

# FORTY-EIGHTH DAY

St. Paul, Minnesota, Thursday, May 8, 1975

The Senate met at 9:00 o'clock a.m. and was called to order by the President.

Prayer was offered by the Chaplain, Rev. Duane J. Lunemann.

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.

## MEMBERS EXCUSED

Mr. Nelson was excused from the Session of today. Mr. Ueland was excused from the Session of today from 10:30 o'clock a.m. until 11:30 o'clock a.m.

## EXECUTIVE AND OFFICIAL COMMUNICATIONS

May 7, 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. 38, An act relating to education; requiring each school district to make reports concerning the consumption of energy.

S. F. No. 146, An act relating to health; licensing of physicians, surgeons and osteopaths licensed to practice in other states.

S. F. No. 157, An act relating to health professions; authorizing the board of medical examiners to require an examination in the basic sciences.

S. F. No. 182, An act relating to counties; eliminating payment of certain fees to county sheriffs; requiring county boards to furnish board and other services for prisoners in county jails.

S. F. No. 236, An act relating to public welfare; permitting county welfare boards to charge fees for social services.

S. F. No. 565, An act relating to school districts; investment of school district funds.

S. F. No. 1302, An act relating to veterans; providing a Vietnam veterans bonus to the next to kin of those veterans missing in action; amending Minnesota Statutes 1974, Sections 197.971, Subdivision 2 and by adding subdivisions; 197.972; 197.973; and 197.976, Subdivision 2.

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.

Messrs. Knutson, Moe and Renneke introduced—

S. F. No. 1733: A bill for an act relating to welfare; creating an interagency task force to study proposals to deinstitutionalize the treatment of the mentally retarded, mentally ill, physically handicapped, and chemically dependent; appropriating money.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. McCutcheon, Coleman and Ashbach introduced—

S. F. No. 1734: A bill for an act relating to courts; second judicial district in Ramsey county; Ramsey county municipal court; authorizing Ramsey county to supplement salaries of municipal and district court judges.

Referred to the Committee on Judiciary.

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

S. F. No. 1735: A bill for an act creating a legislative com-

mission to study regional development commissions; appropriating money therefor.

Referred to the Committee on Governmental Operations.

Messrs. Olson, A. G.; Dunn and Willet introduced—

S. F. No. 1736: A bill for an act relating to counties; authorizing the establishment of subordinate service districts in order to provide and finance governmental services.

Referred to the Committee on Local Government.

#### 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. 665, 765, 1131, 1451 and 1697.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 7, 1975

Mr. President:

I have the honor to announce that the House has acceded to the request of the Senate for the appointment of a Conference Committee, consisting of three members of the House, on the amendments adopted by the House to the following Senate File:

S. F. No. 177: A bill for an act relating to public health; changing requirements and procedures for obtaining certificates of need for health care facilities; amending Minnesota Statutes 1974, Sections 145.72, Subdivisions 2 and 3; 145.76; 145.78; 145.80; 145.82; Chapter 145, by adding sections; and repealing Minnesota Statutes 1974, Section 145.81.

There has been appointed as such committee on the part of the House:

Carlson, L.; Kaley and Swanson.

Senate File No. 177 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 7, 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. 571: A bill for an act relating to Wright county; requiring, with certain exceptions, the approval of the county

board before any lands within the county are acquired for park purposes.

Senate File No. 571 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned May 7, 1975

### CONCURRENCE AND REPASSAGE

Mr. Dunn moved that the Senate concur in the amendments by the House to S. F. No. 571 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 571 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 55 and nays 0, as follows:

Those who voted in the affirmative were:

Arnold	Doty	Keefe, S.	Olhoff	Schrom
Ashbach	Dunn	Kirchner	Olson, A. G.	Sillers
Bang	Fitzsimons	Kleinbaum	Olson, J. L.	Solon
Berg	Frederick	Kowalczyk	O'Neill	Spear
Bernhagen	Gearly	Larson	Patton	Stassen
Blatz	Hansen, Baldy	Laufenburger	Perpich, A. J.	Stokowski
Brataas	Hansen, Mel	Lewis	Perpich, G.	Stumpf
Brown	Hanson, R.	McCutcheon	Pillsbury	Tennessee
Coleman	Hughes	Milton	Purfeerst	Ueland
Conzemius	Josefson	Moe	Renneke	Wegener
Davis	Keefe, J.	North	Schmitz	Willet

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

### MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 185, 352, 533, 757, 837, 257, 685, 872 and 1531.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned May 7, 1975

### FIRST READING OF HOUSE BILLS

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

H. F. No. 185: A bill for an act relating to education; appropriating money to the department of education for deficiencies in shared time foundation aids and to implement a uniform financial reporting system for local school districts.

Referred to the Committee on Finance.

H. F. No. 352: A bill for an act relating to state hospitals; authorizing the commissioner of welfare to reimburse physicians at state hospitals for the cost of malpractice insurance; amending Minnesota Statutes 1974, Section 246.01.

Referred to the Committee on Health, Welfare and Corrections.

H. F. No. 533: A bill for an act relating to public welfare; Red Lake Indian reservation; state payments; amending Minnesota Statutes 1974, Chapter 256, by adding a section.

Referred to the Committee on Finance.

H. F. No. 757: A bill for an act relating to health care; directing the commissioner of insurance to prescribe certain health insurance claim forms.

Referred to the Committee on Finance.

H. F. No. 837: A bill for an act providing for the identification of donors by the designation "donor" on the driver's license or nonqualification certificate; appropriating money; amending Minnesota Statutes 1974, Sections 171.07, by adding a subdivision; 171.12, by adding a subdivision; 525.924, by adding a subdivision; and 525.927, Subdivision 3.

Referred to the Committee on Finance.

H. F. No. 257: A bill for an act relating to education; creating a senior citizens higher education program for certain resident senior citizens.

Referred to the Committee on Finance.

H. F. No. 685: A bill for an act relating to daytime activities centers; providing for the transportation of handicapped persons to licensed daytime activity centers attended by these persons; amending Minnesota Statutes 1974, Sections 123.39, by adding a subdivision; 252.24, Subdivision 4; and 252.26.

Referred to the Committee on Finance.

H. F. No. 872: A bill for an act relating to welfare; requiring the commissioner of public welfare to negotiate an agreement transferring the Lake Owasso Children's Home from the state to Ramsey county; appropriating money; repealing Minnesota Statutes 1974, Section 252.025, Subdivision 3.

Referred to the Committee on Finance.

H. F. No. 1531: A bill for an act relating to appropriations; providing funds for repair of the security hospital at St. Peter; appropriating money.

Referred to the Committee on Health, Welfare and Corrections.

## REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted, with the exception of reports on S. F. Nos. 1695, 727, 1292, 1717, 1659, 1711, 866, 1161 and 1689 and reports pertaining to appointments. The motion prevailed.

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

H. F. No. 432: A bill for an act relating to statutory cities; park boards; permitting park boards of three, five, seven or nine members; amending Minnesota Statutes 1974, Section 412.501.

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

Page 2, line 21, after *"taken"* insert *"except upon a two-thirds vote of all the members of the city council, and no such action shall be taken"*

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

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

S. F. No. 1695: A bill for act relating to municipalities; industrial development; authorizing municipalities to enter into certain loan agreements and sale contracts; amending Minnesota Statutes 1974, Sections 474.01, Subdivisions 1, 5, 6, 7 and 8; 474.02, Subdivisions 1, 2, 3, 4, and by adding subdivisions; 474.03; 474.04; 474.05; 474.06; 474.08; 474.09; 474.10, Subdivisions 1 and 4; 474.11; 474.12; and 474.13; Chapter 474, by adding sections; repealing Minnesota Statutes 1974, Section 474.02, Subdivisions 1a and 1b.

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

Page 19, strike lines 15 through 22 and renumber the following sections

Amend the title as follows:

Page 1, line 11, strike "sections" and insert "a section"

And when so amended 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. 1145: A bill for an act relating to landlords and tenants; retaliatory evictions; amending Minnesota Statutes 1974, Section 566.03.

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

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

H. F. No. 580: A bill for an act relating to retirement; firemen's relief benefits in the city of Owatonna; amending Laws 1971, Chapter 200, Section 1, as amended.

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

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

H. F. No. 46: A bill for an act relating to the firemen's relief association of the city of Tyler; computation of years of service for volunteer firemen.

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

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

H. F. No. 1499: A bill for an act relating to the firemen's relief association in the city of Columbia Heights; membership of certain fire personnel in the public employees police and fire fund; benefits and contributions; amending Laws 1965, Chapter 605, Sections 21, 22, and 25; repealing Laws 1965, Chapter 605, Section 12.

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

Page 1, line 11, after "*all*" insert "*full time*"

Page 2, line 26, strike "*each*" and insert "*the*"

Page 4, line 4, after "*thereof*" insert a period and strike the balance of the line

Page 4, strike lines 5 and 6

Page 6, line 15, after "*herewith*" insert a period and strike the balance of the line

Page 6, strike lines 16 and 17

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

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

H. F. No. 1551: A bill for an act relating to the city of Minneapolis; policemen's pension fund uses; amending Laws 1949, Chapter 406, Section 7, as amended.

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

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

H. F. No. 1448: A bill for an act relating to retirement; survivor benefits payable by the firemen's relief association of the city of St. Paul; amending Laws 1955, Chapter 375, Section 25, as amended.

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

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

H. F. No. 1073: A bill for an act relating to retirement; restricting establishment of local pension plans; repealing Minnesota Statutes 1974, Section 69.79.

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

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

H. F. No. 778: A bill for an act relating to retirement; survivor's benefits payable by the firemen's relief association of the city of Faribault; amending Laws 1947, Chapter 43, Section 23, as amended.

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

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

H. F. No. 643: A bill for an act relating to the city of Brooklyn Park; firemen's relief association benefits.

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

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

H. F. No. 519: A bill for an act relating to the city of Edina; firemen's retirement, disability, and survivors benefits; amending Laws 1965, Chapter 592, Sections 1, Subdivision 1, as amended; and 3 and 4, as added.

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

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 1292: A bill for an act relating to public welfare; providing for grants of state and local funds to nonprofit legal assistance corporations; appropriating money.

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

Page 1, line 7, after "authorized" insert "to establish criteria for grants and"

Page 1, line 10, strike "whose economic status renders them" and insert "who are"

Page 1, line 10, strike "program"

Page 1, line 11, strike "of" and insert "federal, state or local"

Page 1, line 11, after "assistance" and before the period insert "program"

Page 1, line 12, strike "Counties" and insert "Any city or county"

Page 1, line 13, strike "them" and insert "it"

Page 1, line 13, strike "any legal assistance corporation to"

Page 1, line 14, strike "the corporation" and insert "nonprofit legal assistance corporations"

Page 1, line 14, strike "to its residents the" and insert "legal services and representation to city or county residents"

Page 1, line 15, strike "services"

Page 1, line 15, strike "Cities may also make"

Page 1, strike line 16

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. Conzemius from the Committee on Health, Welfare and Corrections, to which was referred

H. F. No. 197: A bill for an act relating to public welfare; hospitalization and commitment; providing review for the admis-

sion and retention of mental patients in federal hospitals; amending Minnesota Statutes 1974, Section 253A.16, Subdivisions 1, 2, 3, and 4.

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

Page 1, line 11, strike "and"

Page 1, line 12, strike "*federal hospital within the state*"

Page 1, line 17, strike "and" and insert ". *The commissioner may, upon written request from the appropriate federal authority, establish a review panel for any federal hospital within the state to review the admission and retention of patients hospitalized under chapter 253A. For any review board established for a federal hospital,*"

Page 1, line 17, strike "such" and insert "the"

Page 1, line 18, after "persons" insert "*appointed by the commissioner*"

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

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 727: A bill for an act relating to health and welfare; providing for the maintenance of service levels under the nutrition for the elderly program; appropriating money.

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

Page 1, line 7, after "to" insert "the governor's citizens council on aging through"

Page 1, line 8, after "welfare" insert "for the biennium ending June 30, 1977"

Page 1, line 9, strike "maintaining" and insert "increasing"

Page 1, line 10, strike "by" and insert "under Title 7 of"

Page 1, line 10, strike the quotation marks

Page 1, line 10, strike "American" and insert "Americans"

Page 1, line 10, strike ", Title 7" and insert a period

Page 1, strike line 11

Page 1, line 12, strike "commissioner of"

Page 1, strike lines 13 through 19 and insert "governor's citizens council on aging is authorized to expend this sum to supplement nutrition programs for the elderly. The governor's citizens council on aging may make grants for the provision of nutritionally sound meals and supportive social services to any

public or private nonprofit organization, institution, agency or Indian tribal organization. Policies and procedures for the awarding of grants shall be determined by the governor's citizens council on aging in accordance with federal and state regulations."

Page 1, strike lines 20 through 22

Page 2, strike line 1

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

Amend the title as follows:

Page 1, line 3, strike "maintenance" and insert "increase"

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 referred

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.

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

Page 2, line 10, after "be" insert "*not less than \$300 per month and shall be*"

Page 2, line 10, after "*increased*" delete the balance of the line and insert "*from time to time after the effective date of this act by the same amount and in the same manner as if the member had retired after the effective date of Laws 1971, Chapter 614.*"

Page 2, delete lines 11 to 14

Page 2, lines 15 and 16, reinstate the stricken language

Page 2, lines 29 to 32, reinstate the stricken language

Page 3, lines 1 to 31, reinstate the stricken language and delete the new language

Page 4, after line 27, insert a new section to read:

"Sec. 2. *From and after the effective date of this act, neither the city of Hibbing nor the firemen's relief association in the city of Hibbing shall qualify for state fire aid pursuant to Minnesota Statutes, Chapter 69, nor shall the commissioner of insurance certify such association to the county auditor as provided in Minnesota Statutes, Section 69.021, unless the provisions of Laws 1971, Chapter 614, Section 2, are complied with. Such compliance shall be determined by the commissioner of insurance, and the association shall include the information needed for such determination with its annual financial report required by Minnesota Statutes, Section 69.051.*"

Renumber the remaining section

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

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

H. F. No. 1207: A bill for an act relating to the city of St. Paul; providing for two additional commissioners for the St. Paul housing and redevelopment authority; requiring representation of low and moderate income areas; amending Laws 1963, Chapter 514, Section 1.

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

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

H. F. No. 1187: A bill for an act relating to the operation of state government; providing for implementation of a state register for official notices by state departments; amending Minnesota Statutes 1974, Section 15.0412, Subdivision 4; and Laws 1974, Chapter 344, Section 9.

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

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

H. F. No. 779: A bill for an act relating to retirement; including employees of the metropolitan inter-county council in membership in the public employees retirement association; amending Minnesota Statutes 1974, Chapter 353, by adding a section.

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

Page 1, line 13, after "*become*" insert "*coordinated*"

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

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

H. F. No. 1500: A bill for an act relating to the city of Buhl; police retirement and survivor benefits.

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

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

H. F. No. 1596: A bill for an act relating to the city of Farmington; authorizing an increase in firemen's relief association lump sum service pensions.

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

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

H. F. No. 1315: A bill for an act relating to the city of Red Wing; retirement and survivors benefits payable by the Red Wing firemen's relief association.

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

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

H. F. No. 1428: A bill for an act relating to economic development, including Indian organizations in the definition of a redevelopment area to provide eligibility for certain economic loans; amending Minnesota Statutes 1974, Sections 472.03, Subdivision 3, and by adding subdivisions; and 472.11, by adding a subdivision.

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

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

H. F. No. 447: A bill for an act relating to real estate brokers and salespersons; authorizing establishment of special licenses applicable solely to the rental or management of real estate; amending Minnesota Statutes 1974, Sections 82.20, Subdivision 1; and 82.22, Subdivision 6.

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

Page 1, line 18, strike "*or management*"

Amend the title as follows:

Page 1, line 4, strike "*or management*"

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

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

H. F. No. 1335: A bill for an act relating to Aitkin county;

authorizing issuance of additional on-sale intoxicating liquor licenses.

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

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

H. F. No. 576: A bill for an act relating to commerce; authorizing limited trust powers for commercial banks; amending Minnesota Statutes 1974, Chapter 48, by adding a section.

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

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

H. F. No. 339: A bill for an act relating to butter substitutes; identification of oleomargarine served in public places; amending Minnesota Statutes 1974, Section 33.111.

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

Page 1, after line 16, insert:

*"Sec. 2. Minnesota Statutes 1974, Sections 33.095 and 33.096 are repealed."*

Amend the title as follows:

Page 1, line 4, after "33.111" insert "; repealing Minnesota Statutes 1974, Sections 33.095 and 33.096"

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

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

H. F. No. 638: A bill for an act relating to boxing; amending certain boxing commission rules; amending Minnesota Statutes 1974, Sections 341.04; 341.05, Subdivision 1; 341.10; and 341.11.

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

Page 1, line 14, strike "athletic" and insert "boxing"

Page 1, line 15, after the period insert "*Notwithstanding the provisions of section 43.064,*"

Page 1, line 15, reinstate the stricken language

Page 1, line 16, reinstate "by the"

Page 1, line 16, after the reinstated "by the" insert "*commissioner of personnel*"

Page 1, line 16, reinstate "at a sum not to exceed \$6,000 per annum,"

Page 1, reinstate the stricken language in lines 17 and 18

Page 3, line 3, strike "\$350" and insert "\$50"

Page 3, line 5, strike "\$200" and insert "\$50"

Page 3, line 7, strike "\$50" and insert "\$10"

Page 3, line 9, strike "\$75" and insert "\$10"

Page 3, line 9, after "in" insert "all other"

Page 3, line 10, strike everything after "municipalities"

Page 3, strike lines 11 and 12

Page 3, line 13, strike "municipalities of less than 2,500 population"

Page 3, after line 31, insert:

*"The commission shall not promulgate any rules which, if followed by a participant, would adversely affect his amateur status in states other than Minnesota."*

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

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

H. F. No. 696: A bill for an act relating to small loan companies; application and license fees; amending Minnesota Statutes 1974, Sections 56.02 and 56.08.

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

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

H. F. No. 218: A bill for an act relating to labor; regulating the powers, duties and procedures of the department of labor and industry; regulating the divisions of the department of labor and industry; amending Minnesota Statutes 1974, Sections 175.08; 175.16; 175.171; 175.20; and 175.27; repealing Minnesota Statutes 1974, Sections 175.18; 175.19; 175.21; 175.22; 175.23; 175.28; 175.29; 175.30; 175.31; and 175.32.

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

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

S. F. No. 1659: A bill for an act relating to state banks; authorizing state banks to take second liens on real estate; amending Minnesota Statutes 1974, Section 48.19, Subdivision 1, and

by adding a subdivision; and repealing Minnesota Statutes 1974, Section 48.19, Subdivision 3.

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

Page 2, line 19, after "*lien*" insert "*and is required to do so by federal statutes or regulations*"

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

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

S. F. No. 1711: A bill for an act relating to commerce; industrial loan and thrift companies; permitting loans on real estate, extending the period of maturity, permitting certain charges on real estate loans, increasing the size of loans in ratio to committed reserves; amending Minnesota Statutes 1974, Sections 53.04; and 53.05.

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

Page 1, line 21, strike "*, real estate if the loan is at*"

Page 1, line 22, strike "*least \$2,000*"

Page 1, line 22, restore the stricken language

Page 3, lines 8 to 15, strike the new language

Amend the title as follows:

Page 1, line 3, strike "*permitting loans on real estate,*"

Page 1, line 4, strike "*, permitting*" and insert "*and*"

Page 1, line 5, strike "*certain charges on real estate loans,*"

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

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

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.

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

Mr. Arnold from the Committee on Finance, to which was re-referred

H. F. No. 1167: A bill for an act relating to motor vehicles;

registration and taxation; authorizing the transfer of number plates issued to a vehicle used in driver education courses in public schools to another vehicle used for the same purposes; amending Minnesota Statutes 1971, Section 168.12, Subdivision 1, as amended.

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

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

H. F. No. 109: A bill for an act relating to the organization of state government; providing that heads of certain departments and other governmental units of the state shall serve at the pleasure of the governor; eliminating obsolete language; amending Minnesota Statutes 1974, Sections 16.01; 16A.01, Subdivision 2; 17.01; 45.02; 45.15; 84.01, Subdivision 2; 116.03, Subdivision 1; 161.03, Subdivision 1; 175.001, Subdivision 1; 179.02; 196.02, Subdivision 1; 216A.06; 241.01, Subdivision 1; 245.03; 268.12, Subdivision 1; 270.02, Subdivision 2; 298.22, Subdivision 1; 299A.01, Subdivision 1; 360.014, Subdivision 2; 362.09, Subdivision 1; and 363.04, Subdivision 1.

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

Strike everything after the enacting clause and insert the following:

"Section 1. Minnesota Statutes 1974, Section 15.06, is amended to read:

15.06 [APPOINTMENT OF DEPARTMENT HEADS; TERMS; DEPUTIES.] *Subdivision 1. [APPLICABILITY.] This section applies to the following departments or agencies: the departments of administration, aeronautics, agriculture, corrections, economic development, education, employment services, finance, health, highways, human rights, labor and industry, natural resources, personnel, public safety, public welfare, revenue, and veterans affairs; the banking, insurance and securities divisions and the consumer services section of the department of commerce; the energy, housing finance and pollution control agencies; the office of director of the department of public service; the office of commissioner of iron range resources and rehabilitation; and the bureau of mediation services. The heads of the foregoing departments or agencies are referred to in this section as "commissioners".*

*Subd. 2. [ASSUMPTION OF OFFICE.] The appointing authority shall submit to the president of the senate the name of an appointee as commissioner within 90 days after the end of the term of a commissioner as defined in subdivision 3 and within 90 days after the occurrence of a vacancy as defined in section 351.02. The commissioner shall take office when the senate notifies the appointing authority that it has advised and consented to the appointment. Prior to the advice and consent of the senate, the*

*appointing authority may designate the appointee as "acting commissioner", and upon this designation the appointee shall immediately have all the powers and emoluments and perform all the duties of the office. No person shall serve as acting commissioner after the senate has voted to refuse to advise and consent to his appointment.*

*Subd. 3. [TERM.] The term of a commissioner shall end with the term of the governor. A commissioner other than the commissioner of personnel shall serve at the pleasure of the appointing authority.*

*Subd. 4. [END OF TERM; VACANCY; ACTING COMMISSIONER.] At the end of the term of a commissioner, the incumbent commissioner may at the discretion of the appointing authority serve as acting commissioner until his successor is appointed and qualifies. If at the end of a term of a commissioner the incumbent commissioner is not designated as acting commissioner, or if a vacancy as defined in section 351.02 occurs in the office of a commissioner, the deputy commissioner as defined in subdivision 6 shall immediately become temporary commissioner without further official action. If there is more than one deputy commissioner, the appointing authority of the commissioner shall designate which of the deputies shall be temporary commissioner. If there is no deputy commissioner, the appointing authority of the commissioner shall designate an acting commissioner. Upon the appointment of a commissioner and the designation of the appointee as acting commissioner, the appointee shall immediately take the place of any other acting or temporary commissioner. Notice of the designation of an acting commissioner or assumption of office by a temporary commissioner shall be filed with the president of the senate with a copy delivered to the secretary of state.*

*Subd. 5. [GENERAL POWERS OF COMMISSIONERS.] Except as otherwise expressly provided by law, the a commissioner or head of any state department or agency shall have the following powers:*

*(1) To designate a division director or other subordinate as his deputy, to serve as such at his pleasure, with full authority to act for him, but subject to his control; and in case of a vacancy in the office of such commissioner or head, such deputy shall discharge the necessary duties of the office until the vacancy be filled;*

*(2) (1) To delegate to any of his subordinate officers or employees the exercise of such of his specified statutory powers or duties as he may deem advisable, subject to his control; provided, that every such delegation shall be made by written order, filed with the secretary of state; and further provided that only a deputy commissioner may have all the powers or duties of the commissioner;*

*(3) (2) To appoint all subordinate officers and employees in his department or agency and to prescribe their duties and fix their compensation; provided, that all departments and agencies hereunder shall be subject to the provisions of any civil service law now or hereafter enacted, so far as applicable chapter 43;*

(4) (3) With the approval of the commissioner of administration, to establish ~~within~~ *organize* his department or agency such ~~bureaus or subdivisions~~ as he may find advisable in the interest of economy and efficiency; and

(5) (4) To prescribe rules and regulations, not inconsistent with law, ~~procedures~~ for the ~~conduct~~ *internal management* of his department or agency and other matters within the scope of the functions thereof, including the custody and preservation of books, records, papers, documents, and other property; and the certification of copies of papers and documents; provided, that every rule or regulation affecting any person or agency, other than a member of the department or agency concerned, shall be filed with the secretary of state to the extent that the procedures do not directly affect the rights of or procedure available to the public.

Subd. 6. [DEPUTY COMMISSIONER.] For purposes of this section, a "deputy commissioner" shall also include a "deputy director" when the department head bears the title "director". A deputy commissioner of a department or agency specified in subdivision 1 shall be in the unclassified civil service and shall be immediately subordinate to the commissioner. He shall have all the powers and authority of the commissioner unless the commissioner directs otherwise, and he shall speak for the commissioner within and without the department or agency. The primary duty of a deputy shall be to assist the commissioner in the general management of the entire department or agency or of major parts thereof, and shall not consist of operating single functional areas. A deputy commissioner serves at the pleasure of the commissioner.

Subd. 7. [NUMBER OF DEPUTY COMMISSIONERS.] Unless specifically prescribed by statute, no department or agency specified in subdivision 1 shall have more than one deputy commissioner. Notwithstanding any other law to the contrary, none of the departments or agencies shall have more than two deputy commissioners.

Sec. 2. Minnesota Statutes 1974, Section 16.01, is amended to read:

16.01 [COMMISSIONER OF ADMINISTRATION.] The department of administration shall be under the supervision and control of a commissioner of administration, in sections 16.01 to 16.25 chapter 16 also referred to as the commissioner; who shall be ex officio the state budget director and state purchasing agent.

The commissioner of administration, who shall be in unclassified service, shall be appointed by the governor; by and with the advice and consent of the senate for a four year term which shall coincide with the term of the governor and until his successor is duly appointed and has qualified. The governor may remove the commissioner at any time for cause after notice and hearing. In case of a vacancy, the governor may appoint a commissioner who shall immediately take office and shall carry on all of the duties of the office until the next session of the legislature, when his ap-

pointment shall be submitted to the senate for approval under the provisions of section 1.

Sec. 3. Minnesota Statutes 1974, Section 16A.01, Subdivision 2, is amended to read:

Subd. 2. The commissioner of finance is appointed by the governor by and with the advice and consent of the senate under the provisions of section 1. The commissioner so appointed shall have broad experience as an executive financial manager. The commissioner shall serve at the pleasure of the governor. A vacancy in the office of the commissioner shall be filled by the governor, with the advice and consent of the senate.

Sec. 4. Minnesota Statutes 1974, Section 16A.01, Subdivision 3, is amended to read:

Subd. 3. The commissioner may appoint two deputy commissioners, and a confidential secretary, each of whom shall serve at the pleasure of the commissioner in the unclassified service. Except as may be otherwise provided for by law, the commissioner shall fix the compensation of each deputy. A deputy may perform and exercise a power, duty, or responsibility imposed by law on the commissioner when authorized so to do by the commissioner.

Sec. 5. Minnesota Statutes 1974, Section 17.01, is amended to read:

17.01 [CREATION OF DEPARTMENT; COMMISSIONER; DEPUTY.] There is hereby created a department of agriculture, which shall be in the charge of a commissioner, who shall be in unclassified service, to be known as the commissioner of agriculture, in chapter 17 called the commissioner, who. He shall be appointed by the governor, by and with the advice and consent of the senate for a four year term which shall coincide with the term of the governor and until his successor is duly appointed and has qualified. The governor may remove the commissioner at any time for cause after notice and hearing. On January 4, 1971, the term of the incumbent commissioner of agriculture shall expire. In case of a vacancy, the governor may appoint a commissioner who shall immediately take office and shall carry on all of the duties of the office until the next session of the legislature, when his appointment shall be submitted to the senate for approval under the provisions of section 1. Before entering upon the duties of his office, he shall take and subscribe the oath required of state officials and give his bond to the state of Minnesota, to be approved by, and filed with, the secretary of state, for the sum of \$5,000, conditioned for the faithful performance of his duties. He may appoint a deputy who shall be in the unclassified service, commissioner and such other assistants, clerks, and employees as occasion may require.

Sec. 6. Minnesota Statutes 1974, Section 43.001, Subdivision 2, is amended to read:

Subd. 2. The commissioner of personnel is appointed by the governor by and with the advice and consent of the senate for a

term which coincides with the term of the governor and until his successor is duly appointed and qualifies *under the provisions of section 1*. He shall have broad experience in a managerial position including about five years as an executive personnel manager in one or more organizations essentially similar in complexity to state government. The governor may remove the commissioner only for cause, and after a public hearing. A vacancy in the office of the commissioner shall be filled by the appointing authority for the unexpired term.

Sec. 7. Minnesota Statutes 1974, Section 43.001, Subdivision 3, is amended to read:

Subd. 3. The commissioner may appoint two deputy commissioners and a confidential secretary, each of whom shall serve at the pleasure of the commissioner in the unclassified service. Except as may be otherwise provided for by law, the commissioner shall fix the compensation of each deputy commissioner. A deputy commissioner may perform and exercise a power, duty, or responsibility imposed by law on the commissioner when authorized so to do by the commissioner.

Sec. 8. Minnesota Statutes 1974, Section 45.02, is amended to read:

45.02 [COMMISSIONERS; APPOINTMENT, TERMS, VACANCIES.] The governor ; by and with the advice and consent of the senate, shall appoint the members of the commission *under the provisions of section 1*. The term of each member shall be six years. In case of a vacancy it shall be filled for the unexpired portion of the term. Each member of the commission, before entering upon the discharge of his duties, shall take ; subscribe, and file with the secretary of state ; the oath of office prescribed by the constitution ; and shall give bond to the state, the commissioner of banks in the amount of \$50,000, the commissioner of insurance in the amount of \$25,000, and the commissioner of securities in the amount of \$10,000, conditioned for the faithful discharge of his duties during his continuance in office and for the payment without delay to the officer or person entitled by law thereto of all moneys which shall come into his hands by virtue thereof.

A majority of the commission shall constitute a quorum.

Each commissioner shall receive a salary in an amount set by the legislature payable semi-monthly, and each shall devote his entire time to the duties of his office.

Sec. 9. Minnesota Statutes 1974, Section 45.15, is amended to read:

45.15 [ESTABLISHMENT OF CONSUMER SERVICES SECTION.] A section of consumer services is established in the department of commerce under the supervision and control of a director of consumer services. The director of consumer services is appointed by the governor ; by and with the advice and consent of the senate, for a four-year term which shall coincide with the term of the governor and until a successor is duly appointed and quali-

fies. A vacancy in the office of director shall be filled for the unexpired term under the provisions of section 1.

Sec. 10. Minnesota Statutes 1974, Section 84.01, Subdivision 2, is amended to read:

Subd. 2. The commissioner of natural resources is appointed by the governor; by and with the advice and consent of the senate for a four-year term which shall coincide with the term of the governor and until his successor is duly appointed and qualifies. A vacancy in the office of the commissioner shall be filled for the unexpired portion of the term under the provisions of section 1. The commissioner may appoint a deputy who shall serve at the pleasure of the commissioner in the unclassified service. The salary of such deputy is fixed by the commissioner except when otherwise expressly provided for by law. The deputy may perform and exercise every power, duty, and responsibility imposed by law upon the commissioner when authorized so to do by the commissioner commissioner.

Sec. 11. Minnesota Statutes 1974, Section 116.03, Subdivision 1, is amended to read:

116.03 [DIRECTOR.] Subdivision 1. (a) The office of director of the pollution control agency is created and is under the supervision and control of the director, who is appointed by the governor by and with the consent of the senate for a four-year term, which shall coincide with the term of the governor, and until his successor is duly appointed and qualifies. The governor may remove the director at any time at his pleasure. A vacancy in the office of director shall be filled by the governor by and with the consent of the senate, for the unexpired portion of the term under the provisions of section 1.

(b) In order to expedite the establishing and functioning of the pollution control agency, the governor shall forthwith appoint an acting director, who shall have all the powers and duties of the director as provided in sections 116.01 to 116.08. The acting director may be a person in the service of the state at the time of his appointment, and who while serving as acting director is on leave of absence from his regular office or position in the state service. The acting director shall serve as such until the director is appointed and qualifies as such director, pending the abolishment of the water pollution control commission as specified in section 116.02, subdivision 5; the director or acting director, as the case may be, is the secretary of such commission in lieu of the secretary and executive officer of the state board of health.

(c) (b) The director may appoint a deputy director and an assistant director who shall be in the unclassified service. The director may designate the deputy director to the agency to act in his stead as a member, with all his rights and privileges therein, of any agency, board, committee, or commission that the director is made a member of by law. The designation shall be filed with secretary of state. The salary of the deputy director and of the assistant director shall be provided by law.

Sec. 12. Minnesota Statutes 1974, Section 116H.03, Subdivision 2, is amended to read:

Subd. 2. The agency shall be under the supervision of the director who shall organize the agency and employ such other officers, agents and employees as are necessary to carry out the functions of the agency. Duties of such officers, agents and employees shall be as specified by the director.

Sec. 13. Minnesota Statutes 1974, Section 116H.03, Subdivision 3, is amended to read:

Subd. 3. The director shall be appointed by the governor with the advice and consent of the senate, to a four-year term which shall coincide with the term of the governor and until his successor is duly appointed and qualified *under the provisions of section 1*. In appointing the director the governor should give due consideration to the listing of names submitted by the commission pursuant to section 116H.04. The director shall serve at the pleasure of the governor.

A vacancy in the office of director shall be filled by the governor and the new appointee shall immediately take office and carry out all duties until the next session of the legislature when his appointment shall be submitted to the senate for confirmation.

The director may appoint a deputy who shall serve at his pleasure. The salaries of the director and the deputy shall be fixed by the governor until otherwise expressly provided for by law. The deputy may be authorized by the director to perform every duty, power and responsibility imposed on the director unless expressly forbidden by law. The director and his deputy shall serve in the unclassified service and shall be members of the Minnesota state retirement system.

Sec. 14. Minnesota Statutes 1974, Section 161.03, Subdivision 1, is amended to read:

161.03 [COMMISSIONER OF HIGHWAYS.] Subdivision 1. [OFFICE CREATED.] The office of commissioner of highways is created. He shall be appointed by the governor, by and with the advice and consent of the senate for a four-year term which shall coincide with the term of the governor and until his successor is duly appointed and qualifies. The governor may remove any commissioner at any time for cause after notice and hearing. In case of a vacancy, the governor may appoint a commissioner, who shall immediately take office and shall carry on all of the duties of the office until the next session of the legislature, when his appointment shall be submitted to the senate for approval. The commissioner shall be in unclassified service. On January 4, 1971, the term of the incumbent commissioner of highways shall expire *under the provisions of section 1*.

Sec. 15. Minnesota Statutes 1974, Section 161.03, Subdivision 4, is amended to read:

Subd. 4. [DEPUTY COMMISSIONER.] The commissioner may appoint a deputy who shall serve in the classified service of

the state commissioner . The deputy may perform and exercise every power, duty, and responsibility imposed by law upon the commissioner when so authorized by the commissioner.

Sec. 16. Minnesota Statutes 1974, Section 175.001, Subdivision 1, is amended to read:

175.001 [DEPARTMENT OF LABOR AND INDUSTRY.] Subdivision 1. [CREATION AND ORGANIZATION.] The department of labor and industry is created under the supervision and control of the commissioner of labor and industry which office is hereby established. The commissioner of labor and industry ; who shall be in unclassified service, shall be appointed by the governor by and with the advice and consent of the senate for a four-year term which shall coincide with the term of the governor and until his successor is duly appointed and has qualified. The governor may remove the commissioner at any time for cause after notice and hearing. In case of a vacancy, the governor may appoint a commissioner, who shall immediately take office and shall carry on all of the duties of the office until the next session of the legislature, when his appointment shall be submitted to the senate for approval. On January 4, 1971, the term of the incumbent commissioner shall expire under the provisions of section 1 .

Sec. 17. Minnesota Statutes 1974, Section 179.02, is amended to read:

179.02 [BUREAU OF MEDIATION SERVICES.] Subdivision 1. There is hereby established in the department of labor and industry a bureau of mediation services ; but not in any way subject to the control of the department. This bureau shall be under the supervision and control of a director. The office of director shall, as of the effective date of this act, be filled by the person then holding the office of labor conciliator and his term shall expire as of the date his term as labor conciliator would have expired. Thereafter The director shall be appointed by the governor with the advice and consent of the senate. He shall hold office for a term of four years under the provisions of section 1 .

Subd. 2. The governor may, from time to time, appoint special mediators to aid in the settlement of particular labor disputes or controversies who shall have the same power and authority as the director with respect to such dispute and such appointment shall be for the duration only of the particular dispute. Such special mediators shall be paid a per diem of \$75 per day while so engaged and their necessary expenses. The director shall prepare a roster of persons qualified to act as such special mediators and keep the same revised at all times and available to the governor and the public.

Subd. 3. The director may employ and discharge mediators, clerks and other employees as needed, fix their compensation, and assign them their duties. As of the effective date of this act the division of conciliation, heretofore established, shall be abolished, and all of its powers and duties transferred to the bureau of mediation services. Any matters pending in or by the division of

conciliation as of such date shall then and thereafter be carried on in the name of the bureau of mediation services.

Sec. 18. Minnesota Statutes 1974, Section 196.02, Subdivision 1, is amended to read:

196.02 [COMMISSIONER OF VETERANS AFFAIRS.] Subdivision 1. [APPOINTMENT; QUALIFICATIONS.] The department shall be under the supervision and control of a commissioner of Veterans' Affairs who shall be appointed by the governor by and with the advice and consent of the senate for a four year term which shall coincide with the term of the governor and until his successor is duly appointed and has qualified. The governor may remove the commissioner at any time for cause after notice and hearing. The commissioner shall be in unclassified service under the provisions of section 1. No person shall be eligible to receive appointment as commissioner unless he has the following qualifications:

(1) Residence in the state of Minnesota for at least five years prior to his appointment;

(2) Citizenship in the United States;

(3) Veteran of the armed forces of the United States as defined in section 197.447. In case of a vacancy, the governor may appoint a commissioner, who shall immediately take office and shall carry on all of the duties of the office until the next session of the legislature, when his appointment shall be submitted to the senate for approval. On January 4, 1971, the term of the incumbent commissioner shall expire.

Sec. 19. Minnesota Statutes 1974, Section 216A.06, Subdivision 1, is amended to read:

216A.06 [DIRECTOR.] Subdivision 1. [ESTABLISHMENT OF OFFICE, APPOINTMENT; TERM.] The office of director of the administrative division of the department of public service is hereby established. He shall be appointed by the governor with the advice and consent of the senate, for a four-year term and the initial term to expire on the first Monday in January, 1971 under the provisions of section 1.

Sec. 20. Minnesota Statutes 1974, Section 241.01, Subdivision 1, is amended to read:

241.01 [CREATION OF DEPARTMENT.] Subdivision 1. [COMMISSIONER.] The department of corrections is hereby created under the control and supervision of the commissioner of corrections which office is hereby established. The commissioner of corrections, who shall be in unclassified service, shall be selected without regard to political affiliation and shall have wide and successful administrative experience in correctional programs embodying rehabilitative concepts. The commissioner shall be appointed by the governor, by and with the advice and consent of the senate for a four-year term which shall coincide with the term of the governor and until his successor is duly appointed and has qualified. The governor may remove the commissioner at any time

for cause after notice and hearing. In case of a vacancy, the governor may appoint a commissioner, who shall immediately take office and shall carry on all of the duties of the office until the next session of the legislature, when his appointment shall be submitted to the senate for approval. On January 4, 1971, the term of the incumbent commissioner shall expire under the provisions of section 1.

Sec. 21. Minnesota Statutes 1974, Section 241.01, Subdivision 2, is amended to read:

Subd. 2. [DIVISIONS; DEPUTIES.] The commissioner of corrections may appoint and employ no more than four two deputy commissioners who shall serve at the pleasure of the commissioner in the unclassified service of the state civil service. Each deputy may perform and exercise every duty, power and responsibility imposed by law upon the commissioner when authorized to so do by the commissioner. Appointments to exercise delegated power shall be by written order filed with the secretary of state. Each deputy may perform and exercise every duty, power, and responsibility imposed by law upon the commissioner when authorized so to do by the commissioner. The commissioner may also appoint a personal secretary, who shall serve at his pleasure in the unclassified civil service of the state, and fix the salary of said secretary commensurate with salaries for similar services in the classified service.

Sec. 22. Minnesota Statutes 1974, Section 245.03, is amended to read:

245.03 [DEPARTMENT OF PUBLIC WELFARE ESTABLISHED; COMMISSIONER.] There is hereby created and established a department of public welfare. A commissioner of public welfare shall be appointed by the governor with the advice and consent of the senate for a four-year term which shall coincide with the term of the governor and until his successor is duly appointed and has qualified. The governor may remove the commissioner at any time for cause after notice and hearing. In case of a vacancy, the governor may appoint a commissioner, who shall immediately take office and shall carry on all of the duties of the office until the next session of the legislature, when his appointment shall be submitted to the senate for approval under the provisions of section 1. The commissioner, who shall be in unclassified service, shall be selected on the basis of ability and experience in welfare and without regard to political affiliations. Subject to the provisions of sections 245.03 to 245.12 and other applicable law, now or hereinafter enacted, The commissioner shall have the power to organize his department in such manner as he may deem necessary, and to appoint a deputy commissioner in unclassified service. He shall also appoint such other subordinate officers, employees and agents as he may deem necessary to discharge the functions of the department; and define the duties of such officers, employees and agents and to delegate to them any of his powers or duties subject to his control and under such conditions as he may prescribe. Appointments to exercise delegated powers shall be written orders filed with the secretary of state.

The commissioner shall give bond in the sum of \$10,000. On January 4, 1971, the term of the incumbent commissioner shall expire.

Sec. 23. Minnesota Statutes 1974, Section 268.12, Subdivision 1, is amended to read:

268.12 [CREATION.] Subdivision 1. [DEPARTMENT OF EMPLOYMENT SERVICES; COMMISSIONER.] (1) There is hereby created and established a department of employment security which shall be the successor to the division of employment and security, which said division is hereby abolished as a division of the department of social security as established by Laws 1930, Article VII, Section 1. *services under the control of* (2) a commissioner of employment security who shall be appointed by the governor with the advice and consent of the senate for a four-year term which shall coincide with the term of the governor and until his successor is duly appointed and has qualified, to administer this chapter as the same may hereafter from time to time be amended. The commissioner, who shall be in unclassified service, may be removed by the governor at any time for cause after notice and hearing *under the provisions of section 1*. The commissioner shall be selected on the basis of ability and experience and without regard to political affiliations. In case of a vacancy, the governor may appoint a commissioner, who shall immediately take office and shall carry on all of the duties of the office until the next session of the legislature, when his appointment shall be submitted to the senate for approval. On January 4, 1971, the term of the incumbent commissioner shall expire. Subject to the provisions of sections 268.03 to 268.24 and other applicable laws now or hereafter enacted, the commissioner shall have the power to organize his department in such manner as he may deem necessary. Appointments to exercise delegated powers shall be written orders filed with the secretary of state. The salary of the commissioner shall be prescribed by the legislature and he shall give bond in the sum of \$10,000.

(3) All proceedings, court actions, prosecutions or other business undertaken or commenced prior to April 21, 1953, by the division of employment and security and any other matters of the division of employment and security pending at the time of the passage of this act may be conducted and completed by the new department of employment security in the same manner and under the same terms and conditions and with the same effect as though it were undertaken, commenced or conducted or completed by said division of employment and security prior to such change. All functions, powers and duties of such division of employment and security are by this act assigned and transferred to the department of employment security.

(4) All the powers and duties now vested in or imposed upon the director of the division of employment and security as a division of the department of social security are hereby vested in and imposed upon the commissioner of employment security.

All of the employees of said division of employment and security are hereby transferred to the department of employment security

created by this section, and said commissioner shall take charge of said employees and shall employ them in the exercise of the respective functions, powers and duties transferred as aforesaid without reduction of compensation or civil service status enjoyed by said employees at the time of such transfer, subject, however, to change of termination of employment, compensation or civil service status as may be otherwise provided by law.

(5) All other acts or parts of acts now in effect inconsistent with the provisions of this section are hereby repealed, superseded, modified or amended so far as necessary to conform to and give full force and effect to the provisions of this section.

(6) Laws 1953, Chapter 503, shall take effect and be in force from and after its passage; provided, that no transfer of functions, rights, powers, duties, or funds made thereby shall take effect until the commissioner of the department to whom the same are transferred shall have been appointed, taken his oath of office and filed oath and bond in the office of the secretary of state; and until then the former division or agency vested therewith shall continue to exercise and perform such functions, rights, powers, and duties, and to have charge of such funds.

Sec. 24. Minnesota Statutes 1974, Section 270.02, Subdivision 2, is amended to read:

Subd. 2. [TERM.] The commissioner of revenue shall be appointed by the governor by and with the advice and consent of the senate for a four year term which shall coincide with the term of the governor until his successor is duly appointed and qualified under the provisions of section 1. The commissioner, who shall be in unclassified service, shall be selected on the basis of ability and experience in the field of taxation and tax administration and without regard to political affiliations. The governor may remove the commissioner at any time for cause, after notice and hearing. In case of a vacancy, the governor may appoint a commissioner, who shall take office immediately and shall carry on the duties of the office until the next session of the legislature, when his appointment is submitted to the senate for approval. The commissioner shall give bond to the state in the sum of \$200,000. The person occupying the position of commissioner of taxation on July 1, 1973, shall be designated as commissioner of revenue, and his term of office shall coincide with the term of the office of governor.

Sec. 25. Minnesota Statutes 1974, Section 298.22, Subdivision 1, is amended to read:

298.22 [IRON RANGE RESOURCES AND REHABILITATION.] Subdivision 1. On and after July 1, 1969, (1) There is hereby appropriated from the general fund for the purposes hereinafter set forth, five percent of all amounts paid and credited to said fund from the proceeds of taxes paid under the provisions of sections 298.01 to 298.21.

(2) The office of commissioner of iron range resources and rehabilitation is hereby created. The commissioner shall be appointed by the governor; with the advice and consent of the

senate for a four year term which shall coincide with the term of the governor until his successor is duly appointed and has qualified. The governor may remove the commissioner at any time for cause after notice and hearing. In case of a vacancy, the governor may appoint a commissioner, who shall take office immediately and shall carry on the duties of the office until the next session of the legislature, when his appointment shall be submitted to the senate for approval under the provisions of section 1.

(3) The salary of the commissioner, who shall be in unclassified service, shall be paid from the amounts appropriated by this section; provided, that such salary shall be reduced by such amount as he may receive from other funds, and the commissioner may hold such other positions or appointments as are not incompatible with his duties as commissioner of iron range resources and rehabilitation. The commissioner may appoint a deputy commissioner who shall serve in the unclassified service at the pleasure of the commissioner. All expenses of the commissioner, including the payment of such assistance as may be necessary, shall be paid out of the amounts appropriated by this section.

(4) When the commissioner shall determine that distress and unemployment exists or may exist in the future in any county by reason of the removal of natural resources of a possibly limited use thereof in the future and the decrease in employment resulting therefrom, now or hereafter, he may use such amounts of the appropriation made to him in this section as he may determine to be necessary and proper in the development of the remaining resources of said county and in the vocational training and rehabilitation of its residents. For the purposes of this section, "development of remaining resources" includes, but is not limited to, the promotion of tourism.

Sec. 26. Minnesota Statutes 1974, Section 299A.01, Subdivision 1, is amended to read:

299A.01 [DEPARTMENT OF PUBLIC SAFETY; CREATION AND ORGANIZATION.] Subdivision 1. In order that the functions and services of the state of Minnesota relating to the safety and convenience of its citizens might be coordinated and directed in an accessible, identifiable manner; and to promote and insure the existing public safety operations of that government; The department of public safety is created under the supervision and control of the commissioner of public safety, which office is established. The commissioner of public safety is appointed by the governor, by and with the advice and consent of the senate for four year term. The governor may remove the commissioner only for cause, after a public hearing. A vacancy in the office of the commissioner shall be filled for the unexpired portion of the term under the provisions of section 1. The commissioner may appoint a deputy commissioner who shall serve at the pleasure of the commissioner in the unclassified service. The salary of such deputy is fixed by the commissioner except when otherwise expressly provided for by law. The deputy may perform and exercise every power, duty, and responsibility imposed by law upon the commissioner when authorized so to do by the commissioner.

Sec. 27. Minnesota Statutes 1974, Section 299A.01, Subdivision 2, is amended to read:

Subd. 2. The duties of the ~~deputy commissioner~~ shall include ; ~~in addition to such other functions and responsibilities as may be delegated or assigned by the commissioner or imposed by law, the following:~~ (a) The coordination, development and maintenance of services contracts with existing state departments and agencies assuring the efficient and economic use of advanced business machinery including computers;

(b) The execution of contracts and agreements with existing state departments for the maintenance and servicing of vehicles and communications equipment, and the use of related buildings and grounds;

(c) The development of integrated fiscal services for all divisions, and the preparation of an integrated budget for the department;

(d) The establishment of a planning bureau within the department, which bureau shall consult and coordinate its activities with the state planning director.

Sec. 28. Minnesota Statutes 1974, Section 360.014, Subdivision 2, is amended to read:

Subd. 2. There is hereby created the office of commissioner of aeronautics ; the incumbent of which shall have the powers and duties and privileges herein set forth . The governor ; by and with the advice and consent of the senate, shall appoint a suitable person, to serve in unclassified service, a commissioner having a knowledge of aeronautics to said office, to serve for a four year term which shall coincide with the term of the governor until his successor is duly appointed and has qualified. The governor may remove the commissioner at any time for cause after notice and hearing. In case of a vacancy, the governor may appoint a commissioner, who shall immediately take office and shall carry on the duties of the office until the next session of the legislature, when his appointment shall be submitted to the senate for approval. On January 4, 1971, the term of the incumbent commissioner of aeronautics shall expire under the provisions of section 1 .

Sec. 29. Minnesota Statutes 1974, Section 362.09, Subdivision 1, is amended to read:

362.09 [COMMISSIONER; ADVISORY COMMISSION.] Subdivision 1. The department shall be under the supervision and control of a commissioner of economic development, in unclassified service, who shall be appointed by the governor ; by and with the advice and consent of the senate for a term of four years to coincide with that of the governor and until his successor is duly appointed and has qualified. The governor may remove the commissioner at any time for cause after notice and hearing under the provisions of section 1 . He shall be chosen with regard to his knowledge, training, experience, and ability in administering the functions of the department. In case of a vacancy, the governor may appoint a commissioner who shall thereupon immediately

take office and shall carry on all the duties of the office until the next session of the legislature, when his appointment shall be submitted to the senate for approval. The commissioner shall receive a salary as provided by law. He shall give a bond to the state in the sum of \$10,000. On January 4, 1971, the term of the incumbent commissioner shall expire.

The commissioner shall appoint a deputy ; fix his salary unless otherwise prescribed by law and define his duties. The deputy shall enjoy a confidential relationship with the commissioner and is in the unclassified service of the state commissioner .

Sec. 30. Minnesota Statutes 1974, Section 363.04, Subdivision 1, is amended to read:

363.04 [DEPARTMENT OF HUMAN RIGHTS.] Subdivision 1. [CREATION; COMMISSIONER.] There is hereby established at the seat of government an executive a department to be known as the department of human rights . There shall be at the head of the department *under the direction and supervision of* a commissioner of human rights, who shall be appointed by the governor ; by and with the advice and consent of the senate for a four-year term which shall coincide with the term of the governor and until his successor is duly appointed and has qualified. The governor may remove the commissioner at any time for cause after notice and hearing. In case of a vacancy, the governor may appoint a commissioner, who shall immediately take office and shall carry on all of the duties of the office until the next session of the legislature, when his appointment shall be submitted to the senate for approval. On January 4, 1971, the term of the incumbent commissioner shall expire. The department shall be administered under the supervision and direction of the commissioner, who shall be in unclassified service, and shall receive compensation at the rate prescribed by law *under the provisions of section 1* .

Sec. 31. Minnesota Statutes 1974, Section 144.02, is amended to read:

144.02 [MEETINGS; OFFICERS.] The state board of health shall hold an annual meeting during the first quarter of every year at a time and place designated by the board at which time it shall annually elect from its members a president. Regular meetings, one of which shall include the annual meeting, shall be held not less than four times a year. At least one such regular meeting shall be held each quarter. The time and place of all such regular meetings shall be determined by the board, and all board members shall be notified thereof by mail seven days in advance. Special meetings may be held at such times and places as *on the request of the secretary commissioner* or any two members of the board shall appoint upon three days' notice to the members by mail. The board shall elect a secretary to serve during its pleasure, who may or may not be one of its members. A majority shall be a quorum and any meeting may be adjourned from time to time.

Sec. 32. Minnesota Statutes 1974, Chapter 144, is amended by adding a section to read:

[144.031] [COMMISSIONER.] Subdivision 1. [APPOINT-

MENT.] *The department of health shall be under the administrative control of the commissioner of health which office is established. He shall be appointed by the governor under the provisions of section 1.*

Subd. 2. [DUTIES.] *The commissioner shall be the chief administrative officer of the department and shall be responsible for the enforcement of all appropriate laws, the rules of the board, and for the management of the department. He shall appoint employees as he deems necessary to perform the functions mandated by law or rule of the board. He shall serve ex-officio without vote as secretary of the board.*

Sec. 33. Minnesota Statutes 1974, Section 144.04, is amended to read:

144.04 [EXPENSES.] *The members of the board shall receive compensation of the sum of \$35 per day for attendance at board meetings and ordinary and necessary expenses in the same amount and manner as state employees. Subject to the provisions of Laws 1939, Chapter 441, the board may employ, and at pleasure dismiss, such agents, experts, and other assistants as it may deem necessary and fix their compensation, prescribe their duties, and allow their necessary expenses. All such salaries, compensation, and expenses shall be paid by the state upon vouchers; but the total for any year shall not exceed the appropriation of the year therefor.*

Sec. 34. Minnesota Statutes 1974, Section 121.09, is amended to read:

121.09 [ADMINISTRATION; EXCEPTIONS.] *The state board commissioner shall administer all laws and rules promulgated by the board relating to the commissioner, libraries, and other public educational institutions, except such laws as may relate to the state university and to the state colleges.*

Sec. 35. Minnesota Statutes 1974, Section 121.16, is amended to read:

121.16 [COMMISSIONER OF EDUCATION.] *Subdivision 1. The state board shall elect a The department shall be under the administrative control of the commissioner who of education which office is established. The commissioner shall be the executive officer and secretary of the state board and whose term of office shall be four years. He shall be appointed by the board with the approval of the governor under the provisions of section 1. For purposes of section 1, the board of education shall be the appointing authority.*

*He The commissioner shall be a person who possesses educational attainment and breadth of experience in the administration of public education and of the finances pertaining thereto commensurate with the spirit and intent of this code chapter. The commissioner shall have authority to nominate, for approval by the state board, such officials and appoint employees as may be necessary to perfect and to maintain for the organization of the department as recommended by him and as adopted by the state*

board . He shall perform such duties as the law and the rules of the state board may provide and be held responsible for the efficient administration and discipline of the various offices and division in the organization of the department. He shall be required to make recommendations to the state board which shall facilitate all of the work of the state board , and he shall be charged with the execution of powers and duties which the state board may prescribe, from time to time, to promote public education in the state, to safeguard the finances pertaining thereto, and to enable the state board to carry out the provisions of this code its duties .

Subd. 2. This section shall apply to the appointment of the commissioner of education on the expiration of the term of the commissioner occupying the office on the effective date of this article.

Sec. 36. Minnesota Statutes 1974, Section 462A.04, Subdivision 8, is amended to read:

Subd. 8. The agency shall employ an executive director, legal and technical experts and such other officers, agents and employees, permanent and temporary, as it may require, and shall determine their qualifications, duties and compensation be under the administrative control of an executive director which office is established. He shall be appointed by the governor under the provisions of section 1 .

*The executive director may appoint a deputy director. The executive director may further appoint such permanent and temporary employees as he deems necessary subject to the approval of the commissioner of personnel. The agency may delegate to one or more of its agents or employees such powers or duties as it might deem proper. All permanent employees of the agency, except the executive director, and deputy director are in the classified civil service of the state .*

Sec. 37. [TEMPORARY PROVISIONS.] *The term of any department head or commissioner dealt with in this act shall expire the first Monday in January 1979, unless Minnesota Statutes provide for an earlier expiration date. In this event, the new appointment shall be made so as to expire the first Monday of January 1979.*

*Any department head or commissioner dealt with in this act and serving on the effective date of this act is deemed to have been appointed in compliance with the provisions of this act.*

*If any position which currently bears the title of deputy loses this title pursuant to section 1, subdivision 6, or any other provision of this act, the commissioner of personnel shall assign a new title under the provisions of Minnesota Statutes, Section 15A.071. If the position is currently in the unclassified civil service, it shall remain in the unclassified civil service. In the event that authorized, unclassified deputy positions are not filled, the department head or commissioner may fill these positions but only as permitted by applicable personnel complement limitations.*

Sec. 38. [INSTRUCTION TO REVISOR.] *The revisor of statutes shall eliminate from the statutes any reference to the "secretary" or "executive officer" of the board of health or any similar title with this meaning, and shall substitute "commissioner" or "commissioner of health" as appropriate.*

Sec. 39. [REPEALER.] *Minnesota Statutes 1974, Sections 121.07, 121.08, 121.10, 175.003, Subdivision 4, 216A.06, Subdivision 2, and 144.03, are repealed.*

Sec. 40. [EFFECTIVE DATE.] *This act shall be effective the day following its final enactment."*

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

"A bill for an act relating to the organization of state government; providing that heads of certain departments and other governmental units of the state shall be appointed by and shall serve at the pleasure of the governor; providing for the succession of commissioners; defining position and duties of deputy department heads; eliminating obsolete language; amending Minnesota Statutes 1974, Sections 15.06; 16.01; 16A.01, Subdivision 2 and 3; 17.01; 43.001, Subdivisions 2 and 3; 45.02; 45.15; 84.01, Subdivision 2; 116.03, Subdivision 1; 116H.03, Subdivisions 2 and 3; 121.09; 121.16; 144.02; 144.04; 161.03, Subdivisions 1 and 4; 175.001, Subdivision 1; 179.02; 196.02, Subdivision 1; 216A.06, Subdivision 1; 241.01, Subdivisions 1 and 2; 245.03; 268.12, Subdivision 1; 270.02, Subdivision 2; 298.22, Subdivision 1; 299A.01, Subdivisions 1 and 2; 360.014, Subdivision 2; 362.09, Subdivision 1; and 363.04, Subdivision 1; 462A.04, Subdivision 8; and Chapter 144, by adding a section; repealing Minnesota Statutes 1974, Sections 121.07; 121.08; 121.10; 175.003, Subdivision 4; 216A.06, Subdivision 2; and 144.03."

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

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

S. F. No. 866: A bill for an act relating to liquor; abolishing the office of liquor control commissioner and transferring the powers and duties thereof to the departments of public safety and revenue; amending Minnesota Statutes 1974, Chapter 299A, by adding a section; Sections 340.08, Subdivisions 1 and 2; 340.09, Subdivision 1; 340.44; 340.47, Subdivision 2; 340.485, Subdivision 1; and 340.492; repealing Minnesota Statutes 1974, Sections 340.08, Subdivision 3; 340.401, Subdivision 7; 340.485, Subdivision 4; and 340.491.

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

Pages 1 to 3, strike sections 1 to 4 and insert:

"Section 1. Minnesota Statutes 1974, Section 299A.01, Subdivision 3, is amended to read:

Subd. 3. Subject to the provisions of Laws 1969, Chapter 1120, and to other applicable laws the commissioner shall organize the department and employ such other officers, employees, and agents as he may deem necessary to discharge the functions of his department, define the duties of such officers, employees, and agents and to delegate to them any of his powers, duties, and responsibilities subject to his control and under such conditions as he may prescribe. Appointments to exercise delegated power shall be by written order filed with the secretary of state. No such delegation or assignment of a power or duty by the commissioner to an employee of the department shall be made in respect to, or in a manner resulting in a reenactment of, the powers, duties or responsibilities contained in section 299C.03, and acts amendatory thereof, except to the division of the bureau of criminal apprehension. Officers, Employees, and agents of the department of public safety are in the classified service of the state civil service except where otherwise specifically provided for by law.

Sec. 2. Minnesota Statutes 1974, Chapter 299A, is amended by adding a section to read:

[299A.02] [COMMISSIONER OF PUBLIC SAFETY; LIQUOR CONTROL FUNCTIONS.] *Subdivision 1. [DIRECTOR OF DIVISION OF LIQUOR CONTROL.] No employee of the department of public safety having any responsibility for the administration or enforcement of chapter 340 shall have a direct or indirect interest in the manufacture, transportation or sale of intoxicating liquor or any malt or vinous beverages, intoxicating, non-intoxicating, or commercial or industrial alcohol. The commissioner shall remove an employee of the department in the unclassified civil service for any violation of sections 340.02, 340.031 to 340.036, 340.11 to 340.19, 340.355 to 340.357, 340.402 to 340.408, 340.44 to 340.493, 340.53 to 340.56, 340.601 to 340.62, or 340.70 to 340.983. Violation of the preceding sections by a classified employee of the department shall be grounds for removal of that employee pursuant to section 43.24.*

*Subd. 2. [GENERAL POWERS.] The commissioner shall administer and enforce the provisions of chapter 340 except for those provisions thereof for which administration and enforcement are reserved to the commissioner of revenue.*

*Subd. 3. [REPORTS; RULES.] The commissioner shall have power to require periodic factual reports from all licensed importers, manufacturers, wholesalers and retailers of intoxicating liquors and to make all reasonable rules to effect the object of chapter 340. The rules shall include provisions for assuring the purity of intoxicating liquors and the true statement of its contents and proper labeling thereof with regard to all forms of sale.*

*Subd. 4. [SUBPOENAS.] In all matters relating to his official duties, the commissioner shall have the powers possessed by courts of law to issue subpoenas and cause them to be served and enforced. All public officials, and their respective deputies and employees, and all individuals, partnerships, firms, corporations, incorporated and unincorporated associations, and others who*

*manufacture, transport, or sell intoxicating liquor, or are connected therewith in any manner, shall at all times attend and answer under oath the commissioner's lawful inquiries, produce and exhibit such books, accounts, documents and property as he may desire to inspect, and in all things aid him in the performance of his duties."*

Page 4, line 1, reinsert the stricken "(4) "Commissioner" means the"

Page 4, line 2, reinsert the stricken language

Page 4, line 2, after the reinserted "commissioner" insert "of public safety"

Page 4, line 3, reinsert the stricken old language and strike the new language

Page 6, line 19, strike "*department and the position of the*"

Page 6, line 20, strike "*commissioner*" and insert "*office*"

Page 6, line 20, after "*control*" insert "*commissioner*"

Page 6, line 20, strike "*are*" and insert "*is*"

Page 6, line 23, strike "*and*" and insert "*except for the duties specified in sections 4 to 6 which are transferred to*"

Page 6, line 24, strike "*except by sections 6, 7, and 8*"

Page 6, line 26, strike "*commissioner and the*"

Page 6, line 27, strike "*department of*"

Page 6, line 27, after "*control*" insert "*commissioner*"

Page 6, line 28, strike "*and department*"

Page 7, line 1, after "*revenue*" insert "*as appropriate*"

Page 7, line 12, strike "*finance*" and insert "*administration*"

Page 7, line 12, strike "*the*" and insert "*each*"

Page 7, after line 24, insert:

"Sec. 11. [REVISOR'S INSTRUCTIONS.] *In the next and subsequent editions of Minnesota Statutes, the Revisor shall change the references from the department of liquor control and the liquor control commissioner to the commissioner of public safety or, in the case of the transfers of functions under sections 4 to 6, to the commissioner of revenue consistent with this act.*"

Page 7, line 25, after "*Sections*" insert "*299A.01, Subdivision 4,*"

Page 7, line 25, strike the comma after "*340.08*"

Page 7, line 26, strike "*Subdivision 3; 340.401, Subdivision 7*" and insert "*; 340.09*"

Renumber the sections

Amend the title as follows:

Page 1, line 4, strike "*departments*" and insert "*commissioners*"

Page 1, line 7, strike "*340.08, Subdivisions 1 and 2; 340.09,*"

Page 1, line 8, strike "*Subdivision 1*" and insert "*299A.01, Subdivision 3*"

Page 1, line 10, after "*Sections*" insert "*299A.01, Subdivision 4;*"

Page 1, line 10, strike the comma after "*340.08*"

Page 1, line 11, strike "*Subdivision 3; 340.401, Subdivision 7*" and insert "*; 340.09*"

And when so amended the bill do pass. 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 referred

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.

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

Page 2, line 1, after "*shall*" insert "*by rule*"

Page 2, line 1, strike "*, evaluate*"

Page 2, line 1, after "*revise*" insert "*, as necessary,*"

Page 2, line 26, after "*board*" insert "*by rule*"

Page 3, line 10, after "*board*" insert "*by rule*"

Page 3, line 12, after "*board*" insert "*by rule*"

Page 3, line 20, strike "*council*" and insert "*task force*"

Page 3, line 21, strike "*not more than*"

Page 3, line 22, strike "*nurses of completion of specified*"

Page 3, line 24, strike "*and regulations*"

Page 3, line 25, strike "*advisory council*" and insert "*task force*"

Page 3, line 26, strike "*implementing the procedures and requirements,*"

Page 4, line 1, strike "*a list*" and insert "*lists*"

Page 4, line 1, strike "*the Minnesota nurses*"

Page 4, strike lines 2 to 7

Page 4, line 8, strike "*employees*" and insert "*professional nursing organizations in the state. Members of the task force shall be entitled to expenses in the same manner and amount as received by state employees. The task force shall expire January 1, 1978.*"

Page 4, line 10, strike "*establish*" and insert "*by rule promulgate*"

Page 4, line 12, strike "*and regulations*"

Page 4, line 18, strike "*and regulations*"

Page 5, line 1, after "*board*" insert "*by rule*"

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

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

S. F. No. 1161: A bill for an act relating to the operation of state government; creating a state office of human services; providing for the development of a unified state plan and budget for human services; creating a human services task force; appropriating money.

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

Page 2, line 5, strike "*The salary of the director*"

Page 2, strike line 6

Page 2, line 7, strike "*of Minnesota Statutes, Section 43.064.*"

Page 2, line 10, after the period insert "*Persons filling*"

Page 2, line 17, strike "*office*" and insert "*director*"

Page 2, line 18, strike "*departments*" and insert "*commissioners*"

Page 2, line 19, after the comma insert "*the director of*"

Page 2, line 21, after "*and*" insert "*heads of*"

Page 2, line 24, strike "*regulations*" and insert "*rules*"

Page 2, line 26, strike "*; it*" and insert "*. He*"

Page 2, line 28, strike "*it*" and insert "*he*"

Page 2, line 30, strike "office" and insert "director"

Page 2, line 32, strike "It" and insert "He"

Page 3, line 7, strike "units" and insert "activities"

Page 3, line 11, strike "office" and insert "director"

Page 3, line 14, strike "; it" and insert ". The director"

Page 3, line 15, strike "their" and insert "the"

Page 3, line 18, strike "office" and insert "director"

Page 4, line 20, strike "state" and insert "human services"

Page 4, line 21, strike "defined in section 4"

Page 4, line 28, strike "state departments" and insert "commissioners"

Page 4, line 29, after "the" insert "director of the"

Page 4, line 30, strike "office" and insert "director"

Page 4, line 30, strike "its" and insert "his"

Page 5, line 2, strike "office" and insert "director"

Page 5, line 3, strike "its" and insert "his"

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 referred

H. F. No. 1501: A bill for an act relating to the city of Eveleth; firemen's pensions therein; amending Laws 1935, Chapter 208, as amended by adding a section.

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

Page 1, line 10, strike "*this act*" and insert "*Laws 1935, Chapter 208, as amended,*"

Page 1, line 10, strike "*or thereafter*"

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

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

H. F. No. 1311: A bill for an act relating to certain officers and employees of the state and their dependents; providing optional insurance coverage for certain officers and employees; amending Minnesota Statutes 1974, Section 43.491, Subdivision 2.

Reports the same back with the recommendation that the bill do

pass and be placed on the Calendar of Ordinary Matters. Report adopted.

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

H. F. No. 416: A bill for an act relating to the city of Robbinsdale; firemen's service pensions; amending Laws 1969, Chapter 1105, Sections 1, 2, and 3.

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

Page 2, after line 6, add a new section to read:

*"Sec. 3. Section 1 applies to pensions payable in respect to periods commencing after June 30, 1975, and applies to persons who retire before the effective date of this act as well as to those who retire on or after that date."*

Page 2, strike lines 7 to 13

Further amend the title as follows:

Line 4, after "1" strike the comma and insert "and"

Line 4, strike ", and 3"

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

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

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.

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

Page 1, line 21, strike *"After a public hearing as provided"*

Page 1, strike lines 22 to 24

Strike page 2

Strike page 3

Further, amend the title as follows:

Page 1, line 3, strike "Independent School District No. 518;"

Page 1, line 4, strike "and providing"

Page 1, line 5, strike "for an election"

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

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

S. F. No. 1689: A bill for an act relating to education; vocational-technical institutes; providing for student associations.

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. Hughes from the Committee on Education, to which was referred the following appointment as reported in the Journal for May 1, 1975:

#### MINNESOTA HIGHER EDUCATION COORDINATING COMMISSION

Gerald Vizenor

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. Coleman from the Committee on Rules and Administration, to which was referred H. F. No. 1169 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.
1169	1009				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 1169 be amended as follows:

Page 5, line 28, strike "location which is identified by a separate"

Page 5, line 29, strike "address, at which one or more" and insert before "vending" "*coin actuated*"

Page 5, line 29, strike "machines" and insert "*machine*"

Page 5, line 29, strike "process" and insert "*processes*"

Page 5, line 30, strike "dispense" and insert "*dispenses*"

Page 5, line 30, strike "are located"

Page 5, line 31, strike "place of business" and insert "*unit*"

Page 5, line 31, strike "this section" and insert "*establishing a license fee under section 28A.09*"

Page 9, line 30, delete "\$30" and insert "\$50" and delete "\$10" and insert "\$15"

Page 10, after line 6 insert the following:

"Sec. 13. Minnesota Statutes 1974, Section 28A.09, is amended to read:

**28A.09 [INSPECTION FEES FOR VENDING MACHINES.]**  
The following combined license fee schedule, *except as provided in section 28A.15, subdivision 6*, shall be applied for an applicant's place(s) of business to a coin actuated vending machine where from which food is sold and dispensed solely through the use of vending machines, and the fees charged hereunder shall be in lieu of addition to any other fees the single retail food handler's license fee which may be applied to such place(s) of business is required of a vendor under section sections 28A.04 and 28A.08:

(a) \$2 for each of the first 100 such places of business vending machines of a vendor ;

(b) \$1 for each such place of business thereafter additional vending machine of a vendor ;

(c) ~~Provided that no applicant shall be required to pay a total of more than \$400 under (a) and (b) above regardless of the number of applicant's places of business hereunder;~~

*Provided that the minimum additional fee under this section shall be \$26.*

~~(d) (c)~~ A place of business which consists solely of vending machines machine dispensing only bottled or canned soft drinks, prepackaged confections, and similar dry, nonperishable items, such as ball gum, nuts, and panned candies, shall not be counted for the purpose of determining applicant's license fees hereunder.

*(d) In addition to identification required by the commissioner, each vending machine for which inspection fees are provided in this section shall be identified with the name and telephone number of the owner or operator of said machine. Nothing in this section is intended to permit enactment of an ordinance regulating an activity where the state has pre-empted the field."*

Page 10, line 19, delete the apostrophe after "HEARINGS" and insert a semicolon

Renumber the sections in sequence

Further amend the title in line 7, after "28A.08;" insert "28A.09;"

And when so amended, H. F. No. 1169 will be identical to S. F. No. 1009 and further recommends that H. F. No. 1169 be given its second reading and substituted for S. F. No. 1009 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.

#### SECOND READING OF HOUSE BILLS

H. F. Nos. 432, 1145, 580, 46, 1499, 1551, 1448, 1073, 778, 643, 519, 197, 1207, 1187, 779, 1500, 1596, 1315, 1428, 447, 1335, 576, 339, 638, 696, 218, 858, 1167, 109, 784, 1501, 1311, 416, 1057 and 1169 were read the second time.

**MOTIONS AND RESOLUTIONS**

Mr. Stokowski moved that S. F. No. 476 be taken from the table. The motion prevailed.

Mr. Stokowski moved that the Senate do not concur in the amendments by the House to S. F. No. 476 and that a Conference Committee of 3 members be appointed by the Committee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

Mr. Gearty moved that H. F. No. 1331 be withdrawn from the Committee on Governmental Operations and re-referred to the Committee on Rules and Administration. The motion prevailed.

Mr. Laufenburger moved that S. F. No. 1442 be taken from the table. The motion prevailed.

**CONCURRENCE AND REPASSAGE**

Mr. Laufenburger moved that the Senate concur in the amendments by the House to S. F. No. 1442 and that the bill be placed on its repassage as amended. The motion prevailed.

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.

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 59 and nays 0, as follows:

Those who voted in the affirmative were:

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

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

**MOTIONS AND RESOLUTIONS—CONTINUED**

Mr. Davies moved that H. F. No. 718 be withdrawn from the Committee on Judiciary and re-referred to the Committee on Rules and Administration. The motion prevailed.

## SUSPENSION OF RULES

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved that the Senate take up the Calendar of Ordinary Matters and that the rules be so far suspended as to waive the lie-over requirement. The motion prevailed.

## CALENDAR OF ORDINARY MATTERS

H. F. No. 47: A bill for an act relating to the city of Mound; firemen's service pensions; amending Laws 1973, Chapter 175, Section 1.

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

The question being taken on the passage of the bill,

And the roll being called, there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

H. F. No. 155: A bill for an act relating to the city of Minnetonka; volunteer firemen's pensions.

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 60 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

H. F. No. 254: A bill for an act relating to the city of Roseville; firemen's relief association service pensions; amending Laws 1973, Chapter 464, Section 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 62 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

H. F. No. 351: A bill for an act relating to the city of Moorhead; firemen's relief funds and pensions therein; amending Laws 1955, Chapter 75, Sections 14, Subdivisions 1, 2, and 6; and 16; as amended, added, and renumbered.

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 1, as follows:

Those who voted in the affirmative were:

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

Mr. Keefe, J. voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 113: A bill for an act relating to Clay county; probate judge's service and retirement contributions; appropriating money for refunds.

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 63 and nays 0, as follows:

Those who voted in the affirmative were:

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	Kowalczyk	O'Neill	Stassen
Blatz	Hansen, Baldy	Larson	Patton	Stokowski
Borden	Hansen, Mel	Laufenburger	Perpich, A. J.	Stumpf
Brataas	Hanson, R.	Lewis	Perpich, G.	Tennessen
Brown	Hughes	Merriam	Pillsbury	Ueland
Chmielewski	Humphrey	Milton	Purfeerst	Wegener
Coleman	Jensen	Moe	Renneke	Willet
Conzemius	Josefson	North	Schaaf	
Davies	Keefe, J.	Ogdahl	Schmitz	

So the bill passed and its title was agreed to.

H. F. No. 939: A bill for an act relating to retirement; increasing firemen's service pensions payable to members of the Lake Johanna Volunteer Firemen's Benefit Association.

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 63 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

H. F. No. 590: A bill for an act relating to retirement; police pensions in the city of Eveleth; amending Laws 1965, Chapter 636, as amended, 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 63 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

H. F. No. 1008: A bill for an act relating to retirement; investment and redemption of shares in the supplemental retirement fund by Hennepin county employees; amending Laws 1969, Chapter 950, Sections 3 and 4.

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:

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

So the bill passed and its title was agreed to.

H. F. No. 944: A bill for an act relating to the city of Lakeville; authorizing an increase in firemen's relief association lump sum service pensions.

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:

Arnold	Bernhagen	Brown	Davies	Frederick
Ashbach	Blatz	Chmielewski	Doty	Gearty
Bang	Borden	Coleman	Dunn	Hansen, Baldy
Berg	Brataas	Conzemius	Fitzsimons	Hansen, Mel

Hanson, R.	Knutson	North	Perpich, G.	Spear
Hughes	Kowalczyk	Ogdahl	Pillsbury	Stassen
Humphrey	Larson	Olhoft	Purfeerst	Stokowski
Jensen	Laufenburger	Olson, A. G.	Renneke	Stumpf
Josefson	Lewis	Olson, H. D.	Schaaf	Tennessen
Keefe, J.	McCutcheon	Olson, J. L.	Schmitz	Ueland
Keefe, S.	Merriam	O'Neill	Schrom	Wegener
Kirchner	Milton	Patton	Sillers	Willet
Kleinbaum	Moe	Perpich, A. J.	Solon	

So the bill passed and its title was agreed to.

H. F. No. 110: A bill for an act relating to retirement; authorizing purchase of service credit by certain members of the Minnesota state retirement system.

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:

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

So the bill passed and its title was agreed to.

H. F. No. 1136: A bill for an act relating to the city of Duluth; firemen's service pensions and survivor benefits; amending Laws 1965, Chapter 179, Section 1; repealing Laws 1955, Chapter 188, Section 8.

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 0, as follows:

Those who voted in the affirmative were:

Anderson	Brown	Frederick	Keefe, J.	McCutcheon
Arnold	Chenoweth	Gearty	Keefe, S.	Merriam
Ashbach	Chmielewski	Hansen, Baldy	Kirchner	Milton
Bang	Coleman	Hansen, Mel	Kleinbaum	Moe
Berg	Conzemius	Hanson, R.	Knutson	North
Bernhagen	Davies	Hughes	Kowalczyk	Ogdahl
Blatz	Doty	Humphrey	Larson	Olhoft
Borden	Dunn	Jensen	Laufenburger	Olson, A. G.
Brataas	Fitzsimons	Josefson	Lewis	Olson, H. D.

Olson, J. L.	Pillsbury	Schrom	Stokowski	Willet
O'Neill	Purfeerst	Sillers	Stumpf	
Patton	Renneke	Solon	Tennessee	
Perpich, A. J.	Schaaf	Spear	Ueland	
Perpich, G.	Schmitz	Stassen	Wegener	

So the bill passed and its title was agreed to.

H. F. No. 530: A bill for an act relating to retirement; redefining membership and allowing the purchase of prior service credit by members of the Bloomington police relief association.

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

So the bill passed and its title was agreed to.

H. F. No. 1254: A bill for an act relating to the city of New Brighton; firemen's relief pensions; amending Laws 1967, Chapter 742, Section 1, Subdivision 1.

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

The question being taken on the passage of the bill,

And the roll being called, there were yeas 65 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

**SPECIAL ORDER**

Pursuant to Rule 10, Mr. Perpich, A. J., Chairman of the Committee on Taxes and Tax Laws, designated H. F. No. 1674, No. 179 on the General Orders Calendar, a Special Order to be heard immediately.

H. F. No. 1674: A bill for an act relating to taxation; providing state relief to homeowners and renters for extraordinary property tax burdens; prohibiting certain escrow arrangements for tax payments; requiring interest payment on money received for payment of real estate taxes and insurance coverage; increasing market value of homesteads eligible for lower rate of assessment; providing for a four year rotation for reassessment of real property with increases in assessed valuation to be made in equal increments over the four year period; increasing and changing the calculation of local government aid to be paid for extended period; distributing certain gross earnings taxes to local governments; redefining special levies; altering means of calculation of property tax levy limitations for governmental subdivisions; providing for increases in levy limit bases of governmental subdivisions; exempting certain governmental subdivisions from levy limits; providing for reimbursement by the state to taxing district for tax reduction granted to certain property; increasing the taconite production tax; creating a northeast Minnesota economic development and environment council; creating a northeast Minnesota economic protection fund; imposing a surtax on taconite producers which fail to meet standards for disposal of waste; creating a budget protection fund to hold excess money from the general fund and providing for transfers of money from that fund; exempting federal income tax rebates from state income taxation; modifying duties of the tax study commission; requiring payment of interest by corporations on unpaid estimated taxes; providing penalties; appropriating money; amending Minnesota Statutes 1974, Sections 270.16; 273.01; 273.011, Subdivision 6; 273.012, by adding a subdivision; 273.03, Subdivision 1; 273.061, by adding a subdivision; 273.08; 273.11, Subdivisions 1, 2 and 5, and by adding a subdivision; 273.121; 273.13, Subdivisions 6 and 7; 273.135, Subdivision 2; 273.17, Subdivision 1; 275.50, Subdivision 5; 275.51, Subdivisions 1 and 4, and by adding subdivisions; 275.52, by adding a subdivision; 275.53, Subdivision 3; 275.59; 276.01; 276.04; 294.26; 298.03; 298.24, Subdivision 1; 298.27; 298.28, Subdivisions 1 and 1a, and by adding a subdivision; 298.282, Subdivisions 1 and 2; 477A.01, Subdivisions 1, 3, 4, 5, 6, 7, 8, 9, 10, 11, 14, and 16; Chapters 273, by adding sections; and 477A, by adding a section; and Laws 1973, Chapter 601, Section 1, Subdivisions 2 and 8; repealing Minnesota Statutes 1974, Sections 273.11, Subdivision 3; 273.13, Subdivisions 14a, 15a, and 18; 275.51, Subdivisions 3 and 3a; 298.24, Subdivision 2; 298.241; 298.242; 298.281; 298.32; and 477A.01, Subdivision 13.

**CALL OF THE SENATE**

Mr. Perpich, A. J. imposed a call of the Senate. The following Senators answered to their names:

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

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

Mr. Perpich, A. J. moved to amend H. F. No. 1674, the Unofficial Engrossment, as follows:

Page 24, line 15, delete "federal" and insert "Minnesota"

Page 24, line 15, after "the" insert "taxable"

Page 24, line 16, after "made" insert "; provided that a taxpayer who was a qualified home owner according to the provisions of this subdivision in one year but who in the following year had a household income in excess of \$15,000 may retain during the first taxable year in which his income increased above the maximum for eligibility the same base tax which he had during the year in which he was a qualified home owner"

Page 25, line 24, after "preceding the" insert "first"

Page 25, line 25, after "payable" insert "and the person claims the credit"

Page 26, after line 24, insert

"Subd. 2. By January 31 of each year, the county auditor shall send to each person who had submitted a claim the preceding year, a form on which the claimant shall give his name and social security number and indicate whether his income for the year is below the maximum for eligibility stated in Minnesota Statutes, Section 273.011, Subdivision 2. The claimant shall also indicate on the annual form any changes in information previously given to determine eligibility for the credit in prior years. The form shall clearly state that each claimant must submit the required information by March 1 in each year for which he intends to claim the credit and that copies of the completed forms will be sent to the commissioner of revenue who may audit them for accuracy and consistency with income tax returns."

Renumber remaining subdivisions

Page 27, after line 15, insert

"Subd. 6. [AUDIT OF CLAIM.] Whenever on the audit of any claim filed under Minnesota Statutes, Sections 273.011 and 273.012 and sections 6 and 7 of this article, the department of revenue or the county auditor determines the amount thereof to have been incorrectly determined the claimant shall be assessed

*in the manner in which income taxes are assessed for the amount paid by the state to the local taxing unit to compensate for the reduced tax on the claimant's property, together with interest at a nine percent annual rate from the date of the state's payment. In any case in which it is determined that a claim is or was excessive and was filed with fraudulent intent, the amount paid by the state to the local taxing unit may be recovered by assessment as income taxes are assessed. A penalty of 25 percent shall be imposed and the assessment shall bear interest from the date of payment by the state at the rate of nine percent per annum. The claimant shall be guilty of a misdemeanor."*

Page 30, after line 2, insert

*"Sec. 3. [EFFECTIVE DATE.] This article shall be effective for taxes levied in 1975 and payable in 1976."*

Page 33, line 28, strike "45 percent" and insert "100 percent of the first \$100 and 45 percent of the remainder"

Page 33, line 29, strike "said" and insert "the total"

Page 33, line 30, strike "\$325" and insert "\$375"

Page 34, delete lines 10 to 13

Page 35, line 18, delete "section 1" and insert "subdivision 2"

Page 36, line 18, delete "act" and insert "article"

Page 36, line 32, delete "3" and insert "2"

Page 37, delete lines 1 to 13 and insert

*"Subd. 2. The levy limit base per capita, as adjusted for previous increases pursuant to this section, may be increased each year by the governing body of the governmental subdivision affected thereby in the amount not to exceed six percent of the previous year's levy limit base per capita. The levy limit base per capita as adjusted for previous increases pursuant to this section may be increased for taxes payable in the year 1976 by an amount not to exceed 11 percent."*

Page 38, after line 7, insert

*"Sec. 4. [REPEALER.] Minnesota Statutes 1974, Section 275.52, Subdivision 3, is repealed."*

Renumber the remaining section

Page 42, delete lines 27 to 29

Renumber the remaining section

Page 44, delete lines 14 to 32 and insert

*"Section 1. Minnesota Statutes 1974, Section 477A.01, Subdivision 1, is amended to read:*

*477A.01 [LOCAL GOVERNMENT AID.] Subdivision 1. Except in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington, The state shall distribute \$36 local aid*

for each person residing in the territory comprising each county of for the calendar year 1974 and \$33 for the calendar year 1975 years 1976 and 1977 to the several taxing authorities, except school districts, with authority to impose taxes tax on property located in the county's territory state .

Sec. 2. Minnesota Statutes 1974, Section 477A.01, Subdivision 2, is amended to read:

Subd. 2. *The Every county government except that of a county containing a city of the first class shall receive 85 percent of the same percentage of the distributions pursuant to subdivision 1; that a distribution equal to the distribution it was entitled to receive in 1971 of the total distributions to the several taxing authorities in the county's territory 1975 pursuant to Minnesota Statutes 1969, Sections 273.60 and 207A.61 to 207A.60, except that distributions to school districts under these laws shall be disregarded in making the calculation 1974, Section 477A.07 .*

Sec. 3. Minnesota Statutes 1974, Section 477A.01, Subdivision 3, is amended to read:

Subd. 3. Each taxing authority in each county, other than the county, the school districts and the cities and towns, shall receive in 1974 and 1975 1976 and 1977 a distribution equal to the distribution it was entitled to receive in 1971 pursuant to Minnesota Statutes 1969, Section 273.69.

Sec. 4. Minnesota Statutes 1974, Section 477A.01, Subdivision 4, is amended to read:

Subd. 4. The balance of the distributions in 1974 1976 pursuant to subdivision 1, shall be divided among the several cities and towns in the county's territory in the proportion that the dollar amount of the levy limitation and special levies of each city and town for taxes payable in 1973 bears to the total dollar amount of the levy limitations and special levies of all the cities and towns for taxes payable in 1973.

The balance of the distribution in 1975 pursuant to subdivision 1, shall be divided among the several cities and towns in the county's territory in the proportion that the dollar amount of the levy limitation and special levies of each city and town for taxes payable in 1974 bears to the total dollar amount of the levy limitations and special levies of all cities and towns for taxes payable in 1974.

For the purposes of the subdivision, the levy limitation of a city or town with statutory city powers for taxes payable in 1973 or 1974 shall be the limitation established for such governmental unit pursuant to sections 275.50 to 275.56, as determined by the department of revenue. For the purposes of this subdivision, the special levies of a city or town with statutory city powers for taxes payable in 1973 or 1974 shall be the amounts of the governmental unit's tax levy payable in 1973 or 1974 which the department of revenue determines to be qualified special levies pursuant to section 275.50, subdivision 5, before the reduction pursuant to Min-

nesota Statutes 1971, Section 477A.02, Clause (c). Furthermore, cities and towns with statutory city powers under 500 population, according to the latest state or federal census, and towns without statutory city powers, shall receive distributions in 1974 and 1975, pursuant to this subdivision, based on their levies payable in 1973 and 1974, respectively distributed to each of the cities and towns in the proportion that the product of the city or town's 1970 federal census population times its average mill rate payable in 1975 times its city or town 1974 aggregate sales ratio as determined by the commissioner of revenue bears to the sum of the product of that calculation for all cities and towns.

*The balance of the distributions in 1977 pursuant to subdivision 1 shall be distributed to each of the cities and towns in the proportion that the product of the city or town's 1970 federal census population times its average mill rate payable in 1976 times its city or town 1975 aggregate sales ratio as determined by the commissioner of revenue bears to the sum of the product of that calculation for all cities and towns .*

Sec. 5. Minnesota Statutes 1974, Section 477A.01, is amended by adding a subdivision to read:

*Subd. 4a. If the amount distributed to a city or town pursuant to subdivision 4 is less than the aids the city or town received in 1975, before corrections for prior year aid payments, pursuant to Minnesota Statutes 1974, Section 477A.01, the amount distributed to it shall be raised to the amount the city or town received in 1975, before corrections for prior year aid payments, and the distributions to the other cities and towns shall be proportionately reduced as necessary to supply the difference.*

Sec. 6. Minnesota Statutes 1974, Section 477A.01, is amended by adding a subdivision to read:

*Subd. 4b. The commissioner of revenue shall make all necessary calculations and make payments directly to the affected taxing authorities in four equal parts on March 15, July 15, September 15, and November 15 in 1976 and 1977."*

Page 45, delete lines 1 to 32

Page 46, delete lines 1 to 32

Page 47, delete lines 1 to 32

Page 48, delete lines 1 to 17

Renumber the remaining sections

Page 48, line 22, delete " 1, 2, 3, 4, "

Page 48, line 27, after " 94-12" delete "of" and insert a comma

Further, amend the title as follows:

Page 1, line 24, after the semicolon insert "providing a penalty; appropriating money;"

Page 1, line 38, delete "275.51, Subdivision 3;"

Page 2, line 1, after "Subdivision 1;" insert "477A.01, Subdivisions 1, 2, 3, 4;"

Page 2, line 4, after "5;" insert "275.53, Subdivision 3;"

Page 2, line 6, delete "1, 2, 3, 4,"

Mr. Jensen moved to amend the Perpich, A. J. amendment to H. F. No. 1674, the Unofficial Engrossment, as follows:

In the amendment to page 24, line 16, strike "*according to*" and insert "*whose real estate taxes are in excess of \$2,000 shall not be frozen*"

Strike the balance of the amendment to page 24

Strike all amendments to pages 25, 26, 27 and 30

The question being taken on the adoption of the amendment to the Perpich, A. J. amendment;

And the roll being called, there were yeas 29 and nays 34, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Anderson	Davies	Kleinbaum	Olson, H. D.	Spear
Arnold	Doty	Laufenburger	Perpich, A. J.	Stokowski
Borden	Gearty	McCutcheon	Perpich, G.	Stumpf
Chenoweth	Hansen, Baldy	Merriam	Schaaf	Tennessen
Chmielewski	Hughes	Moe	Schmitz	Wegener
Coleman	Humphrey	North	Schrom	Willet
Conzemius	Keefe, S.	Olson, A. G.	Solon	

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

The question recurred on the Perpich, A. J. amendment.

Mr. Jensen requested division of the amendment as follows:

First portion:

Page 24, line 15, delete "*federal*" and insert "*Minnesota*"

Page 24, line 15, after "*the*" insert "*taxable*"

Page 24, line 16, after "*made*" insert "*; provided that a taxpayer who was a qualified home owner according to the provisions of this subdivision in one year but who in the following year had a household income in excess of \$15,000 may retain during the first taxable year in which his income increased above the maximum for eligibility*"

*the same base tax which he had during the year in which he was a qualified owner"*

Page 25, line 24, after "*preceding the*" insert "*first*"

Page 25, line 25, after "*payable*" insert "*and the person claims the credit*"

Page 26, after line 24, insert

*"Subd. 2. By January 31 of each year, the county auditor shall send to each person who had submitted a claim the preceding year, a form on which the claimant shall give his name and social security number and indicate whether his income for the year is below the maximum for eligibility stated in Minnesota Statutes, Section 273.011, Subdivision 2. The claimant shall also indicate on the annual form any changes in information previously given to determine eligibility for the credit in prior years. The form shall clearly state that each claimant must submit the required information by March 1 in each year for which he intends to claim the credit and that copies of the completed forms will be sent to the commissioner of revenue who may audit them for accuracy and consistency with income tax returns."*

Renumber remaining subdivisions

Page 27, after line 15, insert

*"Subd. 6. [AUDIT OF CLAIM.] Whenever on the audit of any claim filed under Minnesota Statutes, Sections 273.011 and 273.012 and sections 6 and 7 of this article, the department of revenue or the county auditor determines the amount thereof to have been incorrectly determined the claimant shall be assessed in the manner in which income taxes are assessed for the amount paid by the state to the local taxing unit to compensate for the reduced tax on the claimant's property, together with interest at a nine percent annual rate from the date of the state's payment. In any case in which it is determined that a claim is or was excessive and was filed with fraudulent intent, the amount paid by the state to the local taxing unit may be recovered by assessment as income taxes are assessed. A penalty of 25 percent shall be imposed and the assessment shall bear interest from the date of payment by the state at the rate of nine percent per annum. The claimant shall be guilty of a misdemeanor."*

Page 30, after line 2, insert

*"Sec. 3. [EFFECTIVE DATE.] This article shall be effective for taxes levied in 1975 and payable in 1976."*

Second portion:

Page 33, line 28, strike "*45 percent*" and insert "*100 percent of the first \$100 and 45 percent of the remainder*"

Page 33, line 29, strike "*said*" and insert "*the total*"

Page 33, line 30, strike "*\$325*" and insert "*\$375*"

Page 34, delete lines 10 to 13

Page 35, line 18, delete " *section 1* " and insert " *subdivision 2* "

Page 36, line 18, delete " *act* " and insert " *article* "

Page 36, line 32, delete "3" and insert "2"

Page 37, delete lines 1 to 13 and insert

"Subd. 2. The levy limit base per capita, as adjusted for previous increases pursuant to this section, may be increased each year by the governing body of the governmental subdivision affected thereby in the amount not to exceed six percent of the previous year's levy limit base per capita. *The levy limit base per capita as adjusted for previous increases pursuant to this section may be increased for taxes payable in the year 1976 by an amount not to exceed 11 percent.* "

Page 38, after line 7, insert

"Sec. 4. [REPEALER.] *Minnesota Statutes 1974, Section 275.52, Subdivision 3, is repealed.* "

Renumber the remaining section

Page 42, delete lines 27 to 29

Renumber the remaining section

Page 44, delete lines 14 to 32 and insert

"Section 1. Minnesota Statutes 1974, Section 477A.01, Subdivision 1, is amended to read:

477A.01 [LOCAL GOVERNMENT AID.] Subdivision 1. ~~Except in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington, The state shall distribute \$35 local aid for each person residing in the territory comprising each county of for the calendar year 1974 and \$36 for the calendar year 1975 years 1976 and 1977 to the several taxing authorities, except school districts, with authority to impose taxes tax on property located in the county's territory state .~~

Sec. 2. Minnesota Statutes 1974, Section 477A.01, Subdivision 2, is amended to read:

Subd. 2. ~~The Every county government except that of a county containing a city of the first class shall receive 85 percent of the same percentage of the distributions pursuant to subdivision 1, that a distribution equal to the distribution it was entitled to receive in 1971 of the total distributions to the several taxing authorities in the county's territory 1975 pursuant to Minnesota Statutes 1969, Sections 273.69 and 207A.51 to 207A.60, except that distributions to school districts under those laws shall be disregarded in making the calculation 1974, Section 477A.01 .~~

Sec. 3. Minnesota Statutes 1974, Section 477A.01, Subdivision 3, is amended to read:

Subd. 3. Each taxing authority in each county, other than the county, the school districts and the cities and towns, shall receive

in 1974 and 1975 1976 and 1977 a distribution equal to the distribution it was entitled to receive in 1971 pursuant to Minnesota Statutes 1969, Section 273.69.

Sec. 4. Minnesota Statutes 1974, Section 477A.01, Subdivision 4, is amended to read:

Subd. 4. The balance of the distributions in 1974 1976 pursuant to subdivision 1, shall be divided among the several cities and towns in the county's territory in the proportion that the dollar amount of the levy limitation and special levies of each city and town for taxes payable in 1973 bears to the total dollar amount of the levy limitations and special levies of all the cities and towns for taxes payable in 1973.

The balance of the distribution in 1975 pursuant to subdivision 1, shall be divided among the several cities and towns in the county's territory in the proportion that the dollar amount of the levy limitation and special levies of each city and town for taxes payable in 1974 bears to the total dollar amount of the levy limitations and special levies of all cities and towns for taxes payable in 1974.

For the purposes of this subdivision, the levy limitation of a city or town with statutory city powers for taxes payable in 1973 or 1974 shall be the limitation established for such governmental unit pursuant to sections 275.50 to 275.56, as determined by the department of revenue. For the purposes of this subdivision, the special levies of a city or town with statutory city powers for taxes payable in 1973 or 1974 shall be the amounts of the governmental unit's tax levy payable in 1973 or 1974 which the department of revenue determines to be qualified special levies pursuant to section 275.50, subdivision 6, before the reduction pursuant to Minnesota Statutes 1971, Section 477A.02, Clause (c). Furthermore, cities and towns with statutory city powers under 500 population, according to the latest state or federal census, and towns without statutory city powers, shall receive distributions in 1974 and 1975, pursuant to this subdivision, based on their levies payable in 1973 and 1974, respectively distributed to each of the cities and towns in the proportion that the product of the city or town's 1970 federal census population times its average mill rate payable in 1975 times its city or town 1974 aggregate sales ratio as determined by the commissioner of revenue bears to the sum of the product of that calculation for all cities and towns.

The balance of the distributions in 1977 pursuant to subdivision 1 shall be distributed to each of the cities and towns in the proportion that the product of the city or town's 1970 federal census population times its average mill rate payable in 1976 times its city or town 1975 aggregate sales ratio as determined by the commissioner of revenue bears to the sum of the product of that calculation for all cities and towns.

Sec. 5. Minnesota Statutes 1974, Section 477A.01, is amended by adding a subdivision to read:

Subd. 4a. If the amount distributed to a city or town pursuant to

*subdivision 4 is less than the aids the city or town received in 1975, before corrections for prior year aid payments, pursuant to Minnesota Statutes 1974, Section 477A.01, the amount distributed to it shall be raised to the amount the city or town received in 1975, before corrections for prior year aid payments, and the distributions to the other cities and towns shall be proportionately reduced as necessary to supply the difference.*

Sec. 6. Minnesota Statutes 1974, Section 477A.01, is amended by adding a subdivision to read:

*Subd. 4b. The commissioner of revenue shall make all necessary calculations and make payments directly to the affected taxing authorities in four equal parts on March 15, July 15, September 15, and November 15 in 1976 and 1977."*

Page 45, delete lines 1 to 32

Page 46, delete lines 1 to 32

Page 47, delete lines 1 to 32

Page 48, delete lines 1 to 17

Renumber the remaining sections

Page 48, line 22, delete "1, 2, 3, 4,"

Page 48, line 27, after "94-12" delete "of" and insert a comma

Further, amend the title as follows:

Page 1, line 24, after the semicolon insert "providing a penalty; appropriating money;"

Page 1, line 38, delete "275.51, Subdivision 3;"

Page 2, line 1, after "Subdivision 1;" insert "477A.01, Subdivisions 1, 2, 3, and 4;"

Page 2, line 4, after "5;" insert "275.53, Subdivision 3;"

Page 2, line 6, delete "1, 2, 3, 4,"

The question being taken on the adoption of the first portion of the Perpich, A. J. amendment,

And the roll being called, there were yeas 35 and nays 28, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Kleinbaum	Olson, A. G.	Schrom
Arnold	Doty	Laufenburger	Olson, H. D.	Spear
Borden	Gearly	Lewis	Perpich, A. J.	Stokowski
Chenoweth	Hansen, Baldy	McCutcheon	Perpich, G.	Stumpf
Chmielewski	Hansen, Mel	Merriam	Pillsbury	Tennessen
Coleman	Hughes	Moe	Purfeerst	Wegener
Conzemius	Humphrey	North	Schmitz	Willet

Those who voted in the negative were:

Ashbach	Brown	Josefson	Milton	Renneke
Bang	Dunn	Keefe, J.	Nelson	Sillers
Berg	Fitzsimons	Kirchner	Ogdahl	Stassen
Bernhagen	Frederick	Knutson	Olson, J. L.	Ueland
Blatz	Hanson, R.	Kowalczyk	O'Neill	
Brataas	Jensen	Larson	Patton	

The motion prevailed. So the first portion of the Perpich, A. J. amendment was adopted.

The question being taken on the second portion of the Perpich, A. J. amendment,

The motion prevailed. So the second portion of the Perpich, A. J. amendment was adopted.

Mr. Perpich, A. J. then moved to amend the Perpich, A. J. amendment to H. F. No. 1674, the Unofficial Engrossment, adopted by the Senate May 8, 1975, as follows:

Section 477A.01, subdivision 1, before "*local*" insert "\$159,000,000 in"

The motion prevailed. So the amendment to the amendment was adopted.

Mr. Blatz moved to amend H. F. No. 1674, the Unofficial Engrossment, as follows:

Page 12, line 14 strike "90" and insert "70"

Page 12, line 28 strike "90" and insert "70"

Page 14, line 22 strike "*ten*" and insert "30"

Page 15, line 20 strike "*Ninety*" and insert "*Seventy*"

Page 16, line 2 strike "*ten*" and insert "*thirty*"

Page 16, line 7 strike "90" and insert "70"

Page 17, line 27 strike "90" and insert "70"

Page 17, line 28 strike "*ten*" and insert "*thirty*"

Page 18, line 25 strike "90" and insert "70"

Page 18, line 26 strike "*ten*" and insert "*thirty*"

Page 30, delete lines 30 to 32

Page 31, delete lines 1 to 32

Page 32, delete lines 1 to 32

Page 33, delete lines 1 to 32

Page 34, delete lines 1 to 13 and insert:

"Sec. 2. Minnesota Statutes 1974, Chapter 273, is amended by adding a section to read:

[273.139] [HOMESTEAD PROPERTY AND AGRICULTURAL LAND TAX RELIEF.] *Subdivision 1. The property tax to be paid with respect to all real property and class 2a property used for purposes of a homestead and all agricultural land shall be reduced by an amount equal to ten percent of the tax, commencing with the taxes payable in 1976.*

*Subd. 2 Each county auditor shall certify not later than May 1 of each year to the commissioner of revenue the amount of reduction resulting from this section in each taxing district in*

his county. This certification shall be submitted to the commissioner of revenue as part of the abstracts of tax lists required to be filed with the commissioner under the provisions of Minnesota Statutes, Section 275.29. Any prior year adjustments shall also be certified in the abstracts of tax lists. The commissioner of revenue shall review the certifications to determine their accuracy. He may make changes in the certification he may deem necessary or return a certification to the county auditor for corrections.

Subd. 3. Based on current year tax data reported in the abstracts of tax lists, the commissioner of revenue shall annually determine each taxing district's distribution of the amounts certified under subdivision 2. On or before July 15, 1976, and each year thereafter, the commissioner of revenue shall pay to each taxing district one half of its distribution. The remaining one half shall be paid on or before November 15, 1976 and each year thereafter.

Subd. 4. There is hereby appropriated from the general fund the amounts necessary to make the payments required by this section. "

Page 44, delete lines 14 to 32 and insert:

"Section 1. Minnesota Statutes 1974, Section 477A.01, Subdivision 1, is amended to read:

477A.01 [LOCAL GOVERNMENT AID.] Subdivision 1. Except in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington, the state shall distribute \$36 \$38 for each person residing in the territory comprising each county for the calendar year 1974 years 1976 and \$36 for the calendar year 1975 1977 to the several taxing authorities, except school districts, with authority to impose taxes on property located in the county's territory.

Sec. 2. Minnesota Statutes 1974, Section 477A.01, Subdivision 3, is amended to read:

Subd. 3. Each taxing authority in each county, other than the county, the school districts and the cities and towns, shall receive in 1974 1976 and 1975 1977 a distribution equal to the distribution it was entitled to receive in 1971 pursuant to Minnesota Statutes 1969, Section 273.69.

Sec. 3. Minnesota Statutes 1974, Section 477A.01, Subdivision 4, is amended to read:

Subd. 4. The balance of the distributions in 1974 1976 pursuant to subdivision 1, shall be divided among the several cities and towns in the county's territory in the proportion that the dollar amount of the levy limitation and special levies of each city and town for taxes payable in 1973 1975 bears to the total dollar amount of the levy limitations and special levies of all the cities and towns for taxes payable in 1973 1975 .

The balance of the distribution in 1975 1977 pursuant to subdivision 1, shall be divided among the several cities and towns in the county's territory in the proportion that the dollar amount of the

levy limitation and special levies of each city and town for taxes payable in 1974 1976 bears to the total dollar amount of the levy limitations and special levies of all cities and towns for taxes payable in 1974 1976 .

For the purposes of this subdivision, the levy limitation of a city or town with statutory city powers for taxes payable in 1973 1975 or 1974 1976 shall be the limitation established for such governmental unit pursuant to sections 275.50 to 275.56, as determined by the department of revenue. For the purposes of this subdivision, the special levies of a city or town with statutory city powers for taxes payable in 1973 1975 or 1974 1976 shall be the amounts of the governmental unit's tax levy payable in 1973 1975 or 1974 1976 which the department of revenue determines to be qualified special levies pursuant to section 275.50, subdivision 5, before the reduction pursuant to Minnesota Statutes 1971, Section 477A.02, Clause (c). Furthermore, cities and towns with statutory city powers under 500 population, according to the latest state or federal census, and towns without statutory city powers, shall receive distributions in 1974 1976 and 1975 1977 , pursuant to this subdivision, based on their levies payable in 1973 1975 and 1974 1976 , respectively.

Sec. 4. Minnesota Statutes 1974, Section 477A.01, Subdivision 5, is amended to read:

Subd. 5. (a) The department of revenue shall calculate the aggregate of the following aids (before adjustments for prior year aid payments) for each city, town, and county government within each county subject to the provisions of subdivision 1, or within the territory specified in subdivision 7:

(1) 1973 local government aids pursuant to Minnesota Statutes 1971, Section 477A.01;

(2) 1973 cigarette tax distribution aids pursuant to Minnesota Statutes 1971, Section 297.13;

(3) 1973 liquor tax distribution aids pursuant to Minnesota Statutes 1971, Section 340.50;

(4) The November 30, 1972 and May 31, 1973 distributions of bank excise tax aids pursuant to Minnesota Statutes 1971, Section 290.361;

(5) Fifty percent of the 1973 inheritance tax distribution to counties pursuant to Minnesota Statutes 1971, Section 291.33;

(6) Seventy percent of the amount county governments were entitled to receive and 100 percent of the amount city and town governments were entitled to receive in 1973 pursuant to Minnesota Statutes 1971, Section 207.12;

(7) 1973 gross earnings aid to cities, towns and counties pursuant to Minnesota Statutes 1971, Sections 276.15 to 276.18; 368.39 to 369.42; and 373.20 to 373.24.

(b) If the total amount distributed to the several taxing authorities within a county pursuant to subdivision 1 or to the territory

specified in subdivision 7 is less than the aggregate of aids to the several taxing authorities within such county or territory, except school districts, as calculated by the department of revenue pursuant to clause (a) for calendar year 1975, the state shall supply and distribute the difference from the general fund which shall be distributed as part of the distribution to the several taxing authorities within the territory specified in subdivision 7.

Sec. 5. Minnesota Statutes 1974, Section 477A.01, Subdivision 6, is amended to read:

Subd. 6. (a) The department of revenue shall calculate the aggregate of the following aids (before adjustments for prior year aid payments) for each city, town and county government within each county subject to the provisions of subdivision 1:

(1) 1973 local government aids pursuant to Minnesota Statutes 1971, Section 477A.01;

(2) 1973 cigarette tax distribution aids pursuant to Minnesota Statutes 1971, Section 297.13;

(3) 1973 liquor tax distribution aids pursuant to Minnesota Statutes 1971, Section 340.60;

(4) The November 30, 1972 and May 31, 1973 distribution of bank excise tax aids pursuant to Minnesota Statutes 1971, Section 290.351;

(5) 1973 gross earnings aids to cities, towns and counties pursuant to Minnesota Statutes 1971, Sections 276.15 to 276.18; 368.39 to 368.42; 373.20 to 373.24;

(6) Fifty percent of the 1973 inheritance tax distribution to counties pursuant to Minnesota Statutes 1971, Section 291.33;

(7) Seventy percent of the amount county governments were entitled to receive and 100 percent of the amount city and town governments were entitled to receive in 1973 pursuant to Minnesota Statutes 1971, Section 287.12.

(b) If the amount distributed to a city, town or county government pursuant to subdivision 2 or subdivision 4 is less than the aggregate of aids for such county government, city, or town as calculated by the department of revenue pursuant to clause (a) for calendar year 1975, the amount distributed to it shall be raised to the amount for such county, city, or township as calculated by the department of revenue pursuant to clause (a) for calendar year 1975, and the distributions to each of the other cities and towns and the county government shall be proportionately reduced as necessary to supply the difference.

Sec. 6. Minnesota Statutes 1974, Section 477A.01, Subdivision 7, is amended to read:

Subd. 7. In the territory comprising the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington, the state shall distribute \$36 \$39 for each person residing in the territory for the calendar year 1974 years 1976 and \$37 for the calen-

calendar year 1975 1977 to the several taxing authorities, except school districts, with authority to impose taxes on property located in the territory.

Sec. 7. Minnesota Statutes 1974, Section 477A.01, Subdivision 8, is amended to read:

Subd. 8. The seven county governments shall receive in total, in 1974, 16 percent of \$36 times the population of the seven counties, and, in 1975 1976 and 1977 , 16 percent of \$37 \$39 times the population of the seven counties. That distribution in 1974 1976 shall be divided among the seven county governments in the proportion that the levy of each payable in 1973 1975 bears to the total levy of the seven. That distribution in 1975 1977 shall be divided among the seven county governments in the proportion that the levy of each payable in 1974 1976 bears to the total levy of the seven. For the purposes of this subdivision the levy of a county payable in 1973 1975 and 1974 1976 shall exclude that portion of the levy which was subject to the penalty provisions of section 275.51, subdivision 4, as amended, and shall be before the reduction pursuant to Minnesota Statutes 1971, Section 477A.02, Clause (c). If any county government would receive less pursuant to this subdivision than it was entitled to receive in 1971 pursuant to Minnesota Statutes 1969, Sections 273.69 and 297A.51 to 297A.60 it shall receive an amount equal to the amount to which it was entitled in 1971 and the distribution to other counties shall be proportionately reduced.

Sec. 8. Minnesota Statutes 1974, Section 477A.01, Subdivision 9, is amended to read:

Subd. 9. Each taxing authority in the counties named in subdivision 7, other than the counties, the school districts and the cities and towns, shall receive in 1974 1976 and 1975 1977 , a distribution equal to the distribution to which it was entitled in 1971 pursuant to Minnesota Statutes 1969, Section 273.69.

Sec. 9. Minnesota Statutes 1974, Section 477A.01, Subdivision 10, is amended to read:

Subd. 10. In 1974 \$36 1976 and 1977 \$39 shall be multiplied times the population of the seven counties named in subdivision 7. The distributions pursuant to subdivisions 8 and 9 shall be subtracted from the product of that calculation.

Sec. 10. Minnesota Statutes 1974, Section 477A.01, Subdivision 11, is amended to read:

Subd. 11. In the calendar year 1976, the balance remaining after the calculation provided by subdivision 10 shall be divided among the cities and towns in the proportion that the dollar amount of the levy limitation and special levies of each for taxes payable in 1973 1975 bears to the dollar amount of the levy limitations and special levies of all cities and towns in the seven named counties. For the purposes of this subdivision limitation of a city or town with statutory city powers for taxes payable in 1973 1975 shall be the limitation established for such governmental unit pursuant to sections 275.50 to 275.56, as determined by the department of

revenue. For the purposes of this subdivision, the special levies of a city or town with statutory city powers for taxes payable in ~~1973~~ 1975 shall be the amounts of the governmental unit's tax levy payable in ~~1973~~ 1975 which the department of revenue determines to be qualified special levies pursuant to section 275.50, subdivision 5, before the reduction pursuant to Minnesota Statutes 1971, Section 477A.02, Clause (c). Furthermore, cities and towns with statutory city powers under 500 population, according to the latest state or federal census, and towns without statutory city powers, shall receive distributions in ~~1974~~ 1976, pursuant to this subdivision, based on their levies payable in ~~1973~~ 1975.

Sec. 11. Minnesota Statutes 1974, Section 477A.01, Subdivision 14, is amended to read:

Subd. 14. *In the calendar year 1977*, the balance remaining after the calculation provided by subdivision ~~1~~ 10 shall be divided among the cities and towns in the proportion that the dollar amount of the levy limitation and special levies of each for taxes payable in ~~1974~~ 1976 bears to the dollar amount of the levy limitations and special levies of all cities and towns in the seven named counties. For purposes of this subdivision the levy limitation of a city or town with statutory city powers for taxes payable in ~~1974~~ 1976 shall be the limitation established for such governmental unit pursuant to sections 275.50 to 275.56, as determined by the department of revenue. For the purposes of this subdivision, the special levies of a city or town with statutory city powers for taxes payable in ~~1974~~ 1976 shall be the amounts of the governmental unit's tax levy payable in ~~1974~~ 1976 which the department of revenue determines to be qualified special levies pursuant to section 275.50, subdivision 5, before the reduction pursuant to Minnesota Statutes 1971, Section 477A.02, Clause (c). Furthermore, cities and towns with statutory city powers under 500 population, according to the latest state or federal census, and towns without statutory city powers, shall receive distributions in ~~1975~~ 1977, pursuant to this subdivision, based on their levies payable in ~~1974~~ 1976.

Sec. 12. Minnesota Statutes 1974, Section 477A.01, Subdivision 16, is amended to read:

Subd. 16. (a) The department of revenue shall calculate the aggregate of the following aids (before adjustments for prior year aid payments) for each city, town, and county government within the territory specified in subdivision 7:

(1) 1973 local government aids pursuant to Minnesota Statutes 1971, Section 477A.01;

(2) 1973 cigarette tax distribution aids pursuant to Minnesota Statutes 1971, Section 297.13;

(3) 1973 liquor tax distribution aids pursuant to Minnesota Statutes 1971, Section 340.60;

(4) The November 30, 1972 and May 31, 1973 distribution of bank excise tax aids pursuant to Minnesota Statutes 1971, Section 290.361;

(5) Fifty percent of the 1973 inheritance tax distribution to counties pursuant to Minnesota Statutes 1971, Section 201.33;

(6) Seventy percent of the amount county governments were entitled to receive and 100 percent of the amount city and town governments were entitled to receive in 1973 pursuant to Minnesota Statutes 1971, Section 287.12;

(7) 1973 gross earnings aids to cities, towns and counties pursuant to Minnesota Statutes 1971, Sections 276.15 to 276.18; 368.20 to 368.42; 373.20 to 373.24.

(b) If the amount distributed to a city, town, or county in 1974 1976 or 1975 1977 in the seven named counties pursuant to this section is less than the aggregate of aids for such county, city, or town as calculated by the department of revenue pursuant to clause (a) for calendar year 1975, the amount distributed to it shall be raised to the amount for such county, city, or town as calculated by the department of revenue pursuant to clause (a); and the distributions to each of the other counties, cities and towns shall be proportionately reduced as necessary to supply the difference.

Sec. 13. [REPEALER.] *Minnesota Statutes 1974, Section 477A.01, Subdivision 13, is repealed.*"

Page 45, delete lines 1 to 32

Page 46, delete lines 1 to 32

Page 47, delete lines 1 to 32

Page 48, delete lines 1 to 23

Further, amend the title as follows:

Page 1, line 9, after the colon insert: "providing for a decrease in property taxes with the state to compensate the counties for lost revenue;"

Page 1, line 37, delete "273.13, Subdivisions 6 and 7;"

Page 1, line 38, delete "275.51, Subdivision 3;"

Page 2, line 1, after "3;" insert "and"

Page 2, line 1, after "1;" delete "and"

Page 2, line 2, delete "510.02;"

Page 2, line 5, after "290.921;" insert "and"

Page 2, line 5, delete "; and 477A.01," and insert a period

Page 2, delete lines 6 and 7

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 25 and nays 36, as follows:

Those who voted in the affirmative were:

Ashbach	Brataas	Jensen	Kowalczyk	Patton
Bang	Dunn	Josefson	Larson	Pillsbury
Berg	Fitzsimons	Keefe, J.	Nelson	Renneke
Bernhagen	Frederick	Kirchner	Olson, J. L.	Sillers
Blatz	Hanson, R.	Knutson	O'Neill	Stassen

Those who voted in the negative were:

Anderson	Doty	Lewis	Olson, H. D.	Stumpf
Arnold	Gearty	McCutcheon	Perpich, A. J.	Tennessee
Borden	Hansen, Baldy	Merriam	Perpich, G.	Wegener
Chenoweth	Hansen, Mel	Milton	Purfeerst	Willet
Chmielewski	Hughes	Moe	Schmitz	
Coleman	Humphrey	North	Schrom	
Conzemius	Keefe, S.	Olhoff	Solon	
Davies	Laufenburger	Olson, A. G.	Stokowski	

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

Mr. O'Neill moved to amend H. F. No. 1674 the Unofficial En-grossment, as follows:

Page 48 after line 29 add a new article as follows:

### "Article XVII

Section 1. Minnesota Statutes 1974, Section 290.06, Subdivision 3c, is amended to read:

Subd. 3c. [CREDITS AGAINST TAX.] Notwithstanding the provisions of subdivision 3a for taxable years which begin after December 31, 1974, the taxes due under the computation in accordance with section 290.06 shall be credited with the following amounts:

(1) In the case of an unmarried individual, and, except as provided in paragraph 6, in the case of the estate of a decedent, ~~\$21~~ \$25, and in the case of a trust, \$5;

(2) In the case of a married individual, living with husband or wife, and in the case of a head of a household, ~~\$42~~ \$50. If such husband and wife make separate returns the personal exemption may be taken by either or divided between them;

(3) In the case of an individual, ~~\$21~~ \$25 for each person (other than husband or wife) dependent upon and receiving his chief support from the taxpayer. One taxpayer only shall be allowed this credit with respect to any given dependent. In the case of the head of a household, a credit for one dependent shall be dis-allowed. A payment to a divorced or separated wife, other than a payment of the kind referred to in section 290.072, subdivision 3, shall not be considered a payment by the husband for the support of any dependent.

(4) (a) In the case of an unmarried individual who has attained the age of 65 before the close of his taxable year, an additional ~~\$21~~ \$25;

(b) In the case of an unmarried individual who is blind at the close of the taxable year, an additional ~~\$21~~ \$25;

(c) In the case of a married individual, living with husband or

wife, an additional ~~\$21~~ \$25 for each spouse who has attained the age of 65 before the close of the individual's taxable year, and an additional \$25 for each spouse who is blind at the close of the individual's taxable year. If such husband and wife make separate returns, these credits may be taken by either or divided between them;

(d) For the purposes of sub-paragraphs (b) and (c) of paragraph (4), an individual is blind if his central visual acuity does not exceed 20/200 in the better eye with correcting lenses, or if his visual acuity is greater than 20/200 but is accompanied by a limitation in the fields of vision such that the widest diameter of the visual field subtends an angle no greater than 20 degrees.

(5) In the case of an insurance company, it shall receive a credit on the tax computed as above equal in amount to any taxes based on premiums paid by it during the period for which the tax under Extra Session Laws 1967, Chapter 32, is imposed by virtue of any law of this state, other than the surcharge on premiums imposed by Extra Session Laws 1933, Chapter 53, as amended;

(6) If the status of a taxpayer, insofar as it affects the credits allowed under paragraphs 1, 2 and 3 shall change during the taxable year, or if the taxpayer shall either become or cease to be a resident of the state during such taxable year, such credit shall be apportioned, in accordance with the number of months before and after such change. For the purpose of such apportionment, a fractional part of a month shall be disregarded unless more than one-half of the month, in which case it shall be considered as a month. In case of death during a taxable year, a credit shall be allowed to the decedent, in proportion to the number of months before his death, and to his estate, in proportion to the number of months after his death, and in any event a minimum credit of \$5 shall be allowed to the decedent and his estate, respectively;

(7) In the case of a non-resident individual, credits under paragraphs 1, 2, 3 and 4 shall be apportioned in the proportion of the gross income from sources in Minnesota to the gross income from all sources, and in any event a minimum credit of \$5 shall be allowed.

Sec. 2. Minnesota Statutes 1974, Section 290.06, is amended by adding a subdivision to read:

*Subd. 12. For taxable years beginning after December 31, 1974, the income taxes imposed by chapter 290 upon individuals, estates and trusts, other than those taxable as corporations, shall be reduced by a credit equal to 5 percent of the income tax so computed.*

Sec. 3. This article is effective for taxable years beginning after December 31, 1974."

Further amend the title accordingly.

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 30 and nays 33, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Anderson	Doty	Merriam	Perpich, A. J.	Spear
Arnold	Gearty	Milton	Perpich, G.	Stokowski
Borden	Hansen, Baldy	Moe	Purfeerst	Stumpf
Chmielewski	Hughes	North	Schaaf	Tennesen
Coleman	Humphrey	Olhoft	Schmitz	Wegener
Conzemius	Kleinbaum	Olson, A. G.	Schrom	
Davies	McCutcheon	Olson, H. D.	Solon	

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

Mr. Brown moved to amend H. F. No. 1674, the Unofficial Engrossment, as follows:

Page 38, after line 27, insert:

"Sec. 2. Minnesota Statutes 1974, Section 290.06, Subdivision 2c, is amended to read:

Subd. 2c. [SCHEDULE OF RATES FOR INDIVIDUALS, ESTATES AND TRUSTS.] (a) For taxable years beginning after December 31, 1971, the income taxes imposed by chapter 290 upon individuals, estates and trusts, other than those taxable as corporations, shall be computed by applying to their taxable net income in excess of the applicable credits allowed by section 290.21, the following schedule of rates:

- (1) On the first \$500, one ~~and six-tenths~~ percent;
- (2) On the second \$500, two ~~and two-tenths~~ percent;
- (3) On the ~~next \$1,000~~ *third \$500* , three ~~and five-tenths~~ percent;
- (4) On the ~~next \$1,000~~ *fourth \$500* , five ~~and eight-tenths~~ *four* percent;
- (5) On the next \$1,000, ~~seven and three-tenths~~ *five* percent;
- (6) On the next \$1,000, ~~eight and eight-tenths~~ *six* percent;
- (7) On the next ~~\$2,000~~ *\$1,000* , ~~ten and two-tenths~~ *seven* percent;
- (8) On the next ~~\$2,000~~ *\$1,000* , ~~eleven and five-tenths~~ *eight* percent;
- (9) On the next ~~\$3,500~~ *\$1,000* , ~~twelve and eight-tenths~~ *nine* percent;
- (10) On ~~all over \$12,500, and not over \$20,000~~ *the next \$1,000* , ~~fourteen~~ *ten* percent;

- (11) *On the next \$1,000, eleven percent;*
- (12) *On the next \$1,000, twelve percent;*
- (13) *On the next \$2,500, thirteen percent;*
- (14) *On the next \$2,500, fourteen percent;*
- ~~(11)~~ (15) *On the remainder, fifteen percent.*

(b) In lieu of a tax computed according to the rates set forth in clause (a) of this subdivision, the tax of any individual taxpayer whose adjusted gross income for the taxable year is less than \$10,000, at his election shall be computed in accordance with tables prepared and issued by the commissioner of revenue. Such tables shall be prepared upon the same basis as the tables contained in Minnesota Statutes 1961, Section 290.06, taking into account, however, the increase in rates provided by clause (a) of this section.

Sec. 2. Minnesota Statutes 1974, Section 290.06, Subdivision 3c, is amended to read:

Subd. 3c. [CREDITS AGAINST TAX.] Notwithstanding the provisions of subdivision 3a for taxable years which begin after December 31, 1971, the taxes due under the computation in accordance with section 290.06 shall be credited with the following amounts:

(1) In the case of an unmarried individual, and, except as provided in paragraph 6, in the case of the estate of a decedent, ~~\$21~~ \$25, and in the case of a trust, \$5;

(2) In the case of a married individual, living with husband or wife, and in the case of a head of a household, \$42. If such husband and wife make separate returns the personal exemption may be taken by either or divided between them;

(3) In the case of an individual, ~~\$21~~ \$25 for each person (other than husband or wife) dependent upon and receiving his chief support from the taxpayer. One taxpayer only shall be allowed this credit with respect to any given dependent. In the case of the head of a household, a credit for one dependent shall be disallowed. A payment to a divorced or separated wife, other than a payment of the kind referred to in section 290.072, subdivision 3, shall not be considered a payment by the husband for the support of any dependent.

(4) (a) In the case of an unmarried individual who has attained the age of 65 before the close of his taxable year, an additional ~~\$21~~ \$25 ;

(b) In the case of an unmarried individual who is blind at the close of the taxable year, an additional ~~\$21~~ \$25 ;

(c) In the case of a married individual, living with husband or wife, an additional ~~\$21~~ \$25 for each spouse who has attained the age of 65 before the close of the individual's taxable year, and an additional \$25 for each spouse who is blind at the close of the in-

dividual's taxable year. If such husband and wife make separate returns, these credits may be taken by either or divided between them;

(d) For the purposes of sub-paragraphs (b) and (c) of paragraph (4), an individual is blind if his central visual acuity does not exceed 20/200 in the better eye with correcting lenses, or if his visual acuity is greater than 20/200 but is accompanied by a limitation in the fields of vision such that the widest diameter of the visual field subtends an angle no greater than 20 degrees.

(5) In the case of an insurance company, it shall receive a credit on the tax computed as above equal in amount to any taxes based on premiums paid by it during the period for which the tax under Extra Session Laws 1967, Chapter 32, is imposed by virtue of any law of this state, other than the surcharge on premiums imposed by Extra Session Laws 1933, Chapter 53, as amended;

(6) If the status of a taxpayer, insofar as it affects the credits allowed under paragraphs 1, 2 and 3 shall change during the taxable year, or if the taxpayer shall either become or cease to be a resident of the state during such taxable year, such credit shall be apportioned, in accordance with the number of months before and after such change. For the purpose of such apportionment, a fractional part of a month shall be disregarded unless more than one-half of the month, in which case it shall be considered as a month. In case of death during a taxable year, a credit shall be allowed to the decedent, in proportion to the number of months before his death, and to his estate, in proportion to the number of months after his death, and in any event a minimum credit of \$5 shall be allowed to the decedent and his estate, respectively;

(7) In the case of a non-resident individual, credits under paragraphs 1, 2, 3 and 4 shall be apportioned in the proportion of the gross income from sources in Minnesota to the gross income from all sources, and in any event a minimum credit of \$5 shall be allowed.

*Sec. 3. Sections 1 and 2 are effective for taxable years commencing after December 31, 1974."*

Renumber the sections in the article in sequence

Amend the title as follows:

Page 1, line 17, after "individuals;" insert "changing the tax rates and credits for individuals;"

Page 1, line 40, after "Subdivisions" and before "3d" insert "2c, 3c,"

The question being taken on the adoption of the amendment,

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

And the roll being called, there were yeas 31 and nays 35, as follows:

Those who voted in the affirmative were:

Ashbach	Chmielewski	Josefson	Nelson	Stassen
Bang	Dunn	Keefe, J.	Ogdahl	Ueland
Berg	Fitzsimons	Kirchner	Olson, J. L.	Willet
Bernhagen	Frederick	Knutson	O'Neill	
Blatz	Hansen, Mel	Kowalczyk	Patton	
Brataas	Hanson, R.	Larson	Pillsbury	
Brown	Jensen	Milton	Renneke	

Those who voted in the negative were:

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

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

Mr. Stassen moved to amend H. F. No. 1674, the Unofficial Engrossment, as follows:

Pages 28 to 30, strike Article V and renumber the succeeding articles accordingly

Amend the title as follows:

Page 1, line 6, strike everything after the semicolon

Strike line 7

Page 2, line 4, strike everything before "290.031"

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 28 and nays 36, as follows:

Those who voted in the affirmative were:

Ashbach	Chmielewski	Kirchner	Olson, J. L.	Sillers
Bang	Fitzsimons	Knutson	O'Neill	Stassen
Berg	Frederick	Larson	Patton	Ueland
Bernhagen	Hanson, R.	Milton	Pillsbury	Willet
Brataas	Josefson	Nelson	Renneke	
Brown	Keefe, J.	Ogdahl	Schrom	

Those who voted in the negative were:

Arnold	Gearty	Laufenburger	Olson, H. D.	Stokowski
Blatz	Hansen, Baldy	Lewis	Perpich, A. J.	Stumpf
Borden	Hansen, Mel	McCutcheon	Perpich, G.	Tennessen
Coleman	Hughes	Merriam	Purfeerst	Wegener
Conzemius	Humphrey	Moe	Schaaf	
Davies	Keefe, S.	North	Schmitz	
Doty	Kleinbaum	Olhoft	Solon	
Dunn	Kowalczyk	Olson, A. G.	Spear	

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

Mr. Berg moved to amend H. F. No. 1674, the Unofficial Engrossment, as follows:

Page 30, strike lines 1 and 2 and insert:

"Sec. 2. Minnesota Statutes 1974, Section 273.11, Subdivision 2, is amended to read:

Subd. 2. In the case of property described in section 273.13, subdivisions 6, 7, 7B, 10, 12, 17, 17b, and 19, plus all agricultural property and all real estate devoted to temporary and seasonal residential occupancy for recreational purposes, the assessor after determining the value of any such property shall compare the value with that determined in the preceding assessment. If the increase exceeds five ten percent of the preceding valuation, the amount of the increase entered in the current assessment shall not not exceed five ten percent; the excess ~~(not exceeding five percent of the latest assessors market valuation)~~ may be entered in the following years assessment, notwithstanding the provisions of section 273.17, according to the following schedule: (a) twenty percent in the next assessment year (b) forty percent in the next assessment year (c) the remainder in the next assessment year.

Sec. 3. Minnesota Statutes 1974, Section 273.11, Subdivision 3, is amended to read:

Subd. 3. ~~In the event that, for the assessment year 1973, the assessor has increased the value of such property by an amount in excess of the five percent limitation provided for in subdivision 2, he shall mail revised statement notices advising the property owner of the reduction required by this section. The revised notice shall state that the reduction is made pursuant to a statute enacted by the 1973 legislature.~~

*The provisions of subdivision 2 shall apply only to excess assessments which pursuant to Minnesota Statutes 1974, 273.11 were not included in the assessors market valuation prior to the 1976 assessment year.*

Sec. 4. Minnesota Statutes 1974, Section 273.11, Subdivision 5, is amended to read:

Subd. 5. Notwithstanding any other provision of law to the contrary, the limitation contained in subdivisions 1 to 3 shall also apply to the authority of the local board of review as provided in section 274.01, the county board of equalization as provided in section 274.13, the state board of equalization and the commissioner of taxation as provided in sections 270.11, 270.12 and 270.16, and any increase effected by these boards, the cumulative effect of which may increase property above the five percent permissible increase shall be invalid."

Amend the title as follows:

Page 1, line 6, strike "eliminating" and insert "changing"

Page 1, line 37, strike "Subdivision 1" and insert "Subdivisions 1, 2, 3, and 5"

Page 2, line 4, strike everything before "290.031"

The question being taken on the adoption of the amendment,

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

And the roll being called, there were yeas 26 and nays 39, as follows:

Those who voted in the affirmative were:

Ashbach	Dunn	Kirchner	O'Neill	Stassen
Bang	Fitzsimons	Knutson	Patton	Ueland
Berg	Frederick	Larson	Pillsbury	
Bernhagen	Hanson, R.	Nelson	Renneke	
Brataas	Josefson	North	Schrom	
Brown	Keefe, J.	Olson, J. L.	Sillers	

Those who voted in the negative were:

Anderson	Davies	Kowalczyk	Olhoff	Solon
Arnold	Doty	Laufenburger	Olson, A. G.	Spear
Blatz	Gearty	Lewis	Olson, H. D.	Stokowski
Borden	Hansen, Baldy	McCutcheon	Perpich, A. J.	Stumpf
Chenoweth	Hansen, Mel	Merriam	Perpich, G.	Tennessen
Chmielewski	Hughes	Milton	Purfeerst	Wegener
Coleman	Humphrey	Moe	Schaaf	Willet
Conzemius	Kleinbaum	Ogdahl	Schmitz	

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

Mr. Knutson moved to amend H. F. No. 1674, the Unofficial Engrossment, as follows:

Page 30, after line 1, insert a new section 2 to read:

"Sec. 2. Minnesota Statutes 1974, Section 273.11, is amended by adding a subdivision to read:

*Subd. 2a. The five percent limitation imposed by subdivision 2, as amended by Laws 1974, Chapter 556, Section 14, shall also apply to assessments for 1973. If application of this subdivision reduces a taxpayer's property tax bill for any year in which he has already paid the tax, he shall be entitled to a refund of the overpayment. A refund application shall be submitted to the taxpayer's county treasurer. The property tax levy limitation computed pursuant to chapter 275 shall not be reduced by application of this subdivision."*

Renumber the remaining subdivisions accordingly.

Further amend the title as follows:

Page 1, line 37, after "subdivision 1" insert "and by adding a subdivision"

The question being taken on the adoption of the amendment,

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

And the roll being called, there were yeas 29 and nays 37, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

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

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

Mr. Knutson then moved to amend H. F. No. 1674, the Unofficial Engrossment, as follows:

Page 37, after line 13, insert a new subdivision 4 to read:

*Subd. 4. If the population of any city or town has increased or increases from one year to the next, the levy limit base per capita may be increased by an additional amount not to exceed three percent for each one percent increase in population. The provisions of this subdivision are retroactive to population increases occurring on or after January 1, 1971. Cumulative increases may be added to the levy limit base per capita calculated for levy year 1975 taxes payable 1976.*

Renumber the remaining subdivisions accordingly

Further amend the title accordingly

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 28 and nays 34, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Arnold	Hansen, Baldy	McCutcheon	Perpich, A. J.	Spear
Borden	Hughes	Merriam	Perpich, G.	Stokowski
Chenoweth	Humphrey	Moe	Purfeerst	Stumpf
Coleman	Keefe, S.	North	Schaaf	Tennessen
Conzemius	Kleinbaum	Olhoft	Schmitz	Wegener
Davies	Laufenburger	Olson, A. G.	Schrom	Willet
Gearty	Lewis	Olson, H. D.	Solon	

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

Mr. Larson moved to amend H. F. No. 1674, the Unofficial Engrossment, as follows:

Page 48, after line 29, insert:

#### “ARTICLE XVII

*Section 1. Subdivision 1. The following words and phrases when used in this article, unless the context clearly indicates otherwise, shall have the meanings ascribed to them in this section.*

*Subd. 2. “Railroad company” means any company which as a common carrier operates a railroad or a line or lines of railway situated within or partly within Minnesota.*

*Subd. 3. “Operating property” means and includes franchises, rights of way, bridges, trestles, shops, docks, wharves, buildings and structures used by a railroad company in the performance of transportation services.*

*Subd. 4. “Nonoperating property” means and includes all property other than property defined in subdivision 3. Nonoperating property shall include real property which is leased or rented or available for lease or rent to a nonrailroad company. Vacant land shall be presumed to be available for lease or rent if it has not been used as operating property for a period of one year preceding the assessment date. The provisions of this subdivision shall be strictly construed in favor of the taxing authority.*

*Subd. 5. “Commissioner” means the commissioner of revenue.*

*Sec. 2. Subdivision 1. The operating property of every railroad company doing business in Minnesota shall be assessed by the commissioner in the manner prescribed herein.*

*Subd. 2. The nonoperating property of every railroad company doing business in Minnesota shall be assessed as otherwise provided by law.*

*Subd. 3. The commissioner shall have exclusive primary jurisdiction to determine what is operating property and what is nonoperating property.*

*Subd. 4. Every railroad company doing business in Minnesota shall annually file with the commissioner on or before April 30 a report under oath setting forth the information prescribed by the commissioner to enable him to make the assessment herein provided.*

*Sec. 3. Subdivision 1. The commissioner shall annually make an assessment of the operating property of every railroad company doing business in this state, and between April 30 and July 31 shall prepare an assessment roll on which he shall enter and assess the market value of the operating property of each railroad company as of January 2 of the year in which the assessment is made. In the case of a railroad company which owns or operates lines or roads lying partly within and partly without this state, the commissioner shall only value and assess the operating property within this state. In determining the*

market value of the portion within this state, the commissioner shall use established taxing procedures so that this state shall receive its fair, equitable and reasonable proportion of the railroad company's operating property values.

Subd. 2. After the commissioner has prepared the assessment roll and entered thereon the market value of the operating property of each railroad company, he shall give notice by certified mail to the railroad company of such assessed valuation.

Subd. 3. A railroad company may within 15 days of receipt of the notice of assessed valuation file a written request for a hearing before the commissioner relating to the value of its operating property. The commissioner shall thereupon designate a time and place for the hearing which he shall conduct, the same to be on the commissioner's entire files and records and such further evidence as may be offered to provide for the fair and equitable taxation of railroad operating property in this state. Said hearing shall be held no later than 30 days after mailing of the commissioner's assessment notice.

Subd. 4. Upon determination of the market value of the operating property of each railroad company as above provided, the commissioner shall determine the amount of ad valorem property taxes payable thereon, assessing said market value at the same ratio as the ratio of assessed to actual value of commercial and industrial property in the state and applying to said assessed value the state-wide average mill rate of ad valorem taxes levied in all counties for all purposes. No railroad company shall be entitled to relief from the commissioner's determination unless the assessment ratio applied pursuant to this subdivision exceeds by at least five percent the ratio percentage applied to all other commercial and industrial property within the state.

Subd. 5. The ad valorem property taxes hereinbefore levied and assessed shall be paid by each railroad company to the commissioner in equal installments on or before May 31 and October 31.

Subd. 6. Notwithstanding any other provision of law, no administrative proceeding held in Minnesota shall allow the payment of ad valorem property taxes levied pursuant to this act to be used as evidence to establish possible savings out of pocket expense or part of the savings to a railroad company so that such payment shall be a reason to authorize abandonment of service upon railroad branch lines, and all such proceedings shall only be determined upon the basis of public need and public convenience and necessity. Further, in order to review the effect of this act upon railroad transportation in Minnesota, it is the policy of the state of Minnesota to request the interstate commerce commission to impose a two year moratorium on abandonment of branch lines from the effective date of this act.

Sec. 4. Subdivision 1. A special account is created in the general fund to be known as the railroad property revenue account. The taxes, interest and penalties accruing thereon shall be deposited in the account.

Subd. 2. Revenues in the railroad property revenue account shall be

*distributed by the commissioner pursuant to the provisions of section 477A.01 as additional local government aid.*

*Subd. 3. The distributions in this section provided shall be made in two equal installments on or before July 1 and December 31 each year, commencing in 1976, or as shall be determined as hereinafter provided.*

*Sec. 5. In 1975 only, the railroad company shall file the report prescribed by section 2, subdivision 4, on or before August 31, 1975. The commissioner shall make the assessment prescribed by section 3 on or before November 30, 1975, and the same shall constitute the ad valorem property taxes for the year 1975 due and payable in 1976.*

*Sec. 26. A commission is hereby created to study and consider a fair and equitable basis for future distribution of railroad ad valorem taxes. The commission shall consist of three members of the house of representatives appointed by the speaker, three members of the senate appointed by the president and three interested citizens, including the chairman, appointed by the governor. The commissioner shall be an ex officio member of the commission. The commission shall report its findings and recommendations to the legislature not later than January 15, 1977. There is appropriated from the general fund the sum of \$25,000, or as much thereof as may be necessary, to pay the expenses incurred by the commission. Expenses of the commission shall be approved by the chairman or another member as the rules of the commission provide and paid in the same manner that other expenses are paid.*

*Sec. 7. Subdivision 1. The provisions of other laws to the contrary notwithstanding, railroad companies, effective January 1, 1975, shall be subject to the annual excise tax measured by corporations' taxable net income as provided in Minnesota Statutes, Chapter 290.*

*Subd. 2. The railroad companies subject to this act shall continue to be exempt from payment of the sales and use tax to the extent provided in section 297A.25, subdivision 1, clause (1).*

*Subd. 3. This act shall not relieve the railroad companies subject to this act from liability for the payment of taxes on gross earnings for the period January 1 through June 30, 1975, as provided in section 295.02, the provisions of section 8 hereof notwithstanding.*

*Sec. 8. Minnesota Statutes 1974, Sections 295.01, Subdivisions 2 and 3; 295.02; 295.03; 295.04; 295.05; 295.12; 295.13; and 295.14 are repealed.*

*Sec. 9. This act shall be in effect for all years beginning after December 31, 1974."*

*Amend the title accordingly.*

*The question being taken on the adoption of the amendment,*

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

And the roll being called, there were yeas 28 and nays 35, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Anderson	Doty	Lewis	Olson, A. G.	Solon
Arnold	Gearty	McCutcheon	Olson, H. D.	Spear
Berg	Hansen, Baldy	Merriam	Perpich, A. J.	Stokowski
Chenoweth	Hughes	Milton	Perpich, G.	Stumpf
Coleman	Humphrey	Moe	Purfeerst	Tennessen
Conzemius	Keefe, S.	North	Schaaf	Wegener
Davies	Laufenburger	Olhoff	Schmitz	Willet

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

Mr. Frederick moved to amend H. F. No. 1674, the Unofficial Engrossment, by adding Article XVII as follows:

## "ARTICLE XVII

Section 1. Minnesota Statutes 290.09 is amended by adding a subdivision to read:

*Subd. 30. [POST SECONDARY SCHOOL EXPENSE.] Fifty percent of the amount paid to others for tuition and textbooks (as defined in section 290.09, subdivision 22) of each dependent attending an accredited post secondary school; provided that the deduction for each dependent shall not exceed \$1,000 per year or a cumulative total of \$4,000. For the purposes of this subdivision any grant or scholarship received by a dependent shall be deemed to be for tuition and textbooks."*

Further amend the title accordingly.

And the roll being called, there were yeas 29 and nays 36, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Anderson	Gearty	McCutcheon	Perpich, A. J.	Stumpf
Arnold	Hansen, Baldy	Merriam	Perpich, G.	Tennessen
Borden	Hughes	Milton	Purfeerst	Wegener
Chenoweth	Humphrey	Moe	Schaaf	Willet
Coleman	Keefe, S.	North	Schmitz	
Conzemius	Kleinbaum	Olhoff	Solon	
Davies	Laufenburger	Olson, A. G.	Spear	
Doty	Lewis	Olson, H. D.	Stokowski	

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

Mr. Hansen, Mel moved to amend H. F. No. 1674, the Unofficial Engrossment, as follows:

Page 15, line 14, after "assistance" insert "*or medical costs paid for indigents*"

Page 15, line 14, after "county" insert "*or municipality*"

Page 15, line 16, after "county" insert "*or municipality*"

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

Mr. Ashbach moved to amend H. F. No. 1674, the Unofficial Engrossment, as follows:

Page 48, after line 29, add a new Article XVII to read:

#### *"Article XVII*

Section 1. Minnesota Statutes 1974, Section 290.06, is amended by adding a subdivision to read:

*Subd. 13. [INVESTMENT CREDIT.] Effective for taxable years beginning after December 31, 1974, there shall be allowed a credit against the Minnesota tax an amount that is equal to fifty percent of the amount of the credit not to exceed \$100,000 that is allowed under Section 38 and Section 46 of the Internal Revenue Code of 1954, as amended through December 31, 1974, and as amended by Public Law 94-12, in the year the federal credit arises.*

*If any portion of the credit exceeds the taxpayer's Minnesota income tax liability for that year the excess credit shall be carried back in chronological order to the three taxable years immediately preceding and shall be carried forward in chronological order to the five subsequent years and applied against the liability of those years.*

*However, such credit shall be allowed only to the extent that the credit is connected with or allocable against the production or receipt of income included in the measure of the tax imposed by this chapter. The credits provided by section 290.06, subdivision 9 or subdivision 9a, shall not be applicable to property eligible for credit under this subdivision.*

*In the case of property disposed of on or after January 1, 1975, which results in an increase in the taxpayer's federal tax liability under Section 47 of the Internal Revenue Code of 1954, as amended through December 31, 1974, and as amended by Public Law 94-12, in the year such increase occurs, there shall be added to the taxpayer's Minnesota tax liability an amount equal to fifty percent of such increase not exceeding the amount of the credit which was previously allowed to reduce the taxpayer's Minnesota income tax liability.*

*Sec. 2. The provisions of section 290.01, subdivision 20(a) (9), section 290.01, subdivision 20(b) (9) and section 290.09, subdivision 24 shall not be applicable to property which is acquired on or after*

*January 1, 1975, to the extent that the credit is allowed under this section."*

Further amend the title accordingly

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 31 and nays 34, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Anderson	Doty	Laufenburger	Olson, A. G.	Spear
Arnold	Gearty	Lewis	Perpich, A. J.	Stokowski
Borden	Hansen, Baldy	McCutcheon	Perpich, G.	Stumpf
Chenoweth	Hughes	Merriam	Purfeerst	Tennessen
Coleman	Humphrey	Moe	Schaaf	Wegener
Conzemius	Keefe, S.	North	Schmitz	Willet
Davies	Kleinbaum	Olhoft	Solon	

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

Mr. O'Neil moved to amend H. F. No. 1674, the Unofficial Engrossment, as follows:

Pages 20 to 23, strike Article III in its entirety

Renumber the articles

Further, amend the title as follows:

Page 1, line 33, strike "272.02, Subdivision 1;"

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	Keefe, J.	Olson, J. L.	Stassen
Bang	Dunn	Kirchner	O'Neill	Ueland
Berg	Fitzsimons	Knutson	Patton	
Bernhagen	Frederick	Kowalczyk	Pillsbury	
Blatz	Hansen, Mel	Larson	Renneke	
Brataas	Hanson, R.	Ogdahl	Sillers	

Those who voted in the negative were:

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

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

Mr. Nelson moved to amend H. F. No. 1674, the Unofficial Engrossment, as follows:

Page 48, following line 29, insert:

*"Article XVII*

Section 1. Minnesota Statutes 1974, Section 43.328, Subdivision 1, is amended to read:

43.328 [MILEAGE ALLOWANCES.] Subdivision 1. Except as provided in subdivision 3, the maximum amount which shall be paid by the state, any department or bureau thereof, or any county, city, town, or school district, to any officer or employee as compensation or reimbursement for the use by such officer of his own automobile in the performance of his duties shall not exceed 15 cents a mile, *except as hereafter provided. Notwithstanding the foregoing limitation, mileage allowances shall be adjusted from time to time to reflect changes in the price of gasoline in the manner prescribed by Minnesota Statutes, Section 290.09, Subdivision 2.*

Sec. 2. Minnesota Statutes 1974, Section 290.09, Subdivision 2, is amended to read:

Subd. 2. [TRADE OR BUSINESS EXPENSES; EXPENSES FOR PRODUCTION OF INCOME.] (a) In General. There shall be allowed as a deduction all the ordinary and necessary expenses paid or incurred during the taxable year in carrying on any trade or business, including

(1) A reasonable allowance for salaries or other compensation for personal services actually rendered;

(2) Traveling expenses (including the entire amount expended for meals and lodging) while away from home in the pursuit of a trade or business; ~~and the mileage portion of which shall be adjusted to compensate for fluctuation in gasoline prices as follows: The commissioner shall establish a "base rate" gasoline price, which shall represent the average retail selling or pump price for regular gasoline statewide as of June 30, 1975. A "new rate" shall be calculated in the same manner at the end of each calendar quarter thereafter. Effective upon computation of each "new rate", the per mile deduction for mileage traveled in carrying on the trade or business of the taxpayer shall be increased or decreased by one cent for each full ten cents increase or decrease in the price of gasoline above or below the "base rate"; and~~

(3) Rentals or other payments required to be made as a condition to the continued use or possession, for purposes of the trade or business, of property to which the taxpayer has not taken or is not taking title or in which he has no equity. For purposes of the preceding sentence, the place of residence of a member of congress within the state shall be considered his home, but amounts expended by such members within each taxable year for living expenses shall not be deductible for income tax purposes in excess of \$3,000.

(b) Expenses for Production of Income. In the case of an individ-

ual, there shall be allowed as a deduction all the ordinary and necessary expenses paid or incurred during the taxable year.

(1) For the production or collection of income;

(2) For the management, conservation, or maintenance of property held for the production of income; or

(3) In connection with the determination, collection, or refund of any tax.

(c) Campaign expenditures in an amount not to exceed the limits set out in Minnesota Statutes, Section 211.06, not subsequently reimbursed, which have been personally paid by a candidate for public office if the candidate has complied with the expenditure limitations set out in Minnesota Statutes, Section 211.06:

(No deduction shall be allowed under this clause for any contribution or gift which would be allowable as a credit under section 290.21 were it not for the percentage limitations set forth in such section):

(d) All expense money paid by the legislature to legislators.

Sec. 3. Minnesota Statutes 1974, Section 357.09, Subdivision 2, is amended to read:

Subd. 2. When mileage is allowed the sheriff it shall be computed from the place where the court is usually held and, except as otherwise specially fixed, shall be at the rate of 15 cents per mile *except as hereafter provided*. When two or more witnesses subpoenaed in the same action live in the same general direction, mileage shall be charged only for the subpoenaing the most remote. When court is usually held at one or more places, other than the county seat of a county, such mileage shall be computed from the place from which the sheriff or deputy sheriff travels in performing any service. *Notwithstanding the forgoing limitation, mileage allowances shall be adjusted from time to time to reflect changes in the price of gasoline in the manner prescribed by Minnesota Statutes, Section 290.09, Subdivision 2.*

Sec. 4. *This Article is effective June 30, 1975.* "

Further, amend the title on page 1 in line 35 after the semicolon by inserting "income tax mileage deduction and reimbursement;" in line 37 after "Sections" by inserting "43.328, Subdivision 1;" and on page 2 in line 5 after "276.04;" by inserting "290.09, Subdivision 2;" and in line 8 after "1 and 2;" by inserting "357.09, Subdivision 2;"

The question being taken on the adoption of the amendment,

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

And the roll being called, there were yeas 29 and nays 35, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

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

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

Mr. Frederick moved to amend H. F. No. 1674, the Unofficial Engrossment, as follows:

Page 48, after line 29, add a new Article XVII to read:

## "ARTICLE XVII

Section 1. Minnesota Statutes 1974, Section 297A.14, is amended to read:

297A.14 [USING, STORING OR CONSUMING TANGIBLE PERSONAL PROPERTY; ADMISSIONS; UTILITIES.] For the privilege of using, storing or consuming in Minnesota tangible personal property, tickets or admissions to places of amusement and athletic events, electricity, gas, and local exchange telephone service purchased for use, storage or consumption in this state, there is hereby imposed on every person in this state a use tax at the rate of four percent of the sales price of sales at retail of any of the aforementioned items made to such person after October 31, 1971, unless the tax imposed by section 297A.02 was paid on said sales price.

Motor vehicles subject to tax under this section shall be taxed at the fair market value at the time of transport into Minnesota if such motor vehicles were acquired more than three months prior to its transport into this state.

~~Notwithstanding any other provisions of sections 297A.01 to 297A.44 to the contrary, the cost of paper and ink products exceeding \$100,000 in any calendar year, used or consumed in producing a publication as defined in section 297A.25, subdivision 1, clause (i) is subject to the tax imposed by this section.~~

Sec. 2. Minnesota Statutes 1974, Section 297A.25, Subdivision 1, is amended to read:

297A.25 [EXEMPTIONS.] Subdivision 1. The following are specifically exempted from the taxes imposed by sections 297A.01 to 297A.44:

(a) The gross receipts from the sale of food products including but not limited to cereal and cereal products, butter, cheese, milk and milk products, oleomargarine, meat and meat products, fish and fish products, eggs and egg products, vegetables and vegetable products, fruit and fruit products, spices and salt, sugar and sugar products, coffee and coffee substitutes, tea, cocoa and cocoa products;

(b) The gross receipts from the sale of prescribed drugs and medicine intended for use, internal or external, in the cure, mitigation, treatment or prevention of illness or disease in human beings and products consumed by humans for the preservation of health, including prescription glasses, therapeutic and prosthetic devices, but not including cosmetics or toilet articles notwithstanding the presence of medicinal ingredients therein;

(c) The gross receipts from the sale of and the storage, use of other consumption in Minnesota of tangible personal property, tickets, or admissions, electricity, gas, or local exchange telephone service, which under the Constitution or laws of the United States or under the Constitution of Minnesota, the state of Minnesota is prohibited from taxing;

(d) The gross receipts from the sale of tangible personal property (i) which, without intermediate use, is shipped or transported outside Minnesota and thereafter used in a trade or business or is stored, processed, fabricated or manufactured into, attached to or incorporated into other tangible personal property transported or shipped outside Minnesota and thereafter used in a trade or business outside Minnesota, and which is not thereafter returned to a point within Minnesota, except in the course of interstate commerce (Storage shall not constitute intermediate use); or (ii) which the seller delivers to a common carrier for delivery outside Minnesota, places in the United States mail or parcel post directed to the purchaser outside Minnesota, or delivers to the purchaser outside Minnesota by means of the seller's own delivery vehicles, and which is not thereafter returned to a point within Minnesota, except in the course of interstate commerce;

(e) The gross receipts from the sale of packing materials used to pack and ship household goods, the ultimate destination of which is outside the state of Minnesota and which are not thereafter returned to a point within Minnesota, except in the course of interstate commerce;

(f) The gross receipts from the sale of and storage, use or consumption of petroleum products upon which a tax has been imposed under the provisions of chapter 296, whether or not any part of said tax may be subsequently refunded;

(g) The gross receipts from the sale of clothing and wearing apparel except the following:

(i) all articles commonly or commercially known as jewelry, whether real or imitation; pearls, precious and semi-precious stones, and imitations thereof; articles made of, or ornamented, mounted or fitted with precious metals or imitations thereof; watches; clocks; cases and movements for watches and clocks; gold, gold-plated, silver or sterling flatware or hollow ware and silver-plated hollow ware; opera glasses; lorgnettes; marine glasses; field glasses and binoculars.

(ii) articles made of fur on the hide or pelt, and articles of which such fur is the component material or chief value, but only if such value is more than three times the value of the next most valuable component material.

(iii) perfume, essences, extracts, toilet waters, cosmetics, petroleum jellies, hair oils, pomades, hair dressings, hair restoratives, hair dyes, aromatic cachous and toilet powders. The tax imposed by this act shall not apply to lotion, oil, powder, or other article intended to be used or applied only in the case of babies.

(iv) trunks, valises, traveling bags, suitcases, satchels, overnight bags, hat boxes for use by travelers, beach bags, bathing suit bags, brief cases made of leather or imitation leather, salesmen's sample and display cases, purses, handbags, pocketbooks, wallets, billfolds, card, pass, and key cases and toilet cases.

(h) The gross receipts from the sale of and the storage, use, or consumption of all materials, including chemicals, fuels, petroleum products, lubricants, packaging materials, including returnable containers used in packaging food and beverage products, feeds, seeds, fertilizers, electricity, gas and steam, used or consumed in agricultural or industrial production of personal property intended to be sold ultimately at retail, whether or not the item so used becomes an ingredient or constituent part of the property produced. Such production shall include, but is not limited to, research, development, design or production of any tangible personal property, manufacturing, processing (other than by restaurants and consumers) of agricultural products whether vegetable or animal, commercial fishing, refining, smelting, reducing, brewing, distilling, printing, mining, quarrying, lumbering, generating electricity and the production of road building materials. Such production shall not include painting, cleaning, repairing or similar processing of property except as part of the original manufacturing process. Machinery, equipment, implements, tools, accessories, appliances, contrivances, furniture and fixtures, used in such production and fuel, electricity, gas or steam used for space heating or lighting, are not included within this exemption; however, accessory tools, equipment and other short lived items, which are separate detachable units used in producing a direct effect upon the product, where such items have an ordinary useful life of less than 12 months, are included within the exemption provided herein;

(i) The gross receipts from the sale of and storage, use or other consumption in Minnesota of tangible personal property ~~(except as provided in section 297A.14)~~ which is used or consumed in ~~producing or becomes an ingredient or component part~~ of any publication regularly issued at average intervals not exceeding three months, and any such publication. For purposes of this subsection, "publication" as used herein shall include, without limiting the foregoing, a legal newspaper as defined by Minnesota Statutes 1965, Section 331.02, and any supplements or enclosures with or part of said newspaper; and the gross receipts of any advertising contained therein or therewith shall be exempt. For this purpose, advertising in any such publication shall be deemed to be a service and not tangible personal property, and persons or their agents who publish or sell such newspapers shall be deemed to be engaging in a service with respect to gross receipts realized from such newsgathering or publishing activities by them, including the sale of advertising. Machinery, equipment, implements, tools, ac-

cessories, appliances, contrivances, furniture and fixtures used in such publication and fuel, electricity, gas or steam used for space heating or lighting, are not exempt;

(j) The gross receipts from all sales of tangible personal property to, and all storage, use or consumption of such property by, the United States and its agencies and instrumentalities or a state and its agencies, instrumentalities and political subdivisions;

(k) The gross receipts from the isolated or occasional sale of tangible personal property in Minnesota not made in the normal course of business of selling that kind of property, and the storage, use, or consumption of property acquired as a result of such a sale;

(l) The gross receipts from sales of rolling stock and the storage, use or other consumption of such property by railroads, freight line companies, sleeping car companies and express companies taxed on the gross earnings basis in lieu of ad valorem taxes. For purposes of this clause "rolling stock" is defined as the portable or moving apparatus and machinery of any such company which moves on the road, and includes, but is not limited to engines, cars, tenders, coaches, sleeping cars and parts necessary for the repair and maintenance of such rolling stock.

(m) The gross receipts from sales of air flight equipment and the storage, use or other consumption of such property by airline companies taxed under the provisions of sections 270.071 to 270.079. For purposes of this clause, "airflight equipment" includes airplanes and parts necessary for the repair and maintenance of such airflight equipment, and flight simulators.

(n) The gross receipts from the sale of telephone central office telephone equipment used in furnishing intrastate and interstate telephone service to the public.

(o) The gross receipts from the sale of and the storage, use or other consumption by persons taxed under the in lieu provisions of chapter 298, of mill liners, grinding rods and grinding balls which are substantially consumed in the production of taconite, the material of which primarily is added to and becomes a part of the material being processed.

(p) The gross receipts from the sale of tangible personal property to, and the storage, use or other consumption of such property by, and corporation, society, association, foundation, or institution organized and operated exclusively for charitable, religious or educational purposes if the property purchased is to be used in the performance of charitable, religious or educational functions, or any senior citizen group organized and operated exclusively for pleasure, recreation and other nonprofit purposes, no part of the net earnings of which inures to the benefit of any private shareholders;

(q) The gross receipts from the sale of caskets and burial vaults;

(r) The gross receipts from the sale of cigarettes.

(s) The gross receipts from the sale of an automobile or other conveyance if the purchaser is assisted by a grant from the United

States in accordance with 38 United States Code, Section 1901, as amended.

(t) The gross receipts from the sale to the licensed aircraft dealer of an aircraft for which a commercial use permit has been issued pursuant to section 360.654, if the aircraft is resold while the permit is in effect.

(u) The gross receipts from the sale of building materials to be used in the construction or remodeling of a residence when the construction or remodeling is financed in whole or in part by the United States in accordance with 38 United States Code, Sections 801 to 805, as amended. This exemption shall not be effective at time of sale of the materials to contractors, subcontractors, builders or owners, but shall be applicable only upon a claim for refund to the commissioner of revenue filed by recipients of the benefits provided in Title 38 United States Code, Chapter 21, as amended. The commissioner shall provide by regulation for the refund of taxes paid on sales exempt in accordance with this paragraph.

(v) The gross receipts from the sale of textbooks which are prescribed for use in conjunction with a course of study in a public or private school, college, university and business or trade school to students who are regularly enrolled at such institutions. For purposes of this clause a "public school" is defined as one that furnishes course of study, enrollment and staff that meets standards of the state board of education and a private school is one which under the standards of the state board of education, provides an education substantially equivalent to that furnished at a public school. Business and trade schools shall mean such schools licensed pursuant to section 141.25.

(w) The gross receipts from the sale of and the storage of material designed to advertise and promote the sale of merchandise or services, which material is purchased and stored for the purpose of subsequently shipping or otherwise transferring outside the state by the purchaser for use thereafter solely outside the state of Minnesota."

Further, amend the title accordingly.

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 24 and nays 34, as follows:

Those who voted in the affirmative were:

Ashbach	Brataas	Keefe, J.	Nelson	Renneke
Bang	Brown	Kirchner	Olson, J. L.	Sillers
Berg	Fitzsimons	Knutson	O'Neill	Stassen
Bernhagen	Frederick	Kowalczyk	Patton	Ueland
Blatz	Hanson, R.	Larson	Pillsbury	

Those who voted in the negative were:

Anderson	Dunn	McCutcheon	Perpich, A. J.	Spear
Arnold	Gearty	Merriam	Perpich, G.	Stokowski
Borden	Hansen, Baldy	Moe	Purfeerst	Stumpf
Coleman	Hughes	North	Schaaf	Tennessen
Conzemius	Humphrey	Ogdahl	Schmitz	Wegener
Davies	Keefe, S.	Olhoft	Schrom	Willet
Doty	Kleinbaum	Olson, H. D.	Solon	

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

Mr. Frederick then moved to amend H. F. No. 1674, the Unofficial Engrossment, as follows:

Page 38, line 16, strike "not"

Page 38, line 17, after "compensation" and before the comma insert *"to the extent that such unemployment compensation benefits are attributable to employers contributions from the fund established by Minnesota Statutes, Section 268.06"*

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 28 and nays 35, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

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

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

H. F. No. 1674 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 40 and nays 23, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Kleinbaum	Olhoft	Purfeerst
Arnold	Doty	Larson	Olson, A. G.	Schmitz
Blatz	Frederick	Laufenburger	Olson, H. D.	Solon
Borden	Gearty	Lewis	Olson, J. L.	Stokowski
Brataas	Hansen, Mel	McCutcheon	O'Neill	Stumpf
Chenoweth	Hughes	Merriam	Perpich, A. J.	Tennessen
Coleman	Humphrey	Moe	Perpich, G.	Wegener
Conzemius	Keefe, S.	Ogdahl	Pillsbury	Willet

Those who voted in the negative were:

Bang	Fitzsimons	Keefe, J.	Nelson	Sillers
Berg	Hansen, Baldy	Kirchner	North	Stassen
Bernhagen	Hanson, R.	Knutson	Patton	Ueland
Brown	Jensen	Kowalczyk	Renneke	
Dunn	Josefson	Milton	Schrom	

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

Without objection, the Senate reverted to the Order of Business of Messages From the House and First Reading of House Bills.

### 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. 923, 1114 and 1169.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned May 8, 1975

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 78, 1292, 343 and 1074.

Edward A. Burdick, Chief Clerk, House of Representatives  
Transmitted May 8, 1975

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 574, 719, 744, 1277, 1107, 619, 629, 1020, 216 and 654.

Edward A. Burdick, Chief Clerk, House of Representatives  
Transmitted May 7, 1975

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1741:

H. F. No. 1741: A bill for an act relating to the organization and operation of state government; appropriating money for the conservation and development of the state's natural resources; providing for maintenance of the Minnesota historical society; for the horticultural society; for maintenance of the Sibley house; for maintenance of various semi-state activities; for aids to local subdivisions of government; for maintenance of the uniform laws commission; for the Port Authority of Duluth; and for other purposes.

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

Eckstein, Swanson, Erickson, Kahn and Arlandson have been appointed as such committee on the part of the House.

House File No. 1741 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 8, 1975

Mr. Arnold moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 1741, and that a Conference Committee of 5 members be appointed by the Committee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1743:

H. F. No. 1743: A bill for an act relating to the organization and operation of the state government; appropriating moneys therefor, permitting transfers in certain cases and limiting the use thereof, including appropriations for the departments of public welfare, corrections, health, corrections ombudsman, various health related boards, public assistance programs, aid to dependent children, Minnesota supplemental assistance, and public relief.

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

Samuelson, McCarron, Forsythe, Hanson and Corbid have been appointed as such committee on the part of the House.

House File No. 1743 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 8, 1975

Mr. Arnold moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 1743, 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.

#### **FIRST READING OF HOUSE BILLS**

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

H. F. No. 78: A bill for an act relating to the operation of state government; requiring departments, agencies and institutions of the state to procure products and services from sheltered workshops and work activity programs.

Referred to the Committee on Rules and Administration.

H. F. No. 1292: A bill for an act relating to crime prevention; increasing the compensation for dependents of peace officers killed in the line of duty; amending Minnesota Statutes 1974, Section 352E.04.

Referred to the Committee on Finance.

H. F. No. 343: A bill for an act relating to outdoor recreation; establishing an outdoor recreation system; classifying units of the outdoor recreation system and specifying the purposes and administration of each class of units; providing for authorization, acquisition, and establishment of units; requiring master plans for all units; establishing an outdoor recreation advisory council; requiring a registry of units and reports on existing units and new units; providing for review of present classifications; changing names; amending Minnesota Statutes 1974, Sections 84.029, Subdivision 1; 84.03; 84.033; 97.48, Subdivisions 13, 15 and 25; 97.481; 99.251; 104.35, Subdivision 3; 104.37; 138.09; 138.52, Subdivision 1; 138.53, Subdivision 49, and by adding subdivisions; 138.56, Subdivision 1, and by adding subdivisions; 138.585, Subdivision 1, and by adding subdivisions; 138.60, Subdivision 2; 161.10; and repealing Minnesota Statutes 1974, Sections 85.013, Subdivisions 2, 3, 4, 5b, 6, 7, 11, 17, 18, 25, 25a, and 27; 85.20, Subdivisions 2, 3, 4, and 5; 92.46, Subdivision 2; 138.08; 138.52, Subdivisions 2, 3, 4, 5, and 6; 138.53, Subdivisions 4, 11, 12, 17, 30, 48, and 61; 138.54; 138.55, Subdivisions 18 and 19; 138.57, Subdivisions 6 and 7; 138.60, Subdivision 3.

Referred to the Committee on Finance.

H. F. No. 1074: A bill for an act relating to public welfare; medical assistance for the needy; establishing a department lien on certain causes of action accruing to the needy; authorizing the assignment of insurance proceeds and the subrogation to the department of the rights of any recipient of medical assistance having private health care coverage; amending Minnesota Statutes 1974, Chapters 62A, by adding a section; and 256B, by adding sections; Sections 256B.02, by adding a subdivision; 256B.06, Subdivision 1; and 393.10, Subdivision 2.

Referred to the Committee on Finance.

H. F. No. 574: A bill for an act relating to pollution control; amending Minnesota Statutes 1974, Sections 115.03, Subdivision 2; 115.05, by adding a subdivision; 115.071, Subdivision 2; 116.07, by adding a subdivision; 116.16, by adding a subdivision; 648.39, Subdivision 1; repealing Minnesota Statutes 1974, Section 115.05, Subdivisions 1, 3, 4, 5, 6, 7, 8, 9, and 10.

Referred to the Committee on Natural Resources and Agriculture.

H. F. No. 719: A bill for an act relating to real estate; providing

for the extent of a lien; amending Minnesota Statutes 1974, Section 514.03, Subdivision 3.

Referred to the Committee on Rules and Administration.

H. F. No. 744: A bill for an act relating to public utilities; prohibiting certain discounts and rate reductions based on volume; providing for refund of overcharges if certain rates become effective before approval by the public service commission; removing construction in progress from rate bases; prohibiting approval of rates which make allowances for certain advertising expenses; delaying implementation of certain rate schedules; amending Minnesota Statutes 1974, Section 216B.07; 216B.16, Subdivision 2, 3 and 6, and by adding a subdivision.

Referred to the Committee on Rules and Administration.

H. F. No. 1277: A bill for an act relating to the legislature; prescribing powers and duties of the joint coordinating committee; amending Minnesota Statutes 1974, Chapter 3, by adding a section; Section 3.304, Subdivisions 1, 2, 3 and 5; and Chapter 482, by adding sections; repealing Minnesota Statutes 1974, Section 3.304, Subdivisions 4, 6 and 7.

Referred to the Committee on Rules and Administration.

H. F. No. 1107: A bill for an act relating to railroads; requiring certain railroad locomotives to have certain equipment; requiring certain records to be kept thereof; and prescribing certain duties of the department of public service in relation thereto.

Referred to the Committee on Rules and Administration.

H. F. No. 619: A bill for an act relating to commerce; providing disclosure obligations in personal solicitation of sales; providing penalties.

Referred to the Committee on Rules and Administration.

H. F. No. 629: A bill for an act relating to commerce; industrial loan and thrift companies; extending the period of maturity and increasing the size of loans in ratio to committed reserves; amending Minnesota Statutes 1974, Sections 53.04; and 53.05.

Referred to the Committee on Rules and Administration.

H. F. No. 1020: A bill for an act relating to Hennepin county; city of Minneapolis; granting authority to acquire, operate and maintain a correctional facility, work farm, or detention facilities.

Referred to the Committee on Rules and Administration.

H. F. No. 216: A bill for an act relating to estates; affairs of decedents, missing persons, protected persons, minors, incapacitated persons and certain others; revising aspects of the

law relating to wills, intestacy, administration and distribution of estates; ordering the powers and proceedings of the court and certain officials concerned with the administration of estates of decedents and others; amending Minnesota Statutes 1974, Sections 287.22; 291.07, Subdivision 2; 502.71; 508.68; 508.69; 524.1-102; 524.1-107; 524.1-108; 524.1-201; 524.1-301; 524.1-302; 524.1-303; 524.1-307; 524.1-401; 524.1-403; 524.3-101; 524.3-102; 524.3-104; 524.3-105; 524.3-108; 524.3-109; 524.3-203; 524.3-204; 524.3-301; 524.3-303; 524.3-305; 524.3-306; 524.3-310; 524.3-311; 524.3-401; 524.3-402; 524.3-403; 524.3-406; 524.3-409; 524.3-412; 524.3-413; 524.3-502; 524.3-601; 524.3-602; 524.3-603; 524.3-604; 524.3-605; 524.3-606; 524.3-609; 524.3-703; 524.3-706; 524.3-711; 524.3-715; 524.3-717; 524.3-720; 524.3-901; 524.3-906; 524.3-910; 524.3-913; 524.3-914; 524.3-915; 524.3-1001; 524.3-1008; 524.3-1101; 524.3-1203; 524.3-1204; 524.4-201; 524.4-202; 524.4-203; 524.4-204; 524.4-205; 524.4-206; 524.4-301; 524.4-303; 524.8-101; 525.02; 525.03; 525.07; 525.08; 525.091, Subdivisions 1, 2, and 4; 525.112; 525.12; 525.122; 525.15; 525.161; 525.202; 525.212; 525.215; 525.223, Subdivisions 1 and 2; 525.253, Subdivision 1; 525.393; 525.48; 525.484; 525.491; 525.51; 525.515; 525.532, Subdivisions 4 and 5; 525.551; 525.591; 525.62; 525.63; 525.64; 525.641; 525.642; 525.65; 525.652; 525.66; 525.661; 525.662; 525.67; 525.68; 525.69; 525.691; 525.692; 525.70; 525.702; 525.71; 525.83; 525.84; 525.841; 541.16; 576.142, Subdivision 5; 576.16; amending Chapter 507 by adding a section and Chapters 524 and 525, by adding sections; repealing Minnesota Statutes 1974, Sections 524.1-105; 524.1-304; 524.1-305; 524.3-304; 524.3-705; 525.18; 525.181; 525.182; 525.183; 525.184; 525.19; 525.191; 525.203; 525.211; 525.26; 525.261; 525.262; 525.27; 525.271; 525.272; 525.33; 525.39; 525.41; 525.411; 525.412; 525.413; 525.42; 525.421; 525.43; 525.431; 525.44; 525.441; 525.442; 525.45; 525.46; 525.475; 525.521; 525.522; 525.523; 525.524; 525.525; 525.526; 525.527; 525.53; 525.531; 525.701; 525.86; and 525.87.

Referred to the Committee on Rules and Administration.

H. F. No. 654: A bill for an act relating to crimes; specifying the acts constituting sexual offenses; admissibility of evidence in sex offense prosecutions; providing penalties; amending Minnesota Statutes 1974, Section 609.185; Chapter 609, by adding sections; repealing Minnesota Statutes 1974, Sections 609.29; 609.291; 609.292; 609.293; 609.295; and 609.296.

Referred to the Committee on Rules and Administration.

## RECESS

Mr. Coleman moved that the Senate do now recess until 3:10 o'clock p.m. The motion prevailed.

The hour of 3:10 o'clock p.m. having arrived, the President called the Senate to order.

**CALL OF THE SENATE**

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

Anderson	Conzemius	Humphrey	Olhoft	Schmitz
Arnold	Davies	Josefson	Olson, A. G.	Schrom
Berg	Doty	Keefe, S.	Olson, H. D.	Solon
Blatz	Fitzsimons	Kirchner	Olson, J. L.	Spear
Borden	Frederick	Kleinbaum	Patton	Stokowski
Brataas	Gearty	Kowalczyk	Perpich, A. J.	Stumpf
Brown	Hansen, Baldy	Lewis	Perpich, G.	Tennessee
Chenoweth	Hansen, Mel	McCutcheon	Pillsbury	Ueland
Chmielewski	Hanson, R.	Merriam	Renneke	Wegener
Coleman	Hughes	Moe	Schaaf	Willet

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

**SPECIAL ORDER**

Pursuant to Rule 10, Mr. Arnold, Chairman of the Committee on Finance, designated H. F. No. 1758, No. 180 on the General Orders Calendar, a Special Order to be heard immediately.

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.

**CALL OF THE SENATE**

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

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

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

Mr. Kowalczyk moved to amend the amendment placed on H. F. No. 1758 by the Committee on Finance, adopted by the Senate May 6, 1975, as follows:

Section 3, Subdivision 1, strike "\$52,034,856" and "\$53,099,194" and insert "\$53,522,856" and "\$55,817,194"

Section 3, Subdivision 1, after the last paragraph insert "Resident tuition rates will remain at the present level for the biennium ending June 30, 1977."

Section 4, Subdivision 1, strike "\$115,769,904" and "\$119,091,-870" and insert "\$116,743,904" and "\$122,973,870"

Section 4, Subdivision 1, after the last paragraph insert "Resident tuition rates will remain at the present levels for the biennium ending June 30, 1977."

Section 9, Subdivision 2, strike "\$5,000,000" and "\$6,000,000" and insert "\$4,885,000" and "\$5,467,000"

Section 9, Subdivision 3, strike "\$8,500,000" and "\$10,500,000" and insert "\$5,304,000" and "\$5,900,000"

Section 9, strike Subdivision 4 and renumber the subdivisions in sequence

Section 10, Subdivision 1, strike "\$22,839,747" and "\$23,258,-459" and insert "\$23,520,447" and "\$24,489,459"

Section 10, Subdivision 1, after the last paragraph insert "Resident tuition rates will remain at the present levels for the biennium ending June 30, 1977."

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 30 and nays 32, as follows:

Those who voted in the affirmative were:

Bang	Chmielewski	Kirchner	North	Schmitz
Berg	Dunn	Knutson	Ogdahl	Sillers
Bernhagen	Frederick	Kowalczyk	O'Neill	Solon
Blatz	Hanson, R.	Larson	Patton	Spear
Brataas	Jensen	Milton	Renneke	Stassen
Brown	Keefe, J.	Nelson	Schaaf	Ueland

Those who voted in the negative were:

Anderson	Fitzsimons	Keefe, S.	Olson, A. G.	Stumpf
Arnold	Gearty	Kleinbaum	Olson, J. L.	Tennessen
Borden	Hansen, Baldy	Lewis	Perpich, A. J.	Wegener
Chenoweth	Hansen, Mel	McCutcheon	Perpich, G.	Willet
Conzemius	Hughes	Merriam	Pillsbury	
Davies	Humphrey	Moe	Schrom	
Doty	Josefson	Olhoft	Stokowski	

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

Mr. Ueland moved to amend the amendment placed on H. F. No. 1758 by the Committee on Finance, adopted by the Senate on May 6, 1975, as follows:

After Section 3, insert a new section to read:

"Sec. 4. Subdivision 1. The State College Board shall designate the state colleges as defined in Minnesota Statutes, Section 136.01, as state universities.

Subd. 2. The designation of a state college as a state university

as provided in subdivision 1 shall in no manner affect the management or control of the state college board of the college and obligations or bonds heretofore issued by the state college board which may apply to the college.

Subd. 3. When the state college board has designated the state colleges as state universities as provided in subdivision 1, the name of the state college board shall be changed to the state university board.

Subd. 4. The state college board shall obtain the concurrence of each institution in designating the name of that institution and may use only the community or regional name, in conjunction with the phrase "state university", in the name of each institution.

Subd. 5. The state college board when it designates the state colleges as state universities as provided in subd. 1 shall give written notice to the revisor of statutes to that effect and the revisor of statutes in preparing the next and subsequent editions of Minnesota Statutes shall change the name of the "state college board" where it appears in Minnesota Statutes, Chapter 136, or any other law to "state university board", and change the name of the individual colleges to the name designated pursuant to subdivision 4."

Renumber the sections accordingly.

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 34 and nays 24, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Josefson	Laufenburger	Schaaf
Bang	Fitzsimons	Keefe, J.	Merriam	Sillers
Berg	Frederick	Kirchner	Milton	Solon
Bernhagen	Hansen, Mel	Kleinbaum	Ogdahl	Stassen
Blatz	Hanson, R.	Knutson	O'Neill	Ueland
Brataas	Humphrey	Kowalczyk	Patton	Willet
Brown	Jensen	Larson	Pillsbury	

Those who voted in the negative were:

Arnold	Davies	Moe	Olson, J. L.	Stokowski
Borden	Gearty	Nelson	Perpich, A. J.	Stumpf
Chenoweth	Hansen, Baldy	North	Perpich, G.	Tennessen
Chmielewski	Hughes	Olhoff	Schmitz	Wegener
Conzemius	Keefe, S.	Olson, A. G.	Spears	

The motion prevailed. So the amendment was adopted.

H. F. No. 1758 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 61 and nays 0, as follows:

Those who voted in the affirmative were:

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

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

### SPECIAL ORDER

Pursuant to Rule 10, Mr. Arnold, Chairman of the Committee on Finance, designated H. F. No. 1759, No. 181 on the General Orders Calendar, a Special Order to be heard immediately.

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, Subdivisions 2 and 3; repealing Minnesota Statutes 1974, Sections 33.17; 88.063, Subdivision 2; and 246.32.

### CALL OF THE SENATE

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

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

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

Mr. Kleinbaum moved to amend H. F. No. 1759, as amended by the Committee on Finance and adopted by the Senate May 6, 1975, as follows:

Sec. 31, Subd. 2, strike the last paragraph of the subdivision beginning with "The commissioner is directed"

The question being taken on the adoption of the amendment.

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

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 32 and nays 33, as follows:

Those who voted in the affirmative were:

Ashbach	Dunn	Knutson	O'Neill	Sillers
Bang	Frederick	Kowalczyk	Patton	Solon
Berg	Hansen, Baldy	Larson	Perpich, A. J.	Stassen
Bernhagen	Hansen, Mel	Laufenburger	Perpich, G.	Ueland
Brataas	Hanson, R.	McCutcheon	Pillsbury	
Brown	Keefe, J.	Olson, H. D.	Renneke	
Chmielewski	Kleinbaum	Olson, J. L.	Schrom	

Those who voted in the negative were:

Anderson	Davies	Kirchner	Ogdahl	Stokowski
Arnold	Doty	Lewis	Olhoff	Stumpf
Blatz	Fitzsimons	Merriam	Olson, A. G.	Tennessen
Borden	Gearty	Milton	Purfeerst	Wegener
Chenoweth	Jensen	Moe	Schaaf	Willet
Coleman	Josefson	Nelson	Schmitz	
Conzemius	Keefe, S.	North	Spear	

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

Mr. Brown moved to amend H. F. No. 1759, as amended by the Committee on Finance and adopted by the Senate May 6, 1975, as follows:

Sec. 18, before Subd. 2, insert the following paragraph:

"None of the appropriations in this section shall be used for the monitoring of the state legislature or any of its committees without the consent of the committee on rules and administration of the Senate as to the Senate and Senate committees, and the committee on rules and legislative administration of the House of Representatives as to the House and House committees."

Mr. Davies moved to amend the Brown amendment to H. F. No. 1759, as amended by the Committee on Finance, as follows:

The second line of the Brown amendment, after "monitoring" insert "or examining of waste basket notes"

The motion prevailed. So the amendment to the Brown amendment was adopted.

The question being taken on the adoption of the Brown amendment as amended,

And the roll being called, there were yeas 43 and nays 23, as follows:

Those who voted in the affirmative were:

Anderson	Coleman	Hanson, R.	Laufenburger	Patton
Arnold	Conzemius	Jensen	Lewis	Perpich, A. J.
Ashbach	Doty	Josefson	McCutcheon	Pillsbury
Bang	Dunn	Keefe, J.	Merriam	Renneke
Berg	Fitzsimons	Kirchner	Milton	Stassen
Bernhagen	Frederick	Kleinbaum	Nelson	Tennessen
Blatz	Gearty	Knutson	North	Ueland
Brataas	Hansen, Baldy	Kowalczyk	Olson, J. L.	
Brown	Hansen, Mel	Larson	O'Neill	

Those who voted in the negative were:

Borden	Keefe, S.	Olson, H. D.	Schrom	Stumpf
Chenoweth	Moe	Perpich, G.	Sillers	Wegener
Chmielewski	Ogdahl	Purfeerst	Solon	Willet
Davies	Olhoft	Schaaf	Spear	
Humphrey	Olson, A. G.	Schmitz	Stokowski	

The motion prevailed. So the amendment was adopted.

Mr. Brown then moved to amend H. F. No. 1759, as amended by the Committee on Finance and adopted by the Senate May 6, 1975, as follows:

After section 64, insert:

"Sec. 65. Minnesota Statutes 1974, Section 10A.07, is amended by adding a subdivision to read:

*Subd. 3. A person who has been an officer or employee of the executive branch of this state or an independent agency of this state, after his employment has ceased, shall not knowingly act as agent or attorney for anyone other than this state in connection with any judicial or other proceeding, application, request for a ruling or other determination, contract, claim, controversy, charge, accusation, arrest, or other particular matter involving a specific party or parties in which the state is a party or has a direct and substantial interest and in which he participated personally and substantially as an officer or employee, through decision, approval, disapproval, recommendation, the rendering of advice, investigation, or otherwise, while so employed. A person so employed, within one year after his employment has ceased, shall not appear personally before any court or department or agency of the state as agent, or attorney for anyone other than the state in connection with any proceeding, application, request for a ruling or other determination, contract, claim, controversy, charge, accusation, arrest, or other particular matter involving a specific party or parties in which the state is a party or directly and substantially interested, and which was under his official responsibility as an officer or employee of the state at any time within a period of one year prior to the termination of such responsibility. This subdivision does not prohibit a former officer or employee, including a former special state employee, with outstanding scientific or technological qualifications from acting as attorney or agent or appearing personally in connection with a particular matter in a scientific or technological field if the head of the department or*

agency concerned with the matter shall make a certification in writing, published in the state register, that the state interest would be served by such action or appearance by the former officer or employee. A person who violates the provisions of this subdivision is guilty of a felony and shall be fined not more than \$10,000 or imprisoned for not more than two years or both.

Sec. 66. Minnesota Statutes 1974, Section 10A.07, is amended by adding a subdivision to read:

*Subd. 4. A person who is a partner of an officer or employee of the executive branch of the state, or any independent agency of the state, shall not act as agent or attorney for anyone other than the state, in connection with any judicial or other proceeding, application, request for a ruling or other determination, contract, claim, controversy, charge, accusation, arrest, or other particular matter in which the state is a party or has a direct and substantial interest and in which such officer or employee of the state participates or has participated personally and substantially as a state employee through decision, approval, disapproval, recommendation, the rendering of advice, investigation or otherwise, or which is the subject of his official responsibility. A person who violates the provisions of this subdivision is guilty of a gross misdemeanor and shall be fined not more than \$5,000, or imprisoned for not more than one year, or both."*

Renumber the remaining sections

Amend the title amendment as follows:

Tenth line of the title amendment, after "Subdivision 2," insert "10A.07, by adding subdivisions;"

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 30 and nays 34, as follows:

Those who voted in the affirmative were:

Ashbach	Brown	Hansen, Mel	Kirchner	Patton
Bang	Dunn	Hanson, R.	Larson	Pillsbury
Berg	Fitzsimons	Jensen	Milton	Renneke
Bernhagen	Frederick	Josefson	Nelson	Schaaf
Blatz	Gearty	Keefe, J.	North	Spear
Brataas	Hansen, Baldy	Keefe, S.	Olson, J. L.	Ueland

Those who voted in the negative were:

Anderson	Doty	Lewis	O'Neill	Solon
Arnold	Hughes	Merriam	Perpich, A. J.	Stokowski
Chenoweth	Humphrey	Moe	Perpich, G.	Stumpf
Chmielewski	Kleinbaum	Ogdahl	Purfeerst	Tennessee
Coleman	Knutson	Olhoff	Schmitz	Wegener
Conzemius	Kowalczyk	Olson, A. G.	Schrom	Willet
Davies	Laufenburger	Olson, H. D.	Sillers	

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

Mr. Nelson moved to amend H. F. No. 1759, as amended by the Committee on Finance and adopted by the Senate May 6, 1975, as follows:

Sec. 11, Subdivision 1, strike "697,047" and "755,618" and insert "539,500" and "542,500"

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 17 and nays 42, as follows:

Those who voted in the affirmative were:

Bang	Brataas	Hansen, Mel	Keefe, J.	Ueland
Berg	Brown	Hanson, R.	Knutson	
Bernhagen	Dunn	Jensen	Larson	
Blatz	Frederick	Josefson	Nelson	

Those who voted in the negative were:

Anderson	Fitzsimons	Lewis	O'Neill	Stassen
Arnold	Gearty	Merriam	Perpich, A. J.	Stokowski
Borden	Hansen, Baldy	Milton	Perpich, G.	Stumpf
Chenoweth	Hughes	Moe	Pillsbury	Tennessen
Chmielewski	Humphrey	North	Purfeerst	Wegener
Coleman	Keefe, S.	Ogdahl	Schaaf	Willet
Conzemius	Kleinbaum	Olhoff	Schmitz	
Davies	Kowalczyk	Olson, A. G.	Solon	
Doty	Laufenburger	Olson, H. D.	Spear	

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

H. F. No. 1759 was read the third time, as amended, and placed on its final passage.

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

And the roll being called, there were yeas 60 and nays 6, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Berg	Brown	Jensen	Knutson	Stassen
Bernhagen				

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

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved that the Senate revert to the Order of Business of Messages From the House. The motion prevailed.

## MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1674:

H. F. No. 1674: A bill for an act relating to taxation; providing state relief to homeowners and renters for extraordinary property tax burdens; prohibiting certain escrow arrangements for tax payments; requiring interest payment on money received for payment of real estate taxes and insurance coverage; increasing market value of homesteads eligible for lower rate of assessment; providing for a four year rotation for reassessment of real property with increases in assessed valuation to be made in equal increments over the four year period; increasing and changing the calculation of local government aid to be paid for extended period; distributing certain gross earnings taxes to local governments; redefining special levies; altering means of calculation of property tax levy limitations for governmental subdivisions; providing for increases in levy limit bases of governmental subdivisions; exempting certain governmental subdivisions from levy limits; providing for reimbursement by the state to taxing districts for tax reduction granted to certain property; increasing the taconite production tax; creating a northeast Minnesota economic development and environment council; creating a northeast Minnesota economic protection fund; imposing a surtax on taconite producers which fail to meet standards for disposal of waste; creating a budget protection fund to hold excess money from the general fund and providing for transfers of money from that fund; exempting federal income tax rebates from state income taxation; modifying duties of the tax study commission; requiring payment of interest by corporations on unpaid estimated taxes; providing penalties; appropriating money; amending Minnesota Statutes 1974, Sections 270.16; 273.01; 273.011, Subdivision 6; 273.012, by adding a subdivision; 273.03, Subdivision 1; 273.061, by adding a subdivision; 273.08; 273.11, Subdivisions 1, 2 and 5, and by adding a subdivision; 273.121; 273.13, Subdivisions 6 and 7; 273.135, Subdivision 2; 273.17, Subdivision 1; 275.50, Subdivision 5; 275.51, Subdivisions 1 and 4, and by adding subdivisions; 275.52, by adding a subdivision; 275.53, Subdivision 3; 275.59; 276.01; 276.04; 294.26; 298.03; 298.24, Subdivision 1; 298.27; 298.28, Subdivisions 1 and 1a, and by adding a subdivision; 298.282, Subdivisions 1 and 2; 477A.01, Subdivisions 1, 3, 4, 5, 6, 7, 8, 9, 10, 11, 14, and 16; Chapters 273, by adding sections; and 477A, by adding a section; and Laws 1973, Chapter 601, Section 1, Subdivisions 2 and 8; repealing Minnesota Statutes 1974, Sections 273.11, Subdivision 3; 273.13, Subdivisions 14a, 15a, and 18; 275.51, Subdivisions 3 and 3a; 298.24, Subdivision 2; 298.241; 298.242; 298.281; 298.32; and 477A.01, Subdivision 13.

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

Kelly, W.; Sabo; Anderson, I.; Johnson, D. and Vanasek have been appointed as such committee on the part of the House.

House File No. 1674 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 8, 1975

Mr. Perpich, A. J. moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 1674, 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.

#### **MOTIONS AND RESOLUTIONS—CONTINUED**

Mr. Conzemius moved that H. F. No. 1009 be withdrawn from the Committee on Health, Welfare and Corrections and re-referred to the Committee on Rules and Administration. The motion prevailed.

#### **APPOINTMENTS**

Mr. Davies, from the Committee on Committees, recommended that the following named Senators be and they hereby are appointed as a Conference Committee on S. F. No. 476, pursuant to the request of the Senate:

Messrs. Stokowski, Keefe, J. and Keefe, S.

Mr. Davies moved that the foregoing appointments be approved. The motion prevailed.

Mr. Davies, from the Committee on Committees, recommended that the following named Senators be and they hereby are appointed as a Conference Committee on H. F. No. 1741, pursuant to the request of the House:

Messrs. Purfeerst, Willet, Merriam, Kirchner and Ogdahl.

Mr. Davies moved that the foregoing appointments be approved. The motion prevailed.

#### **MOTIONS AND RESOLUTIONS—CONTINUED**

Mr. Coleman moved that the Senate do now adjourn until 10:00 o'clock a.m., Friday, May 9, 1975. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate