

## NINETY-SECOND DAY

St. Paul, Minnesota, Wednesday, February 27, 1974.

The Senate met at 12:00 o'clock noon and was called to order by the President.

### CALL OF THE SENATE

Mr. Coleman imposed a call of the Senate. The following Senators answered to their names:

Anderson	Doty	Kleinbaum	Ogdahl	Sillers
Arnold	Fitzsimons	Kowalczyk	Olson, A. G.	Spear
Ashbach	Gearty	Larson	Olson, H. D.	Stassen
Bernhagen	Hansen, Baldy	Laufenburger	Olson, J. L.	Stokowski
Blatz	Hanson, R.	Lewis	O'Neill	Tennessen
Borden	Hughes	Lord	Patton	Thorup
Chenoweth	Humphrey	McCutcheon	Pillsbury	Willet
Chmielewski	Josefson	Milton	Purfeerst	
Coleman	Keefe, S.	Moe	Renneke	
Davies	Kirchner	Novak	Schrom	

The Sergeant-at-Arms was instructed to bring in the absent members.

Prayer by the Chaplain.

The roll being called, the following Senators answered to their names:

Anderson	Doty	Keefe, S.	Nelson	Renneke
Arnold	Dunn	Kirchner	North	Schaaf
Ashbach	Fitzsimons	Kleinbaum	Novak	Schrom
Bang	Frederick	Knutson	Ogdahl	Sillers
Berg	Gearty	Kowalczyk	Olhoft	Solon
Bernhagen	Hansen, Baldy	Krieger	Olson, A. G.	Spear
Blatz	Hansen, Mel	Larson	Olson, H. D.	Stassen
Borden	Hanson, R.	Laufenburger	Olson, J. L.	Stokowski
Chenoweth	Hughes	Lewis	O'Neill	Tennessen
Chmielewski	Humphrey	Lord	Patton	Thorup
Coleman	Jensen	McCutcheon	Perpich, G.	Ueland
Conzemius	Josefson	Milton	Pillsbury	Wegener
Davies	Keefe, J.	Moe	Purfeerst	Willet

Quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

### MEMBERS EXCUSED

Mr. Perpich, A. J. was excused from the Session of today. Mr. Laufenburger was excused from the Session of today, beginning at

2:30 o'clock p.m. Mr. Laufenburger was excused from Friday's Session and Saturday's Session.

### EXECUTIVE AND OFFICIAL COMMUNICATIONS

February 22, 1974

The Honorable Alec G. Olson  
President of the Senate

Sir:

I have the honor to inform you that I have received, approved, signed and deposited in the office of the Secretary of State the following Senate Files:

S. F. No. 2823, An act relating to the city of Minneapolis; disability, retirement, and survivor benefits for city employees; providing for adjustments in cost, benefits and contributions; amending Laws 1973, Chapter 133, Sections 8, Subdivision 2, as amended; 10, Subdivision 1; and 15, Subdivision 1, as amended.

S. F. No. 2891, An act relating to the city of Minneapolis; retirement; disability benefits for city employees; amending Laws 1973, Chapter 133, Section 18, Subdivisions 2, and 3 as amended.

S. F. No. 2892, An act relating to the city of Minneapolis; retirement; survivors benefits for dependents of city employees; amending Laws 1973, Chapter 133, Section 23, Subdivisions 2, 3, and 9.

S. F. No. 2921, An act relating to the city of Minneapolis; retirement; disability, retirement and survivor benefits for city employees; amending Laws 1973, Chapter 133, Sections 6, Subdivisions 1, 3, 5 as amended, 6, and by adding a subdivision; 9, Subdivision 2 as amended, and 3; 11, Subdivision 1; 12, Subdivision 2; 16, Subdivisions 1 and 8; 18, Subdivision 1; and 23, Subdivision 1; repealing Laws 1973, Chapter 133, Section 25.

Sincerely,  
Wendell R. Anderson, Governor

February 25, 1974

The Honorable Alec G. Olson  
President of the Senate

Sir:

I have the honor to inform you that I have received, approved, signed and deposited in the office of the Secretary of State the following Senate File:

S. F. No. 2736, An act relating to education; providing for loans to medical and osteopathy students who agree to practice in rural communities; authorizing the issuance of revenue bonds; amending Minnesota Statutes, 1973 Supplement, Sections 147.30; 147.31; and 147.32; and Laws 1973, Chapter 727, Section 4.

Sincerely,  
Wendell R. Anderson, Governor

The Honorable Martin O. Sabo  
Speaker of the House of Representatives

The Honorable Alec G. Olson  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1974 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 11:

S. F. No.	H. F. No.	Session Laws Chapter No.	Date Approved 1974	Date Filed 1974
	482	61	February 20, 1974	February 21, 1974
	483	62	February 21, 1974	February 21, 1974
	952	63	February 20, 1974	February 21, 1974
	1309	64	February 21, 1974	February 21, 1974
	1764	65	February 20, 1974	February 21, 1974
	2332	66	February 21, 1974	February 21, 1974
	2502	67	February 20, 1974	February 21, 1974
	2735	68	February 20, 1974	February 21, 1974
	2902	69	February 20, 1974	February 21, 1974
2121		70	February 20, 1974	February 21, 1974
2248		71	February 20, 1974	February 21, 1974
2446		72	February 20, 1974	February 21, 1974

Sincerely,  
Arlen Erdahl  
Secretary of State

The Honorable Martin O. Sabo  
Speaker of the House of Representatives

The Honorable Alec G. Olson  
President of the Senate

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S. F. No.	H. F. No.	Session Laws Chapter No.	Date Approved 1974	Date Filed 1974
2823		73	February 22, 1974	February 22, 1974
2891		74	February 22, 1974	February 22, 1974
2892		75	February 22, 1974	February 22, 1974
2921		76	February 22, 1974	February 22, 1974

Sincerely,  
Arlen Erdahl  
Secretary of State

The Honorable Martin O. Sabo  
Speaker of the House of Representatives

The Honorable Alec G. Olson  
President of the Senate

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S. F. No.	H. F. No.	Session Laws Chapter No.	Date Approved 1974	Date Filed 1974
720		Res. No. 1		February 25, 1974
2736		77	February 25, 1974	February 25, 1974

Sincerely,  
Arlen Erdahl  
Secretary of State

#### INTRODUCTION OF BILLS

Messrs. Solon, Krieger and Coleman introduced—

S. F. No. 3356: A bill for an act relating to corporations; requiring domestic corporations to file annual reports to the secretary of state; providing penalties; appropriating money; amending Minnesota Statutes 1971, Chapter 301, by adding a section.

Which was read the first time and referred to the Committee on Labor and Commerce.

Messrs. O'Neill, Dunn and Renneke introduced—

S. F. No. 3357: A bill for an act relating to education; the Minnesota gifted and talented student act; appropriating money; amending Minnesota Statutes, 1973 Supplement, Section 124.17, Subdivision 1.

Which was read the first time and referred to the Committee on Education.

Mr. Renneke introduced—

S. F. No. 3358: A bill for an act relating to the district court in Sibley county; providing a continuous term; amending Minnesota Statutes 1971, Sections 2.722; and 484.09, Subdivision 8.

Which was read the first time and referred to the Committee on Judiciary.

Messrs. Milton and Kirchner introduced—

S. F. No. 3359: A bill for an act relating to welfare; duties of community mental health boards; amending Minnesota Statutes 1971, Section 245.68.

Which was read the first time and referred to the Committee on Health, Welfare and Corrections.

Messrs. Krieger and Frederick introduced—

S. F. No. 3360: A bill for an act relating to independent school district No. 535 at Rochester; permitting and providing an alley system for at large election of the school board; amending Laws 1969, Chapter 193, Section 3.

Which was read the first time and referred to the Committee on Education.

Messrs. Hansen, Mel; Kirchner and Solon introduced—

S. F. No. 3361: A bill for an act relating to juveniles; juvenile corrections; a program for violent youth offenders; appropriating money therefor.

Which was read the first time and referred to the Committee on Judiciary.

Mr. Conzemius questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Messrs. Kleinbaum and Chenoweth introduced—

S. F. No. 3362: A bill for an act relating to labor; public employment labor relations; providing that certain officers of the Minnesota highway patrol are supervisory employees; amending Minnesota Statutes, 1973 Supplement, Section 179.63, Subdivision 9a.

Which was read the first time and referred to the Committee on Governmental Operations.

Mr. Kleinbaum introduced—

S. F. No. 3363: A bill for an act relating to motor vehicles; registration and taxation thereof; providing for the issuance of special number plates for certain disabled veterans; amending Minnesota Statutes 1971, Section 168.12, by adding a subdivision.

Which was read the first time and referred to the Committee on Transportation and General Legislation.

Messrs. Brown and Josefson introduced—

S. F. No. 3364: A bill for an act relating to crimes and criminals; alteration or removal of manufacturer's identification numbers; providing penalties; amending Minnesota Statutes 1971, Section 609.655.

Which was read the first time and referred to the Committee on Judiciary.

Mr. Chmielewski introduced—

S. F. No. 3365: A bill for an act relating to the drainage of waters on private land; amending Minnesota Statutes, 1973 Supplement, Sections 105.37, Subdivision 7; and 106.021, by adding a subdivision.

Which was read the first time and referred to the Committee on Natural Resources and Agriculture.

Messrs. Purfeerst, Ashbach and Willet introduced—

S. F. No. 3366: A bill for an act relating to aeronautics; reimbursement of municipalities for operational and maintenance costs of airports; amending Minnesota Statutes, 1973 Supplement, Section 360.305, Subdivision 4.

Which was read the first time and referred to the Committee on Transportation and General Legislation.

Messrs. Purfeerst, Ashbach and Willet introduced—

S. F. No. 3367: A bill for an act relating to aeronautics; appropriating and transferring certain funds.

Which was read the first time and referred to the Committee on Transportation and General Legislation.

Mr. Doty introduced—

S. F. No. 3368: A bill for an act relating to appropriations; appropriating money for the acquisition of certain land for game and fish management purposes.

Which was read the first time and referred to the Committee on Natural Resources and Agriculture.

Mr. Doty introduced—

S. F. No. 3369: A bill for an act relating to the Minnesota open meeting law, exempting committees of port authorities therefrom when exercising industrial development powers; amending Minnesota Statutes, 1973 Supplement, Section 471.705, Subdivision 1.

Which was read the first time and referred to the Committee on Governmental Operations.

Mr. Knutson introduced—

S. F. No. 3370: A bill for an act relating to Dakota county; authorizing the Dakota county board to appropriate funds necessary to the effective operation of the Dakota county nursing service committee and establish per diem rates for members thereof.

Which was read the first time and referred to the Committee on Metropolitan and Urban Affairs.

Mr. Knutson introduced—

S. F. No. 3371: A bill for an act relating to Dakota county; authorizing aid to towns and municipalities for road and bridge purposes; amending Laws 1959, Chapter 457, Section 2.

Which was read the first time and referred to the Committee on Metropolitan and Urban Affairs.

Mr. Keefe, S. introduced—

S. F. No. 3372: A bill for an act relating to public welfare; permitting county welfare boards to charge fees for day care services; amending Minnesota Statutes, 1973 Supplement, Section 393.12.

Which was read the first time and referred to the Committee on Health, Welfare and Corrections.

Mr. Keefe, S. introduced—

S. F. No. 3373: A bill for an act relating to elections; defining political parties and providing for the placement of their candidates on the partisan ballot; amending Minnesota Statutes 1971, Sections 200.02, Subdivision 7; and 203.33, by adding a subdivision; repealing Minnesota Statutes 1971, Section 203.33, Subdivision 3.

Which was read the first time and referred to the Committee on Transportation and General Legislation.

Mr. Keefe, S. introduced—

S. F. No. 3374: A bill for an act relating to licensing; providing for licensing and regulation of automatic fire sprinkler system designers, installers, maintenance and repairmen; inspection and testing of sprinkler and standpipe systems; providing penalties.

Which was read the first time and referred to the Committee on Labor and Commerce.

Messrs. Krieger, Olson, J. L. and Novak introduced—

S. F. No. 3375: A bill for an act relating to intoxicating and non-intoxicating liquor; age for licensing, sale, purchase, consumption, possession and furnishing; amending Minnesota Statutes 1971, Sections 340.035, Subdivision 1; 340.355; 340.73, Subdivision 1; 340.731; 340.79; 340.80; and Minnesota Statutes, 1973 Supplement, Sections 340.02, Subdivision 8; 340.119, Subdivision 2; 340.13, Subdivision 12; 340.14, Subdivision 2; 340.403, Subdivision 3; 340.78; and 340.81.

Which was read the first time and referred to the Committee on Labor and Commerce.

Mr. Kowalczyk introduced—

S. F. No. 3376: A bill for an act relating to the city of Brooklyn Park; firemen's relief association benefits.

Which was read the first time and referred to the Committee on Governmental Operations.

Messrs. Bernhagen and Dunn introduced—

S. F. No. 3377: A bill for an act relating to Wright county; allocation of funds to Functional Industries, Incorporated.

Which was read the first time and referred to the Committee on Local Government.

Messrs. Milton, Gearty and Keefe, J. introduced—

S. F. No. 3378: A bill for an act relating to the legislature; providing for the mandatory preparation of a fiscal note or a bill summary for each bill introduced.

Which was read the first time and referred to the Committee on Rules and Administration.

Mr. Thorup introduced—

S. F. No. 3379: A bill for an act relating to education; safety education program; creating a Minnesota safety education committee; appropriating money; amending Minnesota Statutes 1971, Chapter 126, by adding a section.

Which was read the first time and referred to the Committee on Education.

Messrs. Solon, Kleinbaum and Keefe, S. introduced—

S. F. No. 3380: A bill for an act relating to taxation; sales tax; excluding fuels and electricity used for home heating; amending Minnesota Statutes 1971, Section 297A.01, Subdivision 3; and Minnesota Statutes, 1973 Supplement, Section 297A.25, Subdivision 1.

Which was read the first time and referred to the Committee on Taxes and Tax Laws.

Messrs. Bang, Laufenburger and Hansen, Baldy introduced—

S. F. No. 3381: A bill for an act relating to certain counties; authorizing one or more bonds or undertakings to be furnished in lieu of individual bonds required to be furnished by county employees; amending Minnesota Statutes 1971, Section 382.154.



Which was read the first time and referred to the Committee on Local Government.

Mr. Dunn introduced—

S. F. No. 3382: A bill for an act relating to the claim of Don Lambert; arising from damage done to books when a frozen water pipe at North Hennepin Community College thawed and burst, flooding an entire office complex; appropriating money for the payment thereof.

Which was read the first time and referred to the Committee on Finance.

Messrs. Gearty, Borden and Ashbach introduced—

S. F. No. 3383: A bill for an act relating to civil service; act not applicable to the university of Minnesota; amending Minnesota Statutes, 1973 Supplement, Section 43.09, Subdivision 6.

Which was read the first time and referred to the Committee on Governmental Operations.

Mr. Stokowski introduced—

S. F. No. 3384: A bill for an act relating to the claim of David J. Byrne; arising from dental work performed on an inmate of the Minnesota state prison; appropriating money for the payment thereof.

Which was read the first time and referred to the Committee on Finance.

Mr. Gearty introduced—

S. F. No. 3385: A bill for an act relating to the claim of Richard A. Odden; arising from an injury sustained while an inmate at the St. Cloud State Reformatory; appropriating money for the payment thereof.

Which was read the first time and referred to the Committee on Finance.

Messrs. Hansen, Mel; Ashbach and Perpich, A. J. introduced—

S. F. No. 3386: A bill for an act appropriating money to the commissioner of administration for the state's share in constructing and equipping a nursing care unit at the Minnesota veterans home; authorizing the disposal of buildings to be replaced by the nursing care unit.

Which was read the first time and referred to the Committee on Transportation and General Legislation.

Mr. Borden introduced—

S. F. No. 3387: A bill for an act relating to the claim of Lyle Aarsvold; arising from expenses incurred when an automobile and items of personal property were stolen by escapees from Brainerd state hospital; appropriating money for the payment thereof.

Which was read the first time and referred to the Committee on Finance.

Messrs. Keefe, S. and Stassen introduced—

S. F. No. 3388: A bill for an act relating to elections; vacancies in the legislature; amending Minnesota Statutes 1971, Section 203.45, Subdivision 3.

Which was read the first time and referred to the Committee on Transportation and General Legislation.

Mr. Fitzsimons introduced—

S. F. No. 3389: A bill for an act relating to Thief River Falls; providing for special elections to fill offices in certain cases.

Which was read the first time and referred to the Committee on Local Government.

Mr. Milton introduced—

S. F. No. 3390: A bill for an act relating to the city of Little Canada; providing that a certain special census taken for the city be effective to establish the population of the city for the purposes of distribution of certain highway aids.

Which was read the first time and referred to the Committee on Metropolitan and Urban Affairs.

Messrs. Wegener, Schrom and Olson, A. G. introduced—

S. F. No. 3391: A resolution memorializing the United States Congress to take actions in respect to reorganization of field offices of the United States Department of Agriculture.

Which was read the first time and referred to the Committee on Natural Resources and Agriculture.

Mr. Olhoft introduced—

S. F. No. 3392: A bill for an act authorizing the city of Fergus Falls to create development districts within the corporate boundaries of the city; to acquire, construct, reconstruct, improve, alter, extend, operate, maintain and promote development programs to be carried out in each of the districts created; to authorize the city to issue bonds to carry out such development programs; to authorize the city and the county auditor to use the tax increment

created in the development districts to pay off the principal and interest on such bonds; to authorize the city to operate pedestrian systems and special lighting and similar systems; to authorize the city to assess the cost of operations against the development districts; to authorize the city to lease space in structures and to lease or sell air rights over structures and to lease or sell property for private development.

Which was read the first time and referred to the Committee on Local Government.

Mr. O'Neill introduced—

S. F. No. 3393: A bill for an act relating to the public employees retirement association; amending Minnesota Statutes, 1973 Supplement, Section 353.29, Subdivision 2.

Which was read the first time and referred to the Committee on Governmental Operations.

Mr. Hansen, Baldy introduced—

S. F. No. 3394: A bill for an act relating to workmen's compensation; definition of family farm to include family farm corporation; amending Minnesota Statutes, 1973 Supplement, Section 176.011, Subdivision 11a.

Which was read the first time and referred to the Committee on Labor and Commerce.

Messrs. Bernhagen and Olson, A. G. introduced—

S. F. No. 3395: A bill for an act relating to labor relations; allowing area vocational technical institute teachers to become an appropriate bargaining unit; amending Minnesota Statutes 1971, Section 179.63, Subdivision 17.

Which was read the first time and referred to the Committee on Labor and Commerce.

Mr. Olhoft introduced—

S. F. No. 3396: A bill for an act relating to the claim of Verle Crumpton; arising from an injury sustained by his daughter in a fall on a steep embankment the public access to which is owned by the state; appropriating money for the payment thereof.

Which was read the first time and referred to the Committee on Finance.

Mr. Conzemius introduced—

S. F. No. 3397: A bill for an act relating to aeronautics; prohibiting airplane training exercises at lakes located within municipi-

palities; amending Minnesota Statutes 1971, Section 360.075, Subdivision 1.

Which was read the first time and referred to the Committee on Transportation and General Legislation.

Mr. Moe introduced—

S. F. No. 3398: A bill for an act relating to the department of public safety, advancing the availability of appropriations for license plates, and appropriating additional moneys therefor.

Which was read the first time and referred to the Committee on Finance.

Mr. Moe introduced—

S. F. No. 3399: A bill for an act relating to appropriations made for the operation of the Crookston and Waseca technical colleges; removing a certain restriction therefrom; amending Laws 1973, Chapter 768, Section 4, Subdivision 5.

Which was read the first time and referred to the Committee on Finance.

Messrs. Purfeerst and Bang introduced—

S. F. No. 3400: A bill for an act relating to taxation; inheritance taxes; exemptions; amending Minnesota Statutes, 1973 Supplement, Section 291.05.

Which was read the first time and referred to the Committee on Taxes and Tax Laws.

Mr. Humphrey introduced—

S. F. No. 3401: A bill for an act relating to pharmacists; requiring the pharmacy posted drug lists to contain generic drug names; amending Minnesota Statutes, 1973 Supplement, Section 151.06, Subdivision 2a.

Which was read the first time and referred to the Committee on Health, Welfare and Corrections.

Messrs. Kleinbaum, Chenoweth and Ogdahl introduced—

S. F. No. 3402: A bill for an act relating to retirement; authorizing, under specified conditions and circumstances, a participant in the Minnesota unclassified employees retirement program to withdraw employer and employee contributions therefrom and transfer such contributions to the highway patrolmen's retirement fund.

Which was read the first time and referred to the Committee on Governmental Operations.

Messrs. Perpich, A. J.; Olson, A. G. and Coleman introduced—

S. F. No. 3403: A bill for an act relating to taxation; providing for computation of special fuel and gasoline tax without deduction for shrinkage; amending Minnesota Statutes 1971, Sections 296.12, Subdivision 4; 296.14, Subdivision 1; and 296.18, by adding a subdivision.

Which was read the first time and referred to the Committee on Taxes and Tax Laws.

Messrs. Stassen and O'Neill introduced—

S. F. No. 3404: A bill for an act relating to elections; the nomination and election of presidential electors; nominating petitions; amending Minnesota Statutes 1971, Sections 202.09, Subdivision 1; 202.10; 202.11; 208.03; 208.04; 208.05; 208.06; and 208.08; repealing Minnesota Statutes 1971, Section 208.07.

Which was read the first time and referred to the Committee on Transportation and General Legislation.

Mr. Schaaf introduced—

S. F. No. 3405: A bill for an act relating to courts; providing for district judges to act in the place of interested supreme court judges in certain cases; amending Minnesota Statutes, 1973 Supplement, Section 2.724, Subdivision 2.

Which was read the first time and referred to the Committee on Judiciary.

Messrs. Kirchner and Coleman introduced—

S. F. No. 3406: A bill for an act relating to historic sites; designating additional historical sites; amending Minnesota Statutes 1971, Sections 138.53, by adding subdivisions; 138.54, by adding a subdivision; and 138.58, by adding subdivisions.

Which was read the first time and referred to the Committee on Natural Resources and Agriculture.

Mr. Wegener introduced—

S. F. No. 3407: A bill for an act relating to agriculture; local pest control; amending Minnesota Statutes 1971, Section 18.022, Subdivision 1, and by adding a subdivision; and Chapter 18 by adding a section.

Which was read the first time and referred to the Committee on Natural Resources and Agriculture.

Messrs. Keefe, S. and Brown introduced—

S. F. No. 3408: A bill for an act relating to elections; providing

for the single joint vote for the governor and lieutenant governor; amending Minnesota Statutes, 1973 Supplement, Section 206.07, Subdivision 1; and Minnesota Statutes 1971, Section 206.07, by adding a subdivision.

Which was read the first time and referred to the Committee on Transportation and General Legislation.

Mr. Moe introduced—

S. F. No. 3409: A bill for an act relating to the department of corrections; the select advisory committee on corrections; authorizing the committee to submit a report on January 2, 1975; amending Laws 1973, Chapter 765, Section 3, Subdivision 1.

Which was read the first time and referred to the Committee on Health, Welfare and Corrections.

Messrs. Nelson, McCutcheon and Gearty introduced—

S. F. No. 3410: A bill for an act relating to crimes and criminals, burglary; defining terms; prescribing penalties; amending Minnesota Statutes 1971, Section 609.58.

Which was read the first time and referred to the Committee on Judiciary.

Messrs. Nelson, McCutcheon and Thorup introduced—

S. F. No. 3411: A bill for an act relating to crimes and criminals; bringing stolen goods into the state; receiving stolen goods; prescribing penalties; amending Minnesota Statutes 1971, Section 609.525; and Minnesota Statutes, 1973 Supplement, Section 609.53.

Which was read the first time and referred to the Committee on Judiciary.

Mr. Nelson introduced—

S. F. No. 3412: A bill for an act relating to the city of Robbinsdale; firemen's relief benefits; amending Laws 1969, Chapter 1105, Sections 1, 2, 3 and 4.

Which was read the first time and referred to the Committee on Governmental Operations.

Messrs. Nelson, Schaaf and Solon introduced—

S. F. No. 3413: A bill for an act relating to crimes and criminals; establishing a crime victim's compensation system in the department of public safety; prescribing powers and duties of the director administering the system; and appropriating money.

Which was read the first time and referred to the Committee on Judiciary.

Mr. Conzemius questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Messrs. Brown; Olson, J. L. and Blatz introduced—

S. F. No. 3414: A bill for an act relating to taxation; providing an inflation adjustment for the cost of residences for income tax purposes; amending Minnesota Statutes 1971, Section 290.13, by adding a subdivision.

Which was read the first time and referred to the Committee on Taxes and Tax Laws.

Messrs. Brown; Olson, J. L. and Stassen introduced—

S. F. No. 3415: A bill for an act relating to the executive council; eliminating the lieutenant governor from membership on the executive council; amending Minnesota Statutes, 1973 Supplement, Section 9.011, Subdivision 1.

Which was read the first time and referred to the Committee on Governmental Operations.

Messrs. Lewis, Spear and Milton introduced—

S. F. No. 3416: A bill for an act relating to corrections; prohibiting the use of isolation cells at the Minnesota state prison, the state reformatory for men and the Minnesota correctional institution for women.

Which was read the first time and referred to the Committee on Health, Welfare and Corrections.

Mr. Chenoweth introduced—

S. F. No. 3417: A bill for an act relating to state lands; directing conveyance of a portion of the Gillette Children's Hospital property to the city of St. Paul.

Which was read the first time and referred to the Committee on Natural Resources and Agriculture.

Mr. Chenoweth introduced—

S. F. No. 3418: A bill for an act relating to the authority of the board of trustees of the public employees retirement association to invest the assets of the public employees retirement association; amending Minnesota Statutes, 1973 Supplement, Section 353.06; and Chapter 353, by adding a section.

Which was read the first time and referred to the Committee on Governmental Operations.

Mr. Chenoweth introduced—

S. F. No. 3419: A bill for an act relating to retirement; miscel-

laneous amendments to the judges retirement act; amending Minnesota Statutes, 1973 Supplement, Sections 490.121, Subdivisions 2, 4, and 17; 490.124, Subdivisions 1, 2, 3, 6, 9, and 10; 490.125, Subdivision 2; and 490.128, by adding subdivisions.

Which was read the first time and referred to the Committee on Governmental Operations.

Mr. Borden introduced—

S. F. No. 3420: A bill for an act relating to game and fish, license exemption for senior citizens; amending Minnesota Statutes, 1973 Supplement, Section 98.47, Subdivision 1.

Which was read the first time and referred to the Committee on Natural Resources and Agriculture.

Mr. Thorup introduced—

S. F. No. 3421: A bill for an act relating to athletics; authorizing boxing exhibitions on Sunday; amending Minnesota Statutes 1971, Sections 341.07 and 624.02.

Which was read the first time and referred to the Committee on Labor and Commerce.

Messrs. North, O'Neill and Milton introduced—

S. F. No. 3422: A bill for an act relating to Ramsey county; authorizing the board of county commissioners to issue general obligation bonds for the costs of architectural and professional services in the construction of an adult detention, and juvenile center, and security treatment facility at St. Paul-Ramsey hospital.

Which was read the first time and referred to the Committee on Metropolitan and Urban Affairs.

Messrs. Nelson, Brown and Kowalczyk introduced—

S. F. No. 3423: A bill for an act relating to crimes and criminals; powers and duties of the Minnesota corrections authority; providing public access to parole records and proceedings; amending Minnesota Statutes 1971, Section 243.05; and Chapter 243, by adding a section.

Which was read the first time and referred to the Committee on Judiciary.

Mr. Conzemius questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Nelson introduced—

S. F. No. 3424: A bill for an act relating to crimes and crimi-



nals; providing that persons convicted of crime shall not be disqualified from public employment positions or occupations requiring licensing solely on the basis of their criminal record.

Which was read the first time and referred to the Committee on Judiciary.

Mr. Conzemius questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Hanson, R. introduced—

S. F. No. 3425: A bill for an act relating to the city of Detroit Lakes; expanding the definition of "project" under Minnesota Statutes 1971, Chapter 474, to include a vocational school facility.

Which was read the first time and referred to the Committee on Education.

Mr. Conzemius introduced—

S. F. No. 3426: A bill for an act relating to hospitals, nursing homes and related medical facilities; amending Minnesota Statutes 1971, Chapter 447, by adding a section.

Which was read the first time and referred to the Committee on Local Government.

Messrs. North, O'Neill and Chenoweth introduced—

S. F. No. 3427: A bill for an act relating to the city of Saint Paul; providing for and authorizing said city to issue its general obligation bonds for urban renewal development purposes and for rehabilitation loans; amending Laws 1963, Chapter 881, Sections 1, as amended; 2; and 3; and repealing Laws 1973, Chapter 395, Section 2.

Which was read the first time and referred to the Committee on Metropolitan and Urban Affairs.

Messrs. Chenoweth, McCutcheon and Novak introduced—

S. F. No. 3428: A bill for an act relating to the city of St. Paul; authorizing housing and rehabilitation loan and grant programs; providing for the issuance of general obligation bonds.

Which was read the first time and referred to the Committee on Metropolitan and Urban Affairs.

Mr. Willet introduced—

S. F. No. 3429: A bill for an act relating to Hubbard county; authorizing issuance of additional on-sale intoxicating liquor licenses.

Which was read the first time and referred to the Committee on Labor and Commerce.

Mr. Willet introduced—

S. F. No. 3430: A bill for an act relating to motor vehicles; license plates; providing for special license plates for executives of commercial radio stations; amending Minnesota Statutes 1971, Chapter 168, by adding a section.

Which was read the first time and referred to the Committee on Transportation and General Legislation.

Mr. Willet introduced—

S. F. No. 3431: A bill for an act relating to game and fish; regulating entry on agricultural lands for taking big game; providing a penalty; amending Minnesota Statutes 1971, Section 100.273.

Which was read the first time and referred to the Committee on Natural Resources and Agriculture.

#### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned:

S. F. Nos. 21, 2537, 2952 and 3032.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned February 22, 1974

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 1060: A bill for an act relating to highway traffic regulations; bicycle regulations; pedestrian rules; prohibiting certain soliciting; requiring certain precautions when opening certain vehicle doors; amending Minnesota Statutes 1971, Sections 169.01, Subdivision 51; 169.21, Subdivisions 3 and 5; 169.22; 169.221, Subdivisions 1 and 6; and Chapter 169, by adding a section.

Senate File No. 1060 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned February 22, 1974

Mr. Purfeerst moved that the Senate do not concur in the amendments by the House to S. F. No. 1060 and that a Conference Committee of 3 members be appointed by the Committee on

Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 1174: A bill for an act relating to corrections; study and diagnosis of children and youth committed to the youth conservation commission; amending Minnesota Statutes 1971, Sections 242.18; 242.385, Subdivision 1; 260.151, Subdivision 1; and 260.175; repealing Minnesota Statutes 1971, Sections 242.385, Subdivision 2; and 242.386.

Senate File No. 1174 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned February 22, 1974

#### CONCURRENCE AND REPASSAGE

Mr. Hughes moved that the Senate do now concur in the amendments by the House to S. F. No. 1174 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1174: A bill for an act relating to corrections; study and diagnosis of children and youth committed to the commissioner of corrections; amending Minnesota Statutes 1971, Sections 242.385, Subdivision 1; 260.151, Subdivision 1; and 260.175; repealing Minnesota Statutes 1971, Sections 242.385, Subdivision 2; and 242.386.

Was read the third time, as amended by the House, and placed on its repassage.

The question being taken on the repassage of the bill, as amended,

And the roll being called, there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Keefe, S.	Nelson	Schrom
Arnold	Fitzsimons	Kirchner	North	Sillers
Ashbach	Frederick	Kleinbaum	Novak	Solon
Bernhagen	Gearty	Knutson	Ogdahl	Spear
Blatz	Hansen, Baldy	Kowalczyk	Olson, A. G.	Stassen
Borden	Hansen, Mel	Larson	Olson, H. D.	Tennessen
Chenoweth	Hanson, R.	Laufenburger	Olson, J. L.	Thorup
Chmielewski	Hughes	Lewis	O'Neill	Ueland
Coleman	Humphrey	Lord	Patton	Wegener
Conzemius	Jensen	McCutcheon	Pillsbury	Willett
Davies	Josefson	Milton	Purfeerst	
Doty	Keefe, J.	Moe	Renneke	

So the bill, as amended, was repassed and its title was agreed to.

**MESSAGES FROM THE HOUSE—CONTINUED**

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 767: A bill for an act relating to public health; authorizing the state board of health to prescribe fees for certain services provided by the board; appropriating money; amending Minnesota Statutes 1971, Chapter 144, by adding a section.

Senate File No. 767 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned February 22, 1974

**CONCURRENCE AND REPASSAGE**

Mr. Milton moved that the Senate do now concur in the amendments by the House to S. F. No. 767 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 767 was read the third time, as amended by the House, and placed on its repassage.

The question being taken on the repassage of the bill, as amended,

And the roll being called, there were yeas 57 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Fitzsimons	Kirchner	Nelson	Schrom
Arnold	Frederick	Kleinbaum	North	Sillers
Ashbach	Gearty	Knutson	Novak	Solon
Bernhagen	Hansen, Baldy	Kowalczyk	Ogdahl	Spear
Blatz	Hansen, Mel	Krieger	Olson, A. G.	Stassen
Borden	Hanson, R.	Larson	Olson, H. D.	Tennessen
Chenoweth	Hughes	Laufenburger	Olson, J. L.	Thorup
Coleman	Humphrey	Lewis	O'Neill	Ueland
Conzemius	Jensen	Lord	Patton	Wegener
Davies	Josefson	McCutcheon	Pillsbury	
Doty	Keefe, J.	Milton	Purfeerst	
Dunn	Keefe, S.	Moe	Renneke	

So the bill, as amended, was repassed and its title was agreed to.

**MESSAGES FROM THE HOUSE—CONTINUED**

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 1591: A bill for an act relating to agriculture, disposal of animal carcasses by renderers and pet food processors; amending Minnesota Statutes 1971, Section 35.82, Subdivision 2, and by adding a subdivision.

Senate File No. 1591 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned February 22, 1974

### CONCURRENCE AND REPASSAGE

Mr. Bernhagen moved that the Senate do now concur in the amendments by the House to S. F. No. 1591 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1591: A bill for an act relating to agriculture, disposal of animal carcasses by renderers and pet food processors; amending Minnesota Statutes 1971, Section 35.82, Subdivisions 2 and 3; and by adding a subdivision; repealing Minnesota Statutes 1971, Section 35.82, Subdivision 1a.

Was read the third time, as amended by the House, and placed on its repassage.

The question being taken on the repassage of the bill, as amended,

And the roll being called, there were yeas 54 and nays 1, as follows:

Those who voted in the affirmative were:

Arnold	Fitzsimons	Kirchner	Nelson	Sillers
Ashbach	Frederick	Kleinbaum	North	Solon
Bernhagen	Gearty	Knutson	Novak	Spear
Blatz	Hansen, Mel	Krieger	Ogdahl	Stassen
Chenoweth	Hanson, R.	Larson	Olson, H. D.	Stokowski
Chmielewski	Hughes	Laufenburger	Olson, J. L.	Tennessen
Coleman	Humphrey	Lewis	O'Neill	Thorup
Conzemius	Jensen	Lord	Patton	Ueland
Davies	Josefson	McCutcheon	Pillsbury	Wegener
Doty	Keefe, J.	Milton	Purfeerst	Willet
Dunn	Keefe, S.	Moe	Renneke	

Mr. Hansen, Baldy voted in the negative.

So the bill, as amended, was repassed and its title was agreed to.

### MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

I have the honor to announce that the House has adopted the following amendment to the Joint Rules of the Senate and House of Representatives for the Sixty-Eighth Session, in which amendment the concurrence of the Senate is respectfully requested:

Amend Joint Rule 20 by adding a paragraph as follows:

“Except for reports from the Senate Committees on Finance and Taxes and Tax Laws, and the House Committees on Appropria-

tions and Taxes, committee reports on bills in the house of origin received after March 2, 1974, for the second year of the biennium, and committee reports on bills originating in the other house received after March 16, 1974, for the second year of the biennium, shall be referred by 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."

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted February 22, 1974

Mr. Coleman moved that the amendment to the Joint Rules be laid on the table. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted:

H. F. Nos. 2589, 2607, 2704, 2914, 3086, 1952, 2349, 2853, 2926, 2837, 2854, 2908, 2909, 2980, 3048, 3242, 1795, 2194, 2764, 2876, 3002, 3003, 3020, 2182, 3015 and 2812.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted February 22, 1974

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 636:

H. F. No. 636: A bill for an act relating to establishing a metropolitan transportation commission; assumption by commission of Twin City area metropolitan transit commission powers; granting authority to commission to approve highway designs and locations; establishing budget procedure; amending Minnesota Statutes 1971, Chapter 473A, by adding sections; and Sections 473A.01, Subdivisions 2 and 3, and by adding a subdivision; 473A.02; 473A.03; 473A.04, by adding subdivisions; 473A.05, Subdivision 10, and by adding a subdivision; 473A.16; 473A.18; repealing Minnesota Statutes 1971, Sections 473A.04, Subdivisions 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12 and 14; 473A.06, Subdivision 1; and 473A.065.

And the House respectfully requests that a Conference Committee of five members be appointed thereon:

Berg, Salchert, Menke, Bell and Norton have been appointed as such committee on the part of the House.

House File No. 636 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted February 22, 1974

Mr. North moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 636, and that a Conference Committee of 5 members be appointed by the Committee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 835, and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 835: A bill for an act relating to divorce; abolishing the action and substituting proceedings for dissolution; amending Minnesota Statutes 1971, Sections 518.001; 518.01; 518.03; 518.06; 518.07; 518.09; 518.10; 518.11; 518.12; 518.13; 518.14; 518.15; 518.16; 518.17; 518.175, Subdivision 1; 518.25; 518.27; 518.54; 518.55; 518.551; 518.57; 518.58; 518.59; 518.62; 518.63; 518.64 and 518.66; repealing Minnesota Statutes 1971, Sections 518.08; 518.26 and 518.28.

H. F. No. 835 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives  
Transmitted February 22, 1974

Mr. Spear moved that H. F. No. 835 and the Conference Committee Report thereon be laid on the table. The motion prevailed.

### FIRST READING OF HOUSE BILLS

H. F. No. 2589: A bill for an act relating to professional corporations; including podiatrists and psychologists within the definition of professional service for the purposes of formation of professional corporations; amending Laws 1973, Chapter 40, Section 2, Subdivision 2.

H. F. No. 2607: A bill for an act relating to taxation; declaration of illegally untaxed cigars as contraband in certain circumstances; providing for confiscation of vehicles, trailers and airplanes used to transport illegally untaxed cigars; amending Minnesota Statutes 1971, Chapter 297, by adding sections.

H. F. No. 2704: A bill for an act relating to the department of natural resources; appropriating money for the improvement of a certain road leading to a state park; and providing for the transfer of the road to the town of Camp Release.

H. F. No. 2914: A bill for an act relating to state and community colleges; providing for access to records by state college employees; amending Minnesota Statutes 1971, Chapter 136, by adding a section.

H. F. No. 3086: A bill for an act relating to aeronautics; aircraft registration and taxation; definitions; amending Minnesota Statutes 1971, Section 360.511, Subdivision 8.

H. F. No. 1952: A bill for an act relating to the construction, maintenance and repair of county ditches in Ramsey county; repealing Laws 1957, Chapter 682.

H. F. No. 2349: A bill for an act relating to the city of Virginia; authorizing one additional on-sale intoxicating liquor license.

H. F. No. 2853: A bill for an act relating to distinctions based upon sex; abolishing these distinctions in the law concerning the department of corrections, youth conservation, adult conservation, custody of mentally deficient or epileptic persons, county home schools, detention homes, county jails, lockups, and work-farms; amending Minnesota Statutes 1971, Sections 241.02, Subdivision 1; 241.07; 241.22; 241.23; 241.27, Subdivision 2; 242.19, Subdivision 1, as amended; 242.22; 242.47; 242.48; 242.51; 243.05; 243.17, Subdivision 1; 243.18; 243.20; 243.21; 243.211; 243.25; 243.26; 243.51, Subdivision 2; 243.54; 243.55; 243.57; 243.58; 243.59; 243.62; 243.66, as amended; 243.68; 243.84; 243.85; 243.90; 243.91; 243.92; 252.07; 260.094; 260.101; 641.07; 641.38; 642.08; 643.08; 643.15; 643.19; repealing Minnesota Statutes 1971, Sections 242.52; and 643.14.

H. F. No. 2926: A bill for an act relating to taxation; prescribing eligibility for rent and property tax credits; amending Minnesota Statutes, 1973 Supplement, Sections 290.0601, Subdivisions 6 and 9; and 290.061.

H. F. No. 2837: A bill for an act relating to intoxicating liquor; authorizing off-sale of certain wines by certain manufacturers; amending Minnesota Statutes 1971, Section 340.13, Subdivision 1.

H. F. No. 2854: A bill for an act relating to eminent domain proceedings; court appointed commissioners; amending Minnesota Statutes 1971, Section 117.075.

H. F. No. 2908: A bill for an act relating to reimbursable examinations and audits by the state auditor; authorizing contracting for accounting and technical personnel and permitting the use of the revolving fund therefor; amending Minnesota Statutes 1971, Section 215.225.

H. F. No. 2909: A bill for an act relating to liquor; temporary licensing of clubs, charitable, religious, or non-profit associations for sale of non-intoxicating malt liquor in schools; amending Minnesota Statutes, 1973 Supplement, Sections 340.02, Subdivision 2; and 624.701, Subdivision 1.

H. F. No. 2980: A bill for an act relating to corrections; providing judges of the district court with certain sentencing discretion in the case of a person committed to the Minnesota corrections authority; amending Minnesota Statutes 1971, Section 242.13.



H. F. No. 3048: A bill for an act relating to municipal housing and redevelopment authorities; permitting public officers and employees to serve as commissioners; amending Minnesota Statutes 1971, Section 462.425, Subdivision 5.

H. F. No. 3242: A bill for an act relating to the city of Minneapolis; increasing the membership of the city of Minneapolis housing and redevelopment authority, and providing terms therefor.

H. F. No. 1795: A bill for an act relating to the Hennepin county conciliation court; amending Minnesota Statutes 1971, Sections 488A.14, Subdivision 5, and by adding a subdivision; 488A.16, Subdivisions 6 and 8; and 488A.17, Subdivisions 2, 4 and 5.

H. F. No. 2194: A bill for an act relating to unemployment compensation; payments by nonprofit organizations; amending Minnesota Statutes 1971, Section 268.06, Subdivision 28.

H. F. No. 2764: A bill for an act relating to private pensions; imposing an obligation upon certain employers who terminate pension plans; providing for the enforcement and method of payment of such obligations.

H. F. No. 2876: A bill for an act relating to the state college board; including a student or recent graduate on its membership; amending Minnesota Statutes 1971, Section 136.12.

H. F. No. 3002: A bill for an act relating to motor vehicles; interstate registration and reciprocity, withdrawal of vehicle from fleet; refund; amending Minnesota Statutes 1971, Section 168.187, Subdivision 15.

H. F. No. 3003: A bill for an act relating to motor vehicles; registration and taxation; monthly series system of registration; amending Minnesota Statutes, 1973 Supplement, Sections 168.017, Subdivisions 1, 2, 3, and 4; and 168.37, Subdivision 3; and Minnesota Statutes 1971, Section 168.09, by adding a subdivision.

H. F. No. 3020: A bill for an act relating to insurance; authorizing insurers of personal property in case of loss to deduct for depreciation only in certain circumstances.

H. F. No. 2182: A bill for an act relating to education; prescribing tax levies; and authorizing school districts to levy to offset certain real estate tax delinquencies; amending Minnesota Statutes, 1973 Supplement, Section 275.125, Subdivision 3.

H. F. No. 3015: A bill for an act relating to the powers of the attorney general; providing for investigation by the attorney general of suspected violations of business, commerce, trade and antitrust laws; prescribing penalties; providing for assurances of discontinuance and recovery of costs; amending Minnesota Statutes 1971, Sections 325.8021; 325.907, by adding subdivisions; and Minnesota Statutes, 1973 Supplement, Section 325.907, Subdivision 2.

Which were read the first time and referred to the Committee on Rules and Administration.

H. F. No. 2812: A bill for an act relating to environment; solid waste user fee study; amending Laws 1973, Chapter 748, by adding a section; repealing Laws 1973, Chapter 748, Section 7.

Which was read the first time.

### SUSPENSION OF RULES

Mr. Lord moved that an urgency be declared within the meaning of Article IV, Section 20, of the Constitution of Minnesota, with respect to H. F. No. 2812 and that the rules of the Senate be so far suspended as to give H. F. No. 2812 its second and third reading and place it on its final passage. The motion prevailed.

H. F. No. 2812 was read the second time.

H. F. No. 2812: A bill for an act relating to environment; solid waste user fee study; amending Laws 1973, Chapter 748, by adding a section; repealing Laws 1973, Chapter 748, Section 7.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 62 and nays 3, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Kirchner	Novak	Schrom
Arnold	Dunn	Kleinbaum	Ogdahl	Sillers
Ashbach	Fitzsimons	Knutson	Olhoft	Solon
Bang	Frederick	Kowalczyk	Olson, A. G.	Stassen
Berg	Gearty	Krieger	Olson, H. D.	Stokowski
Bernhagen	Hansen, Baldy	Larson	Olson, J. L.	Tennessen
Blatz	Hansen, Mel	Laufenburger	O'Neill	Thorup
Borden	Hanson, R.	Lewis	Patton	Ueland
Chenoweth	Hughes	Lord	Perpich, G.	Wegener
Chmielewski	Humphrey	McCutcheon	Pillsbury	Willet
Coleman	Jensen	Milton	Purfeerst	
Conzemius	Josefson	Moe	Renneke	
Davies	Keefe, J.	Nelson	Schaaf	

Messrs. Keefe, S.; North and Spear voted in the negative.

So the bill passed and its title was agreed to.

### REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk with the exception of those pertaining to appointments be now adopted. The motion prevailed.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 2984: A bill for an act relating to workmen's compensation; excluded employments, amending Minnesota Statutes, 1973 Supplement, Section 176.041, Subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 13, reinstate the old language

Page 1, line 13, strike "*members of the farmer*"

Page 1, strike line 14

Page 1, line 15, strike "*according to the rules of civil law,*" and insert "*, parents and children, regardless of their age, of a farmer employer, employed by him or on a family farm incorporated or otherwise*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 1963: A bill for an act relating to small loans; increasing the maximum limit on loans; providing charges for examination; amending Minnesota Statutes 1971, Sections 56.13, Subdivisions 1 and 5; and 56.15, Subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 13, strike "\$1,800" and insert "\$1,500"

Page 3, line 17, strike "\$1,800" and insert "\$1,500"

Page 3, line 21, strike "\$1,800" and insert "\$1,500"

Page 3, line 22, strike "1973" and insert "1974"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 2084: A bill for an act relating to public utilities; regulating the filing by certain public utilities of mortgages or deeds of trust along with instruments already required to be filed under the provisions of the uniform commercial code; amending Minnesota Statutes 1971, Chapter 300, by adding a section.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 2298: A bill for an act relating to professional associations; authorizing licensed insurance agents to form and join together in such associations; amending Laws 1973, Chapter 40, Section 2, Subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 8, strike "Laws 1973, Chapter 40, Section 2" and insert "Minnesota Statutes, 1973 Supplement, Section 319A.02"

Page 1, line 13, strike "174.29" and insert "147.29"

Further, amend the title as follows:

Line 5, strike "Laws 1973,"

Line 6, strike "Chapter 40, Section 2" and insert "Minnesota Statutes, 1973 Supplement, Section 319A.02"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 3272: A bill for an act relating to the legislature; authorizing group hospital and medical benefits coverage for retired members; amending Minnesota Statutes 1971, Section 43.491, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 18, add the following:

"Sec. 2. [EFFECTIVE DATE.] This act shall take effect the day following final enactment."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Olson, A. G. from the Committee on Local Government, to which was referred

S. F. No. 3024: A bill for an act relating to special assessments; amending Minnesota Statutes, 1973 Supplement, Section 429.101, Subdivision 1; and Minnesota Statutes 1971, Section 429.101, Subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 13, strike "council" and insert "*governing body*"

Page 2, after line 15, add the following:

"Sec. 3. [EFFECTIVE DATE.] This act shall be effective the day following final enactment."

And when so amended the bill do pass and be placed on the Calendar of Ordinary Matters. Amendments adopted. Report adopted.

Mr. Olson, A. G. from the Committee on Local Government, to which was referred

S. F. No. 3152: A bill for an act relating to the county of Lake, authorizing the county to issue its general obligation bonds in an amount not to exceed \$350,000 for various county purposes and granting the county certain powers with respect thereto.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 14, strike "dump"

Page 1, line 31, after "property" insert "or any other revenues received in connection with the use of any of the properties or facilities described in section 1"

Page 2, line 5, strike "and the debt limitations of chapter 475, shall not"

Page 2, line 6, "apply to such bonds"

Page 2, line 6, after "any" insert "revenues,"

And when so amended the bill do pass and be placed on the Calendar of Ordinary Matters. Amendments adopted. Report adopted.

Mr. Olson, A. G. from the Committee on Local Government, to which was referred

S. F. No. 2995: A bill for an act relating to municipal industrial development; financing of telephone facilities; amending Minnesota Statutes, 1973 Supplement, Section 474.02, Subdivision 1; and Minnesota Statutes 1971, Sections 474.02, Subdivision 2, and by adding a subdivision; and 474.13.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 4, strike "*The term 'project' shall also*"

Page 2, strike lines 5 through 9

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Olson, A. G. from the Committee on Local Government, to which was re-referred

H. F. No. 2065: A bill for an act relating to the promotion of tourism in the state; providing for the financing of tourist and related recreational facilities; amending Minnesota Statutes 1971, Section 474.02, by adding a subdivision.

Reports the same back with the recommendation that the printed bill be amended as follows:

Page 1, line 2, strike "2a" and insert "1a"

Page 1, line 6, after the period insert: "*The provisions of this subdivision shall not apply to municipalities located in whole or in part in the metropolitan area as defined in Section 473B.02.*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Olson, A. G. from the Committee on Local Government, to which was referred

S. F. No. 3060: A bill for an act relating to hazardous buildings; removal or correction of hazardous buildings; enforcement; amending Minnesota Statutes 1971, Sections 463.151; 463.17, Subdivisions 1 and 3; 463.21; and Chapter 463, by adding a section.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, strike all of Section 1 and insert the following:

"Section 1. Minnesota Statutes 1971, Section 463.151, is amended to read:

463.151 [REMOVAL BY MUNICIPALITY; CONSENT; COST.] The governing body of any city, ~~village, or town, or borough~~ may remove or raze any hazardous building upon obtaining the consent in writing of all owners of record, occupying tenants, and all lien holders of record; the cost shall be charged against the real estate as provided in section 463.21, except the governing body may provide that the cost so assessed may be paid in not to exceed five equal annual installments with interest thereon, at ~~five~~ *eight* percent per annum."

Page 1, line 31, strike "*five*" and insert "*eight*"

Page 1, line 31, strike the semi-colon and insert a period

Page 1, line 31, strike "*or may acquire the building and*"

Page 2, strike lines 1 through 3

Page 2, after line 3, insert a new section as follows:

"Sec. 3. [EXERCISE OF EMINENT DOMAIN.] Subdivision 1. [PURPOSE, PUBLIC INTEREST.] In order to maintain a sufficient supply of adequate, safe, and sanitary housing and buildings used for living, commercial, industrial, or other purposes or any combination of purposes, it is found that the public interest requires that municipalities be authorized to acquire buildings, and real estate on which buildings are located, which are found to be hazardous within the meaning of section 463.15, subdivision 4, and the acquisition of such buildings and real estate is hereby declared to be a public purpose.

Subd. 2. [ACQUISITION; PROCEDURE.] In furtherance of the public policy declared in subdivision 1 of this section, the governing body of any city or town may acquire any hazardous building and real estate on which any such building is located by eminent domain in the manner provided by Minnesota Statutes, Chapter 117."

Renumber the sections accordingly.

Page 2, line 11, restore the stricken language

Page 2, line 11, after "district" insert "or"

Page 2, line 18, restore the stricken language

Page 2, line 18, after "district" insert "or"

Page 2, after line 28, insert a new section as follows:

"Sec. 6. Minnesota Statutes 1971, Section 463.20, is amended to read: 463.20 [CONTESTED CASES.] If an answer is filed and served as provided in section 463.18, further proceedings in the actions shall be governed by the rules of civil procedure for the district courts of the court hearing the action, except that the action has priority over all pending civil actions and shall be tried forthwith. If the order is sustained following the trial, the court shall enter judgment and shall fix a time after which the building shall be destroyed or repaired, as the case may be, in compliance with the order as originally filed or modified by the court. If the order is not sustained, it shall be annulled and set aside. The clerk of the court shall cause a copy of the judgment to be mailed forthwith to the persons upon whom the original order was served."

Renumber the sections accordingly.

Page 3, line 7, strike "the exercise of"

Page 3, line 8, strike "the power of"

Page 3, after line 17 insert a new section as follows:

"Sec. 8. Minnesota Statutes 1971, Chapter 463, is amended by adding a section to read:

[463.261] [RELOCATION BENEFITS.] *Notwithstanding the provisions of Minnesota Statutes, Section 117.56, or any other law to the contrary, all acquisitions of buildings and real estate upon which buildings are located by governmental subdivisions pursuant to the exercise of the power of eminent domain as provided in sections 2 and 6 of this act shall be acquisitions for the purposes of Minnesota Statutes, Sections 117.50 to 117.56.*"

Amend the title as follows:

Page 1, line 6, after "3;" add "463.20;"

Page 1, line 7, strike "a section" and insert "sections"

And when so amended the bill do pass. Amendments adopted.  
Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 2220: A bill for an act relating to financial corporations; amending Minnesota Statutes 1971, Section 47.52.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Chenoweth from the Committee on Metropolitan and Urban Affairs, to which was referred

S. F. No. 1735: A bill for an act relating to the development districts in the cities of Minneapolis and Robbinsdale, amending Laws 1971, Chapter 677, Sections 1, 2, 3, and 7, and repealing Laws 1971, Chapter 677, Sections 9 and 13.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert in lieu thereof:

"Section 1. Laws 1971, Chapter 677, Section 2, is amended to read:

Sec. 2. [AUTHORITY GRANTED.] Each of the cities of Minneapolis and Robbinsdale may, after recommendation from its planning agency and after public hearings, notice of which shall have been published for two successive weeks in a newspaper of general circulation, adopt development districts within the boundaries of the cities of Minneapolis and Robbinsdale. Within said districts, the city may adopt a development program consistent with which the city may acquire, construct, reconstruct, improve, alter, extend, operate, maintain and promote developments aimed at improving the physical facilities, quality of life and quality of transportation. The city may acquire land or easements through negotiation, *and in addition the city of Minneapolis may acquire land or easements by eminent domain.* The city council may adopt ordinances regulating traffic in pedestrian skyway systems, underground pedestrian concourses, public parking structures, and other facilities constructed within the development district. The city council may pass ordinances regulating access to pedestrian skyway systems and underground pedestrian concourses, and the conditions under which such access is allowed. Traffic regulations may include, but shall not be limited to, direction and speed of traffic, policing of pedestrianways, hours that pedestrianways are open to the public, kinds of service activities that will be allowed in arcades, parks and plazas, fares to be charged on the people movers, and rates to be charged in the parking structures. The city shall have the power to require private developers to construct buildings so as to accommodate and support such pedestrian systems, which are part of the program for the development district. When the city requires the developer to construct columns, beams or girders with greater strength than required for normal building purposes, the city shall reimburse the developer for the added expense. The city shall have the authority to install special lighting systems, special street signs and street furniture, special landscaping of streets and public property. The city shall have the authority to install special snow removal systems. The city shall have the power to acquire property for any and all purposes outlined in the development program for the district. The city shall have the power to lease air rights over public buildings and to spend public funds for constructing the foundations and columns in the public buildings strong enough to support the buildings to be constructed on air rights. The city shall have the authority to lease all or portions of basement, ground and second



floor of the public buildings constructed in the district. The city shall have the authority to negotiate the sale or lease of property for private development if such development is consistent with the development program for the district.

Sec. 2. This act shall become effective upon approval by a majority of all of the members of the Minneapolis City Council and compliance with Minnesota Statutes, Section 645.021."

Further, amend the title as follows:

Page 1, line 4, after "Chapter 677," add "Section 2."

Page 1, strike lines 5 to 7

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

S. F. No. 3129: A bill for an act relating to the state arts council; providing the lieutenant governor shall be an ex-officio member of the governing board in lieu of the governor; amending Minnesota Statutes 1971, Section 139.02.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

S. F. No. 2865: A bill for an act relating to courts; providing for the salary of county court judges of St. Louis county; amending Minnesota Statutes, 1973 Supplement, Section 15A.083, Subdivision 2.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 2796: A bill for an act relating to federal emergency loans to individuals; capacity of individuals to contract and give security therefor; repealing Minnesota Statutes, 1973 Supplement, Sections 17.74; and 17.75.

Reports the same back with the recommendation that the bill do pass and be placed on the Calendar of Ordinary Matters. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 2828: A bill for an act relating to the department of human rights; providing that no bids be accepted or contracts be awarded on public contracts until a certificate of compliance

is obtained from the department of human rights or an application is made therefor; amending Minnesota Statutes 1971, Section 363.073, Subdivision 1.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was re-referred

H. F. No. 2324: A bill for an act relating to manpower services; unemployment compensation; administration fund; amending Minnesota Statutes 1971, Section 268.15, Subdivision 1.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was referred

S. F. No. 2997: A bill for an act relating to motor vehicles; registration and taxation; monthly series system of registration; amending Minnesota Statutes, 1973 Supplement, Sections 168.017, Subdivisions 1, 2, 3, and 4; and 168.37, Subdivision 3; and Minnesota Statutes 1971, Section 168.09, by adding a subdivision.

Reports the same back with the recommendation that the bill do pass and be placed on the Calendar of Ordinary Matters. Report adopted.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was referred

S. F. No. 2641: A bill for an act relating to motor vehicles; use of certain equipment thereon; authorizing the use of certain equipment on motor vehicles of nonresidents of this state under certain conditions; amending Minnesota Statutes 1971, Section 169.72, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 10, strike "1971" and insert ", 1973 Supplement"

Page 1, line 27, after "." insert: *"Except, a person whose regular place of employment is within the state or who is a student at an educational institution located within the state, shall not operate a vehicle, regardless of its place of registration, upon any highway within the state if such vehicle is equipped with tires which would be unauthorized were the vehicle registered in this state."*

Further, amend the title, page 1, line 7, strike "1971" and insert ", 1973 Supplement"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was re-referred

H. F. No. 978: A bill for an act relating to tort liability of political subdivisions; extending governmental immunity from tort liability for certain towns; amending Minnesota Statutes 1971, Section 466.12, Subdivision 4.

Reports the same back with the recommendation that the printed bill be amended as follows:

Strike everything after the enacting clause and insert in lieu thereof the following:

"Section 1. Minnesota Statutes 1971, Section 466.07, is amended by adding a subdivision to read:

*Subd. 4. Notwithstanding any other law to the contrary, the governing body of each county shall defend, save harmless and indemnify any town not exercising the powers of a statutory city under the provisions of Minnesota Statutes, Section 368.01, located within the county, to the extent of the liability imposed by this chapter, against any tort claim or demand, arising out of an alleged act or omission regardless of whether the town is engaged in either governmental or proprietary activities. Any action brought against a county in accordance with this subdivision shall be brought pursuant to this chapter and subject to all the defenses, statutes of limitations, and requirements of notice contained in this chapter. The governing body of each county may procure insurance against liability of the county arising from this subdivision.*

Sec. 2. This act is effective July 1, 1974."

Further, amend by striking the title and inserting:

"A bill for an act relating to tort liability of counties; requiring counties to defend, save harmless and indemnify certain towns and authorizing counties to procure insurance; amending Minnesota Statutes 1971, Section 466.07, by adding a subdivision."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which were re-referred the following appointments:

#### STATE ARTS COUNCIL

Mrs. Sandra Hale, 1833 Girard Avenue South, Minneapolis, Hennepin County, appointed effective August 3, 1973, for a term expiring April 1, 1977.

Mrs. Alvina O'Brien, 480 Grand Hill, St. Paul, Ramsey County, appointed effective April 25, 1973, for a term expiring April 1, 1977.

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Coleman moved that the foregoing report be laid on the table. The motion prevailed.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was re-referred the following appointment:

#### **REAL ESTATE ADVISORY COMMISSION**

Ray S. Jambor, 635 South Cleveland Avenue, St. Paul, Ramsey County, appointed effective June 30, 1973, for a term expiring June 30, 1978.

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Coleman moved that the foregoing report be laid on the table. The motion prevailed.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was re-referred the following appointment:

#### **OCCUPATIONAL SAFETY AND HEALTH ADVISORY BOARD**

Jack West, S. J. Grove and Sons, 1972 Malvern Street, St. Paul, Ramsey County, appointed effective August 29, 1973, for a term expiring August 29, 1974.

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Coleman moved that the foregoing report be laid on the table. The motion prevailed.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred the following appointment:

#### **WORKMEN'S COMPENSATION COMMISSIONER**

Charles C. Reischel, 1711 Fremont Avenue, St. Paul, Ramsey County, appointed effective November 8, 1973, for a term expiring September 14, 1979.

Reports the same back with the recommendation that the appointment not be confirmed.

#### **MINORITY REPORT**

We, the undersigned, members of the Committee on Labor and Commerce, to which was referred the Governor's appointment to the Workmen's Compensation Commission, as a minority report, do hereby report the same back with the recommendation that the report of the majority be disapproved and that the report of the minority be that the appointment of Charles C. Reischel to the Workmen's Compensation Commission be confirmed.

(Signed) Jack Davies; S. Keefe; Roger Laufenburger; E. Novak; Allan H. Spear

Mr. Coleman moved that the foregoing report be laid on the table. The motion prevailed.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 3159: A bill for an act relating to mobile homes; providing for warranties on the sale of new mobile homes; prohibiting limitation of warranties; requiring honoring of warranties; providing remedies.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 4, strike "includes the following:" and insert "means"

Page 2, line 6, after the semicolon insert "or"

Page 2, line 8, after the semicolon insert "or"

Page 2, line 21, strike "is merchantable"

Page 2, line 22, strike "and"

Page 2, line 24, strike "where the seller has reason to know" and insert "by implied warranties of merchantability"

Page 2, strike lines 25 through 27

Page 2, line 28, strike "implied warranty of" and insert "and"

Page 2, line 28, strike "is implied in the contract"

Page 2, line 28, after "for" insert "particular purpose."

Page 3, strike line 1

Page 3, line 10, after "any" insert "rights under the"

Page 3, line 11, strike "of merchantability or fitness" and insert "guaranteed by section 2"

Page 3, line 14, strike "or" and insert "and"

Page 3, line 15, strike "or both" and insert ", jointly and severally"

Page 3, line 15, after "repair" insert "within a reasonable time"

Page 3, line 16, after "warranty" insert ", express or implied,"

Page 3, line 17, strike "provided in section 2"

Page 3, line 17, after "breached" insert "provided the buyer permits reasonable opportunity for repair or service."

Page 3, line 17, strike "and the buyer gives notice"

Page 3, strike lines 18 and 19

Page 3, line 20, strike "duration of the"

Page 3, line 20, strike "warranty of" and insert "warranties"

Page 3, line 21, strike "merchantability and the implied warranty of fitness" and insert "guaranteed by section 2"

Page 3, line 21, after "shall" strike "," and insert "be for a period of one year from the date of delivery. Notice of breach of any implied warranty shall be given in writing no later than ninety days after the expiration of the warranty."

Page 3, strike lines 22 through 28

Page 4, strike lines 1 through 9

Further, amend the title, page 1, line 6, by striking "; providing remedies"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 884: A bill for an act relating to crimes and criminals; providing compensation for victims of violent crimes; imposing fines; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert in lieu thereof the following:

"Section 1. [TITLE.] This act shall be known as the Minnesota Crime Victims Reparations Act.

Sec. 2. [DEFINITIONS.] For the purposes of this act the following terms shall have the meanings given them:

(1) "Accomplice" means any person who would be held criminally liable for the crime of another pursuant to Minnesota Statutes, Section 609.05.

(2) "Board" means the crime victims reparation board established by section 5.

(3) "Claimant" means a person entitled to apply for reparations pursuant to this act.

(4) "Collateral source" means a source of benefits or advantages for economic loss otherwise reparable under this act which the victim or claimant has received, or which is readily available to him, from:

(a) the offender;

(b) the government of the United States or any agency thereof, a state or any of its political subdivisions, or an instrumentality of two or more states, unless the law providing for the benefits or advantages makes them excess or secondary to benefits under this act;

(c) social security, medicare, and medicaid;

(d) state required temporary non-occupational disability insurance;

- (e) workmen's compensation;
- (f) wage continuation programs of any employer;
- (g) proceeds of a contract of insurance payable to the victim for economic loss which he sustained because of the crime;
- (h) a contract providing prepaid hospital and other health care services, or benefits for disability; or
- (i) any private source as a voluntary donation or gift.

The term does not include a life insurance contract.

- (5) (a) "Crime" means conduct that

- (i) occurs or is attempted in this state,
- (ii) poses a substantial threat of personal injury or death, and
- (iii) is included within the definition of "crime" in Minnesota Statutes 1971, Section 609.02, Subdivision 1, or would be included within that definition but for the fact that the person engaging in the conduct lacked capacity to commit the crime under the laws of this state.

(b) A crime occurs whether or not any person is prosecuted or convicted but the conviction of a person whose acts give rise to the claim is conclusive evidence that a crime was committed unless an application for rehearing, appeal, or petition for certiorari is pending or a new trial or rehearing has been ordered.

(c) "Crime does not include conduct arising out of the use of a motor vehicle, as defined in Minnesota Statutes, Section 169.01, Subdivision 2, an aircraft or watercraft unless

- (i) the conduct was intended to cause personal injury or death, or
- (ii) the use of the motor vehicle, aircraft or watercraft in the commission of a felony was a proximate cause of the victim's injury or death.

(6) "Dependent" means any person who was dependent upon a deceased victim for support at the time of the crime.

(7) "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:

(i) reasonable expenses incurred for necessary medical, chiropractic, hospital, rehabilitative, and dental products, services, or accommodations, including ambulance services, drugs, appliances and prosthetic devices;

(ii) 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;

(iii) loss of income the victim would have earned had he not been injured; and

(iv) reasonable expenses incurred for substitute child care or household services to replace those the victim would have performed had he not been injured.

(b) In the case of death the term is limited to:

(i) reasonable expenses incurred for funeral, burial or cremation;

(ii) 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;

(iii) loss of support, including contributions of money, products or goods, but excluding services which the victim would have supplied to his dependents if he had lived; and

(iv) reasonable expenses incurred for substitute child care and household services to replace those which the victim would have performed for the benefit of his dependents if he had lived.

(8) "Injury" means actual bodily harm including pregnancy and mental or nervous shock.

(9) "Victim" means a person who suffers personal injury or death as a direct result of (a) a crime; (b) the good faith effort of any person to prevent a crime; or (c) the good faith effort of any person to apprehend a person suspected of engaging in a crime.

Sec. 3. [ELIGIBILITY FOR REPARATIONS.] Subdivision 1. Except as provided in subdivision 2, the following persons shall be entitled to reparations upon a showing by a preponderance of the evidence that the requirements for reparations have been met:

(a) a victim who has incurred economic loss;

(b) a dependent who has incurred economic loss;

(c) the estate of a deceased victim if the estate has incurred economic loss;

(d) any other person who has incurred economic loss by purchasing any of the products, services, and accommodations described in section 2, clauses (a), (i) and (a), (ii) for a victim;

(e) the guardian, guardian ad litem, conservator or authorized agent of any of these persons.

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;

(b) the victim or claimant failed or refused to cooperate fully with the police and other law enforcement officials;



(c) the victim is the spouse of or a person living in the same household with the offender or his accomplice or the parent, child, brother or sister of the offender or his accomplice unless the board determined that the interests of justice otherwise require in a particular case;

(d) 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; or

(e) no claim was filed with the board within one year of victim's injury or death.

Sec. 4. [AMOUNT OF REPARATIONS.] Reparations shall equal economic loss except that:

(1) reparations shall be reduced to the extent that economic loss is recouped from a collateral source;

(2) reparations shall be reduced to the extent, if any, that the board deems reasonable because of the contributory misconduct of the claimant or of a victim through whom he claims; and

(3) reparations paid to all claimants suffering economic loss as the result of the injury or death of any one victim shall not exceed \$15,000 plus attorney fees authorized by this act.

Sec. 5. [CRIME VICTIMS REPARATIONS BOARD.] Subdivision 1. There is created in the executive branch the crime victims reparations board, which shall consist of three members appointed by the governor with the advice and consent of the senate. One of the members shall be designated as chairman by the governor and serve as such at his pleasure. At least one member shall be a person who is admitted to the bar of this state, and at least one member shall be a medical or osteopathic physician licensed to practice in this state.

Subd. 2. The term of office of each board member shall be 6 years except that of the members first appointed one each shall serve for terms of 6, 4, and 2 years. Any person appointed to fill a vacancy shall be appointed for the remainder of the unexpired term.

Subd. 3. Members of the board shall serve part time and receive \$35 per diem and be reimbursed for reasonable and necessary expenses incurred in performance of their duties in the same manner and amount as state employees.

Sec. 6. [POWERS AND DUTIES OF THE BOARD.] Subdivision 1. [DUTIES.] In addition to carrying out any duties specified elsewhere in this act or in other law, the board shall:

(a) provide all claimants with an opportunity for hearing pursuant to Minnesota Statutes, Chapter 15;

(b) establish and maintain a principal office and other necessary offices and appoint employees and agents as necessary and fix their duties;

(c) promulgate within 90 days following the effective date of this act rules to implement this act, including rules governing the method of practice and procedure before the board, prescribing the manner in which applications for reparations shall be made, and providing for discovery proceedings;

(d) publicize widely the availability of reparations and the method of making claims; and

(e) prepare and transmit annually to the governor and the legislature a report of its activities including the name of each claimant, a brief description of the facts in each case, the amount of reparation awarded, and a statistical summary of claims and awards made and denied.

Subd. 2. [POWERS.] In addition to exercising any powers specified elsewhere in this act or other law, the board upon its own motion or the motion of a claimant or the attorney general may:

(a) issue subpoenas for the appearance of witnesses and the production of books, records, and other documents;

(b) administer oaths and affirmations and cause to be taken affidavits and depositions within and without of this state;

(c) take notice of judicially cognizable facts and general, technical, and scientific facts within their specialized knowledge;

(d) order a mental and physical examination of a victim or an autopsy of a deceased victim provided that notice is given to the person to be examined and that the claimant and the attorney general receive copies of any resulting report;

(e) suspend or postpone the proceedings on a claim if a criminal prosecution arising out of the incident which is the basis of the claim has been commenced or is imminent;

(f) request from prosecuting attorneys and law enforcement officers investigations and data to enable the board to perform its duties under this act;

(g) appoint independent hearing officers who are admitted to the bar of this state to conduct hearings, take testimony, and report findings of fact, conclusions of law and the basis therefor to the board for a final determination;

(h) determine and award reasonable attorneys fees to a claimant;

(i) grant emergency reparations pending the final determination of a claim if it is one with respect to which an award will probably be made and undue hardship will result to the claimant if immediate payment is not made; and

(j) reconsider any decision granting or denying reparations or determining their amount.

Sec. 7. [DETERMINATION OF CLAIMS.] Subdivision 1. A

claim, when accepted for filing, shall be assigned by the chairman to himself or to another 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.

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 the board member is unable to decide such claim upon the basis of the papers and report, he shall order a hearing.

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.

Subd. 5. The board member making a decision shall file with the board a written report setting forth such decision and his reasons therefor. The board shall notify the claimant and furnish him a copy of the report.

Sec. 8. [CONSIDERATION OF DECISIONS BY FULL BOARD.] Subdivision 1. The claimant may, within thirty days after receipt of the report of the decision of the board member to whom his claim was assigned, make an application in writing to the board for consideration of the decision by the full board.

Subd. 2. Any member of the board may, within thirty days after the filing of the report, make an application in writing to the board for consideration of the decision by the full board.

Subd. 3. The board shall treat all claims considered pursuant to this section as contested cases within the meaning of Minnesota Statutes, Chapter 15.

Sec. 9. [REPARATIONS; HOW PAID.] Reparations may be awarded in a lump sum or in installments in the discretion of the board. The amount of any emergency award shall be deducted from the final award, if a lump sum, or pro-rated over a period of time if the final award is made in installments. Reparations are exempt from execution or attachment except by persons who have supplied services, products or accommodations to the victim as a result of the injury or death which is the basis of the claim. The board, in its discretion, may order that all or part of the reparations awarded be paid directly to these suppliers.

Sec. 10. [SUBROGATION.] The state shall be subrogated, to the extent of reparations awarded, to all the claimant's rights to recover benefits or advantages for economic loss from a source which is, or if readily available to the victim or claimant would be, a collateral source.

Sec. 11. [MEDICAL PRIVILEGE.] There is no privilege as to communication or records relevant to an issue of the physical,

mental, or emotional condition of the claimant or victim in a proceeding under this act in which that condition is an issue. Nothing contained in this section shall be interpreted to abridge the attorney-client privilege.

Sec. 12. [ENFORCEMENT OF BOARD'S ORDERS.] If a person refuses to comply with an order of the board or asserts a privilege to withhold or suppress evidence relevant to a claim, the board may make any just order including denial of the claim, but may not find the person in contempt. If necessary to carry out any of its powers and duties, the board may petition the district court for an appropriate order, but the court may not find a person in contempt for refusal to submit to a mental or physical examination.

Sec. 13. [USE OF RECORD OF CLAIM; EVIDENCE.] Neither a record of the proceedings on a claim, a decision of the board, nor the fact that an award has been made or denied shall be admissible as evidence in any criminal or civil action against the alleged offender, including an action by the state on its subrogation claim.

Sec. 14. [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 this act 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.

Sec. 15. [FRAUDULENT CLAIMS.] Any person who knowingly makes a false claim under this act shall be guilty of a gross misdemeanor.

Sec. 16. [EFFECTIVE DATE.] This act shall apply to claims arising as a result of crimes committed or attempted after the day following final enactment of this act.

Sec. 17. [APPROPRIATIONS.] The sum of \$. . . . . is appropriated annually from the general fund in the state treasury to the crime victims reparations board for the payment of claims and operating expenses under this act."

Further amend the title as follows: Line 4, strike "imposing fines" and insert "providing a penalty"

And when so amended the bill do pass and be re-referred to the Committee on Governmental Operations. Amendments adopted. Report adopted.

Mr. Arnold from the Committee on Natural Resources and Agriculture, to which were re-referred the following appointments:

**ENVIRONMENTAL QUALITY COUNCIL CITIZENS  
ADVISORY COMMITTEE**

Kenneth RockVam, 315 South Pearl Street, Mankato, Blue

Earth County, appointed effective August 1, 1973, for a term expiring December 31, 1974.

Charles Dayton, 11947 Hilloway Road, Minnetonka, Hennepin County, appointed effective August 1, 1973, for a term expiring December 31, 1974.

Lyman L. Huntley, 803 Second Ave. NW, Grand Rapids, Itasca County, appointed effective January 23, 1974, for a term expiring December 31, 1974.

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Coleman moved that the foregoing report be laid on the table. The motion prevailed.

Mr. Arnold from the Committee on Natural Resources and Agriculture, to which was re-referred the following appointment:

#### MINNESOTA WATER RESOURCES BOARD

Bruce Fleming, 3680 Centerwood Road, Lexington Village, Anoka, Anoka County, appointed effective October 1, 1973, for a term expiring October 5, 1977.

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Coleman moved that the foregoing report be laid on the table. The motion prevailed.

Mr. Olson, A. G. from the Committee on Local Government, to which was referred

S. F. No. 3151: A bill for an act relating to towns; officers' compensation and mileage allowance; amending Minnesota Statutes 1971, Section 367.05, Subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert in lieu thereof:

"Section 1. Minnesota Statutes 1971, Section 367.05, Subdivision 2, is amended to read:

Subd. 2. [OFFICERS.] The following town officers shall be entitled to compensation for each days service necessarily rendered:

Supervisors and clerks not more than \$16 per day; as established at a town meeting when the service is rendered within or without the town; and mileage at a rate not to exceed ten cents per mile for each mile necessarily traveled on official business within or without the town as established by a town meeting, but not exceeding \$120 for such mileage for any one town officer in any year; but no supervisor shall receive more than \$1,000 as compensation in any one year; provided, that in any town containing over 50, but not more than 55, sections the salary of the

supervisors, in addition to mileage herein allowed, shall be not more than \$15, per day, as established at a town meeting when the service is rendered within or without the town but no supervisor in any such town shall receive more than \$1,000 as compensation in any one year; provided further, that in any town in this state situated in any county having a population of 550,000 or more, except as otherwise provided by law embraced within the provisions and having the powers and authority pursuant to section 368.01, upon the approval of the annual town meeting, the compensation and salary, in addition to mileage herein allowed may be not more than \$16 per day, as established at a town meeting, for services rendered within or without the town, but no supervisor in any such town shall receive more than \$1,000 as compensation in any one year, exclusive of mileage compensation;

For the following services the clerk shall receive fees, and not a per diem:

- (1) Certifying each notice of election 25 cents;
- (2) Posting notices, each 25 cents and ten cents for each mile necessarily traveled;
- (3) Filing each paper, ten cents;
- (4) Recording orders and other instruments, ten cents per folio;
- (5) Copying and certifying any record or instrument recorded or filed in his office, ten cents per folio, to be paid by the person applying therefor.

*At the annual town meeting the electors of any town shall by majority vote establish such compensation for supervisors as the electors deem proper, any other law notwithstanding. The town board of any town shall establish compensation for the clerk as the town board deems proper, any other law notwithstanding.*

*In addition to such compensation as shall be provided pursuant to this subdivision, supervisors and clerks shall be entitled to mileage at a rate not to exceed 15 cents per mile for each mile necessarily traveled on official business within or without the town as established by a town meeting.*

The voters at any town meeting, after reading and disposing of the annual report, may by resolution fix the scale of wages and hours of employment of the road overseer and of any other person employed by any town on any town road.

Nothing herein contained shall be construed to repeal any law wherein any towns are classified for the purpose of fixing salaries, or maximum salaries, of any of their officers.

This subdivision shall not apply to any county containing a city of the first class.

Sec. 2. [REPEALER.] Minnesota Statutes 1971, Sections 367.05, Subdivision 4; 367.06; 367.07; and 367.08 are repealed.

Sec. 3. [EFFECTIVE DATE.] This act is effective the day following its final enactment."

Further, amend the title as follows:

Page 1, line 5, before the period insert “; repealing Minnesota Statutes 1971, Sections 367.05, Subdivision 4; 367.06; 367.07; and 367.08”

And when so amended the bill do pass and be placed on the Calendar of Ordinary Matters. Amendments adopted. Report adopted.

Mr. Olson, A. G. from the Committee on Local Government, to which was referred

S. F. No. 2576: A bill for an act relating to planning, development, zoning; authorizing all counties to carry on planning, development and zoning activities; setting forth authorities in land and water use controls; amending Minnesota Statutes 1971, Sections 394.21, Subdivision 1; 394.22, Subdivision 6 and by adding subdivisions; 394.23; 394.24, Subdivisions 1 and 2 and by adding a subdivision; 394.25, Subdivisions 1, 2, 3, 4, 5, 7 and 8 and by adding subdivisions; 394.26, Subdivision 2 and by adding subdivisions; 394.27, Subdivisions 1, 2, 5 and 6 and by adding subdivisions; 394.29; 394.30, Subdivisions 1 and 3 and by adding subdivisions; 394.32, Subdivisions 2 and 3; 394.33; 394.35; 394.36, Subdivisions 1 and 2 and by adding a subdivision; 394.37, Subdivision 1; 375.51, Subdivisions 1, 2 and 3; 599.13; Chapter 394 by adding sections; repealing Minnesota Statutes 1971, Sections 394.08 to 394.17; 394.21, Subdivision 2; 394.22, Subdivision 5; 394.25, Subdivision 6; 394.28, Subdivisions 1 and 3; 394.30. Subdivision 2; 394.31; 394.32, Subdivision 4; and 396.01 to 396.21.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, strike all of Section 1

Page 4, line 2, strike “47” and insert “46”

Page 4, line 6, strike “and” and insert “*public land and facilities and other land needed for future public purposes, including public facilities such as parks, playgrounds, schools, and other public buildings, civic centers, and travel service facilities.*”

Page 4, strike lines 7 and 8

Page 4, before line 9 insert:

“Sec. 9. Minnesota Statutes 1971, Section 394.22 is amended by adding subdivisions to read:

*Subd. 13. “Essential services” means overhead or underground electric, gas, steam or water transmission or distribution systems or structures used by public utilities or governmental departments or commissions.*

*Subd. 14. “Transmission services” means services such as electric power lines of a voltage of 35 Kv or greater, or bulk gas or fuel being transferred by pipe-line and not intended for en route consumption.”*

Page 5, line 3, reinstate the stricken language

Page 5, line 4, strike "may"

Page 5, line 18, after "federal" insert "or state"

Page 5, line 19, after the period insert "*The provisions of this subdivision shall not apply in the metropolitan area as described in Minnesota Statutes, Section 473B.01.*"

Page 6, line 1, after "or" and before "water" insert "*the use of*"

Page 6, line 1, after "water" and before "for" insert "*pursuant to Minnesota Statutes, 1973 Supplement, Section 378.32*"

Page 6, line 3, after "conservation," and before "surface" insert "*and, with the assistance and subject to the approval of the commissioner of natural resources,*"

Page 6, line 6, after "sewage disposal," insert "*preservation of prime agricultural lands, protection of ground water recharge areas, protection of flood plains as defined in section 104.02, protection of wild, scenic or recreational rivers, protection of slopes, soils, unconsolidated materials or bedrock from potentially damaging development, preservation of forests, woodlands, and essential wildlife habitat, reclamation of non-metallic mining lands*"

Page 6, line 6, after "or" insert "of"

Page 6, line 7, after "water" insert "*pursuant to Minnesota Statutes, 1973 Supplement, Section 378.32*"

Page 7, line 10, after "maps" insert "*as defined in section 7 of this act.*"

Page 7, line 10, strike "*establishing the*"

Page 7, strike lines 11 through 26

Page 8, line 14, strike "ordinance" and insert "reference"

Page 9, line 25, after "commission" strike the comma and insert a period.

Page 9, line 25, strike "*if there is one,*"

Page 9, strike lines 26 through 28

Page 10, strike line 1

Page 15, line 8, strike "*yield an*"

Page 15, line 9, strike "*equitable return*" and insert "*be put to a reasonable use*"

Page 15, line 12, strike "*rated*" and insert "*granted*"

Page 15, line 14, strike "*an*" and insert "*a*"

Page 15, line 15, strike "*economic*" and insert "*reasonable*"

Page 17, line 23, strike everything after the period and insert in lieu thereof:



*"No more than one member of the commission shall be an officer or employee of the county."*

Page 17, strike lines 24 and 25

Page 17, line 26, strike *"the board."*

Page 17, line 28, strike *"voting"*

Page 18, line 8, strike *"may be paid a fixed annual compensation"* and insert *"may be compensated"*

Page 22, line 8, after the period insert *"After the county adopts official controls for areas within a municipality, the county shall enforce the controls unless the county and municipality provide otherwise by agreement. A municipality may at any time, by resolution of its governing body, take over planning functions, including adoption and enforcement of official controls, with respect to areas within its corporate limits for which a county has adopted official controls."*

Page 22, line 19, restore the stricken *"Nothing in this"*

Page 22, restore the stricken language on lines 20 through 22

Page 24, strike all of Sec. 44.

Page 24, after line 25 insert:

*"Sec. 46. Minnesota Statutes 1971, Chapter 394 is amended by adding a section to read:*

*[394.251] [ESSENTIAL SERVICES] Essential services and transmission services are permitted uses in all zoning districts subject only to those restrictions or conditions specifically imposed upon such services by official controls."*

Page 26, line 26, strike *"yield a reasonable return"* and insert *"be put"*

Page 26, line 27, before *"the"* insert *"a reasonable use by"*

Page 29, line 1, strike *"or amended"*

Page 29, line 3, strike *"or amendment"*

Page 29, line 4, strike *"or amendment"*

Page 29, line 5, strike *"or amended"*

Page 29, line 9, strike *"or amendments"*

Page 29, line 11, strike *"or amendments"*

Page 29, line 12, strike *"and"*

Page 29, line 13, strike *"amendments thereto"*

Page 29, line 15, strike *"or amendments"*

Page 29, line 21, strike *"or amendment"*

Page 29, line 22, strike *"or amendment"*

Page 29, line 25, strike *"or amendment"*

Page 29, line 28, strike "or"

Page 30, line 1, strike "amendment"

Page 30, line 2, strike "or amendment"

Page 30, line 6, strike "or amendment"

Page 30, line 9, strike "or amendment"

Page 30, line 12, strike "or amendment"

Page 30, line 17, strike "or amendment"

Page 30, line 27, strike "or amendment"

Page 30, line 28, strike "or amendments"

Page 31, line 1, strike "or amendment"

Page 31, line 2, strike "or amendment"

Page 31, line 3, strike "or amendment"

Page 31, line 4, strike "or"

Page 31, line 5, strike "amendment"

Page 31, line 8, strike "or amendments"

Page 31, line 9, strike "or amendment"

Page 31, line 10, strike "or amendment"

Page 31, line 11, strike "or amendment"

Page 31, line 18, strike "or amendment"

Page 32, line 12, after "394.25," strike "Subdivision" and insert "Subdivisions 5 and"

Renumber the sections in sequence.

Further, amend the title as follows:

Page 1, line 8, strike "394.21, Subdivision 1;"

Page 1, line 13, strike "5,"

Page 1, line 20, strike "Subdivisions" and insert "Subdivision"

Page 1, line 21, strike "and 2"

Page 1, line 28, strike "Subdivision" and insert "Subdivisions 5 and"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Arnold from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 2931: A bill for an act relating to natural resources; appropriating money for land acquisition within the Whitewater Wildlife Management Area; control of roads therein; declaring a moratorium upon development therein.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 15, insert:

"Sec. 2. No lands or interests in lands may be acquired for the Whitewater Wildlife Management Area by eminent domain proceedings, notwithstanding the provisions of Minnesota Statutes, Section 97.48, Subdivision 13, nor any other law, to the contrary."

Renumber the remaining sections

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Arnold from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 3085: A bill for an act relating to state government; authorizing a conveyance of certain state owned lands to the city of Owatonna and specifying terms and conditions thereof.

Reports the same back with the recommendation that the bill be amended as follows:

Page 4, line 4, strike "notwithstanding" and insert "however,"

Page 4, line 5, strike "to"

Page 4, line 6, strike "the contrary"

Page 4, line 6, strike "would otherwise require" and insert "requires"

Page 4, line 8, after "Owatonna" and before the period insert "shall apply"

Page 4, line 10, strike "passage" and insert "enactment"

And when so amended the bill do pass and be placed on the Calendar of Ordinary Matters. Amendments adopted. Report adopted.

Mr. Arnold from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 2846: A bill for an act relating to pollution control; exemption of certain livestock feedlots from permit requirements.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 12, after "feedlot" insert ", poultry lot or other animal lot"

Page 1, line 12, after "1971" and before "." insert "; provided that expansion of a lot that was in operation on June 8, 1971, by more than 25 percent of its capacity on June 8, 1971, shall not be exempt from the permit requirement. An agency permit shall not be required in order to obtain the income tax credit provided for in Minnesota Statutes, Section 290.06, Subdivision 9"

Amend the title in line 3, after "feedlots" by inserting ", poultry lots and other animal lots"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Arnold from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 2501: A bill for an act relating to game and fish; distribution of certain proceeds from hunting leases; amending Minnesota Statutes 1971, Section 97.49, Subdivision 3.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 25, strike "1974" and insert "1975"

And when so amended the bill do pass and be placed on the Calendar of Ordinary Matters. Amendments adopted. Report adopted.

Mr. Arnold from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 2694: A bill for an act relating to the department of natural resources; appropriating money for the improvement of a certain road leading to a state park; and providing for the transfer of the road to the town of Camp Release.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 10, strike "\$10,400" and insert "\$6,400"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which was referred

S. F. No. 3257: A bill for an act relating to highway traffic regulations; requiring certain motor vehicles to be equipped with safety belts; requiring operators and certain passengers of such motor vehicles to use safety belts with certain exceptions; prescribing penalties; suspending Minnesota Statutes 1971, Section 169.685, Subdivisions 1, 2 and 3 for a specified period of time.

Reports the same back with the recommendation that the bill be amended as follows:

Page 4, strike lines 14, 15 and 16 and insert in lieu thereof:

"(c) Any persons who have been issued by the Department of Public Safety a certificate pursuant to rules and regulations which certifies that this section does not apply to the person when the Department is satisfied that because of medical unfit-

ness or physical disability, it is impracticable, undesirable or inexpedient that the person wear a seat belt."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Arnold from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 3064: A bill for an act relating to game and fish; prohibiting the taking of smelt outside of a certain area.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Arnold from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 3084: A bill for an act relating to state lands; authorizing the conveyance of certain state conservation area lands in Roseau county.

Reports the same back with the recommendation that the bill do pass and be placed on the Calendar of Ordinary Matters. Report adopted.

Mr. Arnold from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 3105: A bill for an act relating to predators; county or town bounties; amending Minnesota Statutes 1971, Section 348.12.

Reports the same back with the recommendation that the bill do pass and be placed on the Calendar of Ordinary Matters. Report adopted.

Mr. Arnold from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 3018: A bill for an act relating to agriculture; agricultural commodities promotion; limiting per diem expenses allowed to members of advisory boards; appropriating money for use by the paddy wild rice industry advisory board; amending Minnesota Statutes, 1973 Supplement, Section 17.601.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Finance. Report adopted.

Mr. Novak from the Committee on Finance, to which was referred

S. F. No. 2872: A bill for an act relating to the environmental impact; reduction, reuse and recycling of solid waste; eliminating the user fee levied on solid waste disposal at certain disposal facilities; repealing Minnesota Statutes, 1973 Supplement, Section 116F.07.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 9, insert:

"Section 1. The Minnesota pollution control agency shall conduct a study of alternative methods for future financing of grants in aid specified in Minnesota Statutes, 1973 Supplement, Section 116F.03, including but not limited to solid waste user fees and surcharges. The agency shall submit findings and recommendations to the governor and the legislature no later than December 31, 1974."

Renumber the remaining sections

Amend the title as follows:

Page 1, line 4, after "waste;" insert "requiring a study of methods of financing grants in aid;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Novak from the Committee on Finance, to which was referred

S. F. No. 1800: A bill for an act relating to game and fish; discounts upon sales of licenses; amending Minnesota Statutes 1971, Section 98.50, Subdivision 5.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Novak from the Committee on Finance, to which was referred

S. F. No. 2611: A bill for an act relating to state lands; directing conveyance and release of a certain reversionary interest and right of re-entry to previously conveyed lands in Carlton county.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Arnold from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 2812: A bill for an act relating to state parks; authorizing the commissioner of natural resources to transfer administration and control of the Fort Snelling chapel to another state agency or to lease it to a nonprofit organization.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 30, strike "may" and insert "shall"

Page 1, line 31, strike "another agency of state"

Page 2, strike line 1 and insert "the Minnesota"

Page 2, line 2, after "society" strike the rest of the line

Page 2, strike lines 3 and 4

Page 2, line 5, strike "to exceed ten years"

Page 2, line 5, strike "any" and insert "the"

Page 2, line 6, strike "or to lease,"

Page 2, line 13, strike "or"

Page 2, line 14, strike "lessee"

Page 2, line 15, after "transferee" strike "or"

Page 2, line 16, strike "lessee"

Page 2, line 17, strike "or lessee" and insert "; (4) the chapel will be operated for historical purposes and maintained as a memorial to Minnesotans who have died in war, and not for religious services"

Page 2, after line 17, insert:

"Sec. 2. The commissioner of administration shall transfer from the amount appropriated to the commissioner of natural resources by Laws 1973, Chapter 720, Section 35, to the Minnesota historical society for the operation and maintenance of the Fort Snelling chapel the sum of \$11,000.

Sec. 3. The transfers of property and appropriations herein provided shall be made January 1, 1975.

Sec. 4. This act shall not take effect unless approved by the governing board of the Minnesota historical society before July 1, 1974."

Amend the title as follows:

Page 1, line 5, strike "another"

Page 1, strike lines 6 and 7 and insert: "the Minnesota historical society; transferring money."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Arnold from the Committee on Natural Resources and Agriculture, to which was referred

S. F. No. 3031: A bill for an act relating to wild animals; altering certain provisions regarding commercial fishing in Lake Superior; amending Minnesota Statutes 1971, Sections 98.46, Subdivision 12; 102.28, Subdivisions 2 and 4; repealing Laws 1963, Chapter 70, Section 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 22, after "*the license*" insert "*fee*"

Page 1, line 23, strike "*not to*" and insert "*each*"

Page 1, strike line 24 and insert "*1,000 feet of gill net, \$15;*"

Page 1, strike line 25

Page 2, line 7, after "*chubs,*" insert "*common whitefish,*"

Page 2, line 18, strike "*1974*" and insert "*1975*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Davies from the Committee on Judiciary, to which was re-referred

H. F. No. 1124: A bill for an act proposing an amendment to the Minnesota Constitution, Article IV, Sections 1, 23 and 24; providing for congressional and legislative apportionments by a commission.

Reports the same back with the recommendation that the printed bill be amended as follows:

Strike everything after the enacting clause and insert in lieu thereof the following:

"Section 1. The following amendment to the Minnesota Constitution, Article IV, Sections 1, 23 and 24, is proposed to the people. If the amendment is adopted, Article IV, Sections 1, 23 and 24 will read as indicated by Subdivisions 1, 2 and 3.

Subdivision 1. Article IV, Section 1, will read as follows:

Section 1. The legislature shall consist of the Senate and the House of Representatives. The senate shall be composed of members elected for a term of four years and the house of representatives shall be composed of members elected for a term of two years by the qualified voters at the general election, *except that there shall be an entire new election of all the senators at the election of representatives next succeeding each new districting provided for in this article. At the new election of representatives next succeeding the new districting, senators from odd numbered districts shall be elected for a term of two years, and senators from even numbered districts shall be elected for a term of four years. Thereafter, the term for all senators shall be four years except when prevented by new districting.*

The legislature shall meet at the seat of government in regular session in each biennium at the time prescribed by law for not exceeding a total of 120 legislative days. The legislature shall not meet in regular session, nor in any adjournment thereof, after the first Monday following the third Saturday in May of any year. After meeting at a time prescribed by law, the legislature may adjourn to another time. "Legislative day" shall be defined by law.

A special session of the legislature may be called as otherwise provided by this constitution.

Subd. 2. Article IV, Section 23, will read as follows:

Sec. 23. The legislature shall have the power to provide by law for an enumeration of the inhabitants of this State, and also have the power at their first session after each enumeration of the inhabitants of this state made by the authority of the United States, to prescribe the bounds of congressional, senatorial and representative districts, and to apportion anew the senators and representatives among the several districts according to the provisions of section second of this article. *The state shall be divided into as many separate congressional, senatorial, and representa-*



*tive election districts as there are congressmen, senators and representatives. No representative district shall be divided in the formation of a senate district. The congressional, senatorial and representative districts, shall be separately numbered in a regular series.*

*Congressional, senatorial and representative districts shall be composed of compact and contiguous territory and shall be apportioned equally throughout the state on the basis of population.*

Subd. 3. Article IV, Section 24, will read as follows:

Sec. 24. The senators shall also be chosen by single districts of convenient contiguous territory; at the same time that members of the house of representatives are required to be chosen, and in the same manner; and no representative district shall be divided in the formation of a senate district. The senate districts shall be numbered in a regular series. The terms of office of senators and representatives shall be the same as now prescribed by law until the general election of the year one thousand eight hundred and seventy eight (1878), at which time there shall be an entire new election of all senators and representatives. Representatives chosen at such election; or at any election thereafter, shall hold their office for the term of two years, except it be to fill a vacancy; and the senators chosen at such election by districts designated as odd numbers shall go out of office at the expiration of the second year, and senators chosen by districts designated by even numbers shall go out of office at the expiration of the fourth year; and thereafter senators shall be chosen for four years, except there shall be an entire new election of all the senators at the election of representatives next succeeding each new apportionment provided for in this article. (a) In a year preceding the first year in which senators are to stand for election following each official reporting of the federal decennial census, or after a court order requiring a new districting, the districting commission created under this section shall prescribe anew the bounds of the congressional, senatorial and representative districts in the state. The commission shall also prescribe anew the bounds of senatorial or representative districts whenever the number of members who compose the senate or house has been altered by law. The commission shall be guided by the standards set forth in section 23 and shall assure all persons fair representation.

(b) Not later than January 15 in a year preceding the first year in which senators are to stand for election following each official reporting of the federal decennial census, or within 30 days after a court order requiring a new districting, the persons designated shall appoint the members of the districting commission.

(c) The districting commission shall consist of the members appointed pursuant to this section and the concurrence of two more than a majority shall be required to adopt a final plan of districting.

The speaker and minority leader of the house of representatives shall be members. The majority and minority leaders of the senate shall be members. The speaker and the minority leader of the house and the majority leader and the minority leader of the

senate each may appoint a member of his legislative body to serve on the districting commission in his place. In addition, the speaker and the minority leader of the house and the majority leader and the minority leader of the senate shall each appoint one member of his body of the legislature to the districting commission. The governor and the state executive committee of each political party other than that to which the governor belongs whose candidate for governor received 20 percent of the votes at the most recent gubernatorial election shall each appoint four citizens of the state who are not members of the legislature or United States congress to the districting commission. The appointing authorities shall give due consideration to the representation of the various geographical areas of the state.

Members of the commission shall hold office until the new districting in which they participated becomes effective. Any vacancies shall be filled within five days in the manner provided for the original appointment. Except for the speaker and minority leader of the house of representatives, the majority and minority leaders of the senate and their appointees, they shall not be eligible for election to congress or the state legislature until the general election following the first one under the districting in which they participated.

(d) Not later than ten months after the commission has been constituted, the commission shall file its final districting plans and maps of the districts with the governor.

(e) Not later than 14 calendar days after the districting plan has been filed with the governor, the governor shall present the plan to the legislature. If the legislature is not in session, the governor shall call the legislature into special session for the sole purpose of considering the districting plan. The legislature shall, within 14 calendar days, approve or reject the districting commission's plan. The legislature may amend the plan and approve it. The legislature shall not enact any districting plan except during the 14 day period established by this clause. After 55 percent of the members of each house has approved the plan it shall become law without the governor's signature.

(f) If the commission fails to adopt a plan or the legislature fails to enact a plan into law, the speaker and the minority leader of the house and the majority and minority leader of the senate shall, within 14 calendar days, meet with the chief justice to select a court commission.

The chief justice shall certify to the speaker and minority leader of the house and the majority and minority leaders of the senate a list containing the names of all of the judges of district court in the state. The speaker of the house, the minority leader of the house, the majority leader of the senate and the minority leader of the senate shall in this order take turns striking names from the list of judges until the names of only three judges remain. These three judges shall be the members of the court commission.

The court commission shall, within 60 days of its appointments, prescribe anew the bounds of the congressional, senatorial and representative districts in the state, and this plan shall have the force and effect of law.

(g) *Within 30 days after any districting plan has been adopted pursuant to this article, any qualified voter may petition the state supreme court to review the plan. The state supreme court shall have original jurisdiction to review the plan, exclusive of all other courts of this state.*

*If a petition for review is filed, the supreme court shall determine whether the plan complies with the requirements of this constitution and the United States Constitution. If the supreme court determines that the plan complies with constitutional requirements, it shall dismiss the petition within 45 days of the filing of the original petition. If the supreme court determines that the plan does not comply with constitutional requirements, the supreme court, within 45 days of the filing of the original petition shall modify the plan to comply with constitutional requirements.*

Sec. 2. The proposed amendment shall be submitted to the people at the 1974 general election. The question proposed shall be:

"Shall the Minnesota Constitution be amended to provide for apportionment of congressional and legislative districts by the legislature after recommendation by a commission?"

Yes.....  
No.....,"

And when so amended the bill do pass and be re-referred to the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

S. F. No. 2789: A bill for an act relating to the compensation of members of the tax court; amending Minnesota Statutes 1971, Section 271.01, Subdivision 4a.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 13, add a new section as follows:

"Sec. 2. [APPROPRIATION.] There is appropriated from the general fund in the state treasury to the tax court, for the biennium ending June 30, 1975, a sum of money sufficient to pay the increased salaries provided for in section 1."

Further, amend the title, line 3, after "court;" insert "appropriating money;"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Hughes from the Committee on Education, to which was referred

S. F. No. 3047: A bill for an act relating to taxation; school district tax levy; levy adjustments; amending Minnesota Statutes, 1973 Supplement, Section 275.125, Subdivision 3; and Minnesota Statutes 1971, Section 275.125, Subdivision 7.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert the following:

"Section 1. [POST SECONDARY VOCATIONAL-TECHNICAL EDUCATION FUNDING.] Subdivision 1. [PURPOSE.] The purpose of this section is to change the funding of post-secondary vocational-technical education from reimbursement of past expenditures to a current funding process.

Subd. 2. [CURRENT AID.] Beginning July 1, 1975, the state board for vocational education shall not enter into agreements to pay reimbursements but shall be obligated for reimbursement payments incurred in fiscal year 1975. These payments shall not exceed by more than fourteen percent the amount appropriated for post-secondary vocational-technical education for fiscal year 1975. Beginning July 1, 1976, all vocational aid payments to the extent funds are available shall be made based on the approved budget for the current fiscal year.

Subd. 3. [BUDGETS.] Before May 1, 1974, and before January 1 of each year thereafter area vocational-technical institute budgets for the following fiscal year shall be submitted to the state board for vocational education. The commissioner, subject to the approval of the state board for vocational education, shall approve the overall budget for each district prior to June 15, 1974 and May 15 of each year thereafter. The total amount of reimbursement payments approved shall not exceed by more than fourteen percent the amount appropriated for post-secondary vocational-technical education for fiscal year 1975. Inflation and expansion occurring in fiscal year 1976 shall be incorporated into the fiscal year 1976 budget request. No district shall increase its indebtedness during fiscal year 1976 unless authorized by the state board for vocational education. The state board for vocational education shall before October 1, 1974 promulgate rules and regulations which establish the approval criteria of budgets including but not limited to the following: responsiveness to current and projected manpower needs of population groups to be served in the various geographic areas and communities of the state, particularly disadvantaged and handicapped persons; adequacy of evaluation of programs; other criteria set forth in the state plan for vocational education. The commissioner, in cooperation with the department of finance, shall establish program budget standards by which the local school districts shall submit financial requests.

Subd. 4. [LOCAL DEFICITS.] The commissioner with the approval of the state board for vocational education shall establish a uniform auditing procedure for post-secondary vocational education. This procedure shall be used to determine the local deficit or surplus in each district as of July 1, 1974 and as of July 1 for each year thereafter. This deficit or surplus shall be certified to the commissioner before January 1, 1975 and January 1 of each year thereafter.

Sec. 2. [EARLY IDENTIFICATION AND EARLY CHILDHOOD PROGRAMS.] Subdivision 1. The board of any inde-

pendent or special district may provide early identification and early childhood programs in one or more elementary school areas within the district and may receive state aids for such programs. In the 1974-75 school year such aids shall be provided for no more than 11 pilot program centers. The aids for such pilot programs shall be distributed in accordance with Minnesota Statutes, Sections 124.17 and 124.212.

Subd. 2. Each district providing such programs shall establish and maintain an account separate from all other district accounts for the receipt and disbursement of all funds related to such early identification and early childhood programs.

Subd. 3. Each district providing early identification and early childhood programs shall coordinate their services with any early identification and early childhood services provided in the district by other governmental agencies. A district may develop cooperative programs with private agencies providing early identification and early childhood services. All governmental agencies shall cooperate with the school district in these coordination efforts. Any district which provides early identification and early childhood programs but does not coordinate its efforts with other governmental agencies shall submit an explanatory report to the commissioner within one year after the implementation of its early identification and early childhood programs and each year thereafter in which such coordination is not established.

Subd. 4. A school district providing early identification and early childhood programs shall be eligible to receive funds for early identification and early childhood services from other government agencies and from private sources where such funds are available.

Subd. 5. A district may charge reasonable fees for early identification and early childhood services; however, a district shall waive such charge or fee if any pupil, his parent or guardian is unable to pay it.

Sec. 3. [TRANSITIONAL YEAR.] Subdivision 1. Notwithstanding any law to the contrary, in districts which have established an approved early identification and early childhood program, any secondary school student who has completed all required courses may, with the approval of the student, his parent or guardian, and local school officials, graduate prior to the completion of the school year. All aid which such student, had he not graduated, would have earned for the district pursuant to Minnesota Statutes, Section 124.212, plus that portion of the allowable foundation aid amount raised by the local tax levy which results from such transitional year students plus that portion of any excess levy allowable under Minnesota Statutes, Section 275.125, Subdivision 3 (5) shall continue to be earned by the district. All such transitional year funds shall be permanently transferred from the general fund to the early identification and early childhood account to provide for early identification and early childhood programs. Monies so received shall be used only for purposes of the early identification and early childhood program.

Subd. 2. The commissioner shall promulgate rules and regulations setting forth the standards for application for and approval of this early graduation procedure.

Sec. 4. Minnesota Statutes 1971, Section 121.21, Subdivision 5 is amended to read:

Subd. 5. The commissioner with the approval of the state board for vocational education is authorized to apportion and distribute funds to the local school districts under the provisions of this section, such apportionment and reimbursement to be on a cost basis for those trainees living outside of the local school districts; *provided however that in fiscal years 1975 and 1976 no district shall receive reimbursement for any costs in excess of those approved by the state board for vocational education; provided however further* that those school districts enrolling more than the state average of resident students shall receive nonresident aids based on the average percentage of nonresident attendance for the preceding school year for the state in area vocational-technical schools.

Sec. 5. Minnesota Statutes 1971, Section 123.37, Subdivision 1, is amended to read:

123.37 [INDEPENDENT SCHOOL DISTRICTS, CONTRACTS.] Subdivision 1. No contract for work or labor, or for the purchase of furniture, fixtures, or other property, except books registered under the copyright laws, or for the construction or repair of school houses, the estimated cost or value of which shall exceed: (a) \$3,000 for school districts with an enrollment of students in grades 1 to 12 of less than 10,000, or (b) \$5,000 for all other school districts, shall be made by the school board without first advertising for bids or proposals by two weeks' published notice in the official newspaper. Such notice shall state the time and place of receiving bids and contain a brief description of the subject matter.

Such additional publication in the official newspaper or elsewhere may be made as the board shall deem necessary.

*After taking into consideration conformity with the specifications, terms of delivery, and other conditions imposed in the call for bids, every such contract shall be awarded to the lowest responsible bidder, duly executed in writing, and the person to whom the same is awarded shall give a sufficient bond to the board for its faithful performance, and otherwise conditioned as required by law. A record shall be kept of all bids, with names of bidders and amount of bids, and with the successful bid indicated thereon. A bid containing an alteration or erasure of any price contained in the bid which is used in determining the lowest responsible bid shall be rejected unless the alteration or erasure is corrected as herein provided. An alteration or erasure may be crossed out and the correction thereof printed in ink or typewritten adjacent thereto and initialed in ink by the person signing the bid. In the case of identical low bids from two or more bidders, the board may, at its discretion, utilize negotiated procurement methods with the tied low bidders for that particular transaction, so long as the price paid does not exceed the low tied bid price. In the case where only*

*a single bid is received, the board may, at its discretion, negotiate a mutually agreeable contract with the bidder so long as the price paid does not exceed the original bid. If no satisfactory bid is received, the board may readvertise. Standard requirement price contracts established for supplies or services to be purchased by the district shall be established by competitive bids. Such standard requirement price contracts may contain escalation clauses and may provide for a negotiated price increase or decrease based upon a demonstrable industrywide or regional increase or decrease in the vendor's costs. Either party to the contract may request that the other party demonstrate such increase or decrease. The term of such contracts shall not exceed two years with an option on the part of the district to renew for an additional two years. Provided that in the case of purchase of perishable food items except milk for school lunches and vocational training programs a contract of any amount may be made by direct negotiation by obtaining two or more quotations for the purchase or sale, when possible, without advertising for bids or otherwise complying with the requirements of this section or section 471.345, subdivision 3. All quotations obtained shall be kept on file for a period of at least one year after receipt thereof.*

Every contract made without compliance with the provisions of this section shall be void. Provided, that in case of the destruction of buildings or injury thereto, where the public interest would suffer by delay, contracts for repairs may be made without advertising for bids.

*Firm bid contracts for the purchase of milk and ice cream negotiated or renegotiated between September 1, 1973 and July 1, 1974 which provide for a price increase or decrease based upon a demonstrable industrywide or regional increase in the vendor's costs are not void under this subdivision, provided that the adjustment shall not exceed the increase or decrease authorized in the federal marketing order for raw milk between the dates of September 1, 1973 and July 1, 1974 for sales made between February 1, 1974 and July 1, 1974.*

Sec. 6. Minnesota Statutes 1971, Section 123.37, is amended by adding a subdivision to read:

*Subd. 1a. [AUTHORITY TO PURCHASE.] The board may authorize its superintendent or business manager 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 section 123.37, subdivision 1.*

Sec. 7. Minnesota Statutes 1971, Section 123.37, is amended by adding a subdivision to read:

*Subd. 1b. Notwithstanding the provisions of subdivision 1, a contract for the transportation of school children may be made either upon sealed bids or by direct negotiation, by obtaining two or more quotations for the service when possible. At least 30 days before awarding a directly negotiated contract, the school district*

*shall, by published notice, request quotations for the service to be provided. All quotations obtained shall be kept on file for a period of at least one year after receipt thereof. If a contract is made upon sealed bids, the procedure for advertising and awarding bids shall conform to the provisions of subdivision 1.*

Sec. 8. Minnesota Statutes 1971, Section 123.39, Subdivision 1, is amended to read:

123.39 [INDEPENDENT SCHOOL DISTRICTS, TRANSPORTATION.] 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 district which at the time of the adoption of this code was a consolidated district or enjoyed the privileges of a consolidated 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 for the boarding and rooming of such pupils as may be more economically and conveniently provided for by such means. The district is authorized to 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 such means or where pupils attend school in a building rented or leased by a district within the confines of an adjacent district.

Sec. 9. Minnesota Statutes, 1973 Supplement, Section 124.04 is amended to read:

124.04 [CAPITAL EXPENDITURE TAXING AUTHORITY.] In addition to the tax levy prescribed by law for general and special school purposes, the board of any district may levy annually an amount not to exceed \$65 per pupil unit and not to exceed 10 mills on each dollar of assessed valuation of the taxable property in the district as adjusted for the preceding year by the equalization aid review committee notwithstanding the provisions of sections 272.64 and 275.49, provided that said levy may not exceed by more than two mills (three mills if the district adds units pursuant to section 124.17, subdivision 1, clause (7)) the levy under this section in the previous year; and provided further that any district which did not levy pursuant to this section in 1972 may certify a maximum levy of 6 mills not to exceed \$65 per pupil unit in 1974. The tax so levied shall be collected in the manner provided by law for the collection of school taxes. The proceeds of the tax may be used only to acquire land, improve and repair school sites and to equip, re-equip, repair and improve buildings and permanent attached fixtures. Subject to the commissioner's approval, the tax proceeds may also be used to rent or lease buildings for school purposes and to acquire or construct buildings. The board shall establish a fund in which the proceeds of this tax shall be accumulated until expended.



The proceeds of the tax shall not be used for custodial or other maintenance services.

Sec. 10. Minnesota Statutes 1971, Section 124.13 is amended to read:

124.13 [LIMIT ON STATE AID.] The total amount of aid paid by the state to any district for *any purpose* in any year shall not exceed the total amount expended by the district for education of resident pupils for *such purpose* for such year.

Sec. 11. Minnesota Statutes, 1973 Supplement, Section 124.17, Subdivision 1, is amended to read:

124.17 [DEFINITION OF PUPIL UNITS.] Subdivision 1. Pupil units for each resident pupil in average daily membership shall be counted as follows:

(1) *In an early identification and early childhood program approved by the state board, one-tenth pupil unit for each child served by the program. Any child prior to entering kindergarten or below age 6 may qualify for early identification and early childhood programs and aids provided that either the child or his parent or guardian is served by the program.*

~~(1)~~ (2) In an elementary school, for kindergarten and for handicapped pre-kindergarten pupils as defined in section 120.03, and enrolled in one-half day sessions throughout the school year or the equivalent thereof, approved by the commissioner of education, one-half pupil unit and other elementary pupils, one pupil unit.

~~(2)~~ (3) In secondary schools, pupils in junior high school or a six-year school and all other pupils in secondary schools, one and four-tenths pupil units. Pupils enrolled in the seventh and eighth grades of a ~~middle school~~ *any public school, including middle schools and elementary schools, in districts maintaining high schools, or those which will maintain a high school by the 1974-1975 school year, shall be counted as secondary pupils. Such aids will be paid for the 1973-1974 school year to districts now qualifying which previously were not eligible to receive the increased pupil weighting.*

~~(3)~~ (4) In area vocational-technical schools one and one-half pupil units.

~~(4)~~ (5) To meet the problems of educational overburden caused by broken homes, poverty and low income, each pupil in *clauses (2) and (3)* from families receiving aid to families with dependent children or its successor program shall be counted as an additional five-tenths pupil unit. The department of public welfare is directed to furnish to the department of education that information concerning children from families with dependent children which is necessary to calculate pupil units. Additional aids to a district for such pupils may be distributed on a delayed basis until the department of education publicly certifies that the information needed for paying such aids is available on such a timely basis that such aids may be paid concurrently with other foundation aids.

~~(5)~~ (6) In every district where the number of pupils from families receiving aid to families with dependent children or its successor program exceeds ~~ten~~ *nine* percent of the total actual pupil units in the district for the same year, as computed in clauses ~~(1)~~ (2) and ~~(2)~~ (3), each such pupil shall be counted as an additional 35/100 of a pupil unit; for those districts where the number of such pupils is more than eight percent but not more than ~~ten~~ *nine* percent of the total pupil units in the district for the same year, as computed in clauses ~~(1)~~ (2) and ~~(2)~~ (3), each such pupil shall be counted as an additional two-tenths of a pupil unit and for those districts where the number of such pupils is at least five percent but not more than eight percent of the total pupil units in the district for the same year, as computed in clauses ~~(1)~~ (2) and ~~(2)~~ (3), each such pupil shall be counted as an additional one-tenth of a pupil unit. Such weighing shall be in addition to the weighing provided in clauses (1), (2), (3), (4) and ~~(4)~~ (5) of this section. School districts are encouraged to allocate a major portion of the aids that they receive on account of clauses ~~(4)~~ (5) and ~~(5)~~ (6) to primary grade programs and services, particularly to programs and services that involve participation of parents.

~~(5)~~ (7) Where the total pupil units of a district are used as a multiplier in determining foundation aids and spending and levy limitations and where the actual number of pupil units has decreased from the prior year, the number of pupil units for such district shall equal the average of actual pupil units for the prior and current years *be increased by .7 times the difference between the units as computed in clauses (2) and (3) for the two years.*

~~(7)~~ (8) Where the actual number of pupil units has increased from the prior year by more than ~~four~~ *three* percent, a number of pupil units equal to one fourth of the difference between the units as computed in clauses ~~(1)~~ (2) and ~~(2)~~ (3) for the two years shall be added to the other units for the district.

~~(8)~~ (9) Only pupil units in clauses ~~(1)~~, (2) and (3) shall be used in computing adjusted maintenance cost per pupil unit.

Sec. 12. Minnesota Statutes 1971, Section 124.17, Subdivision 2 is amended to read:

Subd. 2. Membership for pupils in grades kindergarten through twelve, for pupils in area vocational-technical schools and for handicapped pre-kindergarten pupils shall mean the number of pupils on the current roll of the school, counted from the date of entry until withdrawal. The date of withdrawal shall mean the day the pupil permanently leaves the school or the date it is officially known that the pupil has left or has been legally excused; provided that any pupil who has been absent from school without a legally justifiable excuse for 15 consecutive school days shall be dropped from the roll and classified as withdrawn. Nothing in Extra Session Laws 1971, Chapter 31, shall be construed as waiving the compulsory attendance provisions cited in section 120.10. Average daily membership shall equal the sum for all pupils of the number of days of the school year each pupil is enrolled in the district's schools divided by the number of days

said schools are in session. For districts operating 12 months schools, days schools are in session shall mean the number of session days required by section 124.19, subdivision 1. The average daily membership of a pupil enrolled on a shared time basis shall equal the ratio of the total minutes for which such pupil is enrolled and the minimum minutes required during the year for a regularly enrolled public school pupil. Foundation aid for each pupil in such shared time classes shall be paid at a rate proportionate to aid paid for other resident pupils of the district providing instruction. A district shall not be entitled to transportation aid under section 124.22 for pupils enrolled on a shared time basis unless the statutes specifically provide for transportation aid to such student.

Sec. 13. Minnesota Statutes 1971, Section 124.17 is amended by adding a subdivision to read:

*Subd. 2a. Notwithstanding subdivision 2, pupils granted transitional year status shall continue to be counted as members on the current roll of the school for the remainder of the school year. Pupils enrolled in an early childhood program shall be counted for membership on the current roll of the school from the time of enrollment until the end of the school year if either the pupil or his parent or guardian is served by the program. For purposes of computing average daily membership transitional year pupils and early childhood pupils shall be considered to be enrolled every day school is in session.*

Sec. 14. Minnesota Statutes, 1973 Supplement, Section 124.20 is amended to read:

**124.20 [AID COMPUTATION FOR SUMMER SCHOOL AND YEAR-ROUND CLASSES.]** State aid for summer school classes which are not a part of the regular school term in hospitals, sanatoriums, home instruction programs, and intersession classes of year-round programs in elementary and secondary schools, and summer school instruction in area vocational schools or teachers college laboratory schools or in the university laboratory school shall be paid at a proportionate rate for aids paid during the regular school term, *provided that beginning June 1, 1974 no district shall receive aid for programs under this section in an amount greater than its actual expenditures for these programs.*

Sec. 15. Minnesota Statutes, 1973 Supplement, Section 124.212, Subdivision 10 is amended to read:

**Subd. 10.** The equalization aid review committee, consisting of the commissioner of education, the commissioner of administration, and the commissioner of ~~taxation~~ revenue, is hereby continued and permanently established. The duty of this committee shall be to review the assessed valuation of the districts of the state. When such reviews disclose reasonable evidence that the assessed valuation of any district furnished by any county auditor is not based upon the market value of taxable property in such district, then said committee shall call upon the department of ~~taxation~~ revenue to ascertain the market value of such property, and adjust such values as required by law to determine the ad-

justed assessed valuation. The department of ~~taxation~~ *revenue* shall take such steps as it may consider necessary in the performance of that duty and may incur such expense as is necessary therefor. The commissioner of ~~taxation~~ *revenue* is authorized to reimburse any county or governmental official for services performed at his request in ascertaining such adjusted valuation. On or before ~~May 1~~ *March 15*, annually, the department of ~~taxation~~ *revenue* shall submit its report on the assessed values established by the previous year's assessment to said committee for approval or rejection and, if approved, such report shall be filed not later than the following July 1 with the commissioner of education and each county auditor for those school districts for which he has the responsibility for determination of mill rates. A copy of the adjusted assessed value so filed shall be forthwith mailed to the clerk of each district involved and to the county assessor or supervisor of assessments of the county or counties in which such district is located.

Sec. 16. Minnesota Statutes, 1973 Supplement, Section 124.222, Subdivision 1 is amended to read:

124.222 [TRANSPORTATION AID ENTITLEMENT.] Subdivision 1. [COMPUTATION.] For the 1974-1975 school year the state shall pay to each school district for all school transportation and related services for which the district is authorized by law to receive state aid: (1) The lesser product of either

(a) The actual net operating cost per eligible pupil transported during the 1975 fiscal year times the number of eligible pupils transported during the 1975 fiscal year; or

(b) ~~140~~ *118* percent of the actual net operating cost per eligible pupil transported during the year ending June 30, 1973, times the number of eligible pupils transported during the 1975 fiscal year;

(2) Minus the amount raised by a levy of one mill times the adjusted assessed valuation which is used to compute the transportation levy limitation for the levy collected in calendar year 1974;

(3) Plus, the amount of depreciation for one year on the school bus fleet computed by the department of education on a straight line basis at the rate of ten percent per year of the net cost of the fleet.

Sec. 17. Minnesota Statutes, 1973 Supplement, Section 124.223, is amended to read:

124.223 [TRANSPORTATION AID AUTHORIZATION.] For the 1974-1975 school year and thereafter, school transportation and related services for which state transportation aid is authorized are:

(1) Transportation or board of resident pupils who reside one mile or more from the public schools which they could attend, or transportation to, from, or between the schools they attend pursuant to a program approved by the commissioner of education, or who reside one mile or more from a private school actually

attended, but only to the extent permitted by sections 123.76 to 123.79 with respect to private school pupils; provided that state transportation aid is authorized in an amount not to exceed \$700,000 annually for the transportation of any elementary pupil, if the commissioner determines that the transportation is necessary because of extraordinary traffic hazards;

(2) Transportation to 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 a district having a classified secondary school at the expense of the district of the pupil's residence;

(3) Transportation for residents to a state board approved secondary vocational center;

(4) Transportation or board and lodging of a handicapped pupil when he cannot be transported on a regular school bus, and the conveying of handicapped pupils between home and school and within the school plant;

(5) Transportation of resident handicapped ~~children~~ *persons who fulfill the eligibility requirements of Minnesota Statutes, Section 252.23 (1) to licensed daytime activity centers attended by the these children persons;*

(6) When necessary, board and lodging for nonresident handicapped pupils in a district maintaining special classes;

(7) Services described in clauses (1) to (6) when provided in conjunction with a state board approved summer school program.

Sec. 18. Minnesota Statutes 1971, Section 124.28, Subdivision 1 is amended to read:

124.28 [GROSS EARNINGS REFUND.] Subdivision 1. When the properties of any district are made up, to the extent of at least 20 percent in value of property which is exempt from local taxation because taxes thereon are paid into the state treasury under the provisions of the gross earnings tax law, such district shall receive annually a refund from such gross earnings taxes in the amount that would be produced by a tax on such exempt property at *three times* the current tax rate for school purposes in the district including the rate for nonresident high school children levied by the county provided that any district which has 15 percent in value of such exempt property and presently receiving gross earnings refund shall continue to receive it until June 30, 1963. For the purpose of determining the amount of this refund, the value of such exempt property shall be set at 30 percent of its full and true value except that in no case shall the assessed value of said exempt property for this purpose exceed such an amount as when added to the assessed value of all other property in the district exceed \$3,000 per resident pupil unit. In the determination of the amounts to which districts shall be entitled in the distribution of any state aids that are based upon total valuation per pupil this valuation shall be included.

Sec. 19. Minnesota Statutes 1971, Section 270.11, Subdivision 2 is amended to read:

Subd. 2. [COUNTY AUDITOR'S REPORTS OF ASSESSMENT FILED WITH COMMISSIONER.] The commissioner of ~~taxation~~ revenue shall require the auditor of each county in the state to file with him, on or before August 1, each year, complete abstracts of all real and personal property in the county, as equalized by the county board of equalization, and itemized by assessment districts, accompanied by a printed or typewritten copy of the proceedings of the county board of equalization, and it shall be the duty of the county auditor to so report to the commissioner of ~~taxation~~ revenue.

*The final abstract of assessments after adjustments by the state board of equalization and inclusion of any omitted property shall be submitted to the commissioner of revenue on or before January 1 of each calendar year.*

Sec. 20. Minnesota Statutes, 1973 Supplement, Section 275.125, Subdivision 3 is amended to read:

Subd. 3. In addition to the levy authorized by section 275.125, subdivision 2a, a qualifying district may levy additional amounts as follows:

(1) The amounts necessary to make payments for bonds issued and for interest thereon, including the bonds and interest thereon, issued as authorized by clause (7) (C) of this subdivision, and for repayment of debt service loans and capital loans, the amount authorized for capital expenditures pursuant to section 124.04 and the amount authorized for liabilities of dissolved districts pursuant to section 122.45.

(2) For school transportation services, an amount not to exceed the amount raised by a levy of one mill times the adjusted assessed valuation of the taxable property of the district for the preceding year; provided that in 1973 and thereafter a district having boundaries coterminous with the boundaries of a city of the first class may levy an amount not to exceed 20 percent of its costs for transportation and related services for which state aid is authorized for the 1974-1975 school year and thereafter, and provided further that a district may levy under this clause for the annual cash payments to be made for the purchase of buses, but only for that portion of the payments not offset by state transportation aid received on account of depreciation; *and provided further that beginning with the levy certified in 1975, a district may levy for that portion of transportation costs approved by the commissioner as qualifying for aid because of extraordinary traffic hazards but for which no state aid was received for the previous fiscal year pursuant to Section 124.223, clause (1).*

(3) For purposes of the 1973 levy, collectible in 1974, any district which qualified for an extra levy under Minnesota Statutes 1971, Section 275.125, Subdivision 3, Clause (4), shall be allowed to levy the same amount per pupil unit allowed by that cause. Provided, however, that a district having boundaries coterminous with

the boundaries of a city of the first class which was affected by the limitation of an extra levy not to exceed 1.5 mills times the adjusted assessed valuation of the district shall be allowed to levy 1.9 mills. For purposes of the 1973 levy, collectible in 1974, any district which qualified for an extra levy in 1971, collectible in 1972, under Minnesota Statutes 1971, Section 275.125, Subdivision 3, Clause (3) but did not qualify for an extra levy under Minnesota Statutes 1971, Section 275.125, Subdivision 3, Clause (4) in 1972, collectible in 1973, shall be allowed to levy the amount per pupil unit it was qualified to levy under Minnesota Statutes 1971, Section 275.125, Subdivision 3, Clause (3).

(4) In 1973 only, for a district which was authorized to levy pursuant to Minnesota Statutes 1971, Section 275.125, Subdivision 3, Clause (3), but which was not authorized to levy pursuant to Minnesota Statutes 1971, Section 275.125, Subdivision 3, Clause (4), an amount not to exceed the aggregate amount authorized by Minnesota Statutes 1971, Section 275.125, Subdivision 3, Clause (3).

(5) A district which qualified for a levy under clause (3) above shall be allowed to levy ~~that same amount per pupil unit~~ *the sum of the amount per pupil unit permitted under clause (3) above and the amount per pupil unit equal to the district's reimbursement aid per pupil unit in average daily membership for 1970-1971 school year programs for handicapped children, reduced by two and one-half percent. The per pupil amount of the reduction shall be rounded down to the dollar. No district in any year shall increase its levy as a result of the addition of the reimbursement aid for 1970-1971 programs for handicapped children by an amount greater than the amount raised by 2 mills times the adjusted assessed valuation of the taxable property of the district for the preceding year.* Provided, however, that a district within a city of the first class which was affected by the limitation of an extra levy not to exceed 1.9 mills times the adjusted assessed valuation of the district shall be allowed to levy the 1.9 mills.

(6) For districts in cities of the first class, maintaining post secondary vocational schools, one half mills times the adjusted assessed valuation of the taxable property of the district for the preceding year; and for other districts maintaining post secondary vocational schools, three mills times the adjusted assessed valuation of the taxable property of the district for the preceding year, provided that districts formed pursuant to Laws 1967, Chapter 822, and Laws 1969, Chapters 775 and 1060, shall be subject to the levy limitations imposed by those laws, as amended.

(7) (A) In order that the transition from existing patterns of financing public schools to the system prescribed in Extra Session Laws 1971, Chapter 31, Article 20 may be made in an orderly fashion, a district may levy an additional levy under the terms of this section.

(B) If that part of the levy certified by the school district in 1970, received in 1971, plus so much of the levy, allowed under subdivisions 2 and 3, sections 1 to 5 of this act, to be certified in 1971, received in 1972, as will be received between July 1, 1971

and June 30, 1972, and when added to all other state aids, local funds available and net existing local debts, exclusive of bonded debt and existing capital loans will not be sufficient to allow a district to spend an amount per pupil unit sufficient to raise its 1970-1971 adjusted maintenance cost per pupil unit by \$42 it may petition the commissioner of education for authority to levy an additional levy. Before such a levy can be made, the commissioner must authorize such a levy. Such authorization shall specify the amount of the levy, provided that such levy may not exceed .5 mills in a city of the first class or 1.5 mills in any other district times the 1970 adjusted assessed valuation of the district as determined by the equalization aid review committee.

(C) If the additional levy allowed in (B) is insufficient to raise the adjusted maintenance cost of a district to \$42 above its costs in 1970-1971 it may petition the commissioner of education for authority to issue general obligation bonds of an amount sufficient to meet the deficiency. The commissioner must authorize such a bond issue. The authorization shall specify the amount of the bond issue provided that the levy authorization to pay the principal and interest on the bonds may not exceed .5 mills in a district within a city of the first class, or 1.5 mills in any other district, times the 1970 adjusted assessed valuation of the district as determined by the equalization aid review committee. The bonds authorized by this section shall be sold and issued pursuant to the provisions of chapter 475, except as otherwise provided herein. Such bonds shall not be included in computing any debt limitation for a district and no election shall be required for their sale and issuance.

A district may not be authorized an additional levy under both (B) and (C) of this section.

(8) In 1973, and each year thereafter, for a district which has established a community school advisory council pursuant to section 121.88, whether or not the district receives reimbursement from the state pursuant to section 121.89, an amount of money raised by the greater of (A) \$1 per capita, or (B) the number of mills not to exceed the number of mills necessary in 1973 to raise \$1 per capita in 1973 for community services including summer school, nonvocational adult programs, recreation programs, and programs contemplated by sections 121.85 to 121.89.

The population of the district for purposes of this clause is the population determined as provided in section 275.14 or as certified by the department of education from the most recent federal census.

(9) Districts which receive payments which result in deductions from foundation aid pursuant to section 124.212, subdivision 8a, shall reduce the permissible levies authorized by this subdivision by 25 percent in 1973, 50 percent in 1974, 75 percent in 1975, and 100 percent for each year thereafter of that portion of the previous year's payment not deducted from foundation aid on account of the payment, unless such a levy reduction is otherwise required by law. The levy reductions shall be made in the proportions that each permissible levy bears to the sum of the permissible levies.



(10) The commissioner shall certify to the county auditors ~~any errors made in 1971 and 1972 in general and special purpose levy amounts~~ the levy limits for all school districts headquartered in the respective counties together with adjustments for errors in levies not penalized pursuant to subdivision 4 as well as adjustments to final pupil unit counts.

A school district shall have the right to require the commissioner to review his certification and to present evidence in support of modification of his certification.

The county auditor is authorized to adjust the 1973 levy to correct for the errors shall reduce levies for any excess of levies over levy limitations pursuant to section 275.16. Such reduction in excess levies may at the discretion of the school district be spread over not to exceed two calendar years.

(11) The commissioner of education shall certify to the county auditors any underlevies made in 1971 and 1972 in the transportation levy amounts. The 1971 underlevies shall be determined to be (1) the actual net costs of reimbursable transportation as reported to the department of education for the 1972-1973 school year plus the amount expended by the district to acquire school buses in 1972-1973 used for reimbursable transportation, less (2) the 1971 certified transportation levy as amended and state aids received in 1972-1973 for transportation including depreciation. Underlevies in the 1972 transportation levy shall be computed in like manner using 1973-1974 costs and state aids received in the 1973-1974 school year. The 1974 levy shall be adjusted to correct for such underlevies, provided that upon written request of the affected school board to the commissioner, the adjustment shall be pro-rated in the 1974 and 1975 transportation levies. No district may levy under this clause in any year an amount which exceeds the amount raised by a levy of two mills times the previous year's adjusted assessed valuation of the taxable property of the district.

Sec. 21. Minnesota Statutes 1971, Section 275.125, Subdivision 7, is amended to read:

Subd. 7. By November 1 of each year ~~(December 1, in 1971 only)~~ each district shall submit to the commissioner of education and the commissioner of taxation a certificate of compliance with the levy limitations of this section and of section 124.04. The commissioner of ~~taxation~~ education shall prescribe the form of this certificate.

Sec. 22. [APPROPRIATION.] There is appropriated from the general fund of the state treasury to the department of education the following sums for the year ending June 30, 1975 and for the purposes indicated:

(1) Foundation Aid	\$ 1,660,000
(2) Foundation Aid for Early Childhood Education	460,000
(3) Transportation Aid	4,480,000

(4) Educational television \$325,000

The amount appropriated in (4) shall be made available to the Minnesota member stations of Midwestern Educational Television, Inc. by the commissioner.

Sec. 23. Sections 1, 5, 7, 10, and 14 of this act shall be effective the day following final enactment."

Further, amend the title by striking it in its entirety and inserting the following:

"A bill for an act relating to operation of government; providing for aids to education, tax levies, and the distribution of tax revenues; changing the funding of post-secondary vocational-technical education to a current funding basis; granting certain powers to school districts and the state board of education; establishing a transitional year procedure; bids for school district contracts; appropriating money; amending Minnesota Statutes 1971, Sections 121.21, Subdivision 5; 123.37, Subdivision 1 and by adding subdivisions; 123.39, Subdivision 1; 124.13; 124.17, Subdivision 2 and by adding a subdivision; 124.28, Subdivision 1; 270.11, Subdivision 2; 275.125, Subdivision 7; Minnesota Statutes, 1973 Supplement, Sections 124.04; 124.17, Subdivision 1; 124.20; 124.212, Subdivision 10; 124.222, Subdivision 1; 124.223; and 275.125, Subdivision 3."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Novak from the Committee on Finance, to which was re-referred

S. F. No. 2661: A bill for an act relating to the Gillette hospital authority; classification of employees continuing under the authority; transfer of bequests, endowments, gifts, and personal property; amending Minnesota Statutes, 1973 Supplement, Section 250.05, Subdivision 3, and by adding a subdivision; and Laws 1973, Chapter 540, Section 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 27, strike "*The right to remain in the*" and insert in lieu thereof "*Employees who remain in the classified service of the state under the provisions of this section, may do so as long as they continue to occupy the position occupied on the effective date of this act. If such an employee at a subsequent date is appointed, transferred, promoted, or demoted to a different position under the authority, that position and employee shall be in the unclassified service.*"

Page 2, strike line 28

Page 3, strike lines 1, 2 and 3

Page 3, line 4, strike "*be in the classified service.*"

Page 3, line 11, after "system" and before the comma, insert "for classified employees"

Page 4, after line 2, add a new Sec. 4 to read:

*"Sec. 4. Any unexpended balance remaining in the Gillette state hospital site determination study appropriated by Laws 1971, Chapter 964, Section 2, Subdivision 15, Clause (2), is hereby re-appropriated to the Gillette hospital authority as established by Minnesota Statutes, 1973 Supplement, Section 250.05."*

Renumber the remaining section

Further amend the title as follows:

Page 1, line 6, after "property;" insert "reappropriating money from the site determination study to the authority;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Novak from the Committee on Finance, to which was referred

H. F. No. 1866: A bill for an act relating to public welfare; providing for supplementary assistance payments to recipients; providing for the administration and agency and judicial review thereof.

Reports the same back with the recommendation that the printed bill be amended as follows:

Strike everything after the enacting clause and insert in lieu thereof the following:

"Section 1. [CATEGORICAL AID PROGRAMS; PROVISION FOR CONTINUING PAYMENTS.] Subdivision 1. Commencing January 1, 1974, the commissioner of public welfare shall certify to each county the amount of aid each eligible county resident received per pay period prior to December 31, 1973 pursuant to a categorical aid program of old age assistance, aid to the blind, or aid to the disabled. From and after January 1, 1974, each county shall advance to the commissioner of public welfare one half of the amount by which aid paid to the county resident by the county, the state, and the United States prior to January 1, 1974 exceeds the amount of aid paid to the individual after December 31, 1973 by the United States pursuant to 42 U.S.C. Section 1382. The commissioner of public welfare shall forward all such sums received from the counties, together with an equal state share, to the appropriate department of the United States for disbursement.

Subd. 2. [OPTIONAL FISCAL PROCEDURE.] The commissioner of public welfare may, by rule and regulation, establish alternate fiscal procedures by which the amount of individual county liability established under this section may be deducted from the state liability to the county incurred under any other public assistance program authorized by law.

Subd. 3. [PROVISIONS FOR RE-CALCULATIONS OF SUP-

PLEMENTAL AID IN CASES OF CHANGED CIRCUMSTANCES.] An individual who is eligible for supplemental aid under this section may, if his or her circumstances change substantially after January 1, 1974, have the amount of his or her supplemental aid recalculated by the county welfare board in accordance with the standards in effect for the appropriate categorical aid program in December, 1973. Any increase in the individual's supplemental aid which results from a recalculation shall be administered pursuant to the provisions of section 2.

Sec. 2. [NEW APPLICANTS AND ENROLLEES; PROVISION FOR SUPPLEMENTS.] Subdivision 1. For all applicants or recipients of supplemental security income provided by the United States pursuant to 42 U.S.C. Section 1382 and were not enrolled in any categorical aid program referred to in section 1 on December 31, 1973 and who make application to the appropriate county welfare board, each county welfare board shall determine whether the recipient meets the eligibility criteria in effect December 31, 1973 for the appropriate categorical aid program. For any applicants or recipient who meets the relevant eligibility criteria in effect December 31, 1973, the county welfare board shall certify to the commissioner of public welfare the amount which the individual would have received in accordance with the standards in effect for the appropriate categorical aid program in December, 1973. From and after the first of the month in which a successful application was filed, the state shall advance to the county one half of the amount by which the amount certified by the county exceeds the amount of aid paid to the recipient after December 31, 1973 by the United States pursuant to 42 U.S.C. Section 1382. The county shall forward each sum received, together with an equal county share, to the appropriate recipient.

Subd. 2. In computing the amount of supplemental assistance there shall be deducted from the gross amount of the recipient's needs as thus determined all income subject to criteria in effect on December 31, 1973 which the individual is receiving.

Sec. 3. No recipient of supplemental aid granted pursuant to this act shall experience a decrease in the amount of his or her supplement as a result of any increase authorized or effective on or after January 1, 1974, in the amount of aid paid to the recipient by the United States pursuant to 42 U.S.C. Section 1382.

Sec. 4. The commissioner of public welfare shall promulgate all rules and regulations necessary to carry out the provisions of this act.

Sec. 5. [ADMINISTRATIVE AND JUDICIAL REVIEW.] Any applicant or recipient aggrieved by any order or determination by the county welfare board may appeal the order or determination in the manner provided by Minnesota Statutes, 1973 Supplement, Section 245A.12.

Sec. 6. [SPECIAL 1974 FISCAL PROCEDURES.] Notwithstanding any law to the contrary, any county board of commissioners may, by majority vote at any time following the effec-

tive date of this act, transfer surplus funds to the appropriate fund for purposes of this act; and it may immediately levy taxes and issue certificates of indebtedness in anticipation of collection of said taxes, for the purpose of providing money necessary to pay supplemental aid as required by this act during the calendar year 1974.

Sec. 7. Minnesota Statutes, 1973 Supplement, Section 261.063, is amended to read:

261.063 [TAX LEVY FOR SOCIAL SECURITY MEASURES; DUTIES OF COUNTY BOARD.] The board of county commissioners of each county shall annually levy taxes and fix a rate sufficient to produce the full amount required for poor relief, general assistance, aid to dependent children, *county share of county and state supplementation of supplemental security income recipients*, and any other social security measures wherein there is now or may hereafter be county participation, sufficient to produce the full amount necessary for each such item, including administrative expenses, for the ensuing year, within the time fixed by law in addition to all other tax levies and tax rates, however fixed or determined, and any commissioner who shall fail to comply herewith shall be guilty of a gross misdemeanor and shall be immediately removed from office by the governor.

Sec. 8. This act shall be effective the day following enactment; provided, however, that payments authorized under section 1 shall be made retroactive to January 1, 1974."

Further, strike the title and insert in lieu thereof:

"A bill for an act relating to public welfare; providing supplemental aid to certain supplemental security income applicants and recipients after December 31, 1973; providing a penalty for failure to levy taxes for the purposes of county supplementation of supplemental security income applicants and recipients; amending Minnesota Statutes, 1973 Supplement, Section 261.063."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Chenoweth from the Committee on Metropolitan and Urban Affairs, to which was referred

S. F. No. 2222: A bill for an act relating to the metropolitan council; granting the metropolitan council the powers of a municipal housing and redevelopment authority in the metropolitan area, subject to municipal approval; providing for revenues; amending Minnesota Statutes 1971, Sections 287.05, Subdivision 1; and 287.12.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert in lieu thereof:

"Section 1. [FINDINGS AND DECLARATION OF POLICY.] It is hereby found and determined that: The conditions found to exist by the municipal housing and redevelopment act as amended continue to exist throughout the state and in the area in which the metropolitan council established by Minnesota Statutes, Chapter 473B, has jurisdiction; substandard, slum and blighted areas exist in the metropolitan area which cannot be redeveloped without government assistance; there is a shortage of decent, safe and sanitary dwelling accommodations available to persons of low and moderate income at rentals or prices they can afford; many municipalities in the metropolitan area are unable adequately to provide the financing and staff necessary to an effective municipal housing and redevelopment authority; for each such municipality to establish a separate authority would result in an inefficient use of manpower and services; and there is therefore a need to enable the metropolitan council to make available to the municipalities in the metropolitan area those services provided for in the municipal housing and redevelopment act.

Sec. 2. [DEFINITIONS.] Subdivision 1. Unless the context clearly indicates otherwise, the following terms, for the purposes of this act, shall have the meanings ascribed to them in this section.

Subd. 2. The terms defined in the municipal housing and redevelopment act shall, for the purposes of this act, have the meanings given them in that act.

Subd. 3. "Council" means the metropolitan council created by Minnesota Statutes, Section 473B.02.

Subd. 4. "Metropolitan area" means the area in which the council has jurisdiction under Minnesota Statutes, Section 473B.02.

Subd. 5. "Comprehensive development guide" means that document prepared by the council pursuant to Minnesota Statutes, Section 473B.06, Subdivision 5.

Sec. 3. [POWERS.] Subdivision 1. In addition to, and not in limitation of, all other powers invested in it by law, the council, and the members thereof, shall have, throughout the metropolitan area, the same functions, rights, powers, duties, privileges, immunities and limitations as are provided for housing and redevelopment authorities created for municipalities, and for the commissioners of such authorities. The provisions of Minnesota Statutes, Sections 462.411 to 462.711 and of all other laws relating to housing and redevelopment authorities shall be applicable to the council when functioning as an authority, except as herein provided or as clearly indicated otherwise from the context of such laws. Minnesota Statutes, Section 462.425 shall have no application to the council nor to any municipality or county and the governing bodies of any municipality of county, within and for which the council undertakes a project shall have all the powers, authority and obligations granted to municipalities and counties by the provisions of Minnesota Statutes, Sections

462.411 to 462.711 and all other laws relating to housing and redevelopment authorities. The council may plan and propose projects within the boundaries of any municipality, and may otherwise exercise the powers of an authority at any time; provided, however, that the council shall not implement any housing project, housing development project, redevelopment project or urban renewal project within the boundaries of any municipality or county without the prior approval of the governing body of the municipality or county in which any such project is to be located; and provided further that the council shall not propose any project to the governing body of a municipality or county having an active authority created pursuant to Minnesota Statutes, Section 462.425, or pursuant to special legislation, without first submitting the proposed project to the municipal or county authority for its review and recommendations; and provided further that as to any project proposed by the council and approved by the municipality or county, the council shall not undertake the project if within 60 days after it has been proposed, the municipality or county agrees to undertake the project. All plans and projects of the council shall be consistent with the comprehensive development guide.

Subd. 2. [TECHNICAL ASSISTANCE.] The council may provide technical assistance to existing municipal or county housing and redevelopment authorities at the request of such authorities.

Subd. 3. [COOPERATION WITH OTHER GOVERNMENT AGENCIES.] The council may cooperate with or act as agent for the federal government, the state government, or any agencies or instrumentalities thereof, in carrying out the provisions of any federal or state legislation relating to the general purposes of the municipal housing and redevelopment act.

Subd. 4. [CITIZEN PARTICIPATION.] The council shall, as part of any project proposal to a municipality, propose a means for citizens substantially affected by the proposed project to participate in the formulation and carrying out of projects undertaken by the council pursuant to the terms of this act.

Subd. 5. [PROJECTS; REPORTS.] The council shall prepare a detailed report on the progress of any project it undertakes. The report shall be filed with the legislature not later than January 15 of each year.

Sec. 4. [EFFECT UPON MUNICIPAL AND COUNTY HOUSING AND REDEVELOPMENT AUTHORITIES.] Nothing in this act shall be construed to impair the powers and obligations of municipal, county or multi-county housing and redevelopment authorities within the metropolitan area.

Sec. 5. [FINANCES.] Subdivision 1. The council shall allocate the net unreimbursed costs of any project which it undertakes to the municipality or group of municipalities or county for which the project is undertaken. The governing body of each such municipality or county shall impose taxes or other revenue measures to provide funds necessary to pay the allocated costs, and the govern-

ing body of each such municipality or county shall have all the powers, authority and obligation granted to authorities by Minnesota Statutes, Section 462.545 and all other provisions of law regarding the financing of such projects, provided that the council shall have the powers of an authority for purposes of applying for and receiving federal grants in connection with all projects which it undertakes.

Subd. 2. The council may expend for the purposes of this act any of the revenue derived pursuant to section 7 of this act, and any revenues derived pursuant to Minnesota Statutes, Section 473B.08.

Sec. 6. Minnesota Statutes 1971, Section 287.05, is amended by adding a subdivision to read:

*Subd. 3. In addition to the tax imposed in subdivision 1, a tax of 5 cents is hereby imposed upon each \$100, or fraction thereof, of the principal debt or obligation which is or may be secured by any mortgage of real property situated within the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington executed, delivered, and recorded or registered; provided, however, that said tax shall be imposed but once upon any mortgage and extension thereof. The proceeds of this tax paid to the treasurers of the seven counties under the provisions of sections 287.01 to 287.12 shall be apportioned to the council.*

Sec. 7. This act is effective on the day following final enactment."

Further, amend the title by striking in its entirety and inserting in lieu thereof the following:

"A bill for an act relating to the metropolitan council; granting the metropolitan council the powers of a municipal housing and redevelopment authority in the metropolitan area; imposing a tax on mortgages in the seven-county metropolitan area; amending Minnesota Statutes 1971, Section 287.05, by adding a subdivision."

And when so amended the bill do pass. Amendments adopted  
Report adopted.

Mr. Chenoweth from the Committee on Metropolitan and Urban Affairs, to which was referred

S. F. No. 2975: A bill for an act relating to Dakota county; authorizing the board of commissioners to issue bonds for county road and bridge purposes.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 14, after "bridges." insert "The bonds shall not be issued until the county board has established a plan based upon the needs of each area of the county for the development of county state-aid highways and county highways and bridges."

Page 1, line 20, after "shall" strike the remainder of the line.

Page 1, strike all of lines 21 to 23 and insert the following: "not



exceed an amount equal to one-third mill times the assessed value of taxable property in the county, as most recently determined before the issuance of that series, and shall be deducted from the amount which may be levied for other road and bridge purposes within the limitation provided in Minnesota Statutes, Sections 398.32 to 398.36."

Page 1, after line 23, insert the following language:

"Sec. 3. No road or portion of a road that runs through a city within the county shall be constructed or improved unless the city agrees to contribute to the construction or improvement in an amount that the county board determines to be fair and equitable and in no case to be more than ten percent of the cost of the construction or improvement."

Renumber the sections accordingly.

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Chenoweth from the Committee on Metropolitan and Urban Affairs, to which was referred

S. F. No. 2780: A bill for an act relating to the county of Hennepin license bureau; providing for the transfer of the licensing duties of the clerk of district court.

Reports the same back with the recommendation that the bill do pass and be placed on the Calendar of Ordinary Matters. Report adopted.

Mr. Chenoweth from the Committee on Metropolitan and Urban Affairs, to which was referred

S. F. No. 3216: A bill for an act relating to the Seaway Port Authority of Duluth; authorizing issuance of \$1,500,000 of bonds by Seaway Port Authority of Duluth for the purpose of constructing a facility for handling cargo containers; providing for the pledge of the full faith, credit and resources of the city of Duluth for the payment of interest and principal on said bonds.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Chenoweth from the Committee on Metropolitan and Urban Affairs, to which was referred

S. F. No. 3001: A bill for an act relating to historic sites; designating the boundaries of the historic hill district in Ramsey county; amending Minnesota Statutes, 1973 Supplement, Section 138.73, Subdivision 23.

Reports the same back with the recommendation that the bill do pass and be placed on the Calendar of Ordinary Matters. Report adopted.

Mr. Chenoweth from the Committee on Metropolitan and Urban Affairs, to which was referred

S. F. No. 3053: A bill for an act relating to the determination of the frontage assessments for the extension of water service in the city of St. Paul; repealing Special Laws 1885, Chapter 110, Section 26; and Laws 1951, Chapter 272.

Reports the same back with the recommendation that the bill do pass and be placed on the Calendar of Ordinary Matters. Report adopted.

Mr. Chenoweth from the Committee on Metropolitan and Urban Affairs, to which was referred

S. F. No. 3025: A bill for an act relating to assessment of street maintenance and street lighting costs in the city of Minneapolis; amending Laws 1973, Chapter 393, Section 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 15, strike the period and insert a semicolon

Page 1, line 15, strike "*any such*" and insert "*the*"

Page 1, line 16, after "*against*" insert "*non governmental*"

Page 1, line 16, strike "*not subject to*" and insert "*exempt from*"

Page 1, line 17, strike "*assessed*" and insert "*levied as a special assessment*"

Page 1, line 17, strike "*such*" and insert "*the*"

And when so amended the bill do pass and be placed on the Calendar of Ordinary Matters. Amendments adopted. Report adopted.

Mr. Chenoweth from the Committee on Metropolitan and Urban Affairs, to which was referred

S. F. No. 1253: A bill for an act relating to port authorities; authorizing segregation of tax increments in industrial development districts to pay the cost of redevelopment of marginal land therein; amending Minnesota Statutes 1971, Section 458.192, Subdivision 1, and by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 20, strike "*11*" and insert "*12*"

Page 1, line 27, after "*the*" insert "*then most recently determined*"

Page 1, line 27, after "*all*" insert "*or so much of the*"

Page 1, line 28, after "*as*" strike "*then most recently*"

Page 1, line 29, strike "*determined*" and insert "*is identified by legal description in the request*"

Page 1, line 32, after "*against*" strike "*the*" and insert "*such*"

Page 2, line 5, strike "*to 4*" and insert "*and 3*"

Page 2, line 7, strike "*industrial development district*" and insert "*such property district*"

Page 2, line 11, after "*fully*" strike "*paid, and the*"

Page 2, line 12, strike "*port authority has been fully*"

Page 2, line 13, strike "*for any principal and interest on general*"

Page 2, line 14, strike "*obligation bonds which it has issued to pay such cost*"

Page 2, line 18, strike "*project area*" and insert "*property*"

Page 2, line 20, after "*part*" strike "*of*" and insert "*or*"

Page 2, line 21, strike "*increments may*" and insert "*, if so directed by the city council, shall*"

Page 2, line 22, strike "*such*" and insert "*any*"

Page 2, line 22, after "*bonds*" insert "*of the port authority*"

Page 2, line 22, strike "*Property constituting the*" and insert "*Increases in the value of such property, subsequent to certification of the base for computing the tax increment therefrom, shall not be included in the assessed valuation of any taxing district for the purpose of computing any debt or levy limitation or the amount of any state or federal aid to the taxing district, so long as the tax increment therefrom is segregated under the provisions of this section.*"

Page 2, line 22, strike "*Property constituting the*"

Page 2, strike lines 23 to 28

Page 2, after line 28, add a new section to read as follows:

"Sec. 3. Minnesota Statutes 1971, Section 458.192, is amended by adding a subdivision to read:

*Subd. 12. The total acreage of land zoned for industrial use included in any one industrial development district by a port authority shall not exceed 3 percent of the total acreage of the municipality which is zoned for industrial use. At no time shall the total current acreage of the land zoned for industrial use included by a port authority within development districts for which unrecovered costs remain exceed 10 percent of the total acreage of the municipality zoned for industrial use."*

Further amend the title as follows:

Page 1, line 9, strike "*a subdivision*" and insert "*subdivisions*"

And when so amended the bill do pass. Amendments adopted.  
Report adopted.

Mr. Chenoweth from the Committee on Metropolitan and Urban Affairs, to which was referred

S. F. No. 3185: A bill for an act authorizing the city of Duluth to issue general obligation bonds in excess of the net debt limitations imposed in Minnesota Statutes, Section 475.53 and not subject to the provisions of Minnesota Statutes, Section 475.58, to provide the local funds needed to match state or federal grant funds.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 13, after "state" insert ", private,"

Page 1, line 16, strike the word "not"

Page 1, line 17, after "Statutes," strike the remainder of the line and insert "Chapter 475, provided that no election shall be required, except as provided in the Duluth city charter."

Page 1, line 19, strike "65" and insert in lieu thereof ": 80"

Page 1, line 20, after "cost" insert "where the local share is used to match private grants; 60 percent of the total project cost where the local share is used to match state or federal grants; or 70 percent of the total project cost where the local share is used to match a combination of government and private grants"

Further amend the title as follows:

Page 1, line 3, strike "in excess of"

Page 1, strike lines 4 to 6

Page 1, line 7, strike all of the line before the word "to" and insert "without an election, except where required by the city charter,"

Page 1, line 9, after "state" insert ", private,"

And when so amended the bill do pass and be placed on the Calendar of Ordinary Matters. Amendments adopted. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 2830: A bill for an act relating to St. Louis county; authorizing the issuance of additional on-sale liquor licenses.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Hughes from the Committee on Education, to which were referred the following appointments:

#### STATE BOARD OF COMMUNITY COLLEGES

Hugh V. Plunkett, III, 304 22nd Street Southwest, Austin, Mower County, appointed effective July 1, 1973, for a term expiring July 1, 1976.

John Sontorovich, 519 4th Avenue, International Falls, Koochiching County, appointed effective November 16, 1973, for a term expiring July 1, 1978.

Reports the same back with the recommendation that the appointments be confirmed.

Mr. Coleman moved that the foregoing report be laid on the table. The motion prevailed.

Mr. Hughes from the Committee on Education, to which was referred

S. F. No. 2794: A bill for an act relating to the safety of school children; regulation of school bus transportation; amending Minnesota Statutes 1971, Sections 169.45; and 169.451, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 12, strike "Section 124.22" and insert "1973 Supplement, Section 124.222"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hughes from the Committee on Education, to which was referred

S. F. No. 2913: A bill for an act relating to education; creating an advisory commission to study school district cooperation and efficiency and giving certain powers to the state board of education to implement its recommendations; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert in lieu thereof the following:

"Section 1. [DECLARATION OF POLICY.] It is hereby declared to be in the best interest of the people of the state to study the impact of declining enrollments and its consequential effect on the quality of education.

Sec. 2. [ADVISORY COMMISSION ON DECLINING SCHOOL ENROLLMENTS; CREATION.] There is hereby created an advisory commission to the legislature and the state board of education which shall be known as the advisory commission on declining school enrollments, hereinafter referred to as the commission.

Sec. 3. [MEMBERSHIP; TERMS; COMPENSATION.] Subdivision 1. [MEMBERSHIP.] The commission shall be composed of eleven members to be appointed by the governor with the advice and consent of the senate within 30 days of the effective date of this act, and shall consist of:

- (a) One certified elementary or secondary education school teacher;
- (b) One certified special education school teacher;
- (c) One elementary or secondary school administrator;
- (d) One superintendent of schools;
- (e) One representative of the Minnesota state high school league;
- (f) One current member of a school board; and
- (g) Five public members, two of whom shall have demonstrated expertise in the field of school finance.

No two commission members shall reside in the same school district.

Subd. 2. [EX OFFICIO MEMBERS.] One designee of the chairman of the senate committee on education, one designee of the chairman of the house of representatives committee on education and one designee of the state board shall serve as nonvoting members of the commission.

Subd. 3. [TERMS.] All members shall serve a term of three years; however, every member shall continue in office until his successor has been duly named and qualified. When a vacancy occurs, it shall be filled within 30 days in the manner of the original appointment and all subsequent appointees must be qualified in the manner of the members they succeed.

Subd. 4. [COMPENSATION; EXPENSES.] Commission members shall be paid compensation of \$35 per day for each day spent in performance of their duties, plus ordinary and necessary expenses in the same amount and manner as state employees.

Subd. 5. [EXPIRATION.] Unless specifically renewed by the legislature, the authorization for this commission shall expire on June 30, 1979.

Sec. 4. [POWERS AND DUTIES OF THE COMMISSION.] Subdivision 1. The commission shall meet and organize within 30 days of its appointment. It shall elect from its membership a chairman and such other officers as it deems necessary.

Subd. 2. The commission shall examine, by whatever means it deems appropriate, the impact of declining school enrollments and its consequential effect on the quality of education.

Subd. 3. [INVESTIGATIONS.] The commission shall make any investigations and conduct any hearings necessary to accomplish its purposes.

Subd. 4. [STAFF.] The commission may employ such professional, clerical, and technical assistants as it deems necessary in order to accomplish its purposes.

Subd. 5. [STATE OFFICIALS AND DEPARTMENTS; CO-OPERATION.] In carrying out its objectives, the commission

shall have the right to confer with state officials and other governmental units, and to have access to such records as are necessary to obtain needed information. The commission shall also have the right to call upon and receive from various state departments, agencies, and institutions such technical advice and service as are reasonably needed to fulfill the purposes of the commission.

Subd. 6. [REPORT.] Before March 15, 1977, the commission shall present to the legislature and the state board its preliminary findings and recommendations regarding incentives for additional cooperation among school districts, the optimal size of regional units of cooperation and appropriate teacher-pupil ratios. The commission shall present its final report to the legislature and the state board before February 1, 1979.

Subd. 7. Recommendations of the commission shall be given to all school boards and school districts at the time they are presented to the legislature and the state board.

Sec. 5. [POWERS AND DUTIES OF THE STATE BOARD.] Subdivision 1. The state board shall review the findings and recommendations of the commission.

Subd. 2. The state board may promulgate rules, regulations, and plans to implement the commission's recommendations as approved or modified. The board shall have the power:

(a) To develop pilot programs which implement the commission's recommendations as approved or modified;

(b) To recommend the optimal size of regional units of cooperation;

(c) To promulgate minimum standards for building utilization and construction.

Sec. 6. [APPROPRIATION.] There is hereby appropriated from the general fund the sum of \$50,000 for use by the commission to carry out the purposes of this act.

Sec. 7. [EFFECTIVE DATE.] This act shall be effective on June 1, 1974."

Further amend the title as follows:

Page 1, line 3, strike "school" and insert "declining school enrollment and"

Page 1, strike line 4

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Perpich, A. J. from the Committee on Taxes and Tax Laws, to which was referred

S. F. No. 3213: A bill for an act relating to the distribution of taxes accruing to the statutory city of Cooley under Minnesota Statutes, Sections 298.24 and 298.32.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 14, after "Greenway," insert "and the taconite municipal aid paid to Cooley pursuant to Minnesota Statutes 1971, Section 298.282,"

Page 2, line 5, after "1975" strike "," and insert "."

Page 2, strike lines 6 through 10

And when so amended the bill do pass and be placed on the Calendar of Ordinary Matters. Amendments adopted. Report adopted.

Mr. Perpich, A. J. from the Committee on Taxes and Tax Laws, to which was referred

S. F. No. 2347: A bill for an act relating to taxation; county legal assistance; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 12, after the period add a sentence to read as follows: "This levy shall be subject to the levy limits established by Minnesota Statutes, 1973 Supplement, Sections 275.50 to 275.59."

Page 1, after line 12, add a section to read as follows:

"Sec. 2. Any two or more contiguous counties may by concurrent resolution of their county boards combine their appropriations to a single nonprofit corporation to serve the purpose of section 1 in their counties."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Perpich, A. J. from the Committee on Taxes and Tax Laws, to which was referred

S. F. No. 3136: A bill for an act relating to taxes on and measured by net income; credits against tax; amending Minnesota Statutes 1971, Section 290.0601, Subdivision 9, as amended.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Perpich, A. J. from the Committee on Taxes and Tax Laws, to which was referred

S. F. No. 3139: A bill for an act relating to taxation; increasing the levy limit bases of governmental subdivisions to include gross earnings aids; amending Minnesota Statutes, 1973 Supplement, Sections 275.50, Subdivision 5; and 275.51, Subdivision 3.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 5, strike "taxation" and insert "revenue"



Page 3, line 12, strike "taxation" and insert "revenue"

Page 11, line 15, after "368.42;" insert "and"

Page 11, line 15, after "373.24" strike "and 295.38." and insert  
",,"

Page 11, after line 15, insert the following:

*"(6) Fifty percent of the fiscal year 1973 (July 1, 1972 to June 30, 1973) inheritance tax distribution to county governments pursuant to Minnesota Statutes 1971, Section 291.33."*

Further, amend the title as follows:

Page 1, line 5, after "aids" insert "and inheritance tax distributions"

And when so amended the bill do pass. Amendments adopted.  
Report adopted.

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 3287: A bill for an act relating to human services; providing for the designation of pilot boards; providing for transfer of administrative functions; amending Minnesota Statutes, 1973 Supplement, Sections 402.05, Subdivision 2; and 402.08.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

S. F. No. 2670: A bill for an act relating to economic development; restrictions upon public relations expenditures by the department of economic development; amending Laws 1973, Chapter 720, Section 31, Subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 14, strike the new language and insert: *"No expenditure may be made for the purchase of public relations services from an independent consultant or public relations firm during fiscal 1975."*

Strike lines 15 to 17

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

S. F. No. 2924: A bill for an act relating to municipalities; requiring the Minnesota municipal commission to deny a petition for annexation if the major reason for the petition is to allow a municipality to acquire open iron ore pits for revenue purposes;

amending Minnesota Statutes 1971, Section 414.031, Subdivision 4.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 1, strike "*major*" and insert "*underlying*"

Page 4, after line 12, add a new section to read:

"Sec. 2. [EFFECTIVE DATE.] This act shall take effect the day following its enactment."

Further, amend the title as follows:

Page 1, line 4, strike "the" and insert "an"

Page 1, line 5, strike "*major*" and insert "*underlying*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hughes from the Committee on Education, to which was re-referred

S. F. No. 3179: A bill for an act relating to education; establishing a Minnesota history and government learning center; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 12, after "by" insert a colon

Page 1, line 13, strike "development of" and insert "developing"

Page 1, line 15, after "interns" insert a comma and after "teachers" insert a semicolon

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 2820: A bill for an act relating to McLeod county; authorizing one additional on-sale intoxicating liquor license.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was re-referred

H. F. No. 3089: A bill for an act relating to the city of Detroit Lakes; authorizing the issuance of an on-sale liquor license.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Perpich, A. J. from the Committee on Taxes and Tax Laws, to which was re-referred

H. F. No. 1810: A bill for an act providing standards and procedures for tax increment financing; authorizing municipalities to create development districts; authorizing the issuance of bonds to carry out development programs in development districts; authorizing tax increment financing for the payment of principal and interest on such bonds; authorizing municipalities to assess the cost of operation against development districts; authorizing port authorities to segregate tax increments in industrial development districts; providing limitation on extent of districts to which tax increment financing applies; amending Minnesota Statutes 1971, Chapter 273, by adding sections; Sections 462.585, Subdivision 1; and 458.192, Subdivision 1 and adding new subdivisions to the section; and repealing Minnesota Statutes 1971, Sections 462.545, Subdivision 5; 462.585, Subdivisions 2 and 3; and 474.10, Subdivisions 2 and 3.

Reports the same back with the recommendation that the printed bill be amended as follows:

Strike everything after the enacting clause and insert in lieu thereof the following:

"Section 1. [DEVELOPMENT PROGRAM; PURPOSE.] It is found that there is a need for new development in areas of a municipality which are already built up to provide employment opportunities to improve the tax base and to improve the general economy of the state. Therefore, municipalities are authorized to develop a program for improving a district of the municipality to provide impetus for commercial development; to increase employment; to protect pedestrians from vehicle traffic and inclement weather; to provide the necessary linkage between peripheral parking facilities and places of employment and shopping; to provide off-street parking to serve the shoppers and employees of the district; to provide open space relief within the district; and to provide other facilities as are outlined in the development program adopted by the governing body. It is hereby declared by the legislature of the state of Minnesota that the actions required to assist the implementation of these development programs are a public purpose and that the execution and financing of the programs are a public purpose.

Sec. 2. [DEFINITIONS.] Subdivision 1. For the purposes of sections 1 to 10, the terms defined in this section shall have the meanings given them unless otherwise provided or indicated by the context.

Subd. 2. "Municipality" means any city, however organized.

Subd. 3. A "development district" is a specific area within the corporate limits of any municipality which has been so designated and separately numbered by the governing body. No less than 60 percent of the area of any district shall consist of land which has been platted and developed. The area of a district shall not be enlarged after three years following the date of designation

of the district. At the time of the designation of the first development district in any municipality, the governing body of that municipality shall by formal action adopt one of the three following alternative restrictive options. Once the choice is made, that municipality must use the same option for all succeeding development districts.

(a) The total acreage included in any one development district shall not exceed one percent of the total acreage of the municipality. At no time shall the total current acreage within development districts for which unrecovered cost of bonds remain exceed three percent of the total acreage of the municipality.

(b) The total market value of taxable real property of any one development district when adopted shall not exceed five percent of the total market value of taxable real property in the municipality as most recently certified by the county auditor. At no time shall the current total market value of taxable real property within development districts for which unrecovered cost of bonds remain exceed ten percent of the total market value of taxable real property in the municipality as most recently certified by the county auditor.

(c) No development district shall exceed six acres. At no time shall another development district be designated by the governing body of the municipality until all cost of bonds for the previously designated district has been paid.

Subd. 4. "Substantially residential development district" means any development district in which 40 percent or more of the area, exclusive of streets and open space, is used for residential purposes at the time the district is designated by the governing body.

Subd. 5. A "development program" is a statement of objectives of the municipality for improvement of a development district which shall contain a complete statement as to the public facilities to be constructed within the district, the open space to be created, the environmental controls to be applied, the proposed reuse of private property, and the proposed operations of the district after the capital improvements within the district have been completed.

Subd. 6. "Pedestrian skyway system" means any system of providing for pedestrian traffic circulation, mechanical or otherwise, elevated aboveground, within and without the public right of way, and through or above private property and buildings, and includes overpasses, bridges, passageways, walkways, concourses, hallways, corridors, arcades, courts, plazas, malls, elevators, escalators, heated canopies and accesses and all fixture, furniture, signs, equipment, facilities, services, and appurtenances which in the judgment of the governing body of the municipality will enhance the movement, safety, security, convenience and enjoyment of pedestrians and benefit the municipality and adjoining properties. The use of a public street or public right of way for pedestrian travel only constitutes a public use and shall not require a vacation of the street or right of way.

Subd. 7. "Special lighting system" means lights or light displays of any type located within or without the public right of way.

Subd. 8. "Parking structure" means any building the principal use of which is designed for and intended for parking of motor vehicles. Open air parking on parking lots shall also be construed as parking structures for the purpose of this act.

Subd. 9. "Maintenance and operation" means all activities necessary to maintain facilities after they have been developed and all activities necessary to operate the facilities including but not limited to informational and educational programs, and safety and surveillance activities.

Sec. 3. [AUTHORITY GRANTED.] A municipality may after consultation with its planning agency or planning department and after public hearings, notice of which shall have been published in the official newspaper of the municipality, or if the municipality has no official newspaper, in a newspaper of general distribution and after provision for relocation has been made pursuant to section 11, and after consultation with the advisory board created by section 10, designate development districts within the boundaries of the municipality. Within these districts the municipality may adopt a development program consistent with which the municipality may acquire, construct, reconstruct, improve, alter, extend, operate, maintain, or promote developments aimed at improving physical facilities, quality of life and quality of transportation. The municipality may acquire land or easements through negotiation or through powers of eminent domain. The municipal council may adopt ordinances regulating traffic in pedestrian skyway systems, public parking structures, and other facilities constructed within the development district. The municipal council may pass ordinances regulating access to pedestrian skyway systems and the conditions under which such access is allowed.

Traffic regulations may include but shall not be limited to direction and speed of traffic, policing of pedestrianways, hours that pedestrianways are open to the public, kinds of service activities that will be allowed in arcades, parks and plazas, fares to be charged on the people movers, and rates to be charged in the parking structures. The municipality shall have the power to require private developers to construct buildings so as to accommodate and support pedestrian systems which are part of the program for the development district. When the municipality requires the developer to construct columns, beams or girders with greater strength than required for normal building purposes, the municipality shall reimburse the developer for the added expense from development district funds. The municipality shall have the authority to install special lighting systems, special street signs and street furniture, special landscaping of streets and public property; to install special snow removal systems; to acquire property for the district; to lease air rights over public buildings and to spend development district funds for constructing the foundations and columns in the public build-

ings strong enough to support the buildings to be constructed on air rights; to lease all or portions of basement, ground and second floors of the public buildings constructed in the district; to negotiate the sale or lease of property for private development if the development is consistent with the development program for the district.

Sec. 4. [TAX STATUS.] The pedestrian skyway system, underground pedestrian concourse, the people mover system, and publicly owned parking structures are all declared to be public property to be used for essential public and governmental purposes which shall be exempt from all taxes and special assessments of any city, town, county, state, or any political subdivision thereof. Taxes do not include charges for utilities and special services such as heat, water, electricity, gas, sewage disposal, or garbage removal.

Sec. 5. [GRANTS.] A municipality may accept grants or other financial assistance from the government of the United States or any other entity to do studies, construct and operate the pedestrian skyway system, underground pedestrian concourses, people mover systems, and other public improvements authorized by sections 1 to 10.

Sec. 6. [ISSUANCE OF BONDS.] The governing body of the municipality may authorize, issue, and sell bonds which shall mature within 30 years from date of issue to finance the acquisition and betterment of real and personal property needed to carry out the development program within the development district together with all relocation costs incidental thereto in accordance with Minnesota Statutes, Sections 475.51, 475.53, 475.54, 475.55, 475.56, 475.60, 475.61, 475.62, 475.63, 475.65, 475.66, 475.69, 475.70, and 475.71. All tax increments received by the municipality pursuant to section 7 shall be pledged for the payment of these bonds and used to reduce or cancel the taxes otherwise required to be extended for that purpose, and the bonds shall not be included when computing the municipality's net debt.

Sec. 7. [TAX INCREMENTS TO PAY CAPITAL IMPROVEMENT COSTS.] A municipality, if it exercises the powers of sections 1 to 10, shall certify to the county auditor each development district created under the act, giving the following information: (a) legal description; (b) total cost of bonds issued to develop the district; (c) interest rate on bonds.

If the development program is carried out in stages, the municipality may amend the statement on bonds issued and interest rate being paid from time to time as required.

The county auditor shall distribute taxes from the affected property to each of the taxing authorities as follows:

(a) If the current taxable value is less than or the same as the original taxable value at the time the district was created, taxes as determined by the current levy;

(b) If the current taxable value exceeds the original taxable value at the time the district was created, taxes shall be distrib-

uted in the proportion that the original taxable value bears to the current taxable value;

(c) The residue of taxes as collected, referred to herein as the tax increment if any, shall be paid by the county auditor to the municipality. These payments shall be kept in a special account for the development district involved. Payments to the development district fund shall continue until the total costs as indicated above have been paid into the fund. When the total costs have been paid into the department district fund, taxes shall be distributed according to the then current levies.

Sec. 8. [MAINTENANCE AND OPERATION.] Maintenance and operation of the pedestrian systems, special lighting systems, parking structures, and other public improvements constructed under provisions of sections 1 to 10 shall be under the supervision of the administrator as designated in section 9. The cost of maintenance and operation of the nonrevenue facilities together with the excess costs of operation and maintenance of revenue producing facilities, if any, shall be charged against the development district in which it is located. The amount of assessment against each property within the district shall be in proportion to the benefit to the several properties within the district. By July 1 of each year the administrator of the development district shall submit to the governing body of the municipality the maintenance and operating budget for the following year, and the prorata share of the budget to be charged to each property in the district. The governing body of the municipality shall certify such assessments to the county auditor for collection.

Sec. 9. [ADMINISTRATION.] The governing body of a municipality shall create a department or designate an existing department or office to administer all districts authorized under the act. The head of this department shall pursuant to rules as may be adopted by the governing body of the municipality have the following powers:

- (a) To acquire property or easements through negotiation;
- (b) To enter into operating contracts on behalf of the municipality for operation of any of the facilities authorized to be constructed under the terms of this act;
- (c) To lease space to private individuals or corporations within the buildings constructed under the terms of this act;
- (d) To lease or sell land and to lease or sell air rights over structures constructed under the authority of this act;
- (e) To enter into contracts for construction of the several facilities or portion thereof authorized under this act;
- (f) Contract with the housing and redevelopment authority of the municipality for relocation services;
- (g) Certify to the governing body of the municipality for acquisition through eminent domain property that cannot be acquired by negotiation, but is required for implementation of the development program;

(h) Certify to the governing body of the municipality the amount of funds, if any, which must be raised through sale of bonds to finance the program for development districts;

(i) Apply for grants from the United States of America;

(j) Apply for grants from other sources.

Sec. 10. [ADVISORY BOARD.] Subdivision 1. The governing body of the municipality shall create an advisory board. Except as provided in subdivision 2, a majority of the members shall be owners or occupants of real property located in the development district which they serve. The advisory board shall advise the governing body and the administrator on the planning, construction and implementation of the development program, and maintenance and operation of the district after the program has been completed.

Subd. 2. In a substantially residential development district the board shall be comprised of owners or occupants of real property located within or adjacent to the district's boundaries. The board may be appointed or elected (except in the cities of Minneapolis and St. Paul where the board shall be elected) according to guidelines established by the governing body.

Subd. 3. The governing body shall by resolution delineate the respective powers and duties of the advisory board and the planning staff or agency. The resolution shall establish reasonable time limits for approval by the advisory board of the phases of the development program, and provide a mechanism for appealing to the governing body for a final decision when conflicts arise between the advisory board and the planning staff or agency, regarding the development program in its initial and subsequent stages.

Sec. 11. [RELOCATION.] Unless they desire otherwise, provision must be made for relocation of all persons who would be displaced by a proposed development district prior to displacement. In addition to the requirements of Minnesota Statutes, 1973 Supplement, Sections 117.50 to 117.56, the governing body of a municipality shall, prior to undertaking any relocation of displaced persons, insure that housing and other facilities of comparable quality be made available to the persons to be displaced. All such housing and other facilities shall be in addition to any other governmentally supported programs providing such housing and facilities."

Further, amend the title by striking it in its entirety and inserting in lieu thereof:

"A bill for an act authorizing municipalities to create development districts within their corporate boundaries; to acquire, construct, reconstruct, improve, alter, extend, operate, maintain and promote development programs to be carried out in each of the districts created; authorizing the issuance of bonds to carry out such development programs; authorizing the use of the tax increment created in the development districts to pay off the principal and interest on such bonds; authorizing municipalities to operate pedestrian systems and special lighting and similar



systems; authorizing municipalities to assess the cost of operations against the development districts; authorizing municipalities to lease space in structures and to lease or sell air rights over structures and to lease or sell property for private development."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 3335: A bill for an act relating to public welfare, providing nutritional supplements to needy women and children and appropriating moneys therefor.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 10, after "mortality" strike "and" and insert "or"

Page 1, line 15, strike "disproportionalty" and insert "disproportionately"

Page 1, line 27, after "any" insert "public or"

Page 1, line 27, strike the comma

Page 1, after line 29, insert:

"Subd. 3. "Lactating woman" shall mean any individual who presents competent evidence of having been delivered of a surviving child within the twelve months immediately preceding the filing of an application for nutritional supplements."

Renumber subsequent subdivisions

Page 2, line 1, strike "medical" and insert "health"

Page 2, line 19, after "pregnant" insert "or lactating"

Page 2, line 20, strike "or" and insert "and"

Page 2, strike lines 21-23

Reletter clauses in sequence

Page 2, line 25, after "law" and before the semicolon insert "and is determined by the local health agency to be a nutritional risk"

Page 3, line 2, strike "for women 12 months after termination of pregnancy; or" and insert "upon the recommendation of the local health agency, but in no case later than

(a) for women twelve months after the birth of a surviving child; or"

Page 3, line 3, before "for" insert "(b)"

Page 3, line 3, after "children" insert a comma

Page 3, line 3, strike "or when the" and insert "for any"

Page 3, line 3, after "individual" insert ", when he or she"

Page 3, line 14, after "existing" insert "public or"

Page 3, line 14, strike the comma

Page 3, line 19, strike "such"

Page 3, line 20, after "techniques" insert ", such"

Page 3, line 21, after "television" insert a comma

Page 4, line 3, after "pregnant" insert "or lactating"

Page 4, line 7, after "year" insert "on the expenditures and activities of the local health agencies for the preceding fiscal year"

Page 4, line 10, after "pregnant" insert "or lactating"

Page 4, line 12, after "pregnant" insert "or lactating"

Page 4, line 14, after the period insert "This program shall not be a replacement or substitute for any program administered by the department of welfare."

Page 4, line 19, strike "nonfortified" and insert "iron fortified"

Further amend the title as follows:

Page 1, line 2, strike "welfare" and insert "health"

Page 1, line 3, strike "needy" and insert "high risk"

Page 1, line 4, strike "moneys" and insert "money to the department of health for purposes of this act."

Page 1, strike line 5

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Gearty from the Committee on Governmental Operations, to which was referred

S. F. No. 3293: A bill for an act relating to the state building code; adopting the uniform fire code.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert in lieu thereof:

"Section 1. [UNIFORM FIRE CODE; ADOPTION.] Subdivision 1. The commissioner of public safety through the division of fire marshall may promulgate a uniform fire code and make amendments thereto in accordance with the administrative procedure act, Minnesota Statutes, Chapter 15.

Subd. 2. (a) Unless otherwise specifically listed, wherever in the text of the uniform code reference is made to a national

fire protection association pamphlet, the date of issue of that pamphlet shall be the one listed in the 1972-73 edition of the national fire codes, as promulgated by the national fire protection association.

(b) Wherever in the text of the uniform fire code reference is made to the electrical code, it shall be the national electrical code, 1971 edition.

Subd. 3. The commissioner shall adopt rules and regulations, in accordance with Minnesota Statutes, Chapter 15, as may be necessary to administer and enforce the code, specifically including but not limited to rules and regulations for inspection of buildings and other structures covered by the code and conforming the code to the governmental organization of Minnesota state agencies, political subdivisions and local governments.

Sec. 2. [EFFECTIVE DATE.] This act shall take effect the day following its enactment."

Further, delete the title in its entirety and insert in lieu thereof the following:

"A bill for an act relating to public safety; authorizing the commissioner of public safety to promulgate a uniform fire code; adopting the uniform fire code, 1971 edition, promulgated by the international conference of building officials and the western fire chiefs association, until the commissioner promulgates a code."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 3244: A bill for an act creating a legislative commission to study the state banking laws for appropriate revision; appropriating money therefor.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Finance. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was re-referred

H. F. No. 1192: A bill for an act relating to utilities; private and publicly owned companies; providing for regulations as to customer deposits.

Reports the same back with the recommendation that the printed bill be amended as follows:

Page 1, line 7, after "deposits" insert "in excess of \$20"

Page 1, line 7, strike "five" and insert "six"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred

S. F. No. 1205: A bill for an act regulating public utilities furnishing at retail natural, manufactured or mixed gas, or electric service; prescribing the duties of the public service commission in relation thereto; prescribing penalties.

Reports the same back with the recommendation that the bill be amended as follows:

Strike everything after the enacting clause and insert in lieu thereof the following:

"Section 1. [LEGISLATIVE FINDING.] It is hereby declared to be in the public interest that public utilities be regulated as hereinafter provided in order to provide the retail consumers of natural gas and electric service in this state with adequate and reliable services at reasonable rates, consistent with the financial and economic requirements of public utilities and their need to construct facilities to provide such services or to otherwise obtain energy supplies, to avoid unnecessary duplication of facilities which increase the cost of service to the consumer and to minimize disputes between public utilities which may result in inconvenience or diminish efficiency in service to the consumers. Because municipal utilities are presently effectively regulated by the residents of the municipalities which own and operate them, it is deemed unnecessary to subject such utilities to regulation under this act except as specifically provided herein.

Sec. 2. [DEFINITIONS.] Subdivision 1. For the purposes of this act the terms defined in this section have the meanings given them.

Subd. 2. "Corporation" includes a private corporation, a public corporation, a municipality, an association, a cooperative whether incorporated or not, a joint stock association, a business trust, or any political subdivision or agency.

Subd. 3. "Person" includes a natural person, a partnership, or two or more persons having a joint or common interest, and a corporation as hereinbefore defined.

Subd. 4. "Public utility" includes persons, corporations or other legal entities, their lessees, trustees, and receivers, now or hereafter operating, maintaining, or controlling in this state equipment or facilities for furnishing at retail natural, manufactured or mixed gas or electric service to or for the public or its members, or engaged in the production and retail sale thereof but does not include a municipality producing or furnishing natural, manufactured or mixed gas or electric service. Except as otherwise provided, the provisions of this act shall not be applicable to any sale of natural gas or electricity by a public utility to another public utility for resale. No person shall be deemed to be a public utility if it presently furnishes its services only to tenants in buildings owned, leased or operated by such person. No person shall be deemed to be a public utility if it presently furnishes service to occupants of a mobile home or trailer park owned, leased, or operated by such

person. No person shall be deemed to be a public utility if it presently produces or furnishes service to less than 25 persons.

Subd. 5. "Rate" means and includes every compensation, charge, fare, toll, tariff, rental and classification, or any of them, demanded, observed, charged, or collected by any public utility for any service and any rules, regulations, practices, or contracts affecting any such compensation, charge, fare, toll, rental, tariff, or classification.

Subd. 6. "Service" means and includes natural, manufactured or mixed gas and electricity; the installation, removal, or repair of equipment or facilities for delivering or measuring such gas and electricity.

Subd. 7. "Commission" shall refer to and mean the public service commission of the department of public service.

Subd. 8. "Department" shall refer to and mean the department of public service of the state of Minnesota.

Subd. 9. "Municipality" means any city however organized, and any village or borough.

Sec. 3. [REASONABLE RATE.] Every rate made, demanded, or received by any public utility, or by any two or more public utilities jointly, shall be just and reasonable. Rates shall not be unreasonably preferential, unreasonably prejudicial or discriminatory, but shall be sufficient, equitable and consistent in application to a class of consumers. Any doubt as to reasonableness should be resolved in favor of the consumer. For rate making purposes a public utility may treat two or more municipalities served by it as a single class wherever the populations are comparable in size or the conditions of service are similar.

Sec. 4. [STANDARD OF SERVICE.] Every public utility shall furnish safe, adequate, efficient, and reasonable service; provided that service shall be deemed adequate if made so within 90 days after a person requests service. Upon application by a public utility, and for good cause shown, the commission may extend such period for not to exceed another 90 days.

Sec. 5. [PUBLISH SCHEDULES; REGULATIONS; FILES; JOINT RATES.] Subdivision 1. Every public utility shall file with the commission schedules showing all rates, tolls, tariffs and charges which it has established and which are in force at the time for any service performed by it within the state, or for any service in connection therewith or performed by any public utility controlled or operated by it.

Subd. 2. Every public utility shall file with and as a part of such schedule all rules and regulations that, in the judgment of the commission, in any manner affect the service or product, or the rates charged or to be charged for any service or product, as well as any contracts, agreements or arrangements relating to the service or product or the rates to be charged for any service or product to which the schedule is applicable as the commission may by general or special order direct.

Subd. 3. Every public utility shall keep copies of such schedules open to public inspection under such rules and regulations as the commission may prescribe.

Sec. 6. [RECEIVING DIFFERENT COMPENSATION.] No public utility shall directly or indirectly, by any device whatsoever, or in any manner, charge, demand, collect, or receive from any person a greater or less compensation for any service rendered or to be rendered by such utility than that prescribed in the schedules of rates of such public utility applicable thereto then filed in the manner provided in this act, nor shall any person knowingly receive or accept any service from a public utility for a compensation greater or less than that prescribed in such schedules, provided that all rates being charged and collected by a public utility upon the effective date of this act may be continued until schedules are filed. Nothing in this act shall prevent a co-operative association from returning to its patrons the whole, or any part of, the net earnings resulting from its operations in proportion to their purchases from or through the association.

Sec. 7. [RATE PREFERENCE PROHIBITED.] No public utility shall, as to rates or service, make or grant any unreasonable preference or advantage to any person or subject any person to any unreasonable prejudice or disadvantage.

Sec. 8. [DUTIES OF COMMISSION.] The commission is hereby vested with the powers, rights, functions, and jurisdiction to regulate in accordance with the provisions of this act every public utility as defined herein. The exercise of such powers, rights, functions, and jurisdiction is prescribed as a duty of the commission. The commission is authorized to make rules and regulations in furtherance of the purposes of this act.

Sec. 9. [STANDARDS; CLASSIFICATIONS; REGULATIONS; PRACTICES.] The commission, after hearing upon reasonable notice had upon its own motion or upon complaint, may ascertain and fix just and reasonable standards, classifications, regulations, or practices to be observed and followed by any or all public utilities with respect to the service to be furnished; ascertain and fix adequate and reasonable standards for the measurement of the quantity, quality, pressure, initial voltage, or other condition pertaining to the supply of such service; prescribe reasonable regulations for the examination and testing of such service and for the measurement thereof; establish or approve reasonable rules, regulations, specifications, and standards to secure the accuracy of all meters, instruments and equipment used for the measurement of any service of any public utility. Any standards, classifications, regulations, or practices now or hereafter observed or followed by any public utility may be filed by it with the commission, and the same shall continue in force until amended by the public utility or until changed by the commission as herein provided.

The commission may require the filing of all rates, including rates charged to and by public utilities. The commission is empowered to appear before the Federal Power Commission to offer

evidence and to seek appropriate relief in any case in which the rates charged consumers within the state of Minnesota may be affected.

**Sec. 10. [ACCOUNTING SYSTEM.]** Subdivision 1. The commission shall establish a system of accounts to be kept by public utilities subject to its jurisdiction. A public utility which maintains its accounts in accordance with the system of accounts prescribed by a federal agency or authority shall be deemed to be in compliance with the system of accounts prescribed by the commission. Where optional accounting is prescribed by a federal agency or authority, the commission may prescribe which option is to be followed.

Subd. 2. Every public utility engaged directly or indirectly in any other business than that of the production, transmission or furnishing of natural gas or electric service shall, if required by the commission, keep and render separately to the commission in like manner and form the accounts of all such other business, in which case all the provisions of this act shall apply to the books, accounts, papers and records of such other business.

Subd. 3. Every public utility is required to keep and render its books, accounts, papers and records accurately and faithfully in the manner and form prescribed by the commission, and to comply with all directions of the commission relating to such books, accounts, papers and records.

Subd. 4. The commission may require any public utility to file annual reports in such form and of such content, having regard for the provisions of this section, as the commission may require, and special reports concerning any matter about which the commission is authorized to inquire or to keep itself informed. The commission may require such reports to be verified. The basic financial statements in the annual report of a public utility may, at the direction of the public service commission, be examined by an independent certified public accountant and his opinion thereof included in such annual report filed with the commission.

Subd. 5. **[AUDIT AND INSPECTION.]** The commission may require the examination and audit of all accounts, and all items shall be allocated to the accounts in the manner prescribed by the commission.

Subd. 6. The term public utility as used in this section includes municipal utility.

**Sec. 11. [DEPRECIATION RATES AND PRACTICES.]** The commission shall fix proper and adequate rates and methods of depreciation, amortization, or depletion in respect of utility property, including utility property owned by a municipally owned gas or electric utility, and every public and every municipally owned gas and electric utility shall conform its depreciation, amortization or depletion accounts to the rates and methods fixed by the commission.

**Sec. 12. [RIGHT OF ENTRANCE; INSPECTION.]** Subdivision 1. The commissioners and the duly authorized officers and em-

ployees of the department, during business hours, may enter upon any premises occupied by any public utility for the purpose of making examinations and tests and to inspect the accounts, books, papers, and documents of any public utility for the purpose of exercising any power provided for in this act, and may set up and use on such premises any apparatus and appliance necessary therefor. Such public utility shall have the right to be represented at the making of such examinations, tests, and inspections. Such public utility, its officers and employees, shall facilitate such examinations, tests, and inspections by giving every reasonable aid to the commissioners and any person or persons designated by the department for the duties aforesaid.

Subd. 2. The term public utility as used in this section includes municipal utility.

Sec. 13. [PRODUCTION OF RECORDS.] Subdivision 1. The commission may require, by order served on any public utility in the manner provided herein for the service of orders, the production within this state at such reasonable time and place as the commission may designate, of any books, accounts, papers, or records of the public utility relating to its business or affairs within the state, pertinent to any lawful inquiry and kept by said public utility in any office or place within or without this state, or, at its option, verified or photostatic copies in lieu thereof, so that an examination thereof may be made by the commission or under its direction.

Subd. 2. The term public utility as used in this section includes municipal utility.

Sec. 14. [INVESTIGATION.] The commission upon complaint or upon its own initiative and whenever it may deem it necessary in the performance of its duties may investigate and examine the condition and operation of any public utility or any part thereof. In conducting such investigations the commission may proceed either with or without a hearing as it may deem best, but it shall make no order without affording the parties affected thereby a hearing.

Sec. 15. [HEARINGS; EXAMINER.] The commission may, in addition to the hearings specifically provided for by this act, conduct such other hearings as may reasonably be required in the administration of the powers and duties conferred upon it by this act. The commission may designate one of its members to act as an examiner for the purpose of holding any hearing which the commission has the power or authority to hold or in the event parties to the hearing so stipulate the commission may designate a qualified commission employee as such examiner. Reasonable notice of all such hearings shall be given the persons interested therein as determined by the commission.

Sec. 16. [RATE CHANGES; PROCEDURES; HEARING.] Subdivision 1. Unless the commission otherwise orders, no public utility shall change any rate which has been duly established under this act, except after 30 days notice to the commission, which notice shall include statements of facts, expert conclusions, sub-



stantiating documents, and exhibits, supporting the change requested, and further shall state the change proposed to be made in the rates then in force, and the time when the modified rates will go into effect. The commission shall give written notice of the proposed change to the governing body of each municipality and county in the area affected. All proposed changes shall be shown by filing new schedules or shall be plainly indicated upon schedules on file and in force at the time.

Subd. 2. Whenever there is filed with the commission any schedule modifying or resulting in a change in any rate or rates then in force, together with the filed statements of facts, expert conclusions, substantiating documents, and exhibits, supporting the changes requested, the commission shall upon complaint or may upon its own motion, upon reasonable notice to the governing bodies of municipalities affected, enter upon a hearing to determine whether such rates are unjust or unreasonable; and pending such hearing and the decision thereon, the commission, upon filing with such schedule of rate or rates and delivering to the utility affected thereby a statement in writing of its reasons therefor at any time before they become effective, may suspend the operation of such schedule of rate or rates.

Subd. 3. Notwithstanding any order of suspension of a proposed increase in rates, the public utility may put the suspended schedule into effect on the date when it would have become effective if not suspended, or any date subsequent thereto within such suspension period, by filing with the commission a bond in an amount approved by the commission with sureties approved by the commission, conditioned upon the refund, in a manner to be prescribed by order of the commission, of the excess in increased rates, including interest thereon which shall be at the current rate of interest as determined by the commission, collected during the period of the suspension if the schedule so put into effect is finally disallowed by the commission. There may be substituted for such bond other arrangements satisfactory to the commission for the protection of persons affected. If the public utility fails to make refunds within the period of time prescribed by the commission, the commission shall sue therefor and is authorized to recover in behalf of all persons entitled to a refund. In addition to the amount of the refund and interest due, the commission shall be entitled to recover reasonable attorney's fees, court costs and estimated cost of administering the distribution of the refund to persons entitled thereto. No suit under this subdivision shall be maintained unless instituted within two years after the end of the period of time prescribed by the commission for repayment of refunds. However, no public utility shall put a suspended rate schedule into effect as provided by this subdivision until at least 90 days after the commission has made a determination concerning any previously filed change of said rate schedule or the change has otherwise become effective under subdivision 2.

Subd. 4. The burden of proof to show that any such rate change is just and reasonable shall be upon the public utility seeking the change.

Subd. 5. If, after such hearing, the commission finds any such rate or rates to be unjust or unreasonable or discriminatory, the commission shall determine the level of rates to be charged or applied by the utility for the service in question and shall fix the same by order to be served upon the utility; and such rates are thereafter to be observed until changed, as provided by this act. In no event shall such rates exceed the level of rates requested by the public utility, except that individual rates may be adjusted upward or downward.

Subd. 6. The commission, in the exercise of its powers under this act to determine just and reasonable rates for public utilities, shall give due consideration to the public need for adequate, efficient, and reasonable service and to the need of the public utility for revenue sufficient to enable it to meet the cost of furnishing such service, including adequate provision for depreciation of its utility property used and useful in rendering service to the public, and to earn a fair and reasonable return upon the investment in such property. In determining the rate base upon which the utility is to be allowed to earn a fair rate of return, the commission shall give due consideration to evidence of the cost of the property when first devoted to public use, to prudent acquisition cost to the public utility less appropriate depreciation on each, to offsets in the nature of capital provided by sources other than the investors, and any other factors or evidence material and relevant thereto.

Subd. 7. Notwithstanding any other provision of this act, the commission may permit a public utility to file rate schedules containing provisions for the automatic adjustment of charges for public utility service in direct relation to changes in federally regulated wholesale rates for energy delivered through interstate facilities or fuel used in generation of electricity or the manufacture of gas.

Sec. 17. [COMPLAINTS.] Subdivision 1. On its own motion or upon a complaint made against any public utility by the governing body of any political subdivision, by another public utility, or by any 50 consumers of the particular utility that any of the rates, tolls, tariffs, charges, or schedules or any joint rate or any regulation, measurement, practice, act or omission affecting or relating to the production, transmission, delivery or furnishing of natural gas or electricity or any service in connection therewith is in any respect unreasonable, insufficient or unjustly discriminatory, or that any service is inadequate or cannot be obtained, the commission shall proceed, with notice, to make such investigation as it may deem necessary. The commission may dismiss any complaint without a hearing if in its opinion a hearing is not in the public interest.

Subd. 2. The commission shall, prior to any formal hearing, notify the public utility complained of that a complaint has been made, and ten days after such notice has been given the commission may proceed to set a time and place for a hearing and an investigation as hereinafter provided.

Subd. 3. The commission shall give the public utility and the complainant, ten days notice of the time and place when and where such hearing will be held and such matters to be considered and determined. Both the public utility and complainant shall be entitled to be heard and be represented by counsel.

Subd. 4. Notice shall also be given to the governing bodies of affected municipalities and counties, and to such other persons as the commission shall deem necessary.

Subd. 5. The notice provided for in subdivisions 2 and 3 may be combined but if combined the notice shall not be less than ten days.

Subd. 6. The commission shall have the power to hear, determine and adjust complaints made against any municipally owned gas or electric utility with respect to rates and services upon petition of ten percent of the non-resident consumers of such municipally owned utility or 25 such non-resident consumers whichever is less. The hearing of such complaints shall be governed by subdivisions 1 through 5 of this section.

Subd. 7. Minnesota Statutes, Section 15.0419, shall be applicable to all contested cases before the commission.

Sec. 18. [SERVICE OF NOTICE.] Service of notice of all hearings, investigations and proceedings pending before the commission and of complaints, reports, orders and other documents shall be made personally or by mail as the commission may direct.

Sec. 19. [JOINT HEARINGS AND INVESTIGATIONS.] In the discharge of its duties under this act, the commission may cooperate with similar commissions of states and any federal agency and may hold joint hearings and make joint investigations with such commissions.

Sec. 20. [SEPARATE RATE HEARINGS.] The commission may, in its discretion, when complaint is made of more than one rate or charge, order separate hearings thereon, and may consider and determine the several matters complained of separately and at such times as it may prescribe.

Sec. 21. [SUMMARY INVESTIGATIONS.] Subdivision 1. Whenever the commission shall believe that any rate or charge may be unreasonable or unjustly discriminatory or that any service is inadequate or cannot be obtained or that an investigation of any matter relating to any public utility should for any reason be made, it may on its own motion summarily investigate the same with or without notice.

Subd. 2. If, after making such summary investigation, the commission becomes satisfied that sufficient grounds exist to warrant a formal hearing being ordered as to the matters investigated, it shall set a time and place for a hearing.

Subd. 3. Notice of the time and place for such hearing shall be made as provided in section 18 of this act.

Sec. 22. [LAWFUL RATES; REASONABLE SERVICE.] Subdivision 1. Whenever upon an investigation made under the provisions of this act, the commission shall find rates, tolls, charges, schedules or joint rates to be unjust, unreasonable, insufficient or unjustly discriminatory or preferential or otherwise unreasonable or unlawful, the commission shall determine and by order fix reasonable rates, tolls, charges, schedules or joint rates to be imposed, observed and followed in the future in lieu of those found to be unreasonable or unlawful.

Subd. 2. Whenever the commission shall find any regulations, measurements, practices, acts or service to be unjust, unreasonable, insufficient, preferential, unjustly discriminatory or otherwise unreasonable or unlawful, or shall find that any service which can be reasonably demanded cannot be obtained, the commission shall determine and by order fix reasonable measurements, regulations, acts, practices or service to be furnished, imposed, observed and followed in the future in lieu of those found to be unreasonable, inadequate or otherwise unlawful, and shall make such other order respecting such measurement, regulation, act, practice or service as shall be just and reasonable.

Subd. 3. A copy of such order shall be served upon the person against whom it runs or his attorney, and notice thereof shall be given to the other parties to the proceedings or their attorneys.

Sec. 23. [CONSTRUCTION OF FACILITIES; COMMISSION APPROVAL.] Subdivision 1. The words "major utility facility" shall mean: (1) electric generating plant and associated facilities designed for, or capable of, operation at a capacity of 50 megawatts or more; (2) an electric transmission line and associated facilities of a design capacity of 125 kilovolts or more; and (3) a gas transmission line and associated facilities designed for, or capable of, transporting gas at pressures in excess of 125 pounds per square inch; provided, however, that the words "major utility facility" shall not include electric or gas distribution lines and gas gathering lines and associated facilities as defined by the commission.

Subd. 2. Under such rules and regulations as the commission may prescribe, every public utility shall file with the commission, within such time and in such form as the commission may designate, plans showing any contemplated construction of major utility facilities.

Subd. 3. The provisions of this section shall apply to the construction of major utility facilities by a municipally owned gas or electric utility.

Sec. 24. [CHANGE; AMENDMENT; RECISION OF ORDERS.] The commission may at any time, on its own motion or upon motion of an interested party, and upon notice to the public utility and after opportunity to be heard, rescind, alter or amend any order fixing rates, tolls, charges or schedules, or any other order made by the commission, and may reopen any case following the issuance of an order therein, for the taking of further evidence or for any other reason. Any order rescinding, altering,

amending or reopening a prior order shall have the same effect as an original order.

Sec. 25. [ORDERS; EFFECTIVE DATE.] Every decision made by the commission constituting an order or determination shall be in force and effective 20 days after the same has been filed and has been served by personal delivery or by mailing a copy thereof to all parties to the proceeding in which such decision was made or to their attorneys, unless the commission shall specify a different date upon which the same shall be effective.

Sec. 26. [REHEARINGS BEFORE COMMISSION; CONDITION PRECEDENT TO JUDICIAL REVIEW.] Subdivision 1. Within 20 days after the service by the commission of any decision constituting an order or determination, any party to the proceeding and any other person, aggrieved by such decision and directly affected thereby, may apply to the commission for a rehearing in respect to any matters determined in said decision. The commission may grant and hold such rehearing on said matters, or upon such of them as it may specify in the order granting such rehearing, if in its judgment sufficient reason therefor exists.

Subd. 2. The application for a rehearing shall set forth specifically the ground or grounds on which the applicant contends said decision to be unlawful or unreasonable. No cause of action arising out of any decision constituting an order or determination of the commission or any proceeding for the judicial review thereof shall accrue in any court to any person or corporation unless the plaintiff or petitioner in such action or proceeding within 20 days after the service of said decision, shall have made application to the commission for a rehearing in the proceeding in which such decision was made. No person or corporation shall in any court urge or rely on any ground not so set forth in said application for rehearing.

Subd. 3. Applications for rehearing shall be governed by such general rules as the commission may establish. In case a rehearing is granted the proceedings thereupon shall conform as nearly as may be to the proceedings in an original hearing, except as the commission may otherwise direct. If in the commission's judgment, after such rehearing, it shall appear that the original decision, order or determination is in any respect unlawful or unreasonable, the commission may reverse, change, modify or suspend the same accordingly. Any decision, order or determination made after such rehearing reversing, changing, modifying or suspending the original determination shall have the same force and effect as an original decision, order or determination. Only one rehearing shall be granted by the commission; but this shall not be construed to prevent any party from filing a new application or complaint. No order of the commission shall become effective while an application for a rehearing or a rehearing shall be pending and until ten days after such application for a rehearing is either denied, expressly or by implication, or the commission has announced its final determination on rehearing.

Subd. 4. Any application for a rehearing not granted within 20 days from the date of filing thereof, may be taken to be denied.

Subd. 5. It is hereby declared that the legislative powers of the state, insofar as they are involved in the issuance of orders and decisions by the commission, have not been completely exercised until the commission has acted upon an application for rehearing, as provided for by this section and by the rules of the commission, or until such application for rehearing has been denied by implication, as above provided for.

Sec. 27. [SUBPOENA; WITNESSES; FEES; AND MILEAGE.] The commission and each commissioner, or the secretary of the commission may issue subpoenas and all necessary processes in proceedings pending before it; and each process shall extend to all parts of the state and may be served by any person authorized to serve processes of courts of record. Each witness who shall appear before the commission, or at a hearing before one of the individuals designated by it as provided in section 15 of this act, or whose deposition is taken, shall receive for his attendance the fees and mileage now provided for witnesses in civil cases in courts of record.

Sec. 28. [OATHS; CONTEMPT; EXAMINER'S POWERS.] The commission and each of the commissioners or authorized examiner, for the purpose mentioned in this act, may administer oaths and examine witnesses. In case of failure on the part of any person to comply with any subpoena, or in the case of the refusal of any witness to testify concerning any matter on which he may be interrogated lawfully, any court of record of general jurisdiction or a judge thereof, on application of the commission, may compel obedience by proceedings for contempt as in the case of disobedience of the requirements of a subpoena issued from such court or a refusal to testify therein.

Sec. 29. [DEPOSITIONS.] The commission or any party to the proceedings may, in any investigation or hearing before the commission, cause the deposition of witnesses residing within or without the state to be taken in the manner prescribed by law for taking depositions in civil actions in the district court.

Sec. 30. [TESTIMONY AND PRODUCTION OF RECORDS; PERJURY.] No person shall be excused from testifying or from producing any book, document, paper, or account in any investigation, or inquiry by, or hearing before, the commission or any commissioner, or person designated by it to conduct hearings, when ordered to do so, upon the ground that the testimony or evidence, book, document, paper, or account required of him may tend to incriminate him or subject him to penalty or forfeiture; but no person shall be prosecuted, punished, or subjected to any forfeiture or penalty for or on account of any act, transaction, matter, or thing concerning which he shall have been compelled under oath to testify or produce documentary evidence; provided, that no person so testifying shall be exempt from prosecution or punishment for any perjury committed by him in his testimony.

Sec. 31. [COPIES OF DOCUMENTS AS EVIDENCE.] Copies of official documents and orders filed or deposited according to law in the office of the commission, certified by a commissioner or

by the secretary under the official seal of the commission to be true copies of the original shall be evidence in like manner as the originals, in all matters before the commission and in the courts of this state.

Sec. 32. [ORDERS AND FINDINGS IN WRITING.] Every order, finding, authorization, or certificate issued or approved by the commission under any provisions of this act shall be in writing and filed in the office of the secretary of the commission. A certificate under the seal of the commission that any such order, finding, authorization, or certificate has not been modified, stayed, suspended, or revoked, shall be received as evidence in any proceedings as to the facts therein stated.

Sec. 33. [PUBLIC RECORDS.] All decisions, transcripts, and orders of the commission shall be public records.

Sec. 34. [TRANSCRIBED RECORD TO BE KEPT.] A full and complete record shall be kept of all proceedings at any formal hearing had before the commission or any commissioner or hearing examiner and all testimony shall be taken down by a reporter appointed by the commission. A copy of such transcript shall be furnished on demand to any party to the proceedings upon payment of reasonable costs of reproduction.

Sec. 35. [FRANCHISES CONTINUED.] Any public utility furnishing the utility services enumerated in this act or occupying streets, highways, or other public property within a municipality may be required to obtain a license, permit, right or franchise in accordance with the terms, conditions, and limitations of regulatory acts of the municipality, including the placing of distribution lines and facilities underground, and under such license, permit, right, or franchise, the utility may be obligated by any municipality, home rule or statutory, to pay to the municipality fees to raise revenue or defray increased municipal costs accruing as a result of utility operations, or both, including but not limited to a sum of money based upon gross operating revenues or gross earnings from its operations in such municipality so long as such public utility shall continue to operate in such municipality, unless upon request of the public utility it is expressly released from such obligation at any time by such municipality. All existing licenses, permits, franchises and other rights acquired by any public utility or municipality prior to the passage of this act including the payment of existing franchise fees, shall not be impaired or affected in any respect by the passage of this act, except with respect to matters of rate and service regulation and service area assignments that have been vested to the jurisdiction of the commission by this act. However, in the event that a court of competent jurisdiction determines, or the parties by mutual agreement determine, that an existing license, permit, franchise or other right has been abrogated or impaired by this act, or its execution, the municipality affected shall impose and the public utility shall collect an excise tax on the utility charges which from year to year yields an amount which is reasonably equivalent to that amount of revenue which then would be due as a fee,

charges or other thing or service of value to the municipality under the franchise, license or permit. Such authorization shall be over and above taxing limitations including, but not limited to those of section 477A.01, subdivision 18. Franchises granted pursuant to this section shall be exempt from the provisions of Laws 1973, Chapter 612.

Sec. 36. [ASSIGNED SERVICE AREAS; ELECTRIC UTILITIES.] Subdivision 1. [LEGISLATIVE POLICY.] It is hereby declared to be in the public interest that, in order to encourage the development of coordinated statewide electric service at retail, to eliminate or avoid unnecessary duplication of electric utility facilities, and to promote economical, efficient, and adequate electric service to the public, the state of Minnesota shall be divided into geographic service areas within which a specified electric utility will provide electric service to customers on an exclusive basis.

Sec. 37. [DEFINITIONS.] For the purpose of sections 36 through 43 only, the following definitions shall apply:

Subdivision 1. "Person" means a natural person, a partnership, private corporation, a public corporation, a municipality, an association, a cooperative whether incorporated or not, a joint stock association, a business trust, any political subdivision or agency, or two or more persons having joint or common interest.

Subd. 2. "Customer" means a person contracting for or purchasing electric service at retail from an electric utility.

Subd. 3. "Electric service" means electric service furnished to a customer at retail for ultimate consumption, but does not include wholesale electric energy furnished by an electric utility to another electric utility for resale.

Subd. 4. "Electric line" means lines for conducting electric energy at a design voltage of 25,000 volts phase to phase or less used for distributing electric energy directly to customers at retail.

Subd. 5. "Electric utility" means persons, their lessees, trustees, and receivers, separately or jointly, now or hereafter operating, maintaining or controlling in Minnesota equipment or facilities for providing electric service at retail and which fall within the definition of "public utility" in section 2, subdivision 4, and includes such facilities owned by a municipality.

Subd. 6. "Assigned service area" means the geographical area in which the boundaries are established as provided in section 38 hereof.

Subd. 7. "Municipality" shall mean and include any city, however organized, and any village or borough.

Sec. 38. [ASSIGNED SERVICE AREAS.] Subdivision 1. On or before six months from the effective date of this act, or, when requested in writing by an electric utility and for good cause shown, such further time as the commission may fix by order, each electric utility shall file with the commission a map or maps



showing all its electric lines outside of incorporated municipalities as they existed on the effective date of this section. Each electric utility shall also submit in writing a list of all municipalities in which it provides electric service on the effective date of this act. Where two or more electric utilities serve a single municipality, the commission may require each such utility to file with the commission a map showing its electric lines within such municipality.

Subd. 2. On or before 12 months from the effective date of this section, the commission shall after notice and hearing establish the assigned service area or areas of each electric utility and shall prepare or cause to be prepared a map or maps to accurately and clearly show the boundaries of the assigned service area of each electric utility.

Subd. 3. To the extent that it is not inconsistent with the legislative policy stated in subdivision 1 of section 36, the boundaries of each assigned service area, outside of incorporated municipalities, shall be a line equidistant between the electric lines of adjacent electric utilities as they exist on the effective date of this section; provided that these boundaries may be modified by the commission to take account of natural and other physical barriers including, but not limited to, highways, waterways, railways, major bluffs, and ravines and shall be modified to take account of the contracts provided for in subdivision 4; and provided further that at any time after the effective date of the section, the commission may on its own or at the request of an electric utility make changes in the boundaries of the assigned service areas, but only after notice and hearing as provided for in section 17.

Subd. 4. Contracts between electric utilities, which are executed on or before 12 months from the effective date of this section, designating service areas and customers to be served by such electric utilities when approved by the commission shall be valid and enforceable and shall be incorporated into the appropriate assigned service areas. The commission shall approve such a contract if it finds that the contract will eliminate or avoid unnecessary duplication of facilities, will provide adequate electric service to all areas and customers affected and will promote the efficient and economical use and development of the electric systems of the contracting electric utilities.

Subd. 5. Where a single electric utility provides electric service within a municipality on the effective date of this section, that entire municipality shall constitute a part of the assigned service area of the electric utility in question, where two or more electric utilities provide electric service in a municipality on the effective date of this section, the boundaries of the assigned service areas shall conform to those contained in municipal franchises with such electric utilities on the effective date of this section. In the absence of such franchises, the boundaries of the assigned service areas within an incorporated municipality shall be a line equidistant between the electric lines of the electric utilities as they

exist on the effective date of this section; provided that these boundaries may be modified by the commission to take account of natural and other physical barriers including, but not limited to, major streets or highways, waterways, railways, major bluffs and ravines and shall be modified to take account of the contracts provided for in subdivision 4.

Subd. 6. In those areas where, on the effective date of this section, the existing electric lines of two or more electric utilities are so intertwined that subdivisions 2 through 5 cannot reasonably be applied, the commission shall determine the boundaries of the assigned service areas for the electric utilities involved as will promote the legislative policy in section 36, subdivision 1.

Sec. 39. [EXCLUSIVE SERVICE RIGHTS.] Each electric utility shall have the exclusive right to provide electric service at retail to each and every present and future customer in its assigned service area and no electric utility shall render or extend electric service at retail within the assigned service area of another electric utility unless said electric utility consents thereto in writing except as provided in section 41; provided that any electric utility may extend its facilities through the assigned service area of another electric utility if such an extension is necessary to facilitate such electric utility connecting its facilities or customers within its own assigned service area.

Sec. 40. [EFFECT OF INCORPORATION, ANNEXATION, OR CONSOLIDATION.] After the effective date of this section, the inclusion by incorporation, consolidation, or annexation of any part of the assigned service area of an electric utility within the boundaries of any municipality shall not in any respect impair or affect the rights of such electric utility to continue and extend electric service at retail throughout such parts of its assigned service area unless a municipality which owns and operates an electric utility elects to purchase the facilities and property of such electric utility as provided in section 43 of this act.

Sec. 41. [SERVICE EXTENSIONS IN CERTAIN SITUATIONS.] Subdivision 1. Notwithstanding the establishment of assigned service areas for electric utilities provided for in section 38, customers located outside municipalities and who require electric service with a connected load of 2,000 kilowatts or more shall not be obligated to take electric service from the electric utility having the assigned service area where such customer is located if, after notice and hearing, the commission so determines after consideration of following factors:

- (a) the electric service requirements of the load to be served;
- (b) the availability of an adequate power supply;
- (c) the development or improvement of the electric system of the utility seeking to provide the electric service, including the economic factors relating thereto;
- (d) the proximity of adequate facilities from which electric service of the type required may be delivered;

(e) the preference of the customer;

(f) any and all pertinent factors affecting the ability of the utility to furnish adequate electric service to fulfill customers' requirements.

Subd. 2. Notwithstanding the provisions in section 38, any electric utility may extend electric lines for electric service to its own utility property and facilities.

Sec. 42. [HEARINGS; COMPLAINTS.] Upon the filing of an application under section 41 or upon complaint by an affected utility that the provisions of sections 38 through 41 have been violated, the commission shall hold a hearing, upon notice, within 15 days after the filing of such application of complaint, and shall render its decision within 30 days after said hearing.

Sec. 43. [SERVICE EXTENSIONS IN ANNEXED AREAS; MUNICIPAL PURCHASE.] Notwithstanding the provisions of sections 40 through 42 sections 37 and 38 of this act, whenever a municipality which owns and operates an electric utility extends its corporate boundaries through annexation or consolidation, such municipality shall thereafter furnish electric service to the annexed area unless the area is already receiving electric service from an electric utility, in which event, the annexing municipality may purchase the facilities of the electric utility serving the annexed area. The municipality acquiring the facilities shall pay to the utility formerly serving the annexed area the appropriate value of its properties within such area which payment may be by exchange of other electric utility property outside the municipality on an appropriate basis giving due consideration to revenue from and value of the respective properties. In the event the municipality and the electric utility involved are unable to agree as to the terms of the payment or exchange, the municipality or the electric utility may file an application with the commission requesting that the commission determine the appropriate terms for the exchange or sale. After notice and hearing, the commission shall determine appropriate terms for an exchange, or in the event no appropriate properties can be exchanged, the commission shall fix and determine the appropriate value of the property within the annexed area, and the transfer shall be made as directed by the commission. In making that determination the commission shall consider the original cost of the property, less depreciation, loss of revenue to the utility formerly serving the area, expenses resulting from integration of facilities, and other appropriate factors. Until the determination by the commission, the facilities shall remain in place and service to the public shall be maintained by the owner. However, the electric utility being displaced, serving the annexed area, shall not extend service to any additional points of delivery within the annexed area if the commission, after notice and hearing, with due consideration of any unnecessary duplication of facilities, shall determine that the extension is not in the public interest.

When property of a public utility located within an area annexed to a municipality which owns and operates a public utility is

proposed to be acquired by such municipality, ratification by the electors is not required.

Sec. 44. [MUNICIPAL PURCHASE OF PUBLIC UTILITY.] Any public utility operating in a municipality under a license, permit, right or franchise shall be deemed to have consented to the purchase by the municipality, for just compensation, of its property operated in such municipality under such license, permit, right or franchise. The municipality, subject to the provisions of this act, may purchase such property upon notice to the public utility as herein provided. Whenever the commission is notified by the municipality or the public utility affected that the municipality has, pursuant to law, determined to purchase the property of the public utility, and that the parties to the purchase and sale have been unable to agree on the amount to be paid and received therefor, the commission shall set a time and place for a public hearing, after not less than 30 days notice to the parties, upon the matter of just compensation or the matter of the property to be purchased. Within a reasonable time the commission shall, by order, determine the just compensation for the property to be purchased by the municipality. In determining just compensation, the commission shall consider the original cost of the property less depreciation, loss of revenue to the utility, expenses resulting from integration of facilities and other appropriate factors. The order of the commission may be reviewed as hereinafter provided in this act. Commission expenses arising out of the exercise of its jurisdiction under this section shall be assessed to the municipality.

Sec. 45. [MUNICIPAL PROCEDURE; NOTICE; ELECTION.] Any municipality which desires to acquire the property of a public utility as authorized under the provisions of section 37 of this act may determine to do so by resolution of the governing body of such municipality taken after a public hearing of which at least 30 days published notice shall be given as determined by the governing body. Such determination shall become effective when ratified by a majority of the qualified electors voting on the question at a special election to be held for that purpose, not less than 60 nor more than 120 days after the resolution of the governing body of such municipality.

Sec. 46. [ACQUISITION BY EMINENT DOMAIN.] Nothing in this act shall be construed to preclude a municipality from acquiring the property of a public utility by eminent domain proceedings; provided that damages to be paid in eminent domain proceedings shall include the original cost of the property less depreciation, loss of revenue to the utility, expenses resulting from integration of facilities, and other appropriate factors.

Sec. 47. [RELATIONS WITH AFFILIATED INTERESTS.] Subdivision 1. "Affiliated interests" with a public utility means and includes the following:

(a) Every corporation and person owning or holding directly or indirectly five percent or more of the voting securities of such public utility.

(b) Every corporation and person in any chain of successive ownership of five percent or more of voting securities.

(c) Every corporation five percent or more of whose voting securities is owned by any person or corporation owning five percent or more of the voting securities of such public utility or by any person or corporation in any such chain of successive ownership of five percent or more of voting securities.

(d) Every person who is an officer or director of such public utility or of any corporation in any chain of successive ownership of five percent or more of voting securities.

(e) Every corporation operating a public utility or a servicing organization for furnishing supervisory, construction, engineering, accounting, legal and similar services to utilities, which has one or more officers or one or more directors in common with such public utility, and every other corporation which has directors in common with such public utility where the number of such directors is more than one-third of the total number of the utility's directors.

(f) Every corporation or person which the commission may determine as a matter of fact after investigation and hearing is actually exercising any substantial influence over the policies and actions of such public utility even though such influence is not based upon stockholding, stockholders, directors or officers to the extent specified in this section.

(g) Every person or corporation who or which the commission may determine as a matter of fact after investigation and hearing is actually exercising such substantial influence over the policies and actions of such public utility in conjunction with one or more other corporations or persons with which or whom they are related by ownership or blood relationship or by action in concert that together they are affiliated with such public utility within the meaning of this section even though no one of them alone is so affiliated.

Subd. 2. Provided, however, that in subdivision 1 of this section the term "person" shall not be construed to exclude trustees, lessees, holders of beneficial equitable interest, voluntary associations, receivers and partnerships.

Subd. 3. No contract or arrangement providing for the furnishing of management, supervisory, construction, engineering, accounting, legal, financial or similar services, and no contract or arrangement for the purchase, sale, lease or exchange of any property, right, or thing, or for the furnishing of any service, property, right, or thing, other than those above enumerated, made or entered into after the effective date of this act between a public utility and any affiliated interest as defined in this act, shall be valid or effective unless and until such contract or arrangement has received the written approval of the commission. It shall be the duty of every public utility to file with the commission a verified copy of any such contract or arrangement, or a verified summary of any such unwritten contract or arrangement, and also of all such contracts and arrangements, whether written or unwritten,

entered into prior to said date and in force and effect at that time. The commission shall approve such contract or arrangement made or entered into after said date only if it shall clearly appear and be established upon investigation that it is reasonable and consistent with the public interest. No such contract or arrangement shall receive the commission's approval unless satisfactory proof is submitted to the commission of the cost to the affiliated interest of rendering the services or of furnishing the property or service described herein to each public utility. No proof shall be satisfactory within the meaning of the foregoing sentence unless it includes the original (or verified copies) of the relevant cost records and other relevant accounts of the affiliated interest, or such abstract thereof or summary taken therefrom as the commission may deem adequate, properly identified and duly authenticated, provided, however, that the commission may, where reasonable, approve or disapprove such contracts or arrangements without the submission of such cost records or accounts. The burden of proof to establish the reasonableness of any such contract or arrangement shall be on the public utility.

Subd. 4. The provisions of this section requiring the written approval of the commission shall not apply to transactions with affiliated interests where the amount of consideration involved is not in excess of \$10,000 or five percent of the capital equity of the utility whichever is smaller; provided, however, that regularly recurring payments under a general or continuing arrangement which aggregate a greater annual amount shall not be broken down into a series of transactions to come within the aforesaid exemption. Such transactions shall be valid or effective without commission approval under this section. However, in any proceeding involving the rates or practices of the public utility, the commission may exclude from the accounts of such public utility any payment or compensation made pursuant to such transaction unless the public utility shall establish the reasonableness of such payment or compensation.

Subd. 5. In any proceeding, whether upon the commission's own motion or upon application or complaint, involving the rates or practices of any public utility, the commission may exclude from the accounts of such public utility any payment or compensation to an affiliated interest for any services rendered or property or service furnished, as above described, under existing contracts or arrangements with such affiliated interest unless such public utility shall establish the reasonableness of such payment or compensation.

Subd. 6. The commission shall have continuing supervisory control over the terms and conditions of such contracts and arrangements as are herein described so far as necessary to protect and promote the public interest. The commission shall have the same jurisdiction over the modifications or amendment of contracts or arrangements as are herein described as it has over such original contracts or arrangements. The fact that the commission shall have approved entry into such contracts or arrangements as described herein shall not preclude disallowance or disapproval of payments made pursuant thereto, if upon actual experience under such con-

tract or arrangement it appears that the payments provided for or made were or are unreasonable.

Subd. 7. The provisions of this section shall not apply to co-operative electric associations.

Franchises granted pursuant to this section shall be exempt from the provisions of Laws 1973, Chapter 612.

Sec. 48. [SECURITIES.] Subdivision 1. For the purpose of this section, "security" means any note; stock; treasury stock; bond; debenture; evidence of indebtedness; assumption of any obligation or liability as a guarantor, endorser, surety, or otherwise in the security of another person; certificate of interest or participation in any profit sharing agreement; collateral trust certificate; preorganization certificate or subscription; transferable shares; investment 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 such a right, title or lease; or, in general, any interest or instrument commonly known as a security, or any certificate for, receipt for guarantee of, or warrant or right to subscribe to or purchase, any of the foregoing.

Subd. 2. For the purpose of this section, "capital structure" is the total capitalization of the public utility including, but not limited to, all outstanding common stock, preferred stock, and the permanent financing of said public utility represented by long term debt, and shall further include retained earnings and paid in surplus in excess of par values.

Subd. 3. It shall be unlawful for any public utility organized under the laws of this state to offer or sell any security or, if organized under the laws of any other state or foreign country, to subject property in this state to an encumbrance for the purpose of securing the payment of any indebtedness unless the capital structure of said public utility shall first be approved by the commission. Approval by the commission shall be by formal written order.

Subd. 4. Upon the application of a public utility for approval of its capital structure prior to the issuance of any security or the encumbrance of any property for the purpose of securing the payment of any indebtedness, the commission may make such inquiry or investigation, hold such hearings, and examine such witnesses, books, papers, documents, or contracts, as in its discretion it may deem necessary. Prior to approval the commission shall ascertain that the amount of securities of each class which any public utility may issue shall bear a reasonable proportion to each other and to the value of the property, due consideration being given to the nature of the business of the public utility, its credit and prospects, the possibility that the value of the property may change from time to time, the effect which such issue shall have upon the management and operation of the public utility, and other considerations which the commission as a matter of fact shall find to be relevant. If the commission shall find that the proposed capital structure is reasonable and proper and in the

public interest and will not be detrimental to the interests of the consumers and patrons affected thereby, the commission shall by written order grant its permission for the proposed public financing.

Subd. 5. The requirements of this section are in addition to any other requirements of law and, specifically, the requirements of Chapter 451 of the Laws of Minnesota, 1973, and the rules and regulations promulgated pursuant thereto.

Subd. 6. The provisions of this section shall not apply to co-operative electric associations.

Sec. 49. [ACQUIRING PROPERTY; MERGER.] Subdivision 1. No public utility shall sell, acquire, lease, or rent any plant as an operating unit or system in this state for a total consideration in excess of \$100,000, or merge or consolidate with another public utility operating in this state, without first being authorized so to do by the commission. Upon the filing of an application for the approval and consent of the commission thereto the commission shall investigate the same, with or without public hearing, and in case of a public hearing upon such notice as the commission may require, and if it shall find that the proposed action is consistent with the public interest it shall give its consent and approval by order in writing. In reaching its determination the commission shall take into consideration the reasonable value of the property, plant, or securities to be acquired or disposed of, or merged and consolidated. The provisions of this section shall not be construed as applicable to the purchase of units of property for replacement or to the addition to the plant of the public utility by construction.

Subd. 2. The provisions of this section shall not apply to co-operative electric associations.

Subd. 3. Mergers and consolidations as enumerated in subdivision 1 hereof shall be exempt from the provisions of Laws 1973, Chapter 331.

Sec. 50. [STOCK PURCHASE.] Subdivision 1. No public utility shall purchase voting stock in another public utility doing business in Minnesota without first having made application to and received the consent of the commission in writing or by order.

Subd. 2. The provisions of this section shall not apply to co-operative electric associations.

Subd. 3. Mergers and consolidations as enumerated in subdivision 1 hereof shall be exempt from the provisions of Laws 1973, Chapter 331.

Sec. 51. [APPEALS.] Subdivision 1. Any party to a proceeding before the commission or any other person, aggrieved by such decision and order and directly affected thereby, shall be entitled to appeal from such decision and order of the commission. Such proceedings shall be instituted by serving a notice of appeal personally or by registered mail upon the commission or one of its members or upon its secretary, and by filing such notice in the



office of the clerk of the district court of the county of Ramsey or of the county in which the appellant resides or maintains his principal place of business, all within 30 days after the service of the order and decision of the commission or in cases where a rehearing is requested within 30 days after service of the order finally disposing of the application for such rehearing, or within 30 days after the final disposition by operation of law of any such application for rehearing. The notice shall state the nature of the appellant's interest, the facts showing that the appellant is aggrieved and directly affected by the decision, and the grounds upon which the appellant contends that the decision should be reversed or modified. Copies of the notice shall be served, personally or by registered mail, not later than 30 days after the institution of the appeal, upon all parties who appeared before the commission in the proceeding in which the order sought to be reviewed was made. The commission and all parties to the proceeding before it, shall have the right to participate in the appeal. The court, in its discretion, may permit other interested parties to intervene.

Subd. 2. Every person served with a notice of appeal as provided in this section and who desires to participate in the appeal thereby instituted shall serve upon the appellant, within 20 days after the service of the notice upon such person, a notice of appearance stating his position with reference to the affirmation, vacation, or modification of the order or decision under appeal. Such notice, other than by the named respondent, shall also be served on the named respondent and the attorney general, and shall be filed, together with proof of required service thereof, with the clerk of the reviewing court within ten days after such service. Service of all subsequent papers or notices in such appeal need be made only upon the appellant and such other persons as have served and filed the notice as herein provided or have been permitted to intervene in said proceeding, as parties thereto, by order of the court.

Subd. 3. Within 30 days after service of the notice of appeal upon the commission, or within such further time as the court may allow, the commission shall transmit to the court the original or a certified copy of the entire record of the proceedings in which the decision under appeal was made, including all pleadings, notices, testimony, exhibits, findings, decisions, orders, and exceptions, therein; but by stipulation of all parties to the appeal the record may be shortened by eliminating any portion thereof. The cost of preparing the transcript of the testimony, objections, rulings thereon, and exceptions, shall be paid by the appellant to the official reporter of the commission. Any party, other than the commission, refusing to stipulate to limit the record may be taxed by the court for the additional costs.

Subd. 4. The appeal shall be conducted by the court without a jury and shall be confined to the record, arguments and brief, except that in cases of alleged irregularities in procedure before the commission testimony thereon may be taken in the court. The court may affirm the decision of the commission or may reverse or modify it.

Subd. 5. Any party, including the commission, may secure a review of the final judgment of the district court by appeal to the

supreme court. Such appeal shall be taken in the manner provided by law for appeals from the district court in other civil cases, except that the time for appeal shall be limited to 30 days from the notice of entry of the judgment.

Sec. 52. [SUSPENSION OF COMMISSION ORDERS.] The pendency of proceedings on appeal shall not of itself stay or suspend the operation of the order of the commission, but during the pendency of such proceedings the court in its discretion may stay or suspend, in whole or in part, the operation of the commission's order on such terms as it deems just, and in accordance with the practice of courts exercising equity jurisdiction, but no such stay shall be granted without notice to the parties and opportunity to be heard by the court. Any party shall have the right to secure from the court in which an appeal of an order of the commission is sought an order suspending or staying the operation of an order of the commission, pending an appeal of such order, but no commission order relating to rates or rules and regulations shall be stayed or suspended absent a finding that great or irreparable damage would otherwise result to the party seeking the stay or suspension, and any order staying or suspending a commission order shall specify the nature of the damage.

In case the order of the commission is stayed or suspended, the court shall require a bond with good and sufficient surety, conditioned that the public utility petitioning for review shall answer for all damages caused by the delay in enforcing the order of the commission, and for all compensation for whatever sums for transmission or service any person shall be compelled to pay pending review proceedings in excess of the sum such person or corporation would have been compelled to pay had the commission's order not been stayed or suspended. The court may, in addition or in lieu of the bond, require such other further security for the payment of such excess damages or charges as it may deem proper.

Sec. 53. [ACTIONS BY COMMISSION; ATTORNEY GENERAL TO INSTITUTE.] Whenever the commission shall be of the opinion that any person or public utility is failing or omitting or is about to fail or omit to do anything required of it by this act or by any order of the commission, or is doing anything or about to do anything, or permitting anything or about to permit anything to be done, contrary to or in violation of this act or of any order of the commissioner, it may direct the attorney general to commence an action or proceeding in the district court of Ramsey County, in the name of the state of Minnesota, for the purpose of having such violations stopped and prevented by injunction. The attorney general shall thereupon begin such action or proceeding by petition to such court alleging the violation or threatened violation complained of, and praying for appropriate relief by way of injunction. It shall thereupon be the duty of the court to specify a time, not exceeding 20 days after the service of the copy of the petition, within which the public utility or person complained of must plead, and in the meantime said public utility or person may for good cause shown be restrained. In case of default, the court shall immediately inquire into the

facts and circumstances of the case. Such corporations or persons as the court may deem necessary or proper to be joined as parties, in order to make its judgment, order, or writ effective, may be joined as parties. The final judgment in any such action or proceeding shall either dismiss the action or proceeding or direct that an injunction issue or be made permanent as prayed for in the petition, or in such modified or other form as will afford appropriate relief. An appeal upon the record may be taken as in other civil actions.

Sec. 54. [PRIORITY OF ACTION.] All actions and proceedings under this act, and all actions or proceedings to which the commission or the state of Minnesota may be parties, and in which any question arises under this act, or under or concerning any order or decision of the commission, shall be preferred over all other civil causes, except election causes, irrespective of position on the calendar.

Sec. 55. [BURDEN OF PROOF.] In all proceedings before the commission in which the modification or vacation of any order of the commission is sought, the burden of proof shall be on the person seeking such modification or vacation.

Sec. 56. [PENALTIES.] Any person who knowingly and intentionally violates any provision of this act, or who knowingly and intentionally fails, omits, or neglects to obey, observe, or comply with any lawful order, or any part or provision thereof, of the commission is subject to a penalty of not less than \$100 nor more than \$1,000 for each violation.

Sec. 57. [ACTS; OMISSIONS; FAILURE; CONSTRUCTION THEREOF.] In construing and enforcing the provision of this act relating to penalties, the act, omission, or failure of any officer, agent or employee of any person acting within the scope of his official duties of employment shall in every case be deemed to be also the act, omission, or failure of such person.

Sec. 58. [CONTINUING VIOLATIONS.] Every violation of the provisions of this act or of any lawful order of the commission, or any part or portion thereof by any person, is a separate and distinct offense, and in case of a continuing violation after a first conviction thereof each day's continuance thereof shall be deemed to be a separate and distinct offense.

Sec. 59. [PENALTIES CUMULATIVE.] All penalties accruing under this act shall be cumulative, and a suit for the recovery of one penalty shall not be a bar to or affect the recovery of any other penalty or forfeiture or be a bar to any criminal prosecution against any public utility or any officer, director, agent, or employee thereof or any person.

Sec. 60. [ACTIONS TO RECOVER PENALTIES.] Actions to recover penalties under this act shall be brought in the name of the state of Minnesota in the district court of Ramsey County.

Sec. 61. [COST OF EXAMINATION; ASSESSMENT OF EXPENSES; LIMITATIONS; OBJECTIONS.] Subdivision 1. Immediately after the passage and adoption of this act, the commis-

sion shall assess to all public utilities subject to the provisions of this act in proportion to their respective gross operating revenues, as hereinafter defined, during the preceding calendar year, the sum of \$300,000. Such assessment shall be paid into the state treasury within 30 days after the bill has been mailed, by registered mail, to the several public utilities, which shall constitute notice of said assessment and demand of payment thereof.

Subd. 2. Whenever the commission, in a proceeding upon its own motion, on complaint, or upon an application to it, shall deem it necessary, in order to carry out the duties imposed by this act, to investigate the books, accounts, practices, and activities of, or make appraisals of the property of any public utility, or to render any engineering or accounting services to any public utility, such public utility shall pay the expenses reasonably attributable to such investigation, appraisal, or service. The commission shall ascertain such expenses, and the department shall render a bill therefor to the public utility, either at the conclusion of the investigation, appraisal, or services, or from time to time during its progress, which bill shall constitute notice of said assessment and demand of payment thereof. The amount of such bills so rendered by the department shall be paid by the public utility into the state treasury within 30 days from the date of rendition. The total amount, in any one calendar year, for which any public utility shall become liable, by reason of costs incurred by the commission within such calendar year, shall not exceed two-fifths of one percent of the gross operating revenue from retail sales of gas, or electric service by such public utility within the state in the last preceding calendar year. Where, pursuant to this subdivision, costs are incurred within any calendar year which are in excess of two-fifths of one percent of such gross operating revenues, the excess costs shall not be chargeable as part of the remainder under subdivision 3 of this section, but shall be paid out of the general appropriation to the department. In the case of public utilities offering more than one public utility service only the gross operating revenues from the public utility service in connection with which the investigation is being conducted shall be considered when determining the limitation set herein.

Subd. 3. The department shall annually, within 90 days after the close of each fiscal year, ascertain the total of its expenditures to the performance of its duties relating to public utilities under this act, and shall deduct therefrom all amounts chargeable to public utilities under subdivision 2 of this section. The remainder shall be assessed by the commission to the several public utilities in proportion to their respective gross operating revenues from retail sales of gas or electric service within the state during the last calendar year. Such assessment shall be paid into the state treasury within 30 days after the bill has been mailed to the several public utilities, which shall constitute notice of said assessment and demand of payment thereof. The total amount which may be assessed to the public utilities, under authority of this subdivision, shall not exceed one-eighth of one percent of the total gross operating revenues of such public utilities during such calendar year from retail sales of gas or electric service within the state.

Subd. 4. Within 30 days after the date of the mailing of any bill as provided by subdivisions 2 and 3, the public utility against which said bill has been rendered may file with the commission objections setting out the grounds upon which it is claimed the bill is excessive, erroneous, unlawful or invalid. The commission shall within 60 days hold a hearing and issue an order in accordance with its findings. Such order shall be appealable in the same manner as other final orders of the commission.

Subd. 5. A public utilities account is hereby created in the state treasury. All moneys deposited in the state treasury pursuant to the provisions of this act shall be credited to such account. All moneys in such account are hereby appropriated annually to carry out the provisions of this act. None of the moneys in such account shall cancel but at all times shall be available for purposes herein expressed.

Sec. 62. [INTEREST ON ASSESSMENTS.] The amounts assessed against any public utility not paid after 30 days after the mailing of a notice advising the public utility of the amount assessed against it, shall draw interest at the rate of six percent per annum, and upon failure to pay the same the attorney general shall proceed by action in the name of the state against such public utility to collect the amount due, together with interest and the cost of the suit.

Sec. 63. [ATTORNEY GENERAL TO REPRESENT COMMISSION.] The attorney general of the state shall, upon request of the commission, represent and appear for the commission in all actions and proceedings involving any question under this act, and shall aid in any investigation or hearing had under the provisions hereof. The attorney general shall perform such duties and services in connection with this act and the enforcement thereof as the commission may require. He shall also bring all actions to collect penalties herein provided. Nothing in this section shall prohibit the commission from employing counsel other than the attorney general to represent the public interest in any proceeding.

Sec. 64. Minnesota Statutes 1971, Section 216A.03, Subdivision 1, is amended to read:

216A.03 [COMMISSION.] Subdivision 1. [MEMBERS.] As of ~~May 26, 1967~~ *January 1, 1975* the public service commission shall consist of the ~~three members elected to the Minnesota railroad and warehouse commission; and each shall serve out the term for which he was elected as railroad and warehouse commissioner and shall, in accordance with applicable statutes, be eligible for re-election for one six year term.~~ *five members, three of whom shall be the members then serving, who shall continue to serve for the balance of their elective or appointive terms. There shall be two additional commissioners appointed by the governor with the advice and consent of the senate, one for a term expiring December 31, 1975, and one for a term expiring December 31, 1977. Thereafter the terms of all subsequent members of the commission shall be six five years and until their successors have been appointed and qualified. Each commissioner shall be appointed by the gov-*

error by and with the advice and consent of the senate. Not more than ~~two~~ *three* commissioners shall belong to the same political party. The governor in his selection of commissioners shall give consideration to persons learned in the law or persons who have engaged in the profession of engineering, public accounting or property and utility valuation as well as being representative of the general public.

Sec. 65. [DEPARTMENT TO EMPLOY NECESSARY STAFF.] The department may employ such experts, engineers, statisticians, accountants, inspectors, clerks, attorneys and employees as it deems necessary to carry out the provisions of this act.

Sec. 66. [SEVERABILITY.] If any provision of this act, or any severable provision of a section of this act, or the application of such provision to any person or circumstances, shall be held invalid, the remainder of the act, or section thereof, and the application of such provision to persons and circumstances other than those as to which it is held invalid, shall not be affected.

Sec. 67. [CONSTRUCTION.] This act is complete in itself and other Minnesota statutes are not to be construed as applicable to the supervision or regulation of public utilities by the commission. All acts and parts of acts in conflict with this act are repealed insofar as they pertain to the regulation of public utilities as defined herein.

Sec. 68. [AUTHORITY PRIOR TO EFFECTIVE DATE OF ACT.] The commission is authorized, upon the passage and adoption of this act, and prior to its effective date, to promulgate rules and regulations as provided herein; to take the steps necessary for the setting up of proper records and forms and the department is authorized to make necessary staff and clerical appointments as provided by law, and to do all things required for the effective and orderly administration of the duties imposed upon the commission pursuant hereto.

Sec. 69. [TITLE.] This act may be cited as the Minnesota public utilities act.

Sec. 70. [EFFECTIVE DATE.] This act shall become effective on January 1, 1975, except that sections 35 through 43, and section 61 shall become effective upon its passage."

Further, amend the title as follows:

Page 1, line 7, after "penalties" insert "; increasing the membership of the public service commission; amending Minnesota Statutes 1971, Section 216A.03, Subdivision 1.

And when so amended the bill do pass and be re-referred to the Committee on Governmental Operations. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred

H. F. No. 2985 for comparison to companion Senate File reports the following House File was found identical and recommends the

House File be given its Second Reading and substituted for its companion Senate File as follows:

CALENDAR OF					
GENERAL ORDERS		ORDINARY MATTERS		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
		2985	2911		

And that the above Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which were referred

H. F. Nos. 2837, 2980, 3048, 3242, 1795, 2194, 2764, 3002, 3020, 2589, 2607, 2704, 2914, 3086, 1952, 2349, 2853, 2926, and 3015 for comparison to companion Senate Files, reports the following House Files were found to have no companion Senate Files on Senate Calendars and are recommended to be re-referred to their respective Committees as follows:

H. F. No. 2704 to the Committee on Finance.

H. F. Nos. 3048 and 2764 to the Committee on Governmental Operations.

H. F. Nos. 2980, 1795, 2589, 2914, 2853 and 3015 to the Committee on Judiciary.

H. F. Nos. 2837, 2194, 3020 and 2349 to the Committee on Labor and Commerce.

H. F. Nos. 3242 and 1952 to the Committee on Metropolitan and Urban Affairs.

H. F. Nos. 2607 and 2926 to the Committee on Taxes and Tax Laws.

H. F. Nos. 3002 and 3086 to the Committee on Transportation and General Legislation.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

#### SECOND READING OF SENATE BILLS

S. F. Nos. 2984, 1963, 2084, 2298, 3272, 3024, 3152, 2995, 3060, 2220, 1735, 3129, 2865, 2796, 2828, 2997, 2641, 3159, 3151, 2576, 3085, 2846, 2501, 3257, 3064, 3084, 3105, 2872, 1800, 2611, 2812, 3031, 2661, 2222, 2975, 2780, 3216, 3001, 3053, 3025, 1253, 3185, 2830, 2794, 3213, 2347, 3136, 3139, 3287, 2924, 2820, and 3293 were read the second time.

**SECOND READING OF HOUSE BILLS**

H. F. Nos. 2065, 2324, 978, 1866, 3089, 1810, 1192 and 2985 were read the second time.

**MOTIONS AND RESOLUTIONS**

Mr. Lord moved that the names of Messrs. Olson, A. G. and Willet be added as co-authors to S. F. No. 2872. The motion prevailed.

Messrs. O'Neill, Coleman and Krieger introduced—

Senate Resolution No. 36: A senate resolution congratulating Macalester College on the One Hundredth Anniversary of the granting of the charter of Macalester College by the Legislature of the State of Minnesota.

Which was referred to the Committee on Rules and Administration.

Mr. Wegener moved that S. F. No. 2879 be withdrawn from the Committee on Finance and re-referred to the Committee on Taxes and Tax Laws. The motion prevailed.

Mr. Bang moved that S. F. No. 3381 be withdrawn from the Committee on Local Government and re-referred to the Committee on Labor and Commerce. The motion prevailed.

Mr. Humphrey moved that the name of Mr. Schaaf be added as co-author to S. F. No. 3320. The motion prevailed.

Mr. Borden moved that S. F. No. 3308 be withdrawn from the Committee on Rules and Administration and re-referred to the Committee on Judiciary. The motion prevailed.

Mr. Ueland moved that S. F. No. 2876, No. 70 on General Orders, be stricken and returned to its author. The motion prevailed.

Mr. Hansen, Baldy moved that H. F. No. 2148 be withdrawn from the Committee on Labor and Commerce and re-referred to the Committee on Rules and Administration for comparison with S. F. No. 2220, now on General Orders. The motion prevailed.

Mr. Hansen, Baldy moved that the name of Mr. Schrom be added as co-author to S. F. No. 3394. The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, Mr. Berg moved to revert to Introduction of Bills. The motion prevailed.



**INTRODUCTION OF BILLS**

Mr. Berg introduced—

S. F. No. 3432: A bill for an act relating to the West Pope county hospital district; authorizing the issuance of general obligation hospital bonds to be excluded from the net debt of the district.

Which was read the first time and referred to the Committee on Local Government.

**MOTIONS AND RESOLUTIONS—CONTINUED  
RECONSIDERATION**

Mr. Laufenburger moved that the vote whereby H. F. No. 2862 was passed by the Senate on February 22, 1974, be now reconsidered. The motion prevailed.

With the unanimous consent of the Senate, Mr. Laufenburger moved to amend the amendment placed on H. F. No. 2862 under Rule 49 and adopted by the Senate on February 20, 1974, as follows:

Strike the part of the amendment which reads as follows:

“Page 2, after line 18, add a new section to read as follows:

“Sec. 3. This act and all actions taken pursuant to this act shall cease to be in effect on and after June 30, 1975.”

The motion prevailed. So the amendment was adopted.

H. F. No. 2862: A bill for an act relating to highway traffic regulations; authorizing the executive department of government to reduce maximum highway vehicular speeds under certain circumstances; providing penalties.

Was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,

And the roll being called, there were yeas 60 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Keefe, S.	Moe	Purfeerst
Arnold	Fitzsimons	Kirchner	Nelson	Renneke
Bang	Frederick	Kleinbaum	North	Schaaf
Berg	Gearty	Knutson	Novak	Sillers
Bernhagen	Hansen, Baldy	Kowalczyk	Ogdahl	Solon
Blatz	Hansen, Mel	Krieger	Olhoff	Spear
Chenoweth	Hansen, R.	Larson	Olson, A. G.	Stassen
Chmielewski	Hughes	Laufenburger	Olson, H. D.	Stokowski
Coleman	Humphrey	Lewis	Olson, J. L.	Thorup
Conzemius	Jensen	Lord	O'Neill	Ueland
Davies	Josefson	McCutcheon	Patton	Wegener
Doty	Keefe, J.	Milton	Pillsbury	Willett

Mr. Schrom voted in the negative.

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

**MOTIONS AND RESOLUTIONS—CONTINUED**

Mr. Lewis moved that the name of Mr. Knutson be added as co-author to S. F. No. 3335. The motion prevailed.

Mr. Lewis moved that the name of Mr. Nelson be added as chief author to S. F. No. 2580. The motion prevailed.

Mr. Coleman moved that the following bills be stricken from General Orders and placed on the Calendar of Ordinary Matters:

S. F. Nos. 3079 and 3200. The motion prevailed.

Mr. Thorup moved that H. F. No. 3077, No. 9 on the Calendar of Ordinary Matters, be stricken and placed at the top of General Orders. The motion prevailed.

**CALENDAR OF ORDINARY MATTERS**

S. F. No. 3017: A bill for an act relating to the trunk highway system; adding a new route in substitution of an existing route.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Fitzsimons	Knutson	Ogdahl	Solon
Arnold	Frederick	Kowalczyk	Olhoft	Spear
Ashbach	Gearity	Krieger	Olson, A. G.	Stassen
Bang	Hansen, Baldy	Larson	Olson, H. D.	Stokowski
Berg	Hansen, Mel	Laufenburger	Olson, J. L.	Tennessen
Bernhagen	Hanson, R.	Lewis	O'Neill	Thorup
Blatz	Hughes	Lord	Patton	Ueland
Chmielewski	Humphrey	McCutcheon	Pillsbury	Wegener
Coleman	Jensen	Milton	Purfeerst	Willet
Conzemius	Josefson	Moe	Renneke	
Davies	Keefe, J.	Nelson	Schaaf	
Doty	Keefe, S.	North	Schrom	
Dunn	Kirchner	Novak	Sillers	

So the bill passed and its title was agreed to.

S. F. No. 2910: A bill for an act relating to elections; providing for the preparation, furnishing and disposition of election materials; amending Minnesota Statutes 1971, Sections 204.18, Subdivision 1; 204.24, Subdivision 1; and 204.25.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Berg	Chmielewski	Doty	Gearity
Arnold	Bernhagen	Coleman	Dunn	Hansen, Baldy
Ashbach	Blatz	Conzemius	Fitzsimons	Hansen, Mel
Bang	Chenoweth	Davies	Frederick	Hanson, R.

Hughes	Kowalczyk	Nelson	Patton	Stassen
Humphrey	Krieger	North	Pillsbury	Stokowski
Jensen	Larson	Novak	Purfeerst	Tennessen
Josefson	Laufenburger	Ogdahl	Renneke	Thorup
Keefe, J.	Lewis	Olhoft	Schaaf	Ueland
Keefe, S.	Lord	Olson, A. G.	Schrom	Willet
Kirchner	McCutcheon	Olson, H. D.	Sillers	
Kleinbaum	Milton	Olson, J. L.	Solon	
Knutson	Moe	O'Neill	Spear	

So the bill passed and its title was agreed to.

H. F. No. 3052: A bill for an act relating to the interstate compact on juveniles; amending Minnesota Statutes 1971, Sections 260.53 and 260.55.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Kirchner	North	Schrom
Arnold	Fitzsimons	Kleinbaum	Novak	Sillers
Ashbach	Frederick	Knutson	Ogdahl	Solon
Bang	Gearty	Kowalczyk	Olhoft	Spear
Berg	Hansen, Baldy	Krieger	Olson, A. G.	Stassen
Bernhagen	Hansen, Mel	Larson	Olson, H. D.	Stokowski
Blatz	Hanson, R.	Laufenburger	Olson, J. L.	Thorup
Chenoweth	Hughes	Lewis	O'Neill	Ueland
Chmielewski	Humphrey	Lord	Patton	Wegener
Coleman	Jensen	McCutcheon	Pillsbury	Willet
Conzemius	Josefson	Milton	Purfeerst	
Davies	Keefe, J.	Moe	Renneke	
Doty	Keefe, S.	Nelson	Schaaf	

So the bill passed and its title was agreed to.

H. F. No. 3053: A bill for an act relating to the interstate compact for the supervision of parolees and probationers; amending Minnesota Statutes 1971, Section 243.16, Subdivision 1.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Fitzsimons	Kleinbaum	Novak	Sillers
Arnold	Frederick	Knutson	Ogdahl	Solon
Ashbach	Gearty	Kowalczyk	Olhoft	Spear
Bang	Hansen, Baldy	Krieger	Olson, A. G.	Stassen
Berg	Hansen, Mel	Larson	Olson, H. D.	Stokowski
Bernhagen	Hanson, R.	Laufenburger	Olson, J. L.	Tennessen
Blatz	Hughes	Lewis	O'Neill	Thorup
Chmielewski	Humphrey	Lord	Patton	Ueland
Coleman	Jensen	McCutcheon	Pillsbury	Wegener
Conzemius	Josefson	Milton	Purfeerst	Willet
Davies	Keefe, J.	Moe	Renneke	
Doty	Keefe, S.	Nelson	Schaaf	
Dunn	Kirchner	North	Schrom	

So the bill passed and its title was agreed to.

H. F. No. 2726: A bill for an act relating to the city of International Falls; firemen's lump sum service benefits; amending Laws 1967, Chapter 831, Section 1.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 61 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Fitzsimons	Kleinbaum	Novak	Sillers
Arnold	Frederick	Knutson	Ogdahl	Solon
Ashbach	Gearty	Kowalczyk	Olhoft	Spear
Bang	Hansen, Baldy	Krieger	Olson, A. G.	Stassen
Berg	Hansen, Mel	Larson	Olson, H. D.	Stokowski
Bernhagen	Hanson, R.	Laufenburger	Olson, J. L.	Tennessen
Blatz	Hughes	Lewis	O'Neill	Thorup
Borden	Humphrey	Lord	Patton	Ueland
Chmielewski	Jensen	McCutcheon	Pillsbury	Willet
Coleman	Josefson	Milton	Purfeerst	
Conzemius	Keefe, J.	Moe	Renneke	
Doty	Keefe, S.	Nelson	Schaaf	
Dunn	Kirchner	North	Schrom	

Mr. Davies voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 3038: A bill for an act relating to highway traffic regulations; weight limitations; weight increases authorized for haulers of raw and unfinished forest products in certain zones during certain periods of the year; amending Minnesota Statutes, 1973 Supplement, Section 169.83, Subdivision 1.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Keefe, S.	Nelson	Schaaf
Arnold	Dunn	Kirchner	North	Schrom
Ashbach	Fitzsimons	Kleinbaum	Novak	Sillers
Bang	Frederick	Knutson	Ogdahl	Solon
Berg	Gearty	Kowalczyk	Olhoft	Spear
Bernhagen	Hansen, Baldy	Krieger	Olson, A. G.	Stassen
Blatz	Hansen, Mel	Larson	Olson, H. D.	Stokowski
Borden	Hanson, R.	Laufenburger	Olson, J. L.	Tennessen
Chenoweth	Hughes	Lewis	O'Neill	Thorup
Chmielewski	Humphrey	Lord	Patton	Ueland
Coleman	Jensen	McCutcheon	Pillsbury	Wegener
Conzemius	Josefson	Milton	Purfeerst	Willet
Davies	Keefe, J.	Moe	Renneke	

So the bill passed and its title was agreed to.

H. F. No. 3074: A bill for an act relating to labor; public employees; definitions; amending Minnesota Statutes 1971, Section 179.63, Subdivision 7.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Keefe, S.	Nelson	Schaaf
Arnold	Dunn	Kirchner	North	Schrom
Ashbach	Fitzsimons	Kleinbaum	Novak	Sillers
Bang	Frederick	Knutson	Ogdahl	Solon
Berg	Gearty	Kowalczyk	Olhoft	Spear
Bernhagen	Hansen, Baldy	Krieger	Olson, A. G.	Stassen
Blatz	Hansen, Mel	Larson	Olson, H. D.	Stokowski
Borden	Hanson, R.	Laufenburger	Olson, J. L.	Tennessen
Chenoweth	Hughes	Lewis	O'Neill	Thorup
Chmielewski	Humphrey	Lord	Patton	Ueland
Coleman	Jensen	McCutcheon	Pillsbury	Wegener
Conzemius	Josefson	Milton	Purfeerst	Willet
Davies	Keefe, J.	Moe	Renneke	

So the bill passed and its title was agreed to.

H. F. No. 3076: A bill for an act relating to labor; public employees; negotiation procedures; amending Minnesota Statutes, 1973 Supplement, Section 179.69, Subdivisions 3 and 5.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Keefe, S.	Nelson	Schaaf
Arnold	Dunn	Kirchner	North	Schrom
Ashbach	Fitzsimons	Kleinbaum	Novak	Sillers
Bang	Frederick	Knutson	Ogdahl	Solon
Berg	Gearty	Kowalczyk	Olhoft	Spear
Bernhagen	Hansen, Baldy	Krieger	Olson, A. G.	Stassen
Blatz	Hansen, Mel	Larson	Olson, H. D.	Stokowski
Borden	Hanson, R.	Laufenburger	Olson, J. L.	Tennessen
Chenoweth	Hughes	Lewis	O'Neill	Thorup
Chmielewski	Humphrey	Lord	Patton	Ueland
Coleman	Jensen	McCutcheon	Pillsbury	Wegener
Conzemius	Josefson	Milton	Purfeerst	Willet
Davies	Keefe, J.	Moe	Renneke	

So the bill passed and its title was agreed to.

H. F. No. 2746: A bill for an act relating to public employees; submission of disputes to arbitration; amending Minnesota Statutes 1971, Section 179.69, Subdivision 5, as amended.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 65 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Keefe, S.	Nelson	Renneke
Arnold	Dunn	Kirchner	North	Schaaf
Ashbach	Fitzsimons	Kleinbaum	Novak	Schrom
Bang	Frederick	Knutson	Ogdahl	Sillers
Berg	Gearty	Kowalczyk	Olhott	Solon
Bernhagen	Hansen, Baldy	Krieger	Olson, A. G.	Spear
Blatz	Hansen, Mel	Larson	Olson, H. D.	Stassen
Borden	Hanson, R.	Laufenburger	Olson, J. L.	Stokowski
Chenoweth	Hughes	Lewis	O'Neill	Tennessen
Chmielewski	Humphrey	Lord	Patton	Thorup
Coleman	Jensen	McCutcheon	Perpich, G.	Ueland
Conzemius	Josefson	Milton	Pillsbury	Wegener
Davies	Keefe, J.	Moe	Purfeerst	Willet

So the bill passed and its title was agreed to.

H. F. No. 3132: A bill for an act relating to retirement; service required for retirement of district court judges; amending Minnesota Statutes 1971, Sections 490.101, Subdivision 1; and 490.102, Subdivision 2.

Was read the third time and placed on its final passage.

The question being taken on the passage of the bill,

And the roll being called, there were yeas 65 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Keefe, S.	Nelson	Renneke
Arnold	Dunn	Kirchner	North	Schaaf
Ashbach	Fitzsimons	Kleinbaum	Novak	Schrom
Bang	Frederick	Knutson	Ogdahl	Sillers
Berg	Gearty	Kowalczyk	Olhott	Solon
Bernhagen	Hansen, Baldy	Krieger	Olson, A. G.	Spear
Blatz	Hansen, Mel	Larson	Olson, H. D.	Stassen
Borden	Hanson, R.	Laufenburger	Olson, J. L.	Stokowski
Chenoweth	Hughes	Lewis	O'Neill	Tennessen
Chmielewski	Humphrey	Lord	Patton	Thorup
Coleman	Jensen	McCutcheon	Perpich, G.	Ueland
Conzemius	Josefson	Milton	Pillsbury	Wegener
Davies	Keefe, J.	Moe	Purfeerst	Willet

So the bill passed and its title was agreed to.

#### GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Pillsbury in the chair.

After some time spent therein, the committee arose, and the President having resumed the chair, Mr. Pillsbury reported that the committee had considered S. F. Nos. 2916, 2977, 2970, 2128, 2449, 2948, 2957, 1713, also H. F. Nos. 3077, 713, 2655, 2043, 995 which the committee recommends to pass.

S. F. No. 2676 which the committee recommends to pass, after the following motion:

Mr. Schrom moved that S. F. No. 2676 be re-referred to the Committee on Natural Resources and Agriculture.

The question being taken on adoption of the motion,

And the roll being called, there were yeas 28 and nays 32, as follows:

Those who voted in the affirmative were:

Ashbach	Frederick	Keefe, J.	Nelson	Schrom
Berg	Hansen, Baldy	Kirchner	Ogdahl	Stassen
Bernhagen	Hansen, Mel	Knutson	Olson, J. L.	Ueland
Blatz	Hanson, R.	Kowalczyk	O'Neill	Wegener
Dunn	Jensen	Larson	Patton	
Fitzsimons	Josefson	Laufenburger	Renneke	

Those who voted in the negative were:

Anderson	Davies	Lord	Olson, H. D.	Spear
Arnold	Gearty	Milton	Perpich, G.	Stokowski
Borden	Hughes	Moe	Pillsbury	Tennessen
Chenoweth	Humphrey	North	Purfeerst	Willet
Chmielewski	Keefe, S.	Novak	Schaaf	
Coleman	Kleinbaum	Olhoft	Sillers	
Conzemius	Lewis	Olson, A. G.	Solon	

The motion did not prevail.

The question being taken on the committee recommendation to pass S. F. No. 2676,

And the roll being called, there were yeas 33 and nays 25, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Milton	O'Neill	Spear
Arnold	Hughes	Moe	Perpich, G.	Stokowski
Borden	Humphrey	North	Pillsbury	Tennessen
Chenoweth	Keefe, S.	Novak	Purfeerst	Wegener
Coleman	Kleinbaum	Olhoft	Schaaf	Willet
Conzemius	Lewis	Olson, A. G.	Sillers	
Davies	Lord	Olson, H. D.	Solon	

Those who voted in the negative were:

Ashbach	Chmielewski	Hanson, R.	Kowalczyk	Patton
Bang	Fitzsimons	Jensen	Larson	Renneke
Berg	Frederick	Josefson	Laufenburger	Schrom
Bernhagen	Hansen, Baldy	Kirchner	Nelson	Stassen
Blatz	Hansen, Mel	Knutson	Olson, J. L.	Ueland

So the committee recommended S. F. No. 2676 to pass.

S. F. No. 2779, which the committee recommends to pass with the following amendment offered by Mr. Ueland:

Page 1, strike lines 17 and 18

Page 1, line 19, strike "(c)" and insert "(b)"

Page 1, line 21, before the semicolon insert ", and during the five-year period the person has not been convicted of a felony or gross misdemeanor"

Page 1, line 22, strike "(d)" and insert "(c)"

S. F. No. 2939, which the committee recommends to pass with the following amendment offered by Mr. Coleman:

Pages 3 and 4, strike all of section 4

Renumber the remaining section

Further, amend the title as follows:

Page 1, line 5, strike "Subdivision 2c,"

Page 1, line 6, strike "and"

S. F. No. 2393, which the committee recommends to pass with the following amendment offered by Mr. Stassen:

Page 1, line 17, after the period insert "*Display of parking lights shall not be deemed to comply with requirements for lighting for moving vehicles on a highway.*"

S. F. No. 967, which the committee recommends to pass with the following amendment offered by Mr. Bang:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1971, Section 33.171, is amended to read:

33.171 [PENALTY.] Any person violating any of the provisions of ~~sections 33.10 to 33.15, or any rule or regulation prescribed by the commissioner of taxation thereunder~~ *section 33.111*, shall be punished by a fine of not less than \$25 nor more than \$100 or by imprisonment for not more than 30 days in the county jail; and such violation shall be cause for the immediate cancelation of any license issued to such person by the commissioner of taxation.

*Sec. 2. Minnesota Statutes 1971, Sections 33.10; 33.11; 33.12; 33.13; 33.14; 33.15; 33.17; and 270.051, Subdivision 1, are repealed."*

Further, strike the title and insert:

"A bill for an act relating to taxation; tax on oleomargarine; amending Minnesota Statutes 1971, Section 33.171; repealing Minnesota Statutes 1971, Sections 33.10; 33.11; 33.12 to 33.17; and 270.051, Subdivision 1."

The question being taken on adoption of the amendment,

And the roll being called, there were yeas 29 and nays 27, as follows:

Those who voted in the affirmative were:

Ashbach	Fitzsimons	Keefe, J.	Nelson	Renneke
Bang	Frederick	Kirchner	Ogdahl	Sillers
Berg	Hansen, Mel	Knutson	Olson, J. L.	Stassen
Bernhagen	Hanson, R.	Kowalczyk	O'Neill	Ueland
Blatz	Jensen	Krieger	Pillsbury	Wegener
Brown	Josefson	Larson	Purfeerst	

Those who voted in the negative were:

Chenoweth	Humphrey	Moe	Perpich, G.	Tennessen
Chmielewski	Keefe, S.	North	Schaaf	Thorup
Coleman	Kleinbaum	Novak	Schrom	Willet
Conzenius	Lewis	Olhoft	Solon	
Davies	McCutcheon	Olson, A. G.	Spear	
Hansen, Baldy	Milton	Olson, H. D.	Stokowski	



The motion prevailed. So the amendment was adopted.

Mr. Wegener moved that S. F. No. 967 be re-referred to the Committee on Finance.

The question being take on adoption of the motion,

And the roll being called, there were yeas 14 and nays 42, as follows:

Those who voted in the affirmative were:

Berg	Kleinbaum	Novak	Olson, H. D.	Wegener
Chmielewski	McCutcheon	Olhoft	Schrom	Willet
Coleman	Moe	Olson, A. G.	Thorup	

Those who voted in the negative were:

Ashbach	Fitzsimons	Keefe, J.	North	Solon
Bang	Frederick	Keefe, S.	Ogdahl	Spear
Bernhagen	Gearty	Kirchner	Olson, J. L.	Stassen
Blatz	Hansen, Baldy	Knutson	O'Neill	Stokowski
Brown	Hansen, Mel	Kowalczyk	Pillsbury	Tennessen
Chenoweth	Hanson, R.	Krieger	Purfeerst	Ueland
Conzemius	Humphrey	Larson	Renneke	
Davies	Jensen	Lewis	Schaaf	
Dunn	Josefson	Nelson	Sillers	

The motion did not prevail.

The question being taken on the committee recommendation to pass S. F. No. 967,

And the roll being called, there were yeas 49 and nays 12, as follows:

Those who voted in the affirmative were:

Ashbach	Frederick	Kirchner	North	Schaaf
Bang	Gearty	Knutson	Novak	Sillers
Bernhagen	Hansen, Baldy	Kowalczyk	Ogdahl	Solon
Blatz	Hansen, Mel	Krieger	Olson, J. L.	Spear
Brown	Hanson, R.	Larson	O'Neill	Stassen
Chenoweth	Humphrey	Lewis	Patton	Stokowski
Conzemius	Jensen	McCutcheon	Perpich, G.	Tennessen
Davies	Josefson	Milton	Pillsbury	Thorup
Doty	Keefe, J.	Moe	Purfeerst	Ueland
Fitzsimons	Keefe, S.	Nelson	Renneke	

Those who voted in the negative were:

Berg	Coleman	Olhoft	Olson, H. D.	Wegener
Borden	Dunn	Olson, A. G.	Schrom	Willet
Chmielewski	Kleinbaum			

So the committee recommended S. F. No. 967 to pass as amended.

S. F. No. 2885, which the committee recommends to pass with the following amendments offered by Messrs. North and Knutson:

Mr. North moved to amend S. F. No. 2885 as follows:

Page 5, strike all of section 8

Renumber the sections in sequence

Mr. Knutson moved to amend S. F. No. 2885 as follows:

Page 5, line 15, strike everything after "LEVIES.]"

Page 5, strike lines 16 to 26

Page 5, line 27, strike "Subd. 2."

S. F. No. 1759, which the committee recommends to pass with the following amendments offered by Mr. Chenoweth:

Page 17, line 11, after "bonds" insert "in an amount not to exceed \$40,000,000"

Mr. Chenoweth then moved to amend S. F. No. 1759 as follows:

Page 5, line 22, after "majority of" insert "all"

Mr. Chenoweth then moved to amend S. F. No. 1759 as follows:

Page 18, strike all of subdivision 6 and insert:

"Subd. 6. [TAX LEVIES.] The commission may levy taxes in any year upon all taxable property in the metropolitan area to provide funds for the purposes of sections 1 to 9 as follows:

(a) For administrative purposes, not to exceed 1/20 of a mill;

(b) For debt service on bonds issued pursuant to subdivision 3, not to exceed .5 of a mill. The amount of taxes in any year levied under this clause shall be reduced by the amount of any funds received by the commission during the previous year from (1) federal grants and (2) appropriations to the commission from taxes collected by the state;

(c) For development purposes consistent with an approved recreation open space development program, not to exceed .15 of a mill.

The tax shall be levied and collected in the manner provided by Minnesota Statutes, Section 473.08."

And then, on motion of Mr. Pillsbury, the report of the Committee of the Whole, as kept by the Secretary, was adopted.

Without objection, the Senate reverted to the Order of Business of Reports of Committees.

#### REPORTS OF COMMITTEES

Mr. Davies from the Committee on Judiciary, to which was re-referred

H. F. No. 951: A bill for an act relating to ethics in government; regulating lobbyists, conflicts of interest and election expenses and contributions; providing penalties; appropriating money; amending Minnesota Statutes 1971, Sections 211.01, Subdivision 3; 211.06; 211.20, Subdivision 3; 211.27, by adding a subdivision; and 290.06, by adding a subdivision; repealing Minnesota Statutes 1971, Sections 3.87; 3.88; 3.89; 3.90; 3.91; and 3.92.

Reports the same back with the recommendation that the printed bill be amended as follows:

Strike everything after the enacting clause and insert in lieu thereof the following:

“Section 1. [PUBLIC POLICY.] It is hereby declared to be the public policy of the state of Minnesota that:

(1) Public confidence in the integrity of government is a prerequisite of representative democracy. The public interest is best served when full disclosure is made of the identity and expenditures of persons who engage in substantial efforts to persuade governmental officials to take specific actions;

(2) Public officials should not use their official positions to obtain financial gain for themselves, their households or any organizations with which they are associated in a manner which violates the public trust;

(3) Major political campaign contributions and expenditures should be fully disclosed to the public;

(4) Disclosure of major political campaign contributions and expenditures serves the public interest by (a) preventing undue influence and (b) revealing the sources of campaign financing to the public as well as thereby facilitating future informed decisions regarding alternative methods of public and private financing;

(5) Although small individual contributions to a candidate are unlikely to have an undue influence, a number of small contributions from an individual or small contributions from a number of associated individuals may when cumulated have an undue influence. Thus there is a compelling state interest in requiring the disclosure of all contributions of more than \$50 in the case of legislative campaigns and more than \$100 in the case of campaigns for statewide office;

(6) Limitations upon campaign expenditures are necessary to control the spiraling amount of money required to campaign for public office and to ensure that no individual is denied the opportunity to run for public office for financial reasons;

(7) Candidates for public office and elected officials should not be under the influence of those persons who make large contributions to political campaigns.

Sec. 2. [DEFINITIONS.] Subdivision 1. For the purposes of sections 1 to 36, the terms defined in this section have the meanings given them unless the context clearly indicates otherwise.

Subd. 2. “Association” means business, corporation, firm, partnership, committee, labor organization, club, or any other group of two or more persons which includes more than an immediate family acting in concert.

Subd. 3. “Business with which he is associated” means any business, corporation, partnership, proprietorship, labor union, or association in connection with which the individual is compensated in excess of \$50 except for actual and reasonable expenses in any

month as a director, officer, owner, member, partner, employer or employee, or is a holder of securities worth \$2,500 or more at fair market value.

Subd. 4. "Candidate" means an individual who seeks nomination for election or election to any statewide office or legislative office, other than a judicial office or a federal office for which candidates are required to report under federal laws. An individual shall be deemed to seek nomination for election or election if he has taken the action necessary under the law of the state of Minnesota to qualify himself for nomination for election or election to an office, or has received contributions or made expenditures, or has given his consent, implicit or explicit, for any other person to receive contributions or make expenditures with a view to bringing about his nomination for election or election to an office.

Subd. 5. "Commission" means the state ethics commission.

Subd. 6. "Contribution" means:

(a) A gift, subscription, loan, advance, or deposit of money or anything of value made to influence the nomination for election or election of a candidate to office;

(b) A transfer of funds between political committees or political funds; or

(c) The payment, by any person other than a candidate, political committee or political fund, of compensation for the personal services of another person which are rendered to a candidate, political committee or political fund to influence the nomination for election or election of a candidate to office.

"Contribution" does not include services provided without compensation by individuals volunteering their time on behalf of a candidate, political committee or political fund.

Subd. 7. "Depository" means any bank, savings and loan association or credit union, organized under federal or state law and transacting business within Minnesota.

Subd. 8. "Election" means a general, special, primary or special primary election, or a convention or caucus of a political party held to nominate or endorse a candidate.

Subd. 9. "Expenditure" means:

(a) A purchase, payment, distribution, loan, advance, deposit or gift of money or anything of value, made for the purpose of influencing the nomination for election or election of any candidate to office; or

(b) A transfer of funds between political committees or political funds.

"Expenditure" does not include: (a) Services provided without compensation by individuals volunteering their time on behalf of a candidate, political committee or political fund; or (b) expenses incurred by a member of the legislature or a person holding constitutional office in the executive branch, in perform-

ing services for constituents. The commission shall have the power to determine whether the expense was incurred primarily for the purpose of providing a constituent service or is an expenditure within the meaning of this subdivision.

Subd. 10. "Lobbyist" means:

(a) Any individual who is engaged for pay or other consideration or is authorized by another person to spend money for the purpose of attempting to influence legislative or administrative action by communicating with public officials; or

(b) Officially designated representatives of any person or association which has as a major purpose the influencing of legislative or administrative action who attempt to influence an action by communicating with public officials.

"Lobbyist" does not include:

(a) A public official or employee of the state or any of its political subdivisions acting in his official capacity;

(b) Parties and their representatives appearing in a proceeding before a state board, commission or agency of the executive branch;

(c) Individuals in the course of selling goods or services to be paid for by public funds;

(d) News media or their employees or agents, but only while acting in the ordinary course of business of publishing or broadcasting news items, editorials or other comments or paid advertisements which directly or indirectly urge official action; or

(e) Paid expert witnesses whose testimony is requested by the body before which they are appearing or one of the parties to a proceeding.

For purposes of this subdivision "administrative action" means an action of a quasi-legislative policy making nature by any board, commission or agency of the executive branch, and a non-ministerial action by an official of the executive branch.

Subd. 11. "Major political party" means those political parties defined in Minnesota Statutes, Section 200.02, Subdivision 7.

Subd. 12. "Minor political party" means any party other than a major political party which ran a candidate on the statewide or legislative ballot in the last general election or files a petition with the secretary of state which contains the names of 2,000 persons registered to vote in Minnesota and which provides that the signators desire to enable the party to receive money from the state elections campaign fund in the same manner as the major political parties. For the purposes of this act prior to the general election in 1974, all persons who are eligible to vote in areas where there is no registration shall be considered registered voters.

Subd. 13. "Political committee" means any political party, association or person other than an individual which has as its

major purpose to support or oppose any candidate or to influence the nomination for election or election of a candidate.

Subd. 14. "Political fund" means any accumulation of voluntary donations by an association other than a political committee collected or expended for the purpose of influencing the nomination for election or election of a candidate.

Subd. 15. "Political party" means both major political party and minor political party.

Subd. 16. "Public official" means:

(a) Members of the legislature;

(b) Persons who hold constitutional office in the executive branch and their chief administrative deputies;

(c) Members of state boards and commissions who have rule making authority;

(d) Persons employed by the legislature as secretary of the senate, legislative auditor, chief clerk of the house, revisor of statutes, and researcher or attorney of the office of legislative research;

(e) Persons who are employed by the executive branch whose positions are specified in Minnesota Statutes, Section 15A.081; and

(f) Persons employed as chairmen of the metropolitan council, metropolitan transit commission, metropolitan sewer board and metropolitan airports commission.

Sec. 3. [STATE ETHICS COMMISSION.] Subdivision 1. There is hereby created a state ethics commission composed of six members. The members shall be appointed by the governor with the advice and consent of the senate. No more than half of the governor's appointees shall support the same political party.

Subd. 2. The appointments shall be for a term of four years. Of the six original appointees, two shall serve a two-year term, two shall serve a three-year term, and two shall serve a four-year term, as determined by lot. Each of the original terms shall begin on the effective date of this act. All appointments to terms subsequent to the original terms, except one made to fill a vacancy, shall be for terms of four years. All appointments shall be made within 60 days of the date on which a vacancy occurs.

Subd. 3. Four members of the commission shall constitute a quorum and a vacancy in the membership of the commission shall not impair the right of the remaining members to exercise all of the powers of the commission.

Subd. 4. The commission shall hold an organizational meeting within 30 days after the effective date of this act at which time the members of the commission shall elect from among their members a chairman, a vice-chairman and a secretary. The secretary shall keep a record of all proceedings and actions by the commis-

sion. Meetings of the commission shall be at the call of the chairman or at the call of any four members of the commission acting together.

Subd. 5. The commission shall appoint an executive director who shall be in the unclassified service. The commission may also employ and prescribe the duties of other permanent or temporary employees in the unclassified service as may be necessary to administer sections 1 to 36, subject to appropriation. The executive director and all other employees shall serve at the pleasure of the commission. All administrative services such as supplies, office space and furnishings, payroll preparation and accounting services shall be provided to the commission by the secretary of state.

Subd. 6. Members of the commission shall receive \$35 for each day spent in the performance of their duties, and necessary and ordinary expenses in the same manner and amount as state employees.

Subd. 7. All members and employees of the commission shall be subject to any provisions of law regulating political activity by state employees. In addition, no member or employee of the commission shall be a candidate for, or holder of, (a) a national, state, congressional district, legislative district or county office in a political party, or (b) an elected public office for which party designation is required by statute. A member or employee may be elected as a delegate to a caucus or convention of a political party for the purpose of endorsing a candidate.

Subd. 8. The commission shall: (a) Report at the close of each fiscal year to the legislature, the governor and the public concerning the action it has taken, the names, salaries, and duties of all individuals in its employ and the money it has disbursed. The commission shall include and identify in its report any other reports it has made during the fiscal year and may indicate apparent abuses and make appropriate recommendations to the legislature for their resolution;

(b) Prescribe forms for statements and reports required to be filed under sections 1 to 36 and make the forms available to persons required to file them;

(c) Make available to the persons required to file the reports and statements a manual setting forth the recommended uniform methods of bookkeeping and reporting;

(d) Develop a filing, coding, and cross-indexing system consistent with the purposes of sections 1 to 36;

(e) Make the reports and statements filed with it available for public inspection and copying by the end of the second day following the day on which they were received. Any person may copy a report or statement by hand or by duplicating machine and the commission shall provide duplicating services at cost for this purpose. No information copied from reports and statements shall be sold or utilized by any person for any commercial purpose;

(f) Preserve reports and statements for a period of six years from the date of receipt;

(g) Compile and maintain a current list and summary of all statements or parts of statements pertaining to each candidate;

(h) Prepare and publish reports as it may deem appropriate; and

(i) Prescribe as necessary, pursuant to Minnesota Statutes, Chapter 15, rules and regulations to carry out the purposes of sections 1 to 36.

Subd. 9. The executive director of the commission or his staff shall inspect all material filed with the commission as promptly as is necessary to comply with the provisions of sections 1 to 36. The executive director shall immediately notify the person required to file a document with the commission if a written complaint is filed with the commission by any registered voter alleging, or it otherwise appears, that a document filed with the commission is inaccurate or does not comply with the provisions of sections 1 to 36 or that a person has failed to file a document required by sections 1 to 36.

Subd. 10. The commission may make audits and investigations with respect to statements and reports which are filed or which should have been filed under the provisions of sections 1 to 36. In all matters relating to its official duties, the commission shall have the power to issue subpoenas and cause them to be served. If a person does not comply with a subpoena, the commission may apply to the district court of Ramsey county for issuance of an order compelling obedience to the subpoena by a proper order. A person failing to obey the order is punishable by the court as for contempt.

Subd. 11. Any hearing or action of the commission concerning any complaint or investigation shall be confidential and all information obtained by the commission shall be privileged until the commission makes a finding that the commission believes there is reasonable cause to conclude that a violation of this act or other campaign laws has occurred. Any person, including any member or employee of the commission, violating the confidentiality provisions of this subdivision shall be guilty of a gross misdemeanor.

Subd. 12. The commission may, upon request, issue and publish advisory opinions on the requirements of sections 1 to 36 based upon real or hypothetical situations. Applications for an advisory opinion may be made only by those who wish to use the opinion to guide their own conduct. The commission shall issue written opinions on all such questions submitted to it within 14 days after taking the matter under consideration.

Subd. 13. The commission may form committees to discharge the duties established by sections 1 to 36.

Subd. 14. The provisions of Minnesota Statutes, Chapter 15, shall apply to the commission.

Sec. 4. [LOBBYIST REGISTRATION.] Subdivision 1. Each lobbyist shall file a registration form with the commission within 14 days after he commences lobbying.



Subd. 2. The registration form shall be prescribed by the commission and shall include (a) the full name and complete address of the lobbyist, (b) the principal place of business of the lobbyist, (c) the full name and complete address of each person, if any, by whom the lobbyist is retained or employed or on whose behalf the lobbyist appears, and (d) a general description of the subject or subjects on which the lobbyist expects to lobby. If the lobbyist lobbies on behalf of an association, the registration form shall include the name and address of the officers of the association, the approximate number of members and an outline of the procedure by which the association adopts policy positions.

Sec. 5. [LOBBYING REPORTS.] Subdivision 1. Each lobbyist shall file reports of his activities with the commission as long as he lobbies.

Subd. 2. Each report shall cover the time from the last day of the period covered by the last report to 15 days prior to the current filing date. The reports shall be filed with the commission by the following dates:

- (a) February 15
- (b) April 15
- (c) June 15
- (d) October 15

Subd. 3. Each person or association about whose activities a lobbyist is required to report shall provide the information required by sections 4 to 7 to the lobbyist no later than five days before the prescribed filing date.

Subd. 4. The report shall include all information required on the registration form and the following information for the reporting period:

(a) The lobbyist's total disbursements on lobbying and a breakdown of those disbursements into categories specified by the commission, including but not limited to: the cost of publication and distribution of each publication used in lobbying; other printing; media, including the cost of production; postage; travel; fees, including allowances; entertainment; telephone and telegraph; and other expenses;

(b) Each honorarium, gift or loan, excluding contributions to a candidate, equal in value to \$50 or more, paid to any public official by the lobbyist or any employer of the lobbyist; and

(c) Each original source of funds in excess of \$1,000 used for the purpose of lobbying. The list shall include the name and address of each payer of funds in excess of \$1,000.

Subd. 5. The commission shall notify by registered mail any lobbyist who fails within 14 days after a filing date imposed by section 4 or 5 to file a report or statement required by section 4

or 5. A lobbyist who knowingly fails to file such a report or statement within seven days after receiving notice from the commission is guilty of a misdemeanor.

Sec. 6. [LOBBYIST REPORT.] Within 30 days after each lobbyist filing date set by section 5, the executive director of the commission shall report to the governor, the secretary of the senate and the chief clerk of the house of representatives, the names of the lobbyists registered who were not previously reported, the names of the persons or associations whom they represent as lobbyists and the subject or subjects on which they are lobbying. This report shall be incorporated into the journal of each body of the legislature.

Sec. 7. [CONTINGENT FEES PROHIBITED.] No person shall employ a lobbyist for compensation which is dependent upon the result or outcome of any legislative or administrative action. Any person who violates the provisions of this section is guilty of a gross misdemeanor.

Sec. 8. [CONFLICTS OF INTEREST.] Subdivision 1. Any public official who in the discharge of his official duties would be required to take an official action which would substantially affect his financial interests or those of a business with which he is associated, unless the effect on him is no greater than on other members of his business classification, profession or occupation, shall take the following actions:

(a) He shall prepare a written statement describing the matter requiring action or decision and the nature of his potential conflict of interest;

(b) He shall deliver copies of the statement to the commission and to his immediate superior, if any;

(c) If he is a legislator, he shall deliver a copy of the statement to the secretary of the senate or the chief clerk of the house; and

(d) If a potential conflict of interest presents itself and there is insufficient time to comply with the provisions of clauses (a) to (c), the public official shall verbally inform his superior or the official body, or committee thereof, in which he serves of the potential conflict. He shall file a written statement with the commission within one week after the potential conflict presents itself.

Subd. 2. If the public official is not a legislator, his superior shall assign the matter, if possible, to another employee who does not have a potential conflict of interest. If he has no immediate superior, the public official shall remove himself, if possible, in a manner prescribed by the commission from influence over the action or decision in question. If the public official is a legislator, the body of which he is a member may, at his request, excuse him from taking part in the action or decision in question.

Sec. 9. [REPRESENTATION DISCLOSURE.] Any public official who represents a client for a fee before any board or commission which has rule making authority in a hearing con-

ducted under Minnesota Statutes, Chapter 15, shall disclose his participation in the action to the commission within 14 days after his appearance.

Sec. 10. [STATEMENTS OF ECONOMIC INTEREST.] Subdivision 1. An individual shall file a statement of economic interest with the commission:

(a) Within 60 days of accepting employment as a public official; or

(b) Within 14 days after filing an affidavit of candidacy or petition to appear on the ballot for an elective public office; or

(c) In the case of a public official requiring senate confirmation, prior to the submission of his name to the senate for confirmation, and in any event, within 60 days after he undertakes the duties of his office.

Subd. 2. The secretary of state or the appropriate county auditor upon receiving an affidavit of candidacy or petition to appear on the ballot from an individual required by this section to file a statement of economic interest, and any official who nominates or employs a public official required by this section to file a statement of economic interest, shall notify the commission of the name of the individual required to file a statement and the date of the affidavit, petition or nomination.

Subd. 3. The commission shall notify the secretary of state or the appropriate county auditor and, when necessary in the case of appointive office, the secretary or chief clerk of the body that will approve or disapprove the nomination, of the name of the individual who has filed a statement of economic interest with the commission and the date on which the statement was filed.

Subd. 4. The commission shall notify by registered mail any candidate for elective office who fails within 14 days after filing for office to submit a statement of economic interest required by this section. A candidate who knowingly fails to submit a statement of economic interest within seven days after receiving notice from the commission is guilty of a misdemeanor.

Subd. 5. A statement of economic interest required by this section shall be on a form prescribed by the commission. The individual filing shall provide the following information:

(a) His name, address, occupation and principal place of business;

(b) The name of each business with which he is associated and the nature of that association; and

(c) Real property within the state in which he has a fee simple interest, a contract for deed or an option to buy, whether direct or indirect, and which interest is valued in excess of \$2,500, excluding homestead property. The filing shall indicate the county and municipality, if any, wherein the property is located.

Subd. 6. Each individual who is required to file a statement of economic interest shall file a supplementary statement on April 15 of each year.

Subd. 7. All public officials in office on the effective date of this act shall file with the commission a statement of economic interest within 60 days after the date the commission issues statement of economic interest forms.

Subd. 8. Any public official, except a member of the legislature or a constitutional officer, who is required to file a statement of economic interest and fails to do so by the prescribed deadline may be suspended without pay by the commission and the personnel board in the manner prescribed by Minnesota Statutes, Section 43.06, in the case of a public official in the classified service of the state, and by the commission in the manner prescribed in the contested case procedures in Minnesota Statutes, Chapter 15, in the case of any other public official.

Sec. 11. [PENALTY FOR FALSE STATEMENTS.] A report or statement to be filed by sections 3 to 11 shall be signed and certified as true by the person required to file the report. Any person who signs and certifies to be true a report or statement which he knows contains false information or who knowingly omits required information is guilty of a felony.

Sec. 12. [ORGANIZATION OF POLITICAL COMMITTEES.] Subdivision 1. Every political committee shall have a chairman and a treasurer.

Subd. 2. No contribution shall be accepted and no expenditure shall be made by or on behalf of a political committee at a time when there is a vacancy in the office of treasurer.

Subd. 3. The treasurer of a political committee may appoint as many deputy treasurers as necessary and shall be responsible for their accounts.

Subd. 4. The treasurer of a political committee may designate not more than two depositories in each county in which a campaign is conducted.

Subd. 5. No funds of a political committee shall be commingled with any personal funds of officers, members or associates of the committee.

Subd. 6. Except for transfers of funds between political committees and transfers from the state election campaign fund a political committee shall be financed solely through voluntary donations by natural persons or political funds.

Subd. 7. Any person knowingly violating the provisions of this section is guilty of a misdemeanor.

Sec. 13. [POLITICAL FUNDS.] Subdivision 1. No association shall make a transfer of funds to a candidate or political committee or make an expenditure which has as its purpose the influencing of the nomination for election or election of a candi-

date unless it is a political committee or unless the funds for the contribution or expenditure come solely from a political fund. The political fund shall have the following characteristics:

(a) The political fund shall be financed solely through voluntary donations by natural persons;

(b) The contents of the political fund shall not be commingled with any other funds or with the personal funds of any officer or member of the fund;

(c) Each association which has a political fund shall elect or appoint a treasurer of the political fund; and

(d) No donations to the political fund shall be accepted and no expenditures from the political fund shall be made while the office of treasurer of the political fund is vacant.

Subd. 2. Notwithstanding subdivision 1, a labor organization as defined in Minnesota Statutes, Section 179.01, may transfer money from its treasury to its political fund. The name and address of a dues paying member of the labor union need not be disclosed pursuant to section 21, subdivision 3, clauses (b) and (c), as to his contributions to the political fund from his dues of \$50 or less.

Subd. 3. Any person who knowingly violates the provisions of this section is guilty of a misdemeanor.

Sec. 14. [ACCOUNTS WHICH MUST BE KEPT.] Subdivision 1. It shall be the duty of the treasurer of a political committee or political fund to keep an account of:

(a) The sum of all contributions except any contribution in kind valued at less than \$20 made to or for the political committee or political fund;

(b) The full name and mailing address, if any, of any person making a contribution in excess of \$20, and the date and amount thereof; and

(c) All expenditures made by or on behalf of the committee or fund.

Any person violating any provision of this subdivision is guilty of a misdemeanor.

Subd. 2. The treasurer shall obtain a receipted bill, stating the particulars, for every expenditure made by or on behalf of a political committee or political fund of over \$100, and for any expenditure in a lesser amount if the aggregate amount of lesser expenditures to the same person during a year exceeds \$100. The treasurer shall preserve all receipted bills and accounts required to be kept by this section for four years.

Sec. 15. [REGISTRATION OF POLITICAL COMMITTEES AND POLITICAL FUNDS.] Subdivision 1. The treasurer of a political committee or political fund shall register with the commission by filing a statement of organization no later than 14 days after the date upon which the committee or fund has re-

ceived contributions or made expenditures in excess of \$100. However, in the first year of this act, treasurers shall file within 14 days after the commission issues political committee or political fund registration forms.

Subd. 2. The statement of organization shall include:

(a) The name and address of the political committee or political fund;

(b) The names and addresses of the supporting associations of a political fund;

(c) The geographic area in which it will operate and the purpose of the political committee or political fund;

(d) The name, address and position of the custodian of books and accounts;

(e) The name and address of the chairman, the treasurer, and any other principal officers including deputy treasurer, if any;

(f) The name, address, office sought, and party affiliation, if any, of each candidate whom the committee or political fund is supporting or, if the committee or political fund is supporting the entire ticket of any party, the name of the party;

(g) A statement as to whether the committee or political fund is a continuing one;

(h) A listing of all depositories or safety deposit boxes used; and

(i) A statement as to whether the committee is a principal campaign committee.

Subd. 3. Any change in information required in subdivision 2 shall be forwarded to the commission by the chairman or treasurer of the political committee or political fund within 14 days of the change.

Subd. 4. The commission shall notify any person who fails to file a statement required by this section. A person who knowingly fails to file such a statement within seven days after receiving notice from the commission is guilty of a gross misdemeanor.

Sec. 16. [CONTRIBUTIONS.] Subdivision 1. Anonymous contributions in excess of \$20 shall not be retained by any political committee or political fund, but shall be forwarded to the commission and deposited to the general account of the state elections campaign fund.

Subd. 2. Every person who receives a contribution in excess of \$20 for a political committee or political fund shall, on demand of the treasurer, and in any event within 14 days after receipt of the contribution, inform the treasurer of the amount, the name and the address, if known, of the person making the contribution and the date it was received.

Subd. 3. All monetary contributions received by or on behalf of any candidate or political committee or political fund shall

within five days after the receipt thereof, Sundays and holidays excepted, be deposited in a designated depository in an account designated "Campaign Fund of . . . (name of committee or fund)".

Subd. 4. Any person violating the provisions of this section is guilty of a misdemeanor.

Sec. 17. [EARMARKING.] Any person, political committee or political fund which receives contributions or transfers of funds from any person or association with the condition, express or implied, that those funds or any part of them be directed to a particular candidate shall disclose to the ultimate recipient of such funds and in the reports required by section 21, the original source of the funds, the fact that the funds were earmarked and the candidate to whom they are directed. The ultimate recipient of any funds so earmarked shall also disclose by report to the commission the original source of the funds, and the person, political committee, or political fund through which they were directed. This section applies only to those contributions required to be disclosed by section 21. Any person or association who knowingly accepts earmarked funds and fails to make the required disclosures is guilty of a gross misdemeanor.

Sec. 18. [EXPENDITURES.] Subdivision 1. All expenditures including the transfer of funds between political committees or political funds shall be authorized by the treasurer or deputy treasurer of the committee or fund making that expenditure.

Subd. 2. No person or persons acting in concert other than the candidate and the treasurer of the candidate's principal campaign committee may make expenditures of more than \$20 with the authorization or consent, express or implied, of a candidate or his agent, or under the control, direct or indirect, of a candidate or his agent on behalf of a candidate without receiving from the treasurer of that candidate's principal campaign committee (i) prior written authorization and (ii) certification that the expenditures will not exceed the limits on expenditures as set forth in sections 26 and 28. All such expenditures shall be counted against the spending limitations of the candidate.

Subd. 3. The treasurer or deputy treasurer of a political committee may make an authorization for petty cash in any reporting period of not more than \$100 per week for statewide elections and \$20 per week in legislative elections to be used for miscellaneous expenditures.

Subd. 4. Each authorization shall state the amount and purpose of the expenditure and shall be signed by the treasurer or deputy treasurer of the committee making the expenditure and by the individual making the expenditure.

Subd. 5. Any political committee, political fund or person who solicits or accepts contributions or makes expenditures on behalf of any candidate without the written authorization of the candidate shall publicly disclose its lack of authorization. In all written communications with those from whom it solicits or accepts con-

tributions or to whom it makes expenditures, the committee, fund or person shall state in writing and in conspicuous type that it is not authorized by the candidate and that the candidate is not responsible for its activities. A similar oral statement shall be included in all oral communications. A similar written statement shall be included in conspicuous type on the front page of all literature and advertisements published or posted and a similar oral statement included at the end of all broadcast advertisements by the committee, fund or person in connection with the candidate's campaign.

Subd. 6. Any violation of the provisions of subdivisions 1, 2, 3, and 5 of this section is a misdemeanor. Any person who falsely claims the lack of authorization is guilty of a misdemeanor.

Sec. 19. [BILLS WHEN RENDERED AND PAID.] Every person who has a bill, charge or claim against any political committee or political fund for any expenditure shall render in writing to the treasurer of the committee or fund the bill, charge or claim within 60 days after the material or service is provided. The willful failure to so present the bill, charge or claim is a misdemeanor.

Sec. 20. [PRINCIPAL CAMPAIGN COMMITTEE.] Subdivision 1. Every candidate shall designate and cause to be formed a single principal campaign committee.

Subd. 2. A candidate may at any time without cause remove and replace the chairman, treasurer, deputy treasurer or any other officer of the candidate's principal campaign committee.

Sec. 21. [CAMPAIGN REPORTS.] Subdivision 1. Every treasurer of a political committee or political fund shall file the reports required by this section if it receives contributions or makes expenditures in excess of \$100 in that year. Each treasurer shall make a good faith effort to ascertain and provide the information required by subdivision 3.

Subd. 2. The reports shall be filed with the commission by the following dates:

(a) In years in which any candidate being supported does not stand for election:

- (1) January 7; and
- (2) June 7;

(b) In years in which any candidate being supported does stand for election;

- (1) January 7;
- (2) June 7;
- (3) August 7;
- (4) Five days before any primary election in which the candidate stands for election;
- (5) October 7;



(6) Five days before any general election in which the candidate stands for election; and

(7) 30 days after the general election in which a candidate stands for election;

(c) In special or special primary elections in which a candidate stands for election:

(1) 30 days before the election; and

(2) Five days before the election.

Subd. 3. Each report under this section shall disclose:

(a) The amount of liquid assets on hand at the beginning of the reporting period;

(b) The full name, mailing address and employer, or, if self-employed, occupation, of each person, political committee or political fund which has made one or more contributions within the year to a candidate's political committee in an aggregate amount or value in excess of \$50 in the case of a candidate for legislative office or in excess of \$100 in the case of a candidate for statewide office including the purchase of tickets for dinners, luncheons, rallies, and similar fund raising events. The disclosure shall include a list of all these contributors in alphabetical order together with the amount and date of the contribution;

(c) The full name, mailing address and employer, or, if self-employed, occupation, of each person, political committee or political fund which has made one or more contributions within the year in an aggregate amount or value in excess of \$100 to or for the reporting political committee or political fund including the purchase of tickets for dinners, luncheons, rallies, and similar fund raising events, if the reporting political committee or political fund makes a contribution within the year in an aggregate amount or value in excess of \$100 to a candidate for statewide office. The disclosure shall include a list of all these contributors in alphabetical order together with the amount and date of the contribution;

(d) The full name, mailing address and employer, or, if self-employed, occupation, of each person, political committee or political fund which has made one or more contributions within the year in an aggregate amount or value in excess of \$50 to or for the reporting political committee or political fund including the purchase of tickets for dinners, luncheons, rallies, and similar fund raising events, if the reporting political committee or political fund makes a contribution within the year in an aggregate amount or value in excess of \$50 to a candidate for legislative office. The disclosure shall include a list of all these contributors in alphabetical order together with the amount and date of the contribution;

(e) The total sum of all receipts by or for the political committee or political fund during the reporting period;

(f) The full name and mailing address, if known, of each person to whom expenditures have been made by the political committee or political fund or on its behalf within the year in an

aggregate amount in excess of \$100, the amount, date and purpose of each expenditure;

(g) The sum of individual expenditures which are not otherwise reported under clause (d);

(h) The sum of expenditures made by the political committee or political fund during the reporting period; and

(i) The amount and nature of debts.

Subd. 4. The reports shall cover the time from the last day of the period covered by the last report to seven days prior to the filing date.

Subd. 5. Every person, other than a political committee or political fund, who makes expenditures, other than by contribution to a political committee or political fund, in an aggregate amount in excess of \$100 within a year shall file with the commission a statement containing the information required of a political committee, political fund or candidate. Statements required by this subdivision shall be filed on the dates on which reports by committees are filed.

Subd. 6. If no contribution is received or expenditure made by or on behalf of a candidate, political fund or political committee during a reporting period, the treasurer of the committee or fund shall file with the commission at the times required by this section a statement to that effect.

Subd. 7. Any person who fails to file a report required by this section is guilty of a petty misdemeanor. The commission shall notify within seven days after a filing date by registered mail any person who fails to file a report or statement required by this section. A person who knowingly fails to file such a report or statement within seven days after receiving notice from the commission is guilty of a gross misdemeanor.

Subd. 8. The commission shall exempt any person, association, or any of its members or contributors from the provisions of this section if disclosure would expose that person or any or all of the members or contributors of or to an association to:

(a) Economic reprisals;

(b) Loss of employment; or

(c) Threat of physical coercion.

An association may seek an exemption for all of its members or contributors only if it proves by clear and convincing evidence that a substantial number of its members or contributors would suffer a restrictive effect on their freedom of association if members were required to seek exemption individually.

Subd. 9. A political committee or a political fund or any of its members or contributors shall have standing to seek an exemption. All applications for exemption shall be treated as contested cases within the meaning of Minnesota Statutes, Chapter 15. The commission by rule shall establish a procedure so that any individual

seeking an exemption may proceed anonymously if he would be exposed to the reprisals listed in subdivision 8 were he to reveal his identity for the purposes of the hearing.

Subd. 10. No person or association shall engage in economic reprisals or threaten loss of employment or physical coercion against any person or association because of that person's or association's political contributions or political activity. This subdivision shall not apply to compensation for employment or loss of employment when the political affiliation or viewpoint of the employee is a bona fide occupational qualification of the employment. Any person or association which violates this subdivision is guilty of a gross misdemeanor.

Sec. 22. [REPORTS TO COUNTY AUDITOR.] Subdivision 1. All reports or statements that must be filed with the commission by the principal campaign committee of legislative candidates shall also be filed with the county auditor of each county in which the legislative district lies.

Subd. 2. The copies of reports filed with the county auditor need not be certified copies.

Subd. 3. Statements and reports filed with county auditors shall be available to the public in the manner prescribed by section 3, subdivision 8, clause (e), and retained until four years after the election to which they pertain.

Sec. 23. [REQUIREMENTS RESPECTING REPORTS AND STATEMENTS.] Subdivision 1. A report or statement required by sections 12 to 36 to be filed by a treasurer of a political committee or political fund, or by any other person, shall be signed and certified as true by the person required to file the report. Any person who signs and certifies to be true a report or statement which he knows contains false information or who knowingly omits required information is guilty of a felony.

Subd. 2. Each contribution in kind shall be valued at fair market value and reported on the appropriate schedule of receipts, identified as to its nature and listed as "contribution in kind". The total amount of goods and services contributed in kind shall be deemed to have been consumed in the reporting period in which received. Each contribution in kind shall be declared as an expenditure at the same fair market value and reported on the appropriate expenditure schedule, identified as "contribution in kind". A candidate may refuse to accept any contribution in kind. For purposes of this subdivision "contribution in kind" means any contribution except money.

Subd. 3. In determining the aggregate of a person's contributions, the treasurer shall list contributions from the same donor under the same name. In each instance when a contribution received from a person in a reporting period is added to previously reported unitemized contributions from the same contributor and the aggregate exceeds the disclosure threshold of section 21, the name and address of that contributor shall then be listed on the prescribed reporting forms. A candidate may refuse to accept any contribution.

Subd. 4. A political committee or political fund making an expenditure, other than a transfer of funds, for or on behalf of more than one candidate for state or legislative office shall allocate the expenditure among the candidates on a reasonable cost basis and report this allocation for each candidate. The treasurer shall retain for audit any documents supporting the allocation.

Subd. 5. Each person required to file any report or statement shall maintain records on the matters required to be reported, including vouchers, cancelled checks, bills, invoices, worksheets, and receipts, which will provide in sufficient detail the necessary information from which the filed reports and statements may be verified, explained, clarified and checked for accuracy and completeness, and he shall keep the records available for audit, inspection, or examination by the commission or its authorized representatives for four years from the date of filing of the reports or statements or of changes or corrections thereto. Any person violating any provisions of this subdivision is guilty of a misdemeanor.

Subd. 6. The treasurer of a political committee or political fund shall not accept a contribution of more than \$100 from a political committee or political fund not registered in this state unless the contribution is accompanied by a written statement which lists the sources of the contribution in a manner which meets the disclosure requirements imposed by section 21, subdivision 3, clauses (b), (c) and (d). These statements shall be certified as true and correct by an officer of the contributing committee or political fund. The provisions of this subdivision shall not apply when the national affiliate of any political party in this state transfers money to its state affiliate and that money is expended by the state political party on behalf of candidates of that party generally, without referring to any of them specifically, in any advertisement published or posted, on any broadcast, or in any telephone conversation if that conversation mentions three or more candidates.

Subd. 7. The secretary of state shall cause one certified copy of each report or statement filed with him under section 309 of the federal election campaign act of 1971 to be delivered to the commission within 24 hours of the time he receives such report or statement.

Sec. 24. [CHANGES AND CORRECTIONS.] Any material changes in information previously submitted and any corrections to a report shall be reported in writing to the commission in the next report following the date of the event prompting the change or the date upon which the person filing became aware of the inaccuracy. The change or correction shall identify the form and the paragraph containing the information to be changed or corrected. Any person who willfully fails to report a material change or correction is guilty of a gross misdemeanor.

Sec. 25. [DISSOLUTION OR TERMINATION.] No political committee or political fund shall dissolve until it has settled all of its debts and filed a termination report. The termination report

shall include all information required in periodic reports and a statement as to the disposition of any residual funds.

Sec. 26. [LIMITS ON CAMPAIGN EXPENDITURES.] Subdivision 1. For the purposes of sections 26 to 36 a candidate for governor and a candidate for lieutenant governor, running together, shall be deemed to be a single candidate, and all expenditures made by or on behalf of the candidate for governor and all expenditures made by or on behalf of the candidate for lieutenant governor shall be considered to be expenditures by or on behalf of the candidate for governor.

Subd. 2. In a year in which a candidate stands for election no expenditures shall be made and no obligations to make expenditures shall be incurred by a candidate, political committee, political fund or individual which makes expenditures with the authorization, express or implied, and under the control, direct or indirect, of the candidate or his agents which results in the aggregate expenditure on behalf of the candidate of an amount in excess of the following amounts:

(a) For governor and lieutenant governor, running jointly, 15 cents per capita;

(b) For attorney general, four cents per capita;

(c) For secretary of state, state treasurer and state auditor, separately,  $1\frac{1}{4}$  cents per capita;

(d) For state senator, 25 cents per capita;

(e) For state representative, 25 cents per capita.

Subd. 3. Notwithstanding subdivision 2, a candidate for party endorsement at the convention of a political party may spend five percent of the amount in subdivision 2, prior to the time of endorsement. The money actually spent for endorsement shall be in addition to the money which may be expended pursuant to subdivision 2.

Subd. 4. Notwithstanding subdivision 2 with respect to the 1974 general election, expenses incurred prior to the effective date of this act shall not be counted against the spending limitations imposed by subdivision 2.

Subd. 5. If the winning candidate in a contested race in a primary election receives less than 70 percent of the vote cast in that election, he shall have added to the aggregate amount which may be expended by him or on his behalf an amount equal to one fourth of the applicable amount as set forth in subdivision 2 of this section, or the amount actually expended by him or on his behalf in the primary election, whichever is less.

Subd. 6. On or before January 31 of each election year, the commission shall determine and cause to be published generally the per capita amounts specified in subdivision 2. In determining the per capita amounts, the commission shall use:

(a) In the case of the elections for governor and lieutenant governor, attorney general, secretary of state, state treasurer and state auditor, the total population of the state;

(b) In the case of the elections for state senator, 1/67 of the total population of the state;

(c) In the case of elections for state representative, 1/134 of the total population of the state.

Subd. 7. On or before January 15 of each election year, the secretary of state shall certify to the commission the estimated total population of the state as of January 1 of that year.

Subd. 8. An expenditure is made in the year in which the goods or service for which it was made are used or consumed.

Sec. 27. [TRANSFERS OF FUNDS EXCEPTED.] A transfer of funds from any political committee or political fund other than a political party to the principal campaign committee of a candidate shall not be considered to be an expenditure of funds on behalf of the candidate by the political committee or political fund.

Sec. 28. [ADDITIONAL LIMITATIONS.] Subdivision 1. No political committee, political fund, or individual, except a political party or the principal campaign committee of a candidate shall make expenditures on behalf of a candidate, or transfer funds to the principal campaign committee of a candidate, in an amount in excess of ten percent of the amount that may be spent by or on behalf of that candidate as set forth in section 26.

Subd. 2. No political party shall make expenditures on behalf of a candidate or transfer funds to the principal campaign committee of a candidate in an amount in excess of 40 percent of the amount that may be spent by or on behalf of that candidate as set forth in section 26.

Subd. 3. Expenditures by a political party on behalf of candidates of that party generally, without referring to any of them specifically in any advertisement published or posted, on any broadcast, or in any telephone conversation, if that conversation mentions three or more candidates, shall not be subject to the limitations of section 26, subdivision 2.

Subd. 4. For the purposes of this section, a political party includes a political party's official organization within congressional districts, counties, legislative districts, municipalities, wards and precincts, and party organizations within a legislative body.

Sec. 29. [PRICE ADJUSTMENT.] At the beginning of each year, the commission shall obtain from the secretary of labor of the United States information as to the percent difference between the national price index for the 12 months preceding the beginning of the year and the price index for the base period which shall be 1973. Each amount determined under section 26 shall be increased by the percent difference. Each amount so increased after being rounded off to the nearest \$10 shall be the amount in effect for the year. For the purpose of this section, the term "price index" means the average over a year of the consumer price index (all items, United States city average published monthly by the United States bureau of labor statistics). In the event that there is a decline in the price index it shall not result in a reduction in the amounts

determined under section 26 and in any year after 1974 in which there is a decline in the price index, the amounts in effect shall be those in effect for the preceding general election.

**Sec. 30. [PENALTY FOR EXCEEDING LIMITS.]** Any person or association that makes expenditures in excess of the limitations imposed by sections 26 and 28 shall be subject to a fine equal to three times the amount by which its expenditure exceeded the limit. If the commission, a county attorney or the attorney general has reason to believe that a person or association has made such excess expenditures, it or he shall bring an action in the district court of Ramsey county or in the case of a legislative candidate a district court of a county within the legislative district, to impose this penalty. All moneys recovered pursuant to this section shall be deposited in the general account of the state elections campaign fund.

**Sec. 31. [CIRCUMVENTION PROHIBITED.]** Any attempt by a person to circumvent the provisions of sections 12 to 30 by redirecting funds through, or contributing funds on behalf of, another person is a gross misdemeanor.

**Sec. 32. [STATE ELECTIONS CAMPAIGN FUND.]** Subdivision 1. There is hereby established an account within the general fund of the state, to be known as the "state elections campaign fund".

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

**Sec. 33. [DESIGNATION OF INCOME TAX PAYMENTS.]** Subdivision 1. Effective with the taxable years beginning after December 31, 1973, every individual whose income tax liability after personal credit for the taxable year is \$1 or more may designate that \$1 shall be paid into the state elections campaign fund. In the case of a joint return of husband and wife having an income tax liability of \$2 or more, each spouse may designate that \$1 shall be paid.

Subd. 2. The taxpayer may designate that the \$1 be paid into the account of a political party or into the general account.

Subd. 3. The income tax form provided to taxpayers shall include:

(a) A section on the first page in legible type which shall say: "In order to promote financing of election campaigns by the people, the law allows you to allocate \$1 of your taxes to the financing of campaigns of candidates of the party of your choice for state offices. The dollar is not an additional tax. It is an allocation of \$1 of your tax to the state elections campaign fund. The allocation is voluntary. If you are filing a joint return you may allocate \$1 each." The form shall state that each \$1 on a joint return may be allocated independently.

(b) The form shall then contain a line stating: "I hereby direct \$1 of my taxes to be distributed to state candidates," and shall then provide for boxes which may be marked designating

one of the following: (i) each major political party listed in the sequence they are listed on the last general election ballot; (ii) the name of any minor party which has either appeared on the ballot on a statewide election in the last previous general election or submitted a petition which contains the names of 2,000 persons registered to vote in Minnesota to the secretary of state by June 1 of that taxable year; and (iii) distribution to all qualifying candidates proportionately.

Subd. 4. All moneys designated by individual taxpayers for the state elections campaign fund shall be credited to the appropriate account in the general fund of the state and shall be annually appropriated for distribution as set forth in subdivisions 5, 6, 7 and 8.

Subd. 5. In each fiscal year, ten percent of the moneys in each account, except the general account, shall be distributed directly to the party of the candidates to be funded from that account. The distribution shall occur on September 1 of each year. The remaining 90 percent of the money in each party account, and all of the moneys in the general fund shall be distributed in accordance with subdivisions 6, 7 and 8.

Subd. 6. (a) In each fiscal year, 40 percent of the moneys in each account shall be set aside for candidates for statewide office.

(b) Of the amount set aside in clause (a), 40 percent shall be distributed to the candidates for governor and lieutenant governor jointly; 24 percent shall be distributed to the candidate for attorney general; and 12 percent each shall be distributed to the candidates for secretary of state, state treasurer and state auditor. If there is no nominee of that party for one of the offices, the share set aside for that office shall be distributed to the other statewide candidates of that party in the same proportions as the original amount.

(c) Within two weeks of the certification by the state canvassing board of the results of the primary election, the state treasurer shall distribute available funds in each account, other than the general account, of the state elections fund to the appropriate candidates as prescribed in clauses (a) and (b).

(d) Within two weeks of the certification by the state canvassing board of the results of the general election, the state treasurer shall distribute the available funds in the general account in the same proportions as provided in clause (b), in an equal amount to each candidate who received at least five percent of the vote cast for the office for which he was a candidate.

Subd. 7. (a) In each fiscal year, 20 percent of the moneys in each account shall be set aside for candidates for state senate.

(b) The amount set aside in clause (a) shall be distributed in equal shares to each of the candidates for state senate of that party.

(c) Within two weeks of the certification by the state canvassing board of the results of the primary election, the state



treasurer shall distribute available funds in each account, other than the general account, to the appropriate candidates as prescribed in clauses (a) and (b).

(d) Within two weeks of the certification by the state canvassing board of the results of the general election, the state treasurer shall distribute the available funds in the general account in an equal amount to each candidate who received at least ten percent of the votes cast for the office for which he was a candidate.

Subd. 8. (a) In each fiscal year, 40 percent of the moneys in each account shall be set aside for candidates for state representative.

(b) The amount set aside in clause (a) shall be distributed in equal shares to each of the candidates for state representative of that party.

(c) Within two weeks of the certification by the state canvassing board of the results of the primary election, the state treasurer shall distribute available funds in each account, other than the general account, to the appropriate candidates as prescribed in clauses (a) and (b).

(d) Within two weeks of the certification by the state canvassing board of the results of the general election, the state treasurer shall distribute the available funds in the general account in an equal amount to each candidate who received at least ten percent of the votes cast for the office for which he was a candidate.

Sec. 34. [LIMITATIONS UPON THE STATE ELECTION CAMPAIGN FUND.] Subdivision 1. No candidate shall be entitled to receive from the state elections campaign fund an amount greater than the total amount of expenditures which may be made by or on behalf of the candidate under sections 26 and 28.

Subd. 2. No candidate shall be entitled to receive from the state elections campaign fund an amount greater than the total amount actually expended by or on behalf of the candidate.

Subd. 3. As a condition of receiving any funds from the state elections campaign fund, any candidate, prior to receipt of the funds, shall agree that his principal campaign committee shall not accept contributions exceeding 105 percent of the difference between the amount which may legally be expended by or on behalf of that candidate, and the amount which the candidate receives from the state elections campaign fund.

Subd. 4. If a political party for whose candidates funds have been accumulated in the state elections campaign fund does not have a candidate for statewide office, state representative or state senator, the moneys which would be used for distribution to that category or categories shall be transferred to the general account.

Sec. 35. [APPLICATION.] The provisions of sections 32 to 34 shall apply only in general elections and primary elections preceding general elections and shall not include special elections, special primary elections, conventions, and caucuses of a political party.

Sec. 36. [REMEDIES.] Subdivision 1. A person charged with a duty under sections 1 to 36 shall be personally liable for the penalty for failing to discharge it.

Subd. 2. The commission, the attorney general or the county attorney may seek an injunction in the district court to enforce the provisions of sections 1 to 36.

Subd. 3. Unless otherwise provided, a violation of sections 1 to 36 is not a crime.

Sec. 37. [APPROPRIATION.] There is hereby appropriated to the state ethics commission from the general fund \$. . . . . for the purposes of this act.

Sec. 38. Minnesota Statutes 1971, Section 290.06, is amended by adding a subdivision to read:

*Subd. 11. Effective for taxable years commencing after December 31, 1973, in lieu of the credit against taxable net income provided by section 290.21, subdivision 3, clause (c), a taxpayer may take a credit against the tax due under chapter 290 of 50 percent, but not more than \$12.50, of his contributions to a political party or candidate. A married couple, filing jointly, may take a similar credit of not more than \$25.*

Sec. 39. Minnesota Statutes 1971, Section 210.20, is amended to read:

210.20 [FAILURE BY CANDIDATE TO FILE STATEMENT.] Every candidate for nomination or election to any elective office *except governor, lieutenant governor, attorney general, secretary of state, state treasurer, state auditor, state senator and state representative*, who *intentionally* fails to make and file the verified statement of moneys contributed, disbursed, expended, or promised by him, or by any other person, committee, or organization for him, so far as he can learn, in the manner, within the time, and with the details required by ~~law~~ *chapter 211*, or who enters upon the duties of any such office, or receives any salary or emolument therefrom, *with knowledge that before he has so filed such statement has not been filed*, and every officer who issues a commission or certificate of election to any person *before with knowledge that such statement shall have has not been so filed, shall be is* guilty of a gross misdemeanor.

Sec. 40. Minnesota Statutes 1971, Section 211.01, Subdivision 3, is amended to read:

Subd. 3. "Candidate" means every person for whom it is contemplated or desired that votes may be cast at any election or primary, and who either tacitly or expressly consents to be so considered, except candidates for president and vice president of the United States. *In sections 211.06, 211.16, 211.17, 211.19, 211.20, 211.21, 211.22, 211.25 and 211.32, "candidate" does not mean a person for whom it is contemplated or desired that votes may be cast at any election or primary, and who either tacitly or expressly consents to be so considered, for governor, state officer, state senator, or membership in the house of representatives.*

Sec. 41. Minnesota Statutes 1971, Section 211.06, is amended to read:

211.06 [EXPENDITURES, LIMIT.] No disbursement shall be made and no obligation, express or implied, to make such disbursement, shall be incurred by any candidate or his personal campaign committee for any office under the ~~constitution or~~ laws of this state, or under the ordinance of any municipality of this state in his campaign for nomination and election, which shall be in the aggregate in excess of the amounts herein specified:

(a) For governor, \$7,000, and in addition, five cents for each of the total number of persons who voted in the state at the last general election;

(b) For other state officers, \$3,500, and in addition, five cents for each of the total number of persons who voted in the state at the last general election;

(c) For state senator, \$300, and in addition, five cents for each of the total number of persons who voted in the district at the last general election;

(d) For member of house of representatives, \$600, and in addition, five cents for each of the total number of persons who voted in the district at the last general election;

(e) For any county, city, village, or town officer, for any judge or for any officer not hereinbefore mentioned, who, if nominated and elected, would receive a salary, a sum not exceeding one third of the salary for the office in the year that the election is held, with the minimum sum allowed, \$100. If such person, when nominated and elected, would not receive a salary, a sum not exceeding one third of the compensation which his predecessor received during the first year of such predecessor's incumbency, with the minimum sum allowed, \$100. If such officer, when nominated and elected, would not receive a salary and if such officer had no predecessor, and in all cases not specifically provided for, \$100, and no more.

(f) (b) The disbursements authorized in this section by a candidate for elective office shall be deductible as expenses for production of income or a business deduction under chapter 290.

Sec. 42. Minnesota Statutes 1971, Section 211.20, Subdivision 3, is amended to read:

Subd. 3. [STATEMENTS OF POLITICAL COMMITTEES.] Statements shall also be made by any political committee showing the total amount of receipts and disbursements, and for what purpose such disbursements were made. Such statement shall be filed within 30 days after any primary, municipal, or general election, as follows:

(a) When the committee is organized to support a candidate for a federal or state wide office with the filing officer of such candidate;

(b) When the committee is organized to support a candidate

for a legislative, judicial district, or county office with the auditor of the county in which such committee has its headquarters;

(c) When the committee is organized to support or oppose any constitutional amendment with the secretary of state;

(d) When the committee is organized to support a candidate for municipal office in municipalities having more than 20,000 population or to support or oppose propositions in elections in such municipalities with the filing officer of the municipality.

Sec. 43. [EFFECTIVE DATE.] This act shall take effect the day following final enactment. The commission shall be appointed within 30 days of the effective date of this act and shall promulgate the rules within 30 days of its appointment. No statement or report required to be filed by this act need be filed until 30 days after the commission adopts and makes available the forms for the statements or reports.

Sec. 44. Minnesota Statutes 1971, Sections 3.87; 3.88; 3.89; 3.90; 3.91; and 3.92 are repealed."

Further, strike the title and insert in lieu thereof:

"A bill for an act relating to ethics in government; regulating lobbyists, conflicts of interest and election expenses and contributions; providing penalties; appropriating money; amending Minnesota Statutes 1971, Sections 210.20; 211.01, Subdivision 3; 211.06; 211.20, Subdivision 3; and 290.06, by adding a subdivision; repealing Minnesota Statutes 1971, Sections 3.87; 3.88; 3.89; 3.90; 3.91; and 3.92."

And when so amended the bill do pass and be re-referred to the Committee on Taxes & Tax Laws.

February 12, 1974

Pursuant to Rule 56, a roll call was taken on the motion of Mr. Jensen to further amend H. F. No. 951 as follows:

Page 37, after line 16, insert a new section to read:

"Sec. 43. Minnesota Statutes 1971, Section 210.21, is amended to read:

210.21 [CONTRIBUTIONS BY CORPORATIONS AND LABOR ORGANIZATIONS; PENALTIES.] It shall be unlawful for any corporations organized for pecuniary profit that are the subjects of public supervision or labor organizations as defined in section 179.01 to make a contribution of moneys from its corporation ~~their~~ funds to any political committee or to any person for the purpose of aiding in carrying on any political canvass for the nomination or election of any person or persons to any office whatever. Any officer, stockholder, agent or employee of any such corporation or labor organization who shall take part in or consent to the making of a contribution of moneys or of any other thing of value contrary to the provisions of chapter 211 shall be fined not exceeding \$1,000 or be imprisoned in the state prison not exceeding one year, or both fined and imprisoned in the discretion of the court."

Renumber the remaining sections

Further, amend the title as follows:

Page 53, line 7, after "Sections," insert "210.21;"

There were yeas 3 and nays 9, as follows:

Those who voted in the affirmative were:

Messrs. Jensen, O'Neill and Pillsbury.

Those who voted in the negative were:

Messrs. Anderson; Davies; Doty; Humphrey; McCutcheon; Novak; Perpich, G.; Schaaf and Tennessen.

The amendment was not adopted.

February 12, 1974

Pursuant to Rule 56, a roll call was taken on the motion of Mr. O'Neill to further amend H. F. No. 951 as follows:

Page 28, after line 20, insert:

"Sec. 22. Any candidate who seeks nomination for election to any statewide office, state representative office, or state senate office in 1976, and the treasurer of each political committee or political fund of such candidate shall file in accordance with section 23 with the commission all records insofar as they exist on the effective date of this act of the source and the amount of each contribution received by the candidate or by the political committee or political fund since the date of the last election in which that person was elected to that particular office to which the candidate is seeking."

Renumber the remaining sections

Strike "to 37" wherever it appears and insert in lieu thereof "to 38"

Correct the cross references to the section numbers

There were yeas 6 and nays 8, as follows:

Those who voted in the affirmative were:

Messrs. Blatz, Jensen, Knutson, McCutcheon, O'Neill and Pillsbury.

Those who voted in the negative were:

Messrs. Anderson; Davies; Doty; Humphrey; Novak; Perpich, G.; Schaaf and Tennessen.

The amendment was not adopted.

February 12, 1974

Pursuant to Rule 56, a roll call was taken on the motion of Mr. Jensen to further amend H. F. No. 951 as follows:

Strike everything after the enacting clause and insert in lieu thereof:

"Section 1. [DEFINITIONS.] Subdivision 1. For the purposes of sections 1 to 7, the terms defined in this section have the meanings given them.

Subd. 2. "Candidate" means an individual who files for election

in any primary or general election for the office of senator or representative in congress, a constitutional office of this state, the office of state senator or state representative, county offices, or municipal offices in municipalities having more than 20,000 inhabitants.

Subd. 3. "Contribution" means:

(a) A gift, subscription, advance, deposit of money or anything of value. Loans of money shall be considered as contributions for reporting purposes;

(b) A contract, promise, or agreement, express or implied, whether or not legally enforceable, to make a contribution;

(c) A transfer of funds between political committees; or

(d) Any amounts paid to any person for services performed, or to be performed, in connection with the election of a candidate.

Sec. 2. [REPORTS BY CANDIDATES OF TOTAL CONTRIBUTIONS.] Each candidate shall make a report of contributions which shall disclose:

(a) The total dollar amount of contributions made to the candidate and to all committees promoting the election of the candidate. The candidate filing the report shall include all contributions to himself and to all committees known to the candidate to be working in his behalf whether or not they are personal campaign committees. If a committee working on behalf of the candidate refuses to disclose this information to the candidate he shall state this fact in his report; and

(b) The name and address and amount of each person or organization who made a contribution of more than \$50 to the candidate or any committee working in his behalf.

Sec. 3. [REPORT OF DISBURSEMENTS.] Each candidate shall make a report of disbursements which shall disclose the name of the person to whom the disbursement is made, the purpose for which it was made, the date when made and the total disbursements. The report shall also include an itemized list of unpaid commitments.

Sec. 4. [SIGNING AND FILING REPORTS.] Reports of contributions and disbursements shall be signed by the candidate and filed with the secretary of state on or before October 20 of the year in which the general election is held, and on January 5 of each year following the general election. The report due on October 20 shall include contributions and disbursements made from January 1 to October 15 of the year of the general election. The report due on January 5 of each year thereafter shall include all contributions received or disbursements made during the preceding year. Such reports shall be filed by both the successful candidate and the defeated candidate until the end of that term of office for which the person filed.

Sec. 5. [REPORTS OF ORGANIZATIONS.] Any organization of any kind making contributions to any candidate as defined herein, political party, or other organization for the purpose of influenc-

ing or supporting the election of any candidate or group of candidates shall report the contributions made to the organization during each calendar year. The report shall be filed on or before January 5. The report shall include the name of the organization, the officers, and the persons who made the decisions as to the distribution of funds to candidates or organizations. The report shall indicate what organization it is affiliated with, the method by which the funds were obtained, and the name and address of each person who made a contribution. The report shall include the amount of each contribution made to any candidate or committee and the date the contribution was made. Any organization making disbursements on behalf of or in opposition to any candidate shall include in the report an itemized statement of such disbursements.

Sec. 6. [FILING REPORTS.] Each report required herein shall be made on forms provided by the secretary of state, shall be filed with the secretary of state during the hours in which the office of the secretary of state is open for business, and shall be filed on or before the date on which the report is due. Whenever a reporting date falls on a day on which the office of the secretary of state is closed, the report shall be due on the next day on which that office is open for business. All reports required herein shall be in addition to other reports required by law.

Sec. 7. [VIOLATIONS.] Any person violating any provisions of this act shall be guilty of a gross misdemeanor. The filing officer of any candidate shall refuse to accept the filing for election or reelection in any subsequent year by any person who has failed to file any past reports required herein.

Sec. 8. [REPORTS; DUE DATE.] The first reports required by state senators, United States senators, and organizations covered by sections 1 to 7 shall be those due January 5, 1975. The first reports by all other candidates or other officeholders covered by sections 1 to 7 shall be those due October 20, 1974.

Sec. 9. [EFFECTIVE DATE.] This act shall take effect on the day following final enactment.

Sec. 10. Minnesota Statutes 1971, Sections 211.06, 211.16, 211.17, 211.20, 211.25, are repealed."

Further amend the title by striking it and inserting in lieu thereof:

"A bill for an act relating to elections; disclosure of campaign contributions and expenditures; providing penalties; repealing Minnesota Statutes 1971, Sections 211.06; 211.16; 211.17; 211.20; and 211.25."

There were yeas 3 and nays 10, as follows:

Those who voted in the affirmative were:

Messrs. Blatz, Jensen and Pillsbury.

Those who voted in the negative were:

Messrs. Anderson; Davies; Doty; Humphrey; McCutcheon; Novak; O'Neill; Perpich, G.; Schaaf and Tennesen.

The amendment was not adopted.

February 19, 1974

Pursuant to Rule 56, a roll call was taken on the motion of Mr. Keefe, J. to further amend H. F. No. 951 as follows:

Page 18, line 7, strike "dues or"

Page 18, line 20, strike "dues or"

There were yeas 5 and nays 8, as follows:

Those who voted in the affirmative were:

Messrs. Blatz; Jensen; Keefe, J.; O'Neill and Pillsbury.

Those who voted in the negative were:

Messrs. Anderson, Davies, Doty, Humphrey, Lord, Novak, Schaaf and Tennesen.

The amendment was not adopted.

February 19, 1974

Pursuant to Rule 56, a roll call was taken on the motion of Mr. Jensen to further amend H. F. No. 951 as follows:

Page 53, after line 17, add a new Section 44 as follows:

"Sec. 44. Minnesota Statutes 1971, Section 210.21, is amended to read:

210.21 [CONTRIBUTIONS BY CORPORATIONS AND LABOR ORGANIZATIONS; PENALTIES.] It shall be unlawful for any corporations organized for pecuniary profit that are the subjects of public supervision or labor organizations as defined in section 179.01 to make a contribution of moneys from its ~~corporation~~ *their* funds to any political committee or to any person for the purpose of aiding in carrying on any political canvass for the nomination or election of any person or persons to any office whatever. Any officer, stockholder, agent or employee of any such corporation or organization who shall take part in or consent to the making of a contribution of moneys or of any other thing of value contrary to the provisions of chapter 211 shall be fined not exceeding \$1,000 or be imprisoned in the state prison not exceeding one year, or both fined and imprisoned in the discretion of the court."

Number the remaining sections accordingly

Further amend the title as follows:

Page 54, line 7, after "Sections" insert "210.21;"

There were yeas 5 and nays 8, as follows:

Those who voted in the affirmative were:

Messrs. Blatz; Jensen; Keefe, J.; O'Neill and Pillsbury.

Those who voted in the negative were:

Messrs. Anderson, Davies, Doty, Humphrey, Lord, Novak, Schaaf and Tennesen.



The amendment was not adopted.

February 19, 1974

Pursuant to Rule 56, a roll call was taken on the motion of Mr. Anderson to further amend H. F. No. 951 as follows:

Page 24, line 5, strike everything after "\$100" and before "together"

Page 27, line 6, strike "in the"

Page 27, strike line 7

Page 27, line 8, strike "a legislative candidate"

Page 28, line 10, strike everything after "\$100" and before the period

There were yeas 4 and nays 8, as follows:

Those who voted in the affirmative were:

Messrs. Anderson, Davies, Novak and Tennesen.

Those who voted in the negative were:

Messrs. Blatz; Doty; Humphrey; Jensen; Keefe, J.; Lord; O'Neill and Pillsbury.

The amendment was not adopted.

February 19, 1974

Pursuant to Rule 56, a roll call was taken on the motion of Mr. Humphrey to further amend H. F. No. 951 as follows:

Page 18, line 35, strike "\$10" and insert in lieu thereof "\$20"

Page 19, line 2, strike "\$10" and insert in lieu thereof "\$20"

Page 20, line 20, strike "\$10" and insert in lieu thereof "\$20"

Page 20, line 25, strike "\$10" and insert in lieu thereof "\$20"

There were yeas 7 and nays 6, as follows:

Those who voted in the affirmative were:

Messrs. Anderson, Davies, Doty, Humphrey, Novak, Schaaf and Tennesen.

Those who voted in the negative were:

Messrs. Blatz; Jensen; Keefe, J.; Lord; O'Neill and Pillsbury.

The amendment was adopted.

Mr. Coleman moved that the foregoing committee report be adopted. The motion prevailed. Amendments adopted. Report adopted.

Without objection, the Senate reverted to the Order of Business of Motions and Resolutions.

**MOTIONS AND RESOLUTIONS**

Mr. Coleman moved that the amendment to the Joint Rules be taken from the table. The motion prevailed.

Amend Joint Rule 20 by adding a paragraph as follows:

“Except for reports from the Senate Committees on Finance and Taxes and Tax Laws, and the House Committees on Appropriations and Taxes, committee reports on bills in the house of origin received after March 2, 1974, for the second year of the biennium, and committee reports on bills originating in the other house received after March 16, 1974, for the second year of the biennium, shall be referred by 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.”

Mr. Coleman moved the adoption of the foregoing amendment. The motion prevailed. So the amendment to the Joint Rules was adopted.

Mr. Coleman moved that the Senate do now adjourn until 12:00 o'clock noon Friday, March 1, 1974. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate.