines 15 to 23 and insert:

"(e) A guardian or conservator or the public guardian's designee who acts within the scope of authority conferred by letters of guardianship under article 1, section 21, subdivision 7, and according to the standards established in this chapter or in chapter 252A shall not be civilly or criminally liable for the provision of any necessary medical care, including but not limited to, the administration of psychotropic medication or the implementation of aversive and deprivation procedures to which the guardian or conservator or the public guardian's designee has consented."

With the recommendation that when so amended the bill pass.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 960, A bill for an act relating to human services; requiring director of state planning agency to contract for development of client advisory committees; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 252.

Reported the same back with the following amendments:

Page 1, line 18, delete "director of the state" and insert "commissioner of jobs and training, through the division of rehabilitation resources"

Page 1, delete line 19

Page 1, line 20, delete "disabilities"

Page 1, line 22, after the first comma insert "and"

Page 1, line 23, delete "and intermediate care facilities for the mentally retarded,"

Page 1, line 24, delete "as appropriate to" and insert "and technical assistance to client advisory committees in"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 1026, A bill for an act relating to retirement; clarifying the responsibilities of the actuary retained by the legislative commission on pensions and retirement; clarifying and revising various actuarial determinations and procedures; authorizing the retention of actuarial advisors by various retirement funds; specifying the contents and methods for supplemental and alternative actuarial valuations; establishing a separate fund for the correctional employees retirement fund; amending Minnesota Statutes 1986, sections 3.85, subdivision 12; 3A.11, subdivision 1; 11A.18, subdivisions 6, 9, and 11; 69.77, subdivisions 2b and 2h; 69.772, subdivision 3; 69.773, subdivisions 2 and 4; 136.82, subdivision 2; 352.01, subdivision 12; 352.03, subdivision 6; 352.116, subdivisions 1, 3, and by adding a subdivision; 352.119, subdivision 2; 352.85, subdivision 6; 352.86, subdivision 4; 352B.01, by adding a subdivision; 352B.02, subdivision 1; 352B.08, subdivision 2; 352B.26, subdivision 3; 353.01, subdivision 14; 353.03, subdivision 3a; 353.271; 353.29, subdivision 6; 353.30, subdivision 3; 354.05, subdivision 7; 354.06, subdivision 2a; 354.07, subdivision 1; 354.35; 354.42, subdivision 5; 354.44, subdivision 2; 354.45; 354.48, subdivision 3; 354.532, subdivisions 1 and 2; 354.55, subdivisions 11, 12, and 13; 354.58; 354.62, subdivision 5; 354.63, subdivision 2; 354A.011, subdivision 17, and by adding a subdivision; 354A.021, by adding a subdivision; 354A.32; 354A.41, subdivision 2; 356.20, subdivisions 2, 3, and 4; 356.215; 356.216; 356.22, subdivision 2; 356.23; 356.41; 356.451, subdivision 1; 422A.01, subdivisions 6, 7, and 10; 422A.04, subdivisions 2 and 3; 422A.06, subdivisions 2, 5, 7, and 8; 422A.101; 422A.15, subdivisions 2 and 3; 422A.16, subdivisions 2, 3a, and 10; 422A.17; 422A.23, subdivisions 6 and 7; 490.121, subdivision 20; and 490.124, subdivision 11; proposing coding for new law in Minnesota Statutes, chapter 352; repealing Minnesota Statutes 1986, section 352B.26, subdivision 2.

Reported the same back with the following amendments:

Page 2, line 35, strike "preceding"

Page 3, line 1, strike "For funds"

Page 3, strike lines 2 and 3

Page 3, line 4, before "year" insert "plan"

Page 3, line 5, strike "1988" and insert "1987".

Page 3, line 34, strike "date" and delete "on" and insert "last business day of the month in"

Page 4, line 12, after "PLANS" insert "; TRANSFER OR REQUIRED RESERVES"

Page 4, line 13, before "Any" insert "(a)"

Page 4, line 15, strike "commencement of a" and insert "last business day of the month in which the"

Page 4, line 16, after "fund" insert "begins"

Page 4, line 23, after the period insert:

"(b) If the exact amount of the actuarially determined required reserves is not readily calculable as of the date of the commencement of a benefit payment, the initial transfer shall be based on the best estimate by the executive director of the retirement fund involved and shall be made on a timely basis. Any necessary adjustments based on specific calculations of actuarially determined required reserves shall be made in later transfers. If a best estimate initial transfer is insufficient, the later transfer from the retirement fund shall include interest on the amount of the required reserve insufficiency at the greater of the following rates:

(1) the average short-term investment return rate earned by the state board over the 30-day period ending with the last business day of the month before the month in which the later adjustment transfer is made; or

(2) the preretirement interest assumption for the retirement fund as specified in section 356.215, subdivision 4d, stated as a monthly rate.

Interest on the amount of a required reserve insufficiency payable by a retirement fund shall be compounded on a monthly basis. No interest shall be payable from the postretirement investment fund in the event of a required reserve oversufficiency.

(c)"

Page 5, line 10, delete "or under a procedure specified by"

Page 5, line 21, delete "or the participating"

Page 5, line 22, delete everything before "as"

Page 6, line 9, delete "or the participating public pension plan or fund,"

Page 6, line 10, delete "whichever is applicable"

Page 6, line 11, delete "or under a procedure specified by"

Page 6, line 17, strike "100"

Page 6, line 18, strike "percent of"

Page 7, after line 11, insert:

"(e) Any retirement annuity payable in the event of retirement before becoming eligible for social security benefits as provided in sections 352.116, subdivision 3, 353.29, subdivision 6, or 354.35, shall be treated as the sum of a period certain retirement annuity and a life retirement annuity for the purposes of any postretirement adjustment. The period certain retirement annuity plus the life retirement annuity shall be the annuity amount payable until age 62 or 65, whichever applies. Any postretirement adjustment granted on the period certain retirement annuity shall terminate when the period certain retirement annuity terminates."

Page 17, line 10, strike ", and"

Page 17, line 11, strike "may deposit" and insert "by depositing"

Page 17, line 18, after "to" insert "the"

Page 18, line 17, delete "trustees" and insert "directors"

Page 21, line 18, before the period insert "or establish an optional annuity which takes the form of a joint and survivor annuity providing that, if after the joint and survivor annuity becomes payable, the person with the designated remainder interest in the annuity dies before the former member, the annuity amount shall be reinstated to a normal single life annuity amount as of the first day of the month after the day the person dies" and after the period insert "In addition, the board may also establish an optional annuity that takes the form of an annuity calculated on the basis of the age of the retired employee at retirement and payable for the period before the retired employee becomes eligible for social security old age retirement benefits in a greater amount than the amount of the annuity calculated under subdivision 2 on the basis of the age of the retired employee at retirement but equal insofar as possible to the social security old age retirement benefit and the adjusted retirement annuity amount payable immediately after the retired employee becomes eligible for social security old age retirement benefits and payable for the period after the retired employee becomes eligible for social security old age retirement benefits in an amount less than the amount of the annuity calculated under subdivisions 2 and 3. The social security leveling option may be calculated based on broad average social security old age retirement benefits."

Page 22, line 13, strike "date" and delete "of" and insert "last business day of the month in which the" and before the period insert "annuity or disability benefit begins"

Page 27, line 5, before "in" insert "as of the last business day of the month in which the retirement annuity begins"

Page 30, line 24, strike "date of" and insert "last business day of the month in which the" and after "retirement" insert "annuity begins"

Page 31, line 18, after the period insert "The social security leveling option may be calculated based on broad average social security old age retirement benefits."

Page 35, line 28, delete everything after "member" and insert "attains the age of 65 years"

Page 35, line 29, delete "retirement benefits"

Page 36, line 1, after the period insert "The social security leveling option may be calculated based on broad average social security old age retirement benefits."

Page 36, line 18, after "liability" insert "computed under the entry age actuarial cost method and"

Page 38, line 27, after "deductions" insert "and interest accrued to the date of retirement"

Page 42, line 29, after "teaching" insert "service"

Page 42, line 35, delete "retired" and insert "retires"

Page 44, line 9, delete "in effect on July 1, 1969"

Page 44, line 25, reinstate the stricken language

Page 44, line 26, reinstate the stricken language and delete the underscored language

Page 44, line 27, delete the underscored language

Page 44, line 28, delete the underscored language

Page 45, line 13, strike "an"

Page 45, line 14, before "interest" insert "the applicable postretirement" and strike "of five percent" and insert "specified in section 356.215"

Page 46, line 24, before "354.44" insert "354.35."

Page 47, line 11, strike "date of" and insert "last business day of the month in which the" and after "retirement" insert "annuity begins"

Page 49, after line 21, insert:

"Sec. 50. Minnesota Statutes 1986, section 354A.33, is amended to read:

**354A.33 [SOCIAL SECURITY LEVELING ADJUSTMENT OPTION.]**

Any coordinated member who retires prior to the time the member becomes eligible for social security old age retirement benefits shall be entitled to elect to receive a social security leveling adjustment optional annuity from the teachers retirement fund association. The social security leveling adjustment optional annuity shall be established by the board of the teachers retirement fund association. It shall take the form of an annuity payable for the period prior to the member's becoming eligible for social security old age retirement benefits in an amount greater than the amount of the member's annuity calculated pursuant to section 354A.31 on the basis of the age of the member at retirement but equal insofar as possible to the social security old age retirement benefit and the adjusted retirement annuity amounts payable immediately subsequent to becoming eligible for social security old age retirement benefits in an amount less than the amount of the member's annuity calculated pursuant to section 354A.31 on the basis of the age of the member at retirement. The optional form shall be the actuarial equivalent to the normal forms provided in section 354A.31. In establishing the optional form, the board shall obtain the written recommendation of ~~an~~ approved the commission retained actuary and the recommendation shall be a part of the permanent records of the board."

Page 52, line 18, strike "and" and insert "cash" and after "equivalents" insert ", and short-term securities"

Page 52, after line 21, insert "Equity in the Minnesota postretirement investment fund"

Page 53, line 11, before "Annuity" insert "Retirement"

Page 53, after line 11, insert "Disability benefit payments"

Page 53, line 26, strike "annuities" and insert "benefits"

Page 53, line 27, strike "spouses' annuities" and insert "spouse and child benefits"

Page 53, strike line 28

Page 53, line 33, strike "benefits" and insert "annuities"

Page 54, line 17, strike "benefit payments," and insert "the payment of"

Page 54, line 18, strike "benefits" and insert "annuities"

Page 55, line 19, after "plan" strike the old language and delete the new language

Page 55, strike line 20

Page 55, line 21, strike the old language and delete the new language

Page 55, line 22, delete everything before the period

Page 57, line 22, strike "sixth" and insert "11th"

Page 60, line 6, after "unfunded" insert "actuarial"

Page 60, line 7, after "unfunded" insert "actuarial"

Page 60, line 9, strike "be" and insert "include"

Page 60, line 10, strike "organized in" and strike "manner"

Page 60, line 12, strike "and" and insert "cash" and after "equivalents" insert "and short-term securities"

Page 60, after line 15, insert:

"Equity in the Minnesota postretirement investment fund ..."

Page 60, line 25, after "Actuarial" insert "present" and after "of" insert "credited projected"

Page 60, line 29, strike "annuities" and insert "benefits"

Page 60, line 30, strike "spouses' annuities" and insert "spouse and child benefits"

Page 60, strike line 31

Page 61, line 13, before "liability" insert "actuarial"

Page 61, line 16, before "liability" insert "actuarial"

Page 65, line 19, strike "be submitted in" and insert "contain"

Page 65, line 20, strike "form" and insert "information"

Page 65, strike line 22

Page 65, line 23, strike "Payroll"

Page 65, line 36, strike "Annual"

Page 66, line 1, strike "Annuity" and delete "or"

Page 66, line 2, strike "Benefit"

Page 66, line 14, strike "Disabled annuitants" and insert "Disability benefit recipients"

Page 66, line 15, strike "annuitants" and insert "benefit recipients"

Page 66, line 16, strike "children annuitants" and insert "child benefit recipients"

Page 66, line 27, strike "which substantiates" and insert "of the experience of the fund or association and a comparison of the experience with"

Page 66, line 30, strike the colon

Page 66, strike lines 31 to 34

Page 66, lines 35 and 36, strike the old language and delete the new language

Page 67, line 1, strike the old language and delete the new language

Page 67, line 2, strike "(2)"

Page 67, line 3, strike the semicolon

Page 67, strike line 4

Page 67, line 5, strike "date of the experience study."

Page 67, line 6, strike "(b)"

Page 67, line 18, before the period insert "and the standards for actuarial work adopted by the legislative commission on pensions and retirement"

Page 67, after line 18, insert:

"Subd. 7. [ESTABLISHMENT OF ACTUARIAL ASSUMPTIONS.] Actuarial assumptions used for actuarial valuations under this section that are other than those set forth in this section may be changed only with the approval of the legislative commission on pensions and retirement. A change in the applicable actuarial assumptions may be proposed by the governing board of the applicable pension fund or relief association, by the actuary retained by the legislative commission on pensions and retirement, by the actuarial advisor retained by a pension fund governed by chapter 352, 353, 354, or 354A, or by the actuary retained by a local police or firefighters' relief association governed by sections 69.77 or 69.771 to 69.776."

Page 77, line 30, before the period insert "as of the last business day of the month in which the retirement allowance begins"

Page 77, line 33, after the period insert "Any required reserve calculations for the retirement benefit fund shall be made by the actuary retained by the legislative commission on pensions and retirement and shall be certified to the retirement board by the commission retained actuary."

Page 91, line 4, delete "1986" and insert "1987"

Page 91, after line 8, insert:

"Sec. 83. [TEMPORARY PROVISION.]

The provisions of sections 11, 12, 14 to 16, 23, 25, 28 to 30, 33, 35 to 38, 40, 44, 46, 47, 49, 61, 62, 65, 69, 71 to 74, and 78 to 80 shall not be considered to require any immediate change in current actuarial assumptions, optional annuity forms, optional annuity factors, and early retirement reduction factors, shall only apply to any changes in these items after the effective date of this section, and shall not be considered to require any change without a significant deviation from actual experience."

Page 91, line 10, delete "This act is" and insert "Sections 1 to 19 and 21 to 83 are" and after the period insert "Section 20 is effective as soon as is practicable following final enactment."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 31, after "354A.32;" insert "354A.33;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 1045, A bill for an act relating to insurance; establishing a demonstration project to provide medical insurance to certain low income persons; proposing coding for new law in Minnesota Statutes, chapter 256B.

Reported the same back with the following amendments:

Page 1, line 17, after "Aitkin," insert "Pine,"

Page 1, after line 22, insert:

"(2) "coalition" means an organization comprised of members representative of small business, health care providers, county social service departments, health consumer groups, and the health industry, established to serve the purposes of this demonstration;"

Page 1, line 23, delete "(2)" and insert "(3)"

Page 1, line 24, delete "doing business" and insert "regulated"

Page 1, line 25, delete "(3)" and insert "(4)"

Page 2, line 3, delete "(4)" and insert "(5)"

Page 2, line 12, after the semicolon insert "and"

Page 2, delete lines 13 to 17

Page 2, line 18, delete "(5)" and insert "(3)"

Page 2, delete lines 22 to 31 and insert:

"Subd. 5. [ENROLLEE BENEFITS.] Eligible persons enrolled by a demonstration provider shall receive a health services benefit package that includes health services which the enrollees might

reasonably require to be maintained in good health, including emergency care, inpatient hospital and physician care, outpatient health services, and preventive health services, except that services related to chemical dependency, mental illness, vision care, dental care, and other benefits may be excluded or limited upon approval by the commissioner. The commissioner, the coalition, and demonstration providers shall work together to design a package of benefits or packages or benefits that can be provided to enrollees for an affordable monthly premium.

Page 4, line 12, delete everything after "9." and insert "[WAIVER REQUIRED.]"

Page 4, delete line 13

Page 4, line 14, delete "(b)"

Page 4, after line 16, insert:

"Subd. 10. [COORDINATION OF DEMONSTRATION WITH REGION.] The commissioner shall consult with a health insurance coalition formed locally with members from the demonstration area. This coalition will work with the commissioner and potential demonstration providers as well as other private and public organizations to suggest program design, to secure additional funding support, and to ensure the program's local applicability."

With the recommendation that when so amended the bill pass.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 1059, A bill for an act relating to agricultural land; modifying conditions under which certain landowners must offer land to the previous owner; amending Minnesota Statutes 1986, section 500.24, subdivision 6.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 500.24, subdivision 6, is amended to read:

Subd. 6. [DISPOSAL OF LAND.] A state or federal agency or a corporation, other than a family farm corporation or an authorized farm corporation, when leasing or selling farm land or a farm homestead, must offer or make a good faith effort to offer land for

sale or lease to the immediately preceding former owner at a price no higher than the highest price offered by a third party that is acceptable to the seller or lessor. “Highest price offered by a third party” means the acceptable cash price offered by a third party or the acceptable time-price offer made by a third party. A cash-price offer is one which involves contemporaneous transfer of title. If the acceptable offer made by a third party is a time-price offer, the seller or lessor must make the same time-price offer or an equivalent cash offer to the immediately preceding former owner. An equivalent cash offer is equal to the total of the payments made over a period of the time-price offer discounted by the treasury yield curve for like time periods plus 2.0 percent. A time-price offer is an offer that defers payment of any portion of the price and does not involve a transfer of fee title until full payment is made. An offer to lease to the former owner is required only on the first each occasion on which the property is leased until the property is actually sold or until the former owner fails to exercise the right of first refusal. An offer to sell to the former owner is required only on the first occasion on which the property is sold. An offer to sell or lease to the preceding former owner must be in writing and must accurately report all relevant details of the sale or lease offer acceptable to the seller or lessor. An offer to sell must have a copy of the purchase agreement for the highest offer made by a third party that is acceptable to the seller and must be included with the notice under this subdivision. An offer to lease must have a copy of the lease agreement for the highest offer made by a third party that is acceptable to the seller and must be included with the notice under this subdivision. An offer delivered by certified mail to the former owner’s last known address is a good faith offer. This subdivision does not apply to a sale or lease that occurs after the seller or lessor has held the property for five years except for a corporation that holds land under subdivision 3, clause (i) in which case the requirement to offer to sell or lease to the immediately preceding owner remains in effect for ten years.

The former owner must exercise the right to lease farm land within ten days after receiving an offer to lease under this subdivision. The former owner must exercise the right to buy farm land within 60 days after receiving an offer to buy under this subdivision. This subdivision does not apply if the former owner is a bankrupt estate.

The right under this subdivision may not be waived unless the waiver is signed after the right actually exists and could be exercised by the previous owner.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 1088, A bill for an act relating to organ donation; appropriating money to print driver's license renewal notice communications about organ donation.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 1104, A bill for an act relating to veterans; establishing a veterans advisory committee; proposing coding for new law in Minnesota Statutes, chapter 198.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 1128, A bill for an act relating to elections; changing precinct caucus dates, times, and procedures; changing the date of the state primary; requiring separate party primary ballots and party endorsements indicated on primary ballots; amending Minnesota Statutes 1986, sections 202A.14, subdivision 1; 202A.18, subdivision 2; 204B.21, subdivision 1; 204B.33; 204C.07, subdivision 4; 204C.13, subdivision 1; 204D.03, subdivision 1; 204D.05; 204D.06; and 204D.08, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 204D; repealing Minnesota Statutes 1986, section 204D.08, subdivision 5.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 204B.21, subdivision 1, is amended to read:

Subdivision 1. [APPOINTMENT LISTS; DUTIES OF POLITICAL PARTIES AND COUNTY AUDITOR.] On July April 1 in a year in which there is an election for a partisan political office, the county or

legislative district chairs of each major political party, whichever is designated by the state party, shall prepare a list of eligible voters to act as election judges in each election precinct in the county or legislative district. The chairs shall furnish the lists to the county auditor of the county in which the precinct is located.

By ~~July~~ April 15, the county auditor shall furnish to the appointing authorities a list of the appropriate names for each election precinct in the jurisdiction of the appointing authority. Separate lists shall be submitted by the county auditor for each major political party.

Sec. 2. Minnesota Statutes 1986, section 204B.33, is amended to read:

204B.33 [NOTICE OF FILING.]

Between ~~June~~ March 1 and ~~July~~ April 1 in each even-numbered year, the secretary of state shall notify each county auditor of the offices to be voted for in that county at the next state general election for which candidates file with the secretary of state. The notice shall include the time and place of filing for those offices. Within ten days after notification by the secretary of state, each county auditor shall notify each municipal clerk in the county of all the offices to be voted for in the county at that election and the time and place for filing for those offices. The county auditors and municipal clerks shall promptly post a copy of that notice in their offices.

Sec. 3. Minnesota Statutes 1986, section 204D.03, subdivision 1, is amended to read:

Subdivision 1. [STATE PRIMARY.] The state primary shall be held on the first Tuesday after the second Monday in ~~September~~ June in each even-numbered year to select the nominees of the major political parties for partisan offices and the nominees for nonpartisan offices to be filled at the state general election, other than presidential electors.

Sec. 4. Minnesota Statutes 1986, section 204D.03, is amended by adding a subdivision to read:

Subd. 1a. [PRESIDENTIAL PRIMARY.] On the first Tuesday after the second Monday in June of each year in which a president of the United States is to be nominated and elected, there must be held with the state primary a presidential primary for the purpose of securing the expression of the sentiment and will of the voters with respect to candidates for nomination for the office of president of the United States.

Sec. 5. [204D.065] [NAMES ON BALLOT IN PRESIDENTIAL PRIMARY.]

The following individuals must be listed as candidates in the appropriate party column of the presidential primary ballot:

(1) any individual whose name has been entered as a candidate for the nomination of a political party in presidential primaries in two or more other states during the same year; and

(2) any individual nominated as a candidate for the presidential nomination of a political party by a petition bearing the names of 2,000 eligible voters from each congressional district.

A tentative determination of the candidates to be listed on the party ticket of each political party on the presidential primary ballot must be announced by the secretary of state ten weeks before the primary to allow voters to nominate unlisted candidates by petition. The secretary of state shall notify each individual whose name is to be listed on the presidential primary ballot that the individual's name will be listed unless the individual submits an affidavit stating that the individual is not a candidate for the presidential nomination, does not intend to become a candidate, and would not accept the nomination. The affidavit must be received by the secretary of state not later than six weeks before the presidential primary. The secretary of state shall certify to the county auditors the names of all candidates who will appear on the presidential primary ballot not later than five weeks before the primary.

Sec. 6. Minnesota Statutes 1986, section 204D.08, is amended by adding a subdivision to read:

Subd. 4a. [PRESIDENTIAL PRIMARY BALLOTS.] The secretary of state shall prepare the presidential primary ballot which must be printed on orange paper with separate columns for the candidates of each political party.

Sec. 7. [EFFECTIVE DATE.]

This article is effective January 1, 1988."

Delete the title and insert:

"A bill for an act relating to elections; changing the date of the state primary; requiring a presidential primary; requiring party endorsements on certain ballots; amending Minnesota Statutes 1986, sections 204B.21, subdivision 1; 204B.33; 204D.03, subdivision 1, and by adding a subdivision; and 204D.08, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 204D."

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 1174, A bill for an act relating to crime victims; requiring courts to impose minimum fines on persons convicted of assault or sexual abuse; requiring that the proceeds of these minimum fines be forwarded to local victim assistance programs and the state crime victim and witness advisory council; clarifying certain ambiguous language; amending Minnesota Statutes 1986, section 609.101.

Reported the same back with the following amendments:

Page 3, delete lines 27 to 30

With the recommendation that when so amended the bill pass.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 1188, A bill for an act relating to energy and economic development; providing for the powers and duties of the commissioner of energy and economic development; classifying certain government data; providing definitions; authorizing certain Indian tribes to create community energy councils; authorizing governmental units to accept certain money from the state or federal government and providing for restrictions on that money; providing the purpose for which an appropriation may be spent; amending Minnesota Statutes 1986, sections 116J.09; 116J.10; 116J.19, subdivision 6; 116J.27, by adding a subdivision; 116J.36, subdivision 2; 116J.381, subdivision 2; and 471.65, subdivisions 1 and 2; Laws 1981, chapter 334, section 1, subdivision 1.

Reported the same back with the following amendments:

Page 5, line 1, delete "who is 65 years old or older,"

Page 5, line 3, delete "The"

Page 5, delete lines 4 and 5

Page 5, delete section 4

Pages 6 and 7, delete sections 7 and 8

Renumber the sections in sequence

Delete the title and insert:

“A bill for an act relating to energy and economic development; providing for the powers and duties of the commissioner of energy and economic development; clarifying definitions; authorizing certain Indian tribes to create community energy councils; providing the purpose for which an appropriation may be spent; amending Minnesota Statutes 1986, sections 116J.09; 116J.10; 116J.19, subdivision 6; 116J.36, subdivision 2; and 116J.381, subdivision 2; Laws 1981, chapter 334, section 1, subdivision 1.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 1189, A resolution memorializing the United States Congress to amend the Employment Retirement Security Act to permit the direct regulation of self-insured health care plans.

Reported the same back with the following amendments:

Page 2, after line 35, insert:

“BE IT FURTHER RESOLVED that such an exemption shall not apply to collectively bargained health and welfare plans without an affirmative action by the Minnesota Legislature.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 1210, A bill for an act relating to human services; regulating the licensure of programs for the care of children or of adults with certain disabilities; providing penalties; replacing the existing licensure law; proposing coding for new law as Minnesota Statutes, chapter 245A; repealing Minnesota Statutes 1986, sections 245.781; 245.782; 245.783; 245.791; 245.792; 245.801; 245.802;

245.803; 245.804; 245.805; 245.811; 245.812; 245.88; 245.881; 245.882; 245.883; 245.884; and 245.885.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [245A.01] [CITATION.]

Sections 1 to 16 may be cited as the “human services licensing act.”

Sec. 2. [245A.02] [DEFINITIONS.]

Subdivision 1. [SCOPE.] The terms used in sections 1 to 16 have the meanings given them in this section.

Subd. 2. [ADULT.] “Adult” means a person who is 18 years old or older and who:

(1) has mental illness, mental retardation or a related condition, a physical handicap, or a functional impairment; or

(2) is chemically dependent or abuses chemicals.

Subd. 3. [APPLICANT.] “Applicant” means an individual, corporation, partnership, voluntary association or other organization that has applied for licensure under sections 1 to 16 and the rules of the commissioner.

Subd. 4. [CHILD.] “Child” means a person who has not reached age 18.

Subd. 5. [COMMISSIONER.] “Commissioner” means the commissioner of human services or the commissioner’s designated representative including county agencies and private agencies.

Subd. 6. [COUNTY AGENCY.] “County agency” means the agency designated by the county board of commissioners, human service boards, county welfare boards or multicounty welfare boards, or departments where those have been established under the law.

Subd. 7. [FUNCTIONAL IMPAIRMENT.] For the purposes of adult day care or adult foster care, “functional impairment” means:

(1) a condition that is characterized by substantial difficulty in carrying out one or more of the essential major activities of daily living, such as caring for oneself, performing manual tasks, walking, seeing, hearing, speaking, breathing, learning, working; or

(2) a disorder of thought or mood that significantly impairs judgment, behavior, capacity to recognize reality, or ability to cope with the ordinary demands of life and that requires support to maintain independence in the community.

Subd. 8. [LICENSE.] “License” means a certificate issued by the commissioner authorizing the license holder to provide a specified program for a specified period of time and in accordance with the terms of the license and the rules of the commissioner.

Subd. 9. [LICENSE HOLDER.] “License holder” means an individual, corporation, partnership, voluntary association, or other organization that is legally responsible for the operation of the program and has been granted a license by the commissioner under sections 1 to 16 and the rules of the commissioner.

Subd. 10. [NONRESIDENTIAL PROGRAM.] “Nonresidential program” means care, supervision, rehabilitation, training or habilitation of a person provided outside the person’s own home and provided for fewer than 24 hours a day, including adult day-care programs; a nursing home with five or more persons whose primary diagnosis is mental retardation or mental illness and receives public funds that are administered by the commissioner; a nursing home or hospital that was licensed by the commissioner on July 1, 1987, to provide a program for persons with a physical handicap that is not the result of the normal aging process and considered to be a chronic condition; and chemical dependency or chemical abuse programs that are located in a nursing home or hospital and receive public funds for providing chemical abuse or chemical dependency treatment services under chapter 254B. Nonresidential programs include home and community-based services and semi-independent living services for persons with mental retardation that are provided in or outside of a person’s own home.

Subd. 11. [PERSON.] “Person” means a child or adult as defined in subdivisions 2 and 4.

Subd. 12. [PRIVATE AGENCY.] “Private agency” means an individual, corporation, partnership, voluntary association or other organization, other than a county agency, or a court with jurisdiction, that places persons who cannot remain in their own homes in residential programs, foster care, or adoptive homes.

Subd. 13. [INDIVIDUAL WHO IS RELATED.] “Individual who is related” means a spouse, a parent, a stepparent, a stepbrother, a stepsister, a niece, a nephew, an adoptive parent, a grandparent, a sibling, an aunt, an uncle, or a legal guardian.

Subd. 14. [RESIDENTIAL PROGRAM.] “Residential program” means a program that provides 24-hour-a-day care, supervision, food, lodging, rehabilitation, training, education, habilitation, or

treatment outside a person's own home, including a nursing home or hospital that provides services for five or more persons whose primary diagnosis is mental retardation or mental illness and receives public funds that are administered by the commissioner; a nursing home or hospital that was licensed by the commissioner on July 1, 1987, to provide a program for persons with a physical handicap that is not the result of the normal aging process and considered to be a chronic condition; and chemical dependency or chemical abuse programs that are located in a hospital or nursing home and receive public funds for providing chemical abuse or chemical dependency treatment services under chapter 254B. Residential programs include home and community-based services and semi-independent living services for persons with mental retardation that are provided in or outside of a person's own home.

Sec. 3. [245A.03] [WHO MUST BE LICENSED.]

Subdivision 1. [LICENSE REQUIRED.] Unless licensed by the commissioner, an individual, corporation, partnership, voluntary association or other organization must not:

- (1) operate a residential or a nonresidential program;
- (2) receive a child or adult for care, supervision, or placement in foster care or adoption;
- (3) help plan the placement of a child or adult in foster care or adoption; or
- (4) advertise residential or nonresidential program.

Subd. 2. [EXCLUSION FROM LICENSURE.] Sections 1 to 16 do not apply to:

- (1) residential or nonresidential programs that are provided to a person by an individual who is related;
- (2) nonresidential programs that are provided by an unrelated individual to persons from a single related family;
- (3) residential or nonresidential programs that are provided to adults who do not abuse chemicals or who do not have a chemical dependency, a mental illness, mental retardation or a related condition, a functional impairment, or a physical handicap;
- (4) sheltered workshops or work activity programs that are certified by the commissioner of jobs and training;
- (5) programs for children enrolled in kindergarten to the 12th grade and prekindergarten special education programs that are

operated by the commissioner of education or a legally constituted local school board, or private schools that have been approved under the rules of the commissioner of education;

(6) nonresidential programs for children that provide care or supervision for periods of less than three hours a day while the child's parent or legal guardian is in the same building or present on property that is contiguous with the physical facility where the nonresidential program is provided;

(7) nursing homes or hospitals licensed by the commissioner of health;

(8) board and lodge facilities licensed by the commissioner of health that provide services for more than five persons whose primary diagnosis is mental illness or mental retardation who have refused services in a residential program;

(9) homes providing programs for persons placed there by a licensed agency for legal adoption, unless the adoption is not completed within two years;

(10) programs licensed by the commissioner of corrections;

(11) recreation programs for children or adults that operate for fewer than 40 calendar days in a calendar year;

(12) programs not located in family or group family day care homes whose primary purpose is to provide activities outside of the regular school day for children age five and older, until such time as appropriate rules have been adopted by the commissioner;

(13) head start nonresidential programs which operate for less than 31 days in each calendar year;

(14) noncertified boarding care homes unless they provide services for five or more persons whose primary diagnosis is mental illness or mental retardation;

(15) family day care for nonhandicapped children provided for a cumulative total of less than 30 days in any 12-month period; or

(16) residential programs for persons with mental illness, that are located in hospitals, until the commissioner adopts appropriate rules.

Subd. 3. [UNLICENSED PROGRAMS.] (a) It is a misdemeanor for an individual, corporation, partnership, voluntary association, or other organization to provide a residential or nonresidential pro-

gram without a license and in willful disregard of sections 1 to 16 unless the program is excluded from licensure under subdivision 2.

(b) If, after receiving notice that a license is required, the individual, corporation, partnership, voluntary association, or other organization has failed to apply for a license, the commissioner may ask the appropriate county attorney or the attorney general to begin proceedings to secure a court order against the continued operation of the program. The county attorney and the attorney general have a duty to cooperate with the commissioner.

#### Sec. 4. [245A.04] [APPLICATION PROCEDURES.]

Subdivision 1. [APPLICATION FOR LICENSURE.] An individual, corporation, partnership, voluntary association or other organization subject to licensure under section 3 must apply for a license. The application must be made on the forms and in the manner prescribed by the commissioner. The commissioner shall provide the applicant with instruction in completing the application and provide information about the rules and requirements of other state agencies that affect the applicant.

The commissioner shall act on the application within 90 working days after a complete application and any required reports have been received from other state agencies or departments, counties, municipalities, or other political subdivisions.

Subd. 2. [NOTIFICATION OF AFFECTED MUNICIPALITY.] The commissioner must not issue a license without giving 30 calendar days' written notice to the affected municipality or other political subdivision unless the program is considered a permitted single-family residential use under sections 11 and 14. The notification must be given before the first issuance of a license and annually after that time if annual notification is requested in writing by the affected municipality or other political subdivision. State funds must not be made available to or be spent by an agency or department of state, county, or municipal government for payment to a residential or nonresidential program licensed under sections 1 to 16 until the provisions of this subdivision have been complied with in full. The provisions of this subdivision shall not apply to programs located in hospitals.

Subd. 3. [STUDY OF THE APPLICANT.] (a) Before issuing a license, the commissioner shall conduct a study of the applicant. The applicant, the bureau of criminal apprehension, county attorneys, county sheriffs, county agencies, and local chiefs of police, after notice to the subject of the data, shall help with the study by giving the commissioner criminal conviction data, arrest information, reports about abuse or neglect of children or adults, and investigation results available from local, state, and national criminal record

repositories, including the criminal justice data communications network, about:

(1) the applicant;

(2) persons living in the household where the licensed program will be provided;

(3) employees or contractors of the applicant who will have direct contact with persons served by the program; and

(4) volunteers who have direct contact with persons served by the program, if the contact is not directly supervised by the individuals listed in clause (1) or (3).

The commissioner and agencies required to help conduct the study may charge the applicant or the subject of the data a reasonable fee for conducting the study.

(b) A study must meet the following minimum criteria:

(1) if the subject of the data has resided in the same county for at least the past five years, the study must include information from the county sheriff and the county attorney;

(2) if the subject of the data has resided in the state, but not in the same county, for the past five years, the study must include information from the agencies listed in clause 1 and the bureau of criminal apprehension; and

(3) if the subject of the data has not resided in the state for at least five years, the study must include information from the agencies listed in clauses 1 and 2 and the national criminal records repository and the state law enforcement agencies in the states where the subject of the data has maintained a residence during the past five years.

(c) An applicant's failure or refusal to cooperate with the commissioner is reasonable cause to deny an application or revoke or suspend a license. Failure or refusal of an individual to cooperate with the study is just cause for denying or terminating employment of the individual if the individual's failure or refusal to cooperate could cause the applicant's application to be denied or the license holder's license to be immediately suspended, suspended, or revoked.

(d) The commissioner shall not consider an application to be complete until all of the information required to be provided under this subdivision has been received.

Subd. 4. [INSPECTIONS; WAIVER.] (a) Before issuing a license, the commissioner shall conduct an inspection of the program. The inspection must include but is not limited to:

- (1) an inspection of the physical plant;
- (2) an inspection of records and documents;
- (3) an evaluation of the program by consumers of the program; and
- (4) observation of the program in operation.

For the purposes of this subdivision, "consumer" means a person who receives the services of a licensed program, the person's legal guardian, or the parent or individual having legal custody of a child who receives the services of a licensed program.

(b) The evaluation required in paragraph (a), clause (3) or the observation in paragraph (a), clause (4) is not required prior to issuing a provisional license under subdivision 7. If the commissioner issues a provisional license under subdivision 7, these requirements must be completed within one year after the issuance of a provisional license. The observation in paragraph (a), clause (4) is not required if the commissioner determines that the observation would hinder the persons receiving services in benefitting from the program.

Subd. 5. [COMMISSIONER'S RIGHT OF ACCESS.] When the commissioner is exercising the powers conferred by sections 1 to 16, the commissioner must be given access to the physical plant and grounds where the program is provided, documents, persons served by the program, and staff whenever the program is in operation and the information is relevant to inspections or investigations conducted by the commissioner. The commissioner must be given access without prior notice and as often as the commissioner considers necessary if the commissioner is conducting an investigation of allegations of abuse, neglect, or other violation of applicable laws or rules. In conducting inspections, the commissioner may request and shall receive assistance from other state, county, and municipal governmental agencies and departments. The applicant or license holder shall allow the commissioner to photocopy, photograph, and make audio and video tape recordings during the inspection of the program at the commissioner's expense. The commissioner shall obtain a court order before photocopying hospital medical records.

Persons served by the program have the right to refuse to consent to be interviewed, photographed, or audio or videotaped. Failure or refusal of an applicant or license holder to fully comply with this subdivision is reasonable cause for the commissioner to deny the application or immediately suspend or revoke the license.

Subd. 6. [COMMISSIONER'S EVALUATION.] Before granting, suspending, revoking, or making probationary a license, the commissioner shall evaluate information gathered under this section. The commissioner's evaluation shall consider facts, conditions, or circumstances concerning the program's operation, the well-being of persons served by the program, consumer evaluations of the program, and information about the character and qualifications of the personnel employed by the applicant or license holder.

The commissioner shall evaluate the results of the study required in subdivision 3 and determine whether a risk of harm to the persons served by the program exists. In conducting this evaluation, the commissioner shall apply the disqualification standards set forth in rules adopted under this chapter. If any rule currently does not include these disqualification standards, the commissioner shall apply the standards in section 364.03, subdivision 2 until the rule is revised to include disqualification standards. The commissioner shall revise all rules authorized by this chapter to include disqualification standards. The provisions of chapter 364 do not apply to applicants or licenseholders governed by sections 1 to 16 except as provided in this subdivision.

Subd. 7. [ISSUANCE OF A LICENSE; PROVISIONAL LICENSE.] (a) If the commissioner determines that the program complies with all applicable rules and laws, the commissioner shall issue a license. At minimum, the license shall state:

(1) the name of the license holder;

(2) the address of the program;

(3) the effective date and expiration date of the license;

(4) the type of license;

(5) the maximum number and ages of persons that may receive services from the program; and

(6) any special conditions of licensure.

(b) The commissioner may issue a provisional license for a period not to exceed one year if:

(1) the commissioner is unable to conduct the evaluation or observation required by subdivision 4, paragraph (a), clauses 3 and 4, because the program is not yet operational;

(2) certain records and documents are not available because persons are not yet receiving services from the program; and

(3) the applicant complies with applicable laws and rules in all other respects.

A provisional license must not be issued except at the time that a license is first issued to an applicant.

A license shall not be transferable to another individual, corporation, partnership, voluntary association or other organization, or to another location. All licenses expire at 12:01 a.m. on the day after the expiration date stated on the license. A license holder must apply for and be granted a new license to operate the program or the program must not be operated after the expiration date.

#### Sec. 5. [245A.05] [DENIAL OF APPLICATION.]

An applicant whose application has been denied by the commissioner must be given notice of the denial. Notice must be given by certified mail. The notice must state the reasons the application was denied and must inform the applicant of the right to a contested case hearing under chapter 14. The applicant may appeal the denial by notifying the commissioner in writing by certified mail within 20 calendar days after receiving notice that the application was denied. Section 8 applies to hearings held to appeal the commissioner's denial of an application.

#### Sec. 6. [245A.06] [CORRECTION ORDER AND FINES.]

Subdivision 1. [CONTENTS OF CORRECTION ORDERS.] If the commissioner finds that the applicant or license holder has failed to comply with an applicable law or rule and this failure does not imminently endanger the health, safety, or rights of the persons served by the program, the commissioner may issue a correction order to the applicant or license holder. The correction order must state:

- (1) the conditions that constitute a violation of the law or rule;
- (2) the specific law or rule violated; and
- (3) the time allowed to correct each violation.

Subd. 2. [RECONSIDERATION OF CORRECTION ORDERS.] If the applicant or license holder believes that the contents of the commissioner's correction order are in error, the applicant or license holder may ask the department of human services to reconsider the parts of the correction order that are alleged to be in error. The request for reconsideration must be in writing, delivered by certified mail, and:

- (1) specify the parts of the correction order that are alleged to be in error;

(2) explain why they are in error; and

(3) include documentation to support the allegation of error.

A request for reconsideration does not stay any provisions or requirements of the correction order. The commissioner shall respond to requests made under this subdivision within 15 working days after receipt of the request for reconsideration. The commissioner's disposition of a request for reconsideration is final and not subject to appeal under chapter 14.

Subd. 3. [FAILURE TO COMPLY.] If upon reinspection, the commissioner finds that the applicant or license holder has not corrected the violations specified in the correction order, the commissioner may order a fine. This section does not prohibit the commissioner from seeking a court order, denying an application, or suspending, revoking, or making probationary the license in addition to ordering a fine.

Subd. 4. [NOTICE OF FINE; APPEAL.] A license holder who is ordered to pay a fine must be notified of the order by certified mail. The notice must be mailed to the address shown on the application or the last known address of the license holder. The notice must state the reasons the fine was ordered and must inform the license holder of the right to a contested case hearing under chapter 14. The license holder may appeal the order to forfeit a fine by notifying the commissioner by certified mail within 15 calendar days after receiving the order. A timely appeal shall stay forfeiture of the fine until the commissioner issues a final order under section 8, subdivision 5.

Subd. 5. [FORFEITURE OF FINES.] The license holder shall pay the fines assessed within 15 calendar days of receipt of notice of the commissioner's order. If the license holder fails to fully comply with the order, the commissioner shall suspend the license until the license holder complies. If the license holder receives state funds, the state, county, or municipal agencies or departments responsible for administering the funds shall withhold payments and recover any payments made while the license is suspended for failure to pay a fine.

Subd. 6. [AMOUNT OF FINES.] Until the commissioner adopts one or more schedules of fines, fines shall be assessed as follows:

(1) the license holder shall forfeit \$1,000 for each occurrence of violation of law or rule prohibiting the maltreatment of children or the abuse, neglect, or exploitation of vulnerable adults, including but not limited to corporal punishment, illegal or unauthorized use of physical, mechanical, or chemical restraints, and illegal or unauthorized use of aversive or deprivation procedures;

(2) the license holder shall forfeit \$200 for each occurrence of a violation of law or rule governing matters of health, safety, or supervision, including but not limited to the provision of adequate staff to child or adult ratios, except that the holder of a family or group family day care license shall forfeit \$100 for a violation under this clause; and

(3) the license holder shall forfeit \$100 for each occurrence of a violation of law or rule other than those included in clauses (1) and (2), except that the holder of a family or group family day care license shall forfeit \$50 for a violation under this clause.

For the purposes of this section, "occurrence" means each calendar day or part of a day that a violation continues to exist after the date set for correction in the commissioner's correction order.

### Sec. 7. [245A.07] [SANCTIONS.]

Subdivision 1. [SANCTIONS AVAILABLE.] In addition to ordering forfeiture of fines, the commissioner may propose to suspend, revoke, or make probationary the license or secure an injunction against the continuing operation of the program of a license holder who does not comply with applicable law or rule. When applying sanctions authorized under this section, the commissioner shall consider the nature, chronicity, or severity of the violation of law or rule and the effect of the violation on the health, safety, or rights of persons served by the program.

Subd. 2. [IMMEDIATE SUSPENSION IN CASES OF IMMINENT DANGER TO HEALTH, SAFETY, OR RIGHTS.] If the license holder's failure to comply with applicable law or rule has placed the health, safety, or rights of persons served by the program in imminent danger, the commissioner shall act immediately to suspend the license. No state funds shall be made available or be expended by any agency or department of state, county, or municipal government for use by a license holder regulated under sections 1 to 16 while a license is under immediate suspension. A notice stating the reasons for the immediate suspension and informing the license holder of the right to a contested case hearing under chapter 14 must be delivered by personal service to the address shown on the application or the last known address of the license holder. The license holder may appeal an order immediately suspending a license by notifying the commissioner in writing by certified mail within five calendar days after receiving notice that the license has been immediately suspended. A license holder shall discontinue operation of the program upon receipt of the commissioner's order to immediately suspend the license.

Subd. 3. [SUSPENSION, REVOCATION, PROBATION.] The commissioner may suspend, revoke, or make probationary a license if a license holder fails to comply fully with applicable laws or rules. A

license holder who has had a license suspended, revoked, or made probationary must be given notice of the action by certified mail. The notice must be mailed to the address shown on the application or the last known address of the license holder. The notice must state the reasons the license was suspended, revoked, or made probationary and must inform the license holder of the right to a contested case hearing under chapter 14. The license holder may appeal an order suspending, revoking, or making a license probationary by notifying the commissioner in writing by certified mail within ten calendar days after receiving notice that the license has been suspended, revoked, or made probationary.

Sec. 8. [245A.08] [HEARINGS.]

Subdivision 1. [RECEIPT OF APPEAL; CONDUCT OF HEARING.] Upon receiving a timely appeal or petition pursuant to sections 5 to 7, the commissioner shall issue a notice of and order for hearing to the appellant under chapter 14.

Subd. 2. [CONDUCT OF HEARINGS.] At any hearing provided for by sections 5 to 7, the appellant may be represented by counsel and has the right to call, examine, and cross-examine witnesses. The administrative law judge may require the presence of witnesses and evidence by subpoena on behalf of any party.

Subd. 3. [BURDEN OF PROOF.] (a) At a hearing regarding suspension, immediate suspension, revocation, or making probationary a license for family day care or foster care, the commissioner may demonstrate reasonable cause for action taken by submitting statements, reports, or affidavits to substantiate the allegations that the license holder failed to comply fully with applicable law or rule. If the commissioner demonstrates that reasonable cause existed, the burden of proof in hearings involving suspension, immediate suspension, revocation, or making probationary a family day care or foster care license shifts to the license holder to demonstrate by a preponderance of the evidence that the license holder was in full compliance with those laws or rules that the commissioner alleges the license holder violated, at the time that the commissioner alleges the violations of law or rules occurred.

(b) At a hearing on denial of an application, the applicant bears the burden of proof to demonstrate by a preponderance of the evidence that the appellant has complied fully with sections 1 to 16 and other applicable law or rule and that the application should be approved and a license granted.

(c) At all other hearings under this section, the commissioner bears the burden of proof to demonstrate, by a preponderance of the evidence, that the violations of law or rule alleged by the commissioner occurred.

Subd. 4. [RECOMMENDATION OF ADMINISTRATIVE LAW JUDGE.] The administrative law judge shall recommend whether or not the commissioner's order should be affirmed. The recommendations must be consistent with sections 1 to 16 and the rules of the commissioner. The recommendations must be in writing and accompanied by findings of fact and conclusions and must be mailed to the parties by certified mail to their last known addresses as shown on the license or application.

Subd. 5. [NOTICE OF THE COMMISSIONER'S FINAL ORDER.] After considering the findings of fact, conclusions, and recommendations of the administrative law judge, the commissioner shall issue a final order. The commissioner shall consider, but shall not be bound by, the recommendations of the administrative law judge. The appellant must be notified of the commissioner's final order as required by chapter 14. The notice must also contain information about the appellant's rights under chapter 14. The institution of proceedings for judicial review of the commissioner's final order shall not stay the enforcement of the final order except as provided in section 14.65. A license holder whose license has been revoked because of noncompliance with applicable law or rule must not be granted a license for five years following the revocation.

Sec. 9. [245A.09] [RULES.]

Subdivision 1. [COMMISSIONER'S AUTHORITY.] The commissioner shall adopt rules under chapter 14 to govern the operation, maintenance, and licensure of programs subject to licensure under sections 1 to 16. The commissioner shall not adopt any rules that are inconsistent with or duplicative of existing state or federal regulations. Nothing in this subdivision shall be construed to prohibit the commissioner from incorporating existing state or federal regulations or accreditation standards by reference.

Subd. 2. [STANDARDS AND REGULATORY METHODS.] This subdivision applies to rules governing sections 1 to 16 that are adopted after July 1, 1987. As appropriate for each type of license:

(a) The commissioner shall give preference in rule to standards that describe program outcomes and the practices that have been shown to result in the desired program outcomes.

(b) The rules may include model program standards for each type of program licensed by the commissioner.

(c) The rules shall include basic licensing standards governing licensure of each type of program licensed by the commissioner. The basic licensing standards must be met by all applicants and license holders. Basic licensing standards must include, but are not limited to:

(1) standards for adequate staff that take into account the age distribution and severity of handicap of persons served by the program;

(2) safety standards that take into account the size and conditions of the physical plant and studies of fire safety including studies of the interaction between fire detection factors, fire spread factors, and evacuation factors in case of a fire;

(3) standards for program services that describe, when appropriate, adequate levels of shelter, nutrition, planned activities, materials, and qualifications of individuals responsible for administering and delivering program services;

(4) standards that describe the characteristics of the settings where program services are to be delivered; and

(5) health and sanitation standards.

Subd. 3. [REDUCTION OF FEES.] The commissioner may adopt rules under subdivision 1 to provide for the reduction of fees established under section 10 when a license holder substantially exceeds the basic standards for licensure.

Subd. 4. [EVALUATION OF RULES.] For rules adopted under this section after July 1, 1987, the commissioner shall evaluate the effects of the rules within three years after the date of adoption and at least once every five years thereafter. The evaluation must include an assessment of any discrepancies between the actual and intended effects of the rules, identification of necessary revisions, if any, and a discussion of the rules' effect on the availability and quality of licensed programs. The commissioner shall consider the results of the evaluation in amending and writing rules.

Subd. 5. [OTHER DUTIES OF THE COMMISSIONER.] For rules adopted after July 1, 1987, the commissioner shall:

(1) summarize the rules in language understandable to the general public and inform license holders and applicants where they may obtain a copy of the rules and the summary;

(2) develop and provide each applicant with information describing the services offered to applicants by the commissioner and explaining the penalties for operating an unlicensed program or failing to fully comply with the commissioner's correction orders or applicable laws or rules;

(3) upon request, interpret rules for applicants and license holders; and

(4) take measures to ensure that rules are enforced uniformly throughout the state.

Subd. 6. [CONSULTATION WITH AFFECTED PARTIES.] In developing rules, the commissioner shall request and receive consultation from: other state departments and agencies; counties and other affected political subdivisions that reflect the diversity of political subdivisions affected by the rule; persons and relatives of persons using the program governed by the rule; advocacy groups; and representatives of license holders affected by the rule. In choosing parties for consultation, the commissioner shall choose individuals and representatives of groups that reflect a cross section of urban, suburban, and rural areas of the state.

Subd. 7. [REGULATORY METHODS.] (a) Where appropriate and feasible the commissioner shall identify and implement alternative methods of regulation and enforcement to the extent authorized in this subdivision. These methods shall include:

(1) expansion of the types and categories of licenses that may be granted;

(2) when the standards of an independent accreditation body have been shown to predict compliance with the rules, the commissioner shall consider compliance with the accreditation standards to be equivalent to partial compliance with the rules; and

(3) use of an abbreviated inspection that employs key standards that have been shown to predict full compliance with the rules.

If the commissioner determines that the methods in clause (2) or (3) can be used in licensing a program, the commissioner may reduce any fee set under section 10 by up to 50 percent.

(b) The commissioner shall work with the commissioners of health, public safety, administration, and education in consolidating duplicative licensing and certification rules and standards if the commissioner determines that consolidation is administratively feasible, would significantly reduce the cost of licensing, and would not reduce the protection given to persons receiving services in licensed programs. Where administratively feasible and appropriate, the commissioner shall work with the commissioners of health, public safety, administration, and education in conducting joint agency inspections of programs.

(c) The commissioner shall work with the commissioners of health, public safety, administration, and education in establishing a single point of application for applicants who are required to obtain concurrent licensure from more than one of the commissioners listed in this clause.

Sec. 10. [245A.10] [FEES.]

The commissioner shall charge a fee for evaluation of applications and inspection of programs, other than family day care and foster care, which are licensed under sections 1 to 16.

Sec. 11. [245A.11] [SPECIAL CONDITIONS FOR RESIDENTIAL PROGRAMS.]

Subdivision 1. [POLICY STATEMENT.] It is the policy of the state that persons shall not be excluded by municipal zoning ordinances or other land use regulations from the benefits of normal residential surroundings.

Subd. 2. [PERMITTED SINGLE-FAMILY RESIDENTIAL USE.] Residential programs with a licensed capacity of six or fewer persons shall be considered a permitted single-family residential use of property for the purposes of zoning and other land use regulations.

Subd. 3. [PERMITTED MULTIFAMILY RESIDENTIAL USE.] Unless otherwise provided in any town, municipal, or county zoning regulation, a licensed residential program with a licensed capacity of seven to 16 adults or children shall be considered a permitted multifamily residential use of property for the purposes of zoning and other land use regulations. A town, municipal, or county zoning authority may require a conditional use or special use permit to assure proper maintenance and operation of a residential program. Conditions imposed on the residential program must not be more restrictive than those imposed on other conditional uses or special uses of residential property in the same zones, unless the additional conditions are necessary to protect the health and safety of the adults or children being served by the program. Nothing in sections 1 to 16 shall be construed to exclude or prohibit residential programs from single-family zones if otherwise permitted by local zoning regulations.

Subd. 4. [LOCATION OF RESIDENTIAL PROGRAMS.] In determining whether to grant a license, the commissioner shall specifically consider the population, size, land use plan, availability of community services, and the number and size of existing licensed residential programs in the town, municipality, or county in which the applicant seeks to operate a residential program. The commissioner shall not grant an initial license to any residential program if the residential program will be within 1,320 feet of an existing residential program unless the town, municipality, or county zoning authority grants the residential program a conditional use or special use permit. In cities of the first class, this subdivision applies even if a residential program is considered a permitted single-family residential use of property under subdivision 2. Foster care homes are exempt from this subdivision.

Subd. 5. [OVERCONCENTRATION AND DISPERSAL.] (a) Before January 1, 1985, each county having two or more group residential programs within 1,320 feet of each other shall submit to the department of human services a plan to promote dispersal of group residential programs. In formulating its plan, the county shall solicit the participation of affected persons, programs, municipalities having highly concentrated residential program populations, and advocacy groups. For the purposes of this subdivision, "highly concentrated" means having a population in residential programs serving seven or more persons that exceeds one-half of one percent of the population of a recognized planning district or other administrative subdivision.

(b) Within 45 days after the county submits the plan, the commissioner shall certify whether the plan fulfills the purposes and requirements of this subdivision including the following requirements:

(1) a new program serving seven or more persons must not be located in any recognized planning district or other administrative subdivision where the population in residential programs is highly concentrated;

(2) the county plan must promote dispersal of highly concentrated residential program populations;

(3) the county plan shall promote the development of residential programs in areas that are not highly concentrated;

(4) no person in a residential program shall be displaced as a result of this section until a relocation plan has been implemented that provides for an acceptable alternative placement;

(5) if the plan provides for the relocation of residential programs, the relocation must be completed by January 1, 1990. If the commissioner certifies that the plan does not do so, the commissioner shall state the reasons, and the county has 30 days to submit a plan amended to comply with the requirements of the commissioner.

(c) After July 1, 1985, the commissioner may reduce grants under section 245.73 to a county required to have an approved plan under paragraph (a) if the county does not have a plan approved by the commissioner. The county board has the right to be provided with advance notice and to appeal the commissioner's decision. If the county requests a hearing within 30 days of the notification of intent to reduce grants, the commissioner shall not certify any reduction in grants until a hearing is conducted and a decision made in accordance with the contested case provisions of chapter 14.

Subd. 6. [HOSPITALS; EXEMPTION.] Residential programs located in hospitals shall be exempt from the provisions of this section.

**Sec. 12. [245A.12] [VOLUNTARY RECEIVERSHIP FOR RESIDENTIAL FACILITIES.]**

A majority of controlling persons of a residential program may at any time ask the commissioner to assume operation of the residential program through appointment of a receiver. On receiving the request for a receiver, the commissioner may enter into an agreement with a majority of controlling persons and provide for the appointment of a receiver to operate the residential program under conditions acceptable to both the commissioner and the majority of controlling persons. The agreement must specify the terms and conditions of the receivership and preserve the rights of the persons being served by the residential program. A receivership set up under this section terminates at the time specified by the parties to the agreement or 30 days after either of the parties gives written notice to the other party of termination of the receivership agreement.

**Sec. 13. [245A.13] [INVOLUNTARY RECEIVERSHIP FOR RESIDENTIAL FACILITIES.]**

Subdivision 1. [APPLICATION.] The commissioner may petition the district court in the county where the residential program is located for an order directing the controlling persons of the residential program to show cause why the commissioner or the commissioner's designated representative should not be appointed receiver to operate the residential program. The petition to the district court must contain proof by affidavit that the commissioner has either begun license suspension or revocation proceedings, suspended or revoked a license, or decided to deny an application for licensure of the residential program. If the license holder or applicant operates more than one residential program, the commissioner's petition must specify and be limited to the residential program for which the commissioner has either begun license suspension or revocation proceedings, suspended or revoked a license, or has decided to deny an application for licensure of the residential program. The order to show cause is returnable not less than five days after service is completed and must provide for personal service of a copy to the residential program administrator and to the persons designated as agents by the controlling persons to accept service on their behalf.

Subd. 2. [APPOINTMENT OF RECEIVER; RENTAL.] If the court finds that involuntary receivership is necessary as a means of protecting the health, safety, or rights of persons being served by the residential program, the court shall appoint the commissioner or the commissioner's designated representative as a receiver to operate the residential program. The court shall determine a fair monthly rental for the physical plant, taking into account all relevant factors

including the conditions of the physical plant. The rental fee must be paid by the receiver to the appropriate controlling persons for each month that the receivership remains in effect. No payment made to a controlling person by the receiver or any state agency during a period of involuntary receivership shall include any allowance for profit or be based on any formula that includes an allowance for profit.

Subd. 3. [POWERS AND DUTIES OF THE RECEIVER.] Within 18 months after the receivership order, a receiver appointed to operate a residential program during a period of involuntary receivership shall provide for the orderly transfer of the persons served by the residential program to other residential programs or make other provisions to protect their health, safety, and rights. The receiver shall correct or eliminate deficiencies in the residential program that the commissioner determines endanger the health, safety, or welfare of the persons being served by the residential program unless the correction or elimination of deficiencies involves major alteration in the structure of the physical plant. If the correction or elimination of the deficiencies requires major alterations in the structure of the physical plant, the receiver shall take actions designed to result in the immediate transfer of persons served by the residential program. During the period of the receivership, the receiver shall operate the residential program in a manner designed to guarantee the health, safety, rights, adequate care, and supervision of the persons served by the residential program. The receiver may make contracts and incur lawful expenses. The receiver shall collect incoming payments from all sources and apply them to the cost incurred in the performance of the receiver's functions including the receiver's fee set under subdivision 4. No security interest in any real or personal property comprising the residential program or contained within it, or in any fixture of the physical plant, shall be impaired or diminished in priority by the receiver. The receiver shall pay all valid obligations of the residential program and may deduct these expenses, if necessary, from rental payments owed to any controlling person by virtue of the receivership.

Subd. 4. [RECEIVER'S FEE; LIABILITY; ASSISTANCE FROM THE COMMISSIONER.] A receiver appointed under an involuntary receivership is entitled to a reasonable receiver's fee as determined by the court. The receiver is liable only in an official capacity for injury to person and property by reason of the conditions of the residential program. The receiver is not personally liable, except for gross negligence and intentional acts.

Subd. 5. [TERMINATION.] An involuntary receivership terminates 18 months after the date on which it was ordered or at any other time designated by the court or when any of the following events occurs:

(1) the commissioner determines that the residential program's license application should be granted or should not be suspended or revoked;

(2) a new license is granted to the residential program; or

(3) the commissioner determines that all persons residing in the residential program have been provided with alternative residential programs.

Sec. 14. [245A.14] [SPECIAL CONDITIONS FOR NONRESIDENTIAL PROGRAMS.]

Subdivision 1. [PERMITTED SINGLE-FAMILY RESIDENTIAL USE.] A licensed nonresidential program with a licensed capacity of 12 or fewer persons shall be considered a permitted single-family residential use of property for the purposes of zoning and other land use regulations.

Subd. 2. [PERMITTED MULTIFAMILY USE.] Unless otherwise provided in a town, municipal, or county regulation, a licensed nonresidential program with a licensed capacity of 13 to 16 persons shall be considered a permitted multifamily residential use of property for purposes of zoning. A town, municipal, or county zoning authority may require a conditional use or special use permit in order to assure proper maintenance and operation of the program. Conditions imposed on the nonresidential program must not be more restrictive than those imposed on other conditional uses or special uses of residential property in the same zones unless the additional conditions are necessary to protect the health and safety of the persons being served by the nonresidential program. Nothing in sections 1 to 16 shall be construed to exclude or prohibit nonresidential programs from single-family zones if otherwise permitted by local zoning regulations.

Subd. 3. [CONDITIONAL LICENSE.] Until such time as the commissioner adopts appropriate rules for conditional licenses, no license holder or applicant for a family or group family day care license is required to spend more than \$100 to meet fire safety rules in excess of those required to meet Group "R" occupancies under the Uniform Building Code, chapter 12, as incorporated by reference in Minnesota Rules, part 1305.0100.

When the commissioner determines that an applicant or license holder of a family or group family day care license would be required to spend over \$100 for physical changes to ensure fire safety, the commissioner may issue a conditional license when all of the following conditions have been met:

(a) The commissioner shall notify the provider or applicant in writing of the fire safety deficiencies.

(b) The commissioner shall notify the provider or applicant in writing of alternative compliance standards that would correct deficiencies, if available.

(c) The provider or applicant agrees in writing to notify each parent, on a form prescribed by the commissioner that requires the signature of the parent, of the fire safety deficiencies, and the existence of the conditional license.

Sec. 15. [245A.15] [REGULATION OF FAMILY DAY CARE BY LOCAL GOVERNMENT.]

The authority of local units of government to establish requirements for family day care programs is limited by section 299F.011, subdivision 4a, clauses (1) and (2).

Sec. 16. [245A.16] [STANDARDS FOR COUNTY AGENCIES AND PRIVATE AGENCIES.]

Subdivision 1. [DELEGATION OF AUTHORITY TO AGENCIES.] County agencies and private agencies that have been designated or licensed by the commissioner to perform licensing functions and activities under section 4, to recommend denial of applicants under section 5, or to recommend suspending, revoking, and making licenses probationary under section 7, shall comply with rules and directives of the commissioner governing those functions and with this section.

Subd. 2. [INVESTIGATIONS.] (a) The county or private agency shall conduct timely investigations of allegations of abuse or neglect of children or adults in programs for which the county or private agency is the commissioner's designated representative and record a disposition of each complaint in accordance with applicable law or rule. The county or private agency shall conduct similar investigations of allegations of violations of rules governing licensure of the program.

(b) If an investigation conducted under clause (a) results in evidence that the commissioner should deny an application or suspend, revoke, or make probationary a license, the county or private agency shall make that recommendation to the commissioner within ten working days.

Subd. 3. [RECOMMENDATIONS TO THE COMMISSIONER.] The county or private agency shall not make recommendations to the commissioner regarding licensure without first conducting an inspection, study of the applicant, and evaluation pursuant to section 4, subdivisions 3 and 4. The county or private agency must forward its recommendation to the commissioner regarding the appropriate licensing action within 20 working days of receipt of a completed application.

Subd. 4. [ENFORCEMENT OF THE COMMISSIONER'S ORDERS.] The county or private agency shall enforce the com-

missioner's orders under sections 7 and 8, subdivision 5, according to the instructions of the commissioner.

Subd. 5. [INSTRUCTION AND TECHNICAL ASSISTANCE.] The commissioner shall provide instruction and technical assistance to county and private agencies that are subject to this section. County and private agencies shall cooperate with the commissioner in carrying out this section by ensuring that affected employees participate in instruction and technical assistance provided by the commissioner.

Subd. 6. [CERTIFICATION BY THE COMMISSIONER.] The commissioner shall ensure that rules are uniformly enforced throughout the state by reviewing each county and private agency for compliance with this section and other applicable laws and rules at least biennially. County agencies that comply with this section shall be certified by the commissioner. If a county agency fails to be certified by the commissioner, the commissioner shall certify a reduction of up to 20 percent of the county's community social services act funding or an equivalent amount from state administrative aids.

Sec. 17. [REPEALER.]

Minnesota Statutes 1986, sections 245.781; 245.782; 245.783; 245.791; 245.792; 245.801; 245.802; 245.803; 245.804; 245.805; 245.811; 245.812; 245.88; 245.881; 245.882; 245.883; 245.884; and 245.885, are repealed.

Sec. 18. [EFFECTIVE DATE.]

Sections 1 to 17 are effective July 1, 1987.

Sec. 19. [INSTRUCTIONS TO REVISOR.]

In the next edition of Minnesota Statutes, in the sections referred to in column A, the revisor of statutes shall delete the reference in column B and insert the reference in column C. The revisor may change the references in column C to the sections of Minnesota Statutes in which the bill sections are compiled.

<u>Column A</u>	<u>Column B</u>	<u>Column C</u>
<u>13.46, subd. 2</u>	<u>245.782</u>	<u>245A.02</u>
<u>144.653, subd. 1</u>	<u>245.781</u>	<u>245A.01</u>
<u>144A.01, subd. 5</u>	<u>245.781</u>	<u>245A.01</u>
<u>144A.071, subd. 2</u>	<u>245.781</u>	<u>245A.01</u>
<u>144A.10, subd. 1</u>	<u>245.781</u>	<u>245A.01</u>
<u>174.30, subd. 1</u>	<u>245.781</u>	<u>245A.01</u>
<u>241.021, subd. 2</u>	<u>245.783</u>	<u>245A.04</u>

<u>241.021, subd. 2</u>	<u>245.791</u>	<u>245A.03</u>
<u>245.73, subd. 1</u>	<u>245.781</u>	<u>245A.01</u>
<u>245.73, subd. 2</u>	<u>245.781</u>	<u>245A.01</u>
<u>252.24, subd. 1</u>	<u>245.781</u>	<u>245A.01</u>
<u>252.275, subd. 1</u>	<u>245.781</u>	<u>245A.01</u>
<u>252.291, subd. 1</u>	<u>245.782</u>	<u>245A.02</u>
<u>252.32, subd. 1</u>	<u>245.782</u>	<u>245A.02</u>
<u>254B.03, subd. 2</u>	<u>245.781</u>	<u>245A.01</u>
<u>254B.03, subd. 2</u>	<u>245.791</u>	<u>245A.03</u>
<u>254B.05</u>	<u>245.781</u>	<u>245A.01</u>
<u>254B.05</u>	<u>245.791</u>	<u>245A.03</u>
<u>256B.02, subd. 2</u>	<u>245.782</u>	<u>245A.02</u>
<u>260.185, subd. 1</u>	<u>245.781</u>	<u>245A.01</u>
<u>260.191, subd. 1</u>	<u>245.781</u>	<u>245A.01</u>
<u>260.194, subd. 1</u>	<u>245.781</u>	<u>245A.01</u>
<u>268.04, subd. 32</u>	<u>245.791</u>	<u>245A.03</u>
<u>268.38, subd. 12</u>	<u>245.781</u>	<u>245A.01</u>
<u>299F011, subd. 4</u>	<u>245.782</u>	<u>245A.02</u>
<u>462.357, subd. 6</u>	<u>245.782</u>	<u>245A.02</u>
<u>466.01, subd. 4</u>	<u>245.782</u>	<u>245A.02</u>
<u>466.03, subd. 6</u>	<u>245.782</u>	<u>245A.02</u>
<u>595.02, subd. 2</u>	<u>245.801</u>	<u>245A.08</u>
<u>611A.52, subd. 8</u>	<u>245.791</u>	<u>245A.03</u>
<u>626.556, subd. 2</u>	<u>245.781</u>	<u>245A.01</u>
<u>626.556, subd. 2</u>	<u>245.782</u>	<u>245A.02</u>
<u>626.556, subd. 10</u>	<u>245.781</u>	<u>245A.01</u>
<u>626.557, subd. 2</u>	<u>245.781</u>	<u>245A.01</u>
<u>626.557, subd. 10</u>	<u>245.781</u>	<u>245A.01"</u>

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 1221, A bill for an act relating to human services; creating a new formula for distribution of administrative aid to counties; eliminating equalization aid to counties; amending Minnesota Statutes 1986, section 256D.22; repealing Minnesota Statutes 1986, section 245.74.

Reported the same back with the following amendments:

Page 2, line 15, delete "reduced days in child"

Page 2, line 16, delete "out-of-home placements" and insert "children served under the community social services act"

Page 2, line 17, before the period insert: "; provided, however, that a county's share shall be reduced by a direct percentage equal to the county's percentage increase in child out-of-home placement days above the number of child out-of-home placement days for the quarter immediately preceding the quarter in which this payment is calculated. Any money accruing as a result of reductions in county shares shall be rolled over and distributed as provided in this paragraph during the next quarterly payment"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 1243, A bill for an act relating to agriculture; providing a cattle export program; making export enhancement payments to cattle raisers and exporters; appropriating money.

Reported the same back with the following amendments:

Page 1, line 24, delete "bred, born, and"

Page 1, line 25, after "be" insert "Minnesota"

Page 2, line 1, delete "where"

Page 2, line 2, delete everything before the period and insert "of origin"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 1289, A bill for an act relating to human services; providing training of welfare fraud prosecutors and investigators; providing staff for fraud control functions; defining amounts of assistance indirectly paid; providing for joint trials; changing the date of payment of certain periodic support to the assistance unit; regulating certain property transfers; providing for incorrect assis-

tance amounts recovered; appropriating money; amending Minnesota Statutes 1986, sections 256.74, subdivision 1; 256.98; 256D.05; and 393.07, subdivision 10.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 1359, A bill for an act relating to human services; authorizing Minnesota supplemental aid for a licensed boarding care facility; amending Minnesota Statutes 1986, section 256D.37, subdivision 1.

Reported the same back with the following amendments:

Page 2, line 21, strike "as of March 1, 1985, and"

Page 2, line 22, delete the new language

Page 2, delete line 23

Page 2, line 24, delete "to 9553.0080" and before the period insert "is exempt from the maximum negotiated rate as of January 1, 1987, and no more than 16 percent of the persons in the facility are under age 65"

Page 3, line 4, strike "annual"

Page 3, line 5, strike everything after "the"

Page 3, strike line 6

Page 3, line 7, strike everything before the period and insert "consumer price index (CPI-U, U.S. City Average) as published by the Bureau of Labor Statistics between the previous two Septembers, or 2.5 percent, whichever is lower"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 1434, A bill for an act relating to child abuse; authorizing the department of human services to establish a 24-hour toll-free hotline; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 626.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [626.562] [CHILD ABUSE TOLL-FREE INFORMATION AND PROFESSIONAL CONSULTATION TELEPHONE LINES.]

Subdivision 1. [ESTABLISHMENT OF PROFESSIONAL CONSULTATION TELEPHONE LINE.] The commissioner of human services shall establish a statewide toll-free 24-hour telephone line for the purpose of providing consultative and training services for physicians, therapists, child protection workers, and other professionals involved in child protection. Services provided shall include emergency and longer-term consultation on individual child protection cases.

Subd. 2. [CONTRACT AUTHORITY.] The commissioner may contract for the establishment of the telephone service described in subdivision 1. The commissioner shall contract only with agencies which agree to match through cash or in-kind donations 30 percent of the contract amount. The commissioner shall require that these agencies submit periodic reports describing the manner in which they have performed services specified in this section.

Subd. 3. [CHILD ABUSE REPORTING.] A communication with any telephone line established under this section by a person mandated to report abuse or neglect under section 626.556 does not satisfy the person's obligations to report under that section.

Sec. 2. [626.563] [CHILD ABUSE INFORMATION TELEPHONE LINE.]

Subdivision 1. [ESTABLISHMENT OF TELEPHONE LINE.] The commissioner of human services shall develop a proposal for the establishment of a statewide toll-free 24-hour telephone line for the purpose of preventing child abuse, as defined in section 299A.21, through counseling, appropriate referrals, and dissemination of information regarding the availability of local child abuse and neglect services.

Subd. 2. [ADVISORY COUNCIL.] The commissioner of human services shall appoint a ten-member advisory council which shall serve without compensation and shall advise the commissioner regarding the development and operation of the telephone service described in this section. Membership of the council shall include representatives of local government, both in the Twin Cities metropolitan area and outside the metropolitan area; two members who represent agencies offering services to families and children; two members of state agencies other than the department of human services; and members of the general public. By February 1, 1988, the advisory council shall provide the commissioner with written proposed recommendations for the operation of the telephone service described in this section. These recommendations may include guidelines for formulating requests for proposals and specifications as to the nature, scope, and quality of the telephone services to be provided.

Subd. 3. [CONTRACT AUTHORITY.] The commissioner shall establish the telephone service described in this section by July 1, 1988, after considering the recommendations submitted by the advisory council. The commissioner may contract for the establishment of these telephone services.

Subd. 4. [CONFIDENTIALITY; CHILD ABUSE REPORTING.] The identity of any caller may not be requested as a prerequisite to disseminating information through the telephone service described in this section. A communication with any telephone line established under this section by a person mandated to report abuse or neglect under section 626.556 does not satisfy the person's obligations to report under that section.

Sec. 3. [APPROPRIATION.]

\$. . . . is appropriated from the general fund to the commissioner of human services for the biennium ending June 30, 1989, for the purpose of implementing and administering the telephone service described in section 1. \$. . . . is appropriated from the general fund to the commissioner of human services for fiscal year 1988 for the expenses related to establishment of the telephone service specified in section 2. \$. . . . is appropriated from the general fund to the commissioner of human services for fiscal year 1989 for the purpose of implementing and administering the telephone service specified in section 2."

Amend the title as follows:

Page 1, line 3, delete "a"

Page 1, line 4, delete "hotline" and insert "child abuse information and professional consultation telephone services"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Otis from the Committee on Economic Development and Housing to which was referred:

H. F. No. 1465, A bill for an act relating to economic development; providing training and employment for low income seniors; creating the hospitality host older worker tourism program; prescribing duties for the commissioner of the department of jobs and training; appropriating money.

Reported the same back with the following amendments:

Page 1, delete lines 23 to 25

Page 1, line 26, delete "4" and insert "3"

Page 2, delete line 1, and insert "whose annual income is less than the United States Office of Management and Budget's poverty level."

Page 2, line 2, delete "5" and insert "4"

Page 2, line 3, delete "of a distressed county"

Page 2, delete lines 21 to 25

Page 2, line 26, delete everything after "commissioner"

Page 2, line 27, delete "agency," and delete "nine" and insert "ten"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 1524, A bill for an act relating to human services; setting forth appeal procedure for recipients of case management services; amending Minnesota Statutes 1986, section 256.045, subdivisions 1,

3, 4, 5, 6, 7, and 10, and by adding a subdivision; repealing Minnesota Statutes 1986, section 256.045, subdivision 2.

Reported the same back with the following amendments:

Page 1, line 15, delete "2" and insert "3, 4a,"

Page 2, line 30, strike "2 or 3" and insert "3 or 4a"

Page 3, after line 17, insert:

"Sec. 4. Minnesota Statutes 1986, section 256.045, is amended by adding a subdivision to read:

Subd. 4a. [CASE MANAGEMENT APPEALS.] Any recipient of case management services pursuant to section 256B.092, subdivisions 1 to 1b who contests the local agency's action or failure to act in the provision of those services, other than a failure to act with reasonable promptness or a suspension, reduction, denial, or termination of services, must submit a written request for review to the local agency. The local agency shall inform the commissioner of the receipt of a request for review when it is submitted and shall schedule a conciliation conference. The local agency shall notify the recipient, the commissioner, and all interested persons of the time, date, and location of the conciliation conference. The commissioner shall designate a representative to be present at the conciliation conference to assist in the resolution of the dispute without the need for a hearing. Within 30 days, the local agency shall conduct the conciliation conference and inform the recipient in writing of the action the local agency is going to take and when that action will be taken and notify the recipient of the right to a hearing under this subdivision. The conciliation conference shall be conducted in a manner consistent with the procedures for reconsideration of an individual service plan or an individual habilitation plan pursuant to Minnesota Rules, parts 9525.0075, subpart 5 and 9525.0105, subpart 6. If the county fails to conduct the conciliation conference and issue its report within 30 days, or, at any time up to 90 days after the conciliation conference is held, a recipient may submit to the commissioner a written request for a hearing before a state human services referee to determine whether case management services have been provided in accordance with applicable laws and rules or whether the local agency has assured that the services identified in the recipient's individual service plan have been delivered in accordance with the laws and rules governing the provision of those services. The state human services referee shall recommend an order to the commissioner, who shall, in accordance with the procedure in subdivision 5, issue a final order within 60 days of the receipt of the request for a hearing, unless the commissioner refuses to accept the recommended order, in which event a final order shall issue within 90 days of the receipt of that request. The order may

direct the local agency to take those actions necessary to comply with applicable laws or rules."

Page 3, line 18, delete "4" and insert "5"

Pages 3 to 5, delete section 5

Page 5, line 11, after "subdivision 3" insert "or 4a"

Page 5, line 17, strike "2 or" and after "3" insert "or 4a"

With the recommendation that when so amended the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

S. F. No. 73, A bill for an act relating to game and fish; authorizing nonresident high school foreign exchange students to obtain resident licenses to take deer by archery; amending Minnesota Statutes 1986, section 97A.455.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Skoglund from the Committee on Financial Institutions and Insurance to which was referred:

S. F. No. 80, A bill for an act relating to insurance; providing flexibility in the amount of coverages other than for the dwelling under a homeowner's policy; proposing coding for new law in Minnesota Statutes, chapter 65A.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Skoglund from the Committee on Financial Institutions and Insurance to which was referred:

S. F. No. 123, A bill for an act relating to local government; broadening the joint self-insurance pool regulation exemption; amending Minnesota Statutes 1986, section 471.982, subdivision 3.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

S. F. No. 322, A bill for an act relating to consumer protection; providing for the retention and collection of spent lead-acid batteries; providing enforcement; proposing coding for new law in Minnesota Statutes, chapter 325E.

Reported the same back with the following amendments:

Page 1, after line 14, insert:

“Sec. 2. [115A.915] [LEAD ACID BATTERIES; LAND DISPOSAL PROHIBITED.]

A person may not place a lead acid battery in mixed municipal solid waste or dispose of a lead acid battery after January 1, 1988. This section may be enforced by the agency pursuant to section 115.071.”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, delete “chapter” and insert “chapters 115A and”

With the recommendation that when so amended the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

S. F. No. 333, A bill for an act relating to game and fish; allowing raccoon dog field trials to tree raccoons during certain periods by permit; amending Minnesota Statutes 1986, section 97B.621, subdivision 2.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

S. F. No. 365, A bill for an act relating to search and seizure; requiring enforcement officers to have probable cause before entering certain buildings to determine whether wild animals are stored in compliance with the game and fish laws; amending Minnesota Statutes 1986, section 97A.215, subdivision 1.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Judiciary.

The report was adopted.

Skoglund from the Committee on Financial Institutions and Insurance to which was referred:

S. F. No. 482, A bill for an act relating to insurance; regulating terminations of certain agency contracts; requiring companies to attempt to rehabilitate agents before terminating their appointment; regulating these rehabilitation agreements; amending Minnesota Statutes 1986, section 60A.171, subdivisions 1, 3, and by adding a subdivision.

Reported the same back with the following amendments:

Page 2, after line 30, insert:

“Sec. 4. [EFFECTIVE DATE.]

Sections 1, 2, and 3 are effective the day following enactment.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

S. F. No. 673, A bill for an act relating to human services; allowing the use of certain professional standards for chemical dependency

professionals; amending Minnesota Statutes 1986, section 254A.16, by adding a subdivision.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

### **SECOND READING OF HOUSE BILLS**

H. F. Nos. 165, 230, 305, 585, 630, 668, 792, 856, 862, 904, 931, 1026, 1045, 1059, 1104, 1128, 1174, 1188, 1189 and 1524 were read for the second time.

### **SECOND READING OF SENATE BILLS**

S. F. Nos. 248, 73, 80, 123, 322, 333 and 482 were read for the second time.

### **INTRODUCTION AND FIRST READING OF HOUSE BILLS**

The following House Files were introduced:

DeBlicek; Steensma; Olson, K.; Kostohryz and Winter introduced:

H. F. No. 1596, A bill for an act relating to veterans; requiring the commissioner of veterans affairs to establish a veterans outreach center; authorizing the commissioner to establish a veterans home; providing for the operation of the center and home; appropriating money; proposing coding for new law in Minnesota Statutes, chapters 196 and 198.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Scheid; Vellenga; Jaros; Carlson, L., and Rest introduced:

H. F. No. 1597, A bill for an act relating to education; providing for capital expenditure funding by school districts; amending Minne-

sota Statutes 1986, sections 124.245, by adding a subdivision; and 275.125, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Education.

Schoenfeld introduced:

H. F. No. 1598, A bill for an act relating to agriculture; allowing certain small commercial and industrial uses on metropolitan agricultural preserves by permit; amending Minnesota Statutes 1986, sections 40A.152, subdivision 1; 473H.10, subdivision 3; and 473H.17, subdivisions 1 and 2, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Agriculture.

Sparby; Solberg; Johnson, R.; Redalen and Neuenschwander introduced:

H. F. No. 1599, A bill for an act relating to taxes; providing for the assessment of certain flight property; amending Minnesota Statutes 1986, sections 270.071, by adding a subdivision; and 270.074, subdivision 3.

The bill was read for the first time and referred to the Committee on Taxes.

Rest, Minne, Long and Voss introduced:

H. F. No. 1600, A bill for an act relating to aids to local governments; providing for reductions in aids paid to school districts and other local units of government that do not meet requirements of the pay equity law; proposing coding for new law in Minnesota Statutes, chapters 124 and 477A.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Solberg and Neuenschwander introduced:

H. F. No. 1601, A bill for an act relating to veterans; requiring the purchase or construction of a veterans home in Grand Rapids with the use of nonstate funds and providing for the operation and

administration of the home; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 198.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Wenzel, Omann, Peterson and Bertram introduced:

H. F. No. 1602, A bill for an act relating to Morrison county; authorizing the board of county commissioners to levy a tax for the building fund.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Minne, Long, Skoglund and Kalis introduced:

H. F. No. 1603, A bill for an act relating to commerce; motor vehicles; regulating vehicle towers; amending Minnesota Statutes 1986, section 465.75.

The bill was read for the first time and referred to the Committee on Commerce.

O'Connor, Beard, McEachern and Clausnitzer introduced:

H. F. No. 1604, A bill for an act relating to animals; authorizing access by certain humane officers to animal research institutions; proposing coding for new law in Minnesota Statutes, chapter 343.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

#### HOUSE ADVISORIES

The following House Advisories were introduced:

Clark, Jefferson, Otis, Tjornhom and Kelly introduced:

H. A. No. 20, A proposal to develop solutions to address the problems of chemical abuse by public housing tenants.

The advisory was referred to the Committee on Health and Human Services.

Clark; Johnson, A.; Wagenius; Pappas and Morrison introduced:

H. A. No. 21, A proposal to study reproductive health hazards of working women.

The advisory was referred to the Committee on Health and Human Services.

Tunheim, Kalis and Johnson, V., introduced:

H. A. No. 22, A proposal to study roads paved only 20 feet wide.

The advisory was referred to the Committee on Transportation.

### CONSENT CALENDAR

S. F. No. 296 was reported to the House.

Jefferson moved to amend S. F. No. 296, as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1986, section 117.52, subdivision 1, is amended to read:

Subdivision 1. [LACK OF FEDERAL FUNDING.] In all acquisitions undertaken by any acquiring authority and in all voluntary rehabilitation carried out by a person pursuant to acquisition or as a consequence thereof, in which, due to the lack of federal financial participation, relocation assistance, services, payments and benefits under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, Statutes at Large, volume 84, page 1894 (1971), United States Code, title 42, section 4601, et seq., are not available, the acquiring authority, as a cost of acquisition, shall provide all relocation assistance, services, payments and benefits required by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and those regulations adopted pursuant thereto by the United States Department of Housing and Urban Development, and either (1) in effect as of January 1, 1984, or (2) becoming effective after January 1, 1984, following a public hearing and comment. Comments received by an inquiring authority within 30 days after the public hearing must be reviewed and a written response provided to the individual or organization who initiated the comment. The response and comments may be addressed in another public hearing by the inquiring authority before approval.”

The motion prevailed and the amendment was adopted.

S. F. No. 296, A bill for an act relating to eminent domain; regulating relocation benefits for displaced persons; amending Minnesota Statutes 1986, section 117.52, 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 123 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Lieder	Osthoff	Skoglund
Anderson, R.	Gruenes	Long	Otis	Solberg
Battaglia	Gutknecht	Marsh	Ozment	Sparby
Bauerly	Hartle	McDonald	Pauly	Stanius
Beard	Haukoos	McEachern	Pelowski	Steenma
Begich	Heap	McKasy	Peterson	Swiggum
Bennett	Himle	McLaughlin	Poppenhagen	Swenson
Bertram	Hugoson	McPherson	Price	Thiede
Bishop	Jacobs	Milbert	Quinn	Tjornhom
Boo	Jaros	Miller	Reding	Tompkins
Burger	Jefferson	Minne	Rest	Trimble
Carlson, D.	Johnson, R.	Morrison	Rice	Tunheim
Carlson, L.	Johnson, V.	Munger	Richter	Uphus
Carruthers	Kahn	Murphy	Riveness	Valento
Clark	Kalis	Nelson, C.	Rodosovich	Vanasek
Clausnitzer	Kelly	Nelson, D.	Rose	Vellenga
Cooper	Kelso	Nelson, K.	Rukavina	Wagenius
Dauner	Kinkel	Neuenschwander	Sarna	Waltman
DeBlieck	Kludt	O'Connor	Schafer	Welle
Dempsey	Knickerbocker	Ogren	Scheid	Wenzel
Dille	Knuth	Olsen, S.	Schoenfeld	Winter
Dorn	Kostohryz	Olson, K.	Schreiber	Wynia
Forsythe	Krueger	Omann	Seaberg	Spk. Norton
Frederick	Larsen	Onnen	Segal	
Frerichs	Lasley	Orenstein	Simoneau	

The bill was passed, as amended, and its title agreed to.

H. F. No. 462, A resolution memorializing the United States Congress to maintain the Veteran's Administration system of health care facilities.

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 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Anderson, R.	Battaglia	Beard	Begich
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Bennett	Haukoos	McDonald	Ozment	Solberg
Bertram	Heap	McEachern	Pappas	Sparby
Bishop	Himle	McKasy	Pauly	Stanius
Blatz	Hugoson	McLaughlin	Pelowski	Steensma
Boo	Jacobs	McPherson	Peterson	Sviggum
Brown	Jaros	Millbert	Poppenhagen	Swenson
Burger	Jefferson	Miller	Price	Thiede
Carlson, D.	Jensen	Minne	Quinn	Tjornhom
Carlson, L.	Johnson, A.	Morrison	Reding	Tompkins
Carruthers	Johnson, R.	Munger	Rest	Trimble
Clark	Johnson, V.	Murphy	Rice	Tunheim
Clausnitzer	Kahn	Nelson, C.	Richter	Uphus
Cooper	Kalis	Nelson, D.	Riveness	Valento
Dauner	Kelly	Nelson, K.	Rodosovich	Vanasek
DeBlieck	Kinkel	Neuenschwander	Rose	Vellenga
Dempsey	Kludt	O'Connor	Rukavina	Wagenius
Dille	Knickerbocker	Ogren	Sarna	Waltman
Dorn	Knuth	Olsen, S.	Schafer	Wenzel
Forsythe	Kostohryz	Olsen, E.	Scheid	Winter
Frederick	Krueger	Olson, K.	Schoenfeld	Wynia
Frerichs	Larsen	Omann	Schreiber	Spk. Norton
Greenfield	Lasley	Onnen	Seaberg	
Gruenes	Lieder	Orenstein	Segal	
Gutknecht	Long	Osthoff	Simoneau	
Hartle	Marsh	Otis	Skoglund	

The bill was passed and its title agreed to.

H. F. No. 809, A bill for an act relating to natural resources; changing requirements for arrowheads used for big game hunting; amending Minnesota Statutes 1986, section 97B.211, subdivision 2.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Dorn	Kelly	Morrison	Price
Anderson, R.	Forsythe	Kelso	Munger	Quinn
Battaglia	Frederick	Kinkel	Murphy	Reding
Beard	Frerichs	Kludt	Nelson, C.	Rest
Begich	Greenfield	Knickerbocker	Nelson, D.	Rice
Bennett	Gruenes	Knuth	Nelson, K.	Richter
Bishop	Gutknecht	Kostohryz	Neuenschwander	Riveness
Blatz	Hartle	Krueger	O'Connor	Rodosovich
Boo	Haukoos	Larsen	Ogren	Rose
Brown	Heap	Lasley	Olsen, S.	Rukavina
Burger	Himle	Lieder	Olson, E.	Sarna
Carlson, D.	Hugoson	Long	Olson, K.	Schafer
Carlson, L.	Jacobs	Marsh	Omann	Scheid
Carruthers	Jaros	McDonald	Onnen	Schoenfeld
Clark	Jefferson	McEachern	Orenstein	Schreiber
Clausnitzer	Jensen	McKasy	Osthoff	Seaberg
Cooper	Johnson, A.	McLaughlin	Otis	Segal
Dauner	Johnson, R.	McPherson	Ozment	Simoneau
DeBlieck	Johnson, V.	Millbert	Pauly	Skoglund
Dempsey	Kahn	Miller	Pelowski	Solberg
Dille	Kalis	Minne	Peterson	Sparby

Stanius	Thiede	Tunheim	Vellenga	Wenzel
Steensma	Tjornhom	Uphus	Wagenius	Winter
Sviggum	Tompkins	Valento	Waltman	Wynia
Swenson	Trimble	Vanasek	Welle	Spk. Norton

The bill was passed and its title agreed to.

H. F. No. 903, A bill for an act relating to retirement; Clifton independent nonprofit firefighting corporation; Duluth township; providing for the transfer of assets and service credit upon the dissolution of the Clifton volunteer firefighters relief association.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Frerichs	Larsen	Onnen	Simoneau
Anderson, R.	Greenfield	Lasley	Orenstein	Skoglund
Battaglia	Gruenes	Lieder	Osthoff	Solberg
Bauerly	Gutknecht	Long	Otis	Sparby
Beard	Hartle	Marsh	Ozment	Stanius
Begich	Haukoos	McDonald	Pappas	Steensma
Bennett	Heap	McEachern	Pauly	Sviggum
Bertram	Himle	McKasy	Pelowski	Swenson
Bishop	Hugoson	McLaughlin	Peterson	Thiede
Blatz	Jacobs	McPherson	Poppenhagen	Tjornhom
Boo	Jaros	Milbert	Price	Tompkins
Brown	Jefferson	Miller	Quinn	Trimble
Burger	Jensen	Minne	Reding	Tunheim
Carlson, D.	Johnson, A.	Morrison	Rest	Uphus
Carlson, L.	Johnson, R.	Munger	Rice	Valento
Carruthers	Johnson, V.	Murphy	Riveness	Vanasek
Clark	Kahn	Nelson, C.	Rodosovich	Vellenga
Clausnitzer	Kalis	Nelson, D.	Rose	Wagenius
Cooper	Kelly	Nelson, K.	Rukavina	Waltman
Dauner	Kelso	Neuenschwander	Sarna	Welle
DeBlieck	Kinkel	O'Connor	Schafer	Wenzel
Dempsey	Kludd	Ogren	Scheid	Winter
Dille	Knickerbocker	Olsen, S.	Schoenfeld	Wynia
Dorn	Knuth	Olson, E.	Schreiber	Spk. Norton
Forsythe	Kostohryz	Olson, K.	Seaberg	
Frederick	Krueger	Omann	Segal	

The bill was passed and its title agreed to.

H. F. No. 1145, A resolution memorializing the President and Congress of the United States to award posthumous Medals of Freedom to Andrew Goodman, Michael Schwerner, and James Chaney.

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 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Frederick	Kostohryz	Omann	Schreiber
Anderson, R.	Frerichs	Krueger	Onnen	Seaberg
Battaglia	Greenfield	Lasley	Orenstein	Segal
Bauerly	Gruenes	Lieder	Osthoff	Simoneau
Bear	Gutknecht	Long	Otis	Skoglund
Begich	Hartle	Marsh	Ozment	Solberg
Bennett	Haukoos	McDonald	Pappas	Sparby
Bertram	Heap	McEachern	Pauly	Stanisus
Bishop	Himle	McLaughlin	Pelowski	Steensma
Blatz	Hugoson	McPherson	Peterson	Sviggum
Boo	Jacobs	Milbert	Poppenhagen	Swenson
Brown	Jaros	Miller	Price	Tjornhom
Burger	Jefferson	Minne	Quinn	Tompkins
Carlson, D.	Jennings	Morrison	Reding	Trimble
Carlson, L.	Jensen	Munger	Rest	Tunheim
Carruthers	Johnson, A.	Murphy	Rice	Uphus
Clark	Johnson, R.	Nelson, C.	Richter	Valento
Clausnitzer	Johnson, V.	Nelson, D.	Riveness	Vanasek
Cooper	Kahn	Nelson, K.	Rodosovich	Vellenga
Dauner	Kalis	Neuenschwander	Rose	Wagenius
DeBlicck	Kelly	O'Connor	Rukavina	Waltman
Dempsey	Kelso	Ogren	Sarna	Welle
Dille	Kinkel	Olsen, S.	Schafer	Wenzel
Dorn	Kludt	Olson, E.	Scheid	Winter
Forsythe	Knuth	Olson, K.	Schoenfeld	Wynia
				Spk. Norton

The bill was passed and its title agreed to.

H. F. No. 1376, A bill for an act relating to state lands; directing sale and conveyance of certain state-owned lands to the city of Owatonna.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Brown	Forsythe	Jacobs	Kinkel
Anderson, R.	Burger	Frederick	Jaros	Kludt
Battaglia	Carlson, D.	Frerichs	Jefferson	Knickerbocker
Bauerly	Carlson, L.	Greenfield	Jennings	Knuth
Bear	Carruthers	Gruenes	Jensen	Kostohryz
Begich	Clausnitzer	Gutknecht	Johnson, A.	Krueger
Bennett	Cooper	Hartle	Johnson, R.	Larsen
Bertram	Dauner	Haukoos	Johnson, V.	Lasley
Bishop	Dempsey	Heap	Kahn	Lieder
Blatz	Dille	Himle	Kelly	Long
Boo	Dorn	Hugoson	Kelso	Marsh

McDonald	O'Connor	Poppenhagen	Schreiber	Tunheim
McEachern	Ogren	Price	Seaberg	Uphus
McKasy	Olsen, S.	Quinn	Segal	Valento
McLaughlin	Olson, E.	Reding	Simoneau	Vanasek
McPherson	Olson, K.	Rest	Skoglund	Vellenga
Milbert	Omann	Rice	Solberg	Wagenius
Miller	Onnen	Richter	Sparby	Waltman
Minne	Orenstein	Riveness	Stanius	Welle
Morrison	Osthoff	Rodosovich	Steensma	Wenzel
Munger	Otis	Rose	Sviggum	Winter
Murphy	Ozment	Rukavina	Swenson	Wynia
Nelson, C.	Pappas	Sarna	Thiede	Spk. Norton
Nelson, D.	Pauly	Schafer	Tjornhom	
Nelson, K.	Pelowski	Scheid	Tompkins	
Neuenschwander	Peterson	Schoenfeld	Trimble	

The bill was passed and its title agreed to.

H. F. No. 1521, A bill for an act relating to local government; providing the Lake county housing and redevelopment authority with certain port authority powers.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Larsen	Onnen	Segal
Anderson, R.	Gruenes	Lasley	Orenstein	Simoneau
Battaglia	Gutknecht	Lieder	Osthoff	Skoglund
Bauerly	Hartle	Long	Otis	Solberg
Beard	Haukoos	Marsh	Ozment	Sparby
Begich	Heap	McDonald	Pappas	Stanius
Bennett	Himle	McEachern	Pauly	Steensma
Bertram	Hugoson	McKasy	Pelowski	Sviggum
Blatz	Jacobs	McLaughlin	Peterson	Swenson
Boo	Jaros	McPherson	Poppenhagen	Thiede
Brown	Jefferson	Milbert	Price	Tjornhom
Burger	Jennings	Miller	Quinn	Tompkins
Carlson, D.	Jensen	Minne	Reding	Trimble
Carlson, L.	Johnson, A.	Morrison	Rest	Tunheim
Carruthers	Johnson, R.	Munger	Rice	Uphus
Clark	Johnson, V.	Murphy	Richter	Valento
Clausnitzer	Kahn	Nelson, C.	Riveness	Vanasek
Cooper	Kalis	Nelson, D.	Rodosovich	Vellenga
Dauner	Kelly	Nelson, K.	Rose	Wagenius
DeBlicek	Kelso	Neuenschwander	Rukavina	Waltman
Dempsey	Kinkel	O'Connor	Sarna	Welle
Dille	Kludt	Ogren	Schafer	Wenzel
Dorn	Knickerbocker	Olsen, S.	Scheid	Winter
Forsythe	Knuth	Olson, E.	Schoenfeld	Wynia
Frederick	Kostohryz	Olson, K.	Schreiber	Spk. Norton
Frerichs	Krueger	Omann	Seaberg	

The bill was passed and its title agreed to.

**CALENDAR**

Vanasek moved that the bills on the Calendar for today be continued one day. The motion prevailed.

**GENERAL ORDERS**

Vanasek moved that the bills on General Orders for today be continued one day. The motion prevailed.

**MOTIONS AND RESOLUTIONS**

Segal moved that her name be stricken as an author on H. F. No. 373. The motion prevailed.

Bennett moved that the name of Johnson, A., be added as an author on H. F. No. 1139. The motion prevailed.

Vanasek moved that the House recess subject to the call of the Chair to meet with the Senate in Joint Convention. The motion prevailed.

Ogren was excused for the remainder of today's session.

**RECESS****RECONVENED**

The House reconvened and was called to order by the Speaker.

The Sergeant at Arms announced the arrival of the members of the Senate and they were escorted to the seats reserved for them at the front of the Chamber.

**JOINT CONVENTION**

The Speaker of the House as President of the Joint Convention called the Joint Convention to order.

Prayer was offered by Pastor Corinne Chilstrom, Bethlehem Lutheran Church, Minneapolis, Minnesota.

The roll being called, the following Senators answered to their names: Adkins, Anderson and Beckman.

Senator Moe, R. D., moved that further proceedings of the roll call be dispensed with. The motion prevailed and a quorum was declared present.

Jaros and Pehler moved that the following be the procedure of this Joint Convention:

The report from members of the Senate Committee on Education and the House Committee on Higher Education, pursuant to House Concurrent Resolution No. 3, shall submit a slate of three Congressional District members and one at-large member on the Board of Regents of the University of Minnesota.

Nominations may be made from the floor of the Convention but the nominations shall be in the form of an amendment to the report as submitted by the members of the Senate Committee on Education and the House Committee on Higher Education. Such amendment shall be in the form of striking a designated nominee's name and inserting the name of the proposed nominee.

The roll shall be called on the election of the four members on the Board of Regents of the University of Minnesota. The nominee for each seat receiving the highest number of votes shall be declared elected.

The motion prevailed and the report on procedure was adopted.

REPORT FROM MEMBERS OF THE SENATE COMMITTEE ON  
EDUCATION AND THE HOUSE COMMITTEE ON HIGHER EDUCATION

To the Honorable Fred C. Norton, Speaker of the House of Representatives, as President of the Joint Convention of the Senate and House of Representatives meeting for the purpose of electing members of the Board of Regents of the University of Minnesota:

The members of the Senate Committee on Education and the House Committee on Higher Education make the following report:

We have selected the following named persons as a slate of nominees for membership on the Board of Regents of the University of Minnesota, each to hold his or her respective office for the term specified from the first Monday of February, 1987:

Elton A. Kuderer, Second Congressional District, Six Years

M. Elizabeth Craig, Third Congressional District, Six Years

J. P. Grahek, Eighth Congressional District, Six Years

David K. Roe, At-Large, Six Years

We hereby submit the recommendation and the names of said persons in nomination for the offices and terms hereinbefore designated.

Respectfully submitted,

JAMES C. PEHLER, Chairman  
Senate Education Committee

MICHAEL JAROS, Chairman  
House Higher Education Committee

Jaros and Pehler moved that the report from members of the Senate Committee on Education and the House Committee on Higher Education nominating four persons for membership on the Board of Regents of the University of Minnesota be adopted.

The motion prevailed and the report was adopted.

Jaros and Pehler moved that nominations be closed. The motion prevailed.

#### ELECTION OF BOARD OF REGENTS

The Secretary called the roll on the election.

190 members voted for Elton A. Kuderer, Second Congressional District, for a six year term, as follows:

#### SENATE ROLL CALL

Adkins	Davis	Johnson, D. J.	Metzen	Renneke
Anderson	DeCramer	Jude	Moe, D. M.	Samuelson
Beckman	Dicklich	Knutson	Moe, R. D.	Schmitz
Belanger	Diessner	Kroening	Morse	Solon
Benson	Frank	Laidig	Novak	Spear
Berg	Frederick	Langseth	Olson	Storm
Berglin	Frederickson,	Lantry	Pehler	Stumpf
Bernhagen	D. J.	Larson	Peterson, D. C.	Vickerman
Bertram	Frederickson,	Luther	Peterson, R. W.	Waldorf
Brandl	D. R.	Marty	Piper	Wegscheid
Brataas	Freeman	McQuaid	Pogemiller	Willet
Cohen	Gustafson	Mehrkens	Ramstad	
Dahl	Hughes	Merriam	Reichgott	

#### HOUSE OF REPRESENTATIVES ROLL CALL

Anderson, G.	Bennett	Burger	Cooper	Forsythe
Anderson, R.	Bertram	Carlson, D.	Dauner	Frederick
Battaglia	Bishop	Carlson, L.	DeBlicke	Frerichs
Bauerly	Blatz	Carruthers	Dempsey	Greenfield
Beard	Boo	Clark	Dille	Gruenes
Begich	Brown	Clausnitzer	Dorn	Gutknecht

Hartle	Knuth	Nelson, D.	Rest	Steensma
Haukoos	Kostohryz	Nelson, K.	Rice	Sviggum
Heap	Krueger	Neuenschwander	Richter	Swenson
Himle	Larsen	O'Connor	Riveness	Thiede
Hugoson	Lasley	Olsen, S.	Rodosovich	Tjornhom
Jacobs	Lieder	Olson, E.	Rose	Tompkins
Jaros	Long	Olson, K.	Rukavina	Trimble
Jefferson	Marsh	Omman	Sarna	Tunheim
Jennings	McDonald	Onnen	Schafer	Uphus
Jensen	McEachern	Orenstein	Scheid	Valento
Johnson, A.	McKasy	Osthoff	Schoenfeld	Vanasek
Johnson, R.	McLaughlin	Otis	Schreiber	Vellenga
Johnson, V.	McPherson	Ozment	Seaberg	Wagenius
Kahn	Milbert	Pappas	Segal	Waltman
Kalis	Miller	Pauly	Shaver	Welle
Kelly	Minne	Pelowski	Simoneau	Wenzel
Kelso	Morrison	Peterson	Skoglund	Winter
Kinkel	Munger	Price	Solberg	Wynia
Kludt	Murphy	Quinn	Sparby	Spk. Norton
Knickerbocker	Nelson, C.	Reding	Stanius	

190 members voted for M. Elizabeth Craig, Third Congressional District, for a six year term, as follows:

## SENATE ROLL CALL

Adkins	Davis	Johnson, D. J.	Metzen	Renneke
Anderson	DeCramer	Jude	Moe, D. M.	Samuelson
Beckman	Dicklich	Knutson	Moe, R. D.	Schmitz
Belanger	Diessner	Kroening	Morse	Solon
Benson	Frank	Laidig	Novak	Spear
Berg	Frederick	Langseth	Olson	Storm
Berglin	Frederickson,	Lantry	Pehler	Stumpf
Bernhagen	D. J.	Larson	Peterson, D. C.	Sturkman
Bertram	Frederickson,	Luther	Peterson, R. W.	Waldorf
Brandl	D. R.	Marty	Piper	Wegscheid
Brataas	Freeman	McQuaid	Pogemiller	Willet
Cohen	Gustafson	Mehrkens	Ramstad	
Dahl	Hughes	Merriam	Reichgott	

## HOUSE OF REPRESENTATIVES ROLL CALL

Anderson, G.	Dille	Kalis	Morrison	Quinn
Anderson, R.	Dorn	Kelly	Munger	Reding
Battaglia	Forsythe	Kelso	Murphy	Rest
Bauerly	Frederick	Kinkel	Nelson, C.	Rice
Beard	Frerichs	Kludt	Nelson, D.	Richter
Begich	Greenfield	Knickerbocker	Nelson, K.	Riveness
Bennett	Gruenes	Knuth	Neuenschwander	Rodosovich
Bertram	Gutknecht	Kostohryz	O'Connor	Rose
Bishop	Hartle	Krueger	Olsen, S.	Rukavina
Blatz	Haukoos	Larsen	Olson, E.	Sarna
Boo	Heap	Lasley	Olson, K.	Schafer
Brown	Himle	Lieder	Omman	Scheid
Burger	Hugoson	Long	Onnen	Schoenfeld
Carlson, D.	Jacobs	Marsh	Orenstein	Schreiber
Carlson, L.	Jaros	McDonald	Osthoff	Seaberg
Carruthers	Jefferson	McEachern	Otis	Segal
Clark	Jennings	McKasy	Ozment	Shaver
Clausnitzer	Jensen	McLaughlin	Pappas	Simoneau
Cooper	Johnson, A.	McPherson	Pauly	Skoglund
Dauner	Johnson, R.	Milbert	Pelowski	Solberg
DeBlicke	Johnson, V.	Miller	Peterson	Sparby
Dempsey	Kahn	Minne	Price	Stanius

Steensma	Tjornhom	Uphus	Wagenius	Winter
Sviggum	Tompkins	Valento	Waltman	Wynia
Swenson	Trimble	Vanasek	Welle	Spk. Norton
Thiede	Tunheim	Vellenga	Wenzel	

190 members voted for J. P. Grahek, Eighth Congressional District, for a six year term, as follows:

## SENATE ROLL CALL

Adkins	Davis	Johnson, D. J.	Metzen	Renneke
Anderson	DeCramer	Jude	Moe, D. M.	Samuelson
Beckman	Dicklich	Knutson	Moe, R. D.	Schmitz
Belanger	Diessner	Kroening	Morse	Solon
Benson	Frank	Laidig	Novak	Spear
Berg	Frederick	Langseth	Olson	Storm
Berglin	Frederickson,	Lantry	Pehler	Stumpf
Bernhagen	D. J.	Larson	Peterson, D. C.	Vickerman
Bertram	Frederickson,	Luther	Peterson, R. W.	Waldorf
Brandl	D. R.	Marty	Piper	Wegscheid
Brataas	Freeman	McQuaid	Pogemiller	Willet
Cohen	Gustafson	Mehrkens	Ramstad	
Dahl	Hughes	Merriam	Reichgott	

## HOUSE OF REPRESENTATIVES ROLL CALL

Anderson, G.	Frerichs	Krueger	Onnen	Shaver
Anderson, R.	Greenfield	Larsen	Orenstein	Simoneau
Battaglia	Gruenes	Lasley	Osthoff	Skoglund
Bauerly	Gutknecht	Lieder	Otis	Solberg
Beard	Hartle	Long	Ozment	Sparby
Begich	Haukoos	Marsh	Pappas	Stanius
Bennett	Heap	McDonald	Pauly	Steensma
Bertram	Himle	McEachern	Pelowski	Sviggum
Bishop	Hugoson	McKasy	Peterson	Swenson
Blatz	Jacobs	McLaughlin	Price	Thiede
Boo	Jaros	McPherson	Quinn	Tjornhom
Brown	Jefferson	Milbert	Reding	Tompkins
Burger	Jennings	Miller	Rest	Trimble
Carlson, D.	Jensen	Minne	Rice	Tunheim
Carlson, L.	Johnson, A.	Morrison	Richter	Uphus
Carruthers	Johnson, R.	Munger	Rivenness	Valento
Clark	Johnson, V.	Murphy	Rodosovich	Vanasek
Clausnitzer	Kahn	Nelson, C.	Rose	Vellenga
Cooper	Kalis	Nelson, D.	Rukavina	Wagenius
Dauner	Kelly	Nelson, K.	Sarna	Waltman
DeBlieck	Kelso	Neuenschwander	Schafer	Welle
Dempsey	Kinkel	O'Connor	Scheid	Wenzel
Dille	Kludt	Olsen, S.	Schoenfeld	Winter
Dorn	Knickerbocker	Olsen, E.	Schreiber	Wynia
Forsythe	Knuth	Olson, K.	Seaberg	Spk. Norton
Frederick	Kostohryz	Omann	Segal	

189 members voted for David K. Roe, At-Large, for a six year term, as follows:

## SENATE ROLL CALL

Adkins	Belanger	Berglin	Brandl	Dahl
Anderson	Benson	Bernhagen	Brataas	Davis
Beckman	Berg	Bertram	Cohen	DeCramer

Dicklich	Hughes	Marty	Pehler	Solon
Diessner	Johnson, D. J.	McQuaid	Peterson, D. C.	Spear
Frank	Jude	Mehrkens	Peterson, R. W.	Storm
Frederick	Knutson	Merriam	Piper	Stumpf
Frederickson,	Kroening	Metzen	Pogemiller	Vickerman
D. J.	Laidig	Moe, D. M.	Ramstad	Waldorf
Frederickson,	Langseth	Moe, R. D.	Reichgott	Wegscheid
D. R.	Lantry	Morse	Renneke	Willet
Freeman	Larson	Novak	Samuelson	
Gustafson	Luther	Olson	Schmitz	

## HOUSE OF REPRESENTATIVES ROLL CALL

Anderson, G.	Frerichs	Krueger	Onnen	Shaver
Anderson, R.	Greenfield	Larsen	Orenstein	Simoneau
Battaglia	Gruenes	Lasley	Osthoff	Skoglund
Bauerly	Gutknecht	Lieder	Otis	Solberg
Beard	Hartle	Long	Ozment	Sparby
Begich	Haukoos	Marsh	Pappas	Stanius
Bennett	Heap	McDonald	Pauly	Steensma
Bertram	Himle	McEachern	Pelowski	Sviggum
Bishop	Hugoson	McKasy	Peterson	Swenson
Blatz	Jacobs	McLaughlin	Price	Tjornhom
Boo	Jaros	McPherson	Quinn	Tompkins
Brown	Jefferson	Milbert	Reding	Trimble
Burger	Jennings	Miller	Rest	Tunheim
Carlson, D.	Jensen	Minne	Rice	Uphus
Carlson, L.	Johnson, A.	Morrison	Richter	Valento
Carruthers	Johnson, R.	Munger	Riveness	Vanasek
Clark	Johnson, V.	Murphy	Rodosovich	Vellenga
Clausnitzer	Kahn	Nelson, C.	Rose	Wagenius
Cooper	Kalis	Nelson, D.	Rukavina	Waltman
Dauner	Kelly	Nelson, K.	Sarna	Welle
DeBlieck	Kelso	Neuenschwander	Schafer	Wenzel
Dempsey	Kinkel	O'Connor	Scheid	Winter
Dille	Kludt	Olsen, S.	Schoenfeld	Wynia
Dorn	Knickerbocker	Olson, E.	Schreiber	Spk. Norton
Forsythe	Knuth	Olson, K.	Seaberg	
Frederick	Kostohryz	Omann	Segal	

One member voted for C. Elmer Anderson, At-Large, for a six year term, as follows: Representative Thiede.

Jaros and Pehler moved that the roll be closed. The motion prevailed.

## DECLARATION OF ELECTION

Elton A. Kuderer, Second Congressional District, six years; M. Elizabeth Craig, Third Congressional District, six years; J. P. Grahek, Eighth Congressional District, six years; David K. Roe, At-Large, six years; having received the largest number of votes at the Joint Convention were declared by the President of the Joint Convention to be elected to the Board of Regents of the University of Minnesota for terms ending the first Monday of February, 1993.

Moe, R. D., moved that the Joint Convention arise. The motion prevailed and the President declared the Joint Convention adjourned.

## RECONVENED

The House reconvened and was called to order by the Speaker.

## CERTIFICATION

April 15, 1987

To the Governor  
State of Minnesota

To the Senate  
State of Minnesota

To the House of Representatives  
State of Minnesota

This is to certify that the House of Representatives and the Senate in Joint Convention on Wednesday, April 15, 1987, have elected as members of the Board of Regents of the University of Minnesota the following members each to hold his or her respective office for the term specified from the first Monday of February, 1987:

Elton A. Kuderer, Second Congressional District, Six Years

M. Elizabeth Craig, Third Congressional District, Six Years

J. P. Grahek, Eighth Congressional District, Six Years

David K. Roe, At-Large, Six Years

JEROME M. HUGHES  
President of the Senate

FRED C. NORTON  
Speaker of the House  
of Representatives

## ADJOURNMENT

Vanasek moved that when the House adjourns today it adjourn until 2:00 p.m., Monday, April 20, 1987. The motion prevailed.

Vanasek moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:00 p.m., Monday, April 20, 1987.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

## STATE OF MINNESOTA

## SEVENTY-FIFTH SESSION—1987

## THIRTY-FIFTH DAY

SAINT PAUL, MINNESOTA, MONDAY, APRIL 20, 1987

The House of Representatives convened at 2:00 p.m. and was called to order by Fred C. Norton, Speaker of the House.

Prayer was offered by Pastor Richard Spande, First Lutheran Church, Ellendale, Minnesota.

The roll was called and the following members were present:

Anderson, G.	Greenfield	Lasley	Osthoff	Shaver
Anderson, R.	Gruenes	Lieder	Otis	Simoneau
Battaglia	Gutknecht	Long	Ozment	Skoglund
Bauerly	Hartle	Marsh	Pappas	Solberg
Beard	Haukoos	McDonald	Pauly	Sparby
Begich	Heap	McEachern	Pelowski	Stanius
Bennett	Himle	McKasy	Peterson	Steenasma
Bertram	Hugoson	McLaughlin	Popenhagen	Sviggunn
Bishop	Jacobs	McPherson	Price	Swenson
Blatz	Jaros	Milbert	Quinn	Thiede
Boo	Jefferson	Miller	Quist	Tjornhom
Brown	Jennings	Minne	Redalen	Tompkins
Burger	Jensen	Morrison	Reding	Trimble
Carlson, D.	Johnson, A.	Munger	Rest	Tunheim
Carlson, L.	Johnson, R.	Murphy	Rice	Uphus
Carruthers	Johnson, V.	Nelson, C.	Richter	Valento
Clark	Kahn	Nelson, D.	Riveness	Vanasek
Clausnitzer	Kalis	Nelson, K.	Rodosovich	Vellenga
Cooper	Kelly	Neuenschwander	Rose	Voss
Dauner	Kelso	O'Connor	Rukavina	Wagenius
DeBlicke	Kinkel	Ogren	Sarna	Waltman
Dempsey	Kludt	Olsen, S.	Schafer	Welle
Dille	Knickerbocker	Olson, E.	Scheid	Wenzel
Dorn	Knuth	Olson, K.	Schoenfeld	Winter
Forsythe	Kostohryz	Omann	Schreiber	Wynia
Frederick	Krueger	Onnen	Seaberg	Spk. Norton
Frerichs	Larsen	Orenstein	Segal	

A quorum was present.

The Chief Clerk proceeded to read the Journal of the preceding day. Osthoff moved that further reading of the Journal be dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

## REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 862, 1104, 1059, 1174, 1188, 165, 230, 585, 630, 668, 792, 856, 904, 1128, 1189, 1524, 305, 931, 1045 and 1026 and S. F. Nos. 482 and 322 have been placed in the members' files.

**REPORTS OF STANDING COMMITTEES**

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 624, A bill for an act relating to conciliation courts; providing for entry of judgment; providing for vacation of default judgment in certain circumstances; providing for time limitation and service by mail on removal to county court; allowing a party to proceed without payment of a filing fee; amending Minnesota Statutes 1986, section 487.30, by adding subdivisions.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 674, A bill for an act relating to crimes; dictating circumstances in which the court may stay execution of sentence following conviction for a second or subsequent offense relating to criminal sexual conduct; providing that information regarding a sexual assault victim is private; amending Minnesota Statutes 1986, sections 609.346, subdivisions 2 and 3; and 611A.06.

Reported the same back with the following amendments:

Page 2, line 2, after "(1)" insert "a term of"

Page 2, line 3, after "workhouse" insert "that is proportional to defendant's prior record"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 730, A bill for an act relating to witnesses; expanding the exception to the husband-wife privilege applicable to crimes com-

mitted against children; amending Minnesota Statutes 1986, section 595.02, subdivision 1.

Reported the same back with the following amendments:

Page 1, line 24, delete everything after "spouse"

Page 1, line 25, delete the new language

With the recommendation that when so amended the bill pass.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 753, A bill for an act relating to education; removing references to repealed statutes; removing obsolete language; amending Minnesota Statutes 1986, sections 122.541, subdivision 2; 125.611, subdivisions 10, 11, 12, and 13; 136D.27; 136D.74, subdivision 2; and 136D.87; repealing Minnesota Statutes 1986, section 125.611, subdivisions 8 and 9.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

#### "APPROPRIATION

#### SUMMARY

#### Section 1. [WORDS OF APPROPRIATION; TABLE.]

The sums shown are appropriated from the general fund, or any other named fund, to the agencies for the purposes specified in this act, to be available for the fiscal year indicated for each purpose. The figures "1988" and "1989," where used in this act, mean that the appropriation or appropriations listed under them are available for the year ending June 30, 1988, or June 30, 1989, respectively.

SUMMARY BY FUND

	<u>1988</u>	<u>1989</u>	<u>TOTAL</u>
<u>General</u>	\$1,477,644,355	\$1,523,571,097	\$3,001,215,452
<u>Public Health</u>	693,000	719,600	1,412,600
<u>Trunk Hwy</u>	20,700	20,700	41,400

## ARTICLE 1

## FOUNDATION AID

Section 1. Minnesota Statutes 1986, section 124.17, subdivision 1, is amended to read:

Subdivision 1. Pupil units for each resident pupil in average daily membership shall be counted as follows:

(1) In a program approved by the commissioner, for each handicapped prekindergarten pupil, one-half pupil unit for up to 437 hours of education services in the school year as provided in the pupil's individual education plan or, for more than 437 hours of education services, a number of pupil units equal to the ratio of the number of hours of education service required in the school year by the pupil's individual education program plan, developed pursuant to the rules of the state board, to 875, but not more than one pupil unit;

(2) In an elementary school:

(a) For each handicapped kindergarten pupil, as defined in section 120.03, enrolled in a program approved by the commissioner, a number of pupil units equal to the ratio of the number of hours of education services required in the school year by the pupil's individual education program plan, developed pursuant to the rules of the state board, to 875, but not more than one pupil unit;

(b) For kindergarten pupils, other than those in clause (a), enrolled in one-half day sessions throughout the school year or the equivalent thereof, one-half pupil unit; and

(c) For other elementary pupils, one pupil unit.

(3) In secondary schools, for the 1987-1988 school year, 1-4/10 pupil units. In secondary schools, for the 1988-1989 school year and each year thereafter, 1-3/10 pupil units. Pupils enrolled in the seventh and eighth grades of any school shall be counted as secondary pupils.

Sec. 2. Minnesota Statutes 1986, section 124.17, subdivision 1a, is amended to read:

Subd. 1a. [AFDC PUPIL UNITS.] In addition to the pupil units counted under subdivision 1, pupil units shall be counted as provided in this subdivision, beginning with the ~~1986-1987~~ 1988-1989 school year.

(1) Each pupil in subdivision 1 from a family receiving aid to families with dependent children or its successor program who is enrolled in the school district on October 1 of the ~~previous school year~~ second fiscal year of the previous biennium shall be counted as an additional five-tenths pupil unit.

(2) In every district in which the number of pupils from families receiving aid to families with dependent children or its successor program equals six percent or more of the actual pupil units in the district for the same year as computed in subdivision 1, each such pupil shall be counted as an additional one-tenth of a pupil unit for each percent of concentration over five percent of such pupils in the district. The percent of concentration shall be rounded down to the nearest whole percent for this paragraph. In districts in which the percent of concentration is less than six, additional pupil units must not be counted under this paragraph for pupils from families receiving aid to families with dependent children or its successor program. A pupil must not be counted as more than 1-1/10 additional pupil units under this subdivision. The weighting in this paragraph is in addition to the weighting provided in subdivision 1 and paragraph (1).

Sec. 3. Minnesota Statutes 1986, section 124.2138, is amended by adding a subdivision to read:

Subd. 2a. [TRANSPORTATION LEVY EQUITY.] (a) For any nonagricultural district, in any year, if the maximum basic transportation levy limitation of the district is more than the sum of the transportation aid under section 124.225, subdivisions 8b, 8i, 8j, and 8k and article 2, section 7, an amount must be deducted as provided in this subdivision from special state aid authorized in chapters 124 and 124A receivable for the same school year, and from other state payments receivable for the same school year authorized in sections 273.115; 273.116; 273.123, subdivision 6; 273.13, subdivision 15a; and Laws 1983, chapter 342, article 8, section 8, to the extent that those special state aid payments and other state payments are not reduced under sections 18, 19, and 20. However, the aid authorized in section 124.646 must not be reduced.

(b) The amount of the deduction equals the difference between:

(1) the district's maximum basic transportation levy limitation;  
and

(2) the sum of the district's transportation aid computation under section 124.225, subdivisions 8b, 8i, 8j, and 8k and article 2, section 7, less the amount of any aid reduction due to an insufficient appropriations as provided in section 124.225, subdivision 8a.

Sec. 4. Minnesota Statutes 1986, section 124.2138, subdivision 4, is amended to read:

Subd. 4. [NONAGRICULTURAL DISTRICT DEFINED.] For the purposes of this section and ~~section 124A.037~~ sections 3, 18, 19 and 20, nonagricultural district means a district where the assessed valuation of agricultural land identified in section 273.13, subdivision 23, comprises less than 60 percent of the assessed valuation of the district.

Sec. 5. Minnesota Statutes 1986, section 124.2162, is amended by adding a subdivision to read:

Subd. 3. [REDISTRIBUTION.] For purposes of aid calculations, the commissioner may redistribute current year teacher retirement and F.I.C.A. obligations between districts entering into agreements or other arrangements for sharing of instructional time of staff who would otherwise qualify for teacher retirement and F.I.C.A. obligations to adjust for changes in staffing patterns between the base year and the current year resulting from the agreements.

Sec. 6. Minnesota Statutes 1986, section 124A.01, is amended to read:

124A.01 [FOUNDATION AID COMPONENTS.]

Foundation aid shall equal the sum of the following:

- (a) basic aid;
- (b) cost differential tier aid;
- (c) second tier aid;
- (d) third tier aid;
- (e) fourth tier aid;
- (f) fifth tier aid;
- (g) minimum aid; and
- (h) ~~declining pupil aid; and~~

(i) shared time pupil aid.

Sec. 7. Minnesota Statutes 1986, section 124A.02, is amended by adding a subdivision to read:

Subd. 5a. [BASIC FOUNDATION AID; 1987-1988 SCHOOL YEAR.] A district's basic foundation aid for the 1987-1988 school year equals its basic foundation revenue for that school year, minus the lesser of (1) the basic maintenance mill rate times the applicable adjusted assessed valuation of the district; or (2) \$1,700 times the district's total pupil units for that school year.

Sec. 8. Minnesota Statutes 1986, section 124A.02, subdivision 7, is amended to read:

Subd. 7. [BASIC MAINTENANCE MILL RATE.] "Basic maintenance mill rate" means the mill rate applicable to the adjusted assessed valuation of a district, used in the computation of basic foundation aid for a particular school year and of the basic maintenance levy for use in that school year. The basic maintenance mill rate shall be .024 for the 1983 payable 1984 levies and for foundation aid for the 1984-1985 school year. The basic maintenance mill rate shall be .0235 for the 1984 payable 1985 levies and for foundation aid for the 1985-1986 school year. The basic maintenance mill rate for 1985 payable 1986 levies and each year thereafter, and for foundation aid for the 1986-1987 school year and each year thereafter, shall be established as provided in section 124A.03, subdivision 1a.

Sec. 9. Minnesota Statutes 1986, section 124A.02, subdivision 8, is amended to read:

Subd. 8. [EQUALIZING FACTOR.] "Equalizing factor" means a number equal to the minimum EARC valuation per total pupil unit which disqualifies a district from earning any basic foundation aid. The equalizing factor for the 1987-1988 school year and for levies for use in that school year equals \$74,890. The equalizing factor for each school year, except the 1987-1988 school year, and for levies for use in that school year equals the ratio, rounded to the nearest dollar, of the foundation aid formula allowance for that school year to the basic maintenance mill rate for that school year.

Sec. 10. Minnesota Statutes 1986, section 124A.02, subdivision 9, is amended to read:

Subd. 9. [FORMULA ALLOWANCE.] "Foundation aid formula allowance" or "formula allowance" means the amount of revenue per pupil unit used in the computation of foundation aid for a particular school year and in the computation of permissible levies for use in that school year. The formula allowance shall be \$1,585 for the 1984 payable 1985 levies and for foundation aid for the 1985-1986 school year. The formula allowance shall be \$1,690 for the 1985 payable

1986 levies and for foundation aid for the 1986-1987 school year. The formula allowance is ~~\$1,700~~ \$1,944 for the 1986 payable 1987 levies and for foundation aid for the 1987-1988 school year.

The formula allowance is \$2,100 for the 1987 payable 1988 levies and for foundation aid for the 1988-1989 school year.

Sec. 11. Minnesota Statutes 1986, section 124A.02, subdivision 16, is amended to read:

Subd. 16. [PUPIL UNITS, AFDC.] ~~For the 1984-1985 and 1985-1986 school years, "AFDC pupil units" means 98.5 percent of the pupil units identified in Minnesota Statutes 1980, section 124.17, subdivision 1, clauses (4) and (5) in the 1980-1981 school year.~~

For the 1986-1987 and 1987-1988 school year and each year thereafter years, "AFDC pupil units" means the pupil units identified in Minnesota Statutes 1986, section 124.17, subdivision 1a for the 1986-1987 school year. For the 1988-1989 school year and each year thereafter, "AFDC pupil units" means the pupil units identified in section 124.17, subdivision 1a, multiplied by 88 percent.

Sec. 12. Minnesota Statutes 1986, section 124A.02, is amended by adding a subdivision to read:

Subd. 25. [TOTAL FOUNDATION REVENUE.] A district's "total foundation revenue" means the sum of the district's basic foundation revenue and tier revenue, but does not include the portion of the cost differential revenue attributable to the equity allowance and the secondary weighting decline allowance, as defined in section 23.

Sec. 13. Minnesota Statutes 1986, section 124A.02, is amended by adding a subdivision to read:

Subd. 26. [STATEWIDE AVERAGE FOUNDATION REVENUE PER ACTUAL PUPIL UNIT.] (a) "Statewide average foundation revenue per actual pupil unit" means the sum of basic foundation revenue and tier revenue for all school districts divided by the number of actual pupil units in all districts for that year. The tier revenue does not include the portion of the cost differential tier revenue attributable to the formula equity allowance or the secondary weighting decline allowance, as defined in section 23.

(b) The commissioner shall compute the statewide average foundation revenue per actual pupil unit each school year and shall notify all districts of it before the districts' levies are required to be certified in the October immediately following the end of that school year. The commissioner shall use the latest available information in computing the statewide average foundation revenue under this

subdivision and must not adjust the amount after the levies are certified for a particular year.

Sec. 14. Minnesota Statutes 1986, section 124A.03, subdivision 1a, is amended to read:

Subd. 1a. [ESTABLISHMENT OF BASIC MAINTENANCE MILL RATE.] (a) The commissioner of revenue shall establish the basic maintenance mill rate and certify it to the commissioner of education by August 1 of each year for levies payable in the following year. The established basic maintenance mill rate shall be a rate, rounded up to the nearest ~~tenth~~ hundredth of a mill, which when applied to the adjusted assessed valuation of taxable property for each school district under subdivision 1 or 3, as applicable, raises the total amount specified in this section.

(b) ~~The basic maintenance mill rate for the 1985 payable 1986 levies and for foundation aid for the 1986-1987 school year shall be established at a rate that raises a total of \$702,000,000. The basic maintenance mill rate for the 1986 payable 1987 levies and for foundation aid for the 1987-1988 school year shall be set at a rate that raises \$692,000,000. The basic maintenance mill rate for the 1987 payable 1988 levies and for foundation aid for the 1988-1989 school year must be set to raise \$793,906,000. The basic maintenance mill rate computed by the commissioner of revenue must not be recomputed due to changes or corrections made in a school district's adjusted assessed valuation after the mill rate has been certified to the department of education pursuant to paragraph (a).~~

Sec. 15. Minnesota Statutes 1986, section 124A.03, subdivision 3, is amended to read:

Subd. 3. [BASIC MAINTENANCE LEVY; DISTRICTS OFF THE FORMULA.] In any year when the amount of the maximum levy limitation under subdivision 1 for any district, exceeds the product of the district's foundation aid formula allowance for the year in which the levy is recognized as revenue times the estimated number of total pupil units for that district for that school year, the levy limitation for that district under subdivision 1 shall be limited to the greater of the dollar amount of the levy the district certified in 1977 under Minnesota Statutes 1978, section 275.125, subdivision 2a, clause (1), or the following difference but not to exceed the levy limitation under subdivision 1:

(a) (1) the product of the district's foundation aid formula allowance for the school year in which the levy is recognized as revenue, times the estimated number of total pupil units for that district for that school year; plus (2) the amount by which special state aids authorized in chapters 124 and 124A, receivable for the same school year, excluding aid authorized in section 124.646, are estimated to be reduced under section 18; plus (3) the amount by which state aid

payments receivable for the same school year authorized in sections 273.115; 273.116; 273.123, subdivision 6; 273.13, subdivision 15a; and Laws 1983, chapter 342, article 8, section 8, are estimated to be reduced under section 18; less

(b) the estimated amount of any payments which would reduce the district's foundation aid entitlement as provided in section 124A.035, subdivision 4 in the school year in which the levy is recognized as revenue.

A levy made by a district pursuant to this subdivision shall be construed to be the levy made by that district pursuant to subdivision 1, for purposes of statutory cross-reference.

Sec. 16. Minnesota Statutes 1986, section 124A.03, is amended by adding a subdivision to read:

Subd. 3a. [BASIC MAINTENANCE LEVY; DISTRICTS OFF THE FORMULA; 1987-1988 SCHOOL YEAR.] If the amount of the maximum levy limitation under subdivision 1 for any district exceeds the product of \$1,700 times the estimated number of total pupil units for that district for the 1987-1988 school year, the levy limitation for that district under subdivision 1 is limited to the greater of the dollar amount of the levy the district certified in 1977 under Minnesota Statutes 1978, section 275.125, subdivision 2a, clause (1), or the following difference but not to exceed the levy limitation under subdivision 1:

(a) the product of \$1,700 times the estimated number of total pupil units for the 1987-1988 school year; less

(b) the estimated amount of any payments which would reduce the district's foundation aid entitlement as provided in section 124A.035, subdivision 4, in the school year in which the levy is recognized as revenue.

A levy made by a district under this subdivision shall be construed to be the levy made by that district under subdivision 1 for purposes of statutory cross-reference.

Sec. 17. Minnesota Statutes 1986, section 124A.033, subdivision 2, is amended to read:

Subd. 2. [DEFINITIONS.] For the purposes of computing foundation aid for summer programs and intersession classes of flexible school year programs, the following phrases shall have the meanings given them.

(1) "Summer program pupil units" means full-time equivalent pupil units, computed under section 124.17, for summer programs and intersession classes of flexible school year programs.

(2) For 1986 and 1987 summer programs, "summer program revenue allowance" means an amount equal to the product of the number of summer program pupil units in a district, times the foundation aid formula allowance as defined in section 124A.02 for the preceding regular school year. For summer programs in 1988 and later years, "summer program revenue allowance" means an amount equal to the product of the number of summer program pupil units in a district times 89 percent of the foundation aid formula allowance as defined in section 124A.02 for the last regular school year.

(3) "Summer program aid" means aid for summer programs and intersession classes of flexible school year programs.

Sec. 18. [124A.0371] [BASIC MAINTENANCE LEVY EQUITY.]

(a) For a nonagricultural district, if the amount of the maximum levy limitation under section 124A.03, subdivision 1, for a school year is more than the district's basic foundation revenue for that school year, an amount must be deducted as provided in this subdivision from special state aid authorized in chapters 124 and 124A, receivable for the same school year, and from other state payments receivable for the same school year authorized in sections 273.115; 273.116; 273.123, subdivision 6; 273.13, subdivision 15a; and Laws 1983, chapter 342, article 8, section 8. The aid authorized in section 124.646 must not be reduced.

(b) The amount of the deduction equals the difference between:

(1) the sum of the amount of the district's maximum levy limitation under section 124A.03, subdivision 1, plus the amount of reductions to that levy limitation under sections 124A.03, subdivision 3, and 275.125, subdivision 9; and

(2) the district's basic foundation revenue.

Sec. 19. [124A.0372] [COST DIFFERENTIAL TIER LEVY EQUITY.]

For a nonagricultural district, if the amount of the maximum levy limitation under section 124A.06, subdivision 3a, for a school year is more than the district's cost differential tier revenue for that school year, an amount must be deducted as provided in this subdivision from special state aid authorized in chapters 124 and 124A, receivable for the same school year, and from other state payments receivable for the same school year authorized in sections 273.115; 273.116; 273.123, subdivision 6; 273.13, subdivision 15a; and Laws

1983, chapter 342, article 8, section 8, to the extent that the special state aid payments and the other state payments are not reduced under section 18. The aid authorized in section 124.646 must not be reduced.

The amount of the deduction equals the difference between the result in paragraph (a) and paragraph (b).

(a) Make the computations in clauses (1) to (3).

(1) Divide the adjusted assessed valuation for the year preceding the year the levy is certified by the total pupil units for the year to which the levy is attributable.

(2) Divide the result in clause (1) by the equalizing factor for the school year to which the levy is attributable.

(3) Multiply the result in clause (2) by the district's cost differential tier revenue for the school year to which the levy is attributable.

(b) From the result in paragraph (a) subtract the district's cost differential tier revenue.

#### Sec. 20. [124A.0373] [SECOND TIER LEVY EQUITY.]

For a nonagricultural district, if the amount of the maximum levy limitation under section 124A.03, subdivision 3a, for a school year is more than the district's second tier revenue for that school year, an amount must be deducted as provided in this subdivision from special state aid authorized in chapters 124 and 124A, receivable for the same school year, and from other state payments receivable for the same school year authorized in sections 273.115; 273.116; 273.123, subdivision 6; 273.13, subdivision 15a; and Laws 1983, chapter 342, article 8, section 8, to the extent that the special state aid payments and the other state payments are not reduced under sections 18 and 19. The aid authorized in section 124.646 must not be reduced.

The amount of the deduction equals the difference between the results in paragraphs (a) and (b).

(a) Make the computations in clauses (1) to (3).

(1) Divide the adjusted assessed valuation for the year preceding the year the levy is certified by the total pupil units for the year to which the levy is attributable.

(2) Divide the result in clause (1) by the equalizing factor for the school year to which the levy is attributable.

(3) Multiply the result in clause (2) by the district's second tier revenue for the school year to which the levy is attributable.

(b) From the result in paragraph (a) subtract the district's second tier revenue.

Sec. 21. [124A.05] [SPARSITY AMOUNT.]

Subdivision 1. [DEFINITIONS.] The definitions in this subdivision apply in this section.

(a) "High school" means a secondary school, as defined in section 120.05, subdivision 2, clause (3), that enrolls pupils in each of grades 10, 11, and 12. If a district has entered into an agreement providing for the discontinuance of one or more grade levels according to section 122.535 or 122.541, and if there is no secondary school in the district that enrolls pupils in each of grades 10, 11, and 12, then the commissioner shall name one school in the district as a high school for this section.

(b) (1) In a district with only one high school, "secondary average daily membership" means the average daily membership of resident pupils in grades 7 through 12, as defined in section 124.17, subdivision 2.

(2) In a school district with more than one high school, "secondary average daily membership" for a particular high school means the product of the number of resident pupils enrolled in grades 7 through 12 in average daily membership in that high school, as defined in section 124.17, subdivision 2, times the ratio of six to the number of grades in that high school.

(c) "Attendance area" means the quotient of the total surface area in square miles of a district divided by the number of high schools in the district.

(d) "Isolation index" means the sum of

(1) the distance in miles measured by the usual traveled routes between a particular high school in a district and the nearest other high school, plus

(2) the square root of one-half the attendance area.

(e) "Qualifying high school" means a high school with an isolation index of greater than 18 and with secondary average daily membership of less than 500 in the year for which the aid is to be paid.

Subd. 2. [COMPUTATION.] A district's sparsity amount for a school year equals the sum of the amounts determined by computing the following product for each qualifying high school in the district:

(a) the foundation aid formula allowance for the school year, multiplied by

(b) the secondary average daily membership of the high school, multiplied by

(c) the quotient obtained by dividing (1) the remainder of 500 minus the secondary average daily membership by (2) the sum of 500 plus the secondary daily membership, multiplied by

(d) the quotient obtained by dividing (1) the remainder of the isolation index minus 18 by (2) the isolation index, multiplied by

(e) two.

Subd. 3. [ISOLATED ELEMENTARY SCHOOLS.] A district operating an elementary school, as defined in section 120.05, subdivision 2, that enrolls fewer than 20 pupils, and that is at least 50 miles by the usual traveled routes from the nearest other Minnesota elementary school, shall receive an additional sparsity amount equal to the foundation aid formula allowance times the number of pupils enrolled in that school, times two.

Sec. 22. [124A.051] [TEACHER RETIREMENT AND F.I.C.A. GUARANTEE.]

A district's "teacher retirement and F.I.C.A. guarantee" for each school year equals:

(a) the sum of

(1) its teacher retirement and F.I.C.A. aid for fiscal year 1987 under section 124.2162; plus

(2) the amount of teacher retirement and F.I.C.A. aid for fiscal year 1987 under section 124.2163, allocated to the district by intermediate districts and other employing units of which it is a member, divided by:

(b) its actual pupil units for the 1986-1987 school year.

For this section, intermediate school districts and other employing units as defined in section 124.2161, shall allocate the amount of their teacher retirement and F.I.C.A. aid for fiscal year 1987 among their member school districts.

Sec. 23. Minnesota Statutes 1986, section 124A.06, is amended to read:

**124A.06 [COST DIFFERENTIAL TIER.]**

Subdivision 1. [COST DIFFERENTIAL TIER ALLOWANCE.] "Cost differential tier allowance" means the amount of revenue per actual pupil unit used to compute the cost differential tier aid for a school year and levy for use in the same school year. A district's cost differential tier allowance for the 1987-1988 school year shall be the sum of the sparsity allowance and the training and experience allowance. A district's cost differential tier allowance for the 1988-1989 school year and each year thereafter is the sum of the sparsity allowance, the training and experience allowance, the excess retirement allowance, the formula equity allowance, and the secondary weighting decline allowance.

Subd. 1a. [SPARSITY ALLOWANCE.] A district's sparsity allowance for the 1987-1988 school year shall be the result of the following computation:

(a) Multiply two times the district's sparsity replacement component for the 1980-1981 school year, assuming that Minnesota Statutes 1982, section 124.2124, subdivision 1, had been effective for the 1980-1981 school year.

(b) Divide the result in clause (a) by the actual pupil units in the district for the 1980-1981 school year.

(c) Divide the formula allowance for the school year \$1,700 by \$1,265.

(d) Multiply the result in clause (b) by the result in clause (c).

A district's sparsity allowance for the 1988-1989 school year and each year thereafter equals the district's sparsity amount for that school year according to section 21, divided by the actual pupil units in the school district for that school year.

Subd. 1b. [TRAINING AND EXPERIENCE ALLOWANCE.] A district's training and experience allowance shall be the greater of zero or the result of the following computation:

(a) Subtract 1.25 from the training and experience index.

(b) Multiply the result in clause (a) by ~~\$300~~ \$400 for the ~~1984-1985~~ 1987-1988 school year, and by ~~\$400~~ \$633.75 for the ~~1985-1986~~ 1988-1989 school year, and each school year thereafter.

Subd. 1c. [EXCESS RETIREMENT ALLOWANCE.] A district's excess retirement allowance for the 1988-1989 school year and each year thereafter equals the result of the following computation:

(a) Multiply the district's basic foundation revenue for that school year by 0.11.

(b) Divide the result in clause (a) by the actual pupil units in the district for that school year.

(c) Multiply the district's sparsity allowance for that school year by 0.11.

(d) Multiply the district's training and experience allowance for that school year by 0.11.

(e) Subtract the results in clauses (b), (c), and (d) from the teacher retirement and F.I.C.A. guarantee according to section 22.

(f) If the result in clause (e) is less than zero, the excess retirement allowance equals zero.

Subd. 1d. [EXCESS RETIREMENT AID.] A district's excess retirement aid for the 1987-1988 school year equals the greater of the result in clause (c) or (f):

(a) Subtract 1.25 from the training and experience index.

(b) Multiply the result in clause (a) by \$70.

(c) Multiply the result in clause (b) by the actual pupil units for that school year.

(d) Multiply the district's teacher retirement and F.I.C.A. guarantee according to section 22 by the actual pupil units for that school year.

(e) Multiply the total pupil units for that school year by \$214.

(f) Subtract the result in clause (e) from the result in clause (d).

Subd. 1e. [FORMULA EQUITY ALLOWANCE.] (a) A district's formula equity allowance for the 1988-1989 school year is the greater of zero or the result of the following computation:

(1) Subtract the district's total foundation revenue per actual pupil unit from \$2,818.

(2) Subtract from the result in clause (1), the amount by which the district's net unappropriated operating fund balance as of the June 30 before the levy is certified exceeds the second tier levy fund balance subtraction under section 124A.08, subdivision 5.

(b) A district's formula equity allowance for the 1989-1990 school year and each year thereafter is the greater of zero or the result of the following computation:

(1) Subtract the district's total foundation revenue per actual pupil unit from the statewide average foundation revenue per actual pupil unit.

(2) Subtract from the result in clause (1), the amount by which the district's net unappropriated operating fund balance as of the June 30 before the levy is certified exceeds the second tier levy fund balance excess under section 124A.08, subdivision 5.

Subd. 1f. [SECONDARY WEIGHTING DECLINE ALLOWANCE.] A district's secondary weighting decline allowance for the 1988-1989 school year and each year thereafter is the greater of zero or the following computation:

(a) subtract the sum of the district's

(1) total foundation revenue per actual pupil unit, plus

(2) formula equity allowance; from

(b) the product of the district's

(1) prior school year's total foundation revenue, multiplied by

(2) 1.02.

Subd. 2. [COST DIFFERENTIAL TIER REVENUE.] A district's cost differential tier revenue for each school year shall equal the cost differential tier allowance times the district's actual pupil units for that school year.

Subd. 3a. [COST DIFFERENTIAL TIER LEVY.] A district may levy for its cost differential tier revenue an amount not to exceed the lesser of its cost differential tier revenue or that equals the result of the following computation:

(1) Divide the adjusted assessed valuation for the year preceding the year the levy is certified, by the total pupil units for the year to which the levy is attributable.

(ii) (2) Divide the result in clause (i) (1) by the equalizing factor for the school year to which the levy is attributable.

(iii) (3) Multiply the result in clause (ii) (2) by the district's cost differential tier revenue for the school year to which the levy is attributable.

(4) Select the lesser of: the result in clause (3) or the cost differential tier revenue.

(5) Add to the result in clause (4) the amount by which special state aids authorized in chapters 124 and 124A receivable for the same school year, excluding aid authorized in section 124.646, are estimated to be reduced under section 19, plus the amount by which state aid payments receivable for the same school year authorized in sections 273.115; 273.116; 273.123, subdivision 6; 273.13, subdivision 15a; and Laws 1983, chapter 342, article 8, section 8, are estimated to be reduced under section 19.

Subd. 4. [COST DIFFERENTIAL TIER AID.] A district's cost differential tier aid shall be the result of the following computation:

(1) Subtract the amount of the cost differential tier levy from the amount of the cost differential tier revenue.

(2) Divide the actual cost differential tier levy by the permitted cost differential tier levy.

(3) Multiply the result in clause (1) by the result in clause (2).

(4) For the 1987-1988 school year only, add the district's excess retirement aid according to subdivision 1d, to the result in clause (3).

Sec. 24. Minnesota Statutes 1986, section 124A.08, subdivision 1, is amended to read:

Subdivision 1. [SECOND TIER ALLOWANCE.] "Second tier allowance" means the amount of revenue per actual pupil unit used to compute the second tier aid for a particular school year and the corresponding levy for that school year. The second tier allowance is \$150 for the 1987-1988 school year and \$153.75 for the 1988-1989 school year and later school years.

Sec. 25. Minnesota Statutes 1986, section 124A.08, subdivision 3a, is amended to read:

Subd. 3a. [SECOND TIER LEVY.] A district may levy for its second tier revenue an amount ~~not to exceed the lesser of its second tier revenue or that equals~~ the result of the following computation:

(i) (1) Divide the adjusted assessed valuation for the year preceding the year the levy is certified, by the total pupil units for the year to which the levy is attributable.

(ii) (2) Divide the result in clause (i) (1) by the equalizing factor for the school year to which the levy is attributable.

(iii) (3) Multiply the result in clause (ii) (2) by the district's second tier revenue for the school year to which the levy is attributable.

(4) Select the lesser of: the result in clause (3) or the second tier revenue.

(5) Add to the result in clause (4) the amount by which special state aids authorized in chapters 124 and 124A receivable for the same school year, excluding aid authorized in section 124.646, are estimated to be reduced under section 20, plus the amount by which state aid payments receivable for the same school year authorized in sections 273.115; 273.116; 273.123, subdivision 6; 273.13, subdivision 15a; and Laws 1983, chapter 342, article 8, section 8, are estimated to be reduced under section 20.

Sec. 26. Minnesota Statutes 1986, section 124A.08, subdivision 5, is amended to read:

Subd. 5. [SECOND TIER LEVY FUND BALANCE.] (a) For purposes of clauses (b) and (c) of this subdivision, "fund balance excess" means the amount obtained by subtracting from the net operating fund balance as of June 30, 1987, the greater of: (1) \$500 multiplied by the district's total pupil units; or (2) the product of: 15 percent of the district's net unappropriated operating funds expenditure for fiscal year 1987, times 105.1 percent, times the ratio of the district's actual pupil units for the 1988-1989 school year to the district's actual pupil units for the 1986-1987 school year.

(b) The 1987 payable 1988 second tier levy must be reduced by the amount of the fund balance excess times the lesser of (1) one, or (2) the ratio of the district's 1986 adjusted assessed valuation per total pupil unit in the 1988-1989 school year to the equalizing factor.

(c) The second tier aid for the 1988-1989 school year must be reduced by any amount of the fund balance excess that is not subtracted from the levy.

(d) Beginning with the 1983 1988 payable 1984 1989 levy, for a district where the net unappropriated operating fund balance as of the June 30 before the levy is certified exceeds the greater of \$500 per total pupil unit in the year the levy is certified, or the product of (1) 15 percent of the district's net unappropriated operating funds expenditure for the fiscal year ending on the June 30 before the levy

is certified, times (2) the ratio of the formula allowance for the school year for which the levy is attributable to the formula allowance for the school year ending in the year when the levy is certified, times (3) the ratio of the district's actual pupil units for the school year to which the levy is attributable to the district's actual pupil units for the school year ending in the year the levy is certified, the second tier levy shall be reduced by the amount of the fund balance excess times the lesser of (a) (4) one, or (b) (5) the ratio of the district's EARC adjusted assessed valuation for the preceding year per total pupil unit in the school year for which the levy is attributable, to the equalizing factor.

(e) Beginning with the ~~1984-1985~~ 1989-1990 school year, the second tier aid for the year when that levy is used shall be reduced by any amount of the fund balance excess which is not subtracted from the levy.

Sec. 27. Minnesota Statutes 1986, section 124A.10, subdivision 1, is amended to read:

Subdivision 1. [THIRD TIER ALLOWANCE.] "Third tier allowance" means the amount of revenue per actual pupil unit used to compute the third tier aid for a particular school year and the corresponding levy for that school year. The third tier allowance is \$100 for the 1987-1988 school year. For the 1988-1989 school year and later school years the third tier allowance is an amount up to \$112.50 for districts with a professional development program approved by the commissioner of education under article 8, section 16, subdivision 3, or \$102.50 for districts without a professional development plan approved by the commissioner.

Sec. 28. Minnesota Statutes 1986, section 124A.10, is amended by adding a subdivision to read:

Subd. 5. [EXPENDITURE LIMITATIONS.] For any year for which the sum of a district's levy under this section and its aid for the same year under this section exceeds \$102.50 times the actual pupil units in the same year, the amount by which the sum exceeds \$102.50 times the actual pupil units may be expended only for activities approved under the professional development plan.

Sec. 29. Minnesota Statutes 1986, section 124A.12, subdivision 1, is amended to read:

Subdivision 1. [FOURTH TIER ALLOWANCE.] "Fourth tier allowance" means the amount of revenue per actual pupil unit used to compute the fourth tier aid for a particular school year and the corresponding levy for that school year. The fourth tier allowance is \$100 for the ~~1984-1985~~ school year. For the ~~1985-1986~~ 1987-1988 school year and thereafter, the fourth tier allowance is the result of the following computation:

(a) Subtract 1.25 from the training and experience index, and multiply the difference by \$150.

(b) Select the greater of the result in clause (a) or zero.

(c) Add \$100 to the result of clause (b).

For 1988-1989 and later school years, the fourth tier allowance is \$102.50.

Sec. 30. Minnesota Statutes 1986, section 124A.14, subdivision 4, is amended to read:

Subd. 4. [FIFTH TIER ALLOWANCE.] "Fifth tier allowance" means the amount of revenue per actual pupil unit used to compute the fifth tier aid for a particular school year and the corresponding levy for that school year. The fifth tier allowance for the 1987-1988 school year shall equal the previous formula amount plus the minimum increase minus the total tier allowance for the current year. If this result is less than zero, the fifth tier allowance shall equal zero. The fifth tier allowance for 1988-1989 and later school years equals the previous formula amount, plus the minimum increase, plus 11 percent of the sparsity allowance, plus 11 percent of the training and experience allowance, plus the excess retirement allowance, plus the formula equity allowance, plus the secondary weighting decline allowance, plus up to \$10 if the district has a professional development plan approved by the commissioner, minus the total tier allowance for the current year. If this result is less than zero, the fifth tier allowance equals zero.

Sec. 31. [FORMULA EQUITY ALLOWANCE; DISTRICT INFORMATION.]

To be eligible for the equity allowance for the 1988-1989 school year, a district must submit the following to the commissioner by June 30, 1988:

(a) An evaluation conducted by the school district on the district's compliance with state board of education minimum curriculum standards and identification of areas where the district is above the state board minimum standards;

(b) An evaluation as to how the district coordinates the results of district assessments under Minnesota Statutes, section 126.67, subdivision 2a, with improvement of instruction and curriculum to meet instructional goals established according to Minnesota Statutes, section 126.66.

(c) A description of the school district's use of expanded student opportunities including, discontinued grade cooperation, technology

cooperation, shared staff cooperation, expanded enrollment options, consolidation, or any other programs designed to expand student opportunities.

Sec. 32. [LEVY EQUITY REPORT.]

By December 1, 1987, the department of education shall report to the education committees of the legislature on a plan to allow a four-year phase-in of the levy equity provisions in sections 3, 15, 18, 19, and 20. The report shall include methods to adjust the 1987 payable 1988 property tax levies in accordance with a four-year phase-in period.

Sec. 33. [APPROPRIATION.]

Subdivision 1. [TO DEPARTMENT OF EDUCATION.] There is appropriated from the general fund to the department of education the sums indicated in this section for the fiscal years ending June 30 in the years designated.

Subd. 2. [FOUNDATION AID.] For foundation aid there is appropriated:

\$1,070,634,000.....1988;

\$1,108,005,000.....1989.

The appropriation for 1988 includes \$121,713,000 for aid for fiscal year 1987 payable in fiscal year 1988 and \$948,921,000 for aid for fiscal year 1988 payable in fiscal year 1988.

The appropriations for 1989 includes \$164,427,000 for aid for fiscal year 1988 payable in fiscal year 1989 and \$943,578,000 for aid for fiscal year 1989 payable in fiscal year 1989.

Subd. 3. [SUMMER PROGRAM.] For summer program aid pursuant to Minnesota Statutes, section 124A.033, subdivision 3, and for summer instructional program aid pursuant to Minnesota Statutes, section 124A.033, subdivision 3a, there is appropriated:

\$8,177,800.....1988,

\$8,100,700.....1989.

The appropriation for fiscal year 1988 is for aid for programs in summer 1987. The appropriation for fiscal year 1989 is for aid for programs in summer 1988.

Subd. 4. [RETIREMENT.] For teacher retirement under Minnesota Statutes, section 124.2162, there is appropriated:

\$33,975,000.....1988.

The appropriation for 1988 is for aid for fiscal year 1987 payable in fiscal year 1988.

Sec. 34. [REPEALER.]

Subdivision 1. [JULY 1, 1987.] Minnesota Statutes 1986, sections 124.2161; 124.2162; and 124.2163, are repealed.

Subd. 2. [JULY 1, 1988.] Minnesota Statutes 1986, section 124A.20, is repealed.

Sec. 35. [EFFECTIVE DATE.]

Section 5 is effective the day following final enactment. Sections 2, 3, and 34, subdivision 2, are effective July 1, 1988.

## ARTICLE 2

### TRANSPORTATION

Section 1. Minnesota Statutes 1986, section 124.223, is amended to read:

124.223 [TRANSPORTATION AID AUTHORIZATION.]

School transportation and related services for which state transportation aid is authorized are:

(1) [TO AND FROM SCHOOL; BETWEEN SCHOOLS.] Transportation or board of resident elementary pupils who reside one mile or more from the public schools which they could attend; transportation or board of resident secondary pupils who reside two miles or more from the public schools which they could attend; transportation to, from, or between the schools the resident pupils attend pursuant to a program approved by the commissioner of education; transportation of resident elementary pupils who reside one mile or more from a nonpublic school actually attended; transportation of resident secondary pupils who reside two miles or more from a nonpublic school actually attended; but with respect to transportation of pupils to nonpublic schools actually attended, only to the extent permitted by sections 123.76 to 123.79;

For the purposes of this clause, a district may designate a licensed day care facility or the residence of a relative as the home of a pupil for part or all of the day, if requested by the pupil's parent or

guardian, and if that facility or residence is within the attendance area of the school the pupil attends.

(2) [OUTSIDE DISTRICT.] Transportation to and from or board and lodging in another district, of resident pupils of a district without a secondary school; the pupils may attend a classified secondary school in another district and shall receive board and lodging in or transportation to and from a district having a classified secondary school at the expense of the district of the pupil's residence;

(3) [SECONDARY VOCATIONAL CENTERS.] Transportation to and from a state board approved secondary vocational center for secondary vocational classes for resident pupils of any of the districts who are members of or participating in programs at that center;

(4) [HANDICAPPED.] Transportation or board and lodging of a handicapped pupil when that pupil cannot be transported on a regular school bus, the conveying of handicapped pupils between home and school and within the school plant, necessary transportation of handicapped pupils from home or from school to other buildings, including centers such as developmental achievement centers, hospitals and treatment centers where special instruction or services required by section 120.17 are provided, within or outside the district where services are provided, and necessary transportation for resident handicapped pupils required by section 120.17, subdivision 4a. Transportation of handicapped pupils between home and school shall not be subject to the requirement in clause (1) that elementary pupils reside at least one mile from school and secondary pupils reside at least two miles from school in order for the transportation to qualify for aid;

(5) [BOARD AND LODGING; NONRESIDENT HANDICAPPED.] When necessary, board and lodging for nonresident handicapped pupils in a district maintaining special classes;

(6) [SHARED TIME.] Transportation from one educational facility to another within the district for resident pupils enrolled on a shared time basis in educational programs approved by the commissioner of education, and necessary transportation required by section 120.17, subdivision 9 for resident handicapped pupils who are provided special instruction and services on a shared time basis;

(7) [FARIBAULT STATE SCHOOLS.] Transportation for residents to and from the Minnesota school for the deaf or the Minnesota braille and sight-saving school;

(8) [SUMMER INSTRUCTIONAL PROGRAMS.] Services described in clauses (1) to (7) and (9) and (10) when provided in conjunction with a summer program eligible for aid and levy under sections 124A.03 and 124A.033;

(9) [COOPERATIVE ACADEMIC AND VOCATIONAL.] Transportation to, from or between educational facilities located in any of two or more school districts jointly offering academic classes approved by the commissioner or secondary vocational classes not provided at a secondary vocational center which are approved by the commissioner for resident pupils of any of these districts; and

(10) [NONPUBLIC SUPPORT SERVICES.] Necessary transportation within district boundaries between a nonpublic school and a public school or a neutral site for nonpublic school pupils who are provided pupil support services pursuant to section 123.935.

Sec. 2. Minnesota Statutes 1986, section 124.225, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] For purposes of this section, the terms defined in this subdivision have the meanings given to them.

(a) "FTE" means a transported full-time equivalent pupil whose transportation is authorized for aid purposes by section 124.223.

(b) "Authorized cost for regular transportation" means the sum of:

(1) all expenditures for transportation in the regular category, as defined in clause (e)(1), for which aid is authorized in section 124.223, plus

(2) an amount equal to one year's depreciation on the district's school bus fleet and mobile units computed on a straight line basis at the rate of 12½ percent per year of the cost of the fleet, plus

(3) an amount equal to one year's depreciation on district school buses reconditioned by the department of corrections computed on a straight line basis at the rate of 33⅓ percent per year of the cost to the district of the reconditioning, plus

(4) an amount equal to one year's depreciation on the district's type three school buses, as defined in section 169.44, subdivision 15, which were purchased after July 1, 1982 for authorized transportation of pupils, with the prior approval of the commissioner, computed on a straight line basis at the rate of 20 percent per year of the cost of the type three school buses.

(c) "Adjusted authorized predicted cost per FTE" means the authorized cost predicted by a multiple regression formula determined by the department of education, and adjusted pursuant to subdivision 7a.

(d) "Aid entitlement per FTE" means the adjusted authorized predicted cost per FTE, inflated pursuant to subdivision 7b.

(e) "Transportation category" means a category of transportation service provided to pupils. For the 1984-1985 and 1985-1986 school years, each category includes transportation provided during the regular school year and in conjunction with a summer program eligible for aid and levy under sections 124A.03 and 124A.033. For purposes of this section, transportation categories for the 1984-1985 and 1985-1986 school years are as follows:

(1) regular transportation is transportation services provided under section 124.223, clauses (1) and (2), excluding transportation between schools under section 124.223, clause (1);

(2) nonregular transportation is transportation services provided between schools under section 124.223, clause (1); and transportation services provided under section 124.223, clauses (3), (4), (5), (6), (7), (9), and (10).

(1) For the purposes of this section, transportation categories for the 1986-1987 and 1987-1988 school year and thereafter years are as follows:

(4) (i) regular transportation is transportation services provided during the regular school year under section 124.223, clauses (1) and (2), excluding transportation between schools under section 124.223, clause (1); and

(2) (ii) nonregular transportation is transportation services provided between schools under section 124.223, clause (1); and transportation services provided under section 124.223, clauses (3), (4), (5), (6), (7), (8), (9), and (10).

(2) For purposes of this section, in the 1988-1989 school year and after:

(i) regular transportation is transportation services provided during the regular school year under section 124.223, clauses (1) and (2), excluding the following transportation services provided under section 124.223, clause (1): transportation between schools; noon transportation to and from school for kindergarten pupils attending half-day sessions; late transportation home from school for pupils involved in after school activities; transportation of pupils to and from schools located outside their normal attendance areas under the provisions of a plan for desegregation mandated by the state board of education or under court order; and

(ii) nonregular transportation is transportation services provided under section 124.223, clause (1) that are excluded from the regular category, and transportation services provided under section 124.223, clauses (3), (4), (5), (6), (7), (8), (9), and (10).

(f) "Pupil weighting factor" means the ratio of the actual district average cost per FTE in a particular transportation category in the base year to the actual district average cost per FTE in the regular transportation category in the base year.

(g) "Weighted FTE's" means the number of FTE's in each transportation category multiplied by the pupil weighting factor for that category.

(h) "Mobile unit" means a vehicle or trailer designed to provide facilities for educational programs and services, including diagnostic testing, guidance and counseling services and health services. A mobile unit located off nonpublic school premises is a neutral site as defined in section 123.932, subdivision 9.

(i) "Current year" means the school year for which aid will be paid.

(j) "Base year" means the second school year preceding the school year for which aid will be paid.

(k) "Base cost" for the 1984-1985 and 1985-1986 base years means the authorized regular transportation cost per FTE in the base year in the regular transportation category, excluding summer school transportation. Base cost in the 1986-1987 base year and after means the ratio of:

(1) the sum of:

(i) the authorized cost in the base year for regular transportation as defined in clause (b), plus

(ii) the actual cost in the base year for transportation to and from school of secondary pupils who live more than one mile but less than two miles from the public school which they could attend or from the nonpublic school actually attended, plus

(iii) the actual cost in the base year for transportation costs which are necessary because of extraordinary traffic hazards,

(2) to the sum of:

(i) the number of FTE pupils transported in the regular category in the base year, plus

(ii) the number of secondary pupils transported to and from school in the base year who live more than one mile but less than two miles from the public school which they could attend or from the nonpublic school actually attended, plus

(iii) the number of pupils residing less than one mile from school who were transported to and from school in the base year because of extraordinary traffic hazards.

(1) "Predicted base cost" means the base cost as predicted by subdivision 3.

Sec. 3. Minnesota Statutes 1986, section 124.225, subdivision 4b, is amended to read:

Subd. 4b. [FORMULA TERMS, 1984-1985 AND AFTER.] To predict the logarithm of the base cost for each district pursuant to subdivision 3 for ~~each school year~~ the 1985-1986 base year, the multiple regression formula shall use the following terms for each district:

(1) the logarithm of the lesser of (a) the number of authorized FTE's per square mile transported by the district in the regular transportation category, or (b) 200;

(2) whether the district is nonrural, based upon criteria established by the department of education; and

(3) the logarithm of the percentage of all FTE's transported in the regular category using buses that are not owned by the district.

To predict the logarithm of the base cost for each district pursuant to subdivision 3 for the 1986-1987 base year and after, the multiple regression formula shall use the following terms for each district:

(1) the logarithm of the lesser of:

(a) 200 or

(b) the quotient obtained by dividing the sum of:

(i) the number of FTE pupils transported in the regular category in the base year, plus

(ii) the number of secondary pupils transported to and from school in the base year who live more than one mile but less than two miles from the public school which they could attend or from the nonpublic school actually attended, plus

(iii) the number of pupils residing less than one mile from school who were transported to and from school in the base year because of extraordinary traffic hazards,

by the area of the district in square miles;

(2) whether the district is nonrural, based upon criteria established by the department of education; and

(3) the logarithm of the percentage of all FTE's transported in the regular category using buses that are not owned by the district.

Sec. 4. Minnesota Statutes 1986, section 124.225, subdivision 7b, is amended to read:

Subd. 7b. [INFLATION FACTORS.] The adjusted authorized predicted cost per FTE determined for a district under subdivision 7a for the base year shall be increased by ~~10.3~~ 6.0 percent to determine the district's aid entitlement per FTE for the ~~1984-1985~~ 1986-1987 school year, by ~~8.9~~ 4.9 percent to determine the district's aid entitlement per FTE for the ~~1985-1986~~ 1987-1988 school year, and by ~~6.0~~ 4.1 percent to determine the district's aid entitlement per FTE for the ~~1986-1987~~ 1988-1989 school year.

Sec. 5. Minnesota Statutes 1986, section 124.225, subdivision 8a, is amended to read:

Subd. 8a. [AID.] For the 1984-1985 and 1985-1986 school years a district's transportation aid shall be equal to the sum of its basic transportation aid pursuant to subdivision 8b, its nonregular transportation aid pursuant to subdivision 8i, and its nonregular transportation levy equalization aid pursuant to subdivision 8j, minus its contracted services aid reduction pursuant to subdivision 8k, minus the amount raised by 1.75 mills times the adjusted assessed valuation which is used to compute the transportation levy limitation for the levy attributable to that school year. A district may levy less than the amount raised by 1.75 mills. Transportation aid shall be computed as if the district had levied the amount raised by 1.75 mills.

(a) For the 1986-1987 and 1987-1988 school year and each year thereafter years, a district's transportation aid shall be equal to the sum of its basic transportation aid pursuant to subdivision 8b, its nonregular transportation aid pursuant to subdivision 8i, and its nonregular transportation levy equalization aid pursuant to subdivision 8j, minus its contracted services aid reduction pursuant to subdivision 8k, minus the amount raised by 2.25 mills times the adjusted assessed valuation which is used to compute the transportation levy limitation for the levy attributable to that school year. A district may levy less than the amount raised by 2.25 mills. Transportation aid shall be computed as if the district had levied the amount raised by 2.25 mills.

(b) For the 1988-1989 school year and after, a district's transportation aid is equal to the sum of its basic transportation aid under subdivision 8b, its nonregular transportation aid under subdivision 8i, its nonregular transportation levy equalization aid under subdivi-

vision 8j, and its excess transportation levy equalization aid under section 7, minus its contracted services aid reduction under subdivision 8k, minus its basic transportation levy limitation for the levy attributable to that school year under section 275.125, subdivision 5.

(c) If the total appropriation for transportation aid for any fiscal year is insufficient to pay all districts the full amount of aid earned, the department of education shall reduce each district's aid in proportion to the number of resident pupils in average daily membership in the district to the state total average daily membership, and shall reduce the aid entitlement of off-formula districts in the same proportion.

Sec. 6. Minnesota Statutes 1986, section 124.225, subdivision 8i, is amended to read:

Subd. 8i. [NONREGULAR TRANSPORTATION AID.] ~~For the 1984-1985 school year and each year thereafter,~~ (a) A district's nonregular transportation aid shall be determined pursuant to this subdivision.

(b) For the 1986-1987 and 1987-1988 school years, nonregular transportation aid shall equal ~~(a)~~ (1) 20 percent of the first \$10 of actual cost in the current year for nonregular transportation services per total pupil unit, plus 40 percent of the next \$10 of actual cost in the current year for nonregular transportation services per total pupil unit, plus 60 percent of the actual cost in the current year for nonregular transportation services per total pupil unit which exceeds \$20, times ~~(b)~~ (2) the number of total pupil units in the district in the current year.

(c) For the 1988-1989 school year and after, nonregular transportation aid equals (1) 60 percent of the actual cost in the current year for nonregular transportation services per total pupil unit which exceeds \$30, times (2) the number of total pupil units in the district in the current year.

Sec. 7. Minnesota Statutes 1986, section 124.225, is amended by adding a subdivision to read:

Subd. 8l. [EXCESS TRANSPORTATION LEVY EQUALIZATION AID.] For the 1988-89 school year and after, a district's excess transportation levy equalization aid shall be determined pursuant to this subdivision.

(a) Excess transportation revenue shall be the result of the following computation:

(i) Multiply the base cost computed using data for the current school year according to subdivision 1, clause (k) by the sum of the

number of secondary pupils transported to and from school in the current year who live more than one mile but less than two miles from the public school which they could attend or the nonpublic school actually attended, plus the number of pupils residing less than one mile from school who were transported to and from school in the current year due to extraordinary traffic hazards.

(ii) Add to the result in clause (i) the actual cost in the current year of other related services which are necessary because of extraordinary traffic hazards.

(b) The excess transportation levy is the levy authorized by section 10.

(c) Excess transportation levy equalization aid for a district shall equal the product of (1) its excess transportation revenue, minus the excess transportation levy limitation for that year, times (2) the ratio of the district's actual excess transportation levy to its excess transportation levy limitation.

Sec. 8. Minnesota Statutes 1986, section 124.225, subdivision 10, is amended to read:

Subd. 10. [DEPRECIATION.] Any school district which owns school buses or mobile units shall transfer annually from the unappropriated fund balance account in its transportation fund to the appropriated fund balance account for bus purchases in its transportation fund at least an amount equal to 12½ percent of the original cost of each type one or type two bus or mobile unit until the original cost of each type one or type two bus or mobile unit is fully amortized, plus 20 percent of the original cost of each type three bus included in the district's authorized cost under the provisions of subdivision 1, clause (b)(4), until the original cost of each type three bus is fully amortized, plus 33⅓ percent of the cost to the district as of July 1 of each year for school bus reconditioning done by the department of corrections until the cost of the reconditioning is fully amortized; provided, if the district's transportation aid is reduced pursuant to subdivision 8a because the appropriation for that year is insufficient, this amount shall be reduced in proportion to the reduction pursuant to subdivision 8a as a percentage of the sum of

(1) the district's total transportation aid without the reduction pursuant to subdivision 8a, plus

(2) for fiscal years 1985 and 1986 an amount equal to 1.75 mills times the adjusted assessed valuation of the district for the preceding year, and for fiscal year 1987 and thereafter, 2.25 mills times the adjusted assessed valuation of the district for the preceding year, the district's basic transportation levy limitation under section 275.125, subdivision 5, plus

(3) the district's contract services aid reduction under subdivision 8k, plus

(4) the district's nonregular transportation levy limitation under section 275.125, subdivision 5c, plus

(5) the district's excess transportation levy limitation pursuant to section 10.

Sec. 9. Minnesota Statutes 1986, section 275.125, subdivision 5, is amended to read:

Subd. 5. [BASIC TRANSPORTATION LEVY.] For school transportation services, a school district may levy an amount not to exceed the amount raised by a levy of 2.25 mills times the adjusted assessed valuation of the taxable property of the district for the preceding year. Beginning with levies certified in 1987 and each year thereafter, a school district may levy for school transportation services, an amount not more than the amount raised by the basic transportation mill rate times the adjusted assessed valuation of the district for the preceding year. The commissioner of revenue shall establish the basic transportation mill rate and certify it to the commissioner of education by August 1 of each year for levies payable in the following year. The established basic transportation mill rate shall be a rate, rounded up to the nearest hundredth of a mill, that when applied to the adjusted assessed valuation of taxable property for each school district, raises the amount specified in this subdivision. The basic transportation mill rate for the 1987 payable 1988 levies and for transportation aid for the 1988-1989 school year shall be set at the rate that raises \$71,080,400. The basic transportation mill rate computed by the commissioner of revenue must not be recomputed due to changes or corrections made in a school district's adjusted assessed valuation after the mill rate has been certified to the department of education.

Sec. 10. Minnesota Statutes 1986, section 275.125, is amended by adding a subdivision to read:

Subd. 5e. [EXCESS TRANSPORTATION LEVY.] A school district may also make a levy for excess transportation costs pursuant to this subdivision. The amount of the levy shall not exceed the product of:

(a) the district's excess transportation revenue determined pursuant to section 7, times

(b) the lesser of

(i) one, or

(ii) the ratio of the district's adjusted assessed valuation for the preceding year per total pupil unit in the school year for which the levy is attributable, to 50 percent of the equalizing factor for the school year to which the levy is attributable.

Sec. 11. Minnesota Statutes 1986, section 275.125, is amended by adding a subdivision to read:

Subd. 5f. [BUS PURCHASE LEVY.] A school district may also levy the amount necessary to eliminate any projected deficit in the appropriated fund balance account for bus purchases in its transportation fund as of June 30 in the school year beginning in the calendar year following the calendar year the levy is certified.

Sec. 12. Minnesota Statutes 1986, section 275.125, is amended by adding a subdivision to read:

Subd. 5g. [CONTRACTED SERVICES LEVY.] A school district may also levy an amount equal to the aid subtraction computed pursuant to section 124.225, subdivision 8k, for the school year beginning in the year the levy is certified.

Sec. 13. [APPROPRIATIONS.]

Subdivision 1. There is appropriated from the general fund to the department of education the sums indicated in this section for the fiscal years ending June 30 in the years designated.

Subd. 2. [TRANSPORTATION AID.] For transportation aid there is appropriated:

\$90,476,900.....1988,  
\$90,235,600.....1989.

(a) The appropriation for 1988 includes \$12,194,300 for aid for fiscal year 1987 payable in fiscal year 1988 and \$78,282,600 for fiscal year 1988 payable in fiscal year 1988.

(b) The appropriation for 1989 includes \$13,814,600 for aid for fiscal year 1988 payable in fiscal year 1989 and \$76,421,000 for fiscal year 1989 payable in fiscal year 1989.

(c) The appropriations are based on aid entitlements of \$92,097,200 for fiscal year 1988 and \$89,907,000 for fiscal year 1989.

Subd. 3. [INTERDISTRICT TRANSPORTATION AID; PROGRAMS OF EXCELLENCE.] For transportation of pupils to programs of excellence pursuant to Minnesota Statutes, section 126.62, subdivision 6, there is appropriated:

\$17,000.....1988,  
\$17,000.....1989.

This aid shall be paid at 100 percent of the entitlement for the current fiscal year.

Subd. 4. [TRANSPORTATION AID FOR CHOICE PROGRAMS.] For transportation of pupils who attend post-secondary institutions pursuant to Minnesota Statutes, section 123.3514, there is appropriated:

\$76,875.....1988,  
\$78,797.....1989.

The commissioner shall allocate this appropriation among school districts based upon criteria adopted by the state board of education.

Subd. 5. [PRORATION.] Except as provided in section 124.14, subdivision 7, none of the amounts appropriated in this section shall be expended for a purpose other than the purpose indicated. If the appropriation amount attributable to either year for any purposes indicated plus the amount of any transfers made according to section 124.14, subdivision 7, is insufficient, the aid for that year shall be prorated among all qualifying districts in the manner prescribed in Minnesota Statutes, section 124.225, subdivision 8a.

Sec. 14. [REPEALER.]

Minnesota Statutes 1986, sections 124.225, subdivision 1a, and 275.125, subdivision 5d, are repealed.

### ARTICLE 3

#### SPECIAL PROGRAMS

Section 1. Minnesota Statutes 1986, section 120.03, subdivision 1, is amended to read:

Subdivision 1. Every child who has a hearing impairment, visual handicap, speech or language impairment, physical handicap, other health impairment, mental handicap, emotional/behavioral disorder, specific learning disability, or deaf/blind handicap and needs special instruction and services, as determined by the standards of the state board, is a handicapped child. In addition, every child between the ages of three and five who needs special instruction and services, as determined by the standards of the state board, because the child has a substantial delay or has an identifiable physical or mental condition known to hinder normal development is a handicapped child.

Sec. 2. Minnesota Statutes 1986, section 120.17, subdivision 1, is amended to read:

Subdivision 1. [SPECIAL INSTRUCTION FOR HANDICAPPED CHILDREN.] Every district shall provide special instruction and services, either within the district or in another district, for handicapped children of school age who are residents of the district and who are handicapped as set forth in section 120.03. School age means the ages of three to 21 years for children who are handicapped as defined in section 120.03 and; provided however, the required instruction shall not extend beyond secondary school or its equivalent. For purposes of this subdivision, the age of a handicapped child shall be the age as of September 1 of the calendar year in which the school year for which the child seeks special instruction and services commences. Every district may provide special instruction and services for handicapped children who have not attained school age. Local health, education, and social service agencies shall refer children from age three to five who are known to need or suspected of needing special instruction and services to the school district. ~~A school district is encouraged to contract with a developmental achievement center when the center is cost efficient for the district and when the center provides continuity of special instruction and services for handicapped children under the age of five and their families.~~ Districts with less than the minimum number of eligible handicapped children as determined by the state board shall cooperate with other districts to maintain a full range of programs for education and services for handicapped children. This subdivision does not alter the compulsory attendance requirements of section 120.10.

Sec. 3. Minnesota Statutes 1986, section 120.17, subdivision 2, is amended to read:

Subd. 2. [METHOD OF SPECIAL INSTRUCTION.] Special instruction and services for handicapped children must be based on the assessment and individual education plan. The instruction and services may be provided by one or more of the following methods:

- (a) in connection with attending regular elementary and secondary school classes;
- (b) establishment of special classes;
- (c) at the home or bedside of the child;
- (d) in other districts;
- (e) instruction and services ~~in~~ by special education cooperative centers established under this section, or in another member district of the cooperative center to which the resident district of the handicapped child belongs;
- (f) in a state university laboratory school or a University of Minnesota laboratory school;

(g) in a state residential school or a school department of a state institution approved by the commissioner;

(h) in other states;

(i) by contracting with public, private or voluntary agencies;

(j) for children under age five and their families, programs and services established through collaborative efforts with other agencies ~~or within the district~~; and

(k) for children under age five and their families, in a program in which handicapped children are served with nonhandicapped children;

(l) for children under age three, preference should be given to programs provided in the residence of the child with the parent or primary caregiver or both present; and

(m) any other method approved by the commissioner.

The primary responsibility for the education of a handicapped child shall remain with the district of the child's residence regardless of which method of providing special instruction and services is used.

Sec. 4. Minnesota Statutes 1986, section 120.17, subdivision 3, is amended to read:

Subd. 3. [RULES OF THE STATE BOARD.] The state board shall promulgate rules relative to qualifications of essential personnel, courses of study, methods of instruction, pupil eligibility, size of classes, rooms, equipment, supervision, parent consultation, and any other rules it deems necessary for instruction of handicapped children. These rules shall provide standards and procedures appropriate for the implementation of and within the limitations of subdivisions 3a and 3b. These rules shall also provide standards for the discipline, control, management and protection of handicapped children. The state board shall not adopt rules for pupils served in level 1, 2, or 3, as defined in Minnesota Rules, part 3525.2340, establishing either case loads or the maximum number of pupils that may be assigned to special education teachers. The state board, in consultation with the departments of health and human services, may adopt emergency rules and shall adopt permanent rules for instruction and services for children from age three to five and their families. Until June 30, 1988, a developmental achievement center contracting with under contract to a school district to provide special instruction and services is eligible for variance from rules relating to personnel licensure. Until June 30, 1988, the licensure variance for a developmental achievement center shall be granted according

to the same procedures and criteria used for granting a variance to a school district. The state board shall, according to section 14.05, subdivision 4, notify a district applying for a variance from the rules within 45 calendar days of receiving the request whether the request for the variance has been granted or denied. If a request is denied, the board shall specify the program standards used to evaluate the request and the reasons for denying the request.

Sec. 5. Minnesota Statutes 1986, section 120.17, subdivision 3a, is amended to read:

Subd. 3a. [SCHOOL DISTRICT OBLIGATIONS.] Every district shall ensure that:

(a) (1) all handicapped children are provided the special instruction and services which are appropriate to their needs; The student's needs and the special education instruction and services to be provided shall be agreed upon through the development of an individual education plan. The plan shall address the student's need to develop skills to live and work as independently as possible within the community. By grade nine or age 14, the plan shall address the student's needs for transition from secondary services to post-secondary education and training, employment, and community living;

(b) (2) handicapped children from age three to five and their families are provided special instruction and services appropriate to the child's level of functioning and needs;

(c) (3) handicapped children and their parents or guardians are guaranteed procedural safeguards and the right to participate in decisions involving identification, assessment and educational placement of handicapped children;

(d) (4) to the maximum extent appropriate, handicapped children, including those in public or private institutions or other care facilities, are educated with children who are not handicapped, and that special classes, separate schooling, or other removal of handicapped children from the regular educational environment occurs only when and to the extent that the nature or severity of the handicap is such that education in regular classes with the use of supplementary services cannot be achieved satisfactorily;

(e) (5) in accordance with recognized professional standards, testing and evaluation materials and procedures utilized for the purposes of classification and placement of handicapped children are selected and administered so as not to be racially or culturally discriminatory; and

(4) (6) the rights of the child are protected when the parents or guardians are not known or not available, or the child is a ward of the state.

Sec. 6. Minnesota Statutes 1986, section 120.17, subdivision 3b, is amended to read:

Subd. 3b. [PROCEDURES FOR DECISIONS.] Every district shall utilize at least the following procedures for decisions involving identification, assessment and educational placement of handicapped children:

(a) Parents and guardians shall receive prior written notice of:

(1) any proposed formal educational assessment or proposed denial of a formal educational assessment of their child;

(2) a proposed placement of their child in, transfer from or to, or denial of placement in a special education program; or

(3) the proposed provision, addition, denial or removal of special education services for their child;

(b) The district shall not proceed with the initial formal assessment of a child, the initial placement of a child in a special education program or the initial provision of special education services for a child without the prior written consent of the child's parent or guardian. The refusal of a parent or guardian to consent may be overridden by the decision in a hearing held pursuant to clause (d) at the district's initiative ~~after at least one attempt to obtain this consent through a conciliation conference held pursuant to clause (e);~~

(c) Parents and guardians shall have an opportunity to meet with appropriate district staff in at least one conciliation conference if they object to any proposal of which they are notified pursuant to clause (a). The conciliation process shall not be used to deny or delay a parent or guardian's right to a due process hearing. If the parent or guardian refuses efforts by the district to conciliate the dispute with the school district, the requirement of conciliation shall be deemed to be satisfied;

(d) Parents, guardians and the district shall have an opportunity to obtain an impartial due process hearing initiated and conducted in the school district where the child resides, if ~~after at least one conciliation conference~~ the parent or guardian continues to object to:

(1) a proposed formal educational assessment or proposed denial of a formal educational assessment of their child;

(2) the proposed placement of their child in, or transfer of their child to a special education program;

(3) the proposed denial of placement of their child in a special education program or the transfer of their child from a special education program;

(4) the proposed provision or addition of special education services for their child; or

(5) the proposed denial or removal of special education services for their child.

At least five calendar days before the hearing, the objecting party shall provide the other party with a brief written statement of the objection and the reasons for the objection.

The hearing shall take place before an impartial hearing officer mutually agreed to by the school board and the parent or guardian. If the school board and the parent or guardian are unable to agree on a hearing officer, the school board shall request the commissioner to appoint a hearing officer. The hearing officer shall not be a school board member or employee of the school district where the child resides or of the child's school district of residence, an employee of any other public agency involved in the education or care of the child, or any person with a personal or professional interest which would conflict with the person's objectivity at the hearing. A person who otherwise qualifies as a hearing officer is not an employee of the district solely because the person is paid by the district to serve as a hearing officer. If the hearing officer requests an independent educational assessment of a child, the cost of the assessment shall be at district expense. The proceedings shall be recorded and preserved, at the expense of the school district, pending ultimate disposition of the action.

(e) The decision of the hearing officer pursuant to clause (d) shall be rendered not more than 45 calendar days from the date of the receipt of the request for the hearing. A hearing officer may grant specific extensions of time beyond the 45-day period at the request of either party. The decision of the hearing officer shall be binding on all parties unless appealed to the hearing review officer by the parent, guardian, or the school board of the district where the child resides pursuant to clause (f).

The local decision shall:

(1) be in writing;

(2) state the controlling facts upon which the decision is made in sufficient detail to apprise the parties and the hearing review officer of the basis and reason for the decision;

(3) state whether the special education program or special education services appropriate to the child's needs can be reasonably provided within the resources available to the responsible district or districts;

(4) state the amount and source of any additional district expenditure necessary to implement the decision; and

(5) be based on the standards set forth in subdivision 3a and the rules of the state board.

(f) Any local decision issued pursuant to clauses (d) and (e) may be appealed to the hearing review officer within 15 calendar days of receipt of that written decision, by the parent, guardian, or the school board of the district where the child resides.

If the decision is appealed, a written transcript of the hearing shall be made by the school district and shall be accessible to the parties involved within five calendar days of the filing of the appeal. The hearing review officer shall issue a final decision based on an impartial review of the local decision and the entire record within 30 calendar days after the filing of the appeal. The hearing review officer shall seek additional evidence if necessary and may afford the parties an opportunity for written or oral argument; provided any hearing held to seek additional evidence shall be an impartial due process hearing but shall be deemed not to be a contested case hearing for purposes of chapter 14. The hearing review officer may grant specific extensions of time beyond the 30-day period at the request of any party.

The final decision shall:

(1) be in writing;

(2) include findings and conclusions; and

(3) be based upon the standards set forth in subdivision 3a and in the rules of the state board.

(g) The decision of the hearing review officer shall be final unless appealed by the parent or guardian or school board to the court of appeals. The judicial review shall be in accordance with chapter 14.

(h) The commissioner of education, having delegated general supervision of special education to the appropriate staff, shall be the hearing review officer except for appeals in which:

(1) the commissioner has a personal interest in or specific involvement with the student who is a party to the hearing;

(2) the commissioner has been employed as an administrator by the district that is a party to the hearing;

(3) the commissioner has been involved in the selection of the administrators of the district that is a party to the hearing;

(4) the commissioner has a personal, economic, or professional interest in the outcome of the hearing other than the proper administration of the federal and state laws, rules, and policies;

(5) the appeal challenges a state or local policy which was developed with substantial involvement of the commissioner; or

(6) the appeal challenges the actions of a department employee or official.

For any appeal to which the above exceptions apply, the state board of education shall name an impartial and competent hearing review officer.

In all appeals, the parent or guardian of the handicapped student or the district that is a party to the hearing may challenge the impartiality or competence of the proposed hearing review officer by applying to the state board of education.

(i) Pending the completion of proceedings pursuant to this subdivision, unless the district and the parent or guardian of the child agree otherwise, the child shall remain in the child's current educational placement and shall not be denied initial admission to school.

(j) The child's school district of residence, if different from the district where the child actually resides, shall receive notice of and may be a party to any hearings or appeals pursuant to this subdivision.

Sec. 7. Minnesota Statutes 1986, section 120.17, subdivision 5, is amended to read:

Subd. 5. [SCHOOL OF PARENTS' CHOICE.] Nothing in this chapter shall be construed as preventing parents of a handicapped ~~educable~~ child from sending such child to a school of their choice, if they so elect, subject to admission standards and policies to be adopted pursuant according to the provisions of sections 128A.01 to 128A.07 chapter 128A, and all other provisions of chapters 120 to 129.

Sec. 8. Minnesota Statutes 1986, section 120.17, subdivision 7a, is amended to read:

Subd. 7a. [ATTENDANCE AT SCHOOL FOR THE HANDICAPPED.] Responsibility for special instruction and services for a visually disabled or hearing impaired child attending the Minnesota ~~School~~ state academy for the deaf or the Minnesota ~~Braille and Sight Saving School~~ state academy for the blind shall be determined in the following manner:

(a) The legal residence of the child shall be the school district in which the child's parent or guardian resides.

(b) When it is determined pursuant to section 128A.05, subdivisions 1 or 2 that the child is entitled to attend either school, the state board shall provide the appropriate educational program for the child. The state board shall make a tuition charge to the child's district of residence for the actual cost of providing the program; provided, however, that effective for the 1983-1984 school year and thereafter, the amount of tuition charged shall not exceed the sum of \$1,000 plus the foundation aid formula allowance of the district for that child, for an entire school year, or a prorated amount based on the portion of the school year for which the child is a resident of the district or is actually in membership in the program. For purposes of this subdivision, "foundation aid formula allowance" shall have the meaning attributed to it in section 124.32, subdivision 1a. The district of the child's residence shall pay the tuition and may claim foundation aid for the child. The district of the child's residence shall not receive aid pursuant to section 124.32, subdivision 5, for tuition paid pursuant to this subdivision. All tuition received by the state board shall be deposited in the state treasury.

(c) When it is determined that the child can benefit from public school enrollment but that the child should also remain in attendance at the applicable school, the school district where the institution is located shall provide an appropriate educational program for the child and shall make a tuition charge to the state board for the actual cost of providing the program, less any amount of aid received pursuant to section 124.32. The state board shall pay the tuition and other program costs including the unreimbursed transportation costs. Aids for handicapped children shall be paid to the district providing the special instruction and services. Special transportation shall be provided by the district providing the educational program and the state shall reimburse such district within the limits provided by law.

(d) Notwithstanding the provisions of clauses (b) and (c), the state board may agree to make a tuition charge for less than the amount specified in clause (b) for pupils attending the applicable school who are residents of the district where the institution is located and who do not board at the institution, if that district agrees to make a

tuition charge to the state board for less than the amount specified in clause (c) for providing appropriate educational programs to pupils attending the applicable school.

(e) Notwithstanding the provisions of clauses (b) and (c), the state board may agree to supply staff from the Minnesota School state academy for the deaf and the Minnesota Braille and Sight-Saving School state academy for the blind to participate in the programs provided by the district where the institutions are located when the programs are provided to students in attendance at the state schools.

Sec. 9. Minnesota Statutes 1986, section 120.17, is amended by adding a subdivision to read:

Subd. 11a. [STATE INTERAGENCY COORDINATING COUNCIL.] An interagency coordinating council of 15 members is established. The members and the chair shall be appointed by the governor. The council shall be composed of at least three parents of handicapped children under age seven, a representative of each of the commissioners of education, health, and human services, three representatives of public or private providers of services for handicapped children under age five, one member of the senate, one member of the house of representatives, one representative of teacher preparation programs in early childhood-special education, at least one representative of advocacy organizations for handicapped children, and other members knowledgeable about handicapped children under age five. Section 15.059 applies to the council, except that the council is permanent and does not expire. The council shall meet at least quarterly.

The council shall address methods of implementing the state policy of developing and implementing comprehensive, coordinated, multidisciplinary interagency programs of early intervention services for handicapped children and their families. It is the joint responsibility of county boards and school districts to coordinate, provide, and pay for appropriate services, and to facilitate payment for services from public and private sources. Appropriate services must be determined in consultation with parents, physicians, and other educational, medical, health, and human services providers. Appropriate services include family education and counseling, home visits, occupational and physical therapy, speech pathology, audiology, psychological services, case management, medical services for diagnostic and evaluation purposes, early identification, and screening, assessment, and health services necessary to enable handicapped children to benefit from early intervention services. School districts must be the primary agency in this cooperative effort.

The duties of the council include recommending policies to ensure a comprehensive and coordinated system of all state and local agency services for handicapped children under age five and their families. The policies must address how to incorporate each agency's

services into a unified state and local system of multidisciplinary assessment practices, individual intervention plans, comprehensive systems to find children in need of services, methods to improve public awareness, and assistance in determining the role of interagency early intervention committees.

Each year by January 15 the council shall submit its recommendations to the education committees of the legislature, the governor, and the commissioners of education, health, and human services.

Sec. 10. Minnesota Statutes 1986, section 120.17, subdivision 12, is amended to read:

Subd. 12. [~~INTERAGENCY EARLY LEARNING INTERVENTION COMMITTEE.~~] A district, group of districts, or special education cooperative, in cooperation with the county or counties in which the district or cooperative is located, shall establish an interagency early learning intervention committee for handicapped children under age five and their families. Members of the committee shall be representatives of local and regional health, education, including representatives of early childhood family education programs, and county human service agencies; county commissions; school boards; developmental achievement centers; current service providers; parents of young handicapped children; and other private or public agencies as appropriate. The committee shall elect a chair from among its members and shall meet regularly at least quarterly. The committee shall perform the following ongoing duties:

(1) identify current services and funding being provided within the community for handicapped children under the age of five and their families;

(2) establish and evaluate the identification, referral, and community learning systems to recommend, where necessary, alterations and improvements;

(3) facilitate the development of ~~interagency~~ individual education plans and individual service plans when necessary to appropriately serve handicapped children under the age of five and their families and recommend assignment of financial responsibilities to the appropriate agencies;

(4) implement a process for assuring that services to handicapped children under age five involve cooperating agencies at all steps leading to individualized programming;

(5) review and comment on the early learning section of the total special education system for the district and the county social services plan; and

(5) review and comment on the funding sources that currently exist for the services being provided to handicapped children under the age of five and their families in the area

(6) review the funding sources that currently exist for services being provided, reduce duplication of services and related costs and promote a coordinated comprehensive service delivery system in each community; and

(7) develop a transition plan for any service that is recommended to be terminated.

The departments of education, health, and human services are encouraged to provide assistance to the local agencies in developing cooperative plans for providing services.

Sec. 11. Minnesota Statutes 1986, section 120.17, is amended by adding a subdivision to read:

Subd. 14. [MAINTENANCE OF EFFORT.] A county human services agency or county board shall continue to provide services set forth in their county social service agency plan for handicapped children under age five and their families or as specified in the individual service plan and individual habilitation plan of each child. Special instruction and services for which a handicapped child is eligible under this section are not the responsibility of the local human services agency or county board. It is the joint responsibility of county boards and school districts to coordinate, provide, and pay for appropriate services and to facilitate payment for services from public and private sources. School districts and counties are encouraged to enter into agreements to cooperatively serve and provide funding for handicapped children under age five and their families.

Sec. 12. Minnesota Statutes 1986, section 120.17, is amended by adding a subdivision to read:

Subd. 15. [THIRD PARTY PAYMENT.] Nothing in this section relieves an insurer or similar third party from an otherwise valid obligation to pay or changes the validity of an obligation to pay for services to a handicapped child.

Sec. 13. Minnesota Statutes 1986, section 120.17, is amended by adding a subdivision to read:

Subd. 16. [COMMUNITY TRANSITION INTERAGENCY COMMITTEE.] A district, group of districts, or special education cooperative, in cooperation with the county or counties in which the district or cooperative is located, shall establish a community transition interagency committee for handicapped youth, beginning at grade nine or age equivalent, and their families. Members of the

committee shall consist of representatives from special education; vocational and regular education; community education; post-secondary education and training institutions; parents of handicapped youth; local business or industry; rehabilitation services; county social services; health agencies; and additional public or private adult service providers as appropriate. The committee shall elect a chair and shall meet regularly. The committee shall:

(1) identify current services, programs, and funding sources provided within the community for secondary and post-secondary aged handicapped youth and their families;

(2) facilitate the development of multiagency teams to address present and future transition needs of individual students on their individual education plans;

(3) develop a community plan to include mission, goals, and objectives, and an implementation plan to assure that transition needs of handicapped individuals are met;

(4) recommend changes or improvements in the community system of transition services;

(5) exchange agency information such as appropriate data, effectiveness studies, special projects, exemplary programs, and creative funding of programs; and

(6) prepare a yearly summary assessing the progress of transition services in the community and disseminate it to all adult services agencies involved in the planning and to the commissioner of education by September 1 of each year.

Sec. 14. Minnesota Statutes 1986, section 123.39, subdivision 1, is amended to read:

Subdivision 1. The board may provide for the free transportation of pupils to and from school, and to schools in other districts for grades and departments not maintained in the district, including high school, at the expense of the district, when funds are available therefor and if agreeable to the district to which it is proposed to transport the pupils, for the whole or a part of the school year, as it may deem advisable, and subject to its rules. Every driver shall possess all the qualifications required by the rules of the state board of education. In any school district, the board shall arrange for the attendance of all pupils living two miles or more from the school through suitable provision for transportation or through the boarding and rooming of the pupils who may be more economically and conveniently provided for by that means. The board shall provide transportation to and from the home of a handicapped child not yet enrolled in kindergarten when special instruction and services under section 120.17 are provided in a location other than in the

child's home. When transportation is provided, scheduling of routes, establishment of the location of bus stops, manner and method of transportation, control and discipline of school children and any other matter relating thereto shall be within the sole discretion, control and management of the school board. The district may provide for the transportation of pupils or expend a reasonable amount for room and board of pupils whose attendance at school can more economically and conveniently be provided for by that means or who attend school in a building rented or leased by a district within the confines of an adjacent district.

Sec. 15. Minnesota Statutes 1986, section 124.17, subdivision 1, is amended to read:

Subdivision 1. [WEIGHTING.] Pupil units for each resident pupil in average daily membership shall be counted as follows:

(1) For pre-kindergarten pupils

(a) In a program approved by the commissioner, for each handicapped prekindergarten pupil, one-half pupil unit for up to 437 hours of assessment and education services in the school year as provided in the pupil's individual education plan or, for more than 437 hours of assessment and education services, a number of pupil units equal to the ratio of the number of hours of assessment and education service required in the school year by the pupil's individual education program plan, developed pursuant to the rules of the state board, to 875, but not more than one pupil unit;

(b) For each pre-kindergarten child who is assessed but who does not meet the definition of handicapped children in section 120.03, the number of pupil units equal to the ratio of the number of hours of assessment service to 875.

(2) In an elementary school:

(a) For each handicapped kindergarten pupil, as defined in section 120.03, enrolled in a program approved by the commissioner, a number of pupil units equal to the ratio of the number of hours of assessment and education services required in the school year by the pupil's individual education program plan, developed pursuant to the rules of the state board, to 875, but not more than one pupil unit;

(b) For kindergarten pupils, other than those in clause (a), enrolled in one-half day sessions throughout the school year or the equivalent thereof, one-half pupil unit; and

(c) For other elementary pupils, one pupil unit.

(3) In secondary schools, 1-4/10 pupil units. Pupils enrolled in the seventh and eighth grades of any school shall be counted as secondary pupils.

Sec. 16. Minnesota Statutes 1986; section 124.223, is amended to read:

124.223 [TRANSPORTATION AID AUTHORIZATION.]

School transportation and related services for which state transportation aid is authorized are:

(1) [TO AND FROM SCHOOL; BETWEEN SCHOOLS.] Transportation or board of resident elementary pupils who reside one mile or more from the public schools which they could attend; transportation or board of resident secondary pupils who reside two miles or more from the public schools which they could attend; transportation to, from, or between the schools the resident pupils attend pursuant to a program approved by the commissioner of education; transportation of resident elementary pupils who reside one mile or more from a nonpublic school actually attended; transportation of resident secondary pupils who reside two miles or more from a nonpublic school actually attended; but with respect to transportation of pupils to nonpublic schools actually attended, only to the extent permitted by sections 123.76 to 123.79;

(2) [OUTSIDE DISTRICT.] Transportation to and from or board and lodging in another district, of resident pupils of a district without a secondary school; the pupils may attend a classified secondary school in another district and shall receive board and lodging in or transportation to and from a district having a classified secondary school at the expense of the district of the pupil's residence;

(3) [SECONDARY VOCATIONAL CENTERS.] Transportation to and from a state board approved secondary vocational center for secondary vocational classes for resident pupils of any of the districts who are members of or participating in programs at that center;

(4) [HANDICAPPED.] Transportation or board and lodging of a handicapped pupil when that pupil cannot be transported on a regular school bus, the conveying of handicapped pupils between home and school and within the school plant, necessary transportation of handicapped pupils from home or from school to other buildings, including centers such as developmental achievement centers, hospitals and treatment centers where special instruction or services required by section 120.17 are provided, within or outside the district where services are provided, and necessary transportation for resident handicapped pupils required by section 120.17, subdivision 4a. Transportation of handicapped pupils between home and school shall not be subject to any distance requirement for

children not yet enrolled in kindergarten or to the requirement in clause (1) that elementary pupils reside at least one mile from school and secondary pupils reside at least two miles from school in order for the transportation to qualify for aid;

(5) [BOARD AND LODGING; NONRESIDENT HANDICAPPED.] When necessary, board and lodging for nonresident handicapped pupils in a district maintaining special classes;

(6) [SHARED TIME.] Transportation from one educational facility to another within the district for resident pupils enrolled on a shared time basis in educational programs approved by the commissioner of education, and necessary transportation required by section 120.17, subdivision 9 for resident handicapped pupils who are provided special instruction and services on a shared time basis;

(7) [FARIBAULT STATE SCHOOLS ACADEMIES.] Transportation for residents to and from the Minnesota school state academy for the deaf or the Minnesota braille and sight-saving school state academy for the blind;

(8) [SUMMER INSTRUCTIONAL PROGRAMS.] Services described in clauses (1) to (7) and (9) and (10) when provided in conjunction with a summer program eligible for aid and levy under sections 124A.03 and 124A.033;

(9) [COOPERATIVE ACADEMIC AND VOCATIONAL.] Transportation to, from or between educational facilities located in any of two or more school districts jointly offering academic classes approved by the commissioner or secondary vocational classes not provided at a secondary vocational center which are approved by the commissioner for resident pupils of any of these districts; and

(10) [NONPUBLIC SUPPORT SERVICES.] Necessary transportation within district boundaries between a nonpublic school and a public school or a neutral site for nonpublic school pupils who are provided pupil support services pursuant to section 123.935.

Sec. 17. Minnesota Statutes 1986, section 124.273, subdivision 1b, is amended to read:

Subd. 1b. [TEACHERS SALARIES.] For the 1987-1988 school year, the state shall pay a school district a portion of the salary, calculated from the date of hire, of one full-time equivalent teacher for each 45 pupils of limited English proficiency enrolled in the district. Notwithstanding the foregoing, the state shall pay a portion of the salary, calculated from the date of hire, of one-half of a full-time equivalent teacher to a district with 22 or fewer pupils of limited English proficiency enrolled. The portion for a full-time teacher shall be the lesser of 65 62.5 percent of the salary or \$18,100 \$17,400. The portion for a part-time or limited-time teacher shall be

the lesser of 65 62.5 percent of the salary or the product of \$18,100 \$17,400 times the ratio of the person's actual employment to full-time employment.

Sec. 18. Minnesota Statutes 1986, section 124.273, is amended by adding a subdivision to read:

Subd. 1c. [MAXIMUM REVENUE; 1988-89 AND AFTER.] (a) For 1988-1989 and later school years, a district's or cooperative center's "maximum revenue" for limited English proficiency programs equals an amount not to exceed 62.5 percent of the salaries, calculated from the date of hire, paid to each full-time equivalent teacher employed by the district for each 45 pupils of limited English proficiency enrolled in the district.

(b) Notwithstanding paragraph (a), the maximum revenue for a district with 22 or fewer pupils of limited English proficiency equals an amount not to exceed 62.5 percent of the salary paid to one-half time equivalent teacher employed by the district. However, the allowable revenue for a part-time or limited-time teacher shall be 62.5 percent of the salary times the ratio of the person's actual employment to full-time employment.

Sec. 19. Minnesota Statutes 1986, section 124.273, is amended by adding a subdivision to read:

Subd. 1d. [BASIC AID.] For the 1988-1989 and later school years, a district's or cooperative center's "basic aid" for limited English proficiency programs equals \$12,200 times the number of full-time equivalent limited English proficiency teachers for whom the district is entitled to receive revenue under subdivision 1c.

Sec. 20. Minnesota Statutes 1986, section 124.273, is amended by adding a subdivision to read:

Subd. 1e. [LEVY EQUALIZATION AID.] For the 1988-1989 and later school years, a district's or cooperative center's "levy equalization aid" shall be the result of the following computation:

(a) Subtract the basic aid calculated according to subdivision 1d from the maximum revenue calculated according to subdivision 1c.

(b) Subtract the limited English proficiency levy limitation according to section 39 from the result in clause (a).

(c) Divide the actual limited English proficiency levy by the limited English proficiency levy limitation.

(d) Multiply the result in clause (b) by the result in clause (c).

Sec. 21. Minnesota Statutes 1986, section 124.273, is amended by adding a subdivision to read:

Subd. 1f. [TOTAL LIMITED ENGLISH PROFICIENCY AID.] For the 1988-1989 and later school years, a district's or cooperative center's "total limited English proficiency aid" equals the sum of its basic aid according to subdivision 1d and its levy equalization aid according to subdivision 1e.

Sec. 22. Minnesota Statutes 1986, section 124.32, is amended to read:

124.32 [HANDICAPPED CHILDREN.]

Subd. 1b. [TEACHERS SALARIES.] ~~Each~~ For the 1987-1988 school year the state shall pay to a district a portion of the salary of each essential person employed in the district's program for handicapped children during the regular school year, whether the person is employed by one or more districts. The portion for a full-time person shall be an amount not to exceed the lesser of ~~70~~ 67.3 percent of the salary or ~~\$19,500~~ \$18,700. The portion for a part-time or limited-time person shall be an amount not to exceed the lesser of ~~70~~ 67.3 percent of the salary or the product of ~~\$19,500~~ \$18,700 times the ratio of the person's actual employment to full-time employment.

Subd. 1c. [FOUNDATION AID FORMULA ALLOWANCE.] For purposes of this section, "foundation aid formula allowance" shall have the meaning attributed to it in section 124A.02, subdivision 9, and "summer school revenue allowance" shall have the meaning attributed to it in section 124.201. For the purposes of computing foundation aid formula allowances pursuant to this section, each handicapped child shall be counted as prescribed in section 124.17, subdivision 1.

Subd. 1d. [CONTRACT SERVICES; 1987-1988.] (1) For special instruction and services provided during the regular 1987-1988 school year to any pupil pursuant to section 120.17, subdivision 2, clause (i), by contract with public, private or voluntary agencies other than school districts, the state shall pay each district ~~55~~ 52.8 percent of the difference between the amount of the contract and the foundation aid formula allowance of the district for that pupil or a pro rata portion of the foundation aid formula allowance for pupils who receive services by contract on less than a full-time basis.

(2) For special instruction and services provided for a pupil by such a contract as part of a the 1987 summer school program, the state shall pay each district ~~55~~ 52.8 percent of the difference between the amount of the contract and the summer school revenue allowance of the district attributable to that pupil.

Subd. 1f. [MAXIMUM REVENUE; REGULAR SCHOOL YEAR.] For 1988-1989 and later school years, a district's or cooperative center's "maximum revenue" for special education programs for a regular school year equals an amount not to exceed the sum of the following:

(a) 67.3 percent of the salaries of essential personnel employed in the district's or cooperative center's program for handicapped children during the regular school year, plus

(b) 48 percent of the amount expended for supplies and equipment purchased or rented for use in the instruction of handicapped children, not to exceed an average of \$48 in any one school year for each handicapped child receiving instruction, plus

(c) For special instruction and services provided during the regular school year to any pupil pursuant to section 120.17, subdivision 2, clause (i), by contract with public, private or voluntary agencies other than school districts, 52.8 percent of the difference between the amount of the contract and the foundation aid formula allowance of the district for that pupil or a pro rata portion of the foundation aid formula allowance for pupils who receive services by contract on less than a full-time basis.

Subd. 1g. [BASIC AID; REGULAR SCHOOL YEAR.] For the 1988-1989 and later school years, a district's or cooperative center's "basic aid" for special education programs equals the sum of the following:

(a) \$13,100 times the number of full-time equivalent essential licensed personnel employed in the district's or cooperative center's program for handicapped children during the regular school year, plus

(b) \$4,300 times the number of full-time equivalent essential unlicensed personnel employed in the district's or cooperative center's program for handicapped children during the regular school year.

Subd. 1h. [LEVY EQUALIZATION AID; REGULAR SCHOOL YEAR.] For 1988-1989 and later school years, a district's or cooperative center's "levy equalization aid" shall be the result of the following computation:

(a) Subtract the basic aid according to subdivision 1g from the maximum revenue according to section 1f.

(b) Subtract the special education levy limitation according to section 37 from the result in clause (a).

(c) Divide the actual special education levy by the special education levy limitation.

(d) Multiply the result in clause (b) by the result in clause (c).

Subd. 1i. [TOTAL AID; REGULAR SCHOOL YEAR.] For 1988-1989 and later school years, a district's or cooperative center's "total special education aid" equals the sum of its basic aid according to subdivision 1g, its levy equalization aid according to subdivision 1h, and its special pupil aid according to subdivision 6.

Subd. 2. [SUPPLY AND EQUIPMENT AID.] For the 1987-1988 school year, the state shall pay each district for supplies and equipment purchased or rented for use in the instruction of handicapped children an amount equal to one-half 48 percent of the sum actually expended by the district but not to exceed an average of \$50 \$48 in any one school year for each handicapped child receiving instruction.

Subd. 2b. [TRAVEL AID.] The state shall pay each district one-half 48 percent of the sum actually expended by a district for necessary travel of essential personnel providing home-based services to handicapped children under age five and their families.

Subd. 3a. [CURRENT FUNDING.] Unless otherwise specified, the aids provided for educational programs for handicapped children shall be paid on a current funding basis.

Subd. 4. [AID RECIPIENTS.] The aids provided for handicapped children shall be paid to the district providing the special instruction and services. Foundation aid shall be paid to the district of the pupils' residence. The total amount of aid paid may not exceed the amount expended for handicapped children in the school year for which the aid is paid.

Subd. 5. [RESIDENTIAL AID.] When a handicapped child is placed in a residential facility approved by the commissioner and established primarily to serve handicapped children and when the child's educational program is approved by the commissioner, the state shall pay aid to the resident district under the provisions of this subdivision. The aid shall be an amount not to exceed 60 57.6 percent of the difference between the instructional costs charged to the resident district and the foundation aid formula allowance, for each handicapped child placed in a residential facility. The aid for summer school programs for each handicapped child placed in a residential facility shall be an amount not to exceed 60 57.6 percent of the difference between the instructional costs charged to the resident district and the summer school revenue allowance in the resident district attributable to that child. No aid shall be paid pursuant to this subdivision for tuition charged a resident district pursuant to section 120.17, subdivision 7a, for a child placed at the

Minnesota ~~school state academy for the deaf or the Minnesota braille and sight-saving school state academy for the blind.~~

The following types of facilities may be approved by the commissioner:

(a) a residential facility operated by the state or public school district and designed to serve the low incidence handicapped, the multiple handicapped, or the most severely handicapped children within the state;

(b) a private, nonsectarian residential facility designed to provide educational services for handicapped children within the state; and

(c) a state hospital or private nonsectarian residential center designed to provide care and treatment for handicapped children.

Subd. 6. [FULL STATE PAYMENT.] The state shall pay each district the actual cost incurred in providing instruction and services for a handicapped child whose district of residence has been determined by section 120.17, subdivision 8a, and who is temporarily placed in a state institution or a licensed residential facility for care and treatment. This section does not apply for a child placed in a foster home or a foster group home.

Upon following the procedure specified by the commissioner of education, the district may bill the state the actual cost incurred in providing the services including transportation costs and a proportionate amount of capital outlay and debt service, minus the amount of the foundation aid formula allowance for the child and the special education aid, transportation aid, and any other aid earned in behalf of the child. The limit set forth in subdivision 4 shall apply to aid paid pursuant to this subdivision.

To the extent possible, the commissioner shall obtain reimbursement from another state for the cost of serving any child whose parent or guardian resides in that state. The commissioner may contract with the appropriate authorities of other states to effect reimbursement. All money received from other states shall be paid to the state treasury and placed in the general fund.

Subd. 7. [PROGRAM AND AID APPROVAL.] Before June 1 of each year, each district providing special instruction and services to handicapped children shall submit to the commissioner an application for approval of these programs and their budgets for the next school year. The application shall include an enumeration of the costs proposed as eligible for state aid pursuant to this section and of the estimated number and grade level of handicapped children in the district who will receive special instruction and services during the next school year. The application shall also include any other information deemed necessary by the commissioner for the calcula-

tion of state aid and for the evaluation of the necessity of the program, the necessity of the personnel to be employed in the program, the amount which the program will receive from grants from federal funds, or special grants from other state sources, and the program's compliance with the rules and standards of the state board. The commissioner shall review each application to determine whether the program and the personnel to be employed in the program are actually necessary and essential to meet the district's obligation to provide special instruction and services to handicapped children pursuant to section 120.17. The commissioner shall not approve aid pursuant to this section for any program or for the salary of any personnel determined to be unnecessary or unessential on the basis of this review. The commissioner may also withhold all or any portion of the aid for programs which receive grants from federal funds, or special grants from other state sources. By August 31 the commissioner shall approve, disapprove or modify each application, and notify each applying district of the action and of the estimated amount of aid for the programs. The commissioner shall provide procedures for districts to submit additional applications for program and budget approval during the school year, for programs needed to meet any substantial changes in the needs of handicapped children in the district. Notwithstanding the provisions of section 124.15, the commissioner may modify or withdraw the program or aid approval and withhold aid pursuant to this section without proceeding according to section 124.15 at any time the commissioner determines that the program does not comply with rules of the state board or that any facts concerning the program or its budget differ from the facts in the district's approved application.

Subd. 8. [MAINSTREAMING.] When planning programs for the education of handicapped children in the regular classroom, school districts are encouraged to consider the size of the regular class and to provide the support services necessary to insure successful mainstreaming.

Subd. 10. [SUMMER SCHOOL.] The state shall pay aid for the 1987 summer school programs for handicapped children on the basis of subdivisions 1b, 1d, and 5 for the preceding 1987-1988 school year. By March 15 of each year, districts shall submit separate applications for program and budget approval for summer school programs. The review of these applications shall be as provided in subdivision 7. By May 1 of each year, the commissioner shall approve, disapprove or modify the applications and notify the districts of the action and of the estimated amount of aid for the summer school programs.

Subd. 10a. [MAXIMUM REVENUE; SUMMER SCHOOL.] For the 1988 and later summer programs, a district's or cooperative's "maximum revenue" for special education summer programs equals an amount not to exceed the sum of the following:

(a) 67.3 percent of the salary of essential personnel employed in the district's or cooperative center's summer program for handicapped children, plus

(b) 48 percent of the amount expended for supplies and equipment purchased or rented for use in the instruction of handicapped children, not to exceed an average of \$8 for each handicapped child receiving instruction during the summer program, plus

(c) for special instruction and services provided as part of a summer school program to any pupil pursuant to section 120.17, subdivision 2, clause (i), by contract with public, private or voluntary agencies other than school districts, 52.8 percent of the difference between the amount of the contract and the summer school revenue allowance of the district attributable to that pupil.

Subd. 10b. [BASIC AID; SUMMER SCHOOL.] For the 1988 and later summer programs, a district's or cooperative center's "basic aid" for special education summer programs equals the sum of the following:

(a) \$13,100 times the number of full-time equivalent licensed personnel employed in the district's or cooperative center's summer program for handicapped children, plus

(b) \$4,300 times the number of full-time equivalent essential unlicensed personnel employed in the district's or cooperative center's summer program for handicapped children.

Subd. 10c. [LEVY EQUALIZATION AID; SUMMER PROGRAM.] For the 1988 and later summer programs, a district's or cooperative center's levy equalization aid shall be the result of the following computation:

(a) Subtract the basic aid according to subdivision 10b, from the maximum revenue according to section 10a.

(b) Subtract the special education summer program levy limitation according to section 38 from the result in clause (a).

(c) Divide the actual special education summer program levy by the special education summer program levy limitation.

(d) Multiply the result in clause (b) by the result in clause (c).

Subd. 10d. [TOTAL AID; SUMMER PROGRAM.] For the 1988 and later summer programs, a district's or cooperative center's total special education aid equals the sum of its basic aid according to subdivision 10b and its levy equalization aid according to subdivision 10c.

Sec. 23. Minnesota Statutes 1986, section 124.481, is amended to read:

## 124.481 [INDIAN POST-SECONDARY PREPARATION GRANTS.]

Subdivision 1. [PLAN FOR GRANTS.] The state board of education, with the advice of the Minnesota Indian scholarship committee, may make grants to school districts to support post-secondary preparation for secondary pupils who are of one-fourth or more Indian ancestry and who, in the opinion of the superintendent, have the capabilities to benefit from higher education. Distribution of the grants must be in accordance with a plan prepared by the state board, with the advice of the Minnesota Indian scholarship committee, that describes the objectives and methods of implementing the grant program, including the manner in which grants will be distributed in proportion to the geographical distribution of the Indian population of the state.

Subd. 2. [LONG-RANGE INDIAN EDUCATION PLAN.] (a) The school board in a district submitting a proposal under this section shall develop a long-range plan for the education of American Indians. The plan must include: (1) a description of the current status of education programs for American Indians including the relationship and role of all available programs and resources for attaining goals; (2) an assessment of the educational needs of American Indians within the district; and (3) a listing of district goals for the education of American Indians in the district.

(b) The plan must be developed in conjunction with the American Indian subcommittee of the curriculum advisory committee established under section 126.67. The plan must meet the criteria adopted by the state board of education for plans for the education of American Indian students.

Sec. 24. Minnesota Statutes 1986, section 124.573, is amended to read:

## 124.573 [CURRENT FUNDING FOR SECONDARY VOCATIONAL EDUCATION.]

Subdivision 1. The state shall pay aids for secondary vocational programs on a current funding basis.

Subd. 2. [SALARIES AND TRAVEL.] For the 1986-1987 and 1987-1988 school years, the eligible expenses for secondary vocational aid are: (1) the salaries paid to essential, licensed personnel in that school year for services rendered in that district's or center's approved secondary vocational education programs; (2) the costs of necessary travel between instructional sites by secondary vocational education teachers; and (3) the costs of necessary travel by secondary vocational education teachers accompanying students to and from vocational student organization meetings held within the state for educational purposes. The state shall pay to any district or cooper-

ative center 41.5 percent of the eligible expenses incurred in an approved secondary vocational program for each the 1986-1987 school year. The state shall pay to any district or cooperative center 39 percent of the eligible expenses incurred in an approved secondary vocational program for the 1987-1988 school year. The commissioner may withhold all or any portion of this aid for a secondary vocational education program which receives funds from any other source. In no event shall a district or center receive a total amount of state aid pursuant to this section which, when added to funds from other sources, will provide the program an amount for salaries and travel which exceeds 100 percent of the amount of its expenditures for salaries and travel in the program.

Subd. 2b. [SECONDARY VOCATIONAL AID.] For 1988-1989 and later school years, a district's or cooperative center's "secondary vocational aid" for secondary vocational education programs for a school year equals the sum of the following amounts:

(a) the greater of zero, or 60 percent of the difference between:

(1) the salaries paid to essential, licensed personnel in that school year for services rendered in that district's or cooperative center's approved secondary vocational education programs, and

(2) 28 percent of sum of the formula allowance plus total tier revenue attributable to secondary pupils for the number of hours that the pupils are enrolled in secondary vocational courses; and

(b) 30 percent of approved expenditures for the following:

(1) contracted services provided by a public or private agency other than a Minnesota school district or cooperative center under section 124.573, subdivision 3a;

(2) necessary travel between instructional sites by licensed secondary vocational education personnel;

(3) necessary travel by licensed secondary vocational education personnel for vocational student organization activities held within the state for instructional purposes;

(4) curriculum development activities that are part of a five-year plan for improvement based on program assessment;

(5) necessary travel by licensed secondary vocational education personnel for noncollegiate credit bearing professional development; and

(6) specialized vocational instructional supplies.

Subd. 2c. [COOPERATIVE CENTERS.] In making the computation in subdivision 2b, paragraph (a), clause (2), for a cooperative center, the formula allowance plus total tier revenue is the average of the sums for each member district.

Subd. 3. [COMPLIANCE WITH RULES.] This Aid shall be paid under this section only for services rendered or for the costs ~~designated in subdivision 2~~ which are incurred in secondary vocational education programs approved by the state department of education and operated in accordance with rules promulgated by the state board of education. These rules shall provide minimum student-staff ratios required for a secondary vocational education program in a cooperative center to qualify for this aid. The rules shall not require any minimum number of administrative staff, any minimum period of coordination time or extended employment for secondary vocational education personnel, or the availability of vocational student activities or organizations for a secondary vocational education program to qualify for this aid. The requirement in these rules that program components be available for a minimum number of hours shall not be construed to prevent pupils from enrolling in secondary vocational education courses on an exploratory basis for less than a full school year. The state board of education shall not require a school district to offer more than four credits or 560 hours of vocational education course offerings in any school year. Rules relating to secondary vocational education programs shall not incorporate the provisions of the state plan for vocational education by reference. This aid shall be paid only for services rendered and for ~~travel~~ costs incurred by essential, licensed personnel who meet the work experience requirements for licensure pursuant to the rules of the state board of education. Licensed personnel means persons holding a valid secondary vocational license issued by the department of education, except that when an average of five or fewer secondary full-time equivalent students are enrolled per teacher in an approved post-secondary program at intermediate district numbers 287, 916, or 917, licensed personnel means persons holding a valid vocational license issued by the department of education or the state board for vocational technical education. Notwithstanding section 124.15, the commissioner may modify or withdraw the program or aid approval and withhold aid under this section without proceeding under section 124.15 at any time. To do so, the commissioner must determine that the program does not comply with rules of the state board or that any facts concerning the program or its budget differ from the facts in the district's approved application.

Subd. 3a. [AID FOR CONTRACTED SERVICES.] In addition to the provisions of subdivisions 2 and 3, a school district or cooperative center may contract with a public or private agency other than a Minnesota school district or cooperative center for the provision of secondary vocational education services. For the 1986-1987 school year, the state shall pay each district or cooperative center 40

percent of the amount of a contract entered into pursuant to this subdivision. For the 1987-1988 school year, the state shall pay each district or cooperative center 35 percent of the amount of a contract entered into under this subdivision. The state board shall promulgate rules relating to program approval procedures and criteria for these contracts and aid shall be paid only for contracts approved by the commissioner of education. For the purposes of subdivision 4, the district or cooperative center contracting for these services shall be construed to be providing the services. ~~For the purposes of subdivision 5, aid for these contracts shall be distributed on the same basis as aids for salaries and travel.~~

Subd. 4. [ALLOCATIONS; COOPERATIVES, INTERMEDIATE DISTRICTS.] All secondary vocational education aid shall be paid to the district or cooperative center providing the services. All secondary vocational education aid received by a district or center from any source shall be utilized solely for the purposes of secondary vocational education programs.

Sec. 25. Minnesota Statutes 1986, section 124.574, subdivision 2b, is amended to read:

Subd. 2b. [SALARIES.] ~~Each~~ For the 1987-1988 school year, the state shall pay to any district or cooperative center a portion of the salary of each essential licensed person employed during that school year for services rendered in that district or center's secondary vocational education programs for handicapped children. The portion for a full-time person shall be an amount not to exceed the lesser of 70 67.3 percent of the salary or \$19,500 \$18,700. The portion for a part-time or limited-time person shall be the lesser of 70 67.3 percent of the salary or the product of \$19,500 \$18,700 times the ratio of the person's actual employment to full-time employment.

Sec. 26. Minnesota Statutes 1986, section 124.524, is amended by adding a subdivision to read:

Subd. 2c. [MAXIMUM REVENUE.] For 1988-1989 and later school years, a district's or cooperative center's "maximum revenue" for secondary vocational education programs for handicapped children for a school year equals an amount not to exceed the sum of the following:

(a) 67.3 percent of the salary of essential licensed personnel employed during that school year for services rendered in that district's or center's secondary vocational programs for handicapped children, plus

(b) 48 percent of the costs of necessary equipment for secondary vocational education programs for handicapped children; plus

(c) 48 percent of the costs of necessary travel between instructional sites by secondary vocational education teachers of handicapped children, but not including travel to and from local, regional, district, state or national vocational student organization meetings; plus

(d) 48 percent of the costs of necessary supplies for secondary vocational education programs for handicapped children, but not to exceed an average of \$48 in any one school year for each handicapped child receiving these services, plus

(e) For secondary vocational education programs for handicapped children provided by contract with a public or private agency other than a Minnesota school district or cooperative center, 52.8 percent of the difference between the amount of the contract and the foundation aid formula allowance of the district attributable to pupils who receive services by contract.

Sec. 27. Minnesota Statutes 1986, section 124.574, is amended by adding a subdivision to read:

Subd. 2d. [BASIC AID.] For 1988-1989 and later school years, a district's or cooperative center's "basic aid" for secondary vocational education programs for handicapped children equals \$13,100 times the number of full-time equivalent essential licensed personnel employed during that school year in the district's or cooperative center's secondary vocational education program for handicapped children.

Sec. 28. Minnesota Statutes 1986, section 124.574, is amended by adding a subdivision to read:

Subd. 2e. [LEVY EQUALIZATION AID.] For 1988-1989 and later school years, a district's or cooperative center's levy equalization aid shall be the result of the following computation:

(a) Subtract the basic aid according to subdivision 2d from the maximum revenue according to subdivision 2c.

(b) Subtract the secondary vocational handicapped levy limitation according to section 40 from the result in clause (a).

(c) Divide the actual secondary vocational handicapped levy by the secondary vocational handicapped levy limitation.

(d) Multiply the result in clause (b) by the result in clause (c).

Sec. 29. Minnesota Statutes 1986, section 124.574, is amended by adding a subdivision to read:

Subd. 2f. [TOTAL AID.] For 1988-1989 and later school years, a district's or cooperative center's total aid for secondary vocational programs for handicapped children equals the sum of its basic aid according to subdivision 2d and its levy equalization aid according to subdivision 2e.

Sec. 30. Minnesota Statutes 1986, section 124.574, subdivision 3, is amended to read:

Subd. 3. [EQUIPMENT, TRAVEL, AND SUPPLIES.] In addition to the provisions of subdivision 2 2b, the state shall pay for each the 1987-1988 school year, except for the 1982-1983 school year:

(a) ~~50~~ 48 percent of the costs of necessary equipment for these secondary vocational education programs for handicapped children;

(b) ~~50~~ 48 percent of the costs of necessary travel between instructional sites by secondary vocational education teachers of handicapped children, but not including travel to and from local, regional, district, state or national vocational student organization meetings; and

(c) ~~50~~ 48 percent of the costs of necessary supplies for these secondary vocational education programs for handicapped children, but not to exceed an average of ~~\$50~~ \$48 in any one school year for each handicapped child receiving these services.

Sec. 31. Minnesota Statutes 1986, section 124.574, subdivision 4, is amended to read:

Subd. 4. [AID FOR CONTRACTED SERVICES.] In addition to the provisions of subdivisions 2 2b and 3, a school district may contract with a public or private agency other than a Minnesota school district or cooperative center for the provision of secondary vocational education programs for handicapped children. For the 1987-1988 school year, the formula for payment of aids for these contracts shall be that provided in section 124.32, subdivision 1b. The state board shall promulgate rules relating to approval procedures and criteria for these contracts and aid shall be paid only for contracts approved by the commissioner of education. For the purposes of subdivision 6, the district or cooperative center contracting for these services shall be construed to be providing these services. For the purposes of subdivision 8, aid for these contracts shall be distributed on the same basis as aids for salaries, supplies and travel.

Sec. 32. Minnesota Statutes 1986, section 126.48, is amended by adding a subdivision to read:

Subd. 7. [LONG-RANGE INDIAN EDUCATION PLAN.] (a) The school board, in a district submitting a proposal under sections 126.45 to 126.55, shall develop a long-range plan for the education of American Indians. The plan must include:

(1) a description of the current status of education programs for American Indians including the relationship and role of all available programs and resources for attaining goals;

(2) an assessment of the educational needs of American Indians within the district; and

(3) a listing of district goals for the education of American Indians in the district.

(b) The plan must be developed in conjunction with the American Indian subcommittee of the curriculum advisory committee established under section 126.67. The plan must meet the criteria adopted by the state board of education for plans for the education of American Indian students.

Sec. 33. Minnesota Statutes 1986, section 136D.27, is amended to read:

**136D.27 [TAX LEVIES, CERTIFICATES OF INDEBTEDNESS.]**

Each year the joint school board may each year, for the purpose of paying any administrative, planning, operating, or capital expenses incurred or to be incurred for area vocational technical schools, certify to each participating school district the tax levy specified in section 275.125, subdivision 13, clause (2). Additional tax levies may be certified which that shall not in any year exceed .6 mills on each dollar of adjusted assessed valuation for special education and .7 mills on each dollar of adjusted assessed valuation for expenses for secondary vocational education. Each participating school district shall include such tax levies in the next tax roll which it shall certify to the county auditor or auditors, and shall remit the collections of such levies to the board promptly when received. Such levies shall not be included in computing the limitations upon the levy of any district under sections 124A.03, 124A.06, subdivision 3a, 124A.08, subdivision 3a, 124A.10, subdivision 3a, 124A.12, subdivision 3a, 124A.14, subdivision 5a, and 275.125. The board may, any time after such levies have been certified to the participating school districts, issue and sell certificates of indebtedness in anticipation of the collection of such levies, but in aggregate amounts such as will not exceed the portion of the levies which is then not collected and not delinquent.

Sec. 34. Minnesota Statutes 1986, section 136D.71, is amended to read:

**136D.71 [LISTED DISTRICTS MAY FORM INTERMEDIATE DISTRICT.]**

Notwithstanding any other law to the contrary, two or more of the independent school districts numbered 12 and 16 of Anoka county, independent school districts numbered 621, 622, 623, and 624 of Ramsey County, and independent school districts numbered 832, 833, and 834 of Washington County, are hereby authorized to enter into an agreement to establish a special intermediate school district upon majority vote of the full membership of each of the boards of the districts entering into the agreement. When such resolution has been adopted by the board of one of the districts, it shall be published once in a newspaper of general circulation in said district. If a petition for referendum on the question of said district entering into such agreement is filed with the clerk of the said board within 60 days after publication of such resolution, signed by the qualified voters of said district equal to five percent of the number of voters at the last annual school election. No board shall enter into such agreement until the question of whether the district shall enter into the agreement has been submitted to the voters of said district at a special election. Said election shall be conducted and canvassed in accordance with section 123.32.

If a majority of the total number of votes cast on the question within said district is in favor of the question, the board of said school district may thereupon proceed to enter into an agreement to establish the special intermediate school district for purposes herein described. Such school district so created shall be known as north-eastern metropolitan intermediate school district, state of Minnesota. The commissioner of education shall assign an appropriate identification number as provided by section 122.03.

Sec. 35. Minnesota Statutes 1986, section 136D.74, subdivision 2, is amended to read:

Subd. 2. [TAX LEVY.] Each year the intermediate school board may in each year for the purpose of paying any administrative, planning, operating, or capital expenses incurred or to be incurred certify to each county auditor of each county in which said intermediate school district shall lie, as a single taxing district, the tax levy specified in section 275.125, subdivision 13, clause (2). Additional tax levies may be certified which that shall not in any year exceed .6 mills on each dollar of adjusted assessed valuation for expenses for special education and .7 mills on each dollar of adjusted assessed valuation for expenses for secondary vocational education. Said annual tax levies shall be certified pursuant to section 275.07. Upon such certification the county auditor or auditors and other appropriate county officials shall levy and collect such levies and remit the proceeds of collection thereof to the intermediate school district as in the case with independent school districts. Such levies shall not be included in computing the limitations, if any, upon the levy of the

intermediate district or any of the participating districts under sections 124A.03, 124A.06, subdivision 3a, 124A.08, subdivision 3a, 124A.10, subdivision 3a, 124A.12, subdivision 3a, 124A.14, subdivision 5a, and 275.125.

Sec. 36. Minnesota Statutes 1986, section 136D.87, is amended to read:

**136D.87 [TAX LEVIES, CERTIFICATES OF INDEBTEDNESS.]**

Each year the joint school board may each year, for the purpose of paying any administrative, planning, operating, or capital expenses incurred or to be incurred for area vocational technical schools, certify to each participating school district the tax levy specified in section 275.125, subdivision 13, clause (2). Additional tax levies may be certified which that shall not in any year exceed .6 mills on each dollar of adjusted assessed valuation for expenses for special education and .5 .7 mills on each dollar of adjusted assessed valuation for expenses for secondary vocational education. Each participating school district shall include such tax levies in the next tax roll which it shall certify to the county auditor or auditors, and shall remit the collections of such levies to the board promptly when received. Such levies shall not be included in computing the limitations upon the levy of any district under sections 124A.03, 124A.06, subdivision 3a, 124A.08, subdivision 3a, 124A.10, subdivision 3a, 124A.12, subdivision 3a, 124A.14, subdivision 5a, and 275.125. The board may, any time after such levies have been certified to the participating school districts, issue and sell certificates of indebtedness in anticipation of the collection of such levies, but in aggregate amounts such as will not exceed the portion of the levies which is then not collected and not delinquent.

Sec. 37. Minnesota Statutes 1986, section 275.125, subdivision 8c, is amended to read:

Subd. 8c. [SPECIAL EDUCATION LEVY.] Each year, a district, excluding intermediate school district Nos. 287, 916, and 917, may levy an amount that may not exceed 70 percent of salaries paid to essential personnel in that district minus the amount of state aid and any federal aid, if applicable, paid to that district for salaries of these essential personnel under sections 124.32, subdivisions 1b and 10 and 124.574, subdivision 2b plus 65 percent of salaries paid to essential personnel in that district minus the amount of state aid and any federal aid, if applicable, paid to that district for salaries of these essential personnel under section 124.273, subdivision 1b for the year to which the levy is attributable. for special education programs an amount equal to the result of the following computation:

(a) Subtract the amount of the district's basic aid for the year to which the levy is attributable according to section 22, subdivision

1g, from the amount of the district's maximum revenue for the year to which the levy is attributable according to section 22, subdivision 1f;

(b) Multiply the result in clause (a) by the lesser of one, or the ratio of:

(1) the quotient derived by dividing the adjusted assessed valuation of the district for the year before the year the levy is certified by the total pupil units in the district for the school year to which the levy is attributable, to

(2) the equalizing factor for the school year to which the levy is attributable.

For purposes of this subdivision, a special education cooperative or an intermediate school district each year shall allocate an amount equal to 70 percent of salaries paid to essential personnel in that intermediate district or cooperative minus the amount of state aid and any federal aid, if applicable, paid to that intermediate district or cooperative for salaries of these essential personnel under sections 124.32, subdivisions 1b and 10 and 124.574, subdivision 2b, plus 65 percent of salaries paid to essential personnel in that intermediate district or cooperative minus the amount of state aid and any federal aid, if applicable, paid to that intermediate district or cooperative for salaries of these essential personnel under section 124.273, subdivision 1b for the year to each of the difference between its maximum revenue according to section 22, subdivision 1f, and its basic aid according to section 22, subdivision 1g, for the year to which the levy is attributable among the member districts and other districts using the special education services of the cooperative or the intermediate district. The member districts may make a levy in the amount of the costs allocated to them by the cooperative or intermediate district.

Special education cooperatives and intermediate school districts that allocate unreimbursed portions of salaries of special education essential personnel among member districts, for purposes of the member districts making a levy under this subdivision, shall provide information to the state department of education on the amount of unreimbursed costs of salaries they amounts allocated to the member participating districts. The state department of education shall include the amounts allocated to the participating districts in computing the districts' special education levy limitations pursuant to this section.

Sec. 38. Minnesota Statutes 1986, section 275.125, is amended by adding a subdivision to read:

Subd. 8d. [SPECIAL EDUCATION SUMMER PROGRAM LEVY.] Each year, a district, excluding intermediate school district Nos. 287,

916 and 917, may levy for special education summer programs an amount equal to the result of the following computation:

(a) Subtract the amount of the district's basic aid for the year to which the levy is attributable according to section 22, subdivision 10b, from the amount of the district's maximum revenue for the year to which the levy is attributable according to section 22, subdivision 10a.

(b) Multiply the result in clause (a) by the lesser of one, or the ratio of:

(1) the quotient derived by dividing the adjusted assessed valuation of the district for the year before the year the levy is certified by the total pupil units in the district for the school year to which the levy is attributable, to

(2) the equalizing factor for the school year to which the levy is attributable.

For purposes of this section, a special education cooperative or an intermediate district shall allocate an amount equal to the difference between its maximum revenue according to section 22, subdivision 10a, and its basic aid according to section 22, subdivision 10b, for the year to which the levy is attributable among its member districts or other districts using the summer program service of the cooperative or intermediate district.

Special education cooperatives and intermediate school districts shall provide information to the state department of education on the amounts allocated to the participating districts.

The state department of education shall include the amounts allocated to the participating districts in computing the districts' special education summer program levy limitations pursuant to this section.

Sec. 39. Minnesota Statutes 1986, section 275.125, is amended by adding a subdivision to read:

Subd. 8e. [LIMITED ENGLISH PROFICIENCY LEVY.] Each year, a district, excluding intermediate school district Nos. 287, 916 and 917, may levy for limited English proficiency programs an amount equal to the result of the following computation:

(a) Subtract the amount of the district's basic aid for the year to which the levy is attributable according to section 19 from the amount of the district's maximum revenue for the year to which the levy is attributable according to section 18.

(b) Multiply the result in clause (a) by the lesser of one, or the ratio of:

(1) the quotient derived by dividing the adjusted assessed valuation of the district for the year before the year the levy is certified by the total pupil units in the district for the school year to which the levy is attributable, to

(2) the equalizing factor for the school year to which the levy is attributable.

For purposes of this section, a special education cooperative or an intermediate district shall allocate an amount equal to the difference between its maximum revenue according to section 18 and its basic aid according to section 19 for the year to which the levy is attributable among its member districts or other districts using the limited English proficiency services of the cooperative or intermediate district.

Special education cooperatives and intermediate school districts shall provide information to the state department of education on the amounts allocated to the participating districts.

The state department of education shall include the amounts allocated to the participating districts in computing the districts' limited English proficiency program levy limitations pursuant to this section.

Sec. 40. Minnesota Statutes 1986, section 275.125, is amended by adding a subdivision to read:

Subd. 8f. [SECONDARY VOCATIONAL HANDICAPPED LEVY.] Each year, a district, excluding intermediate school district Nos. 287, 916 and 917, may levy for secondary vocational education for handicapped children programs an amount equal to the result of the following computation:

(a) Subtract the amount of the district's basic aid for the year to which the levy is attributable according to section 27 from the amount of the district's maximum revenue for the year to which the levy is attributable according to section 26.

(b) Multiply the result in clause (a) by the lesser of one, or the ratio of:

(1) the quotient derived by dividing the adjusted assessed valuation of the district for the year before the year the levy is certified by the total pupil units in the district for the school year to which the levy is attributable, to

(2) the equalizing factor for the school year to which the levy is attributable.

For purposes of this section, a special education cooperative or an intermediate district shall allocate an amount equal to the difference between its maximum revenue according to section 26 and its basic aid according to section 27 for the year to which the levy is attributable among its member districts or other districts using the secondary vocational handicapped program of the cooperative or intermediate district.

Special education cooperatives and intermediate school districts shall provide information to the state department of education on the amounts allocated to the participating districts.

The state department of education shall include the amounts allocated to the participating districts in computing the districts' special education summer program levy limitations pursuant to this section.

Sec. 41. [SPECIAL EDUCATION LEVY ADJUSTMENTS.]

The department shall make adjustments to the 1986 payable 1987 levies authorized under Minnesota Statutes 1986, section 275.125, subdivision 8c, in accordance with the changes made in this article.

Sec. 42. [APPROPRIATIONS.]

Subdivision 1. [DEPARTMENT OF EDUCATION.] There is appropriated from the general fund to the department of education the sums indicated in this section for the fiscal years ending June 30 in the years designated.

Subd. 2. [SPECIAL EDUCATION AID.] For special education aid there is appropriated:

\$152,533,600.....1988,

\$144,367,900.....1989.

The appropriation for 1988 includes \$21,847,100 for aid for fiscal year 1987 payable in fiscal year 1988, and \$130,686,500 for aid for fiscal year 1988 payable in fiscal year 1988.

The appropriation for 1989 includes \$23,437,600 for aid for fiscal year 1988 payable in fiscal year 1989 and \$120,930,300 for aid for fiscal year 1989 payable in fiscal year 1989.

\$8,702,500 of the appropriation for 1988 and \$8,945,700 of the appropriation for 1989 are for programs for children below age five.

The appropriations are based on aid entitlements of \$154,124,100 for fiscal year 1988 and \$142,646,200 for fiscal year 1989.

Subd. 3. [SUMMER SCHOOL SPECIAL EDUCATION AID.] For special education aid for summer school programs there is appropriated:

\$5,440,400.....1988,

\$5,495,500.....1989.

The appropriation for 1988 is for 1987 summer school programs.

The appropriation for 1989 is for 1988 summer school programs.

Subd. 4. [TRAVEL FOR HOME-BASED SERVICES.] For aid for teacher travel for home-based services for handicapped children under age five and their families there is appropriated:

\$251,500.....1988,

\$266,000.....1989.

The appropriation for 1988 includes \$35,100 for aid for fiscal year 1987 payable in 1988 and \$216,400 for aid for fiscal year 1988 payable in fiscal year 1988.

The appropriation for 1989 includes \$38,200 for fiscal year 1988 payable in fiscal year 1989 and \$227,800 for fiscal year 1989.

The appropriation is based on aid entitlements of \$254,600 for fiscal year 1988 and \$268,000 for fiscal year 1989.

Subd. 5. [RESIDENTIAL FACILITIES AID.] For aid pursuant to section 124.32, subdivision 5, there is appropriated:

\$1,512,300.....1988,

\$1,548,900.....1989.

Subd. 6. [LIMITED ENGLISH PROFICIENCY PUPILS PROGRAM AID.] For aid to educational programs for pupils of limited English proficiency pursuant to section 124.273, there is appropriated:

\$2,939,700.....1988,

\$2,957,900.....1989.

The appropriation for 1988 includes \$430,700 for aid for fiscal year 1987 payable in fiscal year 1988 and \$2,509,000 for aid for fiscal year 1988 payable in fiscal year 1988.

The appropriation for 1989 includes \$442,800 for aid for fiscal year 1988 payable in fiscal year 1989 and \$2,515,100 for aid for fiscal year 1989 payable in fiscal year 1989.

The appropriations are based on aid entitlements of \$2,951,800 for fiscal year 1988 and \$2,959,000 for fiscal year 1989.

Subd. 7. [INDIAN SCHOLARSHIPS.] For Indian scholarships awarded under section 124.48, there is appropriated:

\$1,581,800.....1988,

\$1,581,800.....1989.

Subd. 8. [INDIAN POST-SECONDARY PREPARATION GRANTS.] For Indian post-secondary preparation grants made to districts under section 124.481, there is appropriated:

\$781,400.....1988,

\$781,400.....1989.

Subd. 9. [AMERICAN INDIAN LANGUAGE AND CULTURE PROGRAM AID.] For grants to American Indian language and culture education programs pursuant to section 126.54, subdivision 1, there is appropriated:

\$588,400.....1988,

\$588,300.....1989.

The appropriation for 1988 includes \$88,300 for aid for fiscal year 1987 payable in fiscal year 1988, and \$500,100 for aid for fiscal year 1988 payable in fiscal year 1988.

The appropriation for 1989 includes \$88,200 for aid for fiscal year 1988 payable in fiscal year 1989 and \$500,100 for aid for fiscal year 1989 payable in fiscal year 1989.

The appropriations are based on aid entitlements of \$588,300 for fiscal year 1988 and \$588,300 for fiscal year 1989.

Subd. 10. [INDIAN EDUCATION.] For certain Indian education programs there is appropriated:

\$174,800.....1988,

\$174,800.....1989.

The appropriation for aid for fiscal year 1988 includes \$26,200 for aid for fiscal year 1987 payable in fiscal year 1988 and \$148,600 for aid for fiscal year 1988 payable in fiscal year 1988.

The appropriation for fiscal year 1989 includes \$26,200 for aid for fiscal year 1988 payable in fiscal year 1989 and \$148,600 for aid for fiscal year 1989 payable in fiscal year 1989.

The appropriations are based on aid entitlements of \$174,800 for fiscal year 1988 and \$174,800 for fiscal year 1989.

These appropriations are available for expenditure with the approval of the commissioner of education.

The commissioner shall not approve the payment of any amount to a school district pursuant to this subdivision unless that school district is in compliance with all applicable laws of this state.

Up to the following amounts may be distributed to the following school districts for each of fiscal years 1988 and 1989: \$54,848 to independent school district No. 309-Pine Point School; \$9,685 to independent school district No. 166; \$14,949 to independent school district No. 432; \$14,053 to independent school district No. 435; \$42,163 to independent school district No. 707; and \$39,057 to independent school district No. 38. These amounts shall be expended only for the benefit of Indian students and for the purpose of meeting established state educational standards or statewide requirements.

These appropriations are available only if there will not be available for the districts enumerated in this subdivision for the applicable school year any operation support funds from the federal bureau of Indian affairs pursuant to the Johnson-O'Malley Act, Public Law Number 73-167 or title 25, Code of Federal Regulations, part 273.31, or equivalent money from the same or another source.

Before a district can receive moneys pursuant to this subdivision, the district must submit to the commissioner of education evidence that it has:

(a) complied with the uniform financial accounting and reporting standards act, Minnesota Statutes, sections 121.90 to 121.917. For each school year, compliance with Minnesota Statutes, section 121.908, subdivision 3a, shall require the school district to prepare one budget including the amount available to the district pursuant to this subdivision and one budget which does not include these moneys. The budget of that school district for the 1989-1990 school

year prepared according to Minnesota Statutes, section 121.908, subdivision 3a, shall be submitted to the commissioner of education at the same time as 1988-1989 budgets and shall not include any moneys appropriated in this subdivision;

(b) conducted a special education needs assessment and prepared a proposed service delivery plan according to Minnesota Statutes, sections 120.03 and 120.17; Public Law Number 94-142, the "Education for All Handicapped Children Act of 1975"; and applicable state board of education rules; and

(c) compiled accurate daily pupil attendance records.

Prior to approving payment of any amount to a school district pursuant to this subdivision, the commissioner shall review and evaluate each affected district's compliance with clauses (a), (b), and (c), and any other applicable laws, and each affected district's need for the moneys. Each affected district's net unappropriated fund balance in all operating funds as of June 30 of the previous school year shall be taken into consideration.

Subd. 11. [SECONDARY VOCATIONAL EDUCATION AID.] For secondary vocational education aid pursuant to Minnesota Statutes, section 124.573, there is appropriated:

\$19,549,500.....1988,

\$18,652,500.....1989.

The appropriation for 1988 includes \$2,972,300 for aid for fiscal year 1987 payable in fiscal year 1988, \$16,577,200 for aid for fiscal year 1988 payable in fiscal year 1988.

The appropriation for 1989 includes \$2,925,300 for aid for fiscal year 1988 payable in fiscal year 1989, \$15,727,200 for aid for fiscal year 1989 payable in fiscal year 1989.

The department may also use up to \$41,600 of the appropriation for 1988 and up to \$36,600 of the appropriation for 1989 for secondary vocational student organizations.

The appropriations are based on aid entitlements of \$19,502,500 for fiscal year 1988 and \$18,502,600 for fiscal year 1989.

For purposes of this subdivision, money appropriated for secondary vocational education programs may not be expended for the purpose of discontinuing or converting existing senior secondary school industrial arts education programs.

Subd. 12. [SECONDARY VOCATIONAL HANDICAPPED.] For aid for secondary vocational education for handicapped pupils according to section 124.574, there is appropriated:

\$4,407,700.....1988,

\$4,800,200.....1989.

The appropriation for 1988 includes \$543,500 for aid for fiscal year 1987 payable in fiscal year 1988 and \$3,864,200 for aid for fiscal year 1988 payable in fiscal year 1988.

The appropriation for 1989 includes \$681,900 for aid for fiscal year 1988 payable in fiscal year 1989, and \$4,118,300 for aid for 1989 payable in fiscal year 1989.

The appropriations are based on aid entitlements of \$4,546,100 for fiscal year 1988 and \$4,845,100 for fiscal year 1989.

Subd. 13. [OFFICE ON TRANSITION SERVICES.] For the inter-agency office on transition services under section 120.183, there is appropriated:

\$77,000.....1988,

\$77,000.....1989.

Subd. 14. [PRORATION.] Except as provided in Minnesota Statutes, section 124.14, subdivision 7, none of the amounts appropriated in this section shall be expended for a purpose other than the purpose indicated. If the appropriation amount attributable to either year for the purpose indicated plus the amount of any transfers made according to Minnesota Statutes, section 124.14, subdivision 7, is insufficient, the aid for that year shall be prorated among all qualifying districts and the state shall not be obligated for any additional amount for these purposes.

Sec. 43. [REPEALER.]

Minnesota Statutes 1986, sections 120.17, subdivision 13 and 124.273, subdivision 2b, are repealed.

Sec. 44. [APPLICATION, NO LOCAL APPROVAL.]

Subdivision 1. [DISTRICT NO. 916.] Sections 34 and 35 apply to intermediate school district No. 916 and are effective without local approval under Minnesota Statutes, section 645.023.

Subd. 2. [DISTRICT NO. 917.] Section 36 applies to intermediate district No. 917 and is effective without local approval under Minnesota Statutes, section 645.023.

## ARTICLE 4

### COMMUNITY AND ADULT EDUCATION

Section 1. Minnesota Statutes 1986, section 121.87, subdivision 1, is amended to read:

Subdivision 1. [APPOINTMENT; MEMBERSHIP.] The state board of education ~~may~~ shall appoint a community education advisory task force for the purpose of promoting the furtherance of sections 121.85 to 121.88, and the advancement of educational, recreational and social opportunity through the maximum utilization of public school facilities and community resources throughout the state of Minnesota. ~~If appointed,~~ The task force shall include at least one member from each congressional district and members who represent government and professions most closely related to community education and youth development activities.

Sec. 2. Minnesota Statutes 1986, section 121.87, is amended by adding a subdivision to read:

Subd. 1a. [RESPONSIBILITIES.] The community education advisory task force, in consultation with the commissioners of health, human services, and jobs and training or their designees, shall:

(1) develop a statewide plan to promote a coordinated interagency approach to addressing the needs and developing the resources of youth, from birth to age 21, at both the state and local level through programs such as positive youth development partnerships, youth in community service programs, and interagency programs for providing services to at-risk young children and youth;

(2) make recommendations to the state board of education and other appropriate entities on means for improving coordination of efforts by various state and local agencies and programs in addressing the needs of and opportunities for youth; and

(3) develop model plans for an interagency approach by local advisory councils.

Sec. 3. Minnesota Statutes 1986, section 121.88, subdivision 2, is amended to read:

Subd. 2. [ADVISORY COUNCIL.] Each board shall provide for an advisory council to consist of members who represent: various

service organizations; churches; ~~private~~ public and nonpublic schools; local government including elected officials; public and private non-profit agencies serving youth and families; parents; youth; park, recreation or forestry services of municipal or local government units located in whole or in part within the boundaries of the school district; and any other groups participating in the community education program in the school district.

Sec. 4. Minnesota Statutes 1986, section 121.88, is amended by adding a subdivision to read:

Subd. 8. [YOUTH DEVELOPMENT PLANS.] A district or group of districts, in consultation with the advisory councils established under subdivision 2, may submit a youth development plan to the state board of education. The plans must include at least the following:

(1) commitment by local agencies and service providers to participate in a coordinated effort to provide existing and new services to youth, from birth to age 21;

(2) plans for using existing resources and available services more effectively;

(3) identification of necessary services and programs that could be provided with a coordinated interagency approach including programs for at-risk youth and for youth employment and service to the community;

(4) description of plans for coordinating services and programs, including use of available funds;

(5) commitment to developing a partnership among home, school, and community focused on issues relating to the positive development of youth; and

(6) description of evaluation plans.

Any district or group of districts that submits a youth development plan to the state board of education and makes a community levy is eligible for additional community education aid under section 5, beginning in the 1988-1989 school year.

Sec. 5. [122.884] [PARENT ADVISORY TASK FORCE.]

Subdivision 1. [APPOINTMENT; MEMBERSHIP.] By August 1, 1987, the state board of education and state board of vocational technical education shall appoint an advisory task force on parent education and parental involvement in the educational development of their children. The membership of the task force must include

representatives of parents of school-age children, early childhood family education programs, community education programs, vocational educators, and other appropriate education personnel.

Subd. 2. [RESPONSIBILITIES.] The advisory task force shall make recommendations on means of enhancing the involvement of parents in the educational process of their children, methods of educating parents in the development of their children, and methods of increasing cooperation among the community, elementary and secondary education systems, and secondary post-secondary vocational education systems. The task force shall make its recommendations to the state board of education and state board of vocational technical education, which shall jointly submit a report to the education committees of the legislature by February 1, 1989.

Sec. 6. Minnesota Statutes 1986, section 124.271, subdivision 2b, is amended to read:

Subd. 2b. [AID; 1986, 1987, 1988 AND AFTER.] (1) Each fiscal year a district which is operating a community education program in compliance with rules promulgated by the state board shall receive community education aid.

For fiscal year 1986, the aid shall be an amount equal to the difference obtained by subtracting

(a) an amount equal to .8 mill times the adjusted assessed valuation used to compute the community education levy limitation for the levy attributable to that school year, from

(b) the greater of

\$7,000, or

\$5.25 times the population of the district.

For fiscal year 1987, the aid shall be an amount equal to the difference obtained by subtracting

(a) an amount equal to .8 mill times the adjusted assessed valuation used to compute the community education levy limitation for the levy attributable to that school year, from

(b) the greater of

\$7,140, or

\$5.35 times the population of the district.

For fiscal year 1988 and each year thereafter, the aid shall be an amount equal to the difference obtained by subtracting

(a) an amount equal to .8 mill times the adjusted assessed valuation used to compute the community education levy limitation for the levy attributable to that school year, from

(b) the greater of

\$7,340, or

\$5.50 times the population of the district.

(2) However, for any district which certifies less than the maximum permissible levy under the provisions of section 275.125, subdivision 8, clause (1), the district's community education aid under clause (1) of this subdivision shall be reduced by multiplying the aid amount computed pursuant to clause (1) of this subdivision by the ratio of the district's actual levy under section 275.125, subdivision 8, clause (1), to its maximum permissible levy under section 275.125, subdivision 8, clause (1). For purposes of computing the aid reduction pursuant to this clause, the amount certified pursuant to section 275.125, subdivision 8, clause (1), shall not reflect reductions made pursuant to section 275.125, subdivision 9.

(3) In addition to the amount in clause (1), for fiscal year 1989 and each fiscal year thereafter, a district which makes a levy for community education programs under section 275.125, subdivision 8 and submits a youth development plan to the state board of education under section 4 shall receive additional aid in an amount equal to the greater of 50 cents per capita or \$680 per district to be used to implement the youth development plan.

Sec. 7. Minnesota Statutes 1986, section 124.2711, subdivision 1, is amended to read:

Subdivision 1. [DEFINITION OF MAXIMUM REVENUE.] ~~For fiscal year 1986 the "maximum revenue" for early childhood family education programs for a school year means the amount of revenue equal to the product of five percent of the foundation aid formula allowance for the current school year, times the greater of (a) 150, or (b) the number of people under five years of age residing in the district on September 1 of the preceding school year. For fiscal year 1987 and each year thereafter, the "maximum revenue" for early childhood family education programs for a school year means the amount of revenue equal to the product of five percent of the foundation aid formula allowance for the prior school year, times the greater of (a) 150, or (b) the number of people under five years of age residing in the district on September 1 of the preceding school year. For fiscal year 1988 and each year thereafter, the "maximum revenue" for early childhood family education programs for a school~~

year means the amount of revenue derived by multiplying \$84.50 times the greater of (a) 150, or (b) the number of people under five years of age residing in the district on September 1 of the preceding school year.

Sec. 8. [COORDINATED PLAN FOR YOUTH.]

The commissioner of education shall develop, in consultation with the commissioners of jobs and training and natural resources, a coordinated plan for enhanced youth education, employment, and service opportunities. This plan shall consider the current programming of the Minnesota Conservation Corps, the Minnesota Youth Program, the Summer Youth Employment and Training Program, community and secondary vocational education, and other appropriate programs in designing a coordinated cost-effective model which would enlarge opportunities for youth. The plan should also recommend a model for coordinated funding. The commissioners shall report to the appropriate committees of the legislature by January 1, 1988.

Sec. 9. [APPROPRIATIONS.]

Subdivision 1. [DEPARTMENT OF EDUCATION.] There is appropriated from the general fund to the department of education the sums indicated in this section for the fiscal years ending June 30 in the years designated.

Subd. 2. [ADULT EDUCATION AID.] For adult education aid according to section 124.26, there is appropriated:

\$2,500,000.....1988,

\$3,000,000.....1989.

The amount appropriated for fiscal year 1988 includes \$278,000 for aid for fiscal year 1987 payable in fiscal year 1988, and \$2,222,000 for aid for fiscal year 1988 payable in fiscal year 1988.

The amount appropriated for fiscal year 1989 includes \$392,100 for aid for fiscal year 1988 payable in fiscal year 1989, and \$2,607,900 for aid for fiscal year 1989 payable in fiscal year 1989.

The appropriations are based on aid entitlements of \$2,614,100 for fiscal year 1988 and \$3,068,100 for fiscal year 1989.

Subd. 3. [COMMUNITY EDUCATION AID.] For community education aid according to section 124.271, there is appropriated:

\$2,153,100.....1988,

\$4,059,600.....1989.

The amount appropriated for fiscal year 1988 includes \$260,100 for aid for fiscal year 1987 payable in fiscal year 1988, and \$1,893,000 for aid for fiscal year 1988 payable in fiscal year 1988.

The amount appropriated for fiscal year 1989 includes \$334,000 for aid for fiscal year 1988 payable in fiscal year 1989, and \$3,725,600 for aid for fiscal year 1989 payable in fiscal year 1989.

\$884,000 of the appropriation for fiscal year 1989 is for aid according to section 124.271, subdivision 2b, clause (3).

The appropriations are based on aid entitlements of \$2,227,000 for fiscal year 1988 and \$4,383,000 for fiscal year 1989.

Subd. 4. [EARLY CHILDHOOD FAMILY EDUCATION AID.] For early childhood family education aid according to section 124.2711 there is appropriated:

\$7,310,400.....1988,

\$8,186,500.....1989.

The appropriation for 1988 includes \$869,900 for aid for fiscal year 1987 payable in fiscal year 1988 and \$6,440,500 for aid for fiscal year 1988 payable in fiscal year 1988.

The appropriation for 1989 includes \$1,130,900 for aid for fiscal year 1988 payable in fiscal year 1989, and \$7,055,600 for aid for fiscal year 1989 payable in fiscal year 1989.

The appropriations are based on aid entitlements of \$7,571,400 for fiscal year 1988 and \$8,294,500 for fiscal year 1989.

The department of education may use up to \$31,500 of the appropriation for fiscal year 1988 and up to \$31,500 of the appropriation for fiscal year 1989 to provide technical assistance to districts implementing early childhood family education programs.

Subd. 5. [ADULT HANDICAPPED PROGRAM AID.] For aid for handicapped adult programs according to section 124.271, there is appropriated:

\$450,000.....1988,

\$550,000.....1989.

The appropriations are based on aid entitlements of \$450,000 for fiscal year 1988 and \$550,000 for fiscal year 1989.

Subd. 6. [COMMUNITY EDUCATION ADVISORY TASK FORCE.] To carry out the responsibilities under section 2, there is appropriated:

\$50,000.....1988.

The appropriation shall be available until the end of the biennium.

Subd. 7. [PARENT ADVISORY TASK FORCE.] For the parent advisory task force established under section 5, there is appropriated:

\$50,000.....1988.

The appropriation shall be available until the end of the biennium.

Subd. 8. [HEARING IMPAIRED SUPPORT SERVICES AID.] For payment of support services for hearing impaired persons pursuant to section 121.201, there is appropriated:

\$60,000.....1988,

\$60,000.....1989.

The appropriations are based on aid entitlements of \$60,000 for fiscal year 1988 and \$60,000 for fiscal year 1989.

Subd. 9. [PRORATION.] Except as provided in section 124.14, subdivision 7, none of the amounts appropriated in this section shall be expended for a purpose other than the purpose indicated. If the appropriation amount attributable to either year for the purpose indicated plus the amount of any transfers made according to section 124.14, subdivision 7, is insufficient, the aid for that year shall be prorated among all qualifying districts, and the state shall not be obligated for any additional amount for these purposes. However, if the appropriations for handicapped adult programs under subdivision 5 are prorated under this subdivision, the school districts shall not be required to reduce their adult handicapped program levy accordingly.

## ARTICLE 5

### MISCELLANEOUS AIDS

Section 1. [43A.315] [EMPLOYEES OF SCHOOL DISTRICTS.]

Subdivision 1. [DEFINITIONS.] In this section, the definitions in this subdivision apply.

(a) [COMMISSIONER.] “Commissioner” means the commissioner of the department of employee relations.

(b) [EMPLOYEE.] “Employee” means (1) a person who is a public employee within the definition of section 179A.03, subdivision 14, and is employed by an eligible employer; or (2) a person employed by another public educational employer approved by the commissioner of employee relations.

(c) [ELIGIBLE EMPLOYER.] “Eligible employer” means one of the following: a school district as defined in section 120.02; an educational cooperative service unit as defined in section 123.58; an intermediate district as defined in section 136C.02, subdivision 7; a cooperative center for vocational education as defined in section 123.351; a regional management information center as defined in section 121.935; or an education unit organized under the joint powers act, section 471.59.

(d) [EXCLUSIVE REPRESENTATIVE.] “Exclusive representative” means an exclusive representative as defined in section 179A.03, subdivision 8.

Subd. 2. [SCHOOL EMPLOYEE PARTICIPATION.] Participation in the basic benefits plan offered according to subdivision 3 is subject to the conditions in this subdivision.

(a) Each exclusive representative for an eligible employer determines whether the employees it represents will participate. The exclusive representative shall give notice to the employer of its determination to participate in the hospital, medical, life, and dental package before the execution of a new collective bargaining agreement or by April 1 of an odd-numbered year, whichever occurs first. The employer and the exclusive representative may by mutual consent make a determination at a later date to participate during the annual enrollment period established by the commissioner. By April 1 of an odd-numbered year, the employer must determine whether its employees who are not represented by an exclusive representative will participate in the hospital, medical, life, and dental package. Either all or none of an employer's unrepresented employees must participate.

(b) The decision to participate is for a three-year term if coverage begins in an even-numbered year and a four-year term if coverage begins in an odd-numbered year. Participation is automatically renewed for an additional four-year term unless the exclusive representative, or the employer in the case of unrepresented employees, gives the commissioner notice of withdrawal.

(c) The exclusive representative shall give notice of intent to withdraw to the commissioner before execution of a new collective bargaining agreement to cover the date on which the term of

participation expires, or April 1 of the year in which the term of participation expires, whichever is first. If there is no exclusive representative, the employer shall notify the commissioner by April 1 of the year in which participation expires. A group that withdraws shall wait two years before rejoining.

(d) Each participating employer shall notify the commissioner of the individuals who will be participating within two weeks of receiving notice of intent to participate and within two weeks of deciding that its unrepresented employees will participate. The employer shall also submit other information as required by the commissioner for administration of this plan.

Subd. 3. [BENEFITS.] By January 1, 1989, the commissioner of employee relations shall offer a basic benefits plan as provided to employees covered by section 43A.18, subdivision 2, or as modified by the commissioner, in consultation with a labor-management committee appointed by the commissioner. The plan shall include employee hospital, medical, dental, and life insurance for employees and hospital and medical benefits for dependents. Health maintenance organization options and other delivery system options, if they are available, cost effective, and capable of servicing a group of this size, shall be provided. Plans with different deductible amounts may be offered. Participation in optional coverages provided by the plan may be determined by collective bargaining agreements. For employees not represented by an exclusive representative, the employer may offer the optional coverages to eligible employees and their dependents provided in the plan.

Subd. 4. [PREMIUMS.] Premiums, including an administration fee, shall be established by the commissioner of employee relations. Each eligible employer shall pay monthly the amounts due for employee benefits including the amounts under subdivision 5 to the commissioner on or before the dates established by the commissioner. Failure to pay may result in cancellation of the benefits. The proportions of premium paid by the employer and employee are subject to collective bargaining.

Subd. 5. [FRINGE BENEFIT FUND.] A school employee fringe benefit fund is established in the state treasury. The deposits consist of the premiums received from employers participating in the plan. All money in the fund is appropriated to the commissioner to pay insurance premiums, approved claims, refunds, administrative costs, and other related service costs. The commissioner shall reserve an amount of money to cover the estimated cost of claims incurred but unpaid. The state board of investment shall invest the money according to section 11A.24. Investment income and losses attributable to the fund shall be credited to the fund.

Subd. 6. [CONTINUATION OF COVERAGE.] (a) A participating employee who is laid off or placed on unrequested leave may elect to

continue the fringe benefit coverage. This coverage is at the expense of the employee unless otherwise provided by a collective bargaining agreement. Coverage continues until one of the following occurs: (1) the employee is reemployed and eligible for health care coverage under a group policy; or (2) the insurance continuation periods required by state and federal laws expire.

(b) A participating employee who retires and is receiving an annuity or is eligible for and has applied for an annuity under chapter 352, 353, 354, or 354A is eligible to continue to participate in the group hospital, medical, and dental coverage at premiums established by the commissioner. This participation is at the retiree's expense, unless otherwise provided by a collective bargaining agreement. An employer shall notify an employee of this option no later than the effective date of retirement. The retired employee must notify the employer within 30 days after the effective date of retirement of intent to exercise this option. A spouse of a deceased retired employee may purchase the benefits provided at premiums established by the commissioner if the employee received an annuity under chapter 352, 353, 354, or 354A and if the spouse was a dependent under the retired employee's coverage under this section at the time of the death of the retired employee. Coverage under this paragraph must be coordinated with relevant insurance benefits provided through the federally sponsored Medicare program.

(c) The benefits may continue in the event of a strike permitted by section 179A.18, if the exclusive representative chooses to have coverage continue and the employee pays the total monthly premiums when due.

(d) A person who desires to participate under paragraphs (a) to (c) shall notify the employer or former employer of intent to participate according to timelines established by the commissioner. The employer shall notify the commissioner, and coverage shall begin as soon as permitted by the commissioner. Persons participating under these paragraphs shall make required premium payments in the time and manner established by the employer or the commissioner.

Subd. 7. [LABOR MANAGEMENT COMMITTEE.] A labor management committee of equal numbers of employees and employers or their representatives shall be appointed by the commissioner of employee relations. The committee shall study issues relating to the insurance plan including, but not limited to, flexible benefits, utilization review, quality assessment, and cost efficiency.

Sec. 2. Minnesota Statutes 1986, section 121.612, subdivision 3, is amended to read:

Subd. 3. [FOUNDATION PROGRAMS.] The foundation shall plan for programs which advance the concept of educational excellence. These may include but are not limited to:

(a) recognition programs and awards for students demonstrating academic excellence;

(b) summer institute programs for students with special talents;

(c) recognition programs for teachers, administrators, and others who contribute to academic excellence;

(d) summer mentorship programs with business and industry for students with special career interests and high academic achievements; and

(e) governor's awards ceremonies to promote academic competition; and

(f) consideration of the establishment of a Minnesota high school academic league.

To the extent possible, the foundation shall make these programs available to students in all parts of the state.

Sec. 3. Minnesota Statutes 1986, section 121.612, subdivision 5, is amended to read:

Subd. 5. [REPORT.] By February 1, 1984, and February 1, 1985, The board of directors of the foundation shall submit an annual report to the education committees of the legislature on the progress of its activities made pursuant to the provisions of this section.

Sec. 4. Minnesota Statutes 1986, section 121.612, is amended by adding a subdivision to read:

Subd. 6. [FOUNDATION PUBLICATIONS.] The foundation may publish brochures or booklets relating to the purposes of the foundation. The foundation may collect reasonable fees for the publications.

Sec. 5. Minnesota Statutes 1986, section 121.612, is amended by adding a subdivision to read:

Subd. 7. [APPROPRIATION.] There is annually appropriated from the general fund to the Minnesota academic excellence foundation any and all amounts received by the foundation pursuant to section 4.

Sec. 6. [121.613] [ACADEMIC LEAGUE TASK FORCE.]

Subdivision 1. [ESTABLISHED.] By September 1, 1987, the Minnesota academic excellence foundation shall establish an academic league task force to develop a plan for promoting academic

excellence through organized challenges requiring both cooperation and competition for public and nonpublic pupils in elementary and secondary schools. The statewide task force shall submit a plan, in consultation with existing programs of academic competition and cooperation, the Minnesota state high school league, and the Minnesota association of secondary school principals, for the establishment of an academic league in Minnesota.

Subd. 2. [COMPOSITION; REPORT.] The foundation shall determine the composition, terms, and compensation of the academic league task force members. The academic league task force shall submit recommendations to the academic excellence foundation which shall make a report to the education committees of the legislature on the task force by January 15, 1989.

Subd. 3. [TASK FORCE RESPONSIBILITIES.] The academic league task force established in this section shall address at least the following issues in submitting its academic league plan to the academic excellence foundation:

- (1) coordination and publicity of existing activities;
- (2) development of new programs for recognition of academic achievement;
- (3) development of interrelationships among various academic programs;
- (4) development of increased use of telecommunications networks;
- (5) development of comprehensive schedules to assist coordination among activities;
- (6) dissemination of information of past program activity and quality; and
- (7) feasibility of using existing education agencies and providers to administer academic league programs.

Subd. 4. [INVOLVEMENT OF VARIOUS GROUPS.] To the extent possible, the academic league task force shall use teachers, administrators, parents, and other participants in developing plans for an academic league.

Sec. 7. Minnesota Statutes 1986, section 121.935, subdivision 6, is amended to read:

Subd. 6. [FEES.] Regional management information centers may charge fees to affiliated districts for the cost of services provided to the district and the district's proportionate share of outstanding

regional debt. In the event a district chooses to use a state approved alternative finance system for processing its detailed transactions or transfers to another region, the district shall be liable for its contracted proportionate share of the outstanding regional debt. The district shall not be liable for any additional outstanding regional debt that occurs after written notice is given to transfer or use an alternative finance system. In no event shall the annual fee of a district participating in a state pilot program of an alternative financial management information system exceed the annual fee chargeable to the district in the absence of the pilot program.

Sec. 8. Minnesota Statutes 1986, section 121.936, subdivision 1, is amended to read:

Subdivision 1. [MANDATORY PARTICIPATION.] (a) Every district shall perform financial accounting and reporting operations on a financial management accounting and reporting system utilizing multidimensional accounts and records defined in accordance with the uniform financial accounting and reporting standards adopted by the state board pursuant to sections 121.90 to 121.92.

(b) Every school district shall be affiliated with one and only one regional management information center. This affiliation shall include at least the following components:

(1) the center shall provide reports to the department of education for the district to the extent required by the data acquisition calendar;

(2) the district shall process every detailed financial transaction using, at the district's option, either the ESV-IS finance subsystem through the center or an alternative system approved by the state board.

Notwithstanding the foregoing, a district may process and submit its financial data to a region or the state in summary form if it operates an approved alternative system or participates in a state approved pilot test of an alternative system and is reporting directly to the state as of January 1, 1987.

(c) The provisions of this subdivision shall not be construed to prohibit a district from purchasing services other than those described in clause (b) from a center other than the center with which it is affiliated pursuant to clause (b).

Districts operating an approved alternative system or participating in a state approved pilot test of an alternative financial system shall purchase finance system services from any region if the region of affiliation does not offer alternative system support services may transfer their affiliation from one regional management information center to another. At least one year prior to July 1 of the year in

which the transfer is to occur, the district shall give written notice to its current region of affiliation of its intent to transfer to another region. The one year notice requirement may be waived if the two regions mutually agree to the transfer.

Sec. 9. Minnesota Statutes 1986, section 126.56, subdivision 3, is amended to read:

Subd. 3. [FINANCIAL NEED.] Need for financial assistance shall be based on family income, family size, and special necessary expenditures of the family. The higher education coordinating board shall determine review the financial need capability of each pupil based on the actual charges made to meet the actual costs of attending the summer program as determined by the institution sponsoring the summer program and shall award scholarships within the limits of the appropriation for this section. If the amount appropriated is insufficient to make a full award to each applicant, the board shall allocate the amount appropriated in the manner it determines. Scholarships shall not be less than \$100 or more than \$1,000.

Sec. 10. Minnesota Statutes 1986, section 126.56, subdivision 6, is amended to read:

Subd. 6. [INFORMATION.] The higher education coordinating board, in cooperation with the academic excellence foundation, shall assemble and distribute information about scholarships and eligible programs. It may seek nonstate funds to perform its duties, as part of its responsibility for program administration.

Sec. 11. [ATTENTION DEFICIT DISORDER.]

The department of education shall study attention deficit disorder among school-age children. The study shall address at least the following: the development of a definition of attention deficit disorder, which includes behaviors that can be detected by a classroom teacher; the prevalence of the disorder among school-age children; the educational needs of children with the disorder; and methods public schools might use in meeting those educational needs. By February 1, 1988, the department shall report the results of the study and its recommendations to the education committees of the legislature.

Using the recommendations of the attention deficit disorder study, the department of education shall develop an implementation program and materials for providing inservice instruction to school district staff. By January 1, 1989, the department of education shall

conduct regional workshops for school district staff on methods for meeting the educational needs of attention deficit disorder children.

Sec. 12. [APPROPRIATIONS; DEPARTMENT OF EDUCATION.]

Subdivision 1. [DEPARTMENT OF EDUCATION.] There is appropriated from the general fund to the department of education the sums indicated in this section for the fiscal years ending June 30 in the years designated.

Subd. 2. [EDUCATIONAL COOPERATIVE SERVICE UNITS.] For educational cooperative service units, there is appropriated:

\$748,000.....1988,

\$748,000.....1989.

The amount appropriated for fiscal year 1988 includes \$112,200 for aid for fiscal year 1987 payable in fiscal year 1988, and \$635,800 for aid for fiscal year 1988 payable in fiscal year 1988.

The amount appropriated for fiscal year 1989 includes \$112,200 for aid for fiscal year 1988 payable in fiscal year 1989, and \$635,800 for aid for fiscal year 1989 payable in fiscal year 1989.

The appropriations are based on aid entitlements of \$748,000 for fiscal year 1988 and \$748,000 for fiscal year 1989.

Subd. 3. [MANAGEMENT INFORMATION CENTERS.] For management information centers according to section 121.935, subdivision 5, there is appropriated:

\$3,583,200.....1988,

\$3,583,200.....1989.

The appropriations are based on aid entitlements of \$3,583,200 for fiscal year 1988 and \$3,583,200 for fiscal year 1989.

Subd. 4. [SUMMER PROGRAM SCHOLARSHIPS.] For scholarship awards for fiscal year 1988 and 1989 summer programs according to section 126.56, there is appropriated:

\$213,700.....1988,

\$213,700.....1989.

The appropriations are based on aid entitlements of \$213,700 for fiscal year 1988 and \$213,700 for fiscal year 1989.

Subd. 5. [TEACHER EXTENDED LEAVES.] To meet the state's obligations under sections 354.094 and 354A.091, there is appropriated:

\$196,900.....1988.

The appropriation is based on aid entitlement of \$196,900 for fiscal year 1988.

Subd. 6. [ACADEMIC EXCELLENCE FOUNDATION.] For the academic excellence foundation according to Minnesota Statutes, section 121.612, there is appropriated:

\$125,000.....1988,

\$150,000.....1989.

Up to \$50,000 of the appropriation for fiscal year 1988 and up to \$75,000 of the appropriation for fiscal year 1989 may be used for expenses related to the task force established under section 5.

Subd. 7. [ATTENTION DEFICIT DISORDER STUDY.] For the purpose of conducting the attention deficit disorder study and the regional in-service workshops, there is appropriated:

\$75,000.....1988.

The money is available until June 30, 1989.

### Sec. 13. [APPROPRIATIONS; JOBS AND TRAINING.]

There is appropriated from the general fund to the department of jobs and training the sum of \$32,000 for fiscal year 1988 to pay the obligation of independent school district No. 309, Pine Point, for unemployment compensation.

### Sec. 14. [APPROPRIATION; DEPARTMENT OF EMPLOYEE RELATIONS.]

There is appropriated from the general fund to the commissioner of employee relations to establish the fringe benefit plan in section I:

\$410,000.....1988,

\$524,500.....1989.

Any unexpended balance from fiscal year 1988 shall not cancel but shall be available until June 30, 1989.

## Sec. 15. [EFFECTIVE DATE.]

Sections 9 and 10 are effective the day after their final enactment.

## ARTICLE 6

## OTHER AIDS AND LEVIES TO SCHOOL DISTRICTS

Section 1. Minnesota Statutes 1986, section 123.705, subdivision 1, is amended to read:

Subdivision 1. [AID AMOUNTS.] The department of education shall pay each school district for the cost of screening services provided pursuant to sections 123.701 to 123.705. The payment shall not exceed \$15.60 per child screened in fiscal year 1985, \$16.15 per child screened in fiscal year 1986 and \$8.15 per child screened in fiscal year 1987 and each year thereafter.

## Sec. 2. [123.9375] [OPEN AND STANDING APPROPRIATION.]

There is annually appropriated from the general fund to the department of education the amount necessary for educational aids for nonpublic school pupils.

Sec. 3. Minnesota Statutes 1986, section 124.195, subdivision 9, is amended to read:

Subd. 9. [PAYMENT PERCENTAGE FOR CERTAIN AIDS.] The following aids shall be paid at 100 percent of the entitlement for the current fiscal year: reimbursement for transportation to post-secondary institutions, according to section 123.3514, subdivision 8; reimbursement for transportation to a program of excellence, according to section 126.62, subdivision 6; handicapped adult program aid, according to section 124.271, subdivision 7; arts education aid according to section 124.275; school lunch aid, according to section 124.646; hearing impaired support services aid, according to section 121.201; technology demonstration site grants, according to section 129B.36 and; courseware purchase subsidy according to section 129B.38; Indian post-secondary preparation grants according to section 124.481; milk program aid according to section 15; and desegregation grants according to section 29.

Sec. 4. Minnesota Statutes 1986, section 124.245, subdivision 1, is amended to read:

Subdivision 1. [BASIC COMPUTATION.] Each For school year 1987-1988, the state shall pay a school district the difference by which an amount equal to \$130 times the total pupil units in that school year exceeds the amount raised by nine mills times the

adjusted assessed valuation used to compute the levy attributable to the same year. For 1988-1989 and later school years, the state shall pay a school district the difference by which an amount equal to \$145 times the total pupil units in that school year is more than the amount raised by two mills times the adjusted assessed valuation used to compute the levy attributable to the same year. To qualify for aid pursuant to this subdivision in any school year, a district must levy pursuant to section 275.125, subdivision 11a for use in that year.

Sec. 5. Minnesota Statutes 1986, section 124.245, subdivision 3, is amended to read:

Subd. 3. [HAZARDOUS SUBSTANCE COMPUTATION.] For the 1987-1988 school year, the state shall pay a school district the difference by which an amount equal to \$25 times the total pupil units exceeds the amount raised by two mills times the adjusted assessed valuation used to compute the levy attributable to the same year. To qualify for aid pursuant to this subdivision in any school year, a district must levy pursuant to section 275.125, subdivision 11c for use in that year. Aid paid pursuant to this subdivision may be used only for the purposes for which the proceeds of the levy authorized in section 275.125, subdivision 11c may be used.

Sec. 6. Minnesota Statutes 1986, section 124.245, is amended by adding a subdivision to read:

Subd 3a. [HAZARDOUS SUBSTANCE PLAN.] To receive hazardous substance capital expenditure aid for the 1988-1989 school year or thereafter, or to levy under section 275.125, subdivision 11c, a district shall submit to the commissioner of education an application for aid and levy by August 15 in the previous school year. The application shall contain the following:

(a) a plan for the removal or encapsulation of asbestos from school buildings or property, asbestos-related repairs, cleanup and disposal of polychlorinated biphenyls found in school buildings or property, and cleanup, removal, disposal, and repairs related to storing heating or transportation fuels such as alcohol, gasoline, fuel oil, and special fuel, as defined in section 296.01;

(b) the estimated cost of the plan by fiscal year; and

(c) other information required by the commissioner.

The commissioner may approve applications based on criteria disseminated to school districts by July 15 in the previous school year.

Sec. 7. Minnesota Statutes 1986, section 124.245, is amended by adding a subdivision to read:

Subd. 3b. [HAZARDOUS SUBSTANCE REVENUE AND AID.]  
(a) A district's "hazardous substance revenue" equals the approved cost of the hazardous substance plan for the school year to which the levy is attributable, minus the unexpended portion of levies certified by the district in earlier years under section 275.125, subdivision 11c.

(b) A district's "hazardous substance levy limitation" means its levy limitation computed according to section 275.125, subdivision 11c.

(c) A district's "hazardous substance aid" for 1988-1989 and later school years equals:

(i) the difference between its hazardous substance revenue and its hazardous substance levy limitation for the levy for that school year, multiplied by

(ii) the ratio of the amount actually levied to the amount of its hazardous substance by levy limitation.

(d) Aid paid under this subdivision may be used only for the purposes for which the proceeds of the levy authorized in section 275.125, subdivision 11c, may be used.

(e) In the event that the aid available for any year is prorated, a district having its aid prorated may levy an additional amount equal to the amount not paid by the state due to proration.

Sec. 8. Minnesota Statutes 1986, section 124.246, subdivision 2, is amended to read:

Subd. 2. [AID.] An eligible district shall receive \$1.08 in fiscal years ~~1985, 1986, and 1987~~, 1988, and 1989 for each pupil, in average daily membership, enrolled in a public elementary, secondary or area vocational technical or nonpublic elementary or secondary school. Aid for nonpublic school pupils shall be paid to the district upon request by or on behalf of the pupils. No district shall receive less than \$1,080 in fiscal years ~~1985, 1986, and 1987~~, 1988, and 1989.

Sec. 9. Minnesota Statutes 1986, section 124.247, subdivision 3, is amended to read:

Subd. 3. [AID.] A district which establishes a program for gifted and talented students shall receive for the purpose of this program an amount equal to \$19 in the 1984-1985 school year, times the

number of gifted and talented students in the district. In the 1985-1986 school year and later school years, a district shall receive the greater of \$40 per gifted and talented student or \$500 per district. No more than five percent of the students enrolled in the district shall be counted as gifted and talented for the purpose of aid computations pursuant to this subdivision. No more than five percent of the money received by a district pursuant to this subdivision may be expended for the purpose of administration of the program for gifted and talented students.

Sec. 10. Minnesota Statutes 1986, section 124.247, is amended by adding a subdivision to read:

Subd. 3a. [SPECIAL ACADEMIC PROGRAMS.] (a) In addition to the aid authorized in subdivision 3, a district is eligible for aid under clause (b) if it establishes an international baccalaureate program or another program that provides for enhanced academic opportunities for secondary students for which the students may obtain post-secondary credit, and has a plan approved by the commissioner on an annual basis. The plans must include at least the following:

- (1) description of the instructional program and materials;
- (2) costs of the program and examinations;
- (3) number of students participating in the program;
- (4) number of students receiving satisfactory scores on the examinations;
- (5) in-service education costs; and
- (6) cooperative efforts, if feasible, with post-secondary institutions.

(b) A district with an approved plan under clause (a) shall receive the lesser of \$3 times the average daily membership of the district or the actual cost of the program. The actual cost of the program may include:

- (1) reimbursement to students for the cost of examinations if the student receives a satisfactory grade;
- (2) in-service education for staff;
- (3) course materials; and
- (4) not more than five percent of the total for the costs of administration of the program or coordination with post-secondary education.

(c) A district that offers advanced placement examinations is eligible for aid in an amount not to exceed the cost of reimbursing students for the cost of examinations if the student receives a satisfactory grade.

Sec. 11. Minnesota Statutes 1986, section 124.252, subdivision 3, is amended to read:

Subd. 3. [DISTRICT AID.] An eligible district shall receive 52 cents in fiscal year 1986 and 54 cents in fiscal year 1987 and each year thereafter for each pupil, in average daily membership enrolled in a public elementary, secondary, or area vocational technical institute or nonpublic elementary or secondary school. Aid for nonpublic school pupils shall be paid to the district upon request by or on behalf of the pupils. No school district shall receive less than \$1,000 in fiscal year 1986 and \$1,040 in fiscal year 1987 and each year thereafter.

Sec. 12. Minnesota Statutes 1986, section 124.272, subdivision 1, is amended to read:

Subdivision 1. [LIMITATION.] This section shall not apply to special school district No. 1, independent school districts Nos. 11, and 625, and 709, or to school districts which are members of intermediate school districts Nos. 287, 916, and 917.

Sec. 13. Minnesota Statutes 1986, section 124.275, subdivision 2, is amended to read:

Subd. 2. [GUIDELINES.] Each district may determine how to use its arts education aid for arts education programs. A district is encouraged to use the following guidelines in the order listed:

(1) develop a long-range, comprehensive arts education plan, develop an arts curriculum, and implement arts programs for grades kindergarten through six;

(2) provide professional development for teachers to increase their arts skill level and to enable them to provide improved opportunities for pupils to learn in, about, and through the arts; and

(3) provide arts enrichment activities for pupils in grades kindergarten through six;

(4) increase the number of elementary arts teachers, with a goal of at least one full-time art teacher and one full-time music teacher for 400 pupils in grades kindergarten to six.

Sec. 14. Minnesota Statutes 1986, section 124.646, subdivision 1, is amended to read:

Subdivision 1. [SCHOOL LUNCH AID COMPUTATION.] (a) For the ~~1985-1986~~ 1987-1988 school year, school districts participating in the national school lunch program shall be paid by the state in the amount of 7.5 cents for each full paid student lunch served to students in the district.

(b) For the ~~1986-1987~~ 1988-1989 school year, school districts participating in the national school lunch program shall be paid by the state in the amount of 7.5 cents for each full paid student lunch served to students in the district.

Sec. 15. [124.6461] [MILK PROGRAM.]

Subdivision 1. [PURPOSE.] The purpose of this section is to encourage school districts to provide milk to pupils in the first three grades of elementary school.

Subd. 2. [REIMBURSEMENT LEVEL.] In the 1987-1988 and 1988-1989 school years, the department of education shall reimburse school districts and nonpublic schools five cents for each one-half pint of milk per day provided to each first, second, and third grade pupil attending a public or nonpublic school. Schools which apply for reimbursement shall make milk available to all first, second, and third grade pupils enrolled in the school.

Subd. 3. [REIMBURSEMENT PROCEDURES.] The commissioner of education shall establish procedures and application forms for reimbursement.

Sec. 16. [126.82] [COMPREHENSIVE HEALTH AND WELLNESS PLANNING.]

Subdivision 1. [DEFINITION.] "Comprehensive health and wellness" is defined as:

(1) promotion of a wellness lifestyle, including curriculum on physical fitness, nutritional awareness, stress awareness and management, and accident prevention and cardiopulmonary resuscitation;

(2) promotion of mental health and positive self-esteem;

(3) family life education;

(4) sexual health and responsibility;

(5) chemical use awareness and chemical abuse prevention;

(6) tobacco use prevention;

(7) development of health-related attitudes early in life to reduce health risk behaviors;

(8) facilitation of wellness and healthy attitudes in school personnel; and

(9) responses to identifiable new and existing health problems such as teenage pregnancy, suicide, child abuse, communicable diseases including acquired immune deficiency syndrome, and chronic diseases.

Subd. 2. [DEPARTMENT ASSISTANCE.] By June 30, 1988, the department of education shall develop and disseminate planning materials and guidelines to assist school districts in developing comprehensive health and wellness programs. The department shall provide technical assistance requested by districts developing comprehensive health and wellness programs.

Subd. 3. [DISTRICT CURRICULUM.] A school district or group of school districts shall develop a comprehensive health and wellness curriculum. The curriculum shall include a kindergarten through 12th grade scope and sequence that shall be coordinated with the total school curriculum. A district may coordinate the development of the health and wellness curriculum with the curriculum review of its health education program.

Subd. 4. [GRANTS.] The commissioner shall establish criteria and application procedures and may make grants to districts to develop comprehensive health and wellness programs. A grant shall not exceed \$2,000 per district. Preference for grants shall be given to districts that coordinate the development of a comprehensive health and wellness program with curriculum review of their health education program.

Sec. 17. Minnesota Statutes 1986, section 129B.17, is amended to read:

129B.17 [COMPREHENSIVE ARTS PLANNING PROGRAM.]

The department of education shall prescribe the form and manner of application by school districts to be designated as a new site to participate in the comprehensive arts planning program. Up to 30 new sites may be selected every two years to participate in the program. The department of education shall designate sites, in consultation with the Minnesota alliance for arts in education and the Minnesota state arts board, designate new sites and provide technical assistance to existing sites to help them achieve their long-range arts education plans.

Sec. 18. Minnesota Statutes 1986, section 129B.20, subdivision 1, is amended to read:

Subdivision 1. [FUNDING.] Each new site shall receive \$1,250 each year for two years to enable the site to participate in the program. Before receiving money for the second year, a long-range plan for arts education must be submitted to the department.

Sec. 19. Minnesota Statutes 1986, section 129B.21, is amended to read:

129B.21 [DEPARTMENT RESPONSIBILITY.]

The department of education, in cooperation with the Minnesota alliance for arts in education and the Minnesota state arts board, shall provide materials, training, and assistance to the arts education committees in the school districts that are currently participating in the grant program and that have completed the initial two-year planning period. The department may contract with the Minnesota alliance for arts in education for its involvement in providing services, including staff assistance, to the program.

Sec. 20. Minnesota Statutes 1986, section 275.125, subdivision 6e, is amended to read:

Subd. 6e. [DESEGREGATION LEVY.] Each year any district which is implementing a plan for desegregation mandated by the state board of education or under court order may levy an amount not to exceed ~~one mill~~ two mills times the adjusted assessed valuation of the district. Notwithstanding section 121.904, the entire amount of this levy shall be recognized as revenue for the fiscal year in which the levy is certified. This levy shall not be considered in computing the aid reduction under section 124.155. A district which levies pursuant to this subdivision may not place the proceeds of the 1983 payable 1984 levy authorized by subdivision 9a, in the general fund. By September 15 of each year, a district that levies under this subdivision must report to the state board of education on the costs of implementing its desegregation plan.

Sec. 21. Minnesota Statutes 1986, section 275.125, is amended by adding a subdivision to read:

Subd. 9d. [1986 OPERATING DEBT LEVY.] (1) Each year, a district may levy to eliminate a deficit in the net unappropriated balance in the general fund of the district, determined as of June 30, 1986, and certified and adjusted by the commissioner. Each year this levy may be an amount not to exceed the amount raised by a levy of 1.5 mills times the adjusted assessed valuation of the district for the preceding year. However, the total amount of this levy for all years it is made shall not exceed the amount of the deficit in the net unappropriated balance in the general fund of the district as of June

30, 1986. When the cumulative levies made pursuant to this subdivision equal the total amount permitted by this subdivision, the levy shall be discontinued.

(2) A district, if eligible, may levy under this subdivision, subdivision 9b, or 9c, but may levy under only one of these subdivisions.

(3) The proceeds of this levy shall be used only for cash flow requirements and shall not be used to supplement district revenues or income for the purposes of increasing the district's expenditures or budgets.

(4) Any district that levies pursuant to this subdivision shall certify the maximum levy allowable under section 124A.03, subdivision 1 or 3, in that same year.

Sec. 22. Minnesota Statutes 1986, section 275.125, subdivision 11a, is amended to read:

Subd. 11a. [CAPITAL EXPENDITURE LEVY.] (a) Each year a school district may levy an amount not to exceed the amount equal to ~~\$130~~ \$145 times the total pupil units in the year to which the levy is attributable. No levy under this clause shall exceed ~~nine~~ two mills times the adjusted assessed valuation of the taxable property in the district for the preceding year.

(b) The proceeds of the levy shall be placed in the district's capital expenditure fund and may be used only:

(1) to acquire land, to equip and reequip buildings and permanent attached fixtures, to rent or lease buildings for school purposes;

(2) to purchase textbooks, to purchase and lease computer systems hardware, software, and related materials to support software;

(3) to purchase or lease photocopy machines and telecommunications equipment;

(4) for capital improvement and repair of school sites, buildings and permanent attached fixtures;

(5) for energy audits on district-owned buildings and for funding those energy conservation and renewable energy measures that the energy audits indicate will reduce the use of nonrenewable sources of energy to the extent that the projected energy cost savings will amortize the cost of the conservation measures within a period of ten years or less;

(6) for the payment of any special assessments levied against the property of the district authorized under section 435.19 or any other

law or charter provision authorizing assessments against publicly owned property; provided that a district may not levy amounts to pay assessments for service charges, such as those described in section 429.101, whether levied under that section or any other law or home rule provision;

(7) for capital expenditures to reduce or eliminate barriers to or increase access to school facilities by handicapped individuals;

(8) to make capital improvements to schoolhouses leased according to section 123.36, subdivision 10;

(9) to pay fees for capital expenditures assessed and certified to each participating school district by the educational cooperative service unit board of directors;

(10) to pay principal and interest on loans from the state authorized by sections 116J.37 and 298.292 to 298.298;

(11) for capital expenditures to bring district facilities into compliance with the uniform fire code adopted according to chapter 299F;

(12) for expenditures for the removal of asbestos from school buildings or property, asbestos encapsulation, or asbestos-related repairs;

(13) for expenditures for the cleanup and disposal of polychlorinated biphenyls found in school buildings or property; and

(14) for the cleanup, removal, disposal, and repairs related to storing transportation fuels such as alcohol, gasoline, fuel oil, and special fuel, as defined in section 296.01.

(c) Subject to the commissioner's approval, the proceeds may also be used to acquire or construct buildings. The state board shall promulgate rules establishing the criteria to be used by the commissioner in approving and disapproving district applications requesting the use of capital expenditure tax proceeds for the acquisition or construction of buildings. The approval criteria for purposes of building acquisition and construction shall include: the appropriateness of the proposal for the district's long-term needs; the availability of adequate existing facilities; and the economic feasibility of bonding because of the proposed building's size or cost.

(d) Notwithstanding anything in paragraphs (b) and (c) to the contrary, for any year for which the sum of a district's levy under this subdivision and its aid for the same year under section 124.245, subdivision 1, exceeds ~~\$125~~ \$140 times the total pupil units in the same year, the amount by which the sum exceeds ~~\$125~~ \$140 times

the total pupil units may be expended only for equipment for secondary vocational education programs or senior secondary industrial arts programs.

(e) The proceeds of the levy shall not be used for custodial or other maintenance services.

Sec. 23. Minnesota Statutes 1986, section 275.125, subdivision 11c, is amended to read:

Subd. 11c. [HAZARDOUS SUBSTANCE CAPITAL EXPENDITURE LEVY.] In addition to the levy authorized in subdivisions 11a and 11b, each year a school district may levy an amount not to exceed the amount equal to \$25 times the total pupil units in the year to which the levy is attributable. No levy under this subdivision shall exceed two mills times the adjusted assessed valuation of the property in the district for the preceding year. Each year, a district with a hazardous substance plan approved by the commissioner of education under section 6 may levy an amount equal to the following product:

(a) the district's hazardous substance revenue as defined in section 7 for the year to which the levy is attributable, times

(b) the lesser of one, or the ratio of:

(i) the quotient derived by dividing the adjusted assessed valuation of the district for the year preceding the year the levy is certified by the total pupil units in the district for the school year to which the levy is attributable, to

(ii) 50 percent of the equalizing factor for the school year to which the levy is attributable.

The proceeds of the tax shall be placed in the district's capital expenditure fund and may be used only for expenditures necessary for the removal or encapsulation of asbestos from school buildings or property, asbestos related repairs, cleanup and disposal of polychlorinated biphenyls found in school buildings or property, or the cleanup, removal, disposal, and repairs related to storing heating or transportation fuels such as alcohol, gasoline, fuel oil, and special fuel, as defined in section 296.01.

Sec. 24. Laws 1984, chapter 463, article 6, section 15, subdivision 1, is amended to read:

Subdivision 1. [AUTHORIZATION.] In 1985 and each year thereafter, the newly created district formed by the consolidation of Independent School District No. 694, Buhl, and Independent School District No. 703, Mountain Iron, may make an additional levy to

eliminate a deficit in the net unappropriated operating funds of the newly created district, determined as of June 30, 1985, and certified and adjusted by the commissioner. This levy each year may be an amount not to exceed ~~1.5~~ 4.0 mills times the adjusted assessed valuation of the newly created district for the preceding year as determined by the equalization aid review committee. When the cumulative amount of the levies made pursuant to this subdivision equals the total amount of the certified deficit of the newly created district, the levy shall be discontinued.

Sec. 25. Laws 1986, First Special Session chapter 1, article 5, section 9, is amended to read:

[124.196] [TEMPORARY CHANGE IN PAYMENT OF AIDS AND CREDITS TO SCHOOL DISTRICTS.]

If the commissioner of finance determines that modifications in the payment schedule are required to avoid state short-term borrowing, the commissioner of education shall modify payments to school districts according to this section. The modifications shall begin no sooner than September 1, 1986 of each fiscal year, and shall remain in effect until no later than May 30, 1987 of that same fiscal year. In calculating the payment to a school district pursuant to Minnesota Statutes, section 124.195, subdivision 3, the commissioner may subtract the sum specified in that subdivision, plus an additional amount no greater than the following:

(1) the net cash balance in the district's four operating funds on June 30, 1986 of the preceding fiscal year; minus

(2) the product of \$150 times the number of actual pupil units in the 1985-1986 school preceding fiscal year; minus

(3) the amount of payments made by the county treasurer during the preceding fiscal year 1986, pursuant to Minnesota Statutes, section 276.11, which is considered revenue for the 1986-1987 current school year. However, no additional amount shall be subtracted if the total of the net unappropriated fund balances in the district's four operating funds on June 30, 1986 of the preceding fiscal year, is less than the product of \$350 times the number of actual pupil units in the 1985-1986 school preceding fiscal year. The net cash balance shall include all cash and investments, less certificates of indebtedness outstanding, and orders not paid for want of funds.

A district may appeal the payment schedule established by this section according to the procedures established in section 7 124.195, subdivision 3a.

Sec. 26. [DESEGREGATION TRANSPORTATION LEVY.]

In addition to the levy authorized in Minnesota Statutes, section 275.125, subdivision 6e, in 1987 any district that is implementing a plan for desegregation mandated by the state board of education may levy for transportation for desegregation an amount equal to the lesser of one mill times the adjusted assessed valuation of the district or its unreimbursed costs for desegregation transportation during the 1986-1987 and 1987-1988 school years. Notwithstanding Minnesota Statutes, section 121.904, the amount of this levy may be recognized as revenue for the fiscal year in which the levy is certified. This levy shall not be considered in computing aid adjustments according to Minnesota Statutes, section 124.155.

Sec. 27. [SAINT PAUL DESEGREGATION LEVY.]

In addition to the levies authorized in Minnesota Statutes, section 275.125, subdivision 6e, and in section 26, in 1987 independent school district No. 625, Saint Paul, may levy two mills times the adjusted assessed valuation of the district if it does not receive a federal grant authorized under Title VII of the Education for Economic Security Act, P.L. 98-377. Notwithstanding Minnesota Statutes, section 121.904, the amount of this levy may be recognized as revenue for the fiscal year in which the levy is certified. This levy shall not be considered in computing aid adjustments according to Minnesota Statutes, section 124.155.

Sec. 28. [STATE BOARD; DESEGREGATION REPORT.]

By December 15, 1987, the state board of education shall make recommendations regarding the funding of desegregation costs to the governor and the education committees of the legislature.

Sec. 29. [APPROPRIATIONS.]

Subdivision 1. [DEPARTMENT OF EDUCATION.] There is appropriated from the general fund to the department of education the sums indicated in this section for the fiscal years ending June 30 in the years designated.

Subd. 2. [MAXIMUM EFFORT SCHOOL LOAN FUND.] For the maximum effort school loan fund, there is appropriated:

\$1,615,200.....1988,

\$2,025,100.....1989.

Any unexpended balance of this appropriation for fiscal year 1988 shall not cancel but shall be available for the second year of the biennium.

These appropriations shall be placed in the loan repayment account of the maximum effort school loan fund for the payment of the principal and interest on school loan bonds, as provided in Minnesota Statutes, section 124.46, to the extent that money in the fund is not sufficient to pay when due the full amount of principal and interest due on school loan bonds. The purpose of these appropriations is to ensure that sufficient money is available in the fund to prevent a statewide property tax levy as would otherwise be required pursuant to Minnesota Statutes, section 124.46, subdivision 3. Notwithstanding the provisions of Minnesota Statutes, section 124.39, subdivision 5, any amount of the appropriation made in this section which is not needed to pay when due the principal and interest due on school loan bonds shall not be transferred to the debt service loan account of the maximum effort school loan fund but instead shall cancel and revert to the general fund.

Subd. 3. [PROGRAMS OF EXCELLENCE.] For programs of excellence according to Minnesota Statutes, sections 126.60 to 126.64, there is appropriated:

\$22,500.....1988,

\$22,500.....1989.

Subd. 4. [GIFTED AND TALENTED STUDENTS.] For programs for the gifted and talented according to section 124.247, there is appropriated:

\$1,372,400.....1988,

\$1,374,300.....1989.

The amount appropriated for fiscal year 1988 includes \$205,600 for aid for fiscal year 1987 payable in fiscal year 1988, and \$1,166,800 for aid for fiscal year 1988 payable in fiscal year 1988.

The amount appropriated for fiscal year 1989 includes \$205,900 for aid for fiscal year 1988 payable in fiscal year 1989, and \$1,168,400 for aid for fiscal year 1989 payable in fiscal year 1989.

The appropriations are based on aid entitlements of \$1,372,700 for fiscal year 1988 and \$1,374,500 for fiscal year 1989.

Subd. 5. [SPECIAL ACADEMIC PROGRAM AID.] For aid for international baccalaureate and advanced placement programs under section 10, there is appropriated:

\$212,500.....1988,

\$505,000.....1989.

The appropriation for aid in fiscal year 1988 includes \$212,500 for aid for fiscal year 1988 payable in fiscal year 1988.

The appropriation for aid in fiscal year 1989 includes \$37,500 for aid for fiscal year 1988 payable in fiscal year 1989 and \$467,500 for aid for fiscal year 1989 payable in fiscal year 1989.

The appropriations are based on aid entitlements of \$250,000 for fiscal year 1988 and \$550,000 for fiscal year 1989.

Subd. 6. [HAZARDOUS SUBSTANCE CAPITAL EXPENDITURE AID.] For hazardous substance capital expenditure aid pursuant to Minnesota Statutes, section 124.245, there is appropriated:

\$50,500.....1988,

\$58,700.....1989.

The appropriation for fiscal year 1988 includes \$6,700 for aid for fiscal year 1987 payable in fiscal year 1988, and \$43,800 for aid for fiscal year 1988 payable in fiscal year 1988.

The appropriation for fiscal year 1989 includes \$7,700 for aid for fiscal year 1988 payable in fiscal year 1989 and \$51,500 for aid for fiscal year 1989 payable in fiscal year 1989.

The appropriations are based on aid entitlements of \$51,500 for fiscal year 1988 and \$60,000 for fiscal year 1989.

Any unexpended balance remaining from the appropriation in this subdivision for either year may be expended for capital expenditure aid pursuant to Minnesota Statutes, section 124.245, subdivision 1 or 2.

Subd. 7. [CHEMICAL DEPENDENCY AID.] For aid for chemical dependency programs under section 124.246, there is appropriated:

\$1,023,700.....1988,

\$1,025,300.....1989.

The appropriation for fiscal year 1988 includes \$153,000 for aid in fiscal year 1987 payable in fiscal year 1988 and \$870,700 for aid for fiscal year 1988 payable in fiscal year 1988.

The appropriation for fiscal year 1989 includes \$153,600 for aid in fiscal year 1988 payable in fiscal year 1989 and \$871,700 for aid in fiscal year 1989 payable in fiscal year 1989.

The appropriations are based on aid entitlements of \$1,024,300 for fiscal year 1989 and \$1,025,400 for fiscal year 1989.

Subd. 8. [MILK PROGRAMS.] For milk programs under section 15, there is appropriated:

\$1,000,000.....1988,

\$1,000,000.....1989.

Any unexpended balance at the end of fiscal year 1988 shall not cancel but shall be available for fiscal year 1989.

Subd. 9. [HEALTH AND WELLNESS PLANNING.] For grants to districts to develop health and wellness programs under section 16, there is appropriated:

\$100,000.....1988.

Up to \$30,000 may be used by the department of education to provide technical assistance and for administrative costs. The appropriation is available until the end of the biennium.

Subd. 10. [COMPREHENSIVE ARTS PLANNING PROGRAMS.] For comprehensive arts planning programs under sections 129B.17 to 129B.21, there is appropriated:

\$90,000.....1988,

\$90,000.....1989.

The unencumbered balance remaining from fiscal year 1988 shall not cancel but shall be available for fiscal year 1989.

Subd. 11. [ARTS EDUCATION AID.] For arts education aid under section 124.275, there is appropriated:

\$1,048,700.....1988,

\$1,071,200.....1989.

The appropriations are based on aid entitlements of \$1,048,700 for fiscal year 1988 and \$1,071,200 for fiscal year 1989.

Subd. 12. [NONPUBLIC AIDS.] For programs for nonpublic educational aid according to sections 123.931 to 123.947, there is appropriated:

\$8,376,300.....1988,

\$9,050,600.....1989.

The appropriation for 1988 includes \$1,087,100 for aid for fiscal year 1987 payable in fiscal year 1988 and \$7,289,200 for aid for fiscal year 1988 payable in fiscal year 1988.

The appropriation for 1989 includes \$1,286,300 for aid for fiscal year 1988 payable in fiscal year 1989 and \$7,764,300 for aid for fiscal year 1989 payable in fiscal year 1989.

The appropriations are based on aid entitlements of \$8,575,500 for fiscal year 1988 and \$9,134,400 for fiscal year 1989.

Subd. 13. [HEALTH AND DEVELOPMENTAL SCREENING PROGRAMS.] For health and developmental screening programs according to sections 123.701 to 123.705, there is appropriated:

\$436,400.....1988,

\$429,300.....1989.

The amount appropriated for fiscal year 1988 includes \$65,800 for aid for fiscal year 1987 payable in fiscal year 1988 and \$370,600 for aid for fiscal year 1988 payable in fiscal year 1988.

The amount appropriated for fiscal year 1989 includes \$65,300 for aid for fiscal year 1988 payable in fiscal year 1989 and \$364,000 for aid for fiscal year 1989 payable in fiscal year 1989.

The appropriations are based on aid entitlements of \$436,000 for fiscal year 1988 and \$428,200 for fiscal year 1989.

Subd. 14. [SCHOOL LUNCH AND FOOD STORAGE AID.] For school lunch aid pursuant to Minnesota Statutes, section 124.646, and for food storage and transportation costs for USDA donated commodities there is appropriated:

\$4,625,000.....1988,

\$4,625,000.....1989.

Any unexpended balance remaining from the appropriations in this subdivision shall be prorated among participating schools based on the number of fully paid lunches served during that school year in order to meet the state revenue matching requirement of the USDA National School Lunch Program.

If the appropriation amount attributable to either year is insufficient, the rate of payment for each fully paid student lunch shall be reduced and the aid for that year shall be prorated among partici-

pating schools so as not to exceed the total authorized appropriation for that year.

Subd. 15. [ABATEMENT AID.] For abatement aid according to section 124.214, subdivision 2, there is appropriated:

\$6,592,800.....1988,

\$6,592,800.....1989.

The appropriations are based on aid entitlements of \$6,592,800 for fiscal year 1988 and \$6,592,800 for fiscal year 1989.

Subd. 16. [CAPITAL EXPENDITURE AID.] For capital expenditure aid pursuant to Minnesota Statutes, section 124.245, subdivision 1 or 2, there is appropriated:

\$473,600.....1988,

\$53,233,500.....1989.

The appropriation for fiscal year 1988 includes \$45,200 for aid for fiscal year 1987 payable in fiscal year 1988 and \$428,400 for aid for fiscal year 1988 payable in fiscal year 1988.

The appropriation for fiscal year 1989 includes \$75,500 for aid for fiscal year 1988 payable in fiscal year 1989 and \$53,158,000 for aid for fiscal year 1989 payable in fiscal year 1989.

The appropriations are based on aid entitlements of \$503,900 for fiscal year 1988 and \$62,538,800 for fiscal year 1989.

Subd. 17. [INTERDISTRICT COOPERATION AID.] For aid for interdistrict cooperation programs according to Minnesota Statutes, section 124.272, there is appropriated:

\$2,306,000.....1988,

\$2,634,200.....1989.

The appropriation for fiscal year 1988 includes \$265,900 for aid for fiscal year 1987 payable in fiscal year 1988 and \$2,040,100 for aid for fiscal year 1988 payable in fiscal year 1988.

The appropriation for fiscal year 1989 includes \$360,000 for aid for fiscal year 1988 payable in fiscal year 1989 and \$2,274,200 for aid for fiscal year 1989 payable in fiscal year 1989.

The appropriations are based on aid entitlements of \$2,400,100 for fiscal year 1988 and \$2,675,500 for fiscal year 1989.

Subd. 18. [DESEGREGATION GRANTS.] For grants to districts implementing desegregation plans mandated by the state board:

\$4,000,000 .... 1988.

Of this amount, \$1,950,000 shall be allocated to independent school district No. 625, Saint Paul; \$1,350,000 to special school district No. 1, Minneapolis; and \$700,000 to independent school district No. 709, Duluth.

Subd. 19. [PRORATION.] Except as provided in Minnesota Statutes, section 124.14, subdivision 7, none of the amounts appropriated in this section shall be expended for a purpose other than the purpose indicated. If the appropriation amount attributable to either year for the purpose indicated plus the amount of any transfers made according to Minnesota Statutes, section 124.14, subdivision 7, is insufficient, the aid for that year shall be prorated among all qualifying districts and the state shall not be obligated for any additional amount for these purposes.

Sec. 30. [APPROPRIATION; TOBACCO USE PREVENTION.]

There is appropriated from the public health fund to the department of education the sums indicated for tobacco use prevention programs according to section 124.252:

\$633,000.....1988,

\$659,600.....1989.

Sec. 31. [REPEALER.]

Minnesota Statutes 1986, section 123.937, is repealed.

Sec. 32. [EFFECTIVE DATE.]

Section 2 is effective for educational aids for nonpublic pupils attributable to the 1987-1988 school year and after.

Sec. 33. [LOCAL APPROVAL.]

Under Minnesota Statutes, section 645.023, subdivision 1, clause (a), section 24 is effective without local approval unless the voters of independent school district No. 712, Mountain Iron-Buhl, request a referendum on approval of section 24.

The voters may request a referendum by filing a petition with the school board of independent school district No. 712. The petition must state the text of section 24 and indicate that those who sign the petition are residents of independent school district No. 712 and are at least 18 years of age. The petition must be signed by a number of persons equal to at least ten percent of the number of persons who cast votes for school board members at the last regular election in school district No. 712.

## ARTICLE 7

### MISCELLANEOUS

Section 1. Minnesota Statutes 1986, section 118.12, is amended to read:

#### 118.12 [INVESTMENT OF TOWN AND SCHOOL DISTRICT FUNDS.]

When the town board of any town or the school board of any school district in this state, by a unanimous resolution, deem it advisable, such town board or school board may invest such amount of funds in such town or school treasury as will not, in the opinion of such board, be needed by such town or school district during the fiscal year, in any of the bonds of any county, city, town, school district, drainage or other district created pursuant to law for public purposes in Minnesota, Iowa, Wisconsin, and North and South Dakota, or in bonds of the United States of America, or in the bonds of any city, county, town, school district, drainage or other district created pursuant to law for public purposes in the United States, containing at least 3,500 inhabitants, provided that the total bonded indebtedness of any such municipality or district shall not exceed ten percent of its assessed valuation.

Sec. 2. Minnesota Statutes 1986, section 118.13, is amended to read:

#### 118.13 [DEPOSIT OF SECURITIES.]

Any town board or school district board investing such surplus funds in such authorized securities as provided in section 118.12 shall deposit such securities for safekeeping with the county treasurer of the county wherein such town or school district is located or with any bank maintaining a safekeeping department. Such county treasurer or bank shall give a receipt for each and all of such securities to the town board or school district board, as the case may be, and such county treasurer or bank shall keep such securities for safekeeping until such time as such town board or school district board shall adopt a resolution requesting the county treasurer or

bank to turn such securities or any of them over to the treasurer of such town ~~or school district~~.

Sec. 3. Minnesota Statutes 1986, section 118.14, is amended to read:

**118.14 [EXCLUSION OF INVESTED FUNDS FROM BOND COVERAGE.]**

The funds invested in such securities and deposited by the town board ~~or school board~~, as provided in section 118.13, shall not be included within the amount of money for which the town treasurer ~~or school treasurer~~ is required by law to give a bond to the town ~~or school district~~.

Sec. 4. Minnesota Statutes 1986, section 120.0752, is amended by adding a subdivision to read:

Subd. 3. [11TH AND 12TH GRADE STUDENTS.] Notwithstanding subdivision 2, an eleventh or twelfth grade pupil who has been enrolled in a district for at least three consecutive years and whose parent or guardian moves to another district, may continue to enroll in the nonresident district upon the approval of the school board of the nonresident district. The approval of the school board of the pupil's resident district is not required. The pupil shall be considered a resident of the district in which that student is enrolled.

Sec. 5. Minnesota Statutes 1986, section 122.541, subdivision 2, is amended to read:

Subd. 2. A district entering into an agreement permitted in subdivision 1 shall:

(1) Continue to count its resident pupils who are educated in a cooperating district as resident pupils in the calculation of pupil units for all purposes, including the calculation of state aids and levy limitations. Notwithstanding section 124.18, subdivision 2, an agreement permitted by subdivision 1 shall provide for the tuition payments the cooperating districts determine are necessary and equitable to compensate each district for the instruction of nonresident pupils; and

(2) Continue to provide transportation and collect transportation aid for its resident pupils pursuant to sections 123.39, ~~124.222 and 124.223, and 124.225~~. This clause shall not be construed to prohibit a district from providing some or all transportation to its resident pupils by contracting with a district which has entered the agreement. For purposes of aid calculations pursuant to section ~~124.222~~ 124.225, the commissioner may adjust the base cost per eligible pupil transported to reflect changes in costs resulting from an

agreement which provides for a district to discontinue at least one grade.

Sec. 6. [123.3515] [VOLUNTARY K-12 PILOT CHOICE PROGRAM.]

Subdivision 1. [ESTABLISHMENT.] A voluntary K-12 pilot choice program in which any district may participate is established. A parent or guardian of a pupil may apply under this section to enroll the pupil in a participating district in which the pupil is not a resident. The pupil shall be considered a resident pupil for participating in the curricular offerings of that district. A pupil may participate in extracurricular or cocurricular activities as determined by the authority having jurisdiction over the activity.

Subd. 2. [APPROVAL.] The pupil's parent or guardian must receive the approval of the school board of the nonresident district except as provided in subdivision 5. A school district is not required to accept students under this section. The application and approval must be on a form provided by the department of education. The form must contain relevant demographic data and must allow the parent, guardian, or pupil to indicate a preference for which school or program to attend within the district.

Subd. 2a. [DISTRICT PARTICIPATION.] A district that wishes to provide pupils and parents increased opportunities by allowing resident pupils to enroll in a school in another district or by allowing nonresident pupils to enroll in a school in the district under this section shall, by formal board resolution, agree to all procedures of this section and inform the commissioner of its agreement by September 1, one full year before the beginning of the program, except for the 1987-1988 school year when districts shall inform the commissioner of its agreement by July 1, 1987.

A district shall notify the commissioner each year by September 1 as to whether or not it will participate in the program in the next year.

Subd. 3. [EQUITABLE ACCESS.] A district which accepts students under this section may deny an application for enrollment only because of lack of space in the district or within a program in the district or because to accept the application puts the district out of compliance with a desegregation plan that complies with state board rules.

A district that chooses to accept nonresident pupils under this section must accept the pupils based on the same criteria as are applied to resident pupils except that a district may restrict the schools and programs that are available to nonresident pupils. However, once accepted to a school or program, the nonresident pupil

must be afforded equal access to the curricular offerings of that school or program.

If a denial is exercised because of lack of space in the district or within a program within the district, all timely applications must be equitably considered. A denial must be rationally related to equitable entrance criteria established by the school board or may be by lot. A denial required because of a desegregation plan must comply with subdivision 5.

Subd. 4. [PROCEDURE.] Except as provided in subdivision 5, a parent or guardian who wants to enroll a pupil in a nonresident district shall apply to the nonresident district by December 1 each year for the next school year except for 1987-1988 when parents or guardians shall apply by August 1, 1987, for the 1987-1988 school year. The application must be made on a form indicated in subdivision 2. The superintendent of the nonresident school district shall forward a copy of the application to the pupil's resident school district within ten days. The superintendent of the nonresident district shall notify the parent or guardian and the superintendent of the resident district by the following February 1 of the decision on the application on the form provided in subdivision 2 except for 1987-1988 when parents or guardians shall be notified by August 10, 1987. The parents or guardians of the pupil shall notify the nonresident district within ten days whether or not they intend to accept. A district may accept a nonresident pupil after March 1 under section 120.0752. If a pupil is dismissed, under sections 127.26 to 127.39, from the school of choice, the pupil must not reenroll in the district of residence until the matter is resolved.

Subd. 5. [RACIAL BALANCE.] A parent or guardian of a pupil wishing to transfer under this section into or out of a district having a desegregation plan shall apply, on the form described in subdivision 2, to the district having the desegregation plan by November 1 of each year for the next school year except for 1987-1988 when parents or guardians shall apply by August 1, 1987, for the 1987-1988 school year. If the requested transfers under this subdivision, in and out of a district having a desegregation plan will mean that the district is not complying with state board rules on desegregation, the district shall set the number of majority and minority group students who may transfer in or out under this subdivision so that the district or any school within the district will not be out of compliance with the state board rules because of this subdivision. The selection of individual pupils to transfer in or out must be made by the district based on equitable criteria developed by the school board, or may be made by lot. In either case, the notice of selection or denial must be sent out to the applicants by November 20 on the form provided in subdivision 2 except for 1987-1988 when notice shall be sent by August 10, 1987. If selected, the parent or guardian may proceed under subdivision 2.

Subd. 6. [CREDITS; GRADUATION.] A pupil, qualifying to graduate, who has attended school in a nonresident district shall graduate from the district last attended before graduation. A district shall count credit granted by another school district toward a pupil's graduation requirements.

Subd. 7. [INFORMATION.] A district that chooses to accept nonresident pupils is encouraged to make information about the district available to parents, guardians, and children.

The available information may include information about district offerings and student achievement. Other information may be made available that may help the parents, guardians, and children make an informed decision about enrolling in the district. The department shall provide technical assistance to school districts and to parents to aid in assuring that informed choices will be made.

Subd. 8. [AID.] Payment of foundation aid for pupils attending schools in a nonresident district under this section must be made according to section 13.

Sec. 7. Minnesota Statutes 1986, section 123.36, subdivision 13, is amended to read:

Subd. 13. [PROCEEDS OF SALE OR EXCHANGE.] Proceeds of the sale or exchange of school buildings or real property of the school district shall be used as provided in this subdivision.

(1) In districts with outstanding bonds, the proceeds of the sale or exchange shall first be deposited in the debt retirement fund of the district in an amount sufficient to meet when due that percentage of the principal and interest payments for outstanding bonds which is ascribable to the payment of expenses necessary and incidental to the construction or purchase of the particular building or property which is sold.

(2) After satisfying the requirements of clause (1), a district with outstanding bonds may deposit proceeds of the sale or exchange in its capital expenditure fund if the amount deposited is used for the following:

(a) for energy audits on district owned buildings conducted pursuant to chapter 116H, and for funding those energy conservation and renewable energy measures which the energy audits indicate will reduce the use of nonrenewable sources of energy to the extent that the projected energy cost savings will amortize the cost of the conservation measures within a period of ten years or less;

~~(b) for capital expenditures for the purpose of reducing or eliminating barriers to or increasing access to school facilities by handicapped persons;~~

~~(e) for capital expenditures to bring district facilities into compliance with the uniform fire code adopted pursuant to chapter 299F;~~

~~(d) (a) for expenditures for the removal of asbestos from school buildings or property or for asbestos encapsulation, if the method for asbestos removal or encapsulation is approved by the department of education;~~

~~(e) (b) for expenditures for the cleanup of polychlorinated biphenyls, if the method for cleanup is approved by the department of education;~~

~~(f) (c) for capital expenditures for the betterment, as defined in section 475.51, subdivision 8, of district-owned school buildings, other than as provided in clauses ~~(b)~~, ~~(e)~~, and ~~(d)~~ clause (a); or~~

~~(g) (d) to replace the building or property sold.~~

The amount of the proceeds used for the purposes specified in clauses (a); and (b); ~~(e)~~; ~~(d)~~; and ~~(e)~~ shall be deducted from the levy limitation computed for the levy authorized in section 275.125, ~~subdivisions 11b and subdivision 11c, as applicable,~~ in the first year after the deposit and from levy limitations computed for this levy in succeeding years until the entire amount is deducted.

(3) In a district with outstanding bonds, the amount of the proceeds of the sale or exchange remaining after the application of clauses (1) and (2), which is sufficient to meet when due that percentage of the principal and interest payments for the district's outstanding bonds which is not governed by clause (1), shall be deposited in the debt retirement fund.

(4) Any proceeds of the sale or exchange remaining in districts with outstanding bonds after the application of clauses (1), (2), and (3), and all proceeds of the sale or exchange in districts without outstanding bonds shall be deposited in the capital expenditure fund of the district.

(5) Notwithstanding clauses (2) and (3), a district with outstanding bonds may deposit in its capital expenditure fund and use for any lawful capital expenditure without the reduction of any levy limitation the same percentage of the proceeds of the sale or exchange of a building or property as the percentage of the initial cost of purchasing or constructing the building or property which was paid using revenue from the capital expenditure fund.

(6) Every district which sells or exchanges a building or property shall report to the commissioner in the form and at the time the commissioner prescribes on the disposition of the proceeds of the sale or exchange.

Sec. 8. Minnesota Statutes 1986, section 123.39, is amended by adding a subdivision to read:

Subd. 5b. [CERTAIN NONRESIDENTS.] The district of enrollment shall provide transportation within that district for a pupil enrolled there under section 6, and the state shall pay transportation aid under section 124.225 to the providing district. A district is not required to provide or pay for transportation between a pupil's residence and the border of the district of enrollment of a pupil enrolled under section 6.

A parent or guardian of a pupil enrolled under section 6 may apply to the district of enrollment for reimbursement for transporting the pupil between the pupil's residence and the border of the district of enrollment. The state board shall make rules to pay districts for reimbursing the parent or guardian for the transportation based on the parent's or guardian's means. The one-way mileage limit for reimbursement is 30 miles.

Sec. 9. Minnesota Statutes 1986, section 123.58, subdivision 6, is amended to read:

**Subd. 6. [DUTIES AND POWERS OF ECSU BOARD OF DIRECTORS.]** The board of directors shall have authority to maintain and operate an ECSU. Subject to the availability of necessary resources, the powers and duties of this board shall include the following:

(a) The board of directors shall submit within 90 days after the filing of the initial petition with the state board of education and by June 1 of each year thereafter to the state board of education and to each participating school district an annual plan which describes the objectives and procedures to be implemented in assisting in resolution of the educational needs of the ECSU. In formulating the plan the board is encouraged to shall consider: (1) the number of dropouts of school age in the ECSU area and the reasons for the dropouts; (2) existing programs within participating districts for dropouts and potential dropouts; (3) existing programs of the ECSU for dropouts and potential dropouts and (4) program needs of dropouts and potential dropouts in the area served by the ECSU.

(b) The ECSU board of directors may provide adequate office, service center, and administrative facilities by lease, purchase, gift, or otherwise, subject to the review of the state board of education as to the adequacy of the facilities proposed.

(c) The ECSU board of directors may employ a central administrative staff and other personnel as necessary to provide and support the agreed upon programs and services. The board may discharge staff and personnel pursuant to provisions of law applicable to independent school districts. ECSU staff and personnel may participate in retirement programs and any other programs available to public school staff and personnel.

(d) The ECSU board of directors may appoint special advisory committees composed of superintendents, central office personnel, building principals, teachers, parents and lay persons.

(e) The ECSU board of directors may employ service area personnel pursuant to licensure standards developed by the state board of education and the board of teaching.

(f) The ECSU board of directors may enter into contracts with school boards of local districts including school districts outside the ECSU area.

(g) The ECSU board of directors may enter into contracts with other public and private agencies and institutions which may include, but are not limited to, contracts with Minnesota institutions of higher education to provide administrative staff and other personnel as necessary to furnish and support the agreed upon programs and services.

(h) The ECSU board of directors shall exercise all powers and carry out all duties delegated to it by participating local school districts under provisions of the ECSU bylaws. The ECSU board of directors shall be governed, when not otherwise provided, by the provisions of law applicable to independent school districts of the state.

(i) The ECSU board of directors shall submit an annual evaluation report of the effectiveness of programs and services to the school districts and nonpublic school administrative units within the ECSU and the state board of education by September 1 of each year following the school year in which the program and services were provided.

(j) The ECSU board is encouraged to establish cooperative, working relationships with post-secondary educational institutions in the state.

Sec. 10. Minnesota Statutes 1986, section 123.58, subdivision 8a, is amended to read:

Subd. 8a. [TECHNICAL ASSISTANCE.] Insofar as possible, educational cooperative service units shall make technical assistance

for long-range planning available to school districts upon request and shall establish a common data base for local and regional decision making. Upon request of a district, the educational cooperative service units shall assist a district in establishing a continuum of services as described under section 126.66, subdivision 1.

Sec. 11. [123.951] [SCHOOL SITE MANAGEMENT AGREEMENT.]

A school board and school site management team may enter into an agreement relating to the governance, management, and control of an elementary, middle, secondary, or post-secondary school site in the district. The initial school site management team shall be appointed by the school board and shall include the building principal, representatives of teachers and other employees in the school, representatives of parents of students in the school, representatives of other members of the community, representatives of students, and others determined appropriate by the board. The permanent school site management team shall consist of representatives elected by each group represented on the site management team, including teachers, parents, students, other members of the staff, the principal, and members of the community. There shall be no limit on the powers of the school board or school district which may be delegated to the school site management team. If so authorized in the agreement, the school site management team shall have the power to exercise the delegated powers in the attendance area of the school site as though it were the school board of a school district. Any powers not specifically delegated shall remain with the school board. The agreement may include but shall not be limited to the following:

(1) necessary training for all the parties to implement a school site management plan;

(2) means by which necessary team-building and collegial decision-making can occur;

(3) composition, terms, and methods of selection and removal of successor members of the school site management team;

(4) general and specific powers delegated to the school site management team and definition of the school site attendance area;

(5) procedures for interaction between the school board and the school site management team;

(6) methods to ensure parental and community involvement in the decision-making process at the school site level;

(7) reporting of required information to the state and federal governments;

(8) methods for evaluation of the school site management option and reports to the school board and attendance area residents regarding the same;

(9) establishment of planning, evaluating, and reporting, and community advisory committees and task forces to give input to the governance of the school site;

(10) membership in educational organizations;

(11) methods and procedures for interaction with the adult and post-secondary vocational governance structure if the school site is an AVTI;

(12) allocation of operating fund revenues;

(13) allocation of nonoperating fund revenues;

(14) authority to receive gifts, donations, and bequests from public and private sources and to apply for, receive, and expend grant funds;

(15) issues related to staff, students, calendar, curriculum, student assessment, texts, materials, facilities, supplies, transportation, food service, equipment, and finances;

(16) authority to bid for goods, services, labor, and group or other insurance, and authority to contract with other governmental units;

(17) provision of transportation and food service;

(18) provision of community education and community use of facilities;

(19) establishment of personnel, educational, and operational policies for the school site;

(20) suspension, expulsion, and discipline of students;

(21) conduct of various educational programs; provisions for services for special education, special needs, minority, disadvantaged, and at-risk students;

(22) provision of athletic and extracurricular activities;

(23) authority relating to administration of school records and governmental data;

(24) liability and insurance issues, including limitation of liability to the school site attendance area;

(25) length of the agreement, method for termination, nonrenewal and renewal, and notice and hearing requirements;

(26) continuing obligations after termination of agreement and division of assets and liabilities; and

(27) any other items determined appropriate by and agreeable to the parties.

Sec. 12. Minnesota Statutes 1986, section 124.05, subdivision 1, is amended to read:

Subdivision 1. ~~At the annual organizational meeting in independent districts and at the annual district meeting in common districts or at other times if necessary, The board district shall designate one or more national or state banks as official depositories for district money; and thereupon shall require the treasurer to deposit all or part of the district money in such bank or banks. Such designation shall be in writing and set forth all the terms and conditions upon which the deposits are made; signed by the chair and clerk, and made a part of the minutes of the board. Thereupon such bank or banks shall become legal depositories for district money in the manner specified in section 118.005, subdivision 1. If the board shall refuse refuses or fail fails to designate one or more depositories in accordance with this subdivision, the treasurer shall deposit the funds of the district in accordance with the provisions of section 118.005, subdivision 2, and shall file a statement of the selection of the depository with the clerk of the district. The treasurer shall not thereafter be liable for the loss of any funds through the insolvency or default of such depository in the absence of negligence on the treasurer's part in the selection of the depository.~~

Sec. 13. Minnesota Statutes 1986, section 124A.036, is amended by adding a subdivision to read:

Subd. 5. [CERTAIN NONRESIDENTS.] The foundation aid for districts must be adjusted for pupils attending nonresident districts under section 6. The adjustments must be made under this subdivision.

(a) The foundation aid paid to the district of residence must be reduced by an amount equal to the formula allowance plus the total tier revenue per actual pupil unit of the resident district times the

number of pupil units of pupils attending another district under section 6.

(b) The foundation aid paid to the district that a pupil attends under section 6 shall be increased by an amount equal to the formula allowance plus the total tier revenue per actual pupil unit of that district times the number of pupil units of pupils attending school in the district under section 6.

(c) If the amount of the reduction to be made from the foundation aid of the district of residence is greater than the amount of foundation aid otherwise due the district, the excess reduction must be made from other state aids due the district.

Sec. 14. Minnesota Statutes 1986, section 125.611, subdivision 10, is amended to read:

Subd. 10. [PAYMENT ARRANGEMENT.] The early retirement incentive shall be paid by the employing school district at the time and in the manner mutually agreed upon by a teacher and the board. The state shall pay the district 50 percent of the authorized early retirement incentive grant on or before the September 1 immediately following the commissioner's approval of the teacher's application. For those applications which were approved prior to July 1, 1981, the state shall pay the districts any remaining state obligation on those grants by September 1, 1981. An early retirement incentive shall not be paid to any teacher who is discharged by a school district.

Sec. 15. Minnesota Statutes 1986, section 125.611, subdivision 11, is amended to read:

Subd. 11. Notwithstanding the provisions of subdivisions subdivision 2, 3 and 7, a teacher who has entered into an agreement for termination of services and withdrawal from active teaching service with an early retirement incentive may be employed as a substitute teacher after retirement.

Sec. 16. Minnesota Statutes 1986, section 125.611, subdivision 12, is amended to read:

Subd. 12. Any amount of unemployment insurance which the teacher receives and for which the district is required to pay into the unemployment compensation fund pursuant to section 268.06, subdivision 25, at any time after the teacher has entered into an agreement pursuant to subdivision 7, may be deducted by the district from the amount of the teacher's early retirement incentive or recovered by the district from the teacher up to the amount of the early retirement incentive. The district shall pay 50 percent of any amount so deducted or recovered to the department of education, and

any amount so received by the department shall be deposited in the state treasury.

Sec. 17. Minnesota Statutes 1986, section 125.611, subdivision 13, is amended to read:

Subd. 13. [APPLICATIONS AFTER JUNE 30, 1984.] The state shall not reimburse the district for any portion of an early retirement incentive for any applications submitted after June 30, 1984. Beginning on July 1, 1984, a teacher meeting the requirements of subdivision 1 may apply to the school board of the employing district for a contract for termination of services, withdrawal from active teaching service, and payment of an early retirement incentive. This application shall be submitted on or before February 1 of the school year at the end of which the teacher wishes to retire. A school board shall approve or deny the application within 30 days after it is received by the board. The amount of the early retirement incentive shall be agreed upon between the teacher and the school board. The early retirement incentive shall be paid by the employing district at the time and in the manner mutually agreed upon by a teacher and the board.

Sec. 18. Minnesota Statutes 1986, section 126.02, subdivision 2, is amended to read:

Subd. 2. [TRAINING OF TEACHERS TEACHER EDUCATION PROGRAMS.] All colleges, schools, and other educational post-secondary institutions giving offering teacher training education programs shall provide courses in physical and health education, training, and instruction and. Every pupil attending any college, school, or educational institution in preparation for teaching service student in a teacher education program shall take such health courses.

Sec. 19. [126.22] [HIGH SCHOOL GRADUATION INCENTIVES PROGRAM.]

Subdivision 1. [PURPOSE.] The legislature finds that it is critical for persons to obtain at least a high school education to function in today's society. Therefore, the purpose of this section is to provide incentives for and encourage all Minnesota students who have experienced or are experiencing difficulty in the traditional education system to enroll in alternative programs in order to complete their high school education.

Subd. 2. [ELIGIBLE STUDENTS.] The following students are eligible to participate in the high school graduation incentives program:

(a) any person between 16 and 21 years of age who has not attended a high school program for at least one month, excluding

those months when school is not in session, and who is at least two grade levels below the performance level for students of the same age in a locally determined achievement test, or is at least one year behind in obtaining credits for graduation, or has been assessed as chemically dependent;

(b) any student who is between the ages of 16 and 19 who is attending school, and who is at least two grade levels below the performance level for students of the same age in a locally determined achievement test, or is at least one year behind in obtaining credits for graduation, or who is pregnant or is a parent, or has been assessed as chemically dependent; or

(c) any student who is between the ages of 12 and 16 and who:

(1) is at least two grade levels below the performance level for students of the same age in a locally determined achievement test; or

(2) is at least one year behind in obtaining credits for graduation; or

(3) is pregnant or is a parent; or

(4) has been assessed as chemically dependent; or

(5) has been absent from attendance at school without lawful excuse for one or more class periods on more than 15 days in the preceding or current school year.

Subd. 3. [ELIGIBLE PROGRAMS.] Students who are eligible to participate under subdivision 2 may enroll in the following programs:

(a) Any program approved by the state board of education under Minnesota Rules, part 3500.3500 or pursuant to section 121.11, subdivision 12, may enroll students who are eligible to participate under subdivision 2, clauses (a), (b) or (c) of this section;

(b) Students eligible to participate under subdivision 2, clause (a) of this section may enroll in post-secondary courses under section 123.3514;

(c) Any public secondary education program may enroll any student who is eligible to participate under subdivision 2, clause (b) or (c);

(d) An American Indian school that is nonsectarian, controlled by American Indians, is accredited or is a candidate for accreditation by north central accrediting association, has been in existence for at

least three consecutive school years, and serves pupils who are members of or qualified for membership in one or more federally-recognized Indian tribes, may enroll American Indian students who are eligible to participate under subdivision 2, clauses (a), (b) or (c); and

(e) A tribal contract school that is operated by a tribal government and that receives aid through a financial assistance contract with the Bureau of Indian Affairs, may enroll American Indian students who are eligible to participate under subdivision 2, clauses (a), (b) or (c).

Subd. 4. [STUDENT ENROLLMENT.] Any eligible student under subdivision 2 may apply to enroll in an eligible program under subdivision 3, using the form specified in section 120.0752, subdivision 2. Notwithstanding section 120.0752, approval of the resident district is not required for an eligible student under subdivision 2 to enroll in a nonresident district which has an eligible program under subdivision 3. A student enrolling in a program in a nonresident district under this section shall be considered a resident of that district.

Subd. 5. [DISSEMINATION OF INFORMATION.] A school district shall disseminate information, developed by the department of education, about the high school graduation incentives program to residents in the district who are under the age of 21.

Subd. 6. [REPORT.] By January 1, 1989, the commissioner shall report to the education committees of the legislature on the implementation of programs under this section.

Subd. 7. [DESEGREGATION PLANS.] Notwithstanding any provision to the contrary, students may not enroll in a nonresident district under this section if their enrollment in another school district would result in a violation of a district's desegregation plan, as mandated and approved by the state board of education.

Sec. 20. [126.23] [FOUNDATION AID; ALTERNATIVE PROGRAMS.]

If a pupil enrolls in an alternative program that has contracted with a school district to provide educational services for high school dropouts or other eligible students under section 19, subdivision 2, the resident district must reimburse the alternative program an amount equal to at least 50 percent of the formula allowance plus the total tier revenue attributable to that pupil.

Sec. 21. Minnesota Statutes 1986, section 126.66, subdivision 1, is amended to read:

Subdivision 1. The school board of each school district in the state shall adopt a written planning, ~~evaluation~~ evaluating, and reporting policy which establishes instructional goals and measurable learner objectives for the district, a process for achieving these goals, and procedures for evaluating and reporting progress toward the goals. These goals shall include meeting the curriculum requirements adopted by the state board of education. The school board shall review this policy each year and identify annual instructional goals and measurable learner objectives to be addressed during the current school year. School boards are encouraged to develop this school district policy and any revisions after consultation with the staff of each school building. In formulating the policy, the school board of a district is ~~encouraged to~~ shall consider: (a) the number of dropouts of school age in the district and the reasons for the dropouts; (b) existing programs within the district for dropouts and potential dropouts and (c) program needs of dropouts and potential dropouts. In addition, the districts are encouraged to establish a continuum of services beginning with early childhood programs and continuing through services for school-aged children and youth, and for adult literacy programs. Local planning for continuum of services should address at least the following:

- (1) availability of early childhood family education programs;
- (2) feasibility of:
  - (a) providing services for learners with debilitating or chronic health problems, or severe stress and depression;
  - (b) establishing a functional definition of learners at-risk of school failure;
  - (c) establishing identification and assessment procedures for learners at-risk;
  - (d) providing services for adolescent parents;
  - (e) coordinating these services with the chemical dependency programs under section 124.246; and
  - (f) other services for learners at-risk; and
- (3) means of developing working relationships with the parents and community.

Sec. 22. Minnesota Statutes 1986, section 275.125, subdivision 9, is amended to read:

Subd. 9. [LEVY REDUCTIONS; TACONITE.] (1) Reductions in levies pursuant to subdivision 10, and section 273.138, shall be made prior to the reductions in clause (2).

(2) Notwithstanding any other law to the contrary, districts which received payments pursuant to sections 294.21 to 294.26; 298.23 to 298.28, except an amount distributed under section 298.28, subdivision 4, paragraph (c), clause (ii); 298.34 to 298.39; 298.391 to 298.396; 298.405; 298.51 to 298.67; 477A.15; and any law imposing a tax upon severed mineral values, or under any other law distributing proceeds in lieu of ad valorem tax assessments on copper or nickel properties, or recognized revenue pursuant to section 477A.15; shall not include a portion of these aids in their permissible levies pursuant to those sections, but instead shall reduce the permissible levies authorized by this section and sections 124A.03, 124A.06, subdivision 3a, 124A.08, subdivision 3a, 124A.10, subdivision 3a, 124A.12, subdivision 3a, 124A.14, subdivision 5a, and 124A.20, subdivision 2, by the greater of the following:

(a) an amount equal to 50 percent of the total dollar amount of the payments received pursuant to those sections or revenue recognized pursuant to section 477A.15 in the previous fiscal year; or

(b) an amount equal to the total dollar amount of the payments received pursuant to those sections or revenue recognized pursuant to section 477A.15 in the previous fiscal year less the product of the same dollar amount of payments or revenue times the ratio of the maximum levy allowed the district under sections 124A.03, subdivision 2, 124A.06, subdivision 3a, 124A.08, subdivision 3a, 124A.10, subdivision 3a, 124A.12, subdivision 3a, and 124A.14, subdivision 5a, to the total levy allowed the district under this section and sections 124A.03, 124A.06, subdivision 3a, 124A.08, subdivision 3a, 124A.10, subdivision 3a, 124A.12, subdivision 3a, 124A.14, subdivision 5a, and 124A.20, subdivision 2, in the year in which the levy is certified.

(3) No reduction pursuant to this subdivision shall reduce the levy made by the district pursuant to section 124A.03, subdivision 1, to an amount less than the amount raised by a levy of 12.5 mills times the adjusted assessed valuation of that district for the preceding year as determined by the equalization aid review committee. The amount of any increased levy authorized by referendum pursuant to section 124A.03, subdivision 2 shall not be reduced pursuant to this subdivision. The amount of any levy authorized by subdivision 4, to make payments for bonds issued and for interest thereon, shall not be reduced pursuant to this subdivision.

(4) Before computing the reduction pursuant to this subdivision of the capital expenditure levy authorized by ~~subdivision~~ subdivisions

11a, 11c, 12, and 12a, and the community service levy authorized by ~~subdivision~~ subdivisions 8 and 8b, the commissioner shall ascertain from each affected school district the amount it proposes to levy for capital expenditures pursuant to ~~subdivision~~ subdivisions 11a, 11c, 12, and 12a, and for community services pursuant to ~~subdivision~~ subdivisions 8 and 8b. The reduction of the capital expenditure levy and the community services levy shall be computed on the basis of the amount so ascertained.

(5) Notwithstanding any law to the contrary, any amounts received by districts in any fiscal year pursuant to sections 294.21 to 294.26; 298.23 to 298.28; 298.34 to 298.39; 298.391 to 298.396; 298.405; 298.51 to 298.67; or any law imposing a tax on severed mineral values, or under any other law distributing proceeds in lieu of ad valorem tax assessments on copper or nickel properties; and not deducted from foundation aid pursuant to section 124A.035, subdivision 5, clause (2), and not applied to reduce levies pursuant to this subdivision shall be paid by the district to the St. Louis county auditor in the following amount by March 15 of each year except 1986, the amount required to be subtracted from the previous fiscal year's foundation aid pursuant to section 124A.035, subdivision 5, which is in excess of the foundation aid earned for that fiscal year. The county auditor shall deposit any amounts received pursuant to this clause in the St. Louis county treasury for purposes of paying the taconite homestead credit as provided in section 273.135.

Sec. 23. [ASSESSMENT AND EVALUATION OF THE PILOT PROGRAM.]

The department of education shall design and conduct appropriate assessment and evaluation of the voluntary K-12 pilot choice program under section 6. Participating districts and districts not participating in the pilot must be matched and included in the assessment and evaluation.

A report on the assessment and evaluation of the voluntary K-12 pilot choice program must be made to the legislature by February 1, 1990.

Sec. 24. [REVISOR'S INSTRUCTION.]

In sections 121.904, 121.912, 121.914, 121.917, 122.531, 123.71, 124.225, 124A.08, 136C.28, and 136C.69, the Revisor of Statutes shall change, in the next edition of Minnesota Statutes, the phrases in column A to the phrases in column B.

<u>Column A</u>	<u>Reserved Fund Balances</u>	<u>Column B</u>
<u>Appropriated for AVTI Equipment</u>	<u>Reserved for AVTI Equipment</u>	<u>Reserved for AVTI Equipment</u>
<u>Appropriated for AVTI Repair</u>	<u>Reserved for AVTI Repair</u>	<u>Reserved for AVTI Repair</u>
<u>and Betterment</u>	<u>and Betterment</u>	<u>and Betterment</u>
<u>Appropriated for Unemployment</u>	<u>Reserved for Unemployment</u>	<u>Reserved for Unemployment</u>
<u>Insurance</u>	<u>Insurance</u>	<u>Insurance</u>
<u>Appropriated for Severance Pay</u>	<u>Reserved for Severance Pay</u>	<u>Reserved for Severance Pay</u>
<u>Appropriated for Bus Purchases</u>	<u>Reserved for Bus Purchases</u>	<u>Reserved for Bus Purchases</u>
<u>Appropriated for Statutory</u>	<u>Reserved for Statutory</u>	<u>Reserved for Statutory</u>
<u>Operating Debt Reduction</u>	<u>Operating Debt Reduction</u>	<u>Operating Debt Reduction</u>
<u>Appropriated for Maintenance</u>	<u>Reserved for Maintenance</u>	<u>Reserved for Maintenance</u>
<u>Levy Reduction</u>	<u>Levy Reduction</u>	<u>Levy Reduction</u>
<u>Appropriated for Current Use of</u>	<u>Reserved for Current Use of</u>	<u>Reserved for Current Use of</u>
<u>Taconite Payments</u>	<u>Taconite Payments</u>	<u>Taconite Payments</u>
<u>Appropriated for Encumbrances</u>	<u>Reserved for Encumbrances</u>	<u>Reserved for Encumbrances</u>
	<u>Unreserved Fund Balances</u>	
<u>Appropriated for Building</u>	<u>Designated for Building</u>	<u>Designated for Building</u>
<u>Construction</u>	<u>Construction</u>	<u>Construction</u>
<u>Unappropriated Statutory</u>	<u>Undesignated Statutory</u>	<u>Undesignated Statutory</u>
<u>Operating Debt as of</u>	<u>Operating Debt as of</u>	<u>Operating Debt as of</u>
<u>June 30, 1977</u>	<u>June 30, 1977</u>	<u>June 30, 1977</u>
<u>Unappropriated from July 1,</u>	<u>Undesignated from July 1,</u>	<u>Undesignated from July 1,</u>
<u>1977</u>	<u>1977</u>	<u>1977</u>
<u>Unappropriated</u>	<u>Undesignated</u>	<u>Undesignated</u>

Sec. 25. [REPEALER.]

Minnesota Statutes 1986, sections 124.05, subdivision 2, 124.185 and 125.611, subdivisions 8 and 9 are repealed.

Sec. 26. [EFFECTIVE DATE.]

Sections 6 and 13 are effective for public school students beginning in the 1987-1988 school year.

## ARTICLE 8

### EDUCATIONAL IMPROVEMENT AND TECHNOLOGY

Section 1. Minnesota Statutes 1986, section 121.609, subdivision 4, is amended to read:

Subd. 4. [REGIONAL SERVICES.] The department of education shall contract with educational cooperative service units or other regional educational service agencies to provide assistance to the school districts in an educational cooperative service unit region in implementing educational effectiveness. In selecting an agency to provide assistance to the school districts, the department shall consider such factors as support of the proposal by the participating

school districts and the extent to which the proposal provides for participation by school district staff. If more than one agency submits a proposal to provide services to school districts within an educational cooperative service unit region, the department shall encourage the agencies to develop a joint proposal. Every two years, the department shall evaluate the performance of the regional service providers and shall consider new proposals to provide regional services.

Sec. 2. [123.59] [EDUCATION DISTRICTS.]

Subdivision 1. [PURPOSE.] The purpose of an education district is to increase options for learning and access to educational opportunities by facilitating cooperation and coordination among school districts and between school districts and post-secondary institutions.

Subd. 2. [CRITERIA.] An education district may be formed by a group of school districts that, at the time of formation, is a group of at least five districts having at least 10,000 pupils in average daily membership or a group of at least ten districts or a group of districts having at least 7,500 square miles and, in any case, has an agreement to cooperatively provide educational services.

Subd. 3. [EDUCATION DISTRICT BOARD.] Based on needs of member districts, an education district board shall coordinate the programs and services of the education district. The board shall consist of one representative appointed by the school board of each district forming the education district, except that the boards of the districts forming the education district may designate a board already established under section 123.33, 123.351, 123.51, 123.58, chapter 136D, or section 471.59 to be the education district board. The board shall select its officers from among its members and shall specify the terms of officers.

Subd. 4. [JOINER AND WITHDRAWAL.] A process for additional districts to join the education district and for districts to withdraw from the education district shall be determined at the time of the education district formation.

Subd. 5. [DUTIES AND POWERS OF THE EDUCATION DISTRICT BOARD.] (a) The education district board shall develop and implement a plan as specified in subdivision 7 for delivering educational services needed in the education district.

(b) The board may employ personnel as necessary to provide and support the programs and services of the education district. The board may discharge personnel according to provisions of law applicable to independent school districts. Education district staff shall participate in retirement programs and may participate in any other programs available to school district staff.

(c) The board may enter into contracts with school districts and other public and private agencies to provide services needed in the education district.

(d) The board may provide a procedure for institutions other than a school district to join the education district.

(e) The board shall be governed, unless otherwise provided, by laws applicable to independent school districts.

(f) The board shall submit a report each year about the activities of the education district to member districts on a date agreed to by the districts and by October 1 to the state board of education.

(g) The board is encouraged to publish and make available information about education district programs to the residents of an education district.

Subd. 6. [ADVISORY COUNCIL.] An advisory council, consisting of representatives from the program areas covered by the education district plan, shall be appointed by the education district board.

Subd. 7. [EDUCATION DISTRICT PLAN.] An education district board shall develop a comprehensive plan for continuous learning. The plan must address methods to improve the educational opportunities available in the education district.

The plan must be approved by all member districts and be submitted for review to all educational cooperative service units serving the area in which the school districts forming the education district are located. After review by the ECSU, the plan must be submitted to the state board of education for its review and comment. The education district board shall review the plan annually and make appropriate changes.

Subd. 8. [MANDATORY PLAN COMPONENTS.] The education district plan must provide for the following:

(1) coordination of member district and education district programs for handicapped pupils, gifted and talented pupils, at-risk pupils, secondary vocational education, improved learning, community education, early childhood family education, career education and low incidence academic programs;

(2) research, planning, and development functions, including acquiring and disseminating research information, developing methods to implement research, such as educational effectiveness programs and improving education based on educational research; and

(3) methods to meet needs for pupil health services, library services for professional staff and counseling services for students.

Subd. 9. [OPTIONAL PLAN COMPONENTS.] The education district plan may also include but not be limited to the following:

(1) methods for secondary pupils to enroll in courses in other school districts and in post-secondary institutions;

(2) methods for sharing administrative support and management services;

(3) professional development programs, including implementation of excellence in teaching and curriculum programs according to sections 126.70 to 126.72;

(4) programs that use learning time available during the summer;

(5) use of technology to deliver education programs and provide management assistance; or

(6) methods for involving parents in planning education programs.

Subd. 10. [ATTENDANCE IN OTHER DISTRICTS.] An education district board may, with the approval of all of the member districts, provide for a pupil who is a resident of a member district to attend programs or courses offered by another district that is a member of the education district. A pupil and parent shall consult with a career teacher, counselor, or principal about attending the nonresident district. The board may develop procedures for reimbursement of the cost of providing instruction to a nonresident pupil or the board may follow section 124.18, subdivision 2. The resident district shall count its resident pupils attending programs or courses in another district for the purpose of state aid and levy limitations. A resident or nonresident district may provide transportation for pupils attending programs or courses in another district.

Subd. 11. [ATTENDANCE AT POST-SECONDARY INSTITUTIONS.] An education district board may, with the approval of all of the member districts, provide for a secondary pupil who is a resident of a member district to enroll in courses offered by or in conjunction with post-secondary institutions. A pupil and parent shall consult with a career teacher, counselor, or principal about attending post-secondary courses. Credit shall be determined according to sections 123.3512 and 123.3513. Reimbursement for instruction offered by the post-secondary institution may be determined according to an agreement between the post-secondary institution and the education district board. A resident or nonresident district may provide transportation for a pupil enrolled in a course offered by a

post-secondary institution. This subdivision does not prevent a pupil from attending a post-secondary institution under section 123.3514.

Subd. 12. [FILLING TEACHING POSITIONS.] When an education district board or a school board of a district that is a member of the education district is filling a position resulting from implementation of the education district plan, the board may offer the position, as an exchange teacher according to section 125.13, to any teacher who is currently employed by a district that is a member of an education district. If the position is not filled by a teacher who is currently employed in a member district, the board shall offer the position to an available teacher, in the order of seniority on a combined seniority list of all available teachers in districts that are members of the education district. If no available teacher accepts the position, the board may fill the position with another teacher. For purposes of this subdivision, "available teacher" means a teacher in a district that is a member of the education district who (1) was placed on unrequested leave of absence according to section 125.12 or whose services were terminated under 125.17 as a result of the implementation of the education district plan not more than one year before the formation of the education district by a district that is a member of the education district, (2) was placed on unrequested leave of absence according to section 125.12 or whose services were terminated under 125.17 as a result of the implementation of the education district plan by a district that is a member of the education district, (3) has been notified of being placed on unrequested leave of absence according to section 125.12 or whose services were terminated under 125.17 as a result of the implementation of the education district plan by a district that is a member of an education district, or (4) is placed on unrequested leave of absence according to 125.12 or whose services were terminated under 125.17 as a result of the implementation of the education district plan by a district that is a member of the education district in the same school year that the position is filled. "Teacher" has the meaning given it in section 125.12, subdivision 1.

Subd. 13. [EDUCATIONAL COOPERATIVE SERVICE UNITS.] If requested, educational cooperative service units shall provide assistance to districts in establishing education districts. The assistance may include determination of appropriate boundaries of the education district and development of the comprehensive plan for learning. The educational cooperative service units may provide any other services requested by the education district.

Subd. 14. [REPORT TO LEGISLATURE.] By January 15 of each year, the state board of education shall report to the education committees of the legislature about the education districts that are established and the programs offered. The report due January 15, 1989 shall include recommendations for resolving inequities in teacher salaries and other compensation, revenues and tax bases

between the school districts which are members of an education district.

Sec. 3. Minnesota Statutes 1986, section 125.03, subdivision 5, is amended to read:

Subd. 5. "Teachers" for the purpose of examination means persons applying for initial teaching licenses ~~or persons applying for additional fields of licensure~~ to provide direct instruction to pupils in prekindergarten, elementary, secondary, and special education programs. It does not mean persons applying for licenses as supervisory or support personnel nor does it mean librarians, school social workers, school psychologists, audio-visual directors or coordinators, or media generalists or supervisors.

Sec. 4. Minnesota Statutes 1986, section 125.05, subdivision 1, is amended to read:

Subdivision 1. [QUALIFICATIONS.] The authority to license teachers as defined in section 125.03, subdivision 1, is vested in the board of teaching except that the authority to license supervisory and support personnel as defined in section 125.03, subdivision 4, is vested in the state board of education. Licenses shall be issued to such persons as the board of teaching or the state board of education finds to be competent for their respective positions. For teachers, as defined in section 125.03, subdivision 5, competency includes successful completion of an examination of ~~academic knowledge in each field of licensure and, for persons applying for initial licenses, an examination~~ of skills in reading, writing, and mathematics for a person applying for initial licenses. Qualifications of teachers and other professional employees except supervisory and support personnel shall be determined by the board of teaching under the rules which it promulgates. Licenses under the jurisdiction of the board of teaching shall be issued through the licensing section of the department of education. Licenses under the jurisdiction of the state board of education shall be issued through the licensing section of the department of education.

Sec. 5. Minnesota Statutes 1986, section 126.81, subdivision 2, is amended to read:

Subd. 2. [GRANTS FOR EXEMPLARY TEACHER EDUCATION PROGRAMS.] The board of teaching shall award at least three grants to public post-secondary institutions to develop exemplary teacher education programs. The majority of grants shall be awarded for programs that are conducted jointly by an approved teacher education institution and one or more school districts.

Sec. 6. Minnesota Statutes 1986, section 125.185, subdivision 4, is amended to read:

Subd. 4. The board shall adopt rules to license public school teachers and interns subject to chapter 14. The board shall adopt rules for examination of teachers, as defined in section 125.03, subdivision 5. The rules may allow for completion of the examination of skills in reading, writing, and mathematics before entering or during a teacher education program. The board shall adopt rules to approve teacher education programs. The board of teaching shall provide the leadership and shall adopt rules by October 1, 1988 for the redesign of teacher education programs to implement a research based, results-oriented curriculum that focuses on the skills teachers need in order to be effective. The board shall implement new systems of teaching education program evaluation to assure program effectiveness based on proficiency of graduates in demonstrating attainment of program outcomes.

These rules shall encourage require teacher educators to obtain periodic classroom elementary or secondary teaching experience. The board shall also grant licenses to interns and to candidates for initial licenses and. The board shall design and implement an assessment system which requires candidates for initial licensure and first continuing licensure to demonstrate the abilities necessary to perform selected, representative teaching tasks at appropriate levels. The board shall receive recommendations from local committees as established by the board for the renewal of teaching licenses. The board shall grant life licenses to those who qualify according to requirements established by the board, and suspend or revoke licenses pursuant to sections 125.09 and 214.10. Notwithstanding any law or rule to the contrary, the board shall not establish any expiration date for application for life licenses. With regard to vocational education teachers the board of teaching shall adopt and maintain as its rules the rules of the state board of education and the state board of vocational technical education.

Sec. 7. [125.19] [CITATION.]

Sections 8 to 13 may be cited as the "Minnesota teacher centers act."

Sec. 8. [125.191] [PURPOSE.]

The purpose of the teacher center program is to develop systematic, ongoing in-service education programs based on the needs of teachers, assure the dissemination and application of educational research developments to classroom instruction, and develop new curricula and curricular materials specifically designed to meet the educational needs of the students served.

Sec. 9. [125.192] [DEFINITIONS.]

Subdivision 1. [APPLICATION.] The definitions in this section apply in sections 8 to 13.

Subd. 2. [TEACHER.] "Teacher" means what it means in section 179A.03.

Subd. 4. [LOCAL POLICY BOARD.] "Local policy board" means the local teacher center board as established under section 5, subdivision 2.

Sec. 10. [125.193] [CENTER SELECTION.]

Subdivision 1. [AUTHORIZATION.] A school district and exclusive bargaining representative of its teachers or a group of school districts and exclusive bargaining representatives of their teachers that wish to establish a teacher center and receive funding may apply to the board of teaching and state board of education for approval for a teacher center.

Subd. 2. [APPLICATION.] The board of teaching and state board of education shall prescribe the form and manner of application for the teacher center, in consultation with the advisory committee established in subdivision 3. The application must provide evidence of the approval of both the teachers' exclusive representatives and the school boards of all participating districts.

Subd. 3. [ADVISORY COMMITTEE.] The board of teaching and state board of education shall appoint an advisory committee to assist the boards in the application and selection process, supervision, coordination, review, and evaluation of the teacher centers. The advisory committee shall consist of 15 persons. Members of the advisory committee shall be appointed as follows:

(1) two elementary teachers and two secondary teachers appointed by the Minnesota federation of teachers, including at least one special area teacher;

(2) two elementary teachers and two secondary teachers appointed by the Minnesota education association, including at least one special area teacher;

(3) one member appointed by the Minnesota school board association;

(4) one member appointed by the elementary school principals' association;

(5) one member appointed by the secondary school principals' association;

(6) one member appointed by the school administrators' association;

(7) one member from the University of Minnesota college of education faculty;

(8) one member representing the faculty of state university colleges of education; and

(9) one member representing the private colleges of education.

Sec. 11. [125.194] [CRITERIA FOR A TEACHER CENTER; LOCAL POLICY BOARD.]

Subdivision 1. [CRITERIA.] The following criteria must be met to be considered for funding as a teacher center:

(a) A teacher center shall serve at least ten districts or 3,000 teachers.

(b) A teacher center must provide for the following:

(1) provide training designed to assist teachers in better meeting the educational needs of the students they serve;

(2) assist teachers, diagnose learning needs, experiment with the use of multiple instructional approaches, assess student outcomes, assess staff development needs and plans, and train other school personnel in effective pedagogical approaches;

(3) develop and produce curricula and curricular materials designed to meet the educational needs of students being served through application of educational research or new or improved methods, practices, and techniques;

(4) provide training to improve the skills of teachers to enable such teachers to meet the special educational needs of the pupils they serve and to familiarize the teachers with developments in curriculum formulation and educational research, including how the research can be used to improve teaching skills;

(5) provide a location where teachers may share resources, ideas, methods, and approaches directly related to classroom instruction and become familiar with current teaching materials and products for use in their classrooms;

(6) when appropriate and necessary, retrain teachers and others with baccalaureate degrees to qualify to teach in subject areas where there are teacher shortages;

(7) serve as a mechanism for data gathering and research purposes;

(8) include plans for enhancing parental involvement in the educational process; and

(9) include plans for maintaining a coordinated effort and working relationship with teacher education institutions in the area.

(c) A teacher center must be governed by a local policy board, as established in subdivision 2.

(d) A teacher center must make efforts to seek funding and other in-kind contributions from other sources in addition to the amount of the planning grant awarded under section 12.

Subd. 2. [LOCAL POLICY BOARD.] Representatives of the teachers' exclusive bargaining representatives and representatives of the school board or school boards shall mutually appoint the local policy board for the teacher center, based on the following guidelines:

(1) a majority of the local policy board members must be teachers;

(2) membership of the local policy board must include elementary, secondary, and special area teachers, parents, school board members from some or all participating districts, higher education faculty representatives, and business, labor, or industry representation; and

(3) each participating district must have a minimum of one teacher on the local policy board.

The powers and duties of each local policy board may include, but not be limited to, policy formulation, designation of a fiscal agent, the employment of staff or consultants, budget control, and expenditure of funds to accomplish the purpose of this section, recommendations for subcontracting to secure technical and other kinds of assistance, and any other appropriate managerial or supervisory activities not otherwise prohibited by state law or state board rules.

#### Sec. 12. [125.195] [PLANNING GRANTS.]

Upon approval of an application by the board of teaching and state board of education, in consultation with the advisory committee, for establishment of a teacher center, the local policy board shall receive a planning grant to develop its operational plan for the teacher center. Planning grants must be made available up to the limit of the appropriation but must not be more than \$50,000 per teacher center application. The advisory committee shall make recommendations to the board of teaching and state board of education on the amount of funding for planning grants based on the number of teachers served by the center.

## Sec. 13. [125.196] [EVALUATION.]

Teacher centers shall provide data annually as required by the board of teaching and state board of education. The board of teaching and state board of education shall report to the education committees of the legislature by February 1 of 1989 and each odd-numbered year thereafter.

## Sec. 14. [125.20] [TEACHER EDUCATION CURRICULUM.]

Subdivision 1. [PURPOSE.] The legislature recognizes that revision of teacher education curricula is best conducted by faculty at teacher education institutions. It also recognizes that any revision is a substantial task beyond regularly assigned faculty duties. The purpose of this section is to support the work of curriculum revision.

Subd. 2. [ACTIVITIES.] The board of teaching shall provide leadership in developing curriculum conferences and other activities in at least six regions of the state, for teacher educators and their school partners, to assist in revising teacher education programs to meet the objectives for teacher education curriculum described in section 125.185, subdivision 4.

## Sec. 15. [125.21] [RESEARCH ON PROGRAM EFFECTIVENESS.]

Subdivision 1. [PURPOSE.] The legislature recognizes a growing and substantial concern about the effectiveness and breadth of the existing undergraduate curriculum for teacher education students. It also recognizes the absence of definitive research about the most effective curricula to adequately prepare teachers for entrance into the teaching profession. The purpose of this section is to support research on the comparative effectiveness of different teacher education program structures, after new programs have been designed and implemented, and the first graduates are in service.

Subd. 2. [RESPONSIBILITY.] By July 1, 1989, the board of teaching shall begin to evaluate the effectiveness of pre-baccalaureate, post-baccalaureate, and other alternative program structures for preparing candidates for entrance into the teaching profession. The evaluation shall be conducted by independent research centers or evaluators who are not associated with a Minnesota teacher education institution and shall be longitudinal in nature. By July 1, 1990, the board of teaching shall make a preliminary report on the effectiveness of alternative program structures to the education and finance committees of the legislature.

Sec. 16. [125.22] [LOCAL PROFESSIONAL DEVELOPMENT PROGRAMS.]

Subdivision 1. [DEVELOPMENT OF PLAN.] A school board, in consultation with a professional development advisory committee established under subdivision 2, shall develop and adopt a written professional development plan. The school district shall review its plan annually and make revisions as necessary.

Subd. 2. [ADVISORY COMMITTEE.] A school board which develops a professional development plan and applies for aid under this section must establish a local professional development advisory committee. The advisory committee must be composed of a majority of teachers representing various grade levels and subject areas and must also include representation of parents and administrators.

Subd. 3. [ELIGIBILITY FOR REVENUE.] Upon approval of the professional development plan by the commissioner, the district is eligible to receive additional revenue equal to \$10 times its actual pupil units for the current school year in the third tier of the foundation program under section 124A.10.

Subd. 4. [CONTENTS OF THE PLAN.] A school district, in its professional development plan, must identify:

(1) a planning team that includes a variety of staff who serve different ages of students and parents of different age group students;

(2) short-term and long-term staff development needs;

(3) goals to be achieved, the means for achieving the goals, and how the professional development efforts will affect student learning;

(4) professional development plans that give attention to school site decision making, research-based consideration of learning styles, opportunities for practice, and learners at-risk;

(5) methods to expand the professional work calendar for the school year to incorporate additional in-service days;

(6) methods to ensure that all personnel who serve learners with unique needs will be included in the program; and

(7) procedures for evaluating progress toward the goals.

Subd. 5. [TECHNICAL ASSISTANCE.] The department of education shall assist districts with information about professional devel-

opment, research, assessment, planning, implementation, and evaluation of staff development processes and plans.

Subd. 6. [USES OF LOCAL PROFESSIONAL DEVELOPMENT REVENUE.] School districts may use local professional development revenue for any of the purposes designated in:

(1) excellence in teaching and curriculum under sections 126.70 to 126.72;

(2) the Minnesota improved learning and principal-teacher, counselor-teacher, and career teacher act under sections 129B.42 to 129B.47;

(3) programs validated at the technology demonstration sites under section 129B.36;

(4) the coordinated model for educational improvement developed by the department of education; and

(5) any other local professional development programs approved by the commissioner.

Subd. 7. [APPROVAL OF PLAN.] The commissioner shall approve or disapprove a plan within 60 days of receiving the plan submitted by a district. A plan that is disapproved may be revised and resubmitted for approval.

Sec. 17. [125.23] [TEACHER ASSISTANCE THROUGH MENTORSHIP PROGRAM.]

Subdivision 1. [TEACHER MENTORING PROGRAM.] School districts are encouraged to participate in a competitive grant program that explores the potential of various teacher mentoring programs.

Subd. 2. [TEACHER MENTORING TASK FORCE.] The commissioner shall appoint a teacher mentoring task force including representatives of the two teachers unions, the two principals organizations, school boards association, administrators association, board of teaching, parent teacher association, post-secondary institutions, foundations, and the private sector. Representation on the task force by minority populations shall reflect the proportion of minorities in the public schools.

The task force shall:

(1) make recommendations for a system of incentives at the state and local level to assure that highly capable individuals are attracted to and retained in the teaching profession;

(2) determine ways in which teachers can be empowered through expanding to new and more professional roles;

(3) make recommendations on how the teacher mentoring program can become part of the teacher centers established under sections 8 to 12 when the centers become operational; and

(4) develop the application forms, criteria, and procedures for the mentorship program.

Subd. 3. [APPLICATIONS.] The commissioner of education shall make application forms available by October 1, 1987. By December 1, 1987, a school district, a group of school districts, or a coalition of districts, teachers and teacher education institutions may apply for a teacher mentorship program grant. By January 1, 1988, the commissioner, in consultation with the teacher mentoring task force, shall approve or disapprove the applications. To the extent possible, the approved applications must reflect a variety of mentorship program models, include a variety of coalitions and be geographically distributed throughout the state. The commissioner of education shall encourage the selected sites to consider the use of the assessment procedures developed by the board of teaching.

Subd. 4. [CRITERIA FOR SELECTION.] At a minimum, applicants must express commitment to:

- (1) allow staff participation;
- (2) assess skills of both beginning and mentor teachers;
- (3) provide appropriate in-service to needs identified in the assessment;
- (4) provide leadership to the effort;
- (5) cooperate with higher education institutions;
- (6) provide facilities and other resources; and
- (7) share findings, materials, and techniques with other school districts.

Subd. 5. [ADDITIONAL FUNDING.] Applicants are required to seek additional funding and assistance from sources such as school districts, post-secondary institutions, foundations, and the private sector.

Subd. 6. [REPORT TO THE LEGISLATURE.] By January 1, 1988, the commissioner of education shall report to the legislature on the teacher mentoring task force recommendations for a system of

incentives at the state and local level to assure that highly capable individuals are attracted to and retained in the teaching profession.

By January 1 of 1989 and 1990, the commissioner of education shall report to the legislature on the design, development, implementation, and evaluation of the mentorship program.

Sec. 18. [125.24] [ADMINISTRATORS ACADEMY.]

Subdivision 1. [SERVICES.] An administrators academy is established. The academy shall provide at least the following services:

(1) an administrator assessment that results in an individual professional development plan;

(2) research and development assistance that provides current research and data of interest to administrators; and

(3) brokerage assistance to provide services and resources to help administrators with needs identified in their individual professional development plan.

Subd. 2. [GOVERNANCE.] The commissioner of education shall appoint a 17 member committee to govern the administrators academy. Eight members must be from among administrators who are receiving or have received the services of the academy. In addition, a representative of each of the following organizations: Minnesota department of education, Minnesota association of school administrators, Minnesota elementary school principals, Minnesota secondary school principals, University of Minnesota, state university system, and a representative from the private colleges must be appointed by the organization each represents. Parents and teachers shall also have representation on the governing board.

Subd. 3. [REPORT TO THE LEGISLATURE.] The department of education shall report to the legislature by January 1, 1989, on the services provided by the administrators academy.

Sec. 19. [125.25] [EDUCATOR EXCHANGE PROGRAM.]

Subdivision 1. [AGREEMENTS.] The state board of education shall enter into agreements to exchange Minnesota educators with educators from schools, states, provinces, or countries other than Minnesota and the United States. The agreements shall:

(1) be with locations that represent different cultures;

(2) be available for educators at all levels of the elementary and secondary education system;

(3) be for terms not to exceed one full school year;

(4) require that Minnesota educators meet the standards for holding continuing licensure as required in Minnesota; and

(5) require that educators from other locations meet the requirements existing in that location.

The state board may make up to four individual exchange agreements for the 1987-1988 school year and up to six individual exchange agreements for the 1988-1989 school year.

Subd. 2. [DISTRICT INVOLVEMENT.] (a) Single districts, groups of districts, and educational cooperative service units are encouraged to host educators from other countries and cultures through this program. Host districts, groups of districts, or educational cooperative service units shall apply to participate in the exchange program through a process developed by the state board of education. The terms and conditions for hosting exchange educators must be agreed upon before receiving the exchange educator, and must be included in the agreement between the state board of education and the home location of the educator. A part of the host agreement must include the use of the exchange educator in other locations for brief periods of time. The state board of education shall reimburse the exchange educator for travel and living expenses incurred in providing services outside of the host district or districts.

(b) The school board in each district is encouraged to provide a sabbatical leave of absence for each Minnesota educator approved for participation in this program. Districts that approve a sabbatical leave for participation in this program are eligible for reimbursement equal to the lesser of 50 percent of the salary paid during the leave or \$6,000. Districts that approve a leave of absence for a Minnesota educator to participate in this program shall agree to provide up to 45 days of additional paid leave during the first two years following the exchange assignment. The additional days of paid leave must be scheduled or approved by the department for purposes of curriculum development, providing learning experiences for educators and students in other districts, or making presentations to other appropriate individuals and groups. Districts must be reimbursed for each day of the leave. The reimbursement amount equals the lesser of \$100 per day or the negotiated substitute teacher pay for the district.

Subd. 3. [EDUCATOR INVOLVEMENT.] A Minnesota educator accepted in this program shall agree to live in the location for which the exchange was made, for the time period agreed upon, and to provide curriculum development, staff development, and speaking assignments in the two years following the exchange. Each educator selected from Minnesota is eligible for financial assistance equal to the lesser of 50 percent of the travel and living expenses incurred

during the exchange or \$1,000. Travel and related expenses incurred by the educator for assignments required by the department of education in the first two years following the exchange must be reimbursed by the department.

Subd. 4. [STATE BOARD INVOLVEMENT.] (a) The state board of education shall establish procedures to:

(1) develop and maintain exchange agreements with other countries and cultures;

(2) organize and disseminate information on exchange opportunities and select Minnesota educators for this program;

(3) provide for a smooth transition for Minnesota educators and educators from other locations to and from their assignment;

(4) select host districts in Minnesota to receive educators from other locations;

(5) use exchange educators from other locations in a broad range of educational assignments, curriculum development, and staff development activities;

(6) use Minnesota educators during the two years following their exchange for curriculum development, staff development, and experience sharing activities across the state; and

(7) publish and disseminate the curriculum and related materials written or developed by the educators participating in the exchange program.

(b) The state board of education shall provide guidelines and technical assistance to districts hosting educators from other locations.

(c) The state board shall also provide workshops and seminars for staff in Minnesota school districts on the use of curriculum materials written or developed by the exchanged educators participating in the exchange program.

Subd. 5. [EMPLOYMENT RIGHTS AND BENEFITS.] An educator granted a sabbatical leave of absence under this section shall retain seniority and continuing contract rights and other employment benefits in the district granting the leave as though that educator had been teaching in the district during the period of the sabbatical leave of absence.

Sec. 20. Minnesota Statutes 1986, section 126.65, is amended to read:

## 126.65 [FINDINGS.]

The legislature finds that a process for curriculum evaluation and planning is needed for continued improvement of the educational program for all public school children in the state, and to allow for better evaluation of educational programs by local communities. The legislature further finds that such a process is needed to facilitate decisions by school boards and communities as to concerning education curriculum planning and evaluation for curriculum improvement and deciding which services can best be provided by the public schools and which services can or should be provided by other institutions such as the family, the private sector or other public agencies in addition to the public education programs. The legislature further finds that efficient use of educational resources is needed with regard to educational technology and interdistrict cooperation.

Sec. 21. Minnesota Statutes 1986, section 126.66, subdivision 1, is amended to read:

Subdivision 1. The school board of each school district in the state shall adopt a written planning, evaluation evaluating, and reporting policy which establishes instructional goals and, a curriculum review cycle, measurable learner objectives for the district, a process for achieving these goals, and procedures for evaluating and reporting progress toward the goals. These goals shall include meeting the curriculum requirements adopted by the state board of education. The school board shall review this policy each year and identify annual instructional goals and measurable learner objectives to be addressed during the current school year. School boards are encouraged to develop this school district policy and any revisions after consultation with the staff of each school building. In formulating the policy, the school board of a district is encouraged to shall consider: (a) the number of dropouts of school age in the district and the reasons for the dropouts; (b) existing programs within the district for dropouts and potential dropouts and (c) program needs of dropouts and potential dropouts.

Sec. 22. Minnesota Statutes 1986, section 126.66, is amended by adding a subdivision to read:

Subd. 1a. [MODEL STATE CORE CURRICULUM.] The department of education, in cooperation with the state curriculum advisory committee, shall develop a process for the development of a model state core curriculum consisting of a limited number of critical learner outcomes for each subject area. The process and outcomes must be approved by the state board of education.

The model state core curriculum must be research based and is intended to constitute only a portion of each district's total curriculum in each subject area. The model core curriculum must include

higher levels of thinking and learning. The board shall adopt an implementation, review and improvement cycle by which strengths and weaknesses are assessed through sample measurement of student learning, and improvement plans are developed and implemented.

The department in cooperation with the state curriculum advisory committee shall develop standard procedures for planning, evaluating, and reporting processes in local districts.

Sec. 23. Minnesota Statutes 1986, section 126.66, is amended by adding a subdivision to read:

Subd. 3a. [SCHOOL TEAMS.] Each school in every district shall establish a team to develop and implement a school improvement plan based upon identified needs in curriculum and instruction. The team would be representative of parents, teachers, administrators, professional support staff, and other community persons. The team would advise the local board and the local advisory committee in the development of an instructional improvement plan that provides for the alignment of the curriculum, assessment of student progress, and instruction.

Sec. 24. Minnesota Statutes 1986, section 126.66, subdivision 6, is amended to read:

Subd. 6. [REPORT.] By September October 1 of each year, the school board shall adopt a report which shall include the following:

- (a) annual instructional goals which were addressed for that year in the planning, evaluation, and reporting process;
- (b) appropriate evaluation of the annual instructional goals;
- (c) the results of the professional staff evaluation including local assessment data obtained pursuant to section 126.67, subdivision 2, and any additional appropriate test data;
- (d) the results of the consumer evaluation;
- (e) the annual school district improvement plans; and
- (f) a plan for implementing an assurance of mastery program the standard reporting procedures as developed by the department of education and the state curriculum advisory committee.

Every other year the report shall include an evaluation of the assessment programs pursuant to subdivision 7 and a report on the assurance of mastery program.

The school board shall disseminate the report to all residents of the district by publication in the local newspaper with the largest circulation in the district, by newsletter, or through the United States postal service. The report shall be on file and available for inspection by the public. A copy of the report which is disseminated to the community shall be sent to the commissioner of education by September 1 of each year. The school board shall provide a copy of the commissioner's response to the report to the curriculum advisory committee. All activities and reports pursuant to this section shall comply with chapter 13, and any other law governing data on individuals in school districts.

Sec. 25. Minnesota Statutes 1986, section 126.67, subdivision 1, is amended to read:

Subdivision 1. [TECHNICAL ASSISTANCE.] Insofar as possible, The department of education and educational cooperative service units shall make technical assistance for planning and evaluation available to school districts. The department shall collect the annual evaluation reports from districts as provided in section 126.66, subdivision 5, and shall make these data available upon request to any district seeking to use it for comparisons of pupil performance. If requested, the department of education shall provide technical assistance to a district developing assurance of mastery programs, achievement testing programs, competency testing programs, or other methods of measuring group or individual pupil progress.

Sec. 26. Minnesota Statutes 1986, section 126.67, subdivision 1a, is amended to read:

Subd. 1a. [STATE CURRICULUM ADVISORY COMMITTEE; LEGISLATIVE REPORT.] The commissioner shall appoint an 11-member state curriculum advisory committee to advise the state board and the department on the planning, evaluation, and reporting process. The committee shall consist of nine members, one appointed from each educational cooperative service unit, and two at-large members. The committee shall include representation from the state board of education, parents, teachers, administrators, and school board members. Each member shall be a present or past member of a school district curriculum advisory committee. The committee shall provide information and recommendations on at least the following:

(1) department procedures for approving reports and disseminating information;

(2) exemplary planning, evaluation, and reporting processes; ~~and~~

(3) recommendations for improving the planning, evaluation, and reporting process; and

(4) the development of a process for the identification and implementation of critical learner outcomes.

By ~~January~~ February 1 of each year, the commissioner, in consultation with the state curriculum advisory committee, shall prepare a report for the education committees of the legislature on the planning, evaluation, and reporting program, which shall include the recommendations of the state curriculum advisory committee.

Sec. 27. Minnesota Statutes 1986, section 126.67, subdivision 2a, is amended to read:

Subd. 2a. [DISTRICT ASSESSMENTS.] As part of the planning, evaluation, and reporting process, each year a district shall, in at least three grades, conduct assessments among at least a sample of pupils in ~~two curriculum areas. One curriculum area shall be communication, mathematics, science, or social studies. The second area shall be selected by the district for each subject area in that year of the curriculum review cycle. The district's curriculum review cycle for communication, mathematics, science and social studies must not extend beyond five years.~~ Assessments may not be conducted in the same curriculum area during two consecutive years. The district may use tests from the assessment item bank, the local assessment option developed by the department, or other tests. As they become available, districts shall use state developed measures to assure state progress toward the state core curriculum. Funding is provided for districts that choose to use the local assessment program or the assessment item bank.

Sec. 28. Minnesota Statutes 1986, section 126.67, subdivision 3a, is amended to read:

Subd. 3a. [ASSURANCE OF MASTERY.] Each school board shall adopt a policy establishing a process to assure individual pupil mastery in communications and mathematics. This process shall include at least the following:

(1) procedures, which may include multiple or separate criteria, for the evaluation and identification of nonspecial education pupils and pupils with limited English proficiency who are not making sufficient progress in the mastery of communications and mathematics;

(2) procedures for implementation in grades kindergarten to 12, ~~beginning in the 1986-1987 school year,~~ and requiring evaluation of progress toward mastery at least once during grades K to 3, once during grades 4 to 6, once during grades 7 to 9, and once during grades 10 to 12;

(3) procedures for parent conferences to establish an individualized remediation or modified instruction plan for each pupil who is

not making sufficient progress toward mastery of communication or mathematic skills; and

(4) procedures which shall consider and address the special needs of handicapped pupils and pupils with limited English proficiency.

Sec. 29. Minnesota Statutes 1986, section 126.67, subdivision 6, is amended to read:

Subd. 6. [ADDITIONAL TESTING.] The department upon written agreement with local school districts may perform additional testing and evaluation of students. The department may collect a reasonable fee not to exceed the actual cost of services. The department also may receive funds from public and private entities outside of the state of Minnesota for products and services provided as a part of the assessment item bank program. Any funds received as a result of item bank usage outside of the state must be exclusively dedicated to the improvement of measurement within Minnesota.

Sec. 30. Minnesota Statutes 1986, section 126.67, subdivision 9, is amended to read:

Subd. 9. [MODEL LEARNER EXPECTATIONS OUTCOMES.] The department shall develop and maintain sets of model learner ~~expectations~~ outcomes. The department shall make the ~~expectations~~ outcomes available for a district, for assistance purposes, to use at the option of the district. The ~~expectations~~ outcomes shall be for pupils in kindergarten to grade 12 in at least the core curriculum areas of communication, mathematics, science, and social studies. The state core curriculum consisting of critical learner outcomes should be developed from these model learner outcomes. The department shall consult with each of the public post-secondary educational systems and with the higher education coordinating board in developing model learner ~~expectations~~ outcomes appropriate for entrance into post-secondary institutions.

Sec. 31. Minnesota Statutes 1986, section 129B.041, subdivision 1, is amended to read:

Subdivision 1. [COPYRIGHT.] Products of projects and programs funded pursuant to sections 129B.01 to 129B.05, including curriculum and instructional materials, computer and telecommunications software, and associated manuals and reports, may be copyrighted by the ~~council~~ department in the name of the state and may be sold. However, the state shall sell the products to all school districts and public agencies in the state at prices that do not exceed the cost of reproduction and distribution. Products sold shall be clearly labeled as products developed pursuant to a grant or loan from the council on quality education.

Sec. 32. Minnesota Statutes 1986, section 129B.041, subdivision 3, is amended to read:

Subd. 3. [REVOLVING FUND.] The education product and loan repayment revolving account is established in the state treasury. ~~Repayment of loans, made according to section 129B.04, subdivision 2; and Sale proceeds up to the cost of reproduction and distribution~~ from the sale of products under this section shall be deposited in this account. All funds in this account are annually appropriated to the department of education and shall be used to reproduce and distribute products of projects and programs funded pursuant to Minnesota Statutes 1986, sections 129B.01 to 129B.05.

Sec. 33. [129B.11] [PROGRAM IMPROVEMENT GRANTS.]

Subdivision 1. [PLANS; GRANT AWARDS.] The state board of education, with the advice of the state curriculum advisory committee and the advisory committee on technology in education for projects involving technology, shall make grants to groups of school districts to implement plans to improve education. The board may award grants to groups of districts which submit plans that include at least the following:

(1) program and curriculum changes which provide more learning opportunities for students;

(2) demonstration of a local commitment to the plan and in the case of plans utilizing technology, local financial support including public and private partnerships;

(3) involvement of school district teaching staff in development of the plan;

(4) demonstration that the plan is consistent with school district goals established under section 126.66; and

(5) the structural criteria established in subdivision 2.

The board may establish additional criteria and shall establish time-lines and the grant application procedure for making grants.

Subd. 2. [ELIGIBILITY.] To be eligible for a grant, a group of districts must meet one of the following criteria:

(1) create a consolidated district according to section 122.23, with the consolidated school district having at least 600 pupils in average daily membership;

(2) establish an education district according to section 2 of this article;

(3) form a group of districts that has an agreement under section 122.535 or 122.541 for discontinuing grades when the districts entering the agreement have a total of at least 240 pupils in average daily membership in grades 10, 11, and 12; or

(4) enter into a joint powers agreement for a technology cooperative where the school districts in the cooperative are contiguous but are significant distances apart so that other forms of cooperation are not practical.

Subd. 3. [AMOUNTS.] The board may determine the amount of the grant, but a grant shall not exceed \$250,000 for a group of districts.

Sec. 34. [129B.321] [STATE'S RIGHTS COURSEWARE ADVISORY COMMITTEE.] A state's rights courseware advisory committee is established. The committee shall consist of 15 educators knowledgeable about courseware who shall be appointed by the commissioner of education. To the extent possible, the committee shall be gender and geographically balanced, and representative of schools populations.

Sec. 35. Minnesota Statutes 1986, section 275.125, is amended by adding a subdivision to read:

Subd. 8d. [PROGRAM IMPROVEMENT LEVY.] In 1987 and thereafter, a district or a district that is a member of a group of districts that receives a grant under section 33 may levy an amount raised by the lesser of 1.5 mills times the adjusted assessed valuation of the district or an amount that, together with the grant received under section 33 does not exceed the actual cost of implementing the education improvement plan.

Sec. 36. [TECHNOLOGY LEVY.]

In 1987, a district that is a technology demonstration site, that received a technology grant under Laws 1985, First Special Session chapter 12, article 8, section 50, 51, 52, or 53, or that has become a member of one of these technology cooperatives since it has received the technology grants, may levy the lesser of an amount equal to one mill times the adjusted assessed valuation of the district or the unreimbursed cost of the expenses associated with the purchase of equipment and the operation of the site and additional program costs attributable to the site.

Sec. 37. [APPROPRIATIONS; DEPARTMENT OF EDUCATION.]

Subdivision 1. [DEPARTMENT OF EDUCATION.] There is appropriated from the general fund to the department of education the

sums in this section in the fiscal years ending June 30 in the years designated.

Subd. 2. [TECHNICAL ASSISTANCE; LOCAL STAFF DEVELOPMENT.] There is appropriated for providing technical assistance for local staff development plans under section 16 and for administrative costs in implementing the mentorship programs under section 17:

\$75,000 ... 1988,

\$75,000 ... 1989.

Subd. 3. [MENTORSHIP PROGRAMS.] There is appropriated for the mentorship programs under section 17:

\$250,000.....1988,

\$250,000.....1989.

Subd. 4. [TEACHER CENTERS.] There is appropriated for planning grants for teacher centers under section 12:

\$150,000.....1988,

\$150,000.....1989.

No more than \$5,000 each year shall be used for evaluation and dissemination.

Subd. 5. [ADMINISTRATORS ACADEMY.] There is appropriated for the administrator's academy under section 18:

\$167,300.....1988,

\$167,300.....1989.

Of the amounts appropriated for fiscal years 1988 and 1989, \$24,000 shall be used each year for the school management assessment center at the University of Minnesota.

Subd. 6. [EDUCATIONAL EFFECTIVENESS.] For educational effectiveness programs according to sections 121.608 and 121.609, there is appropriated:

\$690,300.....1988,

\$690,300.....1989.

Subd. 7. [AID FOR PLANNING, EVALUATION, AND REPORTING PROCESS.] For aid for the planning, evaluation, and reporting

process according to Minnesota Statutes, section 123.7431, there is appropriated:

\$1,014,300.....1988,

\$1,021,800.....1989.

Subd. 8. [STATE PER ASSISTANCE.] For state assistance for planning, evaluating, and reporting, there is appropriated:

\$478,000.....1988,

\$736,000.....1989.

Up to \$45,000 each year shall be used for assisting districts with the assurance of mastery program. Up to \$95,000 each year shall be used to develop and maintain model learner expectations. Up to \$18,000 each year shall be used for the state curriculum advisory committee. Up to \$270,000 each year shall be used for the assessment item bank. Up to \$233,000 of the amount for 1989 shall be used for the local assessment program. Up to \$50,000 of the amount for 1988 and up to \$75,000 of the amount for 1989 may be used by the department for administrative costs.

Subd. 9. [COUNCIL ON QUALITY EDUCATION; VENTURE FUND GRANTS.] For the council on quality education venture fund grants pursuant to Minnesota Statutes, sections 129B.01 to 129B.05, there is appropriated:

\$63,900.....1988.

The appropriation for fiscal year 1988 includes \$63,900 for grants for fiscal year 1987 payable in fiscal year 1988.

Subd. 10. [MASTERY LEARNING PROGRAM.] For the purposes of funding existing mastery learning sites authorized under sections 129B.61 to 129B.66, there is appropriated:

\$750,000.....1988.

Subd. 11. [CURRICULUM AND TECHNOLOGY INTEGRATION.] For curriculum and technology integration services, there is appropriated:

\$1,480,100.....1988,

\$1,340,100.....1989.

Up to \$935,100 each year shall be used for technology services. Up to \$355,000 each year shall be used for courseware integration

centers. Up to \$50,000 each year may be used for disseminating information about technology innovations identified in the technology demonstration sites. Up to \$140,000 of the appropriation for 1988 shall be used to purchase principles of technology courseware.

Subd. 12. [PROGRAM IMPROVEMENT GRANTS.] For the purposes of awarding program improvement grants under section 33, there is appropriated:

\$1,500,000.....1988.

This amount shall be available until the end of the biennium. Up to five percent of this amount may be used for evaluation and administration.

Subd. 13. [EDUCATOR EXCHANGE.] For the purposes of implementing the educator exchange program under section 19, there is appropriated:

\$100,000.....1988,

\$100,000.....1989.

Up to \$50,000 each year may be used for costs to administer the educator exchange program.

Subd. 14. [CANCELLATION AND PRORATION.] Except as provided in Minnesota Statutes, section 124.14, subdivision 7, none of the amounts appropriated in this section shall be expended for a purpose other than the purpose indicated. If the appropriation amount attributable to either year for the purpose indicated plus the amount of any transfers made according to Minnesota Statutes, section 124.14, subdivision 7, is insufficient, the aid for that year shall be prorated among all qualifying districts, and the state shall not be obligated for any amount in excess of the appropriations in this section for these purposes.

Sec. 38. [APPROPRIATIONS; BOARD OF TEACHING.]

Subdivision 1. There is appropriated from the general fund to the board of teaching the sums indicated in this section. Any unexpended balance remaining from the appropriations in this section for 1988 does not cancel and is available for the second year of the biennium.

Subd. 2. [ASSESSMENT OF TEACHER PERFORMANCE.] For the purposes of designing an assessment procedure for the plan

required in Laws 1985, First Special Session chapter 12, article 8, section 48, there is appropriated:

\$166,000....1988.

\$166,000....1989.

Subd. 3. [TEACHER EDUCATION CURRICULUM.] For the purposes of section 14, there is appropriated:

\$200,000....1988.

The appropriation shall be available until the end of the biennium.

Subd. 4. [EXEMPLARY TEACHER EDUCATION PROGRAMS.] For development of exemplary teacher education programs under section 126.81, and dissemination and replication of program models:

\$135,000.....1988,

\$135,000.....1989.

Sec. 39. [REPEALER.]

Minnesota Statutes 1986, sections 129B.01, 129B.02, 129B.04, 129B.041, subdivision 4, 129B.05, 129B.35 and 129B.37 are repealed.

## ARTICLE 9

### LIBRARIES

Section 1. Minnesota Statutes 1986, section 134.10, is amended to read:

134.10 [BOARD VACANCIES; COMPENSATION.]

The library board president shall report vacancies in the board to the council or the board of county commissioners. The council or board of county commissioners shall fill the vacancies by appointment for the unexpired term. Library board members shall receive no compensation for their services but may be reimbursed for actual and necessary traveling expenses incurred in the discharge of library board duties and activities or a per diem allowance according to section 375.47 in place of the expenses.

Sec. 2. [134.341] [COUNTY FINANCIAL SUPPORT.]

In order to ensure the availability of public library service to every person in the state, beginning January 1, 1989, every county shall provide financial support for public library services at no less than minimum amounts as specified in sections 134.33 and 134.34 and shall participate in the designated regional public library system to which it is assigned by the state board of education under section 134.34, subdivision 3. Each county board of commissioners shall appoint at least one county resident to serve as a representative to the regional public library system board and may appoint more than one representative under terms and conditions of the regional public library system contract.

Sec. 3. [APPROPRIATION.]

Subdivision 1. [DEPARTMENT OF EDUCATION.] There is appropriated from the general fund to the department of education the sums indicated in this section for the fiscal years ending June 30 in the years designated.

Subd. 2. [BASIC SUPPORT GRANTS.] For basic support grants pursuant to sections 134.32 to 134.35 for the provision of library service there is appropriated:

\$4,899,680.....1988,

\$4,974,800.....1989.

The appropriation for 1988 includes \$671,100 for aid for fiscal year 1987 payable in fiscal year 1988, and \$4,228,580 for aid for fiscal year 1988 payable in fiscal year 1988.

The appropriation for 1989 includes \$746,220 for aid for fiscal year 1988 payable in fiscal year 1989 and \$4,228,580 for aid for fiscal year 1989 payable in fiscal year 1989.

The appropriations are based on aid entitlements of \$4,974,800 for fiscal year 1988 and \$4,974,800 for fiscal year 1989.

Subd. 3. [MULTICOUNTY, MULTITYPE LIBRARY SYSTEMS.] For grants pursuant to sections 134.353 and 134.354 to multicounty, multitype library systems there is appropriated:

\$216,800.....1988,

\$221,500.....1989.

The appropriation for 1988 includes \$28,500 for aid for fiscal year 1987 payable in fiscal year 1988 and \$188,300 for aid for fiscal year 1988 payable in fiscal year 1988.

The appropriation for 1989 includes \$33,200 for fiscal year 1988 payable in fiscal year 1989, and \$188,300 for aid for fiscal year 1989 payable in fiscal year 1989.

The appropriations are based on aid entitlements of \$221,500 for fiscal year 1988 and \$221,500 for fiscal year 1989.

Subd. 4. [ONLINE COMPUTER-BASED LIBRARY CATALOG SYSTEM.] For the installation of an online computer-based library catalog system in state agency libraries there is appropriated:

\$250,000.....1988.

This sum shall be available until June 30, 1989.

To implement this subdivision, the department of education office of library development and services may increase its complement by .5 position for fiscal years 1988 and 1989 only.

## ARTICLE 10

### DEPARTMENT OF EDUCATION, MINNESOTA SCHOOL AND RESOURCE CENTER FOR THE ARTS, STATE ACADEMIES FOR THE BLIND AND DEAF

Section 1. Minnesota Statutes 1986, section 43A.08, subdivision 1, is amended to read:

- (a) Chosen by election or appointed to fill an elective office;
- (b) Heads of agencies required by law to be appointed by the governor or other elective officers, and the executive or administrative heads of departments, bureaus, divisions and institutions specifically established by law in the unclassified service;
- (c) Deputy and assistant agency heads, and one confidential secretary in the agencies listed in subdivision 1a;
- (d) The confidential secretary to each of the elective officers of this state and, for the secretary of state, state auditor, and state treasurer, an additional deputy, clerk, or employee;
- (e) Intermittent help employed by the commissioner of public safety to assist in the issuance of vehicle licenses;

(f) Employees in the offices of the governor and of the lieutenant governor, and one confidential employee for the governor in the office of the adjutant general;

(g) Employees of the legislature and of legislative committees or commissions; provided that employees of the legislative audit commission, except for the legislative auditor, the deputy legislative auditors, and their confidential secretaries, shall be employees in the classified service;

(h) Presidents, vice presidents, deans, other managers and professionals in academic and academic support programs, administrative or service faculty, teachers, research assistants and student employees eligible under terms of the federal economic opportunity act work study program in the school and resource center for the arts, state universities and community colleges. This paragraph shall not be construed to include the custodial, clerical or maintenance employees, or any professional or managerial employee performing duties in connection with the business administration of these institutions.

(i) Officers and enlisted persons in the national guard;

(j) Attorneys, legal assistants, examiners, and three confidential employees appointed by the attorney general or employed with the attorney general's authorization;

(k) Judges and all employees of the judicial branch, referees, receivers, jurors, and notaries public, except referees and adjusters employed by the department of labor and industry;

(l) Members of the state patrol; provided that selection and appointment of state patrol troopers shall be made in accordance with applicable laws governing the classified service;

(m) Chaplains employed by the state;

(n) Examination monitors and intermittent training instructors employed by the departments of employee relations and commerce;

(o) Student workers; and

(p) Employees unclassified pursuant to other statutory authority.

Sec. 2. Minnesota Statutes 1986, section 43A.08, subdivision 1a, is amended to read:

Subd. 1a. [ADDITIONAL UNCLASSIFIED POSITIONS.] Appointing authorities for the following agencies may designate additional unclassified positions according to this subdivision: the

departments of administration; agriculture; commerce; corrections; jobs and training; education; employee relations; energy and economic development; finance; health; human rights; labor and industry; natural resources; office of administrative hearings; public safety; public service; public welfare; revenue; transportation; and veterans affairs; the housing finance, state planning, and pollution control agencies; the state board of investment; the offices of the secretary of state, state auditor, and state treasurer; and the state board of vocational technical education; and the school and resource center for the arts.

A position designated by an appointing authority according to this subdivision must meet the following standards and criteria:

(a) the designation of the position would not be contrary to other law relating specifically to that agency;

(b) the person occupying the position would report directly to the agency head or deputy agency head and would be designated as part of the agency head's management team;

(c) the duties of the position would involve significant discretion and substantial involvement in the development, interpretation, and implementation of agency policy;

(d) the duties of the position would not require primarily personnel, accounting, or other technical expertise where continuity in the position would be important;

(e) there would be a need for the person occupying the position to be accountable to, loyal to, and compatible with the governor and the agency head, or the employing constitutional officer;

(f) the position would be at the level of division or bureau director or assistant to the agency head; and

(g) the commissioner has approved the designation as being consistent with the standards and criteria in this subdivision.

Sec. 3. Minnesota Statutes 1986, section 43A.18, subdivision 4, is amended to read:

Subd. 4. [PLANS NOT ESTABLISHED BUT APPROVED BY COMMISSIONER.] Notwithstanding any other law to the contrary, total compensation for employees listed in this subdivision shall be set by appointing authorities within the limits of compensation plans that have been approved by the commissioner before becoming effective.

(a) Total compensation for employees who are not covered by a collective bargaining agreement in the offices of the governor, attorney general, secretary of state, state auditor and state treasurer shall be determined by the governor, attorney general, secretary of state, state auditor and state treasurer, respectively.

(b) Total compensation for unclassified positions pursuant to section 43A.08, subdivision 1, clause (h), in the higher education coordinating board, and in the state board of vocational technical education shall be determined by the state university board and the state board for community colleges, the board of the school and resource center for the arts, the higher education coordinating board, and the state board of vocational technical education, respectively.

(c) Total compensation for classified administrative law judges in the office of administrative hearings shall be determined by the chief administrative law judge.

Sec. 4. [128A.08] [SERVICE, SEMINAR, AND CONFERENCE FEES.]

Subdivision 1. [DEPOSIT; CREDIT.] Fees and rental income, excluding rent for land and living residences, collected by the Minnesota state academy for the deaf and the Minnesota state academy for the blind for services, seminars, and conferences must be deposited in the state treasury and credited to the academies' revolving fund.

Subd. 2. [ADMINISTRATOR'S VOUCHERS.] Money may be paid from the academies' revolving fund only by vouchers authorized by the academies' administrator and is appropriated to the academies' administrator to defray expenses of the services, seminars, and conferences.

Sec. 5. Minnesota Statutes 1986, section 129C.10, subdivision 1, is amended to read:

Subdivision 1. [GOVERNANCE.] The board of the Minnesota school of and resource center for the arts and resource center shall consist of 15 persons. The members of the board shall be appointed by the governor with the advice and consent of the senate. At least one member must be appointed from each congressional district.

Sec. 6. Minnesota Statutes 1986, section 129C.10, subdivision 3, is amended to read:

Subd. 3. [POWERS AND DUTIES OF BOARD.] The board has the powers necessary for the care, management, and control of the Minnesota school of and resource center for the arts and resource

~~center~~ and all its real and personal property. The powers shall include, but are not limited to, the following:

(1) to employ and discharge necessary employees, and contract for other services to ensure the efficient operation of the school and resource center;

(2) to establish a charitable foundation and accept, in trust or otherwise, any gift, grant, bequest, or devise for educational purposes and hold, manage, invest, and dispose of them and the proceeds and income of them according to the terms and conditions of the gift, grant, bequest, or devise and its acceptance;

(3) to establish or coordinate evening, continuing education, extension, and summer programs through the resource center for teachers and pupils;

~~(4) to develop and pilot test an interdisciplinary education program. An academic curriculum must be offered with special programs in dance, literary arts, media arts, music, theater, and visual arts in both the popular and fine arts traditions;~~

(4) to identify students in grades 9 to 12 with demonstrated or underdeveloped artistic talent in dance, literary arts, media arts, music, theatre and visual arts, or a combination of one or more art forms;

(5) to educate students with artistic talent by providing a variety of curriculum options including:

(a) a pilot interdisciplinary academic and arts program for students in grades 11 to 12, beginning with 135 11th grade students in September 1989, and 135 11th grade students and 135 12th grade students in September 1990;

(b) one and two-week long intensive arts seminars for 9th and 10th grade students;

(c) summer arts institutes for students in grades 9 to 12;

(d) artist mentor and extension programs in regional sites; and

(e) teacher education programs for indirect curriculum delivery.

~~(5) (6) to determine the location for the Minnesota school of and resource center for the arts and resource center and any additional facilities related to the school, including the authority to lease a temporary facility;~~

(6) (7) to plan for the enrollment of enroll pupils, beginning in the 1989-1990 school year, to ensure statewide access and participation;

(7) (8) to establish advisory committees as needed to advise the board on policies and issues; and

(8) (9) to request the commissioner of education for assistance and services;

(10) to enter into contracts with other public and private agencies and institutions to provide residential and building maintenance services if it determines that these services could thus be provided in a more efficient and less expensive manner. The board may also enter into contracts with public and private agencies and institutions, school districts or combinations thereof, and educational cooperative service units to provide supplementary educational instruction and services;

(11) to provide and contract for services and programs by and for the school and resource center for the arts including: a school store, operated in connection with the school; theatrical events; and other programs and services that serve the purposes of the school and resource center for the arts, as determined by the board;

(12) to provide for the transportation of pupils to and from the school and resource center for the arts, and notwithstanding any other law to the contrary, to charge a reasonable fee for the transportation, for the whole or part of the school year, as it may consider advisable, subject to its rules. Every driver shall possess all the qualifications required by the rules of the state board of education. The board may contract for the furnishing of authorized transportation under rules established by the commissioner of education, and may purchase gasoline and furnish the same to a contract carrier for use in the performance of a contract with the board for transportation of pupils to and from the school and resource center for the arts. When transportation is provided, scheduling of routes, establishment of the location of bus stops, manner and method of transportation, control and discipline of pupils, and any other related matter is within the sole discretion, control, and management of the board;

(13) to spend a reasonable amount for room and board of pupils whose attendance at school can more economically and conveniently be provided for by that means; and

(14) to establish and charge fees without regard to chapter 14 for services and programs. In the event that the board sets fees not authorized or prohibited by the Minnesota public school fee law, it may do so without complying with the requirements of section 120.75, subdivision 1.

Sec. 7. Minnesota Statutes 1986, section 129C.10, is amended by adding a subdivision to read:

Subd. 3a. [SCHOOL AND RESOURCE CENTER FOR ARTS FUND.] There is established in the state treasury a school and resource center for the arts fund. All money collected by the board shall be deposited in the fund. Money in the fund including interest earned is annually appropriated to the board for the operation of its services and programs.

Sec. 8. Minnesota Statutes 1986, section 129C.10, subdivision 4, is amended to read:

Subd. 4. [EMPLOYEES.] (a) (1) The board shall appoint a director of the school and resource center for the arts and resource center who shall serve in the unclassified service.

(2) The board shall employ, upon recommendation of the director, a coordinator of the resource center who shall serve in the unclassified service.

(3) The board shall employ, upon recommendation of the director, up to six department chairs who shall serve in the unclassified service. The chairs shall be licensed teachers unless no licensure exists for the subject area or discipline for which the chair is hired.

(4) The board may employ other necessary employees, upon recommendation of the director.

(5) The board shall employ, upon recommendation of the director, an executive confidential secretary for the director, who shall serve in the unclassified service.

(b) The employees hired under this subdivision and other necessary employees hired by the board shall be state employees in the executive branch.

Sec. 9. Minnesota Statutes 1986, section 129C.10, is amended by adding a subdivision to read:

Subd. 4a. [ADMISSION AND CURRICULUM REQUIREMENTS GENERALLY.] (a) The board may adopt rules for admission to and discharge from the school and rules regarding the operation of the school and resource center, including the transportation of its pupils. Rules covering admission and discharge are governed by chapter 14. Rules regarding the operation of the school are not governed by chapter 14.

(b) Proceedings concerning admission to or discharge from the school, a pupil's program at the school, and a pupil's progress at the

school are governed by the rules adopted by the board and are not contested cases governed by chapter 14.

(c) Notwithstanding section 120.10, subdivision 1, the board may require pupils to attend school more than 1200 hours a school year.

Sec. 10. Minnesota Statutes 1986, section 129C.10, subdivision 5, is amended to read:

Subd. 5. [RESOURCE CENTER.] Beginning in the 1985-1986 school year, The resource center shall offer programs that are directed at improving arts education in elementary and secondary schools throughout the state. The programs offered shall include at least summer institutes offered to pupils in various regions of the state, in-service workshops for teachers, and leadership development programs for teachers. The board shall establish a resource center advisory council composed of elementary and secondary arts educators, representatives from post-secondary educational institutions, department of education, state arts board, regional arts councils, educational cooperative service units, school district administrators, parents, and other organizations involved in arts education. The advisory council shall include representatives from a variety of arts disciplines and from various areas of the state. The advisory council shall advise the board about the activities of the center. Programs offered through the resource center shall promote and develop arts education programs offered by school districts and arts organizations and shall assist school districts and arts organizations in developing innovative programs. The board may contract with ~~nonprofit~~ arts organizations to provide programs through the resource center. The advisory council shall advise the board on contracts and programs related to the operation of the resource center.

Sec. 11. Minnesota Statutes 1986, section 129C.10, subdivision 6, is amended to read:

Subd. 6. [PUBLIC POST-SECONDARY INSTITUTIONS; PROVIDING SPACE.] Public post-secondary institutions shall provide space for programs offered by the Minnesota school of and resource center for the arts and resource center at no cost to the Minnesota school of and resource center for the arts and resource center to the extent that space is available at the public post-secondary institutions.

Sec. 12. [DEPARTMENT OF EDUCATION; APPROPRIATIONS.]

Subdivision 1. There is appropriated from the general fund, unless otherwise indicated, to the department of education for operation of the agency the sums indicated in this section for the fiscal years ending June 30 in the years designated. The approved complement is:

<u>State</u>	-	<u>1988</u>	=	<u>228.5</u>
		<u>1989</u>	=	<u>226.8</u>
<u>Federal</u>	-	<u>1988</u>	=	<u>146.4</u>
		<u>1989</u>	=	<u>146.4</u>
<u>Other</u>	-	<u>1988</u>	=	<u>10.5</u>
		<u>1989</u>	=	<u>10.5</u>
<u>Total</u>	-	<u>1988</u>	=	<u>385.4</u>
		<u>1989</u>	=	<u>383.7</u>

If necessary, the commissioner, with the approval of the commissioner of finance, may transfer complement between these categories not to exceed the total for each year.

The commissioner of education, with the approval of the commissioner of finance, may transfer unencumbered balances among the programs during the biennium. Transfers must be reported immediately to the house education finance division and the senate education aids subcommittee. During the biennium, the commissioner of education may transfer money among the various object of expenditure categories and activities within each program, unless restricted by executive order.

Subd. 2. [EDUCATION SERVICES.]

\$7,010,500.....1988,

\$6,938,000.....1989.

\$60,000 each year is from the public health fund. \$20,700 each year is from the trunk highway fund.

\$157,500 in 1988 and \$67,800 in 1989 is for providing appropriate and comprehensive information to school children about acquired immune deficiency syndrome.

The Governor's Council on Youth is discontinued.

\$50,000 each year is for support of the department's additional responsibilities related to youth. The complement of the department includes one additional position in the community education section for this purpose.

The complement of the secondary vocational section is reduced by two.

Subd. 3. [EDUCATION ADMINISTRATION AND FINANCE.]

\$5,208,800.....1988,

\$5,218,600.....1989.

\$205,000 each year is for management assistance. The complement of the department includes two additional positions for this purpose.

The commissioner of education shall maintain no more than six total complement in the categories of commissioner, deputy commissioner, assistant commissioner, assistant to the commissioner, or executive assistant.

Sec. 13. [SCHOOL AND RESOURCE CENTER FOR THE ARTS.]

There is appropriated from the general fund to the school and resource center for the arts the sums indicated in this section for the fiscal years ending June 30 in the years designated.

\$2,156,200.....1988,

\$2,677,700.....1989.

The approved complement is:

<u>State</u>	-	<u>1988</u>	=	<u>14</u>
		<u>1989</u>	=	<u>21</u>

If necessary, the director, with the approval of the commissioner of finance, may assign additional complement to carry out the operation of the school and resource center.

During the biennium, the director may transfer money among the various object of expenditure categories and activities within each program, unless restricted by executive order.

This appropriation is for continued operation of the resource center and continuation of planning for the start-up of the school in fiscal year 1990.

Sec. 14. [FARIBAULT ACADEMIES.]

There is appropriated from the general fund to the state board of education the sums indicated in this section for the operation of the Faribault academies in the fiscal years ending June 30 in the years designated.

\$6,265,400.....1988,

\$6,247,400.....1989.

The approved complement is:

<u>State</u>	-	1988	=	182.5
		1989	=	182.5
<u>Federal</u>	-	1988	=	8.0
		1989	=	7.0
<u>Total</u>	-	1988	=	190.5
		1989	=	189.5

If necessary, the state board, with the approval of the commissioner of finance, may transfer complement between categories.

Up to \$110,300 in 1988 and up to \$112,500 in 1989 is for repairs, replacements, and betterment.

Up to \$54,400 in 1988 and up to \$55,500 in 1989 is for repair and purchase of equipment.

Any unexpended balance remaining for repairs, replacements, betterments, and repair and purchase of equipment in 1988 shall not cancel but is available in 1989."

Delete the title and insert:

"A bill for an act relating to education; providing aids to education, aids to libraries, appropriations to the state academies for the deaf and blind, school and resource center for the arts, and the department of education; changing secondary pupil unit weighting; establishing a formula equity allowance; changing the calculation of special education aid; increasing the community education formula; establishing a fringe benefit program; changing the capital expenditure formula; changing the secondary vocational funding formula; establishing milk program aid; increasing desegregation levies and appropriating desegregation aid; appropriating money; amending Minnesota Statutes 1986, sections 43A.08, subdivisions 1 and 1a; 43A.18, subdivision 4; 118.12; 118.13; 118.14; 120.03, subdivision 1; 120.0752, by adding a subdivision; 120.17, subdivisions 1, 2, 3, 3a, 3b, 5, 7a, 12, and by adding subdivisions; 121.609, subdivision 4; 121.612, subdivisions 3, 5, and by adding subdivisions; 121.87, subdivision 1 and by adding a subdivision; 121.88, subdivision 2 and by adding a subdivision; 121.935, subdivision 6; 121.936, subdivision 1; 122.541, subdivision 2; 123.36, subdivision 13; 123.39, subdivision 1 and by adding a subdivision; 123.58, subdivisions 6 and 8a; 123.705, subdivision 1; 124.05, subdivision 1; 124.17, subdivisions 1 and 1a; 124.195, subdivision 9; 124.2138, subdivision 4, and by adding a subdivision; 124.2162, by adding a subdivision; 124.223; 124.225, subdivisions 1, 4b, 7b, 8a, 8i, 10, and by adding a subdivision; 124.245, subdivisions 1, 3, and by adding subdivisions; 124.246, subdivision 2; 124.247, subdivision 3, and by adding a subdivision; 124.252, subdivision 3; 124.271, subdivision 2b; 124.2711, subdivision 1; 124.272, subdivision 1; 124.273, subdivision 1b, and by adding subdivisions; 124.275, subdivision 2; 124.32;

124.481; 124.524, by adding a subdivision; 124.573; 124.574, subdivisions 2b, 3, 4, and by adding subdivisions; 124.646, subdivision 1; 124A.01; 124A.02, subdivisions 7, 8, 9, 16, and by adding subdivisions; 124A.03, subdivisions 1a, 3, and by adding a subdivision; 124A.033, subdivision 2; 124A.036, by adding a subdivision; 124A.06; 124A.08, subdivisions 1, 3a, and 5; 124A.10, subdivision 1, and by adding a subdivision; 124A.12, subdivision 1; 124A.14, subdivision 4; 125.03, subdivision 5; 125.05, subdivision 1; 125.185, subdivision 4; 125.611, subdivisions 10, 11, 12, and 13; 126.02, subdivision 2; 126.48, by adding a subdivision; 126.56, subdivisions 3 and 6; 126.65; 126.66, subdivisions 1, 6, and by adding subdivisions; 126.67, subdivisions 1, 1a, 2a, 3a, 6, and 9; 126.81, subdivision 2; 129B.041, subdivisions 1 and 3; 129B.17; 129B.20, subdivision 1; 129B.21; 129C.10, subdivisions 1, 3, 4, 5, 6, and by adding subdivisions; 134.10; 136D.27; 136D.71; 136D.74, subdivision 2; 136D.87; 275.125, subdivisions 5, 6e, 8c, 9, 11a, 11c, and by adding subdivisions; Laws 1984, chapter 463, article 6, section 15, subdivision 1; Laws 1986, First Special Session chapter 1, article 5, section 9; proposing coding for new law in Minnesota Statutes, chapters 43A; 121; 122; 123; 124; 124A; 125; 126; 128A; 129B; and 134; repealing Minnesota Statutes 1986, sections 120.17, subdivision 13; 123.937; 124.05, subdivision 2; 124.185; 124.2161; 124.2162; 124.2163; 124.225, subdivision 1a; 124.273, subdivision 2b; 124A.20; 125.611, subdivisions 8 and 9; 129B.01; 129B.02; 129B.04; 129B.041, subdivision 4; 129B.05; 129B.35; 129B.37; and 275.125, subdivision 5d.”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 793, A bill for an act relating to public meetings; requiring certain notice for all meetings; permitting certain remedies for violations; providing penalties; amending Minnesota Statutes 1986, section 471.705, subdivisions 1b, 2, and by adding subdivisions.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1986, section 471.705, is amended by adding a subdivision to read:

Subd. 1c. [NOTICE OF MEETINGS.] (a) [REGULAR MEETINGS.] A schedule of the regular meetings of a public body shall be kept on file at its primary offices. If a public body decides to hold a regular meeting at a time or place different from the time or place

stated in its schedule of regular meetings, it shall give the same notice of the meeting that is provided in this subdivision for a special meeting.

(b) [SPECIAL MEETINGS.] For a special meeting, except an emergency meeting or a special meeting for which a notice requirement is otherwise expressly established by statute, the public body shall post written notice of the date, time, place and purpose of the meeting on the principal bulletin board of the public body, or if the public body has no principal bulletin board, on the door of its usual meeting room. The notice shall also be mailed or otherwise delivered to each person who has filed a written request for notice of special meetings with the public body. This notice shall be posted and mailed or delivered at least three days before the date of the meeting. As an alternative to mailing or otherwise delivering notice to persons who have filed a written request for notice of special meetings, the public body may publish the notice once, at least three days before the meeting, in the official newspaper of the public body or, if there is none, in a qualified newspaper of general circulation within the area of the public body's authority. A person filing a request for notice of special meetings may limit the request to notification of meetings concerning particular subjects, in which case the public body is required to send notice to that person only concerning special meetings involving those subjects. A public body may establish an expiration date for requests for notices of special meetings pursuant to this paragraph and require refiling of the request once each year. Not more than 60 days before the expiration date of a request for notice, the public body shall send notice of the refiling requirement to each person who filed during the preceding year.

(c) [EMERGENCY MEETINGS.] For an emergency meeting, the public body shall make good faith efforts to provide notice of the meeting to each news medium that has filed a written request for notice if the request includes the news medium's telephone number. Notice of the emergency meeting shall be given by telephone or by any other method used to notify the members of the public body. Notice shall be provided to each news medium which has filed a written request for notice as soon as reasonably practicable after notice has been given to the members. Notice shall include the subject of the meeting. Posted or published notice of an emergency meeting shall not be required. An "emergency" meeting is a special meeting called because of circumstances that, in the judgment of the public body, require immediate consideration by the public body. If matters not directly related to the emergency are discussed or acted upon at an emergency meeting, the minutes of the meeting shall include a specific description of the matters.

(d) [RECESSED OR CONTINUED MEETINGS.] If a meeting is a recessed or continued session of a previous meeting, and the time and place of the meeting was established during the previous meeting and recorded in the minutes of that meeting, then no

further published or mailed notice is necessary. For purposes of this clause, the term "meeting" includes a public hearing conducted pursuant to chapter 429 or any other law or charter provision requiring a public hearing by a public body.

(e) [CLOSED MEETINGS.] The notice requirements of this subdivision apply to closed meetings.

(f) [STATE AGENCIES.] For a meeting of an agency, board, commission, or department of the state, (i) the notice requirements of this subdivision apply only if a statute governing meetings of the agency, board or commission does not contain specific reference to the method of providing notice, and (ii) all provisions of this subdivision relating to publication shall be satisfied by publication in the state register.

(g) [ACTUAL NOTICE.] If a person receives actual notice of a meeting of a public body at least 24 hours before the meeting, all notice requirements of this subdivision are satisfied with respect to that person, regardless of the method of receipt of notice.

(h) [LIABILITY.] No fine or other penalty may be imposed on a member of a public body for a violation of this subdivision unless it is established that the violation was willful and deliberate by the member."

Delete the title and insert:

"A bill for an act relating to public meetings; requiring certain notice for all meetings; amending Minnesota Statutes 1986, section 471.705, by adding a subdivision."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Otis from the Committee on Economic Development and Housing to which was referred:

H. F. No. 929, A bill for an act relating to economic development; authorizing the energy and economic development authority to make loans and grants and to guarantee loans to small business investment companies; authorizing the issuance of general obligation bonds of the state; appropriating money; amending Minnesota Statutes 1986, sections 116M.03, subdivisions 10, 11, and by adding

subdivisions; 116M.06, subdivisions 1, 2, and 4; and 116M.07, subdivision 1, and by adding a subdivision.

Reported the same back with the following amendments:

Page 7, line 35, after "\$" insert "5,000,000"

Page 7, line 36, after "business" insert "investment"

Page 7, line 36, after "\$" insert "500,000"

Page 8, line 2, after "\$" insert "1,000,000"

Page 8, line 3, after "\$" insert "250,000"

Page 8, delete sections 10 and 11

Amend the title as follows:

Page 1, line 5, delete "authorizing the"

Page 1, delete line 6

Page 1, line 7, delete "appropriating money;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 1069, A bill for an act relating to crimes; permitting evidence showing a tendency to fabricate allegations of sexual assault; requiring three days' notice of intent to introduce evidence of victim's prior sexual conduct; amending Minnesota Statutes 1986, section 609.347, subdivisions 3, 4, and 6.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 1070, A bill for an act relating to crimes; criminal sexual conduct; creating a crime of fifth degree criminal sexual conduct;

amending Minnesota Statutes 1986, section 609.341, subdivision 11; proposing coding for new law in Minnesota Statutes, chapter 609.

Reported the same back with the following amendments:

Page 2, line 22, delete "two years" and insert "one year"

Page 2, line 23, delete "\$5,000" and insert "\$3,000"

Page 2, after line 23, insert:

"Subd. 3. [PROSECUTING ATTORNEY.] The county attorney shall prosecute violations of this section."

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 1071, A bill for an act relating to crimes; criminal sexual conduct; clarifying the definition of "mentally incapacitated"; providing that criminal sexual contact requires sexual or aggressive intent; amending Minnesota Statutes 1986, section 609.341, subdivisions 7 and 11.

Reported the same back with the following amendments:

Page 1, line 14, after "substance" insert a comma

Page 2, after line 27, insert:

"Sec. 3. Minnesota Statutes 1986, section 609.341, subdivision 14, is amended to read:

Subd. 14. "Coercion" means words or circumstances that cause the complainant reasonably to fear that the actor will inflict bodily harm upon, or hold in confinement, the complainant or another, or force the complainant to submit to sexual penetration or contact, but proof of coercion does not require proof of a specific act or threat."

Page 2, line 28, delete "3" and insert "4"

Page 2, line 29, delete "and 2" and insert "to 3"

Amend the title as follows:

Page 1, line 5, after the semicolon insert "expanding the definition of coercion;"

Page 1, line 6, delete "and" and insert a comma and after "11" insert ", and 14"

With the recommendation that when so amended the bill pass.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1150, A bill for an act relating to the city of Hermantown; extending the period that land held by the city for economic development is exempt from tax.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Greenfield from the Committee on Health and Human Services to which was referred:

H. F. No. 1187, A bill for an act relating to state government; establishing the economic opportunity office; providing for the appointment of an advisory council; proposing coding for new law in Minnesota Statutes, chapter 268.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 1278, A bill for an act relating to custody; providing that evidence of domestic abuse is relevant to determinations of custody; amending Minnesota Statutes 1986, sections 518.17, subdivision 1; and 518B.01, by adding a subdivision.

Reported the same back with the following amendments:

Page 2, line 10, after "518B.01" insert ", subdivision 2, paragraph (a)"

Page 2, line 16, delete "BINDING"

With the recommendation that when so amended the bill pass.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1344, A bill for an act relating to the city of Sabin; providing for apportionment of debt service levy in rural and urban service districts in the city; permitting inclusion of platted land in a rural service district in the city.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 1511, A bill for an act relating to statutes; conforming various laws to judicial decisions of unconstitutionality and suggestions for clarity; amending Minnesota Statutes 1986, sections 169.121, subdivision 4; 179A.20, subdivision 4; 197.46; 268.04, subdivisions 26 and 29; 268.06, subdivision 5; 340A.501; and 352B.15; repealing Minnesota Statutes 1986, sections 466.03, subdivision 2; 487.39; and 595.04.

Reported the same back with the following amendments:

Pages 1 and 2, delete section 1

Pages 5 to 7, delete sections 4 to 7

Renumber the remaining sections in sequence

Amend the title as follows:

Page 1, line 5, delete "169.121, subdivision 4;"

Page 1, line 6, delete everything after the second semicolon

Page 1, line 7, delete everything before "and"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

S. F. No. 44, A bill for an act relating to highways; abolishing restrictions on disposition of right-of-way of trunk highway No. 15 in St. Cloud; repealing Laws 1986, chapter 387, section 2.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

S. F. No. 53, A bill for an act relating to municipal liability; providing for indemnification of employees for punitive damages; amending Minnesota Statutes 1986, sections 466.06; and 466.07, subdivision 1; repealing Minnesota Statutes 1986, section 466.07, subdivisions 1a, 2, and 4.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

S. F. No. 131, A bill for an act relating to transportation; authorizing commissioner of transportation and local road authorities to reduce speed limits in work zones; amending Minnesota Statutes 1986, section 169.14, by adding a subdivision.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

S. F. No. 136, A bill for an act relating to transportation; school bus safety; providing for amber proceed-with-caution signal for driver-

activated student control warning systems; amending Minnesota Statutes 1986, section 169.44, subdivision 1d.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

S. F. No. 409, A bill for an act relating to child abuse reporting; requiring mandated reporters to report certain past occurrences of child abuse or neglect; requiring the commissioner to investigate reports of past occurrences of child abuse or neglect in a facility; amending Minnesota Statutes 1986, section 626.556, subdivisions 3, 6, and 10b.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

S. F. No. 456, A bill for an act relating to controlled substances; prescribing "small amount" of marijuana; clarifying certain Schedule II controlled substances; prescribing amount of marijuana for possession in a motor vehicle; amending Minnesota Statutes 1986, sections 152.01, subdivision 16; 152.02, subdivision 3; and 152.15, subdivision 2.

Reported the same back with the following amendments:

Amend the title as follows:

Page 1, line 2, delete "prescribing" and insert "defining"

Page 1, line 3, before the semicolon, insert "when measured under the metric system"

Page 1, line 4, delete "prescribing" and insert "defining"

Page 1, line 5, before the semicolon, insert "when measured under the metric system"

With the recommendation that when so amended the bill pass.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

S. F. No. 470, A bill for an act relating to the city of Duluth and the county of St. Louis; authorizing the filing of the plat of Spirit Valley.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

S. F. No. 480, A bill for an act relating to the city of Duluth; authorizing the city to prepare, adopt, and amend design districts and a design framework to establish a design advisory committee, and to establish design review procedures to preserve and enhance the city's appearance and environmental quality.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

S. F. No. 725, A bill for an act relating to local government; removing limitations on tax adjustments related to annexations; amending Minnesota Statutes 1986, section 414.035.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Battaglia from the Committee on Local and Urban Affairs to which was referred:

S. F. No. 1067, A bill for an act relating to local government; providing for the discharge of charter commissions; amending Minnesota Statutes 1986, section 410.05, by adding a subdivision.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Vanasek from the Committee on Rules and Legislative Administration to which was referred:

House Concurrent Resolution No. 8, A House concurrent resolution commemorating the life and work of John Mariucci.

Reported the same back with the recommendation that the resolution be adopted.

The report was adopted.

### **SECOND READING OF HOUSE BILLS**

H. F. Nos. 624, 674, 730, 929, 1069, 1070, 1071, 1187, 1278 and 1511 were read for the second time.

### **SECOND READING OF SENATE BILLS**

S. F. Nos. 44, 53, 136, 409, 456, 470, 480, 725 and 1067 were read for the second time.

### **INTRODUCTION AND FIRST READING OF HOUSE BILLS**

The following House Files were introduced:

O'Connor, Bishop, Ogren, Trimble and Milbert introduced:

H. F. No. 1605, A bill for an act relating to state government; providing for leveling of playing fields.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Knuth and Voss introduced:

H. F. No. 1606, A bill for an act relating to taxation; requiring a registration certificate for park trailers; imposing a registration tax on park trailers; requiring unregistered park trailers to pay property tax; imposing motor vehicle excise tax on park trailers; providing that motor vehicle dealers may sell park trailers; amending Minnesota Statutes 1986, sections 168.011, subdivisions 4 and 8; 168.012, subdivision 9; 168.013, subdivision 1, and by adding a subdivision; 168.053, subdivision 2; 168.27, subdivision 1; and 297B.01, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 168.

The bill was read for the first time and referred to the Committee on Taxes.

Vanasek introduced:

H. F. No. 1607, A bill for an act relating to elections; limiting campaign expenditures by congressional candidates who choose to receive a public subsidy for their campaigns; making related changes in the ethics in government act; imposing penalties; amending Minnesota Statutes 1986, sections 10A.01, subdivisions 7, 10, 10b, 15, and by adding subdivisions; 10A.25, subdivision 10, and by adding subdivisions; 10A.255; 10A.27, by adding a subdivision; 10A.275; 10A.28; 10A.30, subdivision 2; 10A.31, subdivisions 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, and by adding subdivisions; 10A.33; 10A.335; and 290.06, subdivision 11; proposing coding for new law in Minnesota Statutes, chapter 10A; repealing Minnesota Statutes 1986, sections 10A.02, subdivision 11a; 10A.25, subdivision 7; 10A.27, subdivision 5; and 10A.32.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Kelso; Nelson, D.; Schreiber; Seaberg and Knuth introduced:

H. F. No. 1608, A bill for an act relating to taxation; providing for computation of the metropolitan transit tax reduction for certain cities and towns; amending Minnesota Statutes 1986, section 473.446, subdivision 1.

The bill was read for the first time and referred to the Committee on Metropolitan Affairs.

Olsen, S., and McPherson introduced:

H. F. No. 1609, A bill for an act relating to education; requiring the state board of education to recommend a definition of the secondary education foundation program to which every Minnesota secondary student will have access; requiring the state board of education to solicit public participation; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 124A.

The bill was read for the first time and referred to the Committee on Education.

Wenzel introduced:

H. F. No. 1610, A bill for an act relating to public employees; providing that public safety dispatchers are essential employees; amending Minnesota Statutes 1986, section 179A.03, subdivision 7.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Lasley; Peterson; Larsen; Carlson, D., and Jennings introduced:

H. F. No. 1611, A bill for an act relating to education; providing for capital improvements at the Cambridge Community College Center; providing for the issuance of state building bonds.

The bill was read for the first time and referred to the Committee on Appropriations.

Wenzel introduced:

H. F. No. 1612, A bill for an act relating to public administration; appropriating state money for public purposes during the 1987-1989 biennium, subject to certain conditions; eliminating and consolidating certain state agencies and departments; reducing the appropriations for certain state agencies and departments.

The bill was read for the first time and referred to the Committee on Appropriations.

## HOUSE ADVISORIES

The following House Advisories were introduced:

Lieder; Kalis; Begich; Johnson, V., and Tunheim introduced:

H. A. No. 23, A proposal to study maximum vehicle weights and the bridge formula.

The advisory was referred to the Committee on Transportation.

Hartle, Poppenhagen, Skoglund, Milbert and Blatz introduced:

H. A. No. 24, A proposal to study the operation of insurance guaranty associations.

The advisory was referred to the Committee on Financial Institutions and Insurance.

**MESSAGES FROM THE SENATE**

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 28, A bill for an act relating to financial institutions; extending the EFT law to terminals located on the premises of a financial institution; providing options for a financial institution relating to the availability of an electronic financial terminal for other financial institutions; permitting certain advertising relating to an electronic financial terminal; amending Minnesota Statutes 1986, sections 47.61, subdivision 3; 47.63; 47.64, subdivisions 1, 3, and 4; and 47.67.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to:

S. F. No. 38, A bill for an act relating to alcoholic beverages; permitting certain transactions by brewers and wholesalers; authorizing cities to issue temporary off-sale licenses for the sale of

vintage wine at auctions; amending Minnesota Statutes 1986, sections 340A.308; and 340A.405, by adding a subdivision.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Messrs. Spear, Luther and Anderson.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Jacobs moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 38. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to:

S. F. No. 397, A bill for an act relating to elections; setting times for changing election precincts and redistricting certain election districts; amending Minnesota Statutes 1986, sections 204B.14, subdivision 3; and 375.025, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 204B.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Ms. Peterson, D.C.; Messrs. Luther and Laidig.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Scheid moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 397. The motion prevailed.

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 494, 737, 793 and 1349.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 250, 916 and 1015.

PATRICK E. FLAHAVEN, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 494, A bill for an act relating to the Duluth airport authority; providing that authority employees hired after a certain date are not covered by any civil service system.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

S. F. No. 737, A bill for an act relating to health; requiring the board of medical examiners to release certain information about disciplinary investigations and proceedings; amending Minnesota Statutes 1986, section 147.01, subdivision 4.

The bill was read for the first time and referred to the Committee on Health and Human Services.

S. F. No. 793, A bill for an act relating to commerce; consumer protection; requiring the repair, refund, or replacement of new motor vehicles under certain circumstances; prescribing certain arbitration mechanisms for all automobile manufacturers doing business and offering express warranties on their vehicles sold in Minnesota; amending Minnesota Statutes 1986, section 325F.665.

The bill was read for the first time.

Begich moved that S. F. No. 793 and H. F. No. 845, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1349, A bill for an act relating to state departments and agencies; renaming the division of emergency services; amending Minnesota Statutes 1986, section 12.04.

The bill was read for the first time and referred to the Committee on Governmental Operations.

S. F. No. 250, A bill for an act relating to game and fish; requiring a firearms safety certificate to hunt big game with firearms and by archery; amending Minnesota Statutes 1986, sections 97A.451, subdivision 3; and 97B.015, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 97B.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

S. F. No. 916, A bill for an act relating to workers' compensation; providing a permanent partial disability rating for certain losses; proposing coding for new law in Minnesota Statutes, chapter 176.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

S. F. No. 1015, A bill for an act relating to public safety; regulating boilers and their operation; amending Minnesota Statutes 1986, sections 183.375, subdivision 2; 183.411, by adding a subdivision; 183.42; 183.545, subdivision 4; and 183.56; repealing Minnesota Statutes 1986, section 183.545, subdivision 5.

The bill was read for the first time.

Begich moved that S. F. No. 1015 and H. F. No. 1155, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

### CONSENT CALENDAR

H. F. No. 1371, A bill for an act relating to courts; specifying certain locations for holding court in Ramsey county; proposing coding for new law in Minnesota Statutes, chapter 488A.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 109 yeas and 10 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Krueger	Ozment	Skoglund
Anderson, R.	Gruenes	Larsen	Pappas	Solberg
Battaglia	Gutknecht	Lasley	Pauly	Sparby
Bauerly	Hartle	Lieder	Pelowski	Stanius
Beard	Haukoos	McEachern	Peterson	Steenasma
Begich	Heap	McLaughlin	Poppenhagen	Sviggum
Bertram	Himle	McPherson	Price	Swenson
Bishop	Hugoson	Miller	Quinn	Tompkins
Blatz	Jacobs	Minne	Redalen	Trimble
Boo	Jaros	Morrison	Reding	Tunheim
Brown	Jefferson	Murphy	Rest	Uphus
Burger	Jennings	Nelson, C.	Rice	Valento
Carlson, D.	Jensen	Nelson, D.	Richter	Vanasek
Carlson, L.	Johnson, A.	Nelson, K.	Rodosovich	Vellenga
Carruthers	Johnson, R.	Neuenschwander	Rose	Voss
Clark	Johnson, V.	O'Connor	Rukavina	Wagenius
Cooper	Kelly	Ogren	Sarna	Waltman
Dauner	Kelso	Olson, E.	Schoenfeld	Welle
DeBlicke	Kinkel	Olson, K.	Seaberg	Wenzel
Dorn	Kludt	Omann	Segal	Winter
Frederick	Knickerbocker	Orenstein	Shaver	Spk. Norton
Frerichs	Knuth	Otis	Simoneau	

Those who voted in the negative were:

Bennett	Forsythe	Olsen, S.	Quist	Thiede
Clausnitzer	McDonald	Onnen	Schafer	Tjornhom

The bill was passed and its title agreed to.

H. F. No. 904, A bill for an act relating to human services; requiring notification to spouse of nursing home resident; amending Minnesota Statutes 1986, section 256B.48, by adding a subdivision.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Blatz	Cooper	Frerichs	Hugoson
Anderson, R.	Boo	Dauner	Greenfield	Jacobs
Battaglia	Burger	DeBlicke	Gruenes	Jaros
Bauerly	Carlson, D.	Dempsey	Gutknecht	Jefferson
Beard	Carlson, L.	Dille	Hartle	Jennings
Begich	Carruthers	Dorn	Haukoos	Jensen
Bennett	Clark	Forsythe	Heap	Johnson, A.
Bertram	Clausnitzer	Frederick	Himle	Johnson, R.

Johnson, V.	McPherson	Orenstein	Rose	Thiede
Kahn	Milbert	Osthoff	Rukavina	Tjornhom
Kalis	Miller	Otis	Sarna	Tompkins
Kelly	Minne	Ozment	Schafer	Trimble
Kelso	Morrison	Pappas	Scheid	Tunheim
Kinkel	Munger	Pauly	Schoenfeld	Uphus
Kludt	Murphy	Pelowski	Schreiber	Valento
Knickerbocker	Nelson, C.	Peterson	Seaberg	Vanasek
Knuth	Nelson, K.	Poppenhagen	Segal	Vellenga
Krueger	Nelson, K.	Price	Shaver	Voss
Larsen	Neuenschwander	Quinn	Simoneau	Wagenius
Lasley	O'Connor	Quist	Skoglund	Waltman
Lieder	Ogren	Redalen	Solberg	Welle
Marsh	Olsen, S.	Reding	Sparby	Wenzel
McDonald	Olson, E.	Rest	Stanius	Winter
McEachern	Olson, K.	Rice	Steensma	Wynia
McKasy	Omann	Richter	Sviggum	Spk. Norton
McLaughlin	Onnen	Rodosovich	Swenson	

The bill was passed and its title agreed to.

S. F. No. 73 was reported to the House and given its third reading.

#### MOTION FOR RECONSIDERATION

Bishop moved that the action whereby S. F. No. 73 was given its third reading be now reconsidered. The motion prevailed.

Bishop moved to amend S. F. No. 73, as follows:

Page 1, line 19, after "take" insert "fish or"

The motion did not prevail and the amendment was not adopted.

S. F. No. 73, A bill for an act relating to game and fish; authorizing nonresident high school foreign exchange students to obtain resident licenses to take deer by archery; amending Minnesota Statutes 1986, section 97A.455.

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 114 yeas and 10 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Brown	DeBlicke	Gutknecht	Johnson, R.
Anderson, R.	Burger	Dempsey	Hartle	Johnson, V.
Battaglia	Carlson, D.	Dille	Heap	Kahn
Bauerly	Carlson, L.	Dorn	Himle	Kalis
Begich	Carruthers	Forsythe	Hugoson	Kelly
Bennett	Clark	Frederick	Jacobs	Kelso
Bertram	Clausnitzer	Frerichs	Jennings	Kinkel
Blatz	Cooper	Greenfield	Jensen	Kludt
Boo	Dauner	Gruenes	Johnson, A.	Knickerbocker

Knuth	Morrison	Pauly	Schreiber	Tompkins
Kostohryz	Munger	Pelowski	Seaberg	Trimble
Krueger	Murphy	Peterson	Segal	Tunheim
Larsen	Nelson, C.	Poppenhagen	Shaver	Uphus
Lasley	Nelson, D.	Price	Simoneau	Valento
Lieder	Neuenschwander	Redalen	Skoglund	Vellenga
Long	Ogren	Reding	Solberg	Voss
Marsh	Olsen, S.	Rest	Sparby	Wagenius
McDonald	Olsen, E.	Richter	Stanius	Waltman
McKasy	Olsen, K.	Rodosovich	Steenasma	Welle
McLaughlin	Omann	Rose	Sviggum	Wenzel
McPherson	Onnen	Schafer	Swenson	Winter
Miller	Ozment	Scheid	Thiede	Spk. Norton
Minne	Pappas	Schoenfeld	Tjornhom	

Those who voted in the negative were:

Beard	Haukoos	Jefferson	Milbert	Sarna
Bishop	Jaros	McEachern	Orenstein	Wynia

The bill was passed and its title agreed to.

### CALENDAR

H. F. No. 947, A bill for an act relating to state lands; authorizing private sales of certain tax-forfeited land in St. Louis county.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Frederick	Kostohryz	Olson, K.	Schafer
Battaglia	Frerichs	Krueger	Omann	Scheid
Bauerly	Greenfield	Larsen	Onnen	Schoenfeld
Beard	Gruenes	Lasley	Orenstein	Schreiber
Begich	Gutknecht	Lieder	Osthoff	Seaberg
Bennett	Hartle	Long	Otis	Segal
Bertram	Haukoos	Marsh	Ozment	Shaver
Bishop	Heap	McDonald	Pappas	Simoneau
Blatz	Himle	McEachern	Pauly	Skoglund
Boo	Hugoson	McKasy	Pelowski	Solberg
Brown	Jacobs	McLaughlin	Peterson	Sparby
Burger	Jaros	McPherson	Poppenhagen	Stanius
Carlson, D.	Jennings	Milbert	Price	Steenasma
Carlson, L.	Jensen	Miller	Quinn	Sviggum
Carruthers	Johnson, A.	Minne	Quist	Swenson
Clark	Johnson, R.	Morrison	Reding	Thiede
Clausnitzer	Johnson, V.	Munger	Rest	Tjornhom
Cooper	Kalis	Murphy	Rice	Tompkins
Dauner	Kelly	Nelson, C.	Richter	Trimble
DeBlicke	Kelso	Nelson, D.	Riveness	Tunheim
Dempsey	Kinkel	Nelson, K.	Rodosovich	Uphus
Dille	Kludt	Neuenschwander	Rose	Valento
Dorn	Knickerbocker	Ogren	Rukavina	Vanasek
Forsythe	Knuth	Olsen, S.	Sarna	Vellenga

Voss	Waltman	Wenzel	Wynia
Wagenius	Welle	Winter	Spk. Norton

Those who voted in the negative were:

Jefferson	Redalen
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The bill was passed and its title agreed to.

H. F. No. 561, A bill for an act relating to government data; providing for access to data by protection and advocacy systems; amending Minnesota Statutes 1986, section 13.89.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Gutknecht	Long	Otis	Skoglund
Battaglia	Hartle	Marsh	Ozment	Solberg
Bauerly	Haukoos	McDonald	Pappas	Sparby
Beard	Heap	McEachern	Pauly	Stanius
Begich	Himle	McKasy	Pelowski	Steensma
Bennett	Hugoson	McLaughlin	Peterson	Sviggum
Bertram	Jacobs	McPherson	Poppenhagen	Swenson
Blatz	Jaros	Milbert	Price	Thiede
Brown	Jefferson	Miller	Quinn	Tjornhom
Burger	Jennings	Minne	Quist	Tompkins
Carlson, D.	Jensen	Morrison	Redalen	Trimble
Carlson, L.	Johnson, A.	Munger	Reding	Tunheim
Carruthers	Johnson, R.	Murphy	Rest	Uphus
Clark	Johnson, V.	Nelson, C.	Rice	Valento
Clausnitzer	Kalis	Nelson, D.	Richter	Vanasek
Cooper	Kelly	Nelson, K.	Riveness	Vellenga
Dauner	Kelso	Neuenschwander	Rodosovich	Voss
DeBlicek	Kinkel	O'Connor	Rose	Wagenius
Dempsey	Kludt	Ogren	Rukavina	Waltman
Dille	Knickerbocker	Olsen, S.	Sarna	Welle
Dorn	Knuth	Olsen, E.	Schafer	Wenzel
Forsythe	Kostohryz	Olson, K.	Scheid	Winter
Frederick	Krueger	Omann	Schoenfeld	Wynia
Frerichs	Larsen	Onnen	Schreiber	Spk. Norton
Greenfield	Lasley	Orenstein	Seaberg	
Gruenes	Lieder	Osthoff	Shaver	

The bill was passed and its title agreed to.

H. F. No. 1225, A bill for an act relating to employment; requiring certain employers to make available a plan of health care coverage to all employees; proposing coding for new law in Minnesota Statutes, chapter 177.

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 72 yeas and 57 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Jefferson	McEachern	Otis	Solberg
Battaglia	Jennings	McLaughlin	Pappas	Swenson
Beard	Jensen	Minne	Peterson	Tompkins
Begich	Johnson, A.	Munger	Price	Trimble
Bishop	Johnson, R.	Murphy	Quinn	Vellenga
Carlson, D.	Kahn	Nelson, D.	Redalen	Voss
Carlson, L.	Kelly	Nelson, K.	Rice	Wagenius
Carruthers	Kinkel	Neuenschwander	Riveness	Welle
Clark	Kludt	O'Connor	Rodosovich	Wenzel
Cooper	Knuth	Ogren	Rukavina	Winter
Dorn	Larsen	Olsen, S.	Sarna	Wynia
Greenfield	Lasley	Olson, E.	Scheid	Spk. Norton
Gutknecht	Lieder	Olson, K.	Segal	
Jacobs	Long	Orenstein	Simoneau	
Jaros	Marsh	Osthoff	Skoglund	

Those who voted in the negative were:

Anderson, R.	Forsythe	Knickerbocker	Ozment	Stanius
Bauerly	Frederick	Kostohryz	Pelowski	Steensma
Bennett	Frerichs	Krueger	Poppenhagen	Sviggum
Bertram	Gruenes	McDonald	Quist	Thiede
Blatz	Hartle	McKasy	Reding	Tjornhom
Boo	Haukoos	McPherson	Rest	Tunheim
Burger	Heap	Milbert	Richter	Uphus
Clausnitzer	Himle	Miller	Rose	Valento
Dauner	Hugoson	Morrison	Schafer	Waltman
DeBlick	Johnson, V.	Nelson, C.	Schoenfeld	
Dempsey	Kalis	Omann	Schreiber	
Dille	Kelso	Onnen	Sparby	

The bill was passed and its title agreed to.

H. F. No. 1267, A bill for an act relating to insurance; regulating investments of domestic companies; defining terms; providing additional investment authority; amending Minnesota Statutes 1986, section 60A.11, subdivisions 10 and 26.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Blatz	Clark	Dorn	Hartle
Battaglia	Boo	Clausnitzer	Forsythe	Haukoos
Bauerly	Brown	Cooper	Frederick	Heap
Beard	Burger	Dauner	Frerichs	Himle
Begich	Carlson, D.	DeBlick	Greenfield	Hugoson
Bennett	Carlson, L.	Dempsey	Gruenes	Jacobs
Bertram	Carruthers	Dille	Gutknecht	Jaros

Jefferson	Long	Olsen, S.	Richter	Swenson
Jennings	Marsh	Olson, E.	Riveness	Thiede
Jensen	McDonald	Olson, K.	Rodosovich	Tjornhom
Johnson, A.	McEachern	Omamn	Rose	Tompkins
Johnson, R.	McKasy	Onnen	Rukavina	Trimble
Johnson, V.	McLaughlin	Orenstein	Sarna	Tunheim
Kahn	McPherson	Otis	Schafer	Uphus
Kalis	Milbert	Ozment	Schoenfeld	Valento
Kelly	Miller	Pauly	Schreiber	Vanasek
Kelso	Minne	Pelowski	Seaberg	Vellenga
Kinkel	Morrison	Peterson	Segal	Voss
Kludt	Munger	Poppenhagen	Shaver	Wagenius
Knickerbocker	Murphy	Price	Simoneau	Waltman
Knuth	Nelson, C.	Quinn	Skoglund	Welle
Kostohryz	Nelson, D.	Quist	Solberg	Wenzel
Krueger	Nelson, K.	Redalen	Sparby	Winter
Larsen	Neuenschwander	Reding	Stanius	Wynia
Lasley	O'Connor	Rest	Steensma	Spk. Norton
Lieder	Ogren	Rice	Sviggum	

The bill was passed and its title agreed to.

H. F. No. 31, A bill for an act relating to labor; prohibiting the charging of a fee in connection with a job application; providing penalties; proposing coding for new law in Minnesota Statutes, chapter 181.

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 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Gruenes	Lieder	Orenstein	Shaver
Anderson, R.	Hartle	Long	Otis	Simoneau
Battaglia	Haukoos	Marsh	Ozment	Skoglund
Bauerly	Heap	McDonald	Pappas	Solberg
Beard	Himle	McEachern	Pauly	Sparby
Begich	Hugoson	McKasy	Pelowski	Stanius
Bennett	Jacobs	McLaughlin	Peterson	Steensma
Bertram	Jaros	McPherson	Poppenhagen	Sviggum
Blatz	Jefferson	Milbert	Price	Swenson
Boo	Jensen	Miller	Quinn	Thiede
Burger	Johnson, A.	Minne	Quist	Tjornhom
Carlson, D.	Johnson, R.	Morrison	Redalen	Tompkins
Carlson, L.	Johnson, V.	Munger	Reding	Trimble
Carruthers	Kahn	Murphy	Rest	Tunheim
Clark	Kalis	Nelson, C.	Richter	Uphus
Clausnitzer	Kelly	Nelson, D.	Riveness	Valento
Cooper	Kelso	Nelson, K.	Rodosovich	Vanasek
Dauner	Kinkel	Neuenschwander	Rose	Vellenga
DeBlicck	Kludt	O'Connor	Rukavina	Voss
Dempsey	Knickerbocker	Ogren	Sarna	Wagenius
Dorn	Knuth	Olsen, S.	Schafer	Waltman
Forsythe	Kostohryz	Olson, E.	Schoenfeld	Welle
Frederick	Krueger	Olson, K.	Schreiber	Wenzel
Frerichs	Larsen	Omamn	Seaberg	Winter
Greenfield	Lasley	Onnen	Segal	Wynia
				Spk. Norton

The bill was passed and its title agreed to.

H. F. No. 119, A bill for an act relating to employment; providing the option for certain employees at a state university to obtain state employee fringe benefits; amending Minnesota Statutes 1986, section 43A.27, by adding a subdivision.

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 102 yeas and 22 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Hartle	Lieder	Onnen	Solberg
Anderson, R.	Haukoos	Long	Orenstein	Sparby
Battaglia	Heap	Marsh	Otis	Stanius
Bauerly	Himle	McEachern	Pappas	Steensma
Beard	Jacobs	McKasy	Pelowski	Swenson
Begich	Jaros	McPherson	Peterson	Tompkins
Bennett	Jefferson	Milbert	Price	Trimble
Bertram	Jensen	Minne	Quinn	Tunheim
Brown	Johnson, A.	Morrison	Redalen	Uphus
Burger	Johnson, R.	Munger	Reding	Vanasek
Carlson, L.	Johnson, V.	Murphy	Rest	Vellenga
Carruthers	Kahn	Nelson, C.	Rice	Voss
Clark	Kalis	Nelson, D.	Riveness	Wagenius
Clausnitzer	Kelly	Nelson, K.	Rodosovich	Welle
Cooper	Kelso	Neuenschwander	Rukavina	Wenzel
Dauner	Kinkel	O'Connor	Sarna	Winter
DeBlieck	Kludt	Ogren	Schoenfeld	Wynia
Dorn	Knuth	Olsen, S.	Seaberg	Spk. Norton
Frederick	Kostohryz	Olson, E.	Segal	
Greenfield	Krueger	Olson, K.	Shaver	
Gruenes	Larsen	Omann	Simoneau	

Those who voted in the negative were:

Blatz	Hugoson	Ozment	Rose	Valento
Carlson, D.	Knickerbocker	Pauly	Schafer	Waltman
Forsythe	Lasley	Poppenhagen	Swiggum	
Frerichs	McDonald	Quist	Thiede	
Gutknecht	Miller	Richter	Tjornhom	

The bill was passed and its title agreed to.

H. F. No. 217, A bill for an act relating to traffic regulations; providing for the operation by police departments and sheriff's offices of specially marked vehicles for highway traffic law enforcement; amending Minnesota Statutes 1986, section 169.98, subdivision 1, and by adding a subdivision.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Hartle	Long	Ozment	Simoneau
Battaglia	Haukoos	Marsh	Pappas	Skoglund
Bauerly	Heap	McDonald	Pauly	Solberg
Beard	Himle	McEachern	Pelowski	Stanius
Begich	Hugoson	McKasy	Peterson	Steensma
Bennett	Jacobs	McLaughlin	Poppenhagen	Sviggum
Bertram	Jaros	McPherson	Price	Swenson
Blatz	Jefferson	Milbert	Quinn	Thiede
Boo	Jennings	Miller	Quist	Tjornhom
Brown	Jensen	Minne	Redalen	Tompkins
Burger	Johnson, A.	Morrison	Reding	Trimble
Carlson, L.	Johnson, R.	Munger	Rest	Tunheim
Carruthers	Johnson, V.	Murphy	Rice	Uphus
Clark	Kahn	Nelson, C.	Richter	Valento
Clausnitzer	Kalis	Nelson, D.	Riveness	Vanasek
Cooper	Kelly	Nelson, K.	Rodosovich	Vellenga
DeBlicke	Kelso	Neuenschwander	Rose	Voss
Dempsey	Kinkel	O'Connor	Rukavina	Wagenius
Dille	Kludt	Ogren	Sarna	Waltman
Dorn	Knickerbocker	Olsen, S.	Schafer	Welle
Forsythe	Knuth	Olsen, E.	Scheid	Wenzel
Frederick	Kostohryz	Olson, K.	Schoenfeld	Winter
Frerichs	Krueger	Omann	Schreiber	Wynia
Greenfield	Larsen	Onnen	Seaberg	Spk. Norton
Gruenes	Lasley	Orenstein	Segal	
Gutknecht	Lieder	Otis	Shaver	

Those who voted in the negative were:

Anderson, R.      Carlson, D.

The bill was passed and its title agreed to.

H. F. No. 532, A bill for an act relating to public safety; motorized bicycles; establishing standards for the safe operation of motorized bicycles; amending Minnesota Statutes 1986, sections 65B.001, by adding a subdivision; 65B.43, subdivision 13; 168.011, subdivision 27; 169.01, subdivision 4a; 169.223; 171.01, subdivision 20; and 171.02, subdivision 3.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Anderson, G.	Begich	Brown	Clark	Dille
Anderson, R.	Bennett	Burger	Clausnitzer	Dorn
Battaglia	Bertram	Carlson, D.	Cooper	Forsythe
Bauerly	Blatz	Carlson, L.	Dauner	Frederick
Beard	Boo	Carruthers	DeBlicke	Frerichs

Greenfield	Knuth	Neuenschwander	Rest	Swenson
Gruenes	Kostohryz	O'Connor	Rice	Thiede
Gutknecht	Krucger	Ogren	Richter	Tjornhom
Hartle	Larsen	Olsen, S.	Riveness	Tompkins
Haukoos	Lasley	Olson, E.	Rodosovich	Trimble
Heap	Lieder	Olson, K.	Rose	Tunheim
Himle	Long	Omman	Rukavina	Uphus
Hugoson	Marsh	Onnen	Sarna	Valento
Jacobs	McDonald	Orenstein	Schafer	Vanasek
Jaros	McEachern	Osthoff	Scheid	Vellenga
Jefferson	McKasy	Otis	Schoenfeld	Voss
Jensen	McLaughlin	Ozment	Schreiber	Wagenius
Johnson, A.	McPherson	Pappas	Seaberg	Waltman
Johnson, R.	Milbert	Pauly	Segal	Welle
Johnson, V.	Miller	Pelowski	Shaver	Wenzel
Kahn	Minne	Peterson	Simoneau	Winter
Kalis	Morrison	Poppenhagen	Skoglund	Wymia
Kelly	Munger	Price	Solberg	Spk. Norton
Kelso	Murphy	Quinn	Sparby	
Kinkel	Nelson, C.	Quist	Stanius	
Kludt	Nelson, D.	Redalen	Steensma	
Knickerbocker	Nelson, K.	Reding	Sviggum	

Those who voted in the negative were:

Dempsey

The bill was passed and its title agreed to.

H. F. No. 642, A bill for an act relating to human services; prohibiting licensing of supportive living residences; requiring monitoring of facilities; providing for various levels of care for persons with mental illness; directing the commissioner of human services to review and alter rules relating to residential care facilities for persons with mental illness; requiring study of housing needs for persons with mental illness; prohibiting payment to newly-licensed facilities having more than four residents with mental illness; amending Minnesota Statutes 1986, sections 245.802, subdivision 1a, and by adding subdivisions; 256D.01, by adding a subdivision; and 256D.37, by adding a subdivision.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Anderson, G.	Blatz	Cooper	Greenfield	Jaros
Anderson, R.	Boo	Dauner	Gruenes	Jefferson
Battaglia	Brown	DeBlicke	Gutknecht	Jennings
Bauerly	Burger	Dempsey	Hartle	Jensen
Beard	Carlson, D.	Dille	Haukoos	Johnson, A.
Begich	Carlson, L.	Dorn	Heap	Johnson, R.
Bennett	Carruthers	Forsythe	Himle	Johnson, V.
Bertram	Clark	Frederick	Hugoson	Kahn
Bishop	Clausnitzer	Frerichs	Jacobs	Kalis

Kelly	Milbert	Ozment	Sarna	Tompkins
Kelso	Miller	Pappas	Schafer	Trimble
Kinkel	Minne	Pauly	Scheid	Tunheim
Kludt	Morrison	Pelowski	Schoenfeld	Uphus
Knickerbocker	Munger	Peterson	Schreiber	Valento
Knuth	Murphy	Poppenhagen	Seaberg	Vanasek
Kostohryz	Nelson, C.	Price	Segal	Vellenga
Krueger	Nelson, D.	Quinn	Shaver	Voss
Larsen	Nelson, K.	Quist	Simoneau	Wagenius
Lasley	Neuenschwander	Redalen	Skoglund	Waltman
Lieder	O'Connor	Reding	Solberg	Welle
Long	Ogren	Rest	Sparby	Wenzel
Marsh	Olsen, S.	Rice	Stanius	Winter
McDonald	Olson, K.	Richter	Steensma	Wynia
McEachern	Omann	Riveness	Sviggum	Spk. Norton
McKasy	Orenstein	Rodosovich	Swenson	
McLaughlin	Osthoff	Rose	Thiede	
McPherson	Otis	Rukavina	Tjornhom	

Those who voted in the negative were:

Onnen

The bill was passed and its title agreed to.

H. F. No. 1054, A bill for an act relating to vocational rehabilitation; limiting grants to sheltered workshops; providing for use of community-based employment; regulating and defining vocational rehabilitation programs; amending Minnesota Statutes 1986, sections 129A.01; 129A.03; 129A.06; 129A.07; and 129A.08.

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 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Dempsey	Johnson, V.	Miller	Pauly
Anderson, R.	Dille	Kalis	Minne	Pelowski
Battaglia	Dorn	Kelly	Morrison	Peterson
Bauerly	Forsythe	Kelso	Munger	Poppenhagen
Beard	Frederick	Kinkel	Murphy	Price
Begich	Frerichs	Kludt	Nelson, C.	Quinn
Bennett	Greenfield	Knickerbocker	Nelson, D.	Quist
Bertram	Gruenes	Knuth	Nelson, K.	Redalen
Bishop	Gutknecht	Kostohryz	Neuenschwander	Reding
Blatz	Hartle	Krueger	O'Connor	Rest
Boo	Haukoos	Larsen	Ogren	Rice
Brown	Heap	Lasley	Olsen, S.	Richter
Burger	Himle	Lieder	Olson, E.	Riveness
Carlson, D.	Hugoson	Long	Olson, K.	Rodosovich
Carlson, L.	Jacobs	Marsh	Omann	Rose
Carruthers	Jaros	McDonald	Onnen	Rukavina
Clark	Jefferson	McEachern	Orenstein	Sarna
Clausnitzer	Jennings	McKasy	Osthoff	Schafer
Cooper	Jensen	McLaughlin	Otis	Scheid
Dauner	Johnson, A.	McPherson	Ozment	Schoenfeld
DeBlieck	Johnson, R.	Milbert	Pappas	Schreiber

Seaberg	Sparby	Tjornhom	Vanasek	Wenzel
Segal	Stanius	Tompkins	Vellenga	Winter
Shaver	Steensma	Trimble	Voss	Wynia
Simoneau	Sviggum	Tunheim	Wagenius	Spk. Norton
Skoglund	Swenson	Uphus	Waltman	
Solberg	Thiede	Valento	Welle	

The bill was passed and its title agreed to.

H. F. No. 1112, A bill for an act relating to human services; defining directors, officers, and partners as vendors of medical care for the purpose of medical assistance; allowing the commissioner to charge interest on money recovered from certain medical assistance providers; allowing sanction authority; amending Minnesota Statutes 1986, sections 256B.02, subdivision 7; 256B.064, subdivision 1c; and 256B.27, subdivisions 3 and 4.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Gruenes	Lieder	Otis	Simoneau
Anderson, R.	Gutknecht	Long	Ozment	Skoglund
Battaglia	Hartle	Marsh	Pappas	Solberg
Bauerly	Haukoos	McDonald	Pauly	Sparby
Beard	Heap	McEachern	Pelowski	Stanius
Begich	Himle	McKasy	Peterson	Steensma
Bennett	Hugoson	McLaughlin	Poppenhagen	Sviggum
Bertram	Jacobs	McPherson	Price	Swenson
Bishop	Jaros	Milbert	Quinn	Thiede
Blatz	Jefferson	Miller	Quist	Tjornhom
Brown	Jennings	Minne	Redalen	Trimble
Burger	Jensen	Morrison	Reding	Tunheim
Carlson, D.	Johnson, A.	Munger	Rest	Uphus
Carlson, L.	Johnson, R.	Murphy	Rice	Valento
Carruthers	Johnson, V.	Nelson, C.	Richter	Vanasek
Clark	Kahn	Nelson, D.	Riveness	Vellenga
Clausnitzer	Kalis	Nelson, K.	Rodosovich	Voss
Cooper	Kelly	Neuenschwander	Rose	Wagenius
Dauner	Kelso	O'Connor	Rukavina	Waltman
DeBlicek	Kinkel	Ogren	Sarna	Welle
Dempsey	Kludt	Olsen, S.	Schafer	Wenzel
Dille	Knickerbocker	Olson, E.	Scheid	Winter
Dorn	Knuth	Olson, K.	Schoenfeld	Wynia
Forsythe	Kostohryz	Omann	Schreiber	Spk. Norton
Frederick	Krueger	Onnen	Seaberg	
Frerichs	Larsen	Orenstein	Segal	
Greenfield	Lasley	Osthoff	Shaver	

The bill was passed and its title agreed to.

H. F. No. 1120, A bill for an act relating to grain grading and testing; providing that state grades and test results may be the basis

for market price; amending Minnesota Statutes 1986, section 17B.05.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Gruenes	Lieder	Otis	Simoneau
Anderson, R.	Gutknecht	Long	Ozment	Skoglund
Battaglia	Hartle	Marsh	Pappas	Solberg
Bauerly	Haukoos	McDonald	Pauly	Sparby
Beard	Heap	McEachern	Pelowski	Stanius
Begich	Himle	McKasy	Peterson	Steensma
Bennett	Hugoson	McLaughlin	Poppenhagen	Sviggum
Bertram	Jacobs	McPherson	Price	Swenson
Bishop	Jaros	Milbert	Quinn	Thiede
Blatz	Jefferson	Miller	Quist	Tjornhom
Boo	Jennings	Minne	Redalen	Tompkins
Brown	Jensen	Morrison	Reding	Trimble
Burger	Johnson, A.	Munger	Rest	Uphus
Carlson, D.	Johnson, R.	Murphy	Rice	Valento
Carlson, L.	Johnson, V.	Nelson, C.	Richter	Vanasek
Carruthers	Kahn	Nelson, D.	Riveness	Vellenga
Clark	Kalis	Nelson, K.	Rodosovich	Voss
Clausnitzer	Kelly	Neuenschwander	Rose	Wagenius
Cooper	Kelso	O'Connor	Rukavina	Waltman
Dauner	Kinkel	Ogren	Sarna	Welle
DeBlieck	Kludt	Olsen, S.	Schafer	Wenzel
Dempsey	Knickerbocker	Olson, E.	Scheid	Winter
Dorn	Knuth	Olson, K.	Schoenfeld	Wynia
Forsythe	Kostohryz	Omman	Schreiber	Spk. Norton
Frederick	Krueger	Onnen	Seaberg	
Frerichs	Larsen	Orenstein	Segal	
Greenfield	Lasley	Osthoff	Shaver	

The bill was passed and its title agreed to.

H. F. No. 1170, A bill for an act relating to state government; prohibiting certain mandated leaves of absence for state employees; amending Minnesota Statutes 1986, section 43A.32, subdivision 2, and by adding a subdivision.

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 134 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Bauerly	Bennett	Blatz	Burger
Anderson, R.	Beard	Bertram	Boo	Carlson, D.
Battaglia	Begich	Bishop	Brown	Carlson, L.

Carruthers	Jensen	Milbert	Peterson	Solberg
Clark	Johnson, A.	Miller	Poppenhagen	Sparby
Clausnitzer	Johnson, R.	Minne	Price	Stanius
Cooper	Johnson, V.	Morrison	Quinn	Steensma
Dauner	Kahn	Munger	Quist	Sviggum
DeBlieck	Kalis	Murphy	Redalen	Swenson
Dempsey	Kelly	Nelson, C.	Reding	Thiede
Dille	Kelso	Nelson, D.	Rest	Tjornhom
Dorn	Kinkel	Nelson, K.	Rice	Tompkins
Forsythe	Kludt	Neuenschwander	Richter	Trimble
Frederick	Knickerbocker	O'Connor	Riveness	Tunheim
Frerichs	Knuth	Ogren	Rodosovich	Uphus
Greenfield	Kostohryz	Olsen, S.	Rose	Valento
Gruenes	Krueger	Olson, E.	Rukavina	Vanasek
Gutknecht	Larsen	Olson, K.	Sarna	Vellenga
Hartle	Lasley	Omann	Schafer	Voss
Haukoos	Lieder	Onnen	Scheid	Wagenius
Heap	Long	Orenstein	Schoenfeld	Waltman
Himle	Marsh	Osthoff	Schreiber	Welle
Hugoson	McDonald	Otis	Seaberg	Wenzel
Jacobs	McEachern	Ozment	Segal	Winter
Jaros	McKasy	Pappas	Shaver	Wynia
Jefferson	McLaughlin	Pauly	Simoneau	Spk. Norton
Jennings	McPherson	Pelowski	Skoglund	

The bill was passed and its title agreed to.

H. F. No. 1213, A bill for an act relating to retirement; teachers retirement association; making various changes in the law governing the association for the purpose of facilitating administration of retirement benefits and contributions; amending Minnesota Statutes 1986, sections 354.05, subdivision 35, and by adding a subdivision; 354.06, subdivision 1; 354.07, subdivision 3; 354.094, subdivision 1; 354.44, subdivision 5; 354.46, subdivision 5; 354.48, subdivision 7; 354.51, subdivision 5; 354.55, subdivision 11; 354.62, subdivision 5, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 13; repealing Minnesota Statutes 1986, section 354.44, subdivision 1a.

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 134 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Burger	Forsythe	Jaros	Kludt
Anderson, R.	Carlson, D.	Frederick	Jefferson	Knickerbocker
Battaglia	Carlson, L.	Frerichs	Jennings	Knuth
Bauerly	Carruthers	Greenfield	Jensen	Kostohryz
Beard	Clark	Gruenes	Johnson, A.	Krueger
Begich	Clausnitzer	Gutknecht	Johnson, R.	Larsen
Bennett	Cooper	Hartle	Johnson, V.	Lasley
Bertram	Dauner	Haukoos	Kahn	Lieder
Bishop	DeBlieck	Heap	Kalis	Long
Blatz	Dempsey	Himle	Kelly	Marsh
Boo	Dille	Hugoson	Kelso	McDonald
Brown	Dorn	Jacobs	Kinkel	McEachern

McKasy	Olsen, S.	Quinn	Schreiber	Trimble
McLaughlin	Olson, E.	Quist	Seaberg	Tunheim
McPherson	Olson, K.	Redalen	Segal	Uphus
Milbert	Omann	Reding	Shaver	Valento
Miller	Onnen	Rest	Simoneau	Vanasek
Minne	Orenstein	Rice	Skoglund	Vellenga
Morrison	Osthoff	Richter	Solberg	Voss
Munger	Otis	Riveness	Sparby	Wagenius
Murphy	Ozment	Rodosovich	Stanius	Waltman
Nelson, C.	Pappas	Rose	Steensma	Welle
Nelson, D.	Pauly	Rukavina	Sviggum	Wenzel
Nelson, K.	Pelowski	Sarna	Swenson	Winter
Neuenschwander	Peterson	Schafer	Thiede	Wynia
O'Connor	Poppenhagen	Scheid	Tjornhom	Spk. Norton
Ogren	Price	Schoenfeld	Tompkins	

The bill was passed and its title agreed to.

H. F. No. 170, A bill for an act relating to firearms; allowing ammunition manufacturers to possess machine guns for ammunition testing purposes; permitting certain licensed dealers and manufacturers to own or possess machine guns and short-barreled shotguns for certain purposes; amending Minnesota Statutes 1986, section 609.67, subdivisions 3 and 4.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 120 yeas and 9 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Frerichs	Kostohryz	Omann	Schreiber
Anderson, R.	Greenfield	Krueger	Onnen	Seaberg
Battaglia	Gruenes	Larsen	Orenstein	Shaver
Bauerly	Gutknecht	Lasley	Osthoff	Simoneau
Beard	Hartle	Lieder	Otis	Solberg
Begich	Haukoos	Long	Ozment	Sparby
Bennett	Himle	Marsh	Pauly	Stanius
Bertram	Hugoson	McDonald	Pelowski	Steensma
Blatz	Jacobs	McEachern	Peterson	Sviggum
Boo	Jaros	McKasy	Poppenhagen	Swenson
Brown	Jefferson	McPherson	Price	Thiede
Burger	Jennings	Miller	Quinn	Tjornhom
Carlson, D.	Jensen	Minne	Quist	Tompkins
Carlson, L.	Johnson, A.	Munger	Redalen	Tunheim
Carruthers	Johnson, R.	Murphy	Reding	Uphus
Clausnitzer	Johnson, V.	Nelson, C.	Rest	Valento
Cooper	Kahn	Nelson, D.	Richter	Vanasek
Dauner	Kalis	Nelson, K.	Riveness	Vellenga
DeBlieck	Kelly	Neuenschwander	Rodosovich	Voss
Dempsey	Kelso	O'Connor	Rose	Wagenius
Dille	Kinkel	Ogren	Rukavina	Waltman
Dorn	Kludt	Olsen, S.	Sarna	Welle
Forsythe	Knickerbocker	Olson, E.	Schafer	Wenzel
Frederick	Knuth	Olson, K.	Schoenfeld	Winter

Those who voted in the negative were:

Bishop Clark	Milbert Pappas	Rice Scheid	Segal Skoglund	Wynia
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The bill was passed and its title agreed to.

H. F. No. 457, A bill for an act relating to retirement; public employees retirement association administrative changes; privacy of certain membership data; amending Minnesota Statutes 1986, sections 353.01, subdivisions 2b and 20; 353.03, subdivision 3; 353.27, subdivisions 4, 10, and 12; 353.28, subdivision 5; 353.29, subdivision 8; 353.33, by adding a subdivision; 353.34, by adding a subdivision; 353.36, subdivision 2; 353.64, subdivisions 1 and 2; 353.656, subdivision 6, and by adding a subdivision; and 353.657; proposing coding for new law in Minnesota Statutes, chapter 13; repealing Minnesota Statutes 1986, section 353.64, subdivision 6.

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 134 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Lasley	Osthoff	Shaver
Anderson, R.	Gruenes	Lieder	Otis	Simoneau
Battaglia	Gutknecht	Long	Ozment	Skoglund
Bauerly	Hartle	Marsh	Pappas	Solberg
Beard	Haukoos	McDonald	Pauly	Sparby
Begich	Heap	McEachern	Pelowski	Stanius
Bennett	Himle	McKasy	Peterson	Steensma
Bertram	Hugoson	McLaughlin	Poppenhagen	Sviggum
Bishop	Jacobs	McPherson	Price	Swenson
Blatz	Jaros	Milbert	Quinn	Thiede
Boo	Jefferson	Miller	Quist	Tjornhom
Brown	Jennings	Minne	Redalen	Tompkins
Burger	Jensen	Morrison	Reding	Trimble
Carlson, D.	Johnson, A.	Munger	Rest	Tunheim
Carlson, L.	Johnson, R.	Murphy	Rice	Uphus
Carruthers	Johnson, V.	Nelson, C.	Richter	Valento
Clark	Kahn	Nelson, D.	Riveness	Vanasek
Clausnitzer	Kalis	Nelson, K.	Rodosovich	Vellenga
Cooper	Kelly	Neuenschwander	Rose	Voss
Dauner	Kelso	O'Connor	Rukavina	Wagenius
DeBlicek	Kinkel	Ogren	Sarna	Waltman
Dempsey	Kludt	Olsen, S.	Schafer	Welle
Dille	Knickerbocker	Olsen, E.	Scheid	Wenzel
Dorn	Knuth	Olsen, K.	Schoenfeld	Winter
Forsythe	Kostohryz	Omamn	Schreiber	Wynia
Frederick	Krueger	Onnen	Seaberg	Spk. Norton
Frerichs	Larsen	Orenstein	Segal	

The bill was passed and its title agreed to.

H. F. No. 596; A bill for an act relating to jails; providing for the detention and confinement of minors subject to prosecution as adults; amending Minnesota Statutes 1986, sections 636.07 and 641.14.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Anderson, G.	Frerichs	Krueger	Omann	Shaver
Anderson, R.	Greenfield	Larsen	Onnen	Simoneau
Battaglia	Gruenes	Lasley	Orenstein	Skoglund
Bauerly	Gutknecht	Lieder	Otis	Solberg
Beard	Hartle	Long	Ozment	Sparby
Begich	Haukoos	Marsh	Pappas	Stanius
Bennett	Heap	McDonald	Pauly	Steensma
Bertram	Himle	McEachern	Pelowski	Sviggum
Bishop	Hugoson	McKasy	Peterson	Swenson
Blatz	Jacobs	McLaughlin	Poppenhagen	Thiede
Boo	Jaros	McPherson	Price	Tjornhom
Brown	Jefferson	Milbert	Quinn	Tompkins
Burger	Jennings	Miller	Quist	Trimble
Carlson, D.	Jensen	Minne	Redalen	Tunheim
Carlson, L.	Johnson, A.	Morrison	Reding	Uphus
Carruthers	Johnson, R.	Munger	Rice	Valento
Clark	Johnson, V.	Murphy	Richter	Vanasek
Clausnitzer	Kahn	Nelson, C.	Rose	Vellenga
Cooper	Kalis	Nelson, D.	Rukavina	Voss
Dauner	Kelly	Nelson, K.	Sarna	Waltman
DeBlick	Kelso	Neuenschwander	Schafer	Welle
Dempsey	Kinkel	O'Connor	Scheid	Wenzel
Dille	Kludt	Ogren	Schoenfeld	Winter
Dorn	Knickerbocker	Olsen, S.	Schreiber	Wynia
Forsythe	Knuth	Olson, E.	Seaberg	Spk. Norton
Frederick	Kostohryz	Olson, K.	Segal	

Those who voted in the negative were:

Rodosovich

The bill was passed and its title agreed to.

H. F. No. 1009, A bill for an act relating to transportation; providing for standards for special transportation service; requiring changes in the administration of special transportation service in the metropolitan area; amending Minnesota Statutes 1986, sections 174.30, subdivisions 1, 2, 4, 6, 7, and by adding subdivisions; 473.386, subdivisions 1, 2, 3, 4, and 6; repealing Minnesota Statutes 1986, section 473.386, subdivision 7.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Greenfield	Lasley	Osthoff	Simoneau
Anderson, R.	Gruenes	Lieder	Ozment	Skoglund
Battaglia	Gutknecht	Long	Pappas	Solberg
Bauerly	Hartle	Marsh	Pauly	Sparby
Beard	Haukoos	McDonald	Pelowski	Stanius
Begich	Heap	McEachern	Peterson	Steensma
Bennett	Himle	McKasy	Poppenhagen	Svigum
Bertram	Hugoson	McLaughlin	Price	Swenson
Bishop	Jacobs	McPherson	Quinn	Thiede
Blatz	Jaros	Milbert	Quist	Tjornhom
Boo	Jefferson	Miller	Redalen	Tompkins
Brown	Jennings	Minne	Reding	Trimble
Burger	Jensen	Morrison	Rest	Tunheim
Carlson, D.	Johnson, A.	Munger	Rice	Uphus
Carlson, L.	Johnson, R.	Murphy	Richter	Valento
Carruthers	Johnson, V.	Nelson, C.	Riveness	Vellenga
Clark	Kahn	Nelson, D.	Rodosovich	Voss
Clausnitzer	Kalis	Nelson, K.	Rose	Wagenius
Cooper	Kelly	Neuenschwander	Rukavina	Waitman
Dauner	Kelso	O'Connor	Sarna	Welle
DeBlieck	Kinkel	Ogren	Schafer	Wenzel
Dempsey	Kludt	Olsen, S.	Scheid	Winter
Dille	Knickerbocker	Olson, E.	Schoenfeld	Wynia
Dorn	Knuth	Olson, K.	Schreiber	Spk. Norton
Forsythe	Kostohryz	Omann	Seaberg	
Frederick	Krueger	Onnen	Segal	
Frerichs	Larsen	Orenstein	Shaver	

The bill was passed and its title agreed to.

## GENERAL ORDERS

Pursuant to Rules of the House, the House resolved itself into the Committee of the Whole with Norton in the Chair for consideration of bills pending on General Orders of the day. Long and Simoneau presided during a portion of the meeting of the Committee of the Whole. After some time spent therein the Committee arose.

### REPORT OF THE COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following recommendations of the Committee were reported to the House:

H. F. Nos. 999, 1141 and 846 were recommended to pass.

H. F. Nos. 490 and 715 were recommended for progress.

H. F. Nos. 454, 654 and 1060 were recommended for progress retaining their places on General Orders.

H. F. No. 649 was recommended for progress and to be placed at the end of General Orders.

H. F. No. 397 was recommended for re-referral to the Committee on Regulated Industries.

H. F. No. 487 was recommended for progress until Wednesday, April 22, 1987.

H. F. No. 291 was recommended for progress retaining its place on General Orders until Thursday, April 23, 1987.

H. F. No. 85 was recommended for progress until Thursday, April 23, 1987.

H. F. No. 189 was recommended for progress retaining its place on General Orders until Monday, April 27, 1987.

H. F. No. 401, the third engrossment, which it recommended for progress with the following amendment offered by Nelson, D.:

Page 6, line 22, delete "subdivision 4" and insert "subdivisions 3 to 6"

Page 6, line 24, delete "six" and insert "five"

Page 6, lines 26 and 27, delete "subdivisions 1 to 6" and insert "subdivision 3 or 4"

On the motion of Vanasek the report of the Committee of the Whole was adopted.

#### ROLL CALLS IN COMMITTEE OF THE WHOLE

Pursuant to rule 1.6, the following roll calls were taken in the Committee of the Whole:

The question was taken on the Redalen motion to re-refer H. F. No. 397, the first engrossment, to the Committee on Regulated Industries and the roll was called. There were 57 yeas and 66 nays as follows:

Those who voted in the affirmative were:

Bertram	Dille	Haukoos	Krueger	Olson, E.
Blatz	Forsythe	Heap	Marsh	Olson, K.
Burger	Frederick	Himle	McKasy	Omann
Carlson, D.	Frerichs	Hugoson	McPherson	Onnen
Clausnitzer	Gruenes	Johnson, V.	Miller	Orenstein
Cooper	Gutknecht	Knickerbocker	Morrison	Pauly
Dempsey	Hartle	Kostohryz	O'Connor	Poppenhagen

Quist	Schafer	Skoglund	Tompkins	Waltman
Redalen	Schreiber	Sviggum	Tunheim	Wenzel
Richter	Seaberg	Swenson	Uphus	
Rose	Segal	Thiede	Valento	
Sarna	Shaver.	Tjornhom	Vellenga	

Those who voted in the negative were:

Anderson, G.	Dorn	Lieder	Otis	Sparby
Anderson, R.	Greenfield	Long	Pappas	Stamius
Battaglia	Jacobs	McLaughlin	Pelowski	Steenasma
Bauerly	Jefferson	Milbert	Peterson	Trimble
Beard	Jennings	Minne	Price	Vanasek
Begich	Jensen	Munger	Quinn	Voss
Bishop	Johnson, R.	Murphy	Reding	Wagenius
Boo	Kahn	Nelson, C.	Rest	Winter
Brown	Kalis	Nelson, D.	Rice	Wynia
Carlson, L.	Kelso	Nelson, K.	Rodosovich	Spk. Norton
Carruthers	Kinkel	Neuenschwander	Rukavina	
Clark	Kludt	Ogren	Scheid	
Dauner	Larsen	Olsen, S.	Schoenfeld	
DeBlicke	Lasley	Osthoff	Simoneau	

The motion did not prevail.

Kahn moved to amend H. F. No. 397, the first engrossment, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1986, section 340A.504, subdivision 1, is amended to read:

Subdivision 1. [NONINTOXICATING MALT LIQUOR.] No sale of nonintoxicating malt liquor may be made between 1:00 a.m., except as provided in section 5, and 8:00 a.m. on the days of Monday through Saturday, nor between 1:00 a.m., except as provided in section 5, and 12:00 noon on Sunday, provided that an establishment located on land owned by the metropolitan sports commission may sell nonintoxicating malt liquor between 10:00 a.m. and 12:00 noon on a Sunday on which a sports or other event is scheduled to begin at that location on or before 1:00 p.m. of that day.

Sec. 2. Minnesota Statutes 1986, section 340A.504, subdivision 2, is amended to read:

Subd. 2. [INTOXICATING LIQUOR; ON-SALE.] No sale of intoxicating liquor for consumption on the licensed premises may be made:

(1) between 1:00 a.m., except as provided in section 5, and 8:00 a.m. on the days of ~~Tuesday~~ Monday through Saturday;

(2) between 12:00 midnight and 8:00 a.m. on Mondays;

(3) after 1:00 a.m. on Sundays, except as provided by subdivision 3 and section 5;

(4) (3) between 8:00 p.m. on December 24 and 8:00 a.m. on December 25, except as provided by subdivision 3.

Sec. 3. Minnesota Statutes 1986, section 340A.504, subdivision 3, is amended to read:

Subd. 3. [INTOXICATING LIQUOR; SUNDAY SALES; ON-SALE.] (a) A restaurant, club, or hotel with a seating capacity for at least 30 persons and which holds an on-sale intoxicating liquor license may sell intoxicating liquor for consumption on the premises in conjunction with the sale of food between the hours of 12:00 noon on Sunday and 12:00 midnight on Sundays 1:00 a.m. on Monday, except as provided in section 5.

(b) The governing body of a municipality may after one public hearing by ordinance permit a restaurant, hotel, or club to sell intoxicating liquor for consumption on the premises in conjunction with the sale of food between the hours of 10:00 a.m. on Sunday and 12:00 midnight on Sundays 1:00 a.m. on Monday, except as provided in section 5, provided that the licensee is in conformance with the Minnesota clean air act.

(c) An establishment serving intoxicating liquor on Sundays must obtain a Sunday license. The license must be issued by the governing body of the municipality for a period of one year, and the fee for the license may not exceed \$200.

(d) A municipality may issue a Sunday intoxicating liquor license only if authorized to do so by the voters of the municipality voting on the question at a general or special election.

(e) An election conducted in a town on the question of the issuance by the county of Sunday sales licenses to establishments located in the town must be held on the day of the annual election of town officers.

(f) Voter approval is not required for licenses issued by the metropolitan airports commission or common carrier licenses issued by the commissioner. Common carriers serving intoxicating liquor on Sunday must obtain a Sunday license from the commissioner at an annual fee of \$50, plus \$5 for each duplicate.

Sec. 4. Minnesota Statutes 1986, section 340A.504, subdivision 6, is amended to read:

Subd. 6. [MUNICIPALITIES MAY LIMIT HOURS.] A municipality may further limit the hours of sale of alcoholic beverages,

provided that further restricted hours must apply equally to sales of nonintoxicating malt liquor and intoxicating liquor. A city may not permit the sale of alcoholic beverages during hours when the sale is prohibited by this section, except as provided in section 5.

Sec. 5. [349.5051] [LICENSE FOR SALE DURING PROHIBITED HOURS.]

Subdivision 1. [LICENSES AUTHORIZED.] A city or county may by ordinance after a public hearing issue to a holder of an on-sale alcoholic beverage license it issues an additional license authorizing the licensee to make on-sales between the hours of 1:00 and 2:00 a.m. and to permit the consumption of alcoholic beverages not later than 3:00 a.m. The license is in addition to the number authorized by section 340A.413. The fee for the license may not exceed one-tenth of the fee the city or county charges for the licensee's on-sale license.

Subd. 2. [ORDINANCES.] An ordinance under subdivision 1 must contain at a minimum the following requirements for holders of licenses under this section:

(1) The licensee must have on duty at all times during hours when making sales or permitting consumption under the license issued under this section at least one employee whom the city or county has certified as having successfully completed a server-training program which has been certified by the city or county as providing adequate training for servers in

- (a) recognizing signs of intoxication,
- (b) skills in intervention to prevent intoxication,
- (c) knowledge of state laws governing licensee responsibilities,
- (d) knowledge of alcohol effects, and
- (e) methods of avoiding making illegal sales.

(2) the licensee must adopt and maintain in continuous effect during the hours when making sales or permitting consumption under the license authorized under this section a policy, approved by the city or county, of promoting the sale or consumption of food and nonalcoholic beverages at least to the same extent that the licensee promotes the sale or consumption of alcoholic beverages."

Delete the title and insert:

"A bill for an act relating to alcoholic beverages; authorizing cities and counties to issue licenses permitting on-sales of alcoholic

beverages during certain hours when on-sales are otherwise prohibited; amending Minnesota Statutes 1986, section 340A.504, subdivisions 1, 2, 3, and 6; proposing coding for new law in Minnesota Statutes, chapter 340A."

The question was taken on the Kahn amendment and the roll was called. There were 36 yeas and 88 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Jensen	McDonald	Osthoff	Trimble
Battaglia	Johnson, R.	McLaughlin	Otis	Vanasek
Beard	Kahn	Minne	Pappas	Wynia
Bishop	Kinkel	Munger	Quinn	Spk. Norton
Boo	Kostohryz	Murphy	Rukavina	
Dille	Larsen	Nelson, K.	Sarna	
Greenfield	Lasley	O'Connor	Scheid	
Jefferson	Long	Ogren	Swenson	

Those who voted in the negative were:

Anderson, G.	Gruenes	McEachern	Poppenhagen	Skoglund
Bauerly	Gutknecht	McKasy	Price	Sparby
Bennett	Hartle	McPherson	Quist	Stanius
Bertram	Haukoos	Miller	Redalen	Steensma
Blatz	Heap	Morrison	Reding	Sviggum
Brown	Himle	Nelson, C.	Rest	Thiede
Burger	Hugoson	Nelson, D.	Rice	Tjornhom
Carlson, D.	Jennings	Neuenschwander	Richter	Tunheim
Carlson, L.	Johnson, A.	Olsen, S.	Riveness	Uphus
Clausnitzer	Johnson, V.	Olson, E.	Rodosovich	Valento
Cooper	Kalis	Olson, K.	Rose	Vellenga
Dauner	Kelly	Omman	Schafer	Wagenius
DeBlieck	Kelso	Onnen	Schoenfeld	Waltman
Dempsey	Kludt	Orenstein	Schreiber	Welle
Dorn	Knickerbocker	Ozment	Seaberg	Wenzel
Forsythe	Krueger	Pauly	Segal	Winter
Frederick	Lieder	Pelowski	Shaver	
Frerichs	Marsh	Peterson	Simoneau	

The motion did not prevail and the amendment was not adopted.

The question was taken on the motion to recommend passage of H. F. No. 401, the third engrossment, as amended, and the roll was called. There were 54 yeas and 68 nays as follows:

Those who voted in the affirmative were:

Battaglia	Johnson, R.	Munger	Peterson	Skoglund
Beard	Kahn	Murphy	Price	Swenson
Begich	Kelly	Nelson, D.	Quinn	Trimble
Carlson, L.	Kinkel	Nelson, K.	Quist	Vanasek
Carruthers	Kludt	O'Connor	Reding	Vellenga
Clark	Knuth	Olsen, S.	Rest	Voss
Greenfield	Kostohryz	Orenstein	Rice	Wagenius
Gruenes	Larsen	Osthoff	Riveness	Winter
Jacobs	Lasley	Otis	Rukavina	Wynia
Jefferson	Long	Ozment	Scheid	Spk. Norton
Johnson, A.	McLaughlin	Pappas	Simoneau	

Those who voted in the negative were:

Anderson, R.	Dille	Kalis	Omann	Stanius
Bauerly	Dorn	Knickerbocker	Onnen	Steensma
Bennett	Forsythe	Krueger	Pelowski	Sviggum
Bertram	Frederick	Marsh	Poppenhagen	Thiede
Blatz	Frerichs	McDonald	Redalen	Tjornhom
Boo	Gutknecht	McEachern	Richter	Tompkins
Brown	Hartle	McKasy	Rose	Tunheim
Burger	Haukoos	McPherson	Schafer	Uphus
Carlson, D.	Heap	Miller	Schoenfeld	Valento
Clausnitzer	Himle	Morrison	Schreiber	Waltman
Cooper	Hugoson	Neuenschwander	Seaberg	Welle
Dauner	Jennings	Ogren	Shaver	Wenzel
DeBlieck	Jensen	Olson, E.	Solberg	
Dempsey	Johnson, V.	Olson, K.	Sparby	

The motion did not prevail.

The question was taken on the motion to recommend passage of H. F. No. 846, the first engrossment, and the roll was called. There were 67 yeas and 61 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	DeBlieck	Kinkel	Ozment	Sviggum
Battaglia	Dempsey	Lieder	Poppenhagen	Swenson
Bauerly	Dille	Marsh	Quinn	Thiede
Beard	Frederick	McDonald	Quist	Tjornhom
Begich	Gruenes	McEachern	Redalen	Tompkins
Bennett	Gutknecht	McKasy	Richter	Tunheim
Bertram	Heap	McPherson	Schafer	Uphus
Boo	Himle	Miller	Schoenfeld	Valento
Burger	Hugoson	Morrison	Seaberg	Waltman
Carlson, D.	Jacobs	Nelson, C.	Shaver	Wenzel
Carruthers	Jennings	O'Connor	Solberg	Winter
Clausnitzer	Johnson, A.	Omann	Sparby	
Cooper	Johnson, R.	Onnen	Stanius	
Dauner	Johnson, V.	Orenstein	Steensma	

Those who voted in the negative were:

Anderson, G.	Jaros	Larsen	Olson, K.	Rose
Bishop	Jefferson	Lasley	Osthoff	Rukavina
Blatz	Jensen	Long	Pappas	Scheid
Brown	Kahn	McLaughlin	Pauly	Schreiber
Carlson, L.	Kalis	Milbert	Pelowski	Segal
Clark	Kelly	Minne	Peterson	Simoneau
Dorn	Kelso	Munger	Price	Trimble
Forsythe	Kludt	Murphy	Reding	Vanasek
Frerichs	Knickerbocker	Neuenschwander	Rest	Vellenga
Greenfield	Knuth	Ogren	Rice	Voss
Hartle	Kostohryz	Olsen, S.	Riveness	Welle
Haukoos	Krueger	Olson, E.	Rodosovich	Wynia
				Spk. Norton

The motion prevailed.

**MOTIONS AND RESOLUTIONS**

Osthoff moved that the name of Norton be added as an author on H. F. No. 1443. The motion prevailed.

Schreiber moved that the name of Clark be added as an author on H. F. No. 1562. The motion prevailed.

Wenzel moved that the words "by request" be inserted after the name of Wenzel on H. F. No. 1602. The motion prevailed.

Wenzel moved that the names of Vanasek, Krueger, Steensma and Cooper be added as authors on H. F. No. 1612. The motion prevailed.

Otis moved that H. F. No. 929, now on Technical General Orders, be re-referred to the Committee on Appropriations. The motion prevailed.

Wynia moved that H. F. No. 1212 be recalled from the Committee on Taxes and be re-referred to the Committee on Appropriations. The motion prevailed.

Nelson, K., moved that House Advisory No. 2 be recalled from the Committee on Economic Development and Housing and be re-referred to the Committee on Commerce. The motion prevailed.

Anderson, G., moved that the name of Cooper be shown as chief author on H. F. No. 777. The motion prevailed.

Vellenga moved that H. F. No. 762, now on General Orders, be indefinitely postponed. The motion prevailed.

House Concurrent Resolution No. 8 was reported to the House.

Begich moved that House Concurrent Resolution No. 8 be now adopted.

**HOUSE CONCURRENT RESOLUTION NO. 8**

A House concurrent resolution commemorating the life and work of John Mariucci.

*Whereas*, John Mariucci was born May 18, 1916, in Eveleth, Minnesota, the son of Italian immigrants; and

*Whereas*, John Mariucci began playing hockey in his junior year of high school and then played Golden Gopher football and Golden

Gopher ice hockey as a defenseman. He was the first University of Minnesota hockey player named All-American; and

*Whereas*, in the 1940's, he played for the National Hockey League Chicago Blackhawks for five years and was an outstanding enforcer and gamebreaker; and

*Whereas*, John Mariucci, also known as "Maroosh" and "The Old Roman," was head coach for the University of Minnesota hockey program from 1952 to 1966. He was regarded as a tough coach but a gentle man with a big heart. As some of his players later became coaches, the foundation was being established for hockey's growth in Minnesota; and

*Whereas*, the 1956 United States Olympic Team, under his coaching, won a silver medal; and

*Whereas*, since 1967, he was assistant general manager, scout, and goodwill ambassador for the North Stars; and

*Whereas*, his love and dedication to hockey's development at every competitive level was rewarded by seeing hockey grow from a minor sport at a dozen high schools to a major sport at over 150 high schools, and seeing attendance at the state tournaments increase from 15,000 in 1952, to 100,000 in 1982. He was honored as "Mr. Hockey" by the high school coaches; and

*Whereas*, it is because of the lifetime work of John Mariucci that the modern game of hockey is what it is in the United States; and

*Whereas*, John Mariucci Day in Minnesota was proclaimed by Governor Rudy Perpich on March 2, 1985, and the University of Minnesota hockey building was renamed Mariucci Arena; and

*Whereas*, he was a charter inductee in the United States Hockey Hall of Fame, located in Eveleth, and was named to the National Hockey League Hall of Fame in Montreal, May 1, 1985, and to the Minnesota Sports Hall of Fame in 1986; and

*Whereas*, his life was lived as a tender, caring, sensitive humanitarian and as an inspiration and role model. He was blessed with a great sense of humor that endeared him to many; *Now, Therefore,*

*Be It Resolved* by the House of Representatives of the State of Minnesota, the Senate concurring, that it commemorates the life and work of John Mariucci. Hockey players, fans, and personnel are grateful and appreciative of his lifelong dedication to American hockey. He was admired, loved, and respected and will be remembered and missed not only by Minnesotans but throughout the country.

*Be It Further Resolved* that the Chief Clerk of the House of Representatives is directed to prepare enrolled copies of this resolution, to be authenticated by his signature and those of the Speaker, the President of the Senate, and the Secretary of the Senate.

*Be It Further Resolved* that this resolution be presented to the Governor for his approval and, upon his approval, deposited with the Secretary of State and published with the laws of the State of Minnesota. The Secretary of State shall prepare certified copies of this resolution and present them to the family of John Mariucci and to the United States Hockey Hall of Fame.

The motion prevailed and House Concurrent Resolution No. 8 was adopted.

#### ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 38:

Jacobs, Ogren and Bennett.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 397:

Scheid, Osthoff and Knickerbocker.

#### ADJOURNMENT

Vanasek moved that when the House adjourns today it adjourn until 2:00 p.m., Wednesday, April 22, 1987. The motion prevailed.

Vanasek moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:00 p.m., Wednesday, April 22, 1987.

EDWARD A. BURDICK, Chief Clerk, House of Representatives