

FORTY-FIFTH DAY

St. Paul, Minnesota, Monday, May 5, 1975

The Senate met at 10:00 o'clock a.m 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:

Arnold	Conzemius	Hughes	Milton	Perpich, G.
Bang	Davies	Humphrey	Moe	Pillsbury
Berg	Doty	Keefe, S.	Ogdahl	Schmitz
Bernhagen	Dunn	Kleinbaum	Olhoft	Schrom
Blatz	Frederick	Kowalczyk	Olson, A. G.	Spear
Borden	Gearty	Larson	Olson, J. L.	Stassen
Brown	Hansen, Baldy	Laufenburger	O'Neill	Stokowski
Chmielewski	Hansen, Mel	Lewis	Patton	Stumpf
Coleman	Hanson, R.	McCutcheon	Perpich, A. J.	Willet

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

Prayer was offered by the Chaplain, Rev. Ronald C. Peterson.

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

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

The President declared a quorum present.

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

EXECUTIVE AND OFFICIAL COMMUNICATIONS

April 25, 1975

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 Act of the 1975 Session of the State Legislature has been received from the Office of the Governor and is deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S.F. No.	H.F. No.	Session Laws Chapter No.	Date Approved 1975	Date Filed 1975
	1110	50	April 24	April 25

Sincerely,
Joan Anderson Growe,
Secretary of State

May 1, 1975

The Honorable Alec 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. 286, An act relating to towns; town levy for fire protection or police protection; removing the limitation.

S. F. No. 312, An act relating to motor vehicles; providing for bug deflectors, automobile wheel devices, and truck weighing.

S. F. No. 343, An act relating to the department of public welfare; requiring the boundaries of community mental health boards to be consistent with the boundaries of the economic development regions; changing the composition of community mental health boards.

S. F. No. 396, An act relating to certain nonprofit corporations; permitting expense reimbursement to child caring agencies for services related to adoptions.

S. F. No. 422, An act relating to town government; authorizing town boards to fix the compensation of town assessors without limitation.

S. F. No. 456, An act relating to education; defining qualified voters for school district elections.

S. F. No. 524, An act relating to health; amending the definition of review organization; confidentiality of records.

S. F. No. 587, An act relating to the Rice creek watershed district; authorizing an ad valorem tax for certain purposes.

S. F. No. 588, An act relating to the Rice creek watershed district; providing for the establishment of a district water maintenance and repair fund; authorizing a tax levy for water maintenance and repair purposes.

S. F. No. 645, An act relating to the city of Two Harbors; authorizing the issuance by the city of Two Harbors of bonds for the betterment of its municipal electric utility and the pledge of the net revenues of such utility for the payment thereof.

S. F. No. 679, An act relating to public safety; regulating the use of explosives; authorizing sheriffs and certain chiefs of police to issue permits for the use of explosives.

S. F. No. 730, An act relating to motor vehicles; application for certificate of title for a previously registered vehicle.

S. F. No. 764, An act relating to the city of Crystal; providing for the filing of candidates for primary elections.

S. F. No. 997, An act relating to state lands; conveyance; authorizing the conveyance by the state of certain lands in the county of Otter Tail.

Sincerely,
Wendell R. Anderson, Governor

May 2, 1975

The Honorable Alec 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. 543, An act relating to public local grain warehouses; providing for the filing and posting of storage rates and other charges assessed by public local grain warehousemen; prescribing the form of storage receipts.

S. F. No. 649, An act relating to agriculture; collective bargaining; agricultural marketing and bargaining associations.

S. F. No. 690, An act relating to insurance; requiring certain group insurance policies and plans to provide certain benefits for outpatient mental health treatment.

S. F. No. 820, An act relating to education; powers of trustees of incorporated colleges; changing the duty of incorporated colleges or seminaries to report to the commissioner of education to a duty to report to the higher education coordinating commission.

Sincerely,
Wendell R. Anderson, Governor

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Mr. Perpich, G. introduced—

S. F. No. 1716: A bill for an act relating to the city of Chisholm; increasing retirement annuities of certain retired policemen and firemen.

Referred to the Committee on Governmental Operations.

Mr. Perpich, G. introduced—

S. F. No. 1717: A bill for an act relating to the firemen's relief association and firemen's pensions in the city of Hibbing; amending Laws 1935, Chapter 192, Section 1, as amended.

Referred to the Committee on Governmental Operations.

Mr. Lewis introduced—

S. F. No. 1718: A bill for an act relating to taxation; allowing senior citizens to take both the senior citizens tax credit and the renters credit; amending Minnesota Statutes 1974, Section 290.0601, Subdivision 9; repealing Minnesota Statutes 1974, Section 290.991.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Anderson and Chmielewski introduced—

S. F. No. 1719: A bill for an act relating to Chisago county; providing for a prototype community corrections facility; appropriating money.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Perpich, A. J. and Blatz introduced—

S. F. No. 1720: A bill for an act relating to taxes; providing for the performance of the functions of assessor; amending Minnesota Statutes 1974, Section 273.063.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Kirchner, Conzemius and Ashbach introduced—

S. F. No. 1721: A bill for an act relating to medical malpractice; limiting patients' recovery on malpractice claims; authorizing the commissioner of insurance to issue medical malpractice liability insurance; creating a patient's compensation fund; establishing a medical review panel; creating a study commission; defining terms; appropriating money.

Referred to the Committee on Health, Welfare and Corrections. Mr. Davies questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Messrs. Conzemius, Kirchner and Lewis introduced—

S. F. No. 1722: A bill for an act relating to courts; authorizing courts to require the posting of surety bonds in certain actions alleging medical malpractice; directing forfeiture of bonds if claims are dismissed as frivolous.

Referred to the Committee on Health, Welfare and Corrections. Mr. Davies questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Messrs. Conzemius, Kirchner and Lewis introduced—

S. F. No. 1723: A bill for an act relating to medical malpractice; establishing procedures for compulsory arbitration of certain medical malpractice disputes; authorizing enforcement of arbitration awards; providing for trial de novo in the district court under certain circumstances.

Referred to the Committee on Health, Welfare and Corrections. Mr. Davies questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Messrs. Conzemius, Kirchner and Lewis introduced—

S. F. No. 1724: A bill for an act relating to courts; restricting the size of judgments which may be rendered in certain medical malpractice actions; limiting malpractice liability for certain health care providers.

Referred to the Committee on Health, Welfare and Corrections. Mr. Davies questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Kleinbaum introduced—

S. F. No. 1725: A bill for an act relating to sales tax; providing a tax on the renting of mobile homes; amending Minnesota Statutes 1974, Section 297A.01, Subdivision 3.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Milton, Kirchner and Keefe, S. introduced—

S. F. No. 1726: A bill for an act relating to pharmacy; requiring the manufacturer of a drug product to indicate the last date of

effectiveness of the product; requiring pharmacists to place the information on the prescription labels; amending Minnesota Statutes 1974, Sections 151.01, by adding a subdivision; 151.212; and Chapter 151, by adding a section.

Referred to the Committee on Health, Welfare and Corrections.

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. 287, 845, 871, 1210, 452, 590, 1088, 311, 421, 778, 1441 and 1443.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 2, 1975

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. 637: A bill for an act relating to county courts; establishing the manner of disposition of fines, fees and other moneys; amending Minnesota Statutes 1974, Section 487.33, Subdivision 5, and by adding a subdivision.

Senate File No. 637 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 2, 1975

Mr. Anderson moved that S. F. No. 637 be laid on the table. 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. 1442: A bill for an act relating to real estate; changing certain procedure involving mortgage discharges and release of attachment; amending Minnesota Statutes 1974, Sections 507.40 and 507.11.

Senate File No. 1442 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 2, 1975

Mr. Laufenburger moved that S. F. No. 1442 be laid on the table. 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. 1038: A bill for an act relating to certain counties; providing for the filing of surveys with the county surveyor.

Senate File No. 1038 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 2, 1975

CONCURRENCE AND REPASSAGE

Mrs. Brataas moved that the Senate concur in the amendments by the House to S. F. No. 1038 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1038 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 63 and nays 1, as follows:

Those who voted in the affirmative were:

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

Mr. Jensen 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 refuses to concur in the Senate amendments to House File No. 911:

H. F. No. 911: A bill for an act relating to crime; prohibiting removing, altering or obliterating identifying marks on property; providing penalties; amending Minnesota Statutes 1974, Section 609.52, Subdivision 2.

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

Novak, McCarron, Forsythe, Jaros and Spanish have been appointed as such committee on the part of the House.

House File No. 911 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 May 2, 1975

Mr. McCutcheon moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 911, 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 the passage by the House of the following House Files, herewith transmitted: 605, 1131, 784, 858, 1127, 1146, 1191, 142, 427, 871, 982, 1058, 349, 1040, 1145, 1309, 1456 and 1519.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted May 1, 1975

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: 1057, 1442, 1129 and 1758.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted May 2, 1975

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 1759, 38, 354 and 471.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted May 2, 1975

FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H. F. No. 605: A bill for an act relating to highway traffic regulations; driving under the influence of drugs or alcoholic beverages; prohibiting driving under the influence of a con-

trolled substance; providing penalties; amending Minnesota Statutes 1974, Section 169.121, Subdivision 1.

Referred to the Committee on Judiciary.

H. F. No. 1131: A bill for an act relating to the operation of state government; providing for appointment of the commissioners of education and of health by the governor with the advice and consent of the senate; amending Minnesota Statutes 1974, Sections 121.16; 144.02; 144.04 and 462A.04, Subdivision 8; Chapter 144, by adding a section; repealing Minnesota Statutes 1974, Section 144.03.

Referred to the Committee on Governmental Operations.

H. F. No. 784: A bill for an act relating to nursing; providing for continuing education; amending Minnesota Statutes 1974, Sections 148.191, Subdivision 2; and 148.231.

Referred to the Committee on Governmental Operations.

H. F. No. 858: A bill for an act relating to credit unions; permitting Minnesota central credit union to purchase shares of and make deposits in U. S. central credit union; permitting credit unions to deposit the reserve in balances due from U. S. central credit union; amending Minnesota Statutes 1974, Sections 52.04 and 52.17.

Referred to the Committee on Labor and Commerce.

H. F. No. 1127: A bill for an act relating to veterans; authorizing the apportionment of Vietnam veterans bonus payments between surviving parents and person in loco parentis in certain instances; amending Minnesota Statutes 1974, Section 197.971, Subdivision 4.

Referred to the Committee on Transportation and General Legislation.

H. F. No. 1146: A bill for an act relating to landlords and tenants; providing additional remedies for landlords and tenants; providing penalties; amending Minnesota Statutes 1974, Sections 487.17; 488A.01, Subdivision 5; 488A.18, Subdivision 6; Chapter 504, by adding sections; Chapter 566, by adding a section.

Referred to the Committee on Judiciary.

H. F. No. 1191: A bill for an act relating to the city of Austin; membership of new police and firemen in the public employees retirement association.

Referred to the Committee on Governmental Operations.

H. F. No. 142: A bill for an act adding a new route to the trunk highway system.

Referred to the Committee on Transportation and General Legislation.

H. F. No. 427: A bill for an act relating to workmen's compensation; permitting inspection of employee injury reports by the certified bargaining representative; amending Minnesota Statutes 1974, Section 176.231, Subdivision 8.

Referred to the Committee on Labor and Commerce.

H. F. No. 871: A bill for an act relating to public health; providing for licensing of tourist camps; amending Minnesota Statutes 1974, Section 327.14, Subdivision 8.

Referred to the Committee on Health, Welfare and Corrections.

H. F. No. 982: A bill for an act relating to motor vehicles; authorizing the issuance of personalized license plates; prescribing additional charges therefor; amending Minnesota Statutes 1974, Section 168.12, by adding a subdivision.

Referred to the Committee on Finance.

H. F. No. 1058: A bill for an act relating to state parks; adding land to Helmer Myre state park.

Referred to the Committee on Rules and Administration.

H. F. No. 349: A bill for an act relating to elections; providing for the election, date and terms of office of board members in independent school districts; amending Minnesota Statutes 1974, Sections 123.32, Subdivisions 1, 4, 5, and 23 and by adding a subdivision; 123.33, Subdivision 4; 123.34, Subdivision 1; and 200.02, Subdivision 1; and Laws 1975, Chapter 5, Section 110, Subdivision 1; repealing Minnesota Statutes 1974, Sections 123.31; and 123.32, Subdivisions 2, 3, 6, 7, 24, 25, 26, and 27.

Referred to the Committee on Transportation and General Legislation.

H. F. No. 1040: A bill for an act relating to taxation; providing for a reduction in assessed valuation of real property; amending Minnesota Statutes 1974, Section 375.192, Subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

H. F. No. 1145: A bill for an act relating to landlords and tenants; retaliatory evictions; amending Minnesota Statutes 1974, Section 566.03.

Referred to the Committee on Judiciary.

H. F. No. 1309: A bill for an act relating to the operation of state government; authorizing the commissioner of administration to establish on a demonstration basis a regional service center com-

prising selected state agencies and to enter into a lease for purposes of acquiring suitable space for the center.

Referred to the Committee on Governmental Operations.

H. F. No. 1456: A bill for an act relating to courts and particularly to courts in Ramsey county; providing for fees and charges; providing for changes in the office of the court commissioner, in the office of the public defender, and in the composition of law library trustees; amending Minnesota Statutes 1974, Sections 140.21; 140.24, Subdivision 1; 260.311, by adding a subdivision; 486.06; 489.04; and 508.74, Subdivision 2; repealing Laws 1923, Chapter 77, Section 10, as amended; and Laws 1969, Chapter 838, Sections 1 to 6, as amended.

Referred to the Committee on Judiciary.

H. F. No. 1519: A bill for an act relating to the city of St. Paul; providing for and authorizing issuance of general obligation bonds for capital improvement budget purposes; amending Laws 1971, Chapter 773, Section 1, as amended.

Referred to the Committee on Rules and Administration.

H. F. No. 1057: A bill for an act relating to education; school districts; Independent School District No. 518; powers and duties; requiring a public hearing and providing for an election before closing a schoolhouse; amending Minnesota Statutes 1974, Section 123.36, by adding a subdivision.

Referred to the Committee on Education.

H. F. No. 1442: A bill for an act relating to port authorities; changing the sale of property requirements; repealing Extra Session Laws 1971, Chapter 35, Section 8.

Referred to the Committee on Rules and Administration.

H. F. No. 1129: A bill for an act relating to the cities of Bloomington in Hennepin county and South St. Paul in Dakota county; authorizing housing finance programs; providing for the issuance of limited general obligation bonds.

Referred to the Committee on Rules and Administration.

H. F. No. 1758: A bill for an act relating to the organization and operation of state government; imposing regulations for community college operations; appropriating moneys with certain conditions for education and related purposes, including the university of Minnesota and its hospitals, state colleges, aids to libraries, community colleges, higher education coordinating commission, and moneys for medical education.

Referred to the Committee on Rules and Administration.

H. F. No. 1759: A bill for an act relating to the organization and

operation of state government; appropriating and reappropriating money therefor and limiting the use thereof; providing for the transfer of certain moneys in the state treasury; authorizing land acquisition in certain cases; fixing and limiting the amount of fees to be collected in certain cases; providing penalties for misusing appropriated moneys; amending Minnesota Statutes 1974, Sections 12.21, Subdivision 3; 16.012; 16A.125, Subdivisions 5 and 6; 17A.11; 17B.15; 30.20; 116C.05; 116D.04, Subdivision 3; 144.61; 149.04; 176.611, Subdivision 6A; 181A.07; 308.905; 326.44; 326.64; 308.905; 347.33, Subdivision 3; 484.54; and Laws 1965, Chapter 415, Section 1, Subdivision 2 and 3; repealing Minnesota Statutes 1974, Sections 33.17; 88.063, Subdivision 2; and 246.32.

Referred to the Committee on Rules and Administration.

H. F. No. 38: A bill for an act relating to elections; providing for party registration; providing for a presidential primary election; regulating the selection of convention delegates; appropriating money; amending Minnesota Statutes 1974, Sections 201.071, Subdivisions 1 and 3, and by adding a subdivision; 206.01, Subdivision 8; 206.07, Subdivisions 1 and 4; and Laws 1975, Chapter 5, Section 51, Subdivision 1; Section 52, Subdivisions 1 and 7; and Section 90 by adding a subdivision; repealing Laws 1975, Chapter 5, Section 52, Subdivision 8; and Section 93, Subdivision 2.

Referred to the Committee on Transportation and General Legislation.

H. F. No. 354: A bill for an act relating to public welfare; providing for the licensing of facilities and services for the handicapped and children; prescribing penalties; amending Minnesota Statutes 1974, Section 252.28; repealing Minnesota Statutes 1974, Sections 245.78; 245.79; 245.80; 245.81; 245.82; 257.081; 257.082; 257.091; 257.101; 257.102; 257.111; 257.123; and 257.124.

Referred to the Committee Health, Welfare and Corrections.

H. F. No. 471: A bill for an act relating to condominiums; providing for registration and disclosure prior to sale; providing penalties; amending Minnesota Statutes 1974, Section 83.26, Subdivision 1; and repealing Minnesota Statutes 1974, Chapter 515.

Referred to the Committee on Rules and Administration.

REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted, with the exception of S. F. Nos. 1303, 788 and 677, and reports pertaining to confirmation of appointments. The motion prevailed.

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

S. F. No. 1187: A bill for an act relating to cable communica-

tions; making the cable communications commission a permanent part of the department of administration; authorizing the commission to promulgate a line extension policy; interconnection; orders; municipal cable systems; information gathering; amending Minnesota Statutes 1974, Sections 238.02, Subdivision 11; 238.04, Subdivision 1; 238.05, Subdivisions 2, 6, 7, 12, and by adding a subdivision; 238.06, Subdivision 1; 238.08, Subdivisions 1, 2 and 3; 238.09, Subdivision 6, and by adding subdivisions; and 238.13; repealing Minnesota Statutes 1974, Sections 238.05, Subdivisions 8 and 16; and 238.09, Subdivision 2.

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

Page 1, after line 16, insert:

"Section 1. Minnesota Statutes 1974, Section 238.01, is amended to read:

238.01 [DECLARATION OF LEGISLATIVE FINDINGS AND INTENT.] Upon investigation of the public interest associated with cable communications, the legislature of the state of Minnesota has determined that while cable communications serve in part as an extension of interstate broadcasting, that their operations also involve public rights-of-way, municipal franchising, and vital business and community service, which are of state concern; that while said operations must be subject to state oversight, they also must be protected from undue restraint and regulations so as to assure development of cable systems with optimum technology and maximum penetration in this state as rapidly as economically and technically feasible; that the municipalities and the state would benefit from valuable educational and public services through cable communications systems; that the cable communications industry must provide the opportunity for minority participation and benefit which its diversity promises; that the public and the business community would benefit if served by cable channels sufficient to meet the needs of producers and distributors of program and other communication content services; that the cable communications industry is in a period of rapid growth and corporate consolidation and should proceed in accord with regional and statewide service objectives *and plans*; that these objectives should encourage area-wide service where consistent with the public interest and discourage concentration of control and ownership when not in the public interest; and that many municipalities lack the necessary resources and expertise to plan for and secure these benefits and to protect subscribers and other parties to the public interest in franchise negotiations.

There is, therefore, a need for a state agency to develop a state cable communications policy; to promote the rapid development of the cable communications industry responsive to community and public interest and consonant with policies, regulations and statutes of the federal government; to assure that cable communications companies provide adequate, economical and efficient service to their subscribers, the municipalities within which they are franchised and other parties to the public interest; to encourage the endeavors of public and private institutions, municipalities,

associations and organizations in developing programming for public interest; and to provide minorities with the fullest opportunity to make effective use of the medium.

It is the intent of the legislature in the provisions of Laws 1973, Chapter 568 to vest authority in a commission to oversee development of the cable communications industry in Minnesota in accordance with the statewide service plan; to review the suitability to practices for franchising cable communications companies to protect the public interest; to set standards for cable communications systems and franchise practices; to assure channel availability for municipal services, educational television, program diversity, local expression and other program and communications content services; to assure that municipal franchising results in communication across metropolitan areas and in neighborhood communities in larger municipalities; to provide consultant services to community organizations and municipalities in franchise negotiations; and, to stimulate the development of diverse instructional, educational, community interest and public affairs programming with full access thereto by cable communications companies, educational broadcasters and public and private institutions operating closed circuit television systems and instructional television fixed services."

Page 1, line 27, reinsert the stricken language

Page 1, line 28, reinsert "of administration"

Page 1, line 28, after the reinserted "administration" insert "until July 1, 1977."

Page 2, after line 4, insert:

"Sec. 4. Minnesota Statutes 1974, Section 238.05, Subdivision 1, is amended to read:

238.05 [DUTIES OF THE COMMISSION.] Subdivision 1. ~~The commission shall develop and maintain a statewide plan for development of cable communications services, setting forth the objectives which the commission deems to be of regional and state concern.~~

The commission, by January 1, 1977, shall adopt, after appropriate study and such public hearings as may be necessary, a comprehensive plan for the development of cable communications services in the state. The plan shall consist of a compilation of policy statements, goals, standards, programs, and maps prescribing guides for the orderly development and utilization of cable communication systems, public and private, of the state. The plan shall recognize and encompass the social and economic needs of the state and those future developments which will have an impact on the state, including but not limited to such matters as health, education, law enforcement, transportation and governmental information. The commission shall continually assess the state of technology, encourage such research as may be necessary toward that end, and update from time to time its comprehensive plan to reflect changing needs, revising its standards, terms or conditions accordingly."

Page 2, line 15, reinsert the stricken language

Page 2, line 16, reinsert "priorities"

Page 2, line 16, after the reinserted "priorities" insert *"the municipality has developed to review franchise applications"*

Page 2, line 32, reinsert "(c) prescribe a list of"

Page 2, line 32, after the reinserted "of" insert *"topics to be addressed"*

Page 2, line 32, reinsert "in"

Page 3, line 1, reinsert the stricken language

Page 3, line 2, strike "(c)" and reinsert "(d)"

Page 3, line 3, strike "twin cities"

Page 3, line 3, after "area" insert *"as defined in Minnesota Statutes 1974, Section 473B.011, Subdivision 2,"*

Page 3, line 4, after "public" insert *"or private"*

Page 3, line 5, after "interconnection" insert *"and compatability"*

Page 3, line 8, strike "(d)" and insert "(e)"

Page 3, line 8, strike "(c)" and insert "(d)"

Page 3, line 9, insert a period after *"practice"* and strike *"," provided,"*

Page 3, strike lines 10 to 12

Page 3, line 13, strike "whole or in part, the entity so designated"

Page 3, line 30, after "from" insert *"a municipality or"*

Page 3, line 31, strike "consultation with" and insert *"a maximum 90 day period of review and comment by"*

Page 4, line 1, after "commission" insert *"and if the affected planning commission is the metropolitan council, after a period of review and comment by the metropolitan council not to exceed 90 days"*

Page 6, line 2, strike "ten" and insert "15"

Page 6, after line 2, insert:

"Sec. 15. Minnesota Statutes 1974, Section 238.09, Subdivision 7, is amended to read:

Subd. 7. Any renewal of a certificate of confirmation shall be for a period of *five ten* years. *A renewal of certificate of confirmation may be issued prior to the expiration of any existing certificate."*

Page 6, after line 31, insert:

"Sec. 19. Minnesota Statutes 1974, Section 238.15 is amended to read:

238.15 [FINANCIAL INTEREST OF MEMBERS AND EMPLOYEES.] No member of the commission and no employee of the commission or person appointed pursuant to section 238.04, subdivision 7 shall be employed by, or shall knowingly have any financial interest in any cable communications company holding a franchise in the state, their or its subsidiaries, major equipment or programming suppliers, or in any broadcasting company holding an operating license issued by the federal communications commission, their or its subsidiaries, major equipment or programming suppliers. Members of any elected body granting franchises and employees of any franchising body who would be directly involved in the granting or administration of franchises for cable communications and who are employed by or who knowingly have any financial interest in any cable communications company holding a franchise in the state, bidding on such franchise, or the cable communications company granted the franchise, or their subsidiaries, major equipment or program suppliers shall abstain from participation in the franchising of a cable communications companies company or the administration of such franchise."

Page 6, line 32, strike "Sections" and insert "Section"

Page 7, line 1, strike "238.05, Subdivisions 8 and 16; and"

Page 7, line 2, strike "are" and insert "is"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, strike "making the cable"

Page 1, strike line 3 and insert "extending the residence of the cable communications commission in the"

Page 1, line 8, after "Sections" insert "238.01;"

Page 1, line 9, after "Subdivisions" insert "1,"

Page 1, line 12, strike "Subdivision 6" and insert "Subdivisions 6 and 7"

Page 1, line 12, delete "and"

Page 1, line 13, after "238.13;" insert "and 238.15;"

Page 1, strike line 14 and insert "Section"

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. 1303: A bill for an act relating to crimes; prohibiting endurance contests without rest periods; amending Minnesota Statutes 1974, Section 624.66, Subdivision 1.

Reports the same back with the recommendation that the bill do pass. Pursuant to Joint Rule 20, the bill was re-referred to the Committee on Rules and Administration.

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

H. F. No. 540: A bill for an act relating to courts; providing for transfer of filing fee when venue is changed in civil actions; amending Minnesota Statutes 1974, Section 542.10.

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

Page 2, line 14, strike "*and filing fee*"

Page 2, after line 20, insert:

"A party who has paid the filing fee of the county where the action originated shall not be required to pay the filing fee of the county to which the action is transferred. The transferor county may retain any filing fees received prior to the change of county, but shall in writing advise the county to which the action is transferred of any and all such filing fees paid to the transferor county."

Amend the title as follows:

Page 1, line 2, strike "transfer" and insert "non-transfer"

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

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

H. F. No. 4: A bill for an act relating to human rights; extending protection to disabled persons using public services and public accommodations; amending Minnesota Statutes 1974, Section 363.03, Subdivisions 3 and 4, and by adding a subdivision.

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

Page 1, after line 7, insert:

"Section 1. Minnesota Statutes 1974, Section 363.02, Subdivision 5, is amended to read:

Subd. 5. [DISABILITY.] Nothing in this chapter shall be construed to prohibit any program, service, facility or privilege afforded to a person with a disability which is intended to habilitate, rehabilitate or accommodate that person. It is a defense to a complaint or action brought under this chapter that the person bringing the complaint or action suffers from a mental disability which in the circumstances poses a serious threat to the health or safety of the disabled person or others. The burden of proving this defense is upon the respondent."

Renumber the sections in sequence

Further amend the title as follows:

Page 1, line 5, strike "Section" and insert "Sections 363.02, Subdivision 5; and"

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. 67: A bill for an act relating to handicapped persons; providing an interpreter in all proceedings.

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

Page 1, line 8, strike "and" and insert "or"

Page 1, line 16, strike "assist the" and insert "serve"

Page 1, line 17, strike "handicapped person"

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 re-referred

H. F. No. 229: A bill for an act relating to taxes on or measured by net income; appropriating money; amending Minnesota Statutes 1974, Chapter 290, by adding a section; Sections 290.01, Subdivisions 8, 20, 21, and 22; and by adding subdivisions; 290.02; 290.06, Subdivisions 2c and 11; 290.0601, Subdivisions 6 and 9; 290.061; 290.086, Subdivision 7; 290.09, Subdivisions 4 and 15; 290.16, by adding a subdivision; 290.21, Subdivision 4; 290.26; 290.50, Subdivisions 1, 2, 3 and 5; 290.92, Subdivisions 6 and 19; 290.931, Subdivision 1; 290.933, Subdivision 1; 290.972, Subdivision 2; 290.983, Subdivision 1; 290.985; repealing Minnesota Statutes 1974, Sections 290.072; 290.08, Subdivisions 9, 10, 11, 15, 16, 17, 18 and 22; 290.0801; and 290.931, Subdivision 2.

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

Strike the Rule 49 amendments

Page 3, line 16, strike "1974" and insert "1973"

Page 5, strike lines 17 through 22

Page 7, strike lines 7 through 15

Page 14, line 19, strike "\$12.50" and insert "\$25"

Page 14, line 20, after "party" insert "*, a segment of a political party,*"

Page 14, line 20, after "and" insert "a"

Page 14, line 22, strike "\$25" and insert "\$50"

Page 14, line 22, strike "However, the taxpayer may take a credit for"

Page 14, strike lines 23 through 26

Page 14, line 27, strike "section 10A.01, subdivision 5."

Pages 20 and 21, strike section 14

Page 22, line 20, after "*that the*" insert "*recipient*"

Pages 28 and 29, strike section 21

Page 31, line 3, after "*month*" strike "*, provided that for employers with annual payrolls of*"

Page 31, strike line 4

Page 31, line 5, strike "*frequent than quarterly*"

Pages 38 and 39, strike section 27

Page 42, line 31, strike "*17*" and insert "*16*"

Page 42, line 31, strike "*27 and 28*" and insert "*and 25*"

Page 42, line 32, after "*enactment.*" insert "*Section 4 of this act shall be effective for taxable years beginning after December 31, 1973.*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 9, strike "Subdivisions 4 and" and insert "Subdivision"

Page 1, line 11, after "*2,*" insert "*and*"

Page 1, line 11, after "*3*" strike "*and 5*"

Page 1, line 14, strike "*290.983, Subdivision 1;*"

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

Mr. Hughes from the Committee on Education, to which was referred the following appointment as reported in the Journal for April 17, 1975:

MINNESOTA HIGHER EDUCATION COORDINATING COMMISSION

David Lebedoff

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

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

Mr. Hughes from the Committee on Education, to which were referred the following appointments as reported in the Journal for April 19, 1975:

MINNESOTA HIGHER EDUCATION COORDINATING COMMISSION

Mrs. Barbara Clark
Donald Hamerlinck
Mrs. Judy Hamilton
Jack Lynch
Harding C. Noblitt

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

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

Mr. Hughes from the Committee on Education, to which was referred the following appointment as reported in the Journal for April 14, 1975:

MINNESOTA HIGHER EDUCATION COORDINATING COMMISSION

Vladimir Shipka

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

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

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

H. F. No. 1555: A bill for an act relating to Minnesota Statutes; providing for the correction of erroneous, ambiguous, omitted, unconstitutional and obsolete references and text; eliminating certain duplicitous and conflicting provisions superseded by or conflicting with other provisions of law; amending Minnesota Statutes 1974, Chapter 28A, by adding a section; Sections 15.0411, Subdivision 2; 15A.083, Subdivision 2; 16.80; 16A.129; 30.461; 30.462; 30.463, Subdivisions 1 and 5; 30.464, Subdivisions 1, 2, and 3; 30.465; 30.467; 30.468; 30.469; 30.47; 30.472; 30.473; 30.475; 30.476; 32A.-08, Subdivision 1; 34.05, Subdivision 2; 43.35; 43.09, Subdivision 2a; 50.14, Subdivision 1; 59A.03, Subdivision 3; 60A.03, Subdivision 2; 65B.06, Subdivision 2; 65B.44, Subdivision 5; 80A.15, Subdivision 2; 80C.03; 82.18; 82.30, Subdivision 2; 83.25, Subdivision 3; 84.87, Subdivision 1; 84A.07; 84A.26; 84A.36; 97.48, Subdivision 4; 111.80; 115.48, Subdivision 1; 115.51; 116.16, Subdivision 3; 116F.08; 116H.04, Subdivision 3; 121.02; 122.355, Subdivision 1; 123.78, Subdivision 1; 124.15, Subdivision 2; 124.17, Subdivision 2; 124.41, Subdivision 1; 124.803; 145.862, Subdivision 4; 147.02; 147.22; 155.02, Subdivision 2; 179.74, Subdivision 2; 181A.07, Subdivision 6; 192.40; 197.63, Subdivision 1; 205.10; 205.11, Subdivision 1; 205.12; 205.16, Subdivisions 1 and 2; 205.17, Subdivisions 1 and 2; 243.88, Subdivision 3; 245.68; 245.77; 246.23; 251.043, Subdivision 3; 256.01, Subdivision 2; 256D.02, Subdivision 4; 260.-251, Subdivision 3; 268.04, Subdivision 12; 268.115, Subdivision 2; 270.075, Subdivision 1; 273.11, Subdivision 4; 273.111, Subdivisions 9 and 11; 273.13, Subdivision 7; 275.125, Subdivision 4; 275.161; 282.16; 285.11; 290.01, Subdivision 22; 290.02; 290.06, Subdivision 2c; 290.086, Subdivision 1; 290.09, Subdivision 15; 290.21, Subdivision 3; 290.26, Subdivision 2a; 290.92, Subdivision 2a; 291.05; 292.04; 297.13, Subdivision 1; 297B.09; 298.026; 298.027; 298.51; 298.53; 298.63; 299.013; 299B.03, Subdivision 1; 299F.77; 300.025; 301.77, Subdivision 1; 308.06, Subdivision 3; 309.581; 318.03;

354A.05; 355.11, Subdivision 2; 355.80; 362.17; 363.01, Subdivision 13; 375.471; 376.25; 412.02, Subdivision 5; 412.251; 412.861, Subdivision 1; 441.15; 463.152, Subdivision 1; 463.261; 465.19; 466.02; 488A.13, Subdivision 1; 507.291; 525.213; 525.515; 550.041; 571.47, Subdivision 2; 571.48, Subdivision 2; 609.375, Subdivision 4; 609.75, Subdivision 4; 611.14; 626.05, Subdivision 2; 631.50; 632.12; and 648.43; repealing Minnesota Statutes 1974, Sections 15.13; 148.87; 171.12, Subdivision 4; 176.061, Subdivision 10; 309.583; 359.06; and 380.24; 593.17; Laws 1969, Chapters 540, Section 5; 896, Section 1; and 1126, Section 1; Laws 1971, Chapters 32, Section 1; 74, Section 6; 226, Section 1; and 427, Section 17; Laws 1973, Chapters 388, Sections 156, 157, 158, 159, 160, 161, 162, 163, and 170; 638, Sections 22 and 23; and 725, Sections 25 and 26; Laws 1974, Chapters 62, Section 1; 161, Section 10; and 205, Section 1.

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

Page 9, line 30, strike "147.02" and insert "147.01"

Page 11, line 26, strike "as defined in" and insert a quotation mark after "city,"

Page 11, line 27, strike "section" and insert "and by deleting"

Page 11, line 27, before "261.07" insert a quotation mark

Page 17, after line 26, insert:

"Sec. 139. Minnesota Statutes 1974, Section 414.032, Subdivision 4, is amended in line 3, by deleting "one" and inserting "three" and in line 4 by deleting "one and two-thirds" and inserting "five"

In the memorandum of explanation, Page 14, after line 3, insert:

"Sec. 139. Because of a mistake in following instructions to the revisor contained in Laws 1973, Chapter 773, requiring reduction of mill rates to one-third of their former rate owing to section 273.1102, the revisor in preparing the 1974 statutes reduced the transition period in section 414.032, subdivision 4, from the former three to five years to a period of from one to one and two-thirds years."

Renumber the sections in order.

Further, amend the title as follows:

Page 1, line 26, strike "147.02" and insert "147.01"

Page 2, line 8, before "441.15;" insert "414.032, Subdivision 4;"

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

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

H. F. No. 703: A bill for an act relating to state government; revising the personnel laws; amending Minnesota Statutes 1974, Chapter 43, by adding sections; Sections 15A.083, Subdivision 1; 43.05, Subdivision 2; 43.09, Subdivision 7; 43.20, Subdivision 1; 43.22, Subdivisions 2 and 3; 43.30; 43.42; 43.43; 43.47; 84.14, Subdivision 1; 487.02, Subdivision 1; repealing Minnesota Statutes 1974, Sections 15A.071; 16.027, Subdivision 8.

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

Pages 1 and 2, strike all of sections 1 and 2

Page 3, after line 24, insert:

"Sec. 2. Minnesota Statutes 1974, Section 16.173, is amended to read:

16.173 [APPROVED COMPLEMENTS.] Whenever an appropriation to any state department or agency for salaries discloses an approved complement, that department or agency, except for seasonal employees, part time employees, and service workers and pre-service trainees is limited in the employment of the number of persons indicated by such approved complement. The employment of seasonal employees, part time employees, and service workers and pre-service trainees shall be in addition to the approved complement but subject to the approval of the commissioner of administration who shall determine the need therefor. *The employment of pre-service trainees exempt from approved complement requirements shall be restricted to trainees employed pursuant to affirmative action programs approved by the commissioner of personnel.*

Additional employees over the number of the approved complement may be employed on the basis of public necessity or emergency with the written approval of the governor, but the governor shall not approve such additional personnel until he has consulted with the legislative advisory committee created by Laws 1943, Chapter 594, and such committee has made its recommendation upon the matter. Such recommendation shall be advisory only. Failure or refusal of the committee to make a recommendation promptly shall be deemed a negative recommendation. The provisions hereof shall extend to any other agency to which the present authority of the legislative advisory committee may be transferred, but shall be deemed to be repealed in case such authority shall be abolished."

Page 5, after line 32, insert:

"Sec. 4. Minnesota Statutes 1974, Chapter 43, is amended by adding a section to read:

[43.056] [FILES; SECURITY.] *Subdivision 1. [PERSONNEL FILES.] Personnel files kept by any state agency on individual state employees or individual applicants for state employment are private and are not public records, unless the individual consents in writing to public disclosure, with the following exceptions:*

(a) *the individual's name and address;*

(b) the job classification of the position held in the past, currently held, or applied for;

(c) the salary range of the job classification to which the employee's position is assigned.

Subd. 2. [TEST RECORDS.] Written test questions and other information relating to the conduct of examinations shall be kept confidential to the extent necessary to ensure that all applicants for employment have a fair and equal opportunity to demonstrate their abilities to perform the duties of the position for which they are applying. An applicant appealing or contemplating an appeal of his examination score may review written test questions or other information relating to the examination unless the questions are to be used in a future examination. In the latter case, the applicant may designate a person skilled in the evaluation of employment tests to review the materials and evaluate them for his use in deciding to pursue or withdraw an appeal.

Sec. 5. Minnesota Statutes 1974, Section 43.09, Subdivision 2, is amended to read:

Subd. 2. [UNCLASSIFIED SERVICE.] The unclassified service comprises positions held by state officers or employees who are:

(1) Chosen by election or appointed to fill an elective office;

(2) Heads of department required by law to be appointed by the governor or other elective officers, and the executive or administrative heads of departments, divisions and institutions specifically established by law, except that with respect to state institutions, the provisions of section 246.02 are hereby continued in effect; provided, this clause shall not apply to heads of divisions now existing in the department of labor and industry, nor to the director of the division of vocational rehabilitation in the department of education;

(3) Except as herein otherwise enlarged, one private secretary to each of the elective officers of this state, and in addition thereto, one deputy, clerk, or employee to the secretary of state, state auditor, and state treasurer;

(4) ~~Seasonal~~ *Intermittent* help employed by the commissioner of public safety to assist in the issuance of ~~motor~~ vehicle licenses;

(5) Employees in the offices of the governor and of the lieutenant governor, and one confidential employee for the governor in the office of the adjutant general;

(6) Officers and employees of the senate and house of representatives of the legislature including temporary or permanent employees of legislative committees or commissions. Employees of the legislative audit commission, except for the legislative auditor, his deputy, and his confidential secretary, however, shall be employees in the classified civil service of the state;

(7) Teachers, research assistants, student employees on less than half-time pay basis or eligible under terms of the federal

economic opportunity act work study program, presidents, deans, and administrative officers in the state colleges; but this clause shall not be construed to include the custodial, clerical, or maintenance employees, or any administrative officers, or clerical workers performing duties in connection with the business administration of these institutions;

(8) Officers and enlisted persons in the national guard;

(9) Attorneys, legal assistants, examiners, and three confidential employees appointed by the attorney general or employed with his authorization;

(10) All courts and all employees thereof, referees, receivers, jurors, and notaries public, except referees and adjusters employed by the department of labor and industry;

(11) Patient and inmate help in state institutions;

(12) Members of the state highway patrol; provided that selection and appointment of highway patrol officers shall be made in accordance with applicable laws governing the classified state civil service;

(13) The deputy commissioner of agriculture, and the deputy director and assistant director of the Minnesota pollution control agency;

(14) One employee of the state treasurer, for the purpose of receiving and safekeeping assets deposited and maintained with the state treasurer, pursuant to Laws 1943, Chapter 591, and whose salary or compensation is to be reimbursed to the state under said act;

(15) Seasonal help employed by the department of revenue ;

(16) *Employees of the department of administration permanently assigned to the ceremonial house .*

Sec. 6. Minnesota Statutes 1974, Section 43.09, Subdivision 2a, is amended to read:

Subd. 2a. [ADDITIONAL UNCLASSIFIED POSITIONS.] Notwithstanding any other law to the contrary, the personnel board, upon the request of the governor, is hereby authorized to establish permanent unclassified positions, or to unclassify previously classified positions, provided that:

(1) Positions so established involve only deputy or assistant heads of departments or agencies, or director level positions which are not specifically established by law, and who are appointed by and report directly to a head of a department or agency who is required by law to be appointed by the governor, or by a gubernatorially appointed board; as well as one position for a personal secretary of any head of a department or agency listed in clause (3) (4).

(2) Classified incumbents of such positions, if any, are not removed from that position for a period of one year except under

applicable provisions of rules and laws governing classified state employees.

(3) If an employee in the classified civil service accepts a newly created unclassified position, he shall retain an inactive *classified* civil service status and, upon his request, the commissioner of personnel shall reappoint him to his previous classified position, or to a comparable position.

(4) Positions so established are limited in number to six in the departments of administration, corrections, finance, highways, natural resources, public safety, public welfare, and revenue; to five in the departments of commerce, education, health, labor and industry, and personnel; to four in the departments of agriculture, economic development, and employment services; to three in the departments of aeronautics, public service, and the planning agency and pollution control agency; and to two in the departments of human rights and veterans affairs. Departments or agencies not enumerated in this clause shall not be authorized to establish additional unclassified positions under the provisions of this subdivision.

(5) Funds are available."

Page 6, after line 10, insert:

"Sec. 8. Minnesota Statutes 1974, Section 43.17, Subdivision 4a, is amended to read:

Subd. 4a. Notwithstanding any law to the contrary persons may be employed by any governmental department in the classification of service worker or *be employed as a pre-service trainee*, as defined by applicable ~~civil service personnel~~ job description or *personnel rule*, in excess of any personnel limitations, quotas or complements as established by law. Said employment shall be subject to *restrictions contained in section 16.173 and shall be subject* to the advance approval of the commissioner of administration."

Page 6, after line 24, insert:

"Sec. 10. Minnesota Statutes 1974, Section 43.21, is amended to read:

43.21 [PROBATIONARY PERIOD.] Except as in this chapter otherwise provided, all original appointments and promotions within the classified service, shall be for a probationary period the duration of which is determined by personnel rule for each class, or group of classes to be not less than 30 days and not more than two years but dismissals or demotions may be made at any time during such period, subject to the provisions of section 43.19, subdivision 3. Provided, that no employee transferred or promoted from one position in the classified service to another position in the classified service shall be dismissed, except for just cause, demoted or transferred without his consent until he shall have served a trial period of at least 30 days in his new position. At the end of the probationary period the appointing officer shall notify the commissioner, in writing, whether the probationer is a satis-

factory employee and should receive the status of a permanent appointee. Upon such notice or in the absence of notice to the commissioner, the employee; if his service during the probationary period did not fall below such minimum standards as have been prescribed by the commissioner, shall be deemed to have a permanent classified civil service status; otherwise the employee is automatically separated from the service, except as provided in section 43.19, subdivision 3. Work performance counseling evaluation shall be available provided to a probationary employee at least twice during the duration of the probationary period in a manner and frequency in accordance with rules established by the commissioner."

Page 8, after line 24, insert:

"Sec. 13. Minnesota Statutes 1974, Section 43.224, is amended to read:

43.224 [ANNUAL LEAVE ALLOWANCES.] No state officers or employees in the unclassified service shall be paid for unused portions of annual leave allowances provided for by Minnesota Statutes, Section 351.12, for any greater period of time than is permitted state officers or employees in the classified service. No elected public officer shall be paid for unused annual leave allowances or a severance pay allowance based upon unused sick leave pursuant to section 43.12, subdivision 2, upon retirement or termination of service for any reason whatsoever.

Sec. 14. Minnesota Statutes 1974, Chapter 43, is amended by adding a section to read:

[43.227] [TIME OFF IN EMERGENCIES.] At the request of a department head, and after consultation with the commissioner of public safety, the commissioner may authorize the requesting department head to excuse state employees from duty with full pay in the event of a natural or man made emergency, if continued operation would involve a threat to the health or safety of individuals. Absence with pay shall not exceed 16 working hours at any one time unless the governor authorizes a longer duration."

Page 11, line 10, before "homeowners" insert "legal insurance,"

Page 11, line 10, before "vision" insert "and"

Page 11, line 10, strike "or other"

Page 11, line 11, strike everything before the period

Page 11, strike lines 25 and 26

Pages 11 to 13, renumber the clauses in subdivision 2 in sequence

Page 17, strike all of section 14 and insert:

"Sec. 20. Minnesota Statutes 1974, Section 179.74, Subdivision 4, is amended to read:

Subd. 4. The commissioner of personnel shall meet and negotiate with the exclusive representative of appropriate units

in the manner prescribed by sections 179.61 to 179.77; provided, however, that the director of mediation services shall define appropriate units of state employees as all the employees under the same appointing authority except where professional, geographical or other considerations affecting employment relations clearly require appropriate units of some other composition. *The positions and classes of positions in the classified service defined as managerial by the commissioner of personnel in accordance with the provisions of section 43.326 and so designated in the official state compensation schedules, shall be excluded from any appropriate unit.* Regardless of unit determination, the governor may upon the unanimous written request of exclusive representatives of units and appointing authorities direct that negotiations be conducted for one or more appointing authorities in a common proceeding.

Sec. 21. Minnesota Statutes 1974, Section 260.311, Subdivision 2, is amended to read:

Subd. 2. [SUFFICIENCY OF SERVICES.] Probation services shall be sufficient in amount to meet the needs of the county court in each county. Probation officers serving county courts in all counties of not more than 200,000 population shall also, pursuant to subdivision 3, provide probation and parole services to wards of the Minnesota corrections authority resident in their counties. To provide these probation services counties containing a city of 10,000 or more population shall, as far as practicable, have one probation officer for not more than 35,000 population; in counties that do not contain a city of such size, the commissioner of corrections shall, after consultation with the chief judge of the county court and the county commissioners and in the light of experience, establish probation districts to be served by one officer.

All probation officers appointed for any county court or community corrections agency after July 1, 1969, shall be selected from the same state civil service list of eligible candidates from which the commissioner of corrections selects probation and parole agents and for which both oral and written examinations are required a list of eligible candidates who have qualified according to the same or equivalent examining procedures as used by the commissioner of personnel to certify eligibles to the commissioner of corrections in appointing parole agents, and the department of personnel shall furnish the names of such candidates on request. *This subdivision shall not apply to a political subdivision having a civil service or merit system unless the subdivision elects to be covered by this subdivision.*

Sec. 22. Minnesota Statutes 1974, Section 487.02, Subdivision 1, is amended to read:

487.02 [PAYMENT OF EXPENSES.] Subdivision 1. The salary and traveling expenses of a judge of the county court shall be paid by the county in which the expenses were incurred from the general revenue fund of the county. If the district consists of more than one county, such expenses shall be apportioned the county of the judge's residence shall pay the judge and shall be reimbursed

each month by the other counties of the district by apportioning the salary and expenses according to the respective population of the counties as determined by the last United States census."

Page 17, line 26, strike "Sections" and insert "Section"

Page 17, line 26, strike "and"

Page 17, line 27, strike "16.027, Subdivision 8, are" and insert "is"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after "government;" insert "providing for methods of payment of certain salaries; expanding the duties of the commissioner; permitting insurance coverage for state employees; permitting time off in emergencies; providing for the security of personnel files; permitting pre-service trainees in excess of complement; excluding managerial employees from bargaining units;"

Page 1, line 5, after "Subdivision 1;" insert "16.173;"

Page 1, line 6, strike "Subdivision 7" and insert "Subdivisions 2, 2a, and 7; 43.17, Subdivision 4a"

Page 1, line 6, before "43.22," insert "43.21;"

Page 1, line 7, after "3;" insert "43.224;"

Page 1, line 8, before "487.02," insert "179.74, Subdivision 4; 260.311, Subdivision 2;"

Page 1, line 9, strike "Sections" and insert "Section"

Page 1, line 10, strike "16.027, Subdivision 8"

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

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

H. F. No. 527: A bill for an act relating to the purchase of surplus state property at public auction by state employees; amending Minnesota Statutes 1974, Section 15.055.

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

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1974, Chapter 43, is amended by adding a section to read:

[43.37] [PUBLIC EMPLOYEES NOT TO PURCHASE MERCHANDISE FROM GOVERNMENTAL AGENCIES; EXCEPTIONS; PENALTY.] *No officer or employee of the state or any of its political subdivisions shall sell or procure for sale or have in his possession or control for sale to any other officer or employee of the state or the subdivision, as appropriate, any*

property or materials owned by the state or subdivision except pursuant to conditions provided in this section. Property or materials owned by the state or a subdivision, except real property, and not needed for public purposes may be sold to an employee of the state or the subdivision after reasonable public notice at public auction or by sealed bid if the employee is the highest responsible bidder and if he is not directly involved in the auction or sealed bid process. Requirements for reasonable public notice may be prescribed by other law or ordinance so long as at least one week's published or posted notice is specified. A state employee may purchase no more than one motor vehicle from the state in any twelve month period. A person violating the provisions of this section is guilty of a misdemeanor. This section shall not apply to the sale of property or materials acquired or produced by the state or subdivision for sale to the general public in the ordinary course of business.

Sec. 2. *Minnesota Statutes 1974, Section 15.055, is repealed.*

Sec. 3. *This act is effective the day following final enactment."*

Amend the title by striking it in its entirety and inserting:

"A bill for an act relating to the purchase of surplus government property by public employees; providing a penalty; amending Minnesota Statutes 1974, Chapter 43, by adding a section; repealing Minnesota Statutes 1974, Section 15.055."

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. 788: A bill for an act relating to public welfare; providing for cost of living adjustment in supplemental aid benefits; amending Minnesota Statutes 1974, Chapter 256D, by adding a section.

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

Page 1, after line 6 insert:

"Section 1. Minnesota Statutes 1974, Section 256D.37, Subdivision 2, is amended to read:

Subd. 2. The eligibility criteria for supplemental aid under this section shall be those in effect December 31, 1973 for the categorical aid programs of old age assistance, aid to the blind, and aid to the disabled. The local agency shall apply the relevant criteria to each application. Effective July 1, 1974, the real property equity limitation for applicants other than the blind shall be \$12,000. Effective January 1, 1975, the real property equity limitation for all applicants for supplemental aid under this section shall be \$15,000. The real and personal property eligibility criteria for supplemental aid under this section for the aged and the disabled shall be the same as the real and personal property eligibility

criteria set forth in Chapter 256B for the medical assistance program.

The real and personal property eligibility criteria for supplemental aid under this section shall be:

(1) Real property equity limitation of \$15,000;

(2) Cash and liquid assets not exceeding \$2,000, if single, or \$4,000, if married, except that a maximum of \$750 of this may be in a prepaid burial contract for each person; and personal property used as a home, appropriate clothing, household furniture, and equipment and stock for the purpose of producing income shall be excluded.

The local agency in its discretion may permit eligibility of an applicant having assets in excess of the amount prescribed in this section if liquidation of the assets would cause undue loss or hardship."

Page 1, line 10, strike "When benefit amounts under the federal" and insert "The standard of need for Minnesota supplemental aid shall be adjusted semi-annually by the percentage change in the cost of living. In January and July of each year, the commissioner shall effect adjustment of each item in the standard of need by the percentage established by the Consumer Price Index of the United States Department of Labor for the months of April through September and October through March. If regionally adjusted data is not available, the national average shall be applied. Adjustments to items in the standard of need shall reflect the full percentage of increases and one-half the percentage of decreases in the cost of living. In no event shall the commissioner decrease the amounts payable for any item below the dollar amounts in effect on the effective date of this section. If the adjusted dollar amounts are not a multiple of \$1, the amount shall be rounded to the next highest dollar. The standard of need computed under this section shall govern all supplemental aid benefit amounts payable under sections 256D.36 and 256D.37."

Page 1, strike lines 11 to 23

Page 2, strike line 1 and insert

"Sec. 3. [APPROPRIATION.] There is appropriated to the commissioner of public welfare from the general fund the sum of \$550,000 for the biennium ending June 30, 1977 for the purposes specified in section 2."

Page 2, line 3, strike "2" and insert "4"

Page 2, line 3, strike "the day following its enactment" and insert "July 1, 1975"

Renumber sections in sequence

Amend the title as follows:

Page 1, line 3, after "in" insert "the standard of need of"

Page 1, line 3, after "benefits;" insert "appropriating money;"

Page 1, line 4, after "1974," insert "Section 256D.37, subdivision 2; and"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Pursuant to Joint Rule 20, the bill was re-referred to the Committee on Rules and Administration.

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

S. F. No. 677: A bill for an act relating to small business; authorizing the commissioners of administration and economic development to set aside certain state procurement from normal bidding procedures, for the exclusive use of small business concerns owned and operated by the socially and economically disadvantaged.

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

Strike everything after the enacting clause and insert:

"Section 1. [16.081] [TITLE.] Sections 1 to 9 may be cited as the "Minnesota small business procurement act."

Sec. 2. [16.082] [DEFINITIONS.] Subdivision 1. For the purposes of sections 1 to 8 the following words and phrases shall have the meanings set forth in this section, except where the context clearly indicates that a different meaning is intended.

Subd. 2. "Small business" means a business entity organized for profit, including an individual, partnership, corporation, joint venture, association or cooperative which has its principal place of business in Minnesota and which is not (a) dominant in its field of operation or (b) an affiliate or subsidiary of a business dominant in its field of operation.

Subd. 3. "Dominant in its field of operation" means exercising a controlling or major influence in a business activity in which a number of businesses are engaged. In determining if a business is dominant, the following criteria, among others, shall be considered: number of employees; volume of business; financial resources; competitive status or position; ownership or control of materials, processes, patents, license agreements and facilities; sales territory; and nature of business activity. The following businesses shall be deemed dominant in their field of operation:

(a) Manufacturing businesses which employ more than 100 persons and have in the preceding three fiscal years exceeded a total of \$15,000,000 in gross receipts.

(b) General construction businesses which in the preceding three fiscal years exceeded a total of \$6,000,000 in gross receipts.

(c) Specialty construction businesses which in the preceding three fiscal years exceeded a total of \$3,000,000 in gross receipts.

(d) Nonmanufacturing businesses which employ more than 25 per-

sons and have in the preceding three fiscal years exceeded a total of \$3,000,000 in gross receipts.

Subd. 4. "Affiliate or subsidiary of a business dominant in its field of operation" means a business which is at least 20 percent owned by a business dominant in that field of operation, or by partners, officers, directors, majority shareholders, or their equivalent of a business dominant in that field of operation.

Subd. 5. "Socially or economically disadvantaged person" means a person who has been deprived of the opportunity to develop and maintain a competitive position in the economy because of social or economic disadvantage. This disadvantage may arise from cultural, social or economic circumstances or background, physical location if the person resides or is employed in an area declared as a labor surplus area by the United States department of commerce, or other similar cause.

Sec. 3. [16.083] [PROCUREMENT FROM SMALL BUSINESSES.] Subdivision 1. [SMALL BUSINESS SET-ASIDES.] The commissioner of administration shall for each fiscal year designate and set aside for awarding to small businesses approximately ten percent of the value of anticipated total state procurement of goods and services including construction. The commissioner shall divide the procurements so designated into contract award units of economically feasible production runs in order to facilitate offers or bids from small businesses. In making his annual designation of set-aside procurements the commissioner shall attempt to vary the included procurements so that a variety of goods and services produced by different small businesses shall be set aside each year. The failure of the commissioner to set aside particular procurement shall not be deemed to prohibit or discourage small businesses from seeking the procurement award through the normal solicitation and bidding processes.

Subd. 2. [NEGOTIATED PRICE OR BID CONTRACT.] The commissioner may elect to use either a negotiated price or bid contract procedure in the awarding of a procurement contract under the set-aside program established in this act. The amount of an award shall not exceed by more than five percent the commissioner's estimated price for the goods or services, if they were to be purchased on the open market and not under this set-aside program. Surety bonds guaranteed by the federal small business administration shall be acceptable security for a construction award under this section.

Subd. 3. [DETERMINATION OF ABILITY TO PERFORM.] Before announcing a set-aside award, the commissioner shall evaluate whether the small business scheduled to receive the award is able to perform the set-aside contract. This determination shall include consideration of production and financial capacity and technical competence.

Subd. 4. [PREFERENCE TO SMALL BUSINESSES.] At least ten percent of the value of the procurements designated for set-aside awards shall be awarded, if possible, to businesses owned and operated by socially or economically disadvantaged persons. In the event small businesses owned and operated by socially or economically disadvantaged persons are unable to perform at least ten percent of

the set-aside awards, then the commissioner shall award the balance of the set-aside contracts to other small businesses.

Subd. 5. [RECOURSE TO OTHER BUSINESSES.] In the event that subdivisions 1 to 4 do not operate to extend a contract award to a small business, the award shall be placed pursuant to the normal solicitation and award provisions set forth in chapter 16. The commissioner shall thereupon designate and set aside for small businesses additional state procurements corresponding in approximate value to the contract unable to be awarded pursuant to subdivisions 1 to 4.

Subd. 6. [PROCUREMENT PROCEDURES.] All laws and rules pertaining to solicitations, bid evaluations, contract awards and other procurement matters shall apply as consistent to procurements set aside for small businesses. In the event of conflict with other rules, the provisions of sections 1 to 8 and rules promulgated pursuant thereto shall govern.

Sec. 4. [16.084] [ENCOURAGEMENT OF PARTICIPATION.] The commissioners of administration and economic development shall publicize the provisions of the set-aside program, attempt to locate small businesses able to perform set-aside procurement awards, and encourage participation. When the commissioner of administration determines that a small business is unable to perform under a set-aside contract, he shall so inform the commissioner of economic development who shall assist the small business in attempting to remedy the causes of the inability to perform a set-aside award. In assisting the small business, the commissioner of economic development in cooperation with the commissioner of administration shall use any management or financial assistance programs as may be available by or through the department of economic development, other state or governmental agencies, or private sources.

Sec. 5. [16.085] [RULES.] The commissioner of administration shall promulgate by rule standards and procedures for certifying that small businesses and small businesses owned and operated by socially or economically disadvantaged persons are eligible to participate under the requirements of this act. The procedure for determination of eligibility may include self-certification by a business, provided that the commissioner retains the ability to verify a self-certification. The commissioner shall promulgate other rules as may be necessary to carry out the duties set forth in this act.

Sec. 6. [16.086] [REPORTS.] Subdivision 1. [COMMISSIONER OF ADMINISTRATION.] The commissioner of administration shall submit an annual report pursuant to section 3.195 to the governor and the legislature with a copy to the commissioner of economic development indicating the progress being made toward the objectives and goals of this act during the preceding fiscal year. This report shall include the following information:

(a) The total dollar value and number of potential set-aside awards identified during this period and the percentage of total state procurement this figure reflects;

(b) The number of small businesses identified by and responding to the set-aside program, the total dollar value and number of set-aside contracts actually awarded to small businesses with appropriate designation as to the total number and value of set-aside contracts awarded to each small business, and the total number of small businesses that were awarded set-aside contracts;

(c) The total dollar value and number of set-aside contracts awarded to small businesses owned and operated by economically or socially disadvantaged persons with appropriate designation as to the total number and value of set-aside contracts awarded to each small business, and the percentages of the total state procurements the figures of total dollar value and the number of set-asides reflect;

(d) The number of contracts which were designated and set-aside pursuant to section 3 but which were not awarded to a small business, the estimated total dollar value of these awards, the lowest offer or bid on each of these awards made by the small business and the price at which these contracts were awarded pursuant to the normal procurement procedures.

Subd. 2. [COMMISSIONER OF ECONOMIC DEVELOPMENT.] The commissioner of economic development shall submit an annual report to the governor and the legislature pursuant to section 3.195 with a copy to the commissioner of administration. This report shall include the following information:

(a) The efforts undertaken to publicize the provisions of the set-aside program during the preceding fiscal year;

(b) The efforts undertaken to identify small businesses including those owned and operated by socially or economically disadvantaged persons, and the efforts undertaken to encourage participation in the set-aside program;

(c) The efforts undertaken by the commissioner to remedy the inability of small businesses to perform on potential set-aside awards; and

(d) The commissioner's recommendations for strengthening the set-aside program and delivery of services to small businesses.

Sec. 7. The sum of \$25,000 is appropriated to the commissioner of administration for the purpose of implementing this act.

Sec. 8. This act is effective July 1, 1975, except section 3 which shall become effective January 1, 1976."

Amend the title by striking it in its entirety and inserting:

"A bill for an act relating to state procurement; requiring the commissioner of administration to set aside certain state procurement from normal bidding procedures for first offering to small businesses; requiring the commissioners of administration and economic development to publicize the set-asides and assist small businesses; appropriating money."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Pursuant to Joint Rule 20, the bill was re-referred to the Committee on Rules and Administration.

Mr. Coleman from the Committee on Rules and Administration, to which were referred

H. F. Nos. 1513, 1099 and 866 for comparison to companion Senate Files, reports the following House Files were found not identical with their companion Senate Files as follows:

GENERAL ORDERS		CALENDAR OF ORDINARY MATTERS		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1513	1459				
1099	1029				
866	1116				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 1513 be amended as follows:

Page 1, after line 13, insert

"Section 1. The legislature of the state of Minnesota finds that preservation of the quality of life in a major metropolitan city is dependent upon the maintenance, provision, and preservation of an adequate housing stock; that accomplishing this is a public purpose; that there are many housing units in the city of St. Paul that do not meet the applicable housing codes, some of which need to be destroyed, and some of which can be rehabilitated; that a need exists to replace housing which is destroyed; that a need exists for mortgage credit to be made available for new construction; that refinancing existing mortgages will allow owners of housing units which need rehabilitation to take advantage of existing rehabilitation programs; and that many owners, would-be purchasers or providers of housing units are either unable to afford mortgage credit at the market rate of interest or obtain mortgage credit because the mortgage credit market is severely restricted.

Sec. 2. Subdivision 1. The city of St. Paul is authorized to develop and administer a program to finance housing, located anywhere within its boundaries, for occupancy primarily by persons of low and moderate income to achieve the purpose set forth in section 1; provided that in developing this program, the city shall consider:

(a) the availability and affordability of other governmental programs;

(b) the availability and affordability of private market financing;

(c) whether refinancing existing mortgages will enable rehabilitation of housing units under a state or local housing rehabilitation program;

(d) the need for rehabilitating housing units acquired from governmental bodies and agencies;

(e) the need for additional mortgage credit to encourage the purchase of rehabilitated housing units from governmental bodies and agencies; and

(f) the need for additional mortgage credit to encourage the purchase of housing units which are located on property which governmental bodies or agencies have acquired and made suitable for housing construction.

Subd. 2. The city council shall, by ordinance, promulgate regulations for this program. Loans shall not be made when the city determines that financing is otherwise available from private lenders upon terms and conditions which are affordable by the applicant, as provided by the city in its regulations.

Subd. 3. To finance the program authorized by this section, the city council of the city of St. Paul may by resolution, and without an election, authorize, issue, and sell general obligation bonds of the city in accordance with the provisions of Minnesota Statutes, Chapter 475. The total amount of all general obligation bonds outstanding for the program provided for in this section shall not exceed \$2,000, 000, shall not constitute indebtedness of the city for the purpose of any statutory or charter debt limitation.

Subd. 4. In establishing the program provided for in this section, the city council shall make every effort to ensure that the revenues generated from the mortgage credit made available are sufficient to retire the bonds issued to finance the program and to provide for the administrative costs of the program.

Sec. 3. Subdivision 1. The city of St. Paul is authorized to develop and administer a program to finance housing in addition to that authorized in section 2, located anywhere within its boundaries, to achieve the purposes set forth in section 1, on such terms and conditions as it determines. The city council shall, by ordinance, promulgate regulations for this program. Loans shall not be made when the city determines that financing is otherwise available from private lenders upon terms and conditions which are affordable by the applicant, as provided by the city in its regulations.

Subd. 2. To finance the program authorized by this section, and by section 2, the city council of the city of St. Paul may by resolution, and without an election, authorize, issue, and sell revenue bonds or obligations, payable solely from revenues of the programs authorized by this act defined and pledged to their payment by such resolution.

Sec. 4. Subdivision 1. In the making or purchase of loans or other securities in furtherance of the programs authorized in sections 2 and 3, and in the issuance of revenue bonds or obligations pursuant to section 3, the city council may exercise, or may by ordinance authorize an existing agency or an agency created by such ordinance to exercise, within the corporate limits of the city, any and all of the powers which the Minnesota housing finance agency is authorized to exercise under the provisions of Minnesota Statutes, Chapter 462A.

Subd. 2. The city council shall not amend the regulations adopted by ordinance and in effect at the time any revenue bonds or obligations authorized by this section are issued, to the detriment of the holders of such revenue bonds or obligations."

Page 2, unparagraph lines 9 to 14

Renumber the sections in sequence.

Further, amend the title as follows:

Page 1, line 2, after "St. Paul;" insert "authorizing a housing finance program; providing for the issuance of general obligation and revenue bonds;"

And when so amended, H. F. No. 1513 will be identical to S. F. No. 1459 and further recommends that H. F. No. 1513 be given its second reading and substituted for S. F. No. 1459 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 1099 be amended as follows:

Page 3, after line 4, insert

"Sec. 2. Minnesota Statutes 1974, Section 273.063, is amended to read:

273.063 [APPLICATION; LIMITATIONS.] The provisions of Extra Session Laws 1967, Chapter 32, Article 8, shall apply to all counties except Ramsey county. The following limitations shall apply as to the extent of the county assessors jurisdiction:

In counties *other than Hennepin* having a city of the first class, the powers and duties of the county assessor within such city shall be performed by the duly appointed city assessor. In all other cities having a population of 30,000 persons or more, according to the last preceding federal census, except in counties having a county assessor on January 1, 1967, the powers and duties of the county assessor within such cities shall be performed by the duly appointed city assessor, provided that the county assessor shall retain the supervisory duties contained in section 273.061, subdivision 8."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after the semi-colon insert "assessing procedures;"

Page 1, line 3, after "amending" insert "Minnesota Statutes 1974, Section 273.063; and"

And when so amended, H. F. No. 1099 will be identical to S. F. No. 1029 and further recommends that H. F. No. 1099 be given its second reading and substituted for S. F. No. 1029 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 866 be amended as follows:

Page 2, line 14, after "thereof." insert the following language:

"At the beginning of the first payroll period after January 1, 1976, the maximum salaries of district court reporters covered by this section shall be adjusted, to reflect any cost of living changes as established by the consumer price index for urban wage earners and clerical workers published by the United States Department of Labor, Bureau of Labor Statistics, for the Minneapolis-St. Paul metropolitan area, by the percentage which such index reported for October of 1975 differs from such index for October of the previous calendar year. Such adjustment shall be applied annually thereafter."

And when so amended, H. F. No. 866 will be identical to S. F. No. 1116 and further recommends that H. F. No. 866 be given its second reading and substituted for S. F. No. 1116 and that the 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. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which were referred

H. F. Nos. 745 and 596 for comparison to companion Senate Files, reports the following House Files were found identical and recommends the House Files be given their Second Reading and substituted for their companion Senate Files 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.
745	1539				
596	560				

and that the above Senate Files 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 was referred

H. F. No. 235 for comparison to companion Senate Files, reports the following House File was found not identical with 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.
235	135				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 235 be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Notwithstanding Laws 1974, Chapter 521, Section 33, districts qualifying for increased foundation aid calculated

pursuant to the provisions of Laws 1974, Chapter 521, Section 18, shall be eligible to receive such foundation aid for the 1973-74 school year.

Sec. 2. Notwithstanding section 124.17, subdivision 2, pupils enrolled in the Minnesota National Guard junior enlistment program shall be construed to be in attendance for purposes of computing average daily membership during any period of the regular school year, but not to include summer school, during which the pupil is attending military active duty training pursuant to that program. During that period of military active duty training, the pupil shall earn all aid for the district of residence or attendance which would be otherwise earned by his presence. This section shall expire October 1, 1975.

Sec. 3. [STATE AID FOR EXTRAORDINARY TAX DELINQUENCY OF INDEPENDENT SCHOOL DISTRICT NO. 272.] *Subdivision 1. For any calendar year in which Independent School District No. 272 receives, in real property tax proceeds of any kind, including collections of delinquencies from previous years, resulting from levies certified pursuant to section 275.125, subdivision 2a, and its predecessor and successor general school purpose levy authorization statutes, less than 97 percent of the amount certified in October of the preceding calendar year, the school district may apply to the department of education within 30 days after the end of the calendar year and the state shall pay aid to the school district by the following February 28, in the amount by which the receipts are less than 97 percent of the amount levied.*

Subd. 2. If the school district has previously received state aid pursuant to subdivision 1, foundation aid for the school district shall be reduced in any fiscal year which begins in a calendar year in which the school district has received more than 97 percent in real property tax proceeds as described in subdivision 1, by the amount of the excess, or the amount of state aid previously paid pursuant to subdivision 1, whichever is lesser. In the event the excess is lesser, the reduction in state aid shall be deemed to offset first the state aid that was paid earliest in time, pursuant to subdivision 1. The reduction in state aid shall be made, as equally as possible, from four aid installments beginning no earlier than February.

Subd. 3. Any aid so paid shall constitute an advance to the district without interest and in the fiscal year six years after the fiscal year in which state aid has been paid to the school district pursuant to subdivision 1, foundation aid for the school district shall be reduced by the amount of such state aid paid six years previous, to the extent the aid payment has not been offset by any prepayment made by the school district.

Subd. 4. The application, aid payments, and repayments made pursuant to this section shall be based upon the best information available, subject to correction by the department of education in the next succeeding year. The provisions of subdivision 1 shall expire June 30, 1981; but shall be effective with respect to real property taxes received in calendar year 1975 and thereafter.

Sec. 4. Minnesota Statutes 1974, Section 3.9271, Subdivision 1, is amended to read:

3.9271 [EARLY CHILDHOOD IDENTIFICATION AND EDUCATION PROGRAMS.] Subdivision 1. For the ~~1974-75~~ 1975-76 and 1976-1977 school year~~s~~ years, the council on quality education shall make grants to no fewer than ~~six~~ ten pilot early childhood identification and education programs. Early childhood identification and education programs are programs for children before kindergarten and below age six which may include the following: identification of potential barriers to learning, education of parents on child development, libraries of educational materials, family services, education for parenthood programs in secondary schools, in-center activity, home-based programs, and referral services.

Notwithstanding section 3.926, subdivision 2, every early childhood identification and education program proposal shall be submitted to the council on quality education not less than six weeks before the planned commencement of the program. These programs or grants shall be as equally distributed as possible among districts in cities of the first class, in suburbs, and outside the seven county metropolitan area. Each pilot program shall serve one elementary school attendance area in the local school district.

The council on quality education shall prescribe the form and manner of application and shall determine the participating pilot programs. In the determination of pilot programs, programs shall be given preference for their ability to coordinate their services with existing programs and other governmental agencies. The council on quality education shall report on the programs annually to the committees on education of the senate and house of representatives.

Sec. 5. Minnesota Statutes 1974, Section 120.03, Subdivision 3, is amended to read:

Subd. 3. Every child who by reason of an emotional disturbance, or a learning disability, or a special behavior problem needs special instruction and services, but who is educable, as determined by the standards of the state board is a handicapped child.

Sec. 6. Minnesota Statutes 1974, Section 120.17, Subdivision 1, is amended to read:

120.17 [HANDICAPPED CHILDREN.] Subdivision 1. [SPECIAL INSTRUCTION FOR HANDICAPPED CHILDREN OF SCHOOL AGE.] Every district and unorganized territory shall provide special instruction and services, *either within the district or in another district*, for handicapped children of school age who are residents of the district and who are handicapped as set forth in section 120.03, subdivisions 1, 2, and 3, and 4 ~~after July 1, 1972 programs shall be provided either within the district or in another district for trainable mentally retarded as defined in section 120.03, subdivision 4~~. When the provision of instruction, training, and services may result in hardship or injury to the child, the school board may appeal the mandatory provisions of Laws 1971, Chapter 689 to the commissioner of education who shall

determine what provisions shall be made by the district for the education of the child. Through July 1, 1972 every district and unorganized territory may provide special training and services for school age residents of the district who are handicapped as set forth in section 120.03, subdivision 4. School age means the ages of four years to 21 years for children who are deaf, blind, crippled or have speech defects; and five years to 21 years for mentally retarded children handicapped as set forth in section 120.03 ; and shall not extend beyond secondary school or its equivalent. Every district and unorganized territory may provide special instruction and services for handicapped children who have not attained school age. Districts with less than the minimum number of eligible handicapped children as determined by the state board shall cooperate with other districts to maintain a full sequence of programs for education, training and services for handicapped children as defined in section 120.03, subdivisions 1 to 3. A district that decides to maintain programs for trainable handicapped children is encouraged to cooperate with other districts to maintain a full sequence of programs.

Every district may provide summer programs for handicapped children living within the district, including nonresident children temporarily placed in the district pursuant to section 120.17, subdivisions 6 and 7. Notwithstanding subdivisions 6 and 7, the school district providing the special instruction and services shall apply for all state aid for the summer program, including special state aid pursuant to section 124.32, foundation aid and transportation aid. For the purposes of computing foundation aid for these programs, all pupils enrolled in these programs shall be construed to be residents of the district providing the programs. The unreimbursed actual cost of providing the program for nonresident handicapped children may be billed to the district of the child's residence and shall be paid by the resident district.

Sec. 7. Minnesota Statutes 1974, Section 120.17, is amended by adding a subdivision to read:

Subd. 1a. School districts may provide special instruction and services through the school year in which the pupil reaches age 25 for trainable mentally retarded pupils as defined in section 120.03, subdivision 4, who have attended public school less than nine years prior to September, 1975.

Sec. 8. Minnesota Statutes 1974, Section 120.76, is amended to read:

120.76. [POST-SECONDARY INSTRUCTIONAL PROGRAMS.] Sections 120.71 to 120.76 shall not be construed to prohibit a school board from charging reasonable fees for goods and services provided in connection with any post-secondary instructional program, including but not limited to vocational-technical, adult veterans, continuing education, and community services ; evening school and general educational development programs.

Sec. 9. Minnesota Statutes 1974, Section 120.80, Subdivision 1, is amended to read:

120.80 [EARLY GRADUATION.] Subdivision 1. Notwithstanding any law to the contrary, 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 section 124.212, plus that portion of the amount raised by the local tax levy which results from such transitional year students plus that portion of any excess levy allowable under section 275.125, subdivision 3 6, ~~clause (5)~~ shall continue to be earned by the district.

Sec. 10. Minnesota Statutes 1974, Section 121.21, Subdivision 2, is amended to read:

Subd. 2. Upon receipt of such petition, the state board shall examine the petition and any supporting evidence which it may require. The state board ~~may~~ *shall* conduct hearings, ~~and may~~ investigate school records and such other facts relating to vocational-technical training as it may deem appropriate.

Sec. 11. Minnesota Statutes 1974, Section 121.21, Subdivision 6, is amended to read:

Subd. 6. The ~~commissioner, subject to approval by the state board~~ *for vocational education shall make promulgate, pursuant to chapter 15, such rules and regulations governing the operation and maintenance of schools so classified as will afford the people of the state an equal opportunity to acquire public vocational and technical education.*

The rules shall provide for, but are not limited to, the following:

(a) The area to be served by each school, which may include one or more districts or parts thereof, including unorganized territory ; ;

(b) Curriculum and standards of instruction and scholarship ; ;

(c) Attendance requirements, age limits of trainees, *Minnesota non-resident attendance, tuition payments by non-residents, the determination of the actual costs of providing individual programs, and attendance for which no tuition shall be charged, all to be determined in accordance with the provisions of sections 50 to 53 of this act;*

(d) *The distribution and apportionment to the local districts of all funds, whether state or federal or other funds, which may be made available to the state board for vocational education for carrying out the purposes of post-secondary vocational-technical education as provided by this section, shall be apportioned and distributed by the state board for vocational education to the various local school districts as additional aid for use in helping such local school districts in defraying the cost involved in maintaining and operating approved vocational training courses or departments, subject to such reasonable rules and regulations as may be prescribed by the state board for vocational education and in accordance with law and the approved state plan for vocational education ; ;*

(e) Transportation requirements and payment of aid therefor; ;

(f) Attendance by graduates of secondary schools and by adults, for which no tuition shall be charged. If no tuition is charged for such non-resident student, the district maintaining the school shall be entitled to any aid calculated on a pupil basis for such student, Payment by the state board of tuition to school districts or post-secondary vocational-technical schools in another state;

(g) General administrative matters.

Sec. 12. Minnesota Statutes 1974, Section 121.89, is amended to read:

121.89 [REIMBURSEMENT BY STATE.] Subject to the limitations imposed by section 121.87, subdivision 2, the state board of education shall reimburse each school district operating a community school program in compliance with the rules and regulations established by the state board an amount which is equal to one-half of the salary up to , but not to exceed \$5,000 , of each one community school director and or coordinator employed by the district. During the fiscal years 1972 and 1973, 1975-1976 school year, reimbursement shall be paid for no more than 67 the equivalent of 125 directors and coordinators employed during the 1974-1975 school year positions shall be subject to reimbursement , no more than one-third of which may be allocated to school districts in each one-third of the total number of school districts ranked according to size of enrollment, provided that any such positions remaining unfilled may be reallocated at the discretion of the state board. In order to insure the maximum use of school facilities and insure the efficient application of funds appropriated by Laws 1971, Chapter 900 this act , the department of education is encouraged to give priority to the funding of those community school programs which have been jointly planned and developed under the terms of a cooperative agreement or program between the school district and the park board, recreation department or other similar agency having jurisdiction within the school district.

This section shall expire June 30, 1976.

Sec. 13. Minnesota Statutes 1974, Section 123.80, is amended to read:

123.80 [SAFETY EDUCATION FOR TRANSPORTED STUDENTS.] *Subdivision 1.* Not later than January 1, 1975 the state board of education shall provide by rule or regulation a program of safety education for students who are transported to school. Each district receiving aid under the provisions of section 124.222 shall implement the program for the school year beginning in September 1975. In drafting said regulations, the board shall give particular attention to procedures for loading, unloading, vehicle lane crossing and emergency evacuation procedures as they affect school buses.

Subd. 2. Not later than January 1, 1976, the state board of education shall promulgate rules and regulations which will assure the safe and efficient transportation of handicapped pupils who

because of their special handicapping conditions require special transportation arrangements. In drafting these regulations, the board shall give particular attention to standards for vehicles used in transporting handicapped pupils, equipment to assure the safety of these pupils, and the qualifications of the drivers and aides providing transportation services.

Sec. 14. Minnesota Statutes 1974, 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 such that the sum of the levy and attached machinery aid for capital outlay purposes calculated pursuant to section 273.138, subdivision 3, clause (1), shall not exceed \$65 the greater of \$75 per pupil unit or \$75 per 1974-1975 pupil unit or, in districts where the pupil unit count for the school year preceding the year in which the levy is certified was increased pursuant to section 124.17, subdivision 1, clause (7), \$85 per pupil unit. No levy under this section shall 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 six 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 , to pay leasing fees for computers and computer services, and to pay the installation and continuing connection charges portion of telephone services . 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. 15. Minnesota Statutes 1974, Section 124.11, is amended to read:

124.11 [DATES OF AID PAYMENTS.] Except as may be otherwise authorized by the commissioner to accommodate a flexible school year program, ten percent of the estimated elementary and secondary foundation aids shall be paid to districts in each of the months from September through May based upon information available and the final distribution shall be made in the following August. Estimated post-secondary vocational foundation aid shall be paid to districts in 12 equal monthly payments beginning July 15, 1976. The estimated post-secondary vocational foundation aid

shall be paid on the basis of the prior year's average daily membership except that the average daily membership and the payments based thereon may be adjusted in September, December, March and June to reflect any increases or decreases in enrollment. The September payment in each fiscal year shall be increased or decreased to reflect any deficit or excess in post-secondary vocational foundation aid received in the prior fiscal year. If any school district is unable to borrow necessary funds for the operation of its facilities during any fiscal year, due to legal borrowing restrictions or the lack of reasonable credit facilities, the commissioner of finance and state treasurer may, upon certification of such conditions by the commissioner of administration, advance such education aids as may be required to such district, with the condition that such aids be discounted by an amount equal to six percent or the current yield on U.S. treasury bills on the date of such payment to a maturity approximating the date on which aids are to be paid, whichever rate is higher, pursuant to the terms of this section. The amount of such discount shall be determined by the commissioner of finance, with the six percent discount or the "bid" price quoted on treasury bills of an appropriate maturity calculated after consultation with the staff of the state board of investment.

Estimated elementary and secondary foundation aids shall be paid out on the basis of the prior year's pupil unit enrollment unless the October 1 enrollment is larger, in which case the October enrollment shall be used. Adjustment for final elementary and secondary final pupil unit figures shall be made in the August payment of aids.

Sec. 16. Minnesota Statutes 1974, Section 124.14, Subdivision 1, is amended to read:

124.14 [DISTRIBUTION OF SCHOOL AIDS; APPROPRIATION.] Subdivision 1. The state board shall supervise distribution of the school aids in accordance with law. It may make rules and regulations consistent with law for such distribution which will enable districts to perform efficiently the services required by law and further education in the state, including reasonable requirements for such reports and accounts to it as will assure accurate and lawful apportionment of aids. *It shall require that the pupil unit count of a minimum of 25 school districts be audited each fiscal year. The audits shall be conducted at random throughout the state with no prior notice to any district. Disparities between pupil unit counts reported by the school districts and those found by the auditors shall be reported to the commissioner who shall order an increase or reduction of foundation aids accordingly. A reduction of foundation aid under this section may be appealed to the state board of education and its decision shall be final.* Public schools shall at all times be open to the inspection of the state board, and the accounts and records of any district are open to inspection by the state auditor, or the state board.

Sec. 17. Minnesota Statutes 1974, Section 124.14, is amended by adding a subdivision to read:

Subd. 3. Any school district officer or employee who intention-

ally misrepresents a pupil unit count violates Minnesota Statutes, Section 609.43, and shall be dismissed from his position upon conviction.

Sec. 18. Minnesota Statutes 1974, 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 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) 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 school, including middle schools and elementary schools*, shall be counted as secondary pupils.

(3) In area vocational-technical schools one and one-half pupil units. *This clause shall expire June 30, 1976.*

(4) To meet the problems of educational overburden caused by broken homes, poverty and low income, each pupil in clauses (1) and (2) from families receiving aid to families with dependent children or its successor program shall be counted as an additional five-tenths pupil unit. *By April 1 of each year the department of public welfare is directed to furnish to the department of education, and to each school district to the extent the information pertains to it, 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) In every district where the number of pupils from families receiving aid to families with dependent children or its successor program exceeds ~~nine~~ *five* percent of the total actual pupil units in the district for the same year, as computed in clauses (1) and (2), each such pupil shall be counted as an additional ~~35/100~~ *one-tenth* of a pupil unit for each percent of concentration, over five percent of such pupils in the district. *The percent of concentration shall be rounded up to the next whole percent for purposes of this clause, provided that in districts where the percent of concentration is less than five, no additional pupil units shall be counted under this clause for pupils from families receiving aid to dependent children or its successor program and provided further that no such pupil shall be counted as more than one and one-tenth additional pupil units pursuant to clauses (4) and (5). ; for those districts where the number of such pupils is more than eight percent but not more than nine percent of the total pupil units in the district for the same year, as computed in clauses (1) and (2), 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) and (2), each such pupil shall be counted as an additional one-tenth of a pupil unit. Such weighing *weighting* shall be in addition to the weighing *weighting* provided in clauses (1), (2), (3), and (4) of this section. School districts are encouraged to allocate a major portion of the aids that they receive on account of clauses (4) and (5) to primary grade programs and services, particularly to programs and services that involve participation of parents. *Each district receiving aids on account of both clauses (4) and (5) shall establish and maintain accounts separate from all other district accounts for the receipt and disbursement of all such aids received.*

(6) 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 pupil units for the prior year minus one-third of the difference between the actual pupil units for the prior and current years.*

(7) Where the actual number of pupil units has increased from the prior year by more than three percent, a number of pupil units equal to *one-fourth of the difference between the units as computed in clauses (1) and (2) for the two years shall be added to the other units for the district.* *In districts maintaining classified secondary schools where the actual number of pupil units has increased from the prior year by more than two percent, the additional pupil units over the prior year, as computed in clauses (1) and (2), shall be multiplied times one-tenth for each percent of increase over two percent over the prior year and a number of pupil units equal to the product shall be added to the other units for the district. The percent of increase shall be rounded up to the next whole percent for purposes of this clause, provided that in districts where the percent of increase is less than two, no additional pupil units shall be added to the other units for the district and provided further that the number of pupil units of increase over the prior year shall under no circumstances be multiplied by more than six-tenths.*

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

Sec. 19. Minnesota Statutes 1974, 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 prekindergarten 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, regardless of age, 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. Foundation aid for shared time pupils shall equal the amount which would accrue if shared time pupil units, counted pursuant to this section, were added to the district's total pupil units used in determining its foundation aid. 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. This section of this act shall be effective July 1, 1975 as applied to shared time foundation aid and July 1, 1976 as applied to pupils in area vocational-technical schools.~~

Sec. 20. Minnesota Statutes 1974, Section 124.18, Subdivision 2, is amended to read:

Subd. 2. [TUITION.] Every district which provides instruction in other districts and which receives foundation program aid, and the county which pays tuition aid shall pay to the district furnishing this elementary and secondary or area vocational-technical school instruction on account of such instruction, the actual cost thereof chargeable to maintenance exclusive of transportation costs or the legal maximum prescribed in section 124.211, subdivision 2, clause (1).

There shall also be paid for capital outlay and debt service to the district providing such instruction \$10 per pupil unit in average daily attendance membership for each non-resident pupil unit, except that every district educating non-resident pupils may charge and include in its tuition, for capital outlay and debt service, an amount per pupil unit in average daily attendance membership based on the amount that the average expenditure for capital outlay and debt service determined by dividing such annual expenditure by the total number of pupil units in average daily attendance membership in the district exceeds \$10 per pupil unit. If the district has no capital outlay or debt service the district receiving such funds may use them for any purpose for which it is authorized to spend money, provided further that, if a district invests capital moneys to remodel existing facilities or to build new facilities for the primary purpose of providing provides instruction for nonresident handicapped and trainable children, tuition shall be as specified in Minnesota Statutes 1961, Sections

Section 120.17 and 120.18, Subdivision 4 such district may charge and include in its tuition for capital outlay and debt service an amount per pupil unit in average daily attendance determined by dividing such expenditure over a period of years mutually agreeable to the districts concerned, and by dividing each annual amount so determined by the total number of pupil units in average daily attendance enrolled in this area of handicap instruction in the district.

Sec. 21. Minnesota Statutes 1974, Section 124.20, is amended to read:

124.20 [EDUCATION; STATE AID; SUMMER SCHOOL AND FLEXIBLE SCHOOL YEAR CLASSES.] *State Foundation aid for (1) summer school classes which are not a part of the regular school term in hospitals, sanatoriums, and home instruction programs, and (2) inter-session classes of flexible school year programs and summer school classes in elementary and secondary schools, and (3) 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 foundation aids paid during for the preceding regular school term year, provided that no district shall receive aid for programs under this section in an amount greater than its actual expenditures for these programs. Payments of aid for summer classes at a proportionate rate to foundation aid pursuant to this section in 1972 and preceding years is hereby sanctioned. The provision in this section for payment of aid for summer classes at a proportionate rate to foundation aid for the preceding school year shall apply to summer classes in 1973 and subsequent years.*

Sec. 22. Minnesota Statutes 1974, Section 124.212, Subdivision 1, is amended to read:

124.212 [FOUNDATION AID.] Subdivision 1. The foundation aid program for school districts for school years 1973-1974 1975-1976 and 1974-1975 1976-1977 shall be governed by the terms and provisions of this section.

Sec. 23. Minnesota Statutes 1974, Section 124.212, Subdivision 2, is amended to read:

Subd. 2. Except as may otherwise be provided in this section, the following words and phrases when used in this section shall have the meanings herein ascribed to them.

(1) "Adjusted maintenance cost" means the state and local current expense for pupils in elementary and secondary schools, exclusive of transportation, veterans training program, community services, and after reduction for receipts from the sale of other authorized items sold to the individual pupil by the school such as lunches, paper, workbooks, and other materials used in the instructional program items of personal use, or other items specifically authorized by law or under the procedures set forth in sections 120.71 to 120.76, and after reduction for receipts from quasi-school activities when the school board has assumed direction and control of same. For purposes of determining the adjusted mainte-

nance costs, the state department of education shall use only figures from the annual financial reports of the districts for the prior year and any supplementary documents received by it on or before August 1 of the current year ; ~~(November 1, in 1971 only)~~ . For any district which has not transmitted to the department of education before August 1, ~~(November 1, in 1971 only)~~ its annual financial report for the prior year, the figures from the most recent financial report of that district received on or before August 1, ~~(November 1, in 1971 only)~~ shall be used for purposes of calculating its certified levy and foundation aid. ~~In calculating the adjusted maintenance cost in 1970-1971, a district may include for calculating its certified levy and foundation aid under this article salaries paid in the 1971-1972 school year which are for services rendered in 1970-1971.~~

(2) "Adjusted assessed valuation" shall mean the assessed valuation of the taxable property notwithstanding the provisions of section 275.49 of the school district as adjusted by the equalization aid review committee.

Sec. 24. Minnesota Statutes 1974, Section 124.212, Subdivision 3a, is amended to read:

Subd. 3a. Notwithstanding any of the other provisions of this section, for the ~~1973-1974~~ 1975-1976 school year neither the sum nor the sum per pupil unit of the aggregate foundation aid earned by a district maintaining a classified secondary school and the amount raised by the maximum levy authorized by Minnesota Statutes ~~1971~~ 1974 , Section 275.125, Subdivision 2 2a, Clause (2) and for the ~~1974-1975~~ 1976-1977 school year neither the sum nor the sum per pupil unit of the aggregate foundation aid earned by such a district and the amount raised by the maximum levy authorized for ~~1973~~ 1975 by section 275.125, subdivision 2a 2b , clause (1), shall be less than the sum or the sum per pupil unit respectively of the aggregate foundation aid earned for the 1972-1973 school year, any payments earned for 1972-1973 which but for the operation of Minnesota Statutes 1971, Section 124.212, Subdivision 3, would not have been earned, and the amount raised by the levy authorized by Minnesota Statutes 1971, Section 275.125, Subdivision 2, Clause (1). Aggregate foundation aid includes foundation aid for all pupil units *except units computed in section 124.17, clause (3)* . For purposes of this computation pupil units used as a divisor shall include only those units identified in section 124.17, subdivision 1, clauses (1) ~~to (3)~~ and (2) .

Sec. 25. Minnesota Statutes 1974, Section 124.212, is amended by adding a subdivision to read:

Subd. 6b. For the 1975-1976 school year a district shall receive in foundation aid the lesser of (1) \$890 per pupil unit less 30 mills times the 1973 adjusted assessed valuation of the district or (2) the amount that bears the same relation to the difference in (1) as the sum of the greater sum computed pursuant to Minnesota Statutes 1974, Section 124.212, Subdivision 7a, clause (2), and the greater of (a) one half of the difference that results when the adjusted maintenance cost per pupil unit, so increased, is subtracted from \$890, or (b) \$65, bears to \$890. This section shall not

be construed as in any instance authorizing the levy of total amounts of taxes for school purposes in excess of the amount allowed by law on October 15, 1974.

Sec. 26. Minnesota Statutes 1974, Section 124.212, is amended by adding a subdivision to read:

Subd. 7b. For the 1976-1977 school year a district shall receive in foundation aid the lesser of (1) \$950 per pupil unit less 28 mills times the 1974 adjusted assessed valuation of the district or (2) the amount that bears the same relation to the difference in (1) as the sum of the greater sum computed pursuant to section 124.212, subdivision 6b, clause (2), and the greater of (a) two-thirds of the difference that results when such greater sum is subtracted from \$950, or (b) \$60, bears to \$950.

Sec. 27. Minnesota Statutes 1974, Section 124.212, Subdivision 8a, is amended to read:

Subd. 8a. Notwithstanding any provisions of any other law to the contrary, the adjusted assessed valuation used in calculating foundation aid shall include only that property which is currently taxable in the district. For districts receiving payments under sections 298.23 to 298.28; 298.32; 298.34 to 298.39; 298.391 to 298.396; 298.405; 298.51 to 298.67; 294.21 to 294.28; 124.215, subdivision 2a; 124.25; 124.30; 360.133; 360.135; ~~and 124.28; and~~ any law imposing a tax upon severed mineral values, or under any other law distributing proceeds in lieu of ad valorem tax assessments on copper or nickel properties; the foundation aid shall be reduced by: The previous year's payment to the district pursuant to said sections times the ratio of the maximum levy allowed the district under section 275.125, subdivision 2a 2b , to the total levy allowed by section 275.125, but not to exceed ~~35 45~~ percent in ~~1973-1974 1975-1976~~ and 40 50 percent in ~~1974-1975 1976-1977~~ of the previous year's payment.

Sec. 28. Minnesota Statutes 1974, Section 124.212, Subdivision 11, is amended to read:

Subd. 11. (a) The committee shall not increase the adjusted assessed valuation, exclusive of property valuation added, improved, reclassified, or reassessed since the prior assessment, of taxable property for 1962 or any subsequent year in any school district by more than eight percent over the certified valuation established for the year immediately preceding.

~~(b) Whenever the adjusted assessed valuation of any district is more than eight percent less than the adjusted assessed valuation of the preceding year, the state board of education may, upon application by the district prior to June 30 of such school year, authorize payment of additional foundation aid in the August adjustment following such school year in the amount of 30 mills times the difference in the said two successive adjusted assessed valuations.~~

~~(c) (b) The sales ratio studies, or any part thereof, or any copy of the same, or records accumulated in preparation thereof, which are prepared by the commissioner of revenue for the equalization~~

aid review committee for use in determining school aids pursuant to this section shall not be admissible in evidence in any proceeding, except actions for review of the determination of the school aids payable under this section.

Sec. 29. Minnesota Statutes 1974, Section 124.222, Subdivision 1, is amended to read:

124.222 [TRANSPORTATION AID ENTITLEMENT.] Subdivision 1. [COMPUTATION.] For ~~the 1974-1975~~ *each* 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 *in which payment is made* times the number of eligible pupils transported during the ~~1975~~ fiscal year *in which payment is made* ; or

(b) ~~115~~ *110* percent of the actual net operating cost per eligible pupil transported during the *fiscal year ending June 30, 1973 two years prior to the end of the fiscal year in which payment is made*, times the number of eligible pupils transported during the ~~1975~~ fiscal year *in which payment is made* ;

(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 *the calendar year 1974 of the beginning of the fiscal year* ;

(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~~ *12½* percent per year of the net cost of the fleet. *The cost of all equipment added to or installed in a school bus specifically to meet special needs of handicapped individuals shall be added to the remaining undepreciated value of that bus and depreciated over the remainder of the depreciation term for that bus.*

Sec. 30. Minnesota Statutes 1974, Section 124.222, is amended by adding a subdivision to read:

Subd. 2a. In addition to the amounts authorized in subdivision 1, if the actual net operating cost per eligible handicapped pupil transported during the fiscal year in which payment is made exceeds 120 percent of the actual net operating cost per eligible handicapped pupil transported during the fiscal year ending two years prior to the end of the fiscal year in which payment is made, the state shall pay to the district all costs for handicapped transportation in excess of this 120 percent. Transportation aid for handicapped pupils shall not be computed on an average daily attendance basis.

Sec. 31. Minnesota Statutes 1974, Section 124.222, Subdivision 3, is amended to read:

Subd. 3. [PAYMENT SCHEDULE.] Except as may be otherwise authorized by the commissioner to accommodate a flexible

school year program, the state shall pay to each school district 30 percent of its estimated school transportation aid entitlement for the 1975 fiscal year on or before each of the following dates: September 30, December 31, and March 31. The actual balance due the district shall be paid on or before August 31 of the following fiscal year. *For the purposes of subdivisions 1 and 2a, the fiscal year in which payment is made shall be the fiscal year in which the September, December, and March payments are made.*

Sec. 32. Minnesota Statutes 1974, 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 \$1,000,000 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 *and from* or board and lodging in another district, of resident pupils of a district without a secondary school; the pupils may attend a classified secondary school in another district and shall receive board and lodging in or transportation to *and from* a district having a classified secondary school at the expense of the district of the pupil's residence;

(3) Transportation for residents to *and from* 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 persons who fulfill the eligibility requirements of section 252.23(1) to *and from* licensed daytime activity centers attended by these persons;

(6) When necessary, board and lodging for nonresident handicapped pupils in a district maintaining special classes;

(7) *Transportation from one educational facility to another within the district for resident pupils enrolled on a shared time basis in educational programs approved by the commissioner of education;*

~~(7)~~ (8) Services described in clauses (1) to ~~(6)~~ (7) when provided in conjunction with a state board approved summer school program.

Sec. 33. Minnesota Statutes 1974, Section 124.26, is amended to read:

124.26 [EDUCATION PROGRAMS FOR ADULTS.] *Subdivision 1.* For evening schools and continuing education programs for adults established for persons over 16 years of age and not in attendance upon regular day schools, the state shall compensate any district maintaining such programs in accordance with requirements established by the state board from funds appropriated for that purpose, or such funds combined with federal funds insofar as federal funds are available. *Beginning July 1, 1975, the state shall not reimburse expenditures from the 1974-1975 school year programs, but shall pay aids for the 1975-1976 school year programs and for each year thereafter on a current funding basis.* The portion of such compensation from state appropriation shall ~~not exceed three-fourths~~ be 100 percent of the compensation paid each teacher for his services in such programs up to ~~\$5,300~~ \$8,000 per year based on the costs in that current year. All classes shall be tuition free when taught by teachers subsidized under this section; ~~but this and there shall not preclude charging a reasonable be no charge for registration, fee and charging for necessary materials and supplies, or G.E.D. tests.~~ Evening school and continuing education programs are defined as those public day or evening school programs which are established for persons over 16 years of age not in attendance at the full time elementary or secondary schools and which qualify such persons for the high school diploma, the high school equivalency certificate or for academic achievement at the secondary level.

Subd. 2. Each district providing evening school and continuing education programs shall establish and maintain accounts separate from all other district accounts for the receipt and disbursement of all funds related to these programs. All aid received pursuant to this section shall be utilized solely for the purposes of evening school and continuing education programs. In no case shall a district pursuant to this section receive more than the actual cost of providing these programs.

Subd. 3. The state department of education shall reimburse each G.E.D. testing center the sum of \$10 for each battery of G.E.D. tests or \$2 for each individual test administered by that center.

Sec. 34. Minnesota Statutes 1974, Chapter 124, is amended by adding a section to read:

[124.271] [COMMUNITY SCHOOL PROGRAMS AID.] *Subdivision 1.* In fiscal year 1977 and each year thereafter, the state shall pay to each qualifying district the greater of either

(a) an amount equal to 50 cents for each \$2 certified to be levied for that year by a qualifying district pursuant to section 275.125, subdivision 7; or

(b) an amount which is equal to 50 percent of the current salary, but not to exceed \$5,000, of one community school director or coordinator employed by a school district operating a com-

munity school program in compliance with the rules and regulations established by the state board of education.

Subd. 2. In fiscal year 1977, the state shall not reimburse school districts for past expenditures for salaries of community school directors and coordinators employed by the districts in the 1975-76 school year.

Subd. 3. Each district providing community school programs pursuant to sections 121.85 to 121.88 shall establish and maintain accounts separate from all other district accounts for the receipt and disbursement of all funds related to these community school programs. All funds received pursuant to this section and to the levy authorized in section 275.125, subdivision 7, shall be utilized solely for the purposes of community school programs.

Subd. 4. All community school programs aid shall be distributed by the state aids, statistics and research section of the state department of education. Aid shall be distributed prior to November 1, 1976 and each year thereafter.

Sec. 35. Minnesota Statutes 1974, Section 124.32, Subdivision 1, is amended to read:

124.32 [HANDICAPPED CHILDREN.] Subdivision 1. The state shall pay to any district and unorganized territory; (a) for the employment in its educational program for handicapped children, 60 70 percent of the salary of essential personnel, but this amount shall not exceed ~~\$5,600~~ \$10,000 for the normal school year for each full time person employed, or a pro rata amount for a part time person or a person employed for a limited time, including but not limited to summer school; (b) for the employment of an individual jointly with another district or districts or unorganized territory in its educational program for handicapped children, 60 70 percent of the salary of essential personnel, but this amount shall not exceed ~~\$5,600~~ \$10,000 for the normal school year for each full time person employed, or a pro rata amount for a part time person or a person employed for a limited time including but not limited to summer school.

Sec. 36. Minnesota Statutes 1974, Section 124.32, is amended by adding a subdivision to read:

Subd. 3a. The purpose of this subdivision is to change the method of funding of educational programs for handicapped children from reimbursement based on past expenditures to a current funding basis. Beginning July 1, 1976, the state shall not reimburse expenditures from the 1975-76 school year programs, including 1976 summer school programs, but shall pay aids for the 1976-77 school year programs and for each year thereafter on a current funding basis.

Sec. 37. Minnesota Statutes 1974, Section 124.32, Subdivision 5, is amended to read:

Subd. 5. When a handicapped child is placed in a residential facility approved by the commissioner and established primarily to serve handicapped children and when the child's educational pro-

gram is approved by the commissioner, the state shall pay to the resident district not to exceed 60 70 percent of instructional costs charged to the resident district, less the foundation aid per pupil unit payable to the resident district. ~~Not more than \$300,000 shall be spent annually for purposes of implementing this subdivision. If that amount does not suffice, the aid shall be pro rated among all qualifying districts.~~

The following types of facilities may be approved by the commissioner:

(a) A residential facility operated by a public school district and designed to serve the low incidence handicapped, the multiple handicapped, or the most severely handicapped children, either within or outside of the state, or, a state residential school outside of the state.

(b) A private, nonsectarian residential facility designed to provide educational services for handicapped children either within or outside of the state.

(c) A state hospital or private nonsectarian residential center designed to provide care and treatment for handicapped children.

Sec. 38. Minnesota Statutes 1974, Section 124.38, Subdivision 4, is amended to read:

Subd. 4. "~~Sinking~~ Debt service fund" means the aggregate of all funds maintained by a district which are appropriated to payment of principal of and interest on its debts as required by Minnesota Statutes, Chapter 475.

Sec. 39. Minnesota Statutes 1974, Section 124.38, Subdivision 5, is amended to read:

Subd. 5. "Debt service levy" means the levy for all ~~sinking debt service~~ fund purposes in accordance with Minnesota Statutes, Chapter 475.

Sec. 40. Minnesota Statutes 1974, Section 124.38, Subdivision 7, is amended to read:

Subd. 7. "Maximum effort debt service levy" means a levy in a total dollar amount computed as ~~2-1~~ 20 mills on the ~~market adjusted assessed~~ value; except that the maximum effort debt service levy of any school district having received a debt service or capital loan from the state before January 1, 1965, shall be computed as ~~1-30~~ $2\frac{1}{3}$ 4.10 mills on the market value in each year, unless the district applies or has applied for an additional loan subsequent to January 1, 1965, or issues or has issued bonds on the public market, other than bonds refunding state loans, subsequent to January 1, 1967; and except that the maximum effort debt service levy of any school district granted a debt service or capital loan between January 1, 1965, and July 1, 1969, shall be computed as $5\frac{1}{2}$ mills on the market value in each year, until and unless the district receives an additional loan ; and except that the maximum effort debt service loan of any school district granted a debt service or capital loan between July 1, 1969 and July 1, 1975 shall be computed as 6.3 mills on market value on each year until and unless the district has received an additional loan .

Sec. 41. Minnesota Statutes 1974, Section 124.38, Subdivision 8, is amended to read:

Subd. 8. *"Adjusted assessed valuation" means, as of any date, the valuation of all taxable property most recently determined by the equalization aid review committee in accordance with the provisions of 124.212. "Market value" means the value of all taxable property in the district on which its net debt limit is based as provided in section 475.53, subdivision 4.*

Sec. 42. Minnesota Statutes 1974, Section 124.42, Subdivision 1, is amended to read:

124.42 [DEBT SERVICE LOANS.] Subdivision 1. Any school district in which the required levy for debt service in any year will exceed its maximum effort debt service levy by ten percent or by \$5,000, whichever is less, is qualified for a debt service loan hereunder in an amount not exceeding the amount applied for, and not exceeding one percent of the sum of the net debt of the district and the aggregate amount of all state loans to the district outstanding on the date granted, and not exceeding the difference between the required and the maximum effort debt service levy in such year. Applications shall be filed with the committee in each calendar year up to and including September 15. The committee shall determine whether the applicant is entitled to such loan and the amount thereof, and on or before October 1 shall certify to each applicant district the amount granted and its due date. A copy of each such certificate shall be filed with the commissioner. Upon receipt by the commissioner of a copy of the committee's certificate that the loan is granted, the commissioner shall notify the county auditor or county auditors in which the district is located that the amount so certified is available and appropriated for payment of principal and interest on its outstanding bonds and such auditors shall reduce by that amount the taxes otherwise leviable as the district's debt service levy on the tax rolls for such year; ~~which taxes shall nevertheless be increased by the amount necessary to pay interest on this and any other state loans, as herein provided. Each debt service loan shall be for a term of 30 years, prepayable at par at any time, and shall bear interest from its date at a rate determined by the commissioner of finance; not less annually, at the multiple of one-tenth of one percent per annum next higher than the average annual rate payable on Minnesota state school loan bonds most recently issued prior to the disbursement of the loan to the district from time to time outstanding, but in no event less than 3½ percent per annum on the principal amount from time to time remaining unpaid, payable on December 15 of the year next following that in which the loan is received and annually thereafter.~~

Sec. 43. Minnesota Statutes 1974, Section 124.42, Subdivision 2, is amended to read:

Subd. 2. Each debt service loan shall be evidenced by a note which shall be executed in behalf of the district by the signatures of its chairman or vice chairman and the school district clerk, shall be dated November 1 of the year in which executed, and shall

state its principal amount, ~~due date~~, interest rate, and that it is payable at the commissioner's office. It shall have printed thereon, or the commissioner shall attach thereto, a grill for entry of the date and amount of each payment and allocations of each payment to accrued interest or principal, and a certificate to be executed by the county auditor of each county in which any portion of the school district is situated, prior to the delivery of the note, stating that such county auditor has entered the debt service loan evidenced thereby in his bond register. Such notes shall be delivered to the committee not later than November 15 of the year in which executed. The secretary shall cause a record to be made and preserved showing the obligor district and the date ; *and* principal amount ; *and* due date of each note, and shall then deliver it to the commissioner who shall make suitable record thereof.

Sec. 44. Minnesota Statutes 1974, Section 124.42, Subdivision 4, is amended to read:

Subd. 4. Each district receiving a debt service loan shall levy in that year for debt service ~~its required debt service levy as reduced by the amount of the loan in that year and each year thereafter in which it shall not have received a debt service loan~~, until all its debts to the fund are paid, the district is hereby obligated to levy for debt service (a) the amount of its maximum effort debt service levy, or (b) the amount of its required debt service levy *less the amount of any debt service loan in that year*, whichever is greater. Whenever the maximum effort debt service levy is greater the district shall remit to the commissioner, within ten days after its receipt of the last regular tax distribution in the year in which it is collected, that portion of the *maximum effort* debt service tax collections, including penalties and interest, which ~~exceeded exceeds~~ the principal and interest payable on its bonded debt in the period for which the levy was made *required debt service levy*. In addition to the foregoing, the district shall levy in each year, commencing in the year a debt service loan is granted and continuing until the entire loan is paid, a sum sufficient to produce full payment of the interest payable in the ensuing year on its debt service note, and the proceeds of such levy shall in each year be remitted to the commissioner for payment of such interest. On or before November 1 in each year the commissioner shall notify the county auditor of each county containing taxable property situated within the school district of the amount of the maximum effort debt service levy of the district for that year, and the additional amount necessary to be levied to produce a sum five percent in excess of the total amount of interest to become due in the ensuing year on all debt service notes and capital loans of the district, and said county auditor or auditors shall extend upon the tax rolls an ad valorem tax upon all taxable property within the district in the aggregate amount so certified. If any interest is not paid when due, the commissioner shall add the amount thereof to the amount of interest so certified in the following year, with one year's interest on such amount at the rate borne by the loan.

Sec. 45. Minnesota Statutes 1974, Section 124.43, Subdivision 1, is amended to read:

124.43 [CAPITAL LOANS.] Subdivision 1. To the extent moneys are from time to time available hereunder, the committee is authorized, *after review and recommendation by the state board of education*, to effect capital loans to school districts. Proceeds of such loans shall be used only for sites for school houses buildings and for acquiring, bettering, furnishing, or equipping school houses buildings under contracts to be entered into within 12 months from and after the date on which each loan is granted. Applications with the accompanying data specified in subdivision 2 shall be filed between October 1 of any year and June 1 next following. *No application shall be approved unless the state board of education certifies that the loan is needed to replace facilities dangerous to the health and safety of pupils, or to provide for pupils for whom no adequate facilities exist; that such facilities could not be made available by consolidating the district with an adjacent district without substantially lowering the fiscal capacity of that district or so increasing its area that it would no longer be viable; and that existing institutions or facilities within the area could not be acquired or leased to provide the needed facilities safely and at a lower cost. The state board shall make recommendations to the committee.* No loan shall be approved for any district exceeding an amount computed as follows:

(1) The amount voted by the district under subdivision 2;

(2) Plus the aggregate principal amount of general obligation bonds of the district outstanding on the date of approval, not exceeding the limitation on net debt of the district in section 475.53, subdivision 4;

(3) Less the maximum net debt permissible for the district on the date of approval, under the limitation in section 475.53, subdivision 4; and

(4) Less any amount by which the amount voted exceeds the total cost of the facilities for which the loan is granted, as estimated in accordance with subdivision 4, provided that the loan may be approved in an amount computed as provided in clauses (1) to (3), subject to subsequent reduction in accordance with this clause (4).

Sec. 46. Minnesota Statutes 1974, Section 124.43, Subdivision 2, is amended to read:

Subd. 2. The school board of any district desiring a loan shall adopt a resolution stating the amount proposed to be borrowed, the purpose for which the debt is to be incurred, and an estimate of the dates when the facilities for which the loan is requested will be contracted for and completed. The question of authorizing the borrowing shall then be submitted to the voters of the district at a regular or special election. The question submitted shall state the entire amount to be borrowed and that application will be made for a loan from the maximum effort school loan fund of such amount as may be available and allowable to the district and the remainder will be borrowed on bonds sold at a public sale within the limitations prescribed by law. A majority of those voting on the question shall be sufficient to authorize the district to effect

the state loan and also to issue the bonds on public sale in accordance with chapter 475. Applications for loans shall be accompanied by (a) a copy of such resolution, (b) a certificate by the clerk showing the vote at the election, (c) a certificate by the clerk and treasurer showing the then outstanding indebtedness of the district, and (d) a certificate by the county auditor of each county in which a portion of the district lies showing the information in his official records which is required to be used in computing the debt limit of the district under section 475.53, subdivision 4. The clerk's and treasurer's certificate shall show, as to each outstanding bond issue, the amount originally issued, the purpose for which issued, the date of issue, the amount remaining unpaid as of the date of the resolution, and the interest rates and due dates and amounts of principal thereon. Applications shall be in such form and accompanied by such additional data as the committee and state board of education shall prescribe, which may include a statement from the state department of education as to the district's need of the proposed schoolhouses in comparison with needs of other districts. When an application is received, the committee shall obtain from the commissioner of revenue, and from the public service commission when required, the information in their official records which is required to be used in computing the debt limit of the district under section 475.53, subdivision 4.

Sec. 47. Minnesota Statutes 1974, Section 124.43, Subdivision 3, is amended to read:

Subd. 3. The committee shall examine and consider all applications for capital loans *which have been recommended by the state board of education*, and if any applicant district is found not qualified it shall be promptly notified thereof. On January 1 and July 1 of each year, the committee shall make its determination on all pending applications which have been on file with it more than one month. If an applicant is qualified in the opinion of the committee and the aggregate of the amounts applied for does not exceed the amount available or which can be made available in the capital loan account, all loans so applied for shall be granted, subject to acceptance by the respective districts as specified below. If the aggregate exceeds the amount which is or can be made available, the committee shall allot the available amount among the qualified applicant districts, or any of them, according to the committee's judgment and discretion based upon their respective needs. The committee shall promptly certify to each qualified applicant district the amount, if any, of the capital loan granted to it, subject to adjustment under subdivision 1, clause (4).

Sec. 48. Minnesota Statutes 1974, Section 124.43, Subdivision 4, is amended to read:

Subd. 4. Each capital loan shall be for a term of 30 years and evidenced by a contract between the school district and the state acting through the committee. It shall obligate the state to pay to the district, out of the maximum effort school loan fund, an amount computed as provided in subdivision 1, upon receipt by the committee of a certified resolution of the school board reciting

that contracts for construction of the facilities for which the loan is granted have been awarded and that bonds of the district have been issued and sold in the amount necessary to pay all costs thereof in excess of the amount of the loan, and estimating such costs. It shall obligate the district on its full faith and credit to repay the entire principal of the state loan out of the excesses of its maximum effort debt service levy over its required debt service levy, and also to pay including interest at a rate determined annually by the commissioner of finance, not less at the multiple of one-tenth of one percent per annum next higher than the average annual rate payable on Minnesota state school loan bonds most recently issued prior to the disbursement of the loan to the district, but in no event less than $3\frac{1}{2}$ percent per annum on the principal amount from time to time unpaid. The district shall each year, as long as it is indebted to the state, levy for debt service (a) the amount of its maximum effort debt service levy or (b) the amount of its required debt service levy, whichever is greater, except as such required debt service levy may be reduced by a loan under section 124.42. Whenever the maximum effort debt service levy is greater, the district shall remit to the commissioner within ten days after its receipt of the last regular tax distribution in each year, that portion of the debt service tax collections, including penalties and interest, which exceeded the required debt service levy. The commissioner shall supervise the collection of outstanding accounts due the fund and may, by notice to the proper county auditor require the maximum levy to be made as required hereunder. Interest on capital loans shall be paid on December 15 of the year next following that in which the loan is granted and annually thereafter. In addition to the levies otherwise required by this subdivision, the district shall levy in each year, commencing in the year a capital loan is granted and continuing until the entire loan is paid, a sum sufficient to produce full payment of the interest payable in the ensuing year on its capital loan contract, and the proceeds of such levy shall in each year be remitted to the commissioner for payment of such interest. On or before November 1 in each year the commissioner shall notify the county auditor of each county containing taxable property situated within the school district of the amount of the maximum effort debt service levy of the district for that year, and the additional amount necessary to be levied to produce a sum five percent in excess of the total amount of interest to become due in the ensuing year on all capital and debt service loans of the district, and said county auditor or auditors shall extend upon the tax rolls an ad valorem tax upon all taxable property within the district in the aggregate amount so certified. If any interest is not paid when due, the commissioner shall add the amount thereof to the amount of interest so certified in the following year, with one year's interest on such amount at the rate borne by the loan. In the event that any capital loan is not paid within 30 years after it is granted from maximum effort debt service levies in excess of required debt service levies, the liability of the school district thereon shall be satisfied and discharged and interest thereon shall cease. After a district's capital loan has been outstanding for 20 years, the district shall not issue bonds on the public market except for the purpose of refunding such a loan.

Sec. 49. Minnesota Statutes 1974, Section 124.45, is amended to read:

124.45 [APPLICATIONS OF PAYMENT.] The commissioner shall apply payments received from collections of maximum effort debt service levies in excess of required debt service levies of a district on its debt service notes and capital loan contracts as follows: First, to payment of interest accrued on its notes, if any; second, to interest on its contracts, if any; third, toward principal on of its notes, if any; and last, toward payment of principal of its contracts, if any. While more than one note or more than one contract is held, priority of application payment of interest shall be given to the one of earliest date of the instrument, and after interest accrued on all notes is paid, similar priority shall be given in the application of any remaining amount to the payment of principal. In any year when the receipts from a district are not sufficient to pay the interest accrued on any of its notes or contracts, the deficiency shall be added to the principal, and the commissioner shall notify the district and each county auditor concerned of the new amount of principal of the note or contract.

Sec. 50. Minnesota Statutes 1974, Chapter 124, is amended by adding a section to read:

[124.561] [POST-SECONDARY VOCATIONAL-TECHNICAL EDUCATION FUNDING.] Subdivision 1. [PURPOSE.] The purpose of sections 50 to 53 of this act 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. Beginning July 1, 1976, all post-secondary vocational foundation aid and post-secondary vocational categorical aid shall be paid for the current fiscal year in accordance with sections 51 and 52 of this act.

Subd. 3. [BUDGETS.] Before January 1, 1976, and before January 1 of each year thereafter post-secondary vocational-technical school budgets for the following fiscal year shall be submitted to the state board for vocational education. The state board for vocational education shall approve the state and federal portion of the budgets for each district at a consolidated public hearing held pursuant to Minnesota Statutes, Chapter 15, which shall be held prior to May 15 of each year and which shall continue until all interested persons, representatives, and organizations have had an opportunity to be heard. The total amount of reimbursement payments approved for fiscal year 1975 payable in fiscal year 1976 shall not exceed by more than 14 percent the amount appropriated for post-secondary vocational-technical education for payment in fiscal year 1975. No district shall increase its indebtedness during fiscal year 1976 or any year thereafter unless authorized to do so by the state board for vocational education. Any such increase in indebtedness shall be the sole responsibility of the school district and the state shall have no responsibility or liability for any such indebtedness. The state board for vocational education shall before January 1, 1975

promulgate rules and regulations which establish the approval criteria for budgets, including 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; and 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 area vocational-technical institutes 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-technical education. This procedure shall be used to determine the local deficit or surplus in each district as of July 1, 1975 and as of July 1 for each year thereafter. This deficit or surplus shall be certified to the commissioner before September 1, 1975 and September 1 of each year thereafter.

Sec. 51. Minnesota Statutes 1974, Chapter 124, is amended by adding a section to read:

[124.562] [POST-SECONDARY VOCATIONAL FOUNDATION AID.] Subdivision 1. For the 1976-77 school year a district shall receive post-secondary vocational foundation aid in the amount of \$2,500 times the number of Minnesota resident post-secondary vocational-technical pupils in average daily membership, as defined in subdivision 3, less any amounts received as tuition for Minnesota resident post-secondary vocational-technical pupils.

Subd. 2. If the sum of the post-secondary vocational foundation aid to a district plus the amount raised by the levy allowable in Minnesota Statutes, Section 275.125, Subdivision 12, exceeds the sum of (1) the total allowable expenditures for the district as approved by the state board for vocational education, (2) debt service, and (3) fixed costs, the post-secondary vocational foundation aid shall be reduced by the amount of the excess.

Subd. 3. Membership for pupils in post-secondary vocational-technical schools shall mean the number of Minnesota resident 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 he has left or has been legally excused; provided that any pupil, regardless of age, 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. Average daily membership shall equal the sum for all Minnesota resident pupils of the number of days of the school year each pupil is enrolled in a post-secondary vocational-technical school in a district divided by 175. Average daily membership for pupils who are enrolled on a part time basis, but not including adult vocational pupils, shall equal (a) the sum for all Minnesota resident pupils of the number of days of the school year each pupil is enrolled in a

post-secondary vocational-technical school in the district times the number of hours per day each student is enrolled divided by the number of hours the school is in session per day (b) divided by 175. For a post-secondary vocational-technical school, the normal school year shall be at least the number of session days required by Minnesota Statutes, Section 124.19, Subdivision 1. In all post-secondary vocational-technical schools, the minimum length of the school day for each pupil, exclusive of the noon intermission, shall be six hours. Exceptions may be made by the local school administration for approved programs to meet individual student needs.

Subd. 4. All funds, whether state, federal, or from other sources, which may be made available to the department of education for carrying out the purposes of post-secondary vocational-technical education shall be apportioned by the state board for vocational education to the various school districts in accordance with law and shall be distributed by the state aids, statistics and research section of the state department of education. All post-secondary vocational foundation and categorical aids shall be paid to the school district where the pupil is in attendance.

Subd. 5. Each district providing post-secondary vocational-technical education programs shall establish and maintain accounts separate from all other district accounts for the receipt and disbursement of all funds related to these post-secondary vocational-technical education programs. All post-secondary vocational foundation and categorical aids and all funds received pursuant to the levy authorized by Minnesota Statutes, Section 275.125, Subdivision 12, shall be utilized solely for the purposes of post-secondary vocational-technical education programs.

Subd. 6. The provisions of Minnesota Statutes, Section 124.212, Subdivisions 10 to 18, shall apply to this section.

Subd. 7. None of the provisions of Minnesota Statutes, Chapter 16, shall apply to appropriations enacted to carry out the provisions of this section.

Subd. 8. This section shall be effective July 1, 1976.

Sec. 52. Minnesota Statutes 1974, Chapter 124, is amended by adding a section to read:

[124.563] [POST-SECONDARY VOCATIONAL CATEGORICAL AID.] *Subdivision 1. "Post-secondary vocational categorical aid" means all state and federal funds, exclusive of post-secondary vocational foundation aid, apportioned by the state board for vocational education to local school districts for the purpose of assisting in the conduct of post-secondary vocational-technical training. No district shall qualify for post-secondary vocational categorical aid unless it has certified the maximum levy permitted it by section 275.125, subdivision 12. In the apportionment of this aid, priority shall be given to districts conducting high cost programs which require funds in addition to the post-secondary vocational foundation aid provided.*

Subd. 2. Post-secondary vocational categorical aid shall be apportioned by the state board for vocational education at a consol-

idated public hearing held pursuant to Minnesota Statutes, Chapter 15. One such public hearing shall be held in February and one in August of each year. All aid approved at the public hearings shall be distributed to the districts on March 15 and September 15 of each year. On the date of each post-secondary vocational categorical aid payment, the state board shall report to the appropriate committees of the legislature on the distribution of post-secondary vocational categorical aid. The report shall include (a) the recipients of the aid; (b) the amounts distributed; and (c) the reasons for these distributions.

Subd. 3. Sixteen and two-thirds percent of all discretionary federal money received by the state for vocational education shall be distributed to local school districts as post-secondary vocational categorical aid for the purpose of assisting in the conduct of post-secondary vocational-technical training.

Subd. 4. This section shall be effective July 1, 1976.

Sec. 53. Minnesota Statutes 1974, Chapter 124, is amended by adding a section to read:

[124.564] [POST-SECONDARY VOCATIONAL EDUCATION TUITION.] *Subdivision 1. Any Minnesota resident who is under 21 years of age may attend a post-secondary vocational-technical school without tuition, provided that the individual meets the entrance requirements for the training course in which enrollment is sought and the school has the room and the facility to receive him.*

Subd. 2. Any person who has attained his 21st birthday and who would, but for that fact, qualify under subdivision 1 to attend a post-secondary vocational-technical school without tuition, may attend the school without tuition subject to the other provisions of this subdivision, if he entered active military service in any branch of the armed forces of the United States before his 21st birthday, and who has then been separated or discharged from active military service under conditions other than dishonorable, and if he applies for admission to the school before his 29th birthday. Time after separation or discharge from military service spent as an inpatient in a hospital or similar institution for treatment of an illness or disability or in recovery from an illness or disability that prevents gainful occupation or study shall be added to the time allowed for application.

Subd. 3. Tuition at a post-secondary vocational-technical school for a Minnesota resident pupil who does not come within the exemptions provided in subdivisions 1 and 2, shall be \$2 per day for each school day the pupil is enrolled.

Subd. 4. Unless covered by a higher education reciprocity agreement relating to nonresident tuition, entered into by the Minnesota higher education coordinating commission and approved by the state board for vocational education, tuition at a post-secondary vocational-technical school for a pupil who is not a resident of Minnesota shall be \$6 per day for each school day the pupil is enrolled.

Subd. 5. The state board for vocational education may pay a school district or post-secondary vocational-technical school in another state for tuition charges for Minnesota pupils who meet the qualifications of subdivisions 1 and 2 and who are enrolled in post-secondary vocational-technical schools in that state. This payment may not exceed the amount specified for post-secondary vocational foundation aid in section 51 of this act. This subdivision shall expire June 30, 1976.

Sec. 54. Minnesota Statutes 1974, Section 124.57, is amended to read:

124.57 [AID FOR VOCATIONAL EDUCATION.] Whenever any district shall have established a vocational school, department, or classes in accordance with the rules and regulations established by the state board adopted by that board, and the plan for vocational education, and approved by the United States office of education or other federal agency to which its functions are assigned, the state board shall reimburse such district or state tax supported institution for its expenditures for salaries and necessary travel of vocational teachers or other reimbursable expenditures from federal funds and may supplement such federal funds with such state aid as it may deem desirable under such rules as it may adopt, provided, however, that in the event of such funds not being sufficient to make such reimbursement in full, the state board shall prorate the respective amounts available to the various districts entitled to receive reimbursement. All instruction may be given at the place of the abode of the pupils, and adults may be given instruction in adjoining or nearby districts.

In like manner the state board shall have power to reimburse other governmental agencies for expenditures for salaries and necessary travel expenses of vocational teachers from federal funds, according to rules and regulations adopted by the state board.

When local districts desire but cannot provide vocational instruction for the related training required by apprentices and other learners in the trade, industrial, and distributive fields, the state board is empowered upon request of such local district or districts to employ itinerant vocational teachers to provide this service and pay the salary and necessary travel expense from authorized federal and state vocational aid funds under such rules as it may adopt. An itinerant vocational teacher in this section is defined as a vocational teacher employed to give part-time or periodic vocational instruction in one or more districts.

Sixteen and two-thirds percent of all discretionary federal money received by the state for vocational education shall be distributed under this section as aid to local school districts for secondary vocational education programs. Sixteen and two-thirds percent of all discretionary federal money received by the state for vocational education shall be distributed under this section as aid to local school districts for adult vocational education programs.

This section shall apply only to secondary and adult vocational education programs. Sections 50 to 53 of this act shall not apply to secondary and adult vocational education programs. This section of this act shall be effective July 1, 1976.

Sec. 55. Minnesota Statutes 1974, Chapter 124, is amended by adding a section to read:

[124.807] [DECREASED ASSESSED VALUATION.] *If in any year the assessed value of any district is less than the assessed value of the immediate preceding year, the equalization aid review committee shall, upon notification by the county assessor prior to October 16 of that assessment year, redetermine the adjusted assessed value of the immediate preceding year taking into account the decrease in assessed value. On or before November 1 of the assessment year, the equalization aid review committee shall file the redetermined adjusted assessed value with the commissioner of education who shall thereupon certify to the county auditors and school districts affected the appropriate levy limits of the school districts affected pursuant to section 275.125, subdivision 9. Notwithstanding section 275.07, the districts affected may certify the taxes voted to the county auditor on or before December 1.*

Sec. 56. Minnesota Statutes 1974, Section 128.04, is amended to read:

128.04 [DUTIES OF BOARD.] It shall be the duty of the board to furnish school facilities to every child of school age residing in any part of the county district, either by building school houses, leasing schoolrooms, transporting the children to the nearest school, boarding the children within convenient distance of school at the expense of the board, or otherwise, and to provide necessary supplies and text and library books.

The annual meeting as held in ~~ten or more townships independent~~ districts need not be held, but the clerk of the board shall publish once in a legal newspaper published in the county the annual report required by law to be made by the district treasurer.

When not otherwise provided in sections 128.01 to 128.06, the school board of any such county district shall have and exercise all of the powers and be subject to the same laws and regulations as boards of ~~ten or more townships independent~~ districts, and all laws applicable to ~~ten or more townships independent~~ districts; and all laws applicable to state aid for equalizing educational opportunities in unorganized territory shall apply to the county district including Laws 1921, Chapter 467.

Sec. 57. Minnesota Statutes 1974, Section 275.125, is amended by adding a subdivision to read:

Subd. 2b. (1) In 1975, a school district may levy for all general and special school purposes, an amount equal to the amount raised by the 1974 adjusted assessed valuation of the district times the number of mills, not to exceed 28, that bears the same relation to 28, as the greater sum computed pursuant to section 124.212, subdivision 7b, clause (2), bears to \$950.

(2) In 1976, a school district may levy for all general and special school purposes, an amount equal to the amount raised by the 1975 adjusted assessed valuation of the district times the number of mills, not to exceed 28, that bears the same relation to 28, as the

sum of the greater sum computed pursuant to section 124.212, subdivision 7b, clause (2), and the greater of (a) two thirds of the difference that results when such greater sum is subtracted from \$1010, or (b) \$60, bears to \$1010.

(3) For any district levying less than the maximum levy allowable in clauses (1) and (2) of this subdivision, beginning with the levy certified in 1975, payable in 1976, the foundation aid to that district, calculated pursuant to section 124.212, shall be reduced by the amount of the difference between the actual levy and the maximum levy allowable under clauses (1) and (2).

(4) The levy authorized by clauses (1) or (2) may be increased in any amount which is approved by the voters of the district at a referendum called for the purpose. Such a referendum may be called by the school board or shall be called by the school board upon written petition of qualified voters of the district. The referendum shall be held on a date set by the school board. Only one such election may be held in a single school year. The question on the ballot shall be whether a specific millage which will yield a specific amount based on the most recent assessed valuation may be added to that authorized by clauses (1) or (2). If approved, the amount provided by the millage applied to each year's assessed valuation shall be authorized for certification until revoked by the voters of the district at a subsequent referendum, which may be called by the school board and which shall be called by the school board upon the written petition of qualified voters of the district unless the petition for revocation is submitted in the same year in which a levy has been increased by the voters pursuant to this clause. A petition authorized by this clause shall be effective if signed by a number of qualified voters in excess of 15 percent, or 10 percent if the school board election is held in conjunction with a general election, of the average number of voters at the two most recent district wide school elections. A referendum invoked by petition shall be held within three months of submission of the petition to the school board unless the petition for revocation is submitted in the same year in which a levy has been increased by the voters pursuant to this clause. Notwithstanding any law to the contrary, the approval of 50 percent plus one of those voting on the question is required to pass a referendum.

Sec. 58. Minnesota Statutes 1974, Section 275.125, Subdivision 3, is amended to read:

Subd. 3. In addition to the levy authorized by section 275.125, subdivision 2a 2b , a qualifying district may levy additional amounts as follows: provided in subdivisions 4 to 13 of this section.

(1) Subd. 4. 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 section 275.125, subdivision 3, as it read on January 1, 1975 , 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 and the amounts necessary to pay the district's obligations under section 268.06, subdivision 25 .

(2) *Subd. 5.* 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 1974, 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 is receivable for the current 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 clause. 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 1.0 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) *Subd. 6.* For the 1974 levy, collectible in 1975, In 1975 and each year thereafter, any district, other than a district with boundaries coterminous with the boundaries of a city of the first class, in which the 1970-1971 adjusted maintenance cost per pupil unit in average daily membership was greater than \$663 per pupil unit, may levy the greater of (1) an amount per pupil unit which is equal to or less than the difference between the 1970-1971 adjusted maintenance cost per pupil unit in average daily membership and \$663 per pupil unit, reduced by two and one-half percent each year or (2) an amount which is equal to or less than that amount raised by the number of EARC mills levied in 1974 pursuant to Minnesota Statutes 1974, Section 275.125, Subdi-

vision 3, Clause (5), reduced by two and one-half percent each year, times the adjusted assessed valuation of the taxable property in the district for the preceding year. No district may levy under this clause an amount which exceeds the sum of the levy permitted under section 275.125, subdivision 3 (3) and 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 with 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 1.9 mills times the adjusted assessed valuation of the district shall be allowed to levy 2.0 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 cost 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) *Subd. 7.* In 1973 1975 , 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 \$2 per capita, or (B) the number of mills not to exceed the number of mills necessary in 1973 1975 to raise \$1 \$2 per capita in 1973 1975 for community services including summer school, nonvocational adult programs, recreation programs, and programs contemplated by sections 121.85 to 121.89.

A school district shall be authorized to make this additional levy only after it has filed a certificate of compliance with the commissioner of education, certifying that members of the school board have met with members of the governing bodies of the county and city or township in which the school district, or any part thereof, is located, in order to discuss methods of increasing mutual cooperation between such bodies.

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) *Subd. 8.* 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 subdivisions 3 to 13 of this section 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) *Subd. 9.* The commissioner shall certify to the county auditors 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 14 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 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) *Subd. 10.* 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 prorated 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.

(12) *Subd. 11.* When a district finds it economically advantageous to rent or lease existing school buildings for instructional purposes, and the proceeds of the levy permitted under section 124.04 are insufficient for this purpose, it may apply to the commissioner for permission to make an additional capital expenditure levy for this purpose. An application for permission to levy under this clause shall contain financial justification for the proposed levy, the terms and conditions of the proposed lease, and a description of the space to be leased and its proposed use. The criteria for approval of applications to levy under this clause shall include: the reasonableness of the price, the appropriateness of the space to the proposed activity, the feasibility of transporting pupils to the leased building, conformity of the lease to the laws and regulations of the state of Minnesota, and the appropriateness of the proposed lease to the space needs and the financial condition of the district. The commissioner shall not authorize a levy under this clause in an amount greater than the cost to the district of renting or leasing a school building for approved purposes.

Sec. 59. Minnesota Statutes 1974, Section 275.125, is amended by adding a subdivision to read:

Subd. 12. Districts maintaining a post-secondary vocational-technical school shall levy for post-secondary vocational-technical purposes as follows:

(1) *For districts in cities of the first class, a minimum of one-half mill up to a maximum of two mills, exclusive of debt service, times the adjusted assessed valuation of the taxable property of the district for the preceding year as determined by the equalization aid review committee.*

(2) *For districts formed pursuant to Laws 1967, Chapter 822, as amended, and Laws 1969, Chapters 775 and 1060 as amended, a*

minimum of one-half mill up to a maximum of two mills, exclusive of debt service, times the adjusted assessed valuation of the taxable property of the district for the preceding year as determined by the equalization aid review committee.

(3) For other districts maintaining post-secondary vocational schools, a minimum of one mill up to a maximum of three mills, exclusive of debt service, times the adjusted assessed valuation of the taxable property of the district for the preceding year as determined by the equalization aid review committee.

Sec. 60. Minnesota Statutes 1974, Section 275.125, is amended by adding a subdivision to read:

Subd. 13. Districts maintaining a post-secondary vocational-technical school may levy additional amounts as follows:

(1) A district maintaining a post-secondary vocational-technical school shall assume responsibility for a local share of the district post-secondary vocational deficit. The local share shall be 30 percent of the district post-secondary vocational deficit as of July 1, 1975, as certified to the commissioner of education pursuant to section 50, subdivision 4 of this act, for post-secondary vocational-technical schools established prior to December, 1971. For post-secondary vocational-technical schools established subsequent to November, 1971, the local share of the district post-secondary vocational deficit as of July 1, 1976, as certified to the commissioner, shall be 15 percent.

(2) For the purpose of eliminating the local share of its post-secondary vocational deficit, a district may petition the commissioner of education for authority to make an additional levy. Before such a levy can be made, it must be approved by the commissioner. The approval shall specify the years in which the additional levy may be made and shall specify its dollar amount. No levy so approved shall be made in more than four successive years, beginning with the levy certified in 1975, and shall not annually exceed .25 mills in a district in a city of the first class, 1.5 mills in districts formed pursuant to Laws 1969, Chapter 1060, as amended; Laws 1969, Chapter 775, as amended; or Laws 1967, Chapter 822, as amended, or three mills in any other district maintaining a post-secondary vocational-technical school times the adjusted assessed valuation of the district for the preceding year as determined by the equalization aid review committee. Under no circumstances may a district, other than a district with a post-secondary vocational-technical school established subsequent to November, 1971, levy a total amount greater than the local share of its post-secondary vocational deficit as of July 1, 1975, as certified to the commissioner of education. Under no circumstances may a district with a post-secondary vocational-technical school established subsequent to November, 1971 levy a total amount greater than the local share of its post-secondary vocational deficit as of July 1, 1976, as certified to the commissioner of education.

(3) If the additional levy allowed in clause (2) of this subdivision would be insufficient to eliminate the local share of the

district's post-secondary vocational deficit as of July 1, 1975, or as of July 1, 1976 in the case of a district with a post-secondary vocational-technical school established subsequent to November, 1971, as certified to the commissioner of education, it may petition the commissioner of education for authority to issue general obligation bonds in an amount sufficient to meet the deficiency. Before the bonds may be issued, they must be authorized by the commissioner. The authorization shall specify a term not to exceed seven years and the amount of the bond issue provided that the levy authorization to pay the principal and interest on the bonds may not annually exceed .25 mills in a district in a city of the first class, .5 mills in districts formed pursuant to Laws 1969, Chapter 1060, as amended; Laws 1969, Chapter 775, as amended; or Laws 1967, Chapter 822, as amended, or six mills in any other district maintaining a post-secondary vocational-technical school times the 1973 adjusted assessed valuation of the district as determined by the equalization aid review committee; provided, however, that the mill limitation is subject to the provisions of Minnesota Statutes, Section 475.74. The bonds authorized by this section shall be sold and issued pursuant to the provisions of Minnesota Statutes, Chapter 475, except as otherwise provided herein. The bonds shall not be included in computing any debt limitation for a district and no election shall be required for their sale and issuance.

(4) A district may not be authorized an additional levy under both clauses (2) and (3) of this subdivision.

(5) The state shall assume responsibility for 70 percent of a district's post-secondary vocational deficit as of July 1, 1975, as certified to the commissioner of education, for post-secondary vocational-technical schools established prior to December, 1971. The state shall assume 85 percent of a district's post-secondary vocational deficit as of July 1, 1976, as certified to the commissioner of education, for post-secondary vocational-technical schools established subsequent to November, 1971. The state portion of the deficit shall be paid to each district in fiscal years 1977 and 1978 in two equal payments, provided that the levy for the district's portion of the deficit has been approved by the commissioner and the required portion for the 1975 levy has been certified to the county auditor.

Sec. 61. Minnesota Statutes 1974, Section 275.125, Subdivision 4, is amended to read:

Subd. 4 14 . Any district which in any year levies an amount which is greater than the amount allowed by subdivisions 2 2b and 3 to 13 , shall lose an amount of state foundation aid equal to one-half of the excess in the levy, provided that any levy which is found to be excessive as a result of a decision of the tax court or a redetermination by the equalization aid review committee under section 124.212, subdivisions 11 to 20, shall not be compensated for in the next levy of the district. The amount of aid lost shall be deducted from the aid which would otherwise have been received for the school year which commences in the calendar year during which the excessive levy is being collected. Any foundation aid so

withheld shall be withheld in accordance with the procedures specified in section 124.15. A levy made in 1971 prior to the effective date of Extra Session Laws 1971, Chapter 31, Article 20 shall be reviewed, and may be modified, by the appropriate authority of the district for the purpose of reducing such levy to conform to the limitation imposed by Extra Session Laws 1971, Chapter 31, Article 20. Any reduction in such levy made prior to December 15, 1971 shall be given the same effect as though such reduction had been made prior to the expiration of the time allowed by law for making the levy.

Sec. 62. Minnesota Statutes 1974, Section 275.125, Subdivision 5, is amended to read:

Subd. 5 15 . For the purposes of this section, the number ~~by~~ of pupil units in average daily membership shall be computed in accordance with section 124.17, provided that the district may use an estimated average daily membership for the current school year. Any district which increased its pupil units, exclusive of consolidation, or merger of districts, or change of definition of pupil units by more than five percent from one year to another may use an estimated pupil unit count for the next succeeding school year for determining a levy certified in the current year. If as a result of such estimate the levy is different from the amount that could actually have been levied under this section had such levy been based upon the pupil units computed under section 124.17 for that school year, then in that event the authorized levy for the following year shall be adjusted for the difference.

Sec. 63. Minnesota Statutes 1974, Section 275.125, Subdivision 6, is amended to read:

Subd. 6 16 . Notwithstanding any other charter provision, general or special laws to the contrary, every school district in the state shall abide by the terms and provisions of this section.

Sec. 64. Minnesota Statutes 1974, Section 275.125, Subdivision 7, is amended to read:

Subd. 7 17 . By November 1 of each year each district shall submit to the commissioner of education a certificate of compliance with the levy limitations of this section. The commissioner of education shall prescribe the form of this certificate.

Sec. 65. Minnesota Statutes 1974, Section 275.48, is amended to read:

275.48 [ADDITIONAL TAX LEVIES IN CERTAIN MUNICIPALITIES.] Whenever *by virtue of chapter 278, sections 270.07, 375.192, or otherwise*, the assessed valuation of any city, township or school district for any taxable year is reduced after the taxes for such year have been spread by the county auditor and whenever the mill rate as determined by the county auditor based upon the original assessed valuation is applied upon such reduced valuations and does not produce the full amount of taxes as actually levied and certified for such taxable year upon the original assessed valuations, such city, township or school district may include in its tax levy made following *final determination and*

notice of such reduction in assessed valuation, an amount equal to the difference between the total amount of taxes actually levied and certified for such taxable year upon the original assessed valuation, not exceeding the maximum amount which could be raised upon such assessed valuation as reduced, within existing mill limitations, if any, and the amount of taxes collected for such taxable year upon such reduced valuations.

The amount of taxes so included shall be levied separately and shall be levied in addition to all limitations permitted by section 275.11, as other applicable laws limiting levies in cities, towns or school districts imposed by law; and further shall not result in any penalty in the nature of a reduction in state aid of any kind .

Sec. 66. Minnesota Statutes 1974, Section 475.54, Subdivision 2, is amended to read:

Subd. 2. A serial maturity schedule conforming to subdivision 1 may be established for each new issue of obligations of a municipality, or the governing body may in its discretion adjust such schedule so that the combined maturities of the new issue and any other designated issue or issues will conform to subdivision 1, provided that all such issues are general obligations or all are payable from a common fund. Notwithstanding the provisions of any other general or special law, any school district having an outstanding state loan or loans, if it issues and sells bonds on the public market for any purpose other than refunding such loans, *or refunding outstanding bonds as provided herein* shall adjust the schedule of the maturities thereof so that the total amount of principal and interest to become due on these bonds and on all other bonds of the school district, during each of the 30 fiscal or calendar years next following, will be as nearly equal as practicable, provided that the annual amounts of maturing principal may be fixed at multiples of \$5,000. *A school district which has an outstanding state loan or loans may refund outstanding bonds, provided that the school loan committee established in section 124.41 approves such refunding. The committee shall approve refunding outstanding bonds only if such refunding results in lower annual debt service payments than the district made prior to the refunding.*

Sec. 67. Laws 1967, Chapter 822, Section 7, as amended by Laws 1969, Chapter 945, Section 2, is amended to read:

Sec. 7. [TAX LEVIES.] *If so provided in the agreement,* The joint school board *may shall* each year, for the purpose of paying any administrative, planning, operating, or capital expenses incurred or to be incurred for area vocational-technical schools, certify to each participating school district *a the* tax levy which *shall never in any year exceed four mills on each dollar of assessed valuation of all taxable property specified in Minnesota Statutes, Section 275.125, Subdivision 12, Clause (2) .* Additional tax levies may be certified which shall not in any year exceed *two .6* mills on each dollar of assessed valuation for expenses for the following: *special education ; and driving of motor vehicles.* Of the amount so levied, however, not to exceed *one-half of one mill* shall be for the *driving of motor vehicles, it being contemplated that 50 percent of*

the cost thereof be paid by the student. Each participating school district shall include such tax levy levies in the next tax roll which it shall certify to the county auditor or auditors, and shall remit the collections of such levy levies to the board promptly when received. Such levies shall not be included in computing the limitations upon the levy of any district under Minnesota Statutes, Section 275.12 275.125. The board may, any time after such levy has levies have been certified to the participating school districts, issue and sell certificates of indebtedness in anticipation of the collection of such levy levies, but in aggregate amounts such as will not exceed the portion of the levy levies which is are then not collected and not delinquent.

Sec. 68. Laws 1969, Chapter 775, Section 4, Subdivision 2, as amended by Laws 1971, Chapter 267, Section 3, is amended to read:

Subd. 2. The intermediate school board may shall in each year for the purpose of paying any administrative, planning, operating, or capital expenses incurred or to be incurred certify to each county auditor of each county in which said intermediate school district shall lie, as a single taxing district, a the tax levy which shall never in any year exceed five mills, exclusive of debt service, on each dollar of assessed valuation of all taxable property within said intermediate school district specified in Minnesota Statutes, Section 275.125, Subdivision 12, Clause (2). An additional tax levy may be certified which shall not in any year exceed .6 mills on each dollar of assessed valuation for expenses for special education. Said annual tax levy levies shall be certified pursuant to Minnesota Statutes 1969, Section 124.02. Upon such certification the county auditor or auditors and other appropriate county officials shall levy and collect such levies and remit the proceeds of collection thereof to the intermediate school district as in the case with independent school districts. Such levy shall not be included in computing the limitations, if any, upon the levy of the intermediate district or any of the participating districts under Minnesota Statutes 1967, Section 275.12 275.125. After such levies have been certified to the appropriate county officials the intermediate school board may issue and sell by negotiation or at public sale its certificates of indebtedness in anticipation of the collection of such levies, but in aggregate amount such as will not exceed the portion of such tax levy which is then not collected and not delinquent.

Sec. 69. Laws 1969, Chapter 1060, Section 7, is amended to read:

Sec. 7. [TAX LEVIES.] If so provided in the agreement, The joint school board may shall each year, for the purpose of paying any administrative, planning, operating, or capital expenses incurred or to be incurred for area vocational-technical schools, certify to each participating school district a the tax levy which shall never in any year exceed four mills on each dollar of assessed valuation of all taxable property specified in Minnesota Statutes, Section 275.125, Subdivision 12, Clause (2). Additional tax levies may be certified which shall not in any year exceed .6 mills on each dollar of assessed valuation for expenses for special edu-

cation. Each participating school district shall include such tax levy levies in the next tax roll which it shall certify to the county auditor or auditors, and shall remit the collections of such levy levies to the board promptly when received. Such levies shall not be included in computing the limitations upon the levy of any district under Minnesota Statutes, Section 275.12 275.125 . The board may, any time after such levy has levies have been certified to the participating school districts, issue and sell certificates of indebtedness in anticipation of the collection of such levy levies , but in aggregate amounts such as will not exceed the portion of the levy levies which is are then not collected and not delinquent.

Sec. 70. Laws 1971, Chapter 722, Section 1, is amended to read:

Section 1. [SPECIAL SCHOOL DISTRICT NO. 1; TAX LEVY.] To provide moneys to pay any administrative, operational, planning or capital expenses of an area vocational-technical school established pursuant to the provisions of Minnesota Statutes, Section 121.21, the board of directors of special school district No. 1 of Minneapolis may shall levy annually upon all taxable property in the district a the tax specified in Minnesota Statutes, Section 275.125, Subdivision 12, Clause (1) in excess of the limitation contained in Minnesota Statutes, Section 275.12 275.125 .

Sec. 71. Laws 1973, Chapter 683, Section 26, Subdivision 17, is amended to read:

Subd. 17. The provisions of this section shall expire July 1, 1977 1979 . At any time the experimental school may be terminated upon unanimous vote of the officers of the committee and 30 days notice to the board of District No. 309, whereupon the board of District No. 309 shall resume the care, management and control of the entire district on July 1 following. Prior to December 1 of each year the committee shall submit to the legislature a report of the experimental school established by this section. Such report shall document the success or failure of the experimental school.

Sec. 72. Laws 1974, Chapter 521, Section 9, is amended to read:

Sec. 9. Notwithstanding any law to the contrary, in Independent School Districts No. 93 and No. 99 where the adjusted assessed valuation is under contest in a Minnesota court as of February 1, 1974, foundation aid payments for the 1972-73 and 1973-74 school years and for any future school years until such time as the valuation is finally decided shall be made on the basis of the uncontested portion of the valuation of these districts. If as a result of the pending litigation these districts experience an increase in the adjusted assessed value as determined by the equalization aid review committee and recover tax revenues in excess of those which would have been raised on the uncontested adjusted assessed value as determined by the equalization aid review committee, any excess in foundation aid payments which resulted from the use of this uncontested adjusted assessed value in the aid determination shall be returned to the state by these districts.

Sec. 73. Laws 1975, Chapter 13, Section 110, Subdivision 1, is amended to read:

473.633 [SCHOOL DISTRICTS.] Subdivision 1. [ALLOCATION FROM PROCEEDS OF INCOME TAXES.] When the properties of any school district in this state are detached from such school district because they comprise a part of or are located on a major airport, such district shall receive annually an allocation from the proceeds of income taxes in the amount that would be produced by a tax on such detached properties at the current tax rate for school purposes in the school district. *In fiscal year 1976, the district shall receive 75 percent of the amount that would be produced by a tax on such detached properties at the current tax rate for school purposes in the school district. In fiscal year 1977, 50 percent of such amount; in fiscal year 1978, 25 percent of such amount.*

Sec. 74. Laws 1975, Chapter 13, Section 110, is amended by adding a subdivision to read:

Subd. 6. This section shall expire on June 30, 1978.

Sec. 75. Laws 1975, Chapter 13, Section 111, is amended to read:

473.635 [APPROPRIATION IN LIEU OF TAXES ON AIRPORT PROPERTY.] *In fiscal year 1976, there is hereby appropriated annually to Independent School District No. 16 of Anoka County the sum of \$15,000 \$11,250, of which \$9,750 65 percent of this amount is appropriated from the state airports account within the special revenue fund in the state treasury and \$5,250 35 percent of this amount is appropriated from the general fund in the state treasury, all as payment in lieu of taxes upon real property owned by the Minneapolis-St. Paul metropolitan airports commission. In fiscal year 1977, there is appropriated \$7,500 to Independent School District No. 16 with the same percentages appropriated from the same funds. In fiscal year 1978, there is appropriated \$3,750 to Independent School District No. 16 with the same percentages appropriated from the same funds. This section shall expire June 30, 1978.*

Sec. 76. [APPROPRIATION.] *There is appropriated from the general fund of the state treasury to the department of education the following sums for the years and purposes indicated:*

	For the year ending June 30	
	1976	1977
(1) Foundation Aid	\$592,572,000	\$632,822,000
<i>The appropriation in (1) includes not to exceed \$300,000 in 1976 for emergency aid.</i>		
(2) Transportation Aid	60,448,000	71,130,000
(3) Special Education Aid	42,000,000	45,125,000
(4) Secondary Vocational Aid . .	12,000,000	13,000,000

For the year ending June 30

	<i>1976</i>	<i>1977</i>
(5) Adult Vocational Aid	\$3,100,000	\$3,700,000
(6) Veteran Farmer Cooperative Training Programs	900,000	1,000,000
(7) Post-Secondary Vocational Foundation Aid	0	66,000,000
(8) Post-Secondary Vocational Categorical Aid	36,000,000	4,650,000
(9) Post-Secondary Vocational Deficit Payment	0	1,540,000
(10) Adult Education Aid	340,000	360,000
(11) G.E.D. Reimbursement Aid If the appropriation for this purpose in either year is insufficient, the reimbursement shall be prorated among all qualifying testing centers.	60,000	60,000
(12) Council on quality education	500,000	500,000
<i>This appropriation shall be used for funding ten early childhood identification and education programs pursuant to sections 3.9271 to 3.9275. No more than \$15,000 may be expended each year for administration of these programs by the council on quality education and no more than \$15,000 may be expended each year for evaluation of these programs.</i>		
(13) Community Education Aid	625,000	1,835,000
(14) Flexible School Year Incentive Grants	200,000	
<i>The appropriation in (14) shall be used by the state board of education as incentive grants for school districts which begin operation of flexible school year programs pursuant to sections 120.59 to 120.67, after July 1, 1975. Not more than 10 percent of the appropriation in (14) may be expended for evaluation of these programs. Any unexpended balance remaining</i>		

	<i>For the year ending June 30</i>	
	1976	1977
<i>from the appropriations in (1) to (14) for 1976 shall not cancel but shall be available for the second year of the biennium, unless otherwise provided in (1) to (14).</i>	\$	\$
(15) <i>Extraordinary Tax Delinquency Advances to Independent School District No. 272</i>	140,000	160,000
(16) <i>For gross earnings and pursuant to Section 124.28</i>	800,000	700,000
(17) <i>Exempt Land Special School Aid Pursuant to Section 124.30</i>	400,000	400,000
(18) <i>For Aid to School Districts pursuant to Laws 1975, Chapter 13, Section 110</i>	108,750	72,500
(19) <i>For Aid to School Districts pursuant to Laws 1975, Chapter 13, Section 111</i>	11,250	7,500
(20) <i>School Aid — Counties A/C of Non Tax Areas</i>	48,000	48,000

The amount appropriated in (20) shall be expended in 1976 and 1977, as provided in Laws 1971, Chapter 966, Section 16, for 1971 and 1972. If the appropriations made in (15) to (20) in either year are insufficient, the aids shall be prorated among all qualifying districts.

None of the amounts appropriated in (1) to (20) of this section shall be expended for a purpose other than the purpose indicated, unless otherwise provided in (1) to (20).

Sec. 77. [REPEALER.] *Laws 1969, Chapter 945, Section 3; Laws 1969, Chapter 1060, Section 8; Minnesota Statutes 1974, Sections 121.21, Subdivisions 5, 7, 9, and 10; 121.211; 124.50, are repealed. This section of this act shall be effective June 30, 1976.*

Sec. 78. [REPEALER.] *Laws 1919, Chapter 271; Laws 1951, Chapter 659; Minnesota Statutes 1974, Sections 124.212, Subdivisions 6a and 7a; 124.222, Subdivision 2; 124.475; 124.801; 124.802; 124.803; 124.804; 124.805; 124.806; 275.125, Subdivision 2a, are repealed.* "

Further amend the title by striking it in its entirety and inserting:

"A bill for an act relating to the operation of government; providing for aids to education, tax levies, and the distribution of tax revenues; changing the funding of adult education, special education, post-secondary vocational-technical education, and community school education to a current funding basis; granting certain powers to school districts, the state board of education, and the state board for vocational education; providing state aid for extraordinary tax delinquency to Independent School District No. 272; providing penalties; appropriating money; amending Minnesota Statutes 1974, Sections 3.9271, Subdivision 1; 120.03, Subdivision 3; 120.17, Subdivision 1 and by adding a subdivision; 120.76; 120.80, Subdivision 1; 121.21, Subdivisions 2 and 6; 121.89; 123.80; 124.04; 124.11; 124.14, Subdivision 1 and by adding a subdivision; 124.17, Subdivisions 1, 2, and 2a; 124.18, Subdivision 2; 124.20; 124.212, Subdivisions 1, 2, 3a, 8a, 11, and by adding subdivisions; 124.222, Subdivisions 1, 3, and by adding a subdivision; 124.223; 124.26; 124.32, Subdivisions 1 and 5, and by adding a subdivision; 124.38, Subdivisions 4, 5, 7, and 8; 124.42, Subdivisions 1, 2, and 4; 124.43, Subdivisions 1, 2, 3, and 4; 124.45; 124.57; 128.04; 275.125, Subdivisions 3, 4, 5, 6, 7, and by adding subdivisions; 275.48; 475.54, Subdivision 2; Chapter 124, by adding sections; Laws 1967, Chapter 822, Section 7, as amended; Laws 1969, Chapters 775, Section 4, Subdivision 2, as amended; 1060, Section 7; Laws 1971, Chapter 722, Section 1; Laws 1973, Chapter 683, Section 26, Subdivision 17; Laws 1974, Chapter 521, Section 9; Laws 1975, Chapter 13, Section 110, Subdivision 1 and by adding a subdivision; Laws 1975, Chapter 13, Section 111; repealing Minnesota Statutes 1974, Sections 121.21, Subdivisions 5, 7, 9, and 10; 121.211; 124.212, Subdivisions 6a and 7a; 124.222, Subdivision 2; 124.475; 124.50; 124.801; 124.802; 124.803; 124.804; 124.805; 124.806; 275.125, Subdivision 2a; Laws 1919, Chapter 271; Laws 1951, Chapter 659; Laws 1969, Chapters 945, Section 3; and 1060, Section 8."

And when so amended, H. F. No. 235 will be identical to S. F. No. 135 and further recommends that H. F. No. 235 be given its second reading and substituted for S. F. No. 135 and that the Senate File be indefinitely postponed. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred for proper reference under Rule 35, S. F. No. 1684

Reports the same back with the recommendation that the bill be re-referred to the Committee on Judiciary. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred for proper reference under Rule 35, together with the committee report thereon,

S. F. No. 938: A bill for an act relating to education; quality education council; changing duties and functions and providing a per diem for members; amending Minnesota Statutes 1974, Sections 3.924; 3.925; 3.926; and 3.927

Reports the same back with the recommendation that the report from the Committee on Education shown in the Journal for April 23,

1975 that "when so amended the bill do pass and be re-referred to the Committee on Finance" be adopted. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which were referred

H. F. Nos. 1442, 1758, 1759 and 471 for proper reference, recommends the above House Files be re-referred to their respective Committees as follows:

H. F. Nos. 1758 and 1759 to the Committee on Finance.

H. F. No. 471 to the Committee on Labor and Commerce.

H. F. No. 1442 to the Committee on Metropolitan and Urban Affairs.

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. No. 1187 was read the second time.

SECOND READING OF HOUSE BILLS

H. F. Nos. 540, 4, 67, 229, 1555, 703, 527, 1513, 1099, 866, 745, 596 and 235 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Doty moved that S. F. No. 72 and the Conference Committee Report thereon be taken from the table. The motion prevailed.

Mr. Doty moved that the recommendations and Conference Committee Report as printed in the Journal May 1, 1975 on S. F. No. 72 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S. F. No. 72: A bill for an act relating to elections; permitting the use of a petition in lieu of filing fees; amending Laws 1975, Chapter 5, Section 15, by adding a subdivision.

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

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

And the roll being called, there were yeas 38 and nays 28, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Lewis	Perpich, A. J.	Stassen
Arnold	Gearty	Merriam	Perpich, G.	Stokowski
Borden	Hansen, Baldy	Milton	Purfeerst	Stumpf
Chenoweth	Hughes	Moe	Schaaf	Tennessee
Chmielewski	Humphrey	Nelson	Schmitz	Wegener
Coleman	Keefe, S.	Olhoft	Schrom	Willet
Conzemius	Kleinbaum	Olson, A. G.	Solon	
Davies	Laufenburger	Olson, H. D.	Spear	

Those who voted in the negative were:

Ashbach	Brown	Jensen	Larson	Patton
Bang	Dunn	Josefson	McCutcheon	Pillsbury
Berg	Fitzsimons	Keefe, J.	North	Renneke
Bernhagen	Frederick	Kirchner	Ogdahl	Sillers
Blatz	Hansen, Mel	Knutson	Olson, J. L.	
Brataas	Hanson, R.	Kowalczyk	O'Neill	

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

SPECIAL ORDER

Pursuant to Rule 10, Mr. Arnold, Chairman of the Committee on Finance, designated S. F. No. 1697, No. 170 on the General Orders Calendar, a Special Order to be heard immediately.

S. F. No. 1697: A bill for an act relating to claims against the state; appropriating moneys for the payment thereof.

Mr. Anderson moved to amend S. F. No. 1697 as follows:

Pages 6 and 7, strike Section 4

Renumber the sections in sequence

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

S. F. No. 1697 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 55 and nays 11, as follows:

Those who voted in the affirmative were:

Arnold	Dunn	Keefe, J.	Nelson	Schaaf
Ashbach	Fitzsimons	Keefe, S.	North	Schmitz
Bang	Frederick	Kirchner	Olhoft	Solon
Bernhagen	Gearty	Kowalczyk	Olson, H. D.	Spear
Borden	Hansen, Baldy	Larson	Olson, J. L.	Stassen
Brown	Hansen, Mel	Laufenburger	Patton	Stokowski
Chenoweth	Hanson, R.	Lewis	Perpich, A. J.	Stumpf
Coleman	Hughes	McCutcheon	Perpich, G.	Tennessee
Conzemius	Humphrey	Merriam	Pillsbury	Ueland
Davies	Jensen	Milton	Purfeerst	Wegener
Doty	Josefson	Moe	Renneke	Willet

Those who voted in the negative were:

Anderson	Chmielewski	Knutson	Olson, A. G.	Schrom
Blatz	Kleinbaum	Ogdahl	O'Neill	Sillers
Brataas				

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Chmielewski moved that the name of Mr. Willet be added as co-author to S. F. No. 479. The motion prevailed.

Mr. Hughes moved that the report from the Committee on Education, reported May 1, 1975, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Hughes moved that the foregoing report be now adopted. The motion prevailed.

CONFIRMATION

Mr. Hughes moved that in accordance with the report from the Committee on Education, reported May 1, 1975, the Senate, having advised with, do now consent to and confirm the appointment of:

STATE BOARD OF EDUCATION

Daniel Burton, 512 Hickory, Mankato, Blue Earth County, appointed July 1, 1974, for a term expiring July 1, 1980.

The motion prevailed. So the appointment was confirmed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Hughes moved that the report from the Committee on Education, reported May 1, 1975, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Hughes moved that the foregoing report be now adopted. The motion prevailed.

CONFIRMATION

Mr. Hughes moved that in accordance with the report from the Committee on Education, reported May 1, 1975, the Senate, having advised with, do now consent to and confirm the appointment of:

MINNESOTA HIGHER EDUCATION FACILITIES AUTHORITY

Robert Bonine, 2376 Pagel Road, Mendota Heights, Dakota County, effective January 1, 1975, for a term expiring January 1, 1981.

The motion prevailed. So the appointment was confirmed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Hughes moved that the report from the Committee on Education, reported May 1, 1975, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Hughes moved that the foregoing report be now adopted. The motion prevailed.

CONFIRMATION

Mr. Hughes moved that in accordance with the report from the Committee on Education, reported May 1, 1975, the Senate, having advised with, do now consent to and confirm the appointments of:

ADVISORY COMMISSION ON FLUCTUATING SCHOOL ENROLLMENTS

Jerome Daily, 414 North 2nd, East Grand Forks, Polk County, appointed effective August 2, 1974, for a term expiring June 30, 1977.

Russel Parta, New York Mills, Otter Tail County, appointed effective August 2, 1974, for a term expiring June 30, 1977.

Dr. Van Mueller, 3609 Maplewood Drive, St. Anthony Village, Hennepin County, appointed effective August 2, 1974, for a term expiring June 30, 1977.

Duane W. Kronke, 3139 Irving Avenue South, Minneapolis, Hennepin County, appointed effective August 2, 1974, for a term expiring June 30, 1977.

Mrs. Larry Lambert, 105 North 4th, Montevideo, Chippewa County, appointed effective August 2, 1974, for a term expiring June 30, 1977.

Erling O. Johnson, 832 Eastwood Lane, Anoka, Anoka County, appointed effective August 2, 1974, for a term expiring June 30, 1977.

Mrs. Duane Ditlevson, 1716 - 14th Avenue South, St. Cloud, Stearns County, appointed effective August 2, 1974, for a term expiring June 30, 1977.

Robert Whaley, Rochester John-Marshall, Rochester, Olmsted County, appointed effective August 2, 1974, for a term expiring June 30, 1977.

Tom Lykins, 411 West Middle, Redwood Falls, Redwood County, appointed effective August 2, 1974, for a term expiring June 30, 1977.

Char Mitau, 1787 Bohland Avenue, St. Paul, Ramsey County, appointed effective August 2, 1974, for a term expiring June 30, 1977.

Mary Drenckhan, Lewiston, Winona County, appointed effective August 2, 1974, for a term expiring June 30, 1977.

The motion prevailed. So the appointments were confirmed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Conzemius moved that the names of Messrs. Stassen and Brown be added as co-authors to S. F. No. 1642. The motion prevailed.

Mr. Schaaf moved that the name of Mr. Merriam be added as co-author to S. F. No. 1330. The motion prevailed.

SUSPENSION OF RULES

Mr. Anderson moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minne-

sota, with respect to H. F. No. 235 and that the rules of the Senate be so far suspended as to give H. F. No. 235, now on General Orders, its third reading and place it on its final passage. The motion prevailed.

H. F. No. 235: 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 and of education of handicapped children to a current funding basis; providing for changes in the maximum effort school aid law; granting certain powers and duties to school districts and the state board of education; appropriating money; amending Minnesota Statutes 1974, Sections 120.17, Subdivision 1; 121.21, Subdivisions 2, 4, and 6; 121.89; 124.04; 124.11; 124.17, Subdivisions 1 and 2; 124.18, Subdivision 2; 124.20; 124.212, Subdivisions 1, 3a, 8a, and 11, and by adding subdivisions; 124.215, by adding a subdivision; 124.222, Subdivisions 2 and 3; and by adding subdivisions; 124.223; 124.28, Subdivision 2; 124.32, Subdivision 1, and by adding a subdivision; 124.38, Subdivisions 4, 5, 6, and 7; 124.42, Subdivisions 1, 2, and 4; 124.43, Subdivisions 1, 2, 3, and 4; 124.45; 124.57; 275.125, Subdivisions 2a and 3, and by adding subdivisions; 475.54, Subdivision 2; Chapter 124, by adding sections; Laws 1967, Chapter 822, Section 7, as amended; Laws 1969, Chapter 775, Section 4, Subdivision 2, as amended; Laws 1969, Chapter 1060, Section 7; Laws 1971, Chapter 722, Section 1; and Laws 1974, Chapter 521, Section 9; repealing Minnesota Statutes 1974, Sections 121.21, Subdivisions 5, 7, 9, and 10; 121.211; 124.212, Subdivisions 6a and 7a; 124.215, Subdivision 2a; 124.222, Subdivision 1; 124.25; 124.30; 124.475; 124.50; 124.801; 124.802; 124.803; 124.804; 124.805; 124.806; and Laws 1969, Chapters 945, Section 3; 1060, Section 8; and Laws 1975, Chapter 13, Sections 110 and 111.

Mr. Nelson moved to amend H. F. No. 235, as amended pursuant to rule 49, adopted on May 5, 1975, as follows:

Page 6, line 20, strike "*state aid pursuant to section 124.32,*" and insert "*education categorical aid,*"

Page 15, strike lines 10 through 32.

Page 16, strike lines 1 through 29.

Renumber the clauses in sequence

Page 19, after line 3, insert:

"Sec. 20. Minnesota Statutes 1974, Section 124.17, Subdivision 3, is amended to read:

Subd. 3. In computing pupil units for a prior year, the number of pupil units shall be adjusted to reflect any change for the current year in relative weightings by grade level or category of special assistance and any change in measurement from average daily attendance to average daily membership; ~~but not for the addition for the first time in the current year of a specified category of special assistance as provided in subdivision 1, clause (4).~~"

Page 23, after line 5, insert:

"Sec. This act may be cited as "The Child Centered School Finance Act."

Sec. The purpose of this act is to set out an understandable school finance formula for the people of Minnesota. The formula is child centered and relates state and local funding to the actual programs for our school aged children. Under this formula school districts will be encouraged to identify children with special educational needs and provide quality programs for them."

Page 23, strike lines 8 through 21 and insert:

"Subd. 6b. For the 1975-1976 school year a district shall receive in foundation aid \$910 per pupil unit less 30 mills times the 1973 adjusted assessed valuation of the district."

Page 23, after line 21, insert:

"Sec. Minnesota Statutes 1974, Section 124.212, is amended by adding a subdivision to read:

Subd. 6c. In addition to the aids paid in subdivision 6b, for the 1975-76 school year, the following aids for handicapped children, as defined in section 120.03 shall be paid to each district for each pupil served in the following categories: speech impaired, \$355; educable mentally retarded, \$1,825; trainable mentally retarded, \$2,670; crippled, \$3,920; hearing impaired, \$2,745; visually impaired, \$2,460; children with special learning and behavior problems, \$1,100; and, hospital and homebound instruction, \$520."

Page 23, strike lines 24 through 32 and insert:

"Subd. 7b. For the 1976-1977 school year a district shall receive in foundation aid \$970 per pupil unit less 28 mills times the 1974 adjusted assessed valuation of the district."

Page 23, after line 32, insert:

"Sec. Minnesota Statutes 1974, Section 124.212, is amended by adding a subdivision to read:

Subd. 7c. In addition to the aids paid in subdivision 7b, for the 1976-1977 school year, the following aids for handicapped children, as defined in section 120.03, shall be paid to each district for each pupil served in the following categories: speech impaired, \$375; educable mentally retarded, \$1,935; trainable mentally retarded, \$2,830; crippled, \$4,155; hearing impaired, \$2,910; visually impaired, \$2,610; children with special behavior and learning problems, \$1,165; and, hospital and homebound instruction, \$550.

Sec. Minnesota Statutes 1974, Section 124.212, is amended by adding a subdivision to read:

Subd. 8. Each district providing the programs specified in subdivisions 6c and 7c shall establish and maintain accounts separate from all other district accounts for the receipt and disbursement of all funds related to the eight specified programs.

Ninety percent of funds received pursuant to subdivisions 6c and 7c shall be utilized solely for the purposes of the eight specified programs."

Page 25, after line 13, insert:

"Sec. Minnesota Statutes 1974, Section 124.215, is amended by adding a subdivision to read:

Subd. 9. In addition to regular foundation aid payments, any district having one or more full time equivalent classroom teachers with an M.A. degree or M.A. equivalency or whose experience level is above the statewide average experience level shall be eligible for advanced teacher training and experience aid. The statewide average experience level is seven years. The aid for advanced teacher experience shall be computed by multiplying the number by which the district experience index exceeds the statewide average experience index by \$500, to a maximum of \$2,500 for a 12 year index. The result of that calculation is the amount of aid granted to the school district by the department of education. The district experience index is obtained by adding the number of years of experience of all full time equivalent classroom teachers in the district and dividing by the number of full time equivalent classroom teachers in the district. The aid for advanced teacher training shall be computed by multiplying the percentage of full time equivalent classroom teachers in the district having an M.A. degree or M.A. equivalency by \$1,000. The result of that calculation is the amount of aid granted to the school district by the department of education."

Pages 30 and 31, strike sections 35 and 36

Page 32, after line 24, insert:

"Sec. Minnesota Statutes 1974, Section 124.32, subdivision 6, is amended to read:

Subd. 6. The state shall reimburse each district or unorganized territory the actual cost incurred in providing instruction and services for a handicapped child whose district of residence has been determined by sections 120.17, subdivisions 7 or 8a, and who is temporarily placed in a state institution or a licensed residential facility for care and treatment. This section does not apply for a child placed in a foster home or a foster group home.

Upon following such procedure as requested by the commissioner of education a district or unorganized territory providing instruction and services for such handicapped child may bill the state the actual cost incurred in providing said services including transportation costs and a proportionate amount of capital outlay and debt service, minus the amount of foundation aid, special education aid to handicapped children, transportation aid, and any other aid earned in behalf of such child, such action pursuant to limits set forth in section 124.32, subdivision 4."

Page 53, line 14, strike "*the number of mills*"

Page 53, line 14, after "28" strike the comma and insert "*mills.*"

Page 53, strike lines 15, 16 and 17

Page 53, line 21, strike "*the number of mills,*"

Page 53, line 21, strike "*, that*" and insert "*mills.*"

Page 53, strike lines 22 through 26.

Renumber the sections accordingly.

Page 74, line 30, strike "\$592,572,000" and "\$632,822,000" and insert "\$554,350,000" and "\$591,689,000"

Page 75, line 5, strike "\$42,000,000" and "\$45,125,000" and insert "\$82,495,000" and "\$87,931,000"

Page 74, after line 5, insert:

"If the appropriation for this purpose in either year is insufficient, the payment shall be prorated among the qualifying school districts.

(4) Veteran Teacher Aid \$ 66,595,000 \$ 70,983,000

If the appropriation for this purpose in either year is insufficient, the payment shall be prorated among the qualifying school districts."

Renumber the clauses and internal clause references accordingly.

Page 78, line 15, after "659," insert "*Laws 1975, Chapter 46, Section 1;*"

Page 78, line 16, after "*Subdivision 2;*" insert "*124.32, Subdivisions 1 and 2;*"

Further, amend the title as follows:

Page 1, line 20, after the first "2," insert "3,"

Page 1, line 22, after "*subdivisions;*" insert "*124.215, by adding a subdivision;*"

Page 1, line 24, strike " and 5" and insert ", 5 and 6"

Page 2, line 4, before the period insert "*Laws 1975, Chapter 46, Section 1;*"

Page 1, line 41, after "*Subdivision 2;*" insert "*124.32, Subdivisions 1 and 2;*"

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 20 and nays 44, as follows:

Those who voted in the affirmative were:

Ashbach	Brataas	Frederick	Kowalczyk	Pillsbury
Bang	Brown	Jensen	Larson	Renneke
Bernhagen	Dunn	Keefe, J.	Nelson	Stassen
Blatz	Fitzsimons	Kirchner	Patton	Ueland

Those who voted in the negative were:

Anderson	Gearty	Lewis	Olson, H. D.	Sillers
Arnold	Hansen, Baldy	McCutcheon	Olson, J. L.	Solon
Berg	Hansen, Mel	Merriam	O'Neill	Spear
Borden	Hughes	Milton	Perpich, A. J.	Stokowski
Chenoweth	Humphrey	Moe	Perpich, G.	Stumpf
Chmielewski	Keefe, S.	North	Purfeerst	Tennessee
Coleman	Kleinbaum	Ogdahl	Schaaf	Wegener
Davies	Knutson	Olhoft	Schmitz	Willet
Doty	Laufenburger	Olson, A. G.	Schrom	

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

CALL OF THE SENATE

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

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

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

Mr. Nelson moved to amend H. F. No. 235, as amended pursuant to Rule 49, adopted May 5, 1975, as follows:

Page 23, after line 21 insert:

"Sec. 26. Minnesota Statutes 1974, Section 124.212, is amended by adding a subdivision to read:

Subd. 6c. In addition to the aids paid in subdivision 6b, for the 1975-1976 school year, the following aids for handicapped children, as defined in section 120.03, shall be paid to each district for each pupil served in the following categories: speech impaired, \$355; educable mentally retarded, \$1,825; trainable mentally retarded, \$2,670; crippled, \$3,920; hearing impaired, \$2,745; visually impaired, \$2,460; children with special learning and behavior problems, \$1,100; and, hospital and homebound instruction, \$520."

Page 23, after line 32, insert:

"Sec. 28. Minnesota Statutes 1974, Section 124.212, is amended by adding subdivisions to read:

Subd. 7c. In addition to the aids paid in subdivision 7b, for the 1976-1977 school year, the following aids for handicapped children, as defined in section 120.03, shall be paid to each district for each pupil served in the following categories: speech impaired, \$375; educable mentally retarded, \$1,935; trainable mentally retarded,

\$2,830; crippled, \$4,155; hearing impaired, \$2,910; visually impaired, \$2,610; children with special learning and behavior problems, \$1,165; and, hospital and homebound instruction, \$550.

Subd. 8. Each district providing the programs specified in subdivisions 6c and 7c shall establish and maintain accounts separate from all other district accounts for the receipt and disbursement of all funds related to the specified programs. Ninety percent of the funds received pursuant to subdivisions 6c and 7c shall be utilized solely for the purposes of the eight specified programs."

Pages 30 and 31, strike Sections 35 and 36.

Page 32, after line 24 insert:

"Sec. 39. Minnesota Statutes 1974, Section 124.32, Subdivision 6, is amended to read:

Subd. 6. The state shall reimburse each district or unorganized territory the actual cost incurred in providing instruction and services for a handicapped child whose district of residence has been determined by sections 120.17, subdivisions 7 or 8a, and who is temporarily placed in a state institution or a licensed residential facility for care and treatment. This section does not apply for a child placed in a foster home or a foster group home.

Upon following such procedure as requested by the commissioner of education a district or unorganized territory providing instruction and services for such handicapped child may bill the state the actual cost incurred in providing said services including transportation costs and a proportionate amount of capital outlay and debt service, minus the amount of foundation aid, special education *categorical* aid, transportation aid, and any other aid earned in behalf of such child, such action pursuant to limits set forth in section 124.32, subdivision 4."

Renumber the sections accordingly

Page 75, line 5, after "*Education*" insert "*Categorical*"

Page 75, line 5, strike "\$42,000,000" and "\$45,125,000" and insert "\$82,495,000" and "\$87,931,000"

Page 75, after line 5 insert:

"If the appropriation for this purpose in either year is insufficient, the payment shall be prorated among the qualifying school districts."

Page 78, line 16, after "*Subdivision 2;*" insert "*124.32, Subdivisions 1 and 2;*"

Further, amend the title as follows:

Page 1, line 24, strike "and 5" and insert ", 5 and 6"

Page 1, line 41, after "*Subdivision 2;*" insert "*124.32, Subdivisions 1 and 2;*"

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 18 and nays 40, as follows:

Those who voted in the affirmative were:

Ashbach	Brataas	Josefson	Olson, J. L.	Stassen
Bang	Brown	Keefe, J.	Patton	Ueland
Berg	Fitzsimons	Kirchner	Pillsbury	
Bernhagen	Jensen	Nelson	Renneke	

Those who voted in the negative were:

Anderson	Hansen, Mel	Lewis	Olson, H. D.	Sillers
Arnold	Hughes	Merriam	O'Neill	Solon
Borden	Humphrey	Milton	Perpich, A. J.	Spear
Chmielewski	Keefe, S.	Moe	Perpich, G.	Stokowski
Davies	Kleinbaum	North	Purfeerst	Stumpf
Dunn	Knutson	Ogdahl	Schaaf	Tennessen
Gearty	Larson	Olhoff	Schmitz	Wegener
Hansen, Baldy	Laufenburger	Olson, A. G.	Schrom	Willet

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

Mr. Stassen moved to amend H. F. No. 235, as amended pursuant to Rule 49, adopted by the Senate May 5, 1975, as follows:

Page 23, after line 32, insert:

"Sec. 27. Minnesota Statutes 1974, Section 124.212, is amended by adding a subdivision to read:

Subd. 7c. Aid for each school district, as computed in accordance with subdivisions 6b or 7b, shall be adjusted as follows:

(1) For each certificated staff person with 10 or more years of experience as credited by the school district, with a bachelor of arts degree, the additional sum of \$200;

(2) For each certificated staff person, with 10 or more years of experience as credited by the school district, with a master of arts degree or equivalent as determined by the school district in its salary schedule, the additional sum of \$600."

Page 77, after line 10, insert:

"(16) Veteran teachers training aid \$21,000,000 \$21,000,000"

Renumber the clauses and internal references

Renumber the sections in sequence

The question being taken on the adoption of the amendment.

And the roll being called, there were yeas 23 and nays 37, as follows:

Those who voted in the affirmative were:

Ashbach	Brown	Josefson	Larson	Renneke
Bang	Fitzsimons	Keefe, J.	Nelson	Stassen
Bernhagen	Frederick	Kirchner	Olson, J. L.	Ueland
Blatz	Hanson, R.	Knutson	Patton	
Brataas	Jensen	Kowalczyk	Pillsbury	

Those who voted in the negative were:

Anderson	Hansen, Baldy	Merriam	O'Neill	Stokowski
Arnold	Hansen, Mel	Milton	Perpich, A. J.	Stumpf
Berg	Hughes	Moe	Perpich, G.	Tennessee
Chmielewski	Humphrey	North	Purfeerst	Wegener
Coleman	Keefe, S.	Ogdahl	Schmitz	Willet
Davies	Kleinbaum	Olhoff	Schrom	
Doty	Laufenburger	Olson, A. G.	Sillers	
Gearty	McCutcheon	Olson, H. D.	Spear	

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

Mr. Stassen then moved to amend H. F. No. 235, as amended pursuant to Rule 49, adopted by the Senate May 5, 1975, as follows:

Page 23, after line 32, insert:

"Sec. 27. Minnesota Statutes 1974, Section 124.212, is amended by adding a subdivision to read:

Subd. 7c. Aid for each school district, as computed in accordance with subdivisions 6b or 7b shall be adjusted as follows:

(1) In districts having 25 percent or more of their certified staff with a master of arts degree or equivalent as determined by the school district in its salary schedule, the additional sum of \$1,000 for each such certified staff person;

(2) In districts having 50 percent or more of their certified teaching staff with 11 years or more of experience as credited by the school district, the additional sum of \$1,000 for each such certified staff person."

Page 77, after line 10, insert:

"(16) Veterans teachers training aid \$12,500,000 \$12,500,000"

Renumber the clauses and internal references

Renumber the sections in sequence

The question being taken on the adoption of the amendment,

Mr. Coleman moved that those not voting be excused from voting. The motion prevailed.

And the roll being called, there were yeas 21 and nays 39, as follows:

Those who voted in the affirmative were:

Ashbach	Brown	Keefe, J.	Nelson	Ueland
Bang	Dunn	Kirchner	Patton	
Bernhagen	Fitzsimons	Knutson	Pillsbury	
Blatz	Hansen, Mel	Kowalczyk	Renneke	
Brataas	Hanson, R.	Larson	Stassen	

Those who voted in the negative were:

Anderson	Humphrey	Merriam	O'Neill	Solon
Arnold	Jensen	Milton	Perpich, A. J.	Spear
Berg	Josefson	Moe	Perpich, G.	Stokowski
Borden	Keefe, S.	North	Purfeerst	Stumpf
Chmielewski	Kleinbaum	Ogdahl	Schaa	Tennessee
Coleman	Laufenburger	Olson, A. G.	Schmitz	Wegener
Doty	Lewis	Olson, H. D.	Schrom	Willet
Hansen, Baldy	McCutcheon	Olson, J. L.	Sillers	

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

Mr. Bernhagen moved to amend H. F. No. 235, as amended pursuant to Rule 49, adopted on May 5, 1975, as follows:

Page 22, line 18, after "school" insert "*and Independent School District No. 427*"

The motion prevailed. So the amendment was adopted.

Mr. Dunn moved to amend H. F. No. 235, as amended pursuant to Rule 49, adopted on May 5, 1975, as follows:

Page 17, line 2, strike the new language and reinsert the stricken language

Page 17, line 3, strike the new language

Page 17, line 4, strike the new language

Page 74, line 30, strike "\$592,572,000" and "\$632,822,000" and insert "\$590,241,000" and "\$630,271,000"

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 11 and nays 47, as follows:

Those who voted in the affirmative were:

Ashbach	Dunn	Kowalczyk	Pillsbury	Renneke
Bernhagen	Jensen	Nelson		
Brown	Knutson	Patton		

Those who voted in the negative were:

Anderson	Doty	Kleinbaum	Olson, A. G.	Solon
Arnold	Fitzsimons	Larson	Olson, H. D.	Spear
Bang	Frederick	Laufenburger	Olson, J. L.	Stokowski
Berg	Gearty	Lewis	O'Neill	Stumpf
Blatz	Hansen, Baldy	Merriam	Perpich, A. J.	Tennessen
Borden	Hansen, Mel	Milton	Perpich, G.	Wegener
Brataas	Humphrey	Moe	Purfeerst	Willet
Chmielewski	Josefson	North	Schmitz	
Coleman	Keefe, S.	Ogdahl	Schrom	
Davies	Kirchner	Olhoft	Sillers	

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

Mr. Jensen moved to amend H. F. No. 235, as amended pursuant to Rule 49, adopted May 5, 1975, as follows:

Page 75, line 7, strike "\$12,000,000" and "\$13,000,000" and insert "\$14,828,000" and "\$17,749,000"

Page 75, after line 7, insert:

"The amount appropriated in (4) shall constitute a 50 percent direct cost reimbursement to school districts."

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 26 and nays 36, as follows:

Those who voted in the affirmative were:

Ashbach	Brown	Josefson	Nelson	Stassen
Bang	Dunn	Keefe, J.	Olson, H. D.	Ueland
Berg	Fitzsimons	Kirchner	Olson, J. L.	
Bernhagen	Hansen, Mel	Knutson	Patton	
Blatz	Hanson, R.	Kowalczyk	Pillsbury	
Brataas	Jensen	Larson	Renneke	

Those who voted in the negative were:

Anderson	Hansen, Baldy	Moe	Purfeerst	Stumpf
Arnold	Humphrey	North	Schaaf	Tennessen
Borden	Keefe, S.	Ogdahl	Schmitz	Wegener
Chmielewski	Kleinbaum	Olhoff	Schrom	Willet
Coleman	Lewis	Olson, A. G.	Sillers	
Davies	McCutcheon	O'Neill	Solon	
Doty	Merriam	Perpich, A. J.	Spear	
Gearty	Milton	Perpich, G.	Stokowski	

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

Mrs. Brataas moved to amend H. F. No. 235, as amended pursuant to Rule 49, adopted May 5, 1975, as follows:

Page 23, strike lines 8 through 21 and insert:

"Subd. 6b. For the 1975-1976 school year a district shall receive in foundation aid \$925 per pupil unit less 30 mills times the 1973 adjusted assessed valuation of the district. This section shall not be construed as in any instance authorizing the levy of total amounts of taxes for school purposes in excess of the amount allowed by law on October 15, 1974."

Page 23, strike lines 24 through 32 and insert:

"Subd. 7b. For the 1976-1977 school year a district shall receive in foundation aid \$1,025 per pupil unit less 28 mills times the 1974 adjusted assessed valuation of the district."

Page 53, line 14, strike "the number of mills,"

Page 53, line 14, after "28" strike the comma and insert "mills."

Page 53, strike lines 15, 16 and 17

Page 53, line 21, strike "the number of mills,"

Page 53, line 21, strike ", that" and insert "mills."

Page 53, strike lines 22 through 26

Page 74, line 30, strike "\$592,572,000" and "\$632,822,000" and insert "\$627,572,000" and "\$732,822,000"

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 23 and nays 40, as follows:

Those who voted in the affirmative were:

Ashbach	Brown	Jensen	Larson	Renneke
Bang	Dunn	Josefson	Nelson	Stassen
Bernhagen	Fitzsimons	Kirchner	Olson, J. L.	Ueland
Blatz	Frederick	Knutson	Patton	
Brataas	Hanson, R.	Kowalczyk	Pillsbury	

Those who voted in the negative were:

Anderson	Doty	Lewis	Olson, A. G.	Schrom
Arnold	Gearity	McCutcheon	Olson, H. D.	Solon
Borden	Hansen, Baldy	Merriam	O'Neill	Spear
Chenoweth	Hansen, Mel	Milton	Perpich, A. J.	Stokowski
Chmielewski	Humphrey	Moe	Perpich, G.	Stumpf
Coleman	Keefe, S.	North	Purfeerst	Tennessen
Conzemius	Kleinbaum	Ogdahl	Schaaf	Wegener
Davies	Laufenburger	Olhoft	Schmitz	Willet

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

Mr. Patton moved to amend H. F. No. 235, as amended pursuant to Rule 49, adopted May 5, 1975, as follows:

Page 23, strike lines 8 through 21 and insert:

"Subd. 6b. For the 1975-1976 school year a district shall receive in foundation aid \$920 per pupil unit less 30 mills times the 1973 adjusted assessed valuation of the district. This section shall not be construed as in any instance authorizing the levy of total amounts of taxes for school purposes in excess of the amount allowed by law on October 15, 1974."

Page 23, strike lines 24 through 32 and insert:

"Subd. 7b. For the 1976-1977 school year a district shall receive in foundation aid \$1,015 per pupil unit less 28 mills times the 1974 adjusted assessed valuation of the district."

Page 53, line 14, strike *"the number of mills,"*

Page 53, line 14, after "28" strike the comma and insert *"mills."*

Page 53, strike lines 15, 16 and 17

Page 53, line 21, strike *"the number of mills,"*

Page 53, line 21, strike *"," that"* and insert *"mills."*

Page 53, strike lines 22 through 26

Page 74, line 30, strike *"\$592,572,000"* and *"\$632,822,000"* and insert *"\$622,600,000"* and *"\$707,800,000"*

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 23 and nays 39, as follows:

Those who voted in the affirmative were:

Ashbach	Brataas	Frederick	Knutson	Renneke
Bang	Brown	Hanson, R.	Kowalczyk	Stassen
Berg	Chmielewski	Jensen	Nelson	Ueland
Bernhagen	Dunn	Josefson	Patton	
Blatz	Fitzsimons	Kirchner	Pillsbury	

Those who voted in the negative were:

Anderson	Gearty	Lewis	Olson, H. D.	Solon
Arnold	Hansen, Baldy	McCutcheon	O'Neill	Spear
Borden	Hansen, Mel	Merriam	Perpich, A. J.	Stokowski
Chenoweth	Hughes	Milton	Perpich, G.	Stumpf
Coleman	Humphrey	Moe	Purfeerst	Tennessen
Conzemius	Keefe, S.	North	Schaaf	Wegener
Davies	Kleinbaum	Olhoff	Schmitz	Willet
Doty	Laufenburger	Olson, A. G.	Schrom	

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

Mr. Stassen moved to amend H. F. No. 235, as amended pursuant to Rule 49, adopted May 5, 1975, as follows:

Page 23, strike lines 8 through 21 and insert:

"Subd. 6b. For the 1975-1976 school year a district shall receive in foundation aid \$910 per pupil unit less 30 mills times the 1973 adjusted assessed valuation of the district. This section shall not be construed as in any instance authorizing the levy of total amounts of taxes for school purposes in excess of the amount allowed by law on October 15, 1974."

Page 23, strike lines 24 through 32 and insert:

"Subd. 7b. For the 1976-1977 school year a district shall receive in foundation aid \$970 per pupil unit less 28 mills times the 1974 adjusted assessed valuation of the district."

Page 53, line 14, strike "the number of mills,"

Page 53, line 14, after "28" strike the comma and insert "mills."

Page 53, strike lines 15, 16 and 17

Page 53, line 21, strike "the number of mills,"

Page 53, line 21, strike ", that" and insert "mills."

Page 53, strike lines 22 through 26

Page 74, line 30, strike "\$592,572,000" and "\$632,822,000" and insert "\$604,200,000" and "\$655,800,000"

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 23 and nays 40, as follows:

Those who voted in the affirmative were:

Ashbach	Brataas	Hanson, R.	Kowalczyk	Renneke
Bang	Brown	Jensen	Nelson	Stassen
Berg	Dunn	Josefson	Olson, J. L.	Ueland
Bernhagen	Fitzsimons	Kirchner	Patton	
Blatz	Frederick	Knutson	Pillsbury	

Those who voted in the negative were:

Anderson	Conzemius	Hughes	Laufenburger	Moe
Arnold	Davies	Humphrey	Lewis	North
Chenoweth	Doty	Keefe, S.	McCutcheon	Ogdahl
Chmielewski	Gearty	Kleinbaum	Merriam	Olhoff
Coleman	Hansen, Baldy	Larson	Milton	Olson, A. G.

Olson, H. D.	Perpich, G.	Schmitz	Spear	Tennessee
O'Neill	Purfeerst	Schrom	Stokowski	Wegener
Perpich, A. J.	Schaaf	Solon	Stumpf	Willet

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

Mr. O'Neill moved to amend H. F. No. 235, as amended pursuant to Rule 49, adopted on May 5, 1975, as follows:

Page 2, after line 21, insert:

"Sec. 3. *Subdivision 1. [HIGH POTENTIAL CHILD DEFINED.] A child who has superior intellectual ability, high academic aptitude, special creative talents, or special talents and abilities other than special athletic ability, to the degree that he requires special instruction or services beyond those normally provided by the regular school program, is a high potential child. Standards for identification of a high potential child shall be set by the local school district, combinations of districts, or educational service area, relative to the particular school and its environment, with the assistance of guidelines established by the state board of education.*

Subd. 2. [PROGRAMS.] Programs shall be subject to approval by the state board, these continuing programs shall be conducted by local school districts, combinations of districts, or educational service areas, beginning with the 1975-1976 school year, for kindergarten through grade 12, and may include: (a) identification of high potential children, (b) specific curriculum enrichment within the regular classroom, (c) special classes, (d) release from class hours for special projects, (e) staff development programs for all professional personnel in each district or educational service area, (f) utilization of community personnel and organizations as resources, and (g) use of noncertified post-secondary personnel to instruct elementary and secondary high potential children either on campuses or local school sites.

Subd. 3. [QUALIFICATION AND EVALUATION.] The state board shall set standards for content and evaluation of programs, and eligibility for the grant funds provided in this subdivision. Following grant application, funds shall be distributed by the state board to districts or cooperating districts, up to a limit of 25 districts or cooperating districts. The state board shall consider geographic and demographic data in distributing these funds as equitably as possible throughout the state.

Subd. 4. [COMPOSITION OF PROGRAM.] School districts shall make every reasonable effort to assure that the composition of these high potential programs reflects the composition of the district student population as a whole as to race, sex and ethnic background, and shall file a certificate of compliance with this section, when it applies for grant funds to the state board."

Renumber the sections and internal section references accordingly
Page 75, after line 30, insert:

"(12) *Programs for high potential children \$250,000 \$250,000"*

Renumber the clauses and internal clause references accordingly
Further, amend the title as follows:

Page 1, line 8, after "basis;" insert "establishing programs for high potential children;"

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 24 and nays 35, as follows:

Those who voted in the affirmative were:

Bang	Dunn	Josefson	Milton	Renneke
Berg	Fitzsimons	Keefe, J.	Nelson	Solon
Bernhagen	Frederick	Kirchner	Ogdahl	Stassen
Blatz	Hansen, Mel	Knutson	O'Neill	Ueland
Brown	Hanson, R.	Larson	Pillsbury	

Those who voted in the negative were:

Anderson	Davies	Lewis	Olson, H. D.	Schrom
Arnold	Doty	McCutcheon	Olson, J. L.	Sillers
Ashbach	Gearty	Merriam	Perpich, A. J.	Spear
Borden	Hansen, Baldy	Moe	Perpich, G.	Stokowski
Chenoweth	Humphrey	North	Purfeerst	Stumpf
Chmielewski	Keefe, S.	Olhoft	Schaaf	Tennessee
Coleman	Kowalczyk	Olson, A. G.	Schmitz	Willet

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

Mr. Bang moved to amend H. F. No. 235, as amended pursuant to Rule 49, adopted on May 5, 1975, as follows:

Page 15, line 28, strike "*five*" and reinsert the stricken language

Page 15, line 31, strike "*one-tenth*" and reinsert the stricken language

Page 15, strike line 32

Page 16, strike lines 1 through 8

Page 16, line 9, strike "*to clauses (4) and (5)*" and reinsert the stricken language

Page 16, lines 10 through 18, reinsert the stricken language

Page 16, line 19, reinsert the stricken language "pupil unit"

Page 74, line 30, strike "\$592,572,000" and "\$632,822,000" and insert "\$578,939,000" and "\$618,274,000"

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 24 and nays 37, as follows:

Those who voted in the affirmative were:

Ashbach	Brataas	Hanson, R.	Knutson	Patton
Bang	Brown	Jensen	Kowalczyk	Pillsbury
Berg	Dunn	Josefson	Larson	Renneke
Bernhagen	Fitzsimons	Keefe, J.	Nelson	Stassen
Blatz	Frederick	Kirchner	Olson, J. L.	

Those who voted in the negative were:

Anderson	Doty	McCutcheon	O'Neill	Stokowski
Arnold	Gearty	Merriam	Perpich, A. J.	Stumpf
Borden	Hansen, Baldy	Milton	Perpich, G.	Tennessen,
Chenoweth	Hansen, Mel	Moe	Purfeerst	Wegener
Chmielewski	Hughes	North	Schmitz	Willet
Coleman	Humphrey	Ogdahl	Schrom	
Conzenius	Keefe, S.	Olhoft	Solon	
Davies	Lewis	Olson, A. G.	Spear	

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

Mr. Renneke moved to amend H. F. No. 235, as amended pursuant to Rule 49, adopted on May 5, 1975, as follows:

Page 74, after line 23, insert:

"Sec. 76. Laws 1975, Chapter 46, Section 1, Subdivision 3, is amended to read:

Subd. 3. (a) The county auditor shall compute the tax levy that would be produced by applying a rate of ~~8.3~~ 10.66 mills on the January 2, 1972 assessment and subsequent assessments on all the agricultural lands and all real estate devoted to temporary and seasonal residential occupancy for recreational purposes, but not devoted to commercial purposes, within the several school districts for which the tax levy is required to be certified to him. The amounts so computed by the county auditor shall be submitted to the commissioner of revenue by November 15 of each year for verification.

(b) If the commissioner of revenue agrees with the computation, he shall deliver to the commissioner of finance his certificate to that effect. In the event that the commissioner deems the computation to be erroneous, he may make the necessary corrections and deliver to the commissioner of finance his certificate reflecting the amounts he deems to be correct. The county auditor or any school district aggrieved thereby may appeal the commissioner's revised certification to the Minnesota tax court in accordance with chapter 271.

(c) For the year 1975 and subsequent years, the commissioner of revenue shall pay to the school district the amount certified by the commissioner to be due to the district. One half of the amount due shall be paid on or before July 15, but no earlier than July 1 May 15, and the remainder shall be paid on or before November 15.

(d) In the event that a final judicial determination is not in agreement with the amount certified by the commissioner, the commissioner of revenue shall either increase or decrease the amount of the following payment required to be made to the school district in accordance with such judicial determination.

(e) There is hereby appropriated to the school districts entitled to such payments from the general fund, an amount sufficient to make the payments.

(f) The county auditor shall reduce the dollars levied for school maintenance by each district by the amount determined in (a) and (b). The amounts paid to the county treasurer pursuant to (c)

shall be transmitted by the county treasurer to the school district at the same time the real estate settlement is made."

Renumber the sections accordingly

Page 78, after line 5, insert:

"(21) 10.66 Agricultural Land
Tax Differential Aid \$3,700,000 \$4,500,000

The amount appropriated in (21) shall be distributed in 1976 and 1977, as provided in section 76 of this bill, and shall be in addition to any other amounts appropriated pursuant to Minnesota Statutes 1974, Section 124.03, Subdivision 3."

Page 78, line 6, strike "(20)" and insert "(21)"

Page 78, line 8, strike "(20)" and insert "(21)"

Further, amend the title as follows:

Page 1, line 38, after "Section 111;" insert "Laws 1975, Chapter 46, Section 1, Subdivision 3;"

Mr. Renneke requested division of the amendment as follows:

First portion: Page 74, after line 23, insert:

"Sec. 76. Laws 1975, Chapter 46, Section 1, Subdivision 3, is amended to read:

Subd. 3. (a) The county auditor shall compute the tax levy that would be produced by applying a rate of ~~8.3~~ 10.66 mills on the January 2, 1972 assessment and subsequent assessments on all the agricultural lands and all real estate devoted to temporary and seasonal residential occupancy for recreational purposes, but not devoted to commercial purposes, within the several school districts for which the tax levy is required to be certified to him. The amounts so computed by the county auditor shall be submitted to the commissioner of revenue by November 15 of each year for verification.

(b) If the commissioner of revenue agrees with the computation, he shall deliver to the commissioner of finance his certificate to that effect. In the event that the commissioner deems the computation to be erroneous, he may make the necessary corrections and deliver to the commissioner of finance his certificate reflecting the amounts he deems to be correct. The county auditor or any school district aggrieved thereby may appeal the commissioner's revised certification to the Minnesota tax court in accordance with chapter 271.

(c) For the year 1975 and subsequent years, the commissioner of revenue shall pay to the school district the amount certified by the commissioner to be due to the district. One half of the amount due shall be paid on or before July 15, but no earlier than July 1, and the remainder shall be paid on or before November 15.

(d) In the event that a final judicial determination is not in agreement with the amount certified by the commissioner, the commissioner of revenue shall either increase or decrease the amount of the following payment required to be made to the school district in accordance with such judicial determination.

(e) There is hereby appropriated to the school districts entitled to such payments from the general fund, an amount sufficient to make the payments.

(f) The county auditor shall reduce the dollars levied for school maintenance by each district by the amount determined in (a) and (b). The amounts paid to the county treasurer pursuant to (c) shall be transmitted by the county treasurer to the school district at the same time the real estate settlement is made."

Renumber the sections accordingly

Page 78, after line 5, insert:

"(21) 10.66 Agricultural Land
Tax Differential Aid \$ 3,700,000 \$ 4,500,000

The amount appropriated in (21) shall be distributed in 1976 and 1977, as provided in section 76 of this bill, and shall be in addition to any other amounts appropriated pursuant to Minnesota Statutes 1974, Section 124.03, Subdivision 3."

Page 78, line 6, strike "(20)" and insert "(21)"

Page 78, line 8, strike "(20)" and insert "(21)"

Further, amend the title as follows:

Page 1, line 38, after "Section 111;" insert "Laws 1975, Chapter 46, Section 1, Subdivision 3;"

Second portion:

Page 74, after line 23, insert:

"Sec. 76. Laws 1975, Chapter 46, Section 1, Subdivision 3, is amended to read:

Subd. 3. (a) The county auditor shall compute the tax levy that would be produced by applying a rate of 8.3 mills on the January 2, 1972 assessment and subsequent assessments on all the agricultural lands and all real estate devoted to temporary and season-

al residential occupancy for recreational purposes, but not devoted to commercial purposes, within the several school districts for which the tax levy is required to be certified to him. The amounts so computed by the county auditor shall be submitted to the commissioner of revenue by November 15 of each year for verification.

(b) If the commissioner of revenue agrees with the computation, he shall deliver to the commissioner of finance his certificate to that effect. In the event that the commissioner deems the computation to be erroneous, he may make the necessary corrections and deliver to the commissioner of finance his certificate reflecting the amounts he deems to be correct. The county auditor or any school district aggrieved thereby may appeal the commissioner's revised certification to the Minnesota tax court in accordance with chapter 271.

(c) For the year 1975 and subsequent years, the commissioner of revenue shall pay to the school district the amount certified by the commissioner to be due to the district. One half of the amount due shall be paid on or before ~~July 15~~, but ~~no earlier than July 1~~ *May 15*, and the remainder shall be paid on or before November 15.

(d) In the event that a final judicial determination is not in agreement with the amount certified by the commissioner, the commissioner of revenue shall either increase or decrease the amount of the following payment required to be made to the school district in accordance with such judicial determination.

(e) There is hereby appropriated to the school districts entitled to such payments from the general fund, an amount sufficient to make the payments.

(f) The county auditor shall reduce the dollars levied for school maintenance by each district by the amount determined in (a) and (b). The amounts paid to the county treasurer pursuant to (c) shall be transmitted by the county treasurer to the school district at the same time the real estate settlement is made."

Renumber the sections accordingly

Further, amend the title as follows:

Page 1, line 38, after "Section 111;" insert "Laws 1975, Chapter 46, Section 1, Subdivision 3;"

The motion did not prevail. So the first portion of the amendment was not adopted.

The question being taken on the adoption of the second portion of the Renneke amendment,

And the roll being called, there were yeas 25 and nays 39, as follows:

Those who voted in the affirmative were:

Ashbach	Brataas	Hanson, R.	Knutson	Patton
Bang	Brown	Jensen	Kowalczyk	Pillsbury
Berg	Dunn	Josefson	Nelson	Renneke
Bernhagen	Fitzsimons	Keefe, J.	Olson, H. D.	Stassen
Blatz	Frederick	Kirchner	Olson, J. L.	Ueland

Those who voted in the negative were:

Anderson	Gearty	Lewis	Olson, A. G.	Solon
Arnold	Hansen, Baldy	McCutcheon	O'Neill	Spear
Borden	Hansen, Mel	Merriam	Perpich, A. J.	Stokowski
Chmielewski	Hughes	Milton	Perpich, G.	Stumpf
Coleman	Humphrey	Moe	Purfeerst	Tennessen
Conzemius	Keefe, S.	North	Schaaf	Wegener
Davies	Kleinbaum	Ogdahl	Schmitz	Willet
Doty	Larson	Olhoff	Schrom	

The motion did not prevail. So the second portion of the Renneke amendment was not adopted.

H. F. No. 235 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 53 and nays 14, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Kleinbaum	Olhoff	Solon
Arnold	Gearty	Kowalczyk	Olson, A. G.	Spear
Bernhagen	Hansen, Baldy	Larson	Olson, H. D.	Stassen
Borden	Hansen, Mel	Laufenburger	Olson, J. L.	Stokowski
Chenoweth	Hanson, R.	Lewis	O'Neill	Stumpf
Chmielewski	Hughes	McCutcheon	Perpich, A. J.	Tennessen
Coleman	Humphrey	Merriam	Perpich, G.	Ueland
Conzemius	Josefson	Milton	Purfeerst	Wegener
Davies	Keefe, J.	Moe	Schmitz	Willet
Doty	Keefe, S.	North	Schrom	
Fitzsimons	Kirchner	Ogdahl	Sillers	

Those who voted in the negative were:

Ashbach	Blatz	Dunn	Nelson	Renneke
Bang	Brataas	Jensen	Patton	Schaaf
Berg	Brown	Knutson	Pillsbury	

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

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Chmielewski moved that the name of Mr. Anderson be added as co-author to S. F. No. 1263. The motion prevailed.

THIRD READING OF SENATE BILLS

S. F. No. 1251: A bill for an act relating to insurance; regulating acquisition by certain parent corporations of minority interests in certain subsidiary insurance companies; providing certain rights and procedures for dissenting shareholders; amending Minnesota Statutes 1974, Chapter 60D, by adding a section.

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 22 and nays 39, as follows:

Those who voted in the affirmative were:

Borden	Fitzsimons	Milton	Perpich, G.	Stumpf
Brown	Hughes	Moe	Pillsbury	Tennessen
Coleman	Humphrey	North	Solon	
Conzemius	Keefe, S.	Olhoff	Spear	
Davies	Kleinbaum	Perpich, A. J.	Stokowski	

Those who voted in the negative were:

Anderson	Chenoweth	Jensen	Merriam	Renneke
Arnold	Doty	Keefe, J.	Nelson	Schmitz
Ashbach	Dunn	Kirchner	Ogdahl	Schrom
Bang	Frederick	Knutson	Olson, A. G.	Sillers
Berg	Gearty	Kowalczyk	Olson, H. D.	Ueland
Bernhagen	Hansen, Baldy	Larson	O'Neill	Wegener
Blatz	Hansen, Mel	Laufenburger	Patton	Willet
Brataas	Hanson, R.	McCutcheon	Purfeerst	

So the bill failed to pass.

S. F. No. 1138: A bill for an act relating to municipalities; authorizing the financing of solid waste disposal and recycling facilities through the municipal industrial development act; amending Minnesota Statutes 1974, Section 474.02, Subdivisions 1 and 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 59 and nays 2, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Keefe, S.	North	Renneke
Arnold	Dunn	Kirchner	Ogdahl	Schmitz
Ashbach	Fitzsimons	Kleinbaum	Olhoff	Schrom
Bang	Frederick	Knutson	Olson, A. G.	Sillers
Berg	Gearty	Kowalczyk	Olson, H. D.	Solon
Bernhagen	Hansen, Baldy	Larson	Olson, J. L.	Spear
Blatz	Hansen, Mel	Laufenburger	O'Neill	Stassen
Borden	Hanson, R.	Lewis	Patton	Stumpf
Brataas	Hughes	Merriam	Perpich, A. J.	Ueland
Brown	Humphrey	Milton	Perpich, G.	Wegener
Coleman	Jensen	Moe	Pillsbury	Willet
Conzemius	Keefe, J.	Nelson	Purfeerst	

Messrs. Davies and Tennessen voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 276: A bill for an act relating to elections; prohibiting unions and other associations from contributing funds from dues or membership fees to political campaigns; amending Minnesota Statutes 1974, Section 10A.01, Subdivision 16; repealing Minnesota Statutes 1974, Section 10A.12, Subdivision 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 47 and nays 18, as follows:

Those who voted in the affirmative were:

Anderson	Conzemius	Kirchner	Olson, H. D.	Schmitz
Ashbach	Doty	Kleinbaum	Olson, J. L.	Sillers
Bang	Dunn	Knutson	O'Neill	Stassen
Berg	Fitzsimons	Kowalczyk	Patton	Tennessen
Bernhagen	Frederick	Larson	Perpich, A. J.	Ueland
Blatz	Hansen, Mel	Lewis	Perpich, G.	Wegener
Borden	Hanson, R.	Moe	Pillsbury	Willet
Brataas	Hughes	Nelson	Purfeerst	
Brown	Jensen	Olhoft	Renneke	
Chenoweth	Keefe, J.	Olson, A. G.	Schaaf	

Those who voted in the negative were:

Arnold	Gearty	Laufenburger	North	Stokowski
Chmielewski	Hansen, Baldy	McCutcheon	Schrom	Stumpf
Coleman	Humphrey	Merriam	Solon	
Davies	Keefe, S.	Milton	Spear	

So the bill passed and its title was agreed to.

S. F. No. 1098: A bill for an act relating to natural resources; clarifying the authority of the commissioner of natural resources to designate and manage certain waters for wildlife use; reporting of game taken; providing certain limitations on the taking of fox; and altering certain seasons for the taking of deer; amending Minnesota Statutes 1974, Sections 97.48, Subdivision 11; 98.51, Subdivision 1; 100.26, Subdivision 1; and 100.27, 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 47 and nays 20, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Kirchner	Nelson	Spear
Arnold	Fitzsimons	Kleinbaum	North	Stassen
Bang	Gearty	Kowalczyk	Ogdahl	Stokowski
Berg	Hanson, R.	Larson	Olhoft	Stumpf
Blatz	Hughes	Laufenburger	Olson, H. D.	Tennessen
Brown	Humphrey	Lewis	Olson, J. L.	Wegener
Chmielewski	Jensen	McCutcheon	O'Neill	Willet
Coleman	Josefson	Merriam	Schaaf	
Davies	Keefe, J.	Milton	Sillers	
Doty	Keefe, S.	Moe	Solon	

Those who voted in the negative were:

Ashbach	Chenoweth	Hansen, Mel	Perpich, A. J.	Renneke
Bernhagen	Conzemius	Knutson	Perpich, G.	Schmitz
Borden	Frederick	Olson, A. G.	Pillsbury	Schrom
Brataas	Hansen, Baldy	Patton	Purfeerst	Ueland

So the bill passed and its title was agreed to.

S. F. No. 633: A bill for an act relating to taxation; inheritance taxes; exemptions; amending Minnesota Statutes 1974, Section 291.05.

With the unanimous consent of the Senate, Mr. Merriam moved to amend S. F. No. 633 as follows:

Page 10, line 2, after "1975" insert "*and for gifts made after July 1, 1975*"

The motion prevailed. So the amendment was adopted.

S. F. No. 633 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 56 and nays 11, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Brown	Merriam	Olson, A. G.	Schaaf	Stumpf
Chmielewski	Milton	Perpich, G.	Schrom	Willet
McCutcheon				

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

S. F. No. 990: A bill for an act relating to pollution; imposing fees for the deposit of certain materials in Lake Superior; providing penalties; appropriating money.

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 39 and nays 28, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Keefe, S.	North	Spear
Arnold	Dunn	Kirchner	Olhoft	Stassen
Borden	Gearty	Kleinbaum	Olson, A. G.	Stokowski
Brown	Hansen, Mel	Lewis	Olson, H. D.	Stumpf
Chenoweth	Hughes	McCutcheon	Purfeerst	Tennessen
Coleman	Humphrey	Merriam	Schaaf	Wegener
Conzemius	Josefson	Milton	Schmitz	Willet
Davies	Keefe, J.	Moe	Schrom	

Those who voted in the negative were:

Ashbach	Chmielewski	Knutson	Olson, J. L.	Renneke
Bang	Fitzsimons	Kowalczyk	O'Neill	Sillers
Berg	Frederick	Larson	Patton	Solon
Bernhagen	Hansen, Baldy	Laufenburger	Perpich, A. J.	Ueland
Blatz	Hanson, R.	Nelson	Perpich, G.	
Brataas	Jensen	Ogdahl	Pillsbury	

So the bill passed and its title was agreed to.

NOTICE OF RECONSIDERATION

Mr. Stassen gave notice of intention to move for reconsideration of S. F. No. 990.

Mr. Stokowski moved that the vote whereby S. F. No. 990 passed the Senate on May 5, 1975 be now reconsidered. The motion did not prevail. So the vote was not reconsidered.

S. F. No. 1305: A bill for an act relating to intoxicating liquor; places where sale prohibited; amending Minnesota Statutes 1974, Section 340.14, Subdivision 3.

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 52 and nays 14, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Kowalczyk	Olson, H. D.	Spear
Arnold	Gearty	Larson	O'Neill	Stassen
Ashbach	Hansen, Baldy	Laufenburger	Perpich, A. J.	Stokowski
Bang	Hanson, R.	Lewis	Perpich, G.	Stumpf
Blatz	Hughes	McCutcheon	Pillsbury	Tennessen
Brataas	Humphrey	Merriam	Purfeerst	Ueland
Chenoweth	Jensen	Moe	Schaaf	Wegener
Coleman	Keefe, J.	Nelson	Schmitz	Willet
Conzemius	Keefe, S.	North	Schrom	
Davies	Kleinbaum	Ogdahl	Sillers	
Fitzsimons	Knutson	Olson, A. G.	Solon	

Those who voted in the negative were:

Berg	Brown	Dunn	Kirchner	Patton
Bernhagen	Chmielewski	Hansen, Mel	Olhoft	Renneke
Borden	Doty	Josefson	Olson, J. L.	

So the bill passed and its title was agreed to.

S. F. No. 1404: A bill for an act relating to unemployment compensation; excluding from benefits those persons employed by a municipality for a school year; amending Minnesota Statutes 1974, Section 268.08, Subdivision 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 66 and nays 1, as follows:

Those who voted in the affirmative were:

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

Mr. Perpich, G. voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 1114: A bill for an act relating to the operation of state government; providing for salary setting authority and classification for certain positions in the office of attorney general; amending Minnesota Statutes 1974, Sections 8.02; 15A.081, Subdivision 1; and 43.064.

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 52 and nays 14, as follows:

Those who voted in the affirmative were:

Arnold	Fitzsimons	Laufenburger	Olson, H. D.	Spear
Berg	Gearty	Lewis	O'Neill	Stassen
Bernhagen	Hansen, Mel	McCutcheon	Patton	Stokowski
Blatz	Hanson, R.	Merriam	Perpich, A. J.	Stumpf
Borden	Hughes	Milton	Perpich, G.	Tennessee
Brown	Humphrey	Moe	Pillsbury	Ueland
Chmielewski	Jensen	Nelson	Purfeerst	Wegener
Coleman	Keefe, J.	North	Renneke	Willet
Conzemius	Keefe, S.	Ogdahl	Schaaf	
Davies	Kleinbaum	Olhoff	Schmitz	
Doty	Larson	Olson, A. G.	Solon	

Those who voted in the negative were:

Anderson	Brataas	Frederick	Kirchner	Olson, J. L.
Ashbach	Chenoweth	Hansen, Baldy	Knutson	Schrom
Bang	Dunn	Josefson	Kowalczyk	

So the bill passed and its title was agreed to.

S. F. No. 867: A bill for an act relating to state employees; authorizing training, development and compensation of state personnel designated as managerial; amending Minnesota Statutes 1974, Section 15.56, Subdivision 3; and Chapter 43, by adding a section.

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 46 and nays 20, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Knutson	Olhoft	Stassen
Arnold	Hansen, Baldy	Kowalczyk	O'Neill	Stokowski
Ashbach	Hansen, Mel	Laufenburger	Perpich, A. J.	Stumpf
Bang	Hanson, R.	Lewis	Perpich, G.	Tennessen
Blatz	Hughes	McCutcheon	Pillsbury	Ueland
Borden	Humphrey	Merriam	Purfeerst	Willet
Brataas	Jensen	Moe	Schaaf	
Brown	Keefe, S.	Nelson	Schmitz	
Chenoweth	Kirchner	North	Solon	
Fitzsimons	Kleinbaum	Ogdahl	Spear	

Those who voted in the negative were:

Berg	Conzemius	Josefson	Olson, A. G.	Renneke
Bernhagen	Doty	Keefe, J.	Olson, H. D.	Schrom
Chmielewski	Dunn	Larson	Olson, J. L.	Sillers
Coleman	Frederick	Milton	Patton	Wegener

So the bill passed and its title was agreed to.

S. F. No. 726: A bill for an act relating to drainage; authorizing county boards and district courts to order the filing of amended viewers' reports to correct certain deficiencies; amending Minnesota Statutes 1974, Section 106.161.

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 67 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S. F. No. 469: A bill for an act relating to retirement; miscellaneous changes in various provisions of the teachers retirement act; amending Minnesota Statutes 1974, Sections 354.05, Subdivisions 13, 25, 26, and by adding a subdivision; 354.06, Subdivision 1; 354.07, by adding subdivisions; 354.092; 354.10; 354.43, Subdivisions 1, and 3; 354.44, Subdivisions 4, and 6, and by adding a subdivision; 354.46, Subdivision 1; 354.48, Subdivisions 3, and 10; 354.49, Subdivision 5; 354.53, Subdivision 1; 354.55, Subdivisions 3, 11, 16, and 19; and 354.62, Subdivision 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 66 and nays 1, as follows:

Those who voted in the affirmative were:

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

Mr. Perpich, G. voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 1355: A bill for an act relating to Cook county; creating an upper northeast recreational authority and establishing its duties and powers; authorizing the levy of taxes and the issuance of bonds.

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 55, and nays 9, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Kirchner	Nelson	Purfeerst
Arnold	Fitzsimons	Kleinbaum	North	Schaaf
Ashbach	Frederick	Knutson	Ogdahl	Schmitz
Berg	Gearity	Kowalczyk	Olhoft	Schrom
Blatz	Hansen, Baldy	Larson	Olson, A. G.	Sillers
Borden	Hanson, R.	Laufenburger	Olson, H. D.	Solon
Brataas	Hughes	Lewis	Olson, J. L.	Stumpf
Chenoweth	Humphrey	McCutcheon	O'Neill	Tennessen
Chmielewski	Jensen	Merriam	Patton	Ueland
Coleman	Josefson	Milton	Perpich, A. J.	Wegener
Doty	Keefe, S.	Moe	Perpich, G.	Willet

Those who voted in the negative were:

Bang	Brown	Keefe, J.	Renneke	Stassen
Bernhagen	Hansen, Mel	Pillsbury	Spear	

So the bill passed and its title was agreed to.

Mr. Schaaf moved that the vote whereby S. F. No. 276 passed the Senate on May 5, 1975 be now reconsidered. The motion did not prevail. So the vote was not reconsidered.

CALENDAR OF ORDINARY MATTERS

S. F. No. 1446: A bill for an act relating to Dodge and Olmsted counties; authorizing a judge of the county court district of Dodge-Olmsted to take a leave of absence for purposes of study and research.

With the unanimous consent of the Senate, Mr. Frederick moved to amend S. F. No. 1446 as follows:

Pages 1 and 2, strike all of subdivision 2

Page 2, line 4, strike "3" and insert "2"

The motion prevailed. So the amendment was adopted.

S. F. No. 1446 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 62 and nays 3, as follows:

Those who voted in the affirmative were:

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

Messrs. Olson, A. G., Perpich, G. and Willet voted in the negative.

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

S. F. No. 1507: A bill for an act relating to Ramsey county; reestablishing the office of county surveyor and abolishing the plat commission; amending Laws 1974, Chapter 435, Section 3.18, and by adding a section; and repealing Laws 1974, Chapter 435, Section 3.15.

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

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman moved that the Senate do now adjourn until 5:00 o'clock p.m., Tuesday, May 6, 1975. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate