

## SIXTY-FIFTH DAY

St. Paul, Minnesota, Monday, February 9, 1976

The Senate met at 11:45 o'clock a.m. and was called to order by the President.

## CALL OF THE SENATE

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

Arnold	Doty	Jensen	Milton	Schaaf
Ashbach	Fitzsimons	Keefe, S.	Moe	Schmitz
Bang	Frederick	Kirchner	Ogdahl	Schrom
Berg	Gearty	Kleinbaum	Olson, A. G.	Spear
Bernhagen	Hansen, Baldy	Knutson	Olson, J. L.	Stokowski
Blatz	Hansen, Mel	Kowalczyk	O'Neill	Stumpf
Chmielewski	Hanson, R.	Larson	Patton	Tennessee
Coleman	Hughes	Lewis	Pillsbury	Ueland
Davies	Humphrey	Merriam	Purfeerst	Wegener

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

Prayer was offered by the Chaplain, Rev. Phil Crum.

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

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

Messrs. Borden; Conzemius; Dunn; Josefson; Keefe, J.; Lauf-enburger; Perpich, A. J. and Perpich, G. were excused from the Session of today.

**EXECUTIVE AND OFFICIAL COMMUNICATIONS**

February 6, 1976

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. 816, An Act relating to towns; requiring towns to file financial reports with the state auditor; amending Minnesota Statutes 1974, Section 366.22.

S. F. No. 866, An Act relating to liquor; abolishing the office of liquor control commissioner and transferring the powers and duties thereof to the commissioners of public safety and revenue; amending Minnesota Statutes 1974.

S. F. No. 906, An Act relating to plats and surveys; filing and certification thereof; providing an increase in the filing fees charged by the register of deeds; amending Minnesota Statutes 1974, Section 505.08, Subdivision 2.

S. F. No. 1507, An Act relating to Ramsey County; reestablishing the office of county surveyor and abolishing the plat commission; amending Laws 1974, Chapter 435, Section 3.18, and by adding a section; and repealing Laws 1974, Chapter 435, Section 3.15.

Sincerely,  
Wendell R. Anderson, Governor

February 6, 1976

The Honorable Alec Olson  
President of the Senate  
State of Minnesota

Dear Sir:

The following appointments are hereby respectfully submitted to the Senate for confirmation as required by law:

Louis V. Zelle, 1 Teal Island Road, North Oaks, Ramsey County, has been appointed by me to the State Arts Board, effective February 6, 1976, for a term expiring January 3, 1977.

James Glazman, 1811 Vermillion Road, Duluth, St. Louis County, has been appointed by me to the State Arts Board, effective February 6, 1976, for a term expiring January 3, 1977.

Phillip Von Blon, 2121 Dwight Lane, Minnetonka, Hennepin County, has been appointed by me to the State Arts Board, effective February 6, 1976, for a term expiring January 3, 1977.

Kenneth Dayton, 392 Ferndale Road, Wayzata, Hennepin County, has been appointed by me to the State Arts Board, effective February 6, 1976, for a term expiring January 2, 1978.

Mrs. Alvinia O'Brien, 480 Grand Hill, St. Paul, Ramsey County, has been appointed by me to the State Arts Board, effective February 6, 1976, for a term expiring January 2, 1978.

Dr. Walter S. Prausnitz, 2614 - 11th Street, Moorhead, Clay County, has been appointed by me to the State Arts Board, effective February 6, 1976, for a term expiring January 1, 1979.

Miss Laura Jane Musser, 608 Highland, Little Falls, Morrison County, has been appointed by me to the State Arts Board, effective February 6, 1976, for a term expiring January 1, 1979.

Mrs. Arlene Helgeson, Route 2, North River Road, St. Cloud, Stearns County, has been appointed by me to the State Arts Board, effective February 6, 1976, for a term expiring January 1, 1979.

Mrs. Sandra Hale, 1833 Girard Avenue South, Minneapolis, Hennepin County, has been appointed by me to the State Arts Board, effective February 6, 1976, for a term expiring January 7, 1980.

Mrs. Anne Marie Plunkett, Windamere, Rochester, Olmsted County, has been appointed by me to the State Arts Board, effective February 6, 1976, for a term expiring January 7, 1980.

Dr. Alvin Zelickson, 101 Ardmore Drive, Minneapolis, Hennepin County, has been appointed by me to the State Arts Board, effective February 6, 1976, for a term expiring January 7, 1980.

Sincerely,

Wendell R. Anderson, Governor

Referred to the Committee on Transportation and General Legislation.

#### **INTRODUCTION AND FIRST READING OF SENATE BILLS**

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

Mr. Perpich, G. introduced—

S. F. No. 1968: A bill for an act relating to motor vehicles; permitting seasonal registration plates; establishing procedures; providing penalties; amending Minnesota Statutes 1974, Chapter 168, by adding a section.

Referred to the Committee on Transportation and General Legislation.

Messrs. Hansen, Baldy; and Keefe, S. introduced—

S. F. No. 1969: A bill for an act relating to public employment labor relations; establishing a procedure for the disposition of unfair labor practice claims; amending Minnesota Statutes 1974, Sections 15.0411, Subdivision 2, as amended; 15A.081, Subdivision 1, as amended; 179.64, Subdivisions 5 and 7; 179.67, Subdivisions 3 and 13; 179.68, Subdivision 1; 179.72, Subdivisions 1, 2, 3 and 4; and Chapter 179, by adding a section.

Referred to the Committee on Labor and Commerce.

Mr. Kleinbaum introduced—

S. F. No. 1970: A bill for an act relating to the city of St. Cloud; authorizing the city of St. Cloud to grant certain powers and duties to a commission, department, or director of civil rights or human relations and to subject certain areas of city government to the civil rights ordinance.

Referred to the Committee on Local Government.

Messrs. Moe, Fitzsimons and Laufenburger introduced—

S. F. No. 1971: A bill for an act relating to transportation; providing for rail transportation improvements throughout the state; creating the Minnesota rail line improvement fund; authorizing the development of a state plan for rail transportation and a feasibility study of rail line acquisition by the state or by a political subdivision of the state; appropriating money.

Referred to the Committee on Transportation and General Legislation.

Messrs. Anderson, Dunn and Humphrey introduced—

S. F. No. 1972: A bill for an act relating to education; providing standards for the education of handicapped children; requiring a hearing and appeals process; providing benefits for all handicapped children residing in the school district; amending Minnesota Statutes 1974, Section 120.17, Subdivisions 3, 4, and by adding a subdivision; and Minnesota Statutes, 1975 Supplement, Section 120.17, Subdivision 1.

Referred to the Committee on Education.

Messrs. Davies, Jensen and Merriam introduced—

S. F. No. 1973: A bill for an act relating to courts; time limitations on actions when party is outside the state; amending Minnesota Statutes 1974, Section 541.13.

Referred to the Committee on Judiciary.

Messrs. Davies, Jensen and Merriam introduced—

S. F. No. 1974: A bill for an act relating to courts; lapse of causes of action arising outside the state; amending Minnesota Statutes 1974, Section 541.14.

Referred to the Committee on Judiciary.

Messrs. Wegener, Dunn and Purfeerst introduced—

S. F. No. 1975: A bill for an act relating to agriculture; changing the duty of the commissioner of agriculture in establishing standards, grades, and price differentials for milk and cream from man-

datory to permissive; amending Minnesota Statutes 1974, Section 32.401, Subdivision 1.

Referred to the Committee on Natural Resources and Agriculture.

Messrs. Davies, Schrom and Jensen introduced—

S. F. No. 1976: A bill for an act relating to workmen's compensation; providing for third party liability; amending Minnesota Statutes 1974, Section 176.061, Subdivision 3; repealing Minnesota Statutes 1974, Section 176.061, Subdivision 10.

Referred to the Committee on Labor and Commerce.

Messrs. Davies and Keefe, S. introduced—

S. F. No. 1977: A bill for an act relating to revolving charge accounts; computation of average daily balance; amending Minnesota Statutes 1974, Section 334.16, by adding a subdivision.

Referred to the Committee on Labor and Commerce.

Messrs. Jensen, Gearty and O'Neill introduced—

S. F. No. 1978: A bill for an act relating to taxation; providing that joint property be subject to inheritance tax in an amount proportionate to the number of joint tenants; amending Minnesota Statutes 1974, Section 291.01, Subdivision 4.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Dunn, Wegener and Fitzsimons introduced—

S. F. No. 1979: A bill for an act relating to hospitals; providing for loans to medical students who agree to practice in the hospital district; amending Minnesota Statutes 1974, Chapter 447, by adding a section.

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

Mr. Kleinbaum introduced—

S. F. No. 1980: A bill for an act relating to taxation; imposing a gross earnings tax on electric utilities; amending Minnesota Statutes 1974, Section 295.01, by adding a subdivision, and Chapter 295, by adding sections; and repealing Minnesota Statutes 1974, Sections 273.36; 273.37; 273.38; 273.39; 273.40; 273.42; and Minnesota Statutes, 1975 Supplement, Section 273.41.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Laufenburger, Frederick and Chmielewski introduced—

S. F. No. 1981: A bill for an act relating to veterans affairs; applications for adjusted compensation; establishing an application time limit; extending the appropriation expiration date; amending Minnesota Statutes, 1975 Supplement, Section 197.973; and Laws 1975, Chapter 3, Section 2.

Referred to the Committee on Transportation and General Legislation.

Messrs. Olson, A. G.; Knutson and Davies introduced—

S. F. No. 1982: A bill for an act relating to insurance; providing for certain mandatory deductible offerings; amending Minnesota Statutes 1974, Section 65B.49, Subdivision 5.

Referred to the Committee on Labor and Commerce.

Mr. Chmielewski introduced—

S. F. No. 1983: A bill for an act relating to peace officer training courses; exempting part time peace officers from mandatory state peace officer's training programs; amending Minnesota Statutes 1974, Sections 626.846 and 626.847.

Referred to the Committee on Judiciary.

Mr. Borden introduced—

S. F. No. 1984: A bill for an act relating to animals; providing reimbursement to counties which incur expenses for animal care; requiring peace officers to provide care for animals found exposed; amending Minnesota Statutes 1974, Chapter 346, by adding a section; and Section 346.27, Subdivision 1.

Referred to the Committee on Natural Resources and Agriculture.

Mr. Borden introduced—

S. F. No. 1985: A bill for an act relating to public employees; providing for payment of attorney's fees necessary to obtain benefits for survivors of peace officers killed in line of duty; amending Minnesota Statutes 1974, Chapter 352E, by adding a section.

Referred to the Committee on Judiciary.

Mr. Perpich, A. J. introduced—

S. F. No. 1986: A bill for an act relating to the city of Eveleth; increase in police pensions; amending Laws 1965, Chapter 636, Section 8, as added.

Referred to the Committee on Governmental Operations.

Mr. Perpich, A. J. introduced—

S. F. No. 1987: A bill for an act relating to the city of Eveleth; firemen's pensions therein; amending Laws 1935, Chapter 208, Section 11, as added.

Referred to the Committee on Governmental Operations.

Mr. Willet introduced—

S. F. No. 1988: A bill for an act relating to crimes; providing penalties for operating a vehicle in so careless a manner as to cause death; amending Minnesota Statutes 1974, Chapter 609, by adding a section.

Referred to the Committee on Judiciary.

Mr. Willet introduced—

S. F. No. 1989: A bill for an act relating to crimes; providing penalties for the assault of a peace officer; amending Minnesota Statutes 1974, Chapter 609, by adding a section.

Referred to the Committee on Judiciary.

Messrs. Olson, J. L.; Laufenburger and Frederick introduced—

S. F. No. 1990: A bill for an act relating to highway traffic regulations; authorizing certain juveniles to drive motor vehicles on the public highways between certain hours; amending Minnesota Statutes 1974, Section 169.131.

Referred to the Committee on Transportation and General Legislation.

Messrs. Wegener, Larson and Olson, H. D. introduced—

S. F. No. 1991: A bill for an act relating to education; providing for loans to medical students on certain conditions; amending Minnesota Statutes, 1975 Supplement, Section 147.30.

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

Messrs. Doty, Stokowski and Stumpf introduced—

S. F. No. 1992: A bill for an act relating to retirement; allowing full retirement benefits to public employees attaining a certain combination of age and service; amending Minnesota Statutes 1974, Section 353.30, by adding a subdivision.

Referred to the Committee on Governmental Operations.

Messrs. Doty, Stokowski and Stumpf introduced—

S. F. No. 1993: A bill for an act relating to retirement; sur-

vivor benefits for survivors of deceased public employees; amending Minnesota Statutes 1974, Section 353.30, Subdivision 3.

Referred to the Committee on Governmental Operations.

Messrs. Doty, Stokowski and Stumpf introduced—

S. F. No. 1994: A bill for an act relating to retirement; providing cost of living increases to retired public employees and survivors thereof; amending Minnesota Statutes 1974, Chapter 353, by adding a section.

Referred to the Committee on Governmental Operations.

Messrs. Laufenburger, Ogdahl and Olson, H. D. introduced—

S. F. No. 1995: A bill for an act relating to the state transportation system; creating the Minnesota State transportation fund; appropriating money therefrom for construction and reconstruction of bridges and bridge approaches; authorizing the issuance of state bonds therefor pursuant to article XI of the constitution.

Referred to the Committee on Transportation and General Legislation.

Messrs. Willet, Larson and Chmielewski introduced—

S. F. No. 1996: A bill for an act relating to counties; authorizing county boards to furnish board and certain other services to prisoners in county jails; amending Minnesota Statutes, 1975 Supplement, Section 387.20, Subdivision 6.

Referred to the Committee on Local Government.

Messrs. Schrom, Gearty and Jensen introduced—

S. F. No. 1997: A bill for an act relating to taxation; credits on tax on fermented malt beverages; amending Minnesota Statutes 1974, Section 340.47, Subdivisions 2 and 2a.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Keefe, S.; Hansen, Mel; and Schaaf introduced—

S. F. No. 1998: A bill for an act relating to elections; providing certain changes in voter registration; amending Minnesota Statutes 1974, Sections 201.091, Subdivisions 2 and 3, and by adding a subdivision; and 201.121, Subdivision 2.

Referred to the Committee on Transportation and General Legislation.

Messrs. Keefe, S.; Hansen, Mel; and Schaaf introduced—

S. F. No. 1999: A bill for an act relating to elections; preparation

of ballots; amending Minnesota Statutes 1974, Section 208.04; repealing Minnesota Statutes 1974, Sections 208.21 to 208.35.

Referred to the Committee on Transportation and General Legislation.

Mr. Keefe, S. introduced—

S. F. No. 2000: A bill for an act relating to consumer protection; authorizing manufacturers and sellers to provide product accident benefits coverage; establishing procedures; setting standards for reimbursement of expenses incurred; requiring disclosure of certain information.

Referred to the Committee on Judiciary.

Messrs. Keefe, S.; Bang and Borden introduced—

S. F. No. 2001: A bill for an act relating to intoxicating liquors; requiring licensed importers to offer wine to licensed wholesalers and manufacturers on an equal basis; amending Minnesota Statutes 1974, Section 340.114, Subdivisions 2 and 4.

Referred to the Committee on Labor and Commerce.

Messrs. McCutcheon, Ogdahl and Chenoweth introduced—

S. F. No. 2002: A bill for an act relating to insurance; providing for interest on unpaid benefits; amending Minnesota Statutes 1974, Section 61A.03.

Referred to the Committee on Labor and Commerce.

Messrs. Ueland, Kleinbaum and Hansen, Mel introduced—

S. F. No. 2003: A bill for an act relating to retirement; mandatory retirement of state university and community college personnel; amending Minnesota Statutes 1974, Section 354.44, by adding a subdivision; and Minnesota Statutes, 1975 Supplement, Section 354.44, Subdivision 1a.

Referred to the Committee on Governmental Operations.

Messrs. Davies, Blatz and Merriam introduced—

S. F. No. 2004: A bill for an act relating to state government; providing for removal of officers who misappropriate state funds; amending Minnesota Statutes 1974, Section 10.31.

Referred to the Committee on Governmental Operations.

Messrs. Davies, Blatz and Merriam introduced—

S. F. No. 2005: A bill for an act relating to unlawful termination of life; providing that it is no defense to an action for death

by wrongful act and certain crimes that after the act constituting the basis for civil or criminal liability was committed medical treatment was withdrawn from the victim; amending Minnesota Statutes 1974, Section 573.02, by adding a subdivision; and Chapter 609, by adding a section.

Referred to the Committee on Judiciary.

Mr. Perpich, A. J. introduced—

S. F. No. 2006: A bill for an act relating to taxation; providing local option to specified counties to receive property tax payments from state for state owned land; providing an appropriation.

Referred to the Committee on Taxes and Tax Laws.

Mr. Chmielewski introduced—

S. F. No. 2007: A bill for an act relating to the city of Pine City; appropriating money for a city swimming pool under certain conditions.

Referred to the Committee on Local Government.

Messrs. Olson, H. D.; Patton and Chmielewski introduced—

S. F. No. 2008: A bill for an act relating to counties; providing that county libraries receive copies of state statutes and the state register; appropriating money; amending Minnesota Statutes 1974, Sections 15.051, by adding a subdivision; and 482.07, by adding a subdivision.

Referred to the Committee on Governmental Operations.

Messrs. Olson, H. D.; Patton and Chmielewski introduced—

S. F. No. 2009: A bill for an act relating to real estate; prescribing effect of certain acts on contract for deeds; amending Minnesota Statutes 1974, Chapter 559, by adding a section.

Referred to the Committee on Judiciary.

Messrs. Patton; Olson, H. D. and Kleinbaum introduced—

S. F. No. 2010: A bill for an act relating to unemployment compensation; prohibiting payment of benefits to persons voluntarily terminating employment without good cause; amending Minnesota Statutes, 1975 Supplement, Section 268.09, Subdivision 1.

Referred to the Committee on Labor and Commerce.

Messrs. Merriam, Dunn and Olson, H. D. introduced—

S. F. No. 2011: A bill for an act relating to game and fish;

removing lynx from the definition of unprotected animals; authorizing the commissioner of natural resources to establish a season for taking lynx; amending Minnesota Statutes 1974, Section 100.27, Subdivision 7; Minnesota Statutes, 1975 Supplement, Sections 100.26, Subdivision 1; and 100.27, Subdivision 3.

Referred to the Committee on Natural Resources and Agriculture.

Messrs. Keefe, S.; Keefe, J. and Lewis introduced—

S. F. No. 2012: A bill for an act relating to welfare; duties of the commissioner of public welfare; providing for standards for payment of the state share of medical costs for indigent persons; amending Minnesota Statutes, 1975 Supplement, Section 261.232.

Referred to the Committee on Health, Welfare and Corrections.

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

S. F. No. 2013: A bill for an act relating to the metropolitan waste control commission; limiting bonding and capital expenditures by the commission; amending Minnesota Statutes, 1975 Supplement, Sections 473.535; and 473.541, by adding a subdivision.

Referred to the Committee on Metropolitan and Urban Affairs.

Messrs. Chenoweth, Stokowski and Ogdahl introduced—

S. F. No. 2014: A bill for an act relating to retirement; increasing certain benefits and annuities; appropriating money.

Referred to the Committee on Governmental Operations.

Messrs. Bernhagen, Schmitz and Josefson introduced—

S. F. No. 2015: A bill for an act relating to taxation; compensation for collection of sales taxes; amending Minnesota Statutes 1974, Section 297A.26, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Bernhagen, Schrom and Dunn introduced—

S. F. No. 2016: A bill for an act relating to transportation; eliminating a proposed amendment to Article XIV of the state constitution; repealing Laws 1975, Chapter 203, Sections 25 and 26.

Referred to the Committee on Transportation and General Legislation.

Messrs. Spear, Ogdahl and Coleman introduced—

S. F. No. 2017: A bill for an act relating to unemployment compensation; eliminating the requirement that employees who are not participating or involved in a labor dispute be disqualified from benefits for a week; amending Minnesota Statutes, 1975 Supplement, Section 268.09, Subdivision 1.

Referred to the Committee on Labor and Commerce.

Messrs. Olhoft and Stumpf introduced—

S. F. No. 2018: A bill for an act relating to controlled substances; scheduling certain substances; amending Minnesota Statutes 1974, Section 152.02, Subdivision 5.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Stumpf and Larson introduced—

S. F. No. 2019: A bill for an act relating to commerce; regulating open contract sales; providing that the contract of sale involved in an open contract sale and a statement of its charges and payment be returned to the purchaser upon payment of the obligation.

Referred to the Committee on Labor and Commerce.

Messrs. Stumpf; Olson, H. D. and Spear introduced—

S. F. No. 2020: A bill for an act relating to landlords and tenants; providing for restrictions on penalties for late rental payments; amending Minnesota Statutes 1974, Chapter 504, by adding a section.

Referred to the Committee on Judiciary.

Messrs. Stumpf, Ogdahl and Kleinbaum introduced—

S. F. No. 2021: A bill for an act relating to unemployment compensation; excluding vacation allowance and holiday pay and certain other fringe benefits in computing weekly unemployment benefits; amending Minnesota Statutes, 1975 Supplement, Sections 268.07, Subdivision 2; and 268.08, Subdivision 3.

Referred to the Committee on Labor and Commerce.

Messrs. Stumpf; Keefe, J. and Doty introduced—

S. F. No. 2022: A bill for an act relating to motor vehicles; exempting certain vehicles from license fee requirements; amending Minnesota Statutes 1974, Section 168.012, by adding a subdivision.

Referred to the Committee on Transportation and General Legislation.

Mr. Ogdahl introduced—

S. F. No. 2023: A bill for an act relating to highways; adding a new route to the trunk highway system in substitution of an existing route.

Referred to the Committee on Transportation and General Legislation.

Mr. Ogdahl introduced—

S. F. No. 2024: A bill for an act relating to highways; adding a new route to the trunk highway system in substitution of an existing route.

Referred to the Committee on Transportation and General Legislation.

Mrs. Brataas and Messrs. Lewis and Knutson introduced—

S. F. No. 2025: A bill for an act relating to nursing homes; requiring training for certain nursing assistants.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Anderson, McCutcheon and Knutson introduced—

S. F. No. 2026: A bill for an act relating to medicine; standard of care in the medical and allied professions.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Moe introduced—

S. F. No. 2027: A bill for an act relating to natural resources; providing general condemnation power upon obtaining consent of landowner; amending Minnesota Statutes 1974, Section 84.027, by adding a subdivision.

Referred to the Committee on Natural Resources and Agriculture.

Messrs. Anderson, McCutcheon and Knutson introduced—

S. F. No. 2028: A bill for an act relating to civil procedure; admission of certain evidence in negligence actions.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Hughes, Knutson and Conzemius introduced—

S. F. No. 2029: A bill for an act relating to medical assistance; providing that filing of false claims by vendors of medical care is theft; providing a penalty; amending Minnesota Statutes, 1975 Supplement, Section 256.98.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Spear, Sillers and Merriam introduced—

S. F. No. 2030: A bill for an act relating to elections; providing for the affidavits of candidacy of candidates for judicial office; amending Laws 1975, Chapter 5, Section 12, Subdivision 1.

Referred to the Committee on Judiciary.

Mr. Moe introduced—

S. F. No. 2031: A bill for an act relating to county agricultural societies; authorizing the renewal of the period of corporate existence of certain agricultural societies whose period of duration has expired; validating acts done and contracts made subsequent to the expiration of the corporate existence.

Referred to the Committee on Local Government.

Messrs. Moe, Knutson and McCutcheon introduced—

S. F. No. 2032: A bill for an act relating to public welfare; establishing pilot programs for community mental health treatment; naming a nonprofit corporation to administer programs; appropriating money; amending Minnesota Statutes 1974, Chapter 245, by adding a section.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Keefe, S.; O'Neill and Hansen, Baldy introduced—

S. F. No. 2033: A bill for an act relating to municipalities; temporary investment of surplus funds; amending Minnesota Statutes, 1975 Supplement, Section 471.561.

Referred to the Committee on Labor and Commerce.

Messrs. Purfeerst and Frederick introduced—

S. F. No. 2034: A bill for an act relating to natural resources; authorizing the marking and designation of canoe and boating routes on the Straight river; amending Minnesota Statutes 1974, Section 85.32, Subdivision 1.

Referred to the Committee on Natural Resources and Agriculture.

Mr. Olhoft introduced—

S. F. No. 2035: A bill for an act relating to the city of Browns Valley; providing for property value assessment in the city.

Referred to the Committee on Local Government.

#### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House has adopted the

recommendation and report of the Conference Committee on Senate File No. 22, and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 22: A bill for an act relating to education; the establishment of educational cooperative service units to provide educational services and programs on a regional basis; appropriating money therefor.

Senate File No. 22 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned February 5, 1976

Mr. President:

I have the honor to announce the passage by the House of the following House File, herewith transmitted: H. F. No. 1530.

Edward A. Burdick, Chief Clerk, House of Representatives  
Transmitted February 4, 1976

Mr. President:

I have the honor to announce the passage by the House of the following House File, herewith transmitted: H. F. No. 454.

Edward A. Burdick, Chief Clerk, House of Representatives  
Transmitted February 5, 1976

#### FIRST READING OF HOUSE BILLS

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

H. F. No. 454: A bill for an act relating to game and fish; seasons and licenses for taking of game; amending Minnesota Statutes 1974, Section 98.46, Subdivisions 2 and 14; and Minnesota Statutes, 1975 Supplement, Section 100.27, Subdivision 2.

Referred to the Committee on Natural Resources and Agriculture.

H. F. No. 1530: A bill for an act relating to metropolitan land use and planning; providing certain requirements and procedures for local governmental units and school districts in the metropolitan area; providing interim zoning; amending Minnesota Statutes 1974, Section 462.365, by adding a subdivision; Minnesota Statutes, 1975 Supplement, Section 473.175.

Referred to the Committee on Rules and Administration.

#### REPORTS OF COMMITTEES

Mr. Davies moved that the Committee Reports at the Desk be

now adopted, with the exception of reports pertaining to appointments. The motion prevailed.

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

H. F. No. 404: A bill for an act relating to banks; cash reserves of banks and trust companies; recordkeeping of savings associations; amending Minnesota Statutes 1974, Sections 48.22; and 51A.19, Subdivision 4.

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

Page 4, after line 13, insert:

“Sec. 3. Minnesota Statutes 1974, Chapter 48, is amended by adding a section to read:

[48.159] [OPEN END LOAN ACCOUNT ARRANGEMENTS.] *Subdivision 1. Any bank organized under the laws of this state, any national banking association doing business in this state, and any savings bank organized and operated pursuant to Minnesota Statutes, Chapter 50, shall have the power to extend credit through an open end loan account arrangement with a debtor, pursuant to which the debtor may obtain loans from time to time by cash advances, purchase or satisfaction of the obligations of the debtor incurred pursuant to a credit card plan, or otherwise under a credit card or overdraft checking plan.*

*Subd. 2. No bank shall extend credit which would cause the total outstanding balance of the debtor on accounts created pursuant to the authority of this section to exceed \$7,500. No savings bank shall extend credit which would cause the outstanding balance of the debtor to exceed \$5,000, nor shall it extend such credit for any purposes other than personal, family or household purposes, nor shall it extend such credit to any person other than a natural person.*

*Subd. 3. A bank or savings bank may collect a periodic rate of finance charge in connection with extensions of credit pursuant to this section which does not exceed one percent per month computed on an amount no greater than the average daily balance of the account during each monthly billing cycle.*

*Subd. 4. No charges other than those provided for in subdivision 3 shall be made directly or indirectly for any credit extended under the authority of this section, except that there may be charged to the debtor:*

*(a) Annual charges, not to exceed \$15 per annum, payable in advance, for the privilege of using a bank credit card which entitled the debtor to purchase goods or services from merchants, under an arrangement pursuant to which the debts resulting from the purchases are paid or satisfied by the bank or savings bank and charged to the debtor's open end loan account with the bank or savings bank.*

*(b) Charges for premiums on credit life and credit accident and health insurance if:*

*(i) the insurance is not required by the bank or savings bank and this fact is clearly disclosed in writing to the debtor and*

*(ii) the debtor is notified in writing of the cost of such insurance and affirmatively elects, in writing, to purchase such insurance.*

*Subd. 5. If the balance in a revolving loan account under a credit card plan is attributable solely to purchases of goods or services charged to the account during one billing cycle, and the account is paid in full before the due date of the first statement issued after the end of that billing cycle, no finance charge shall be charged on that balance.*

*Subd. 6. This act shall apply to all open end credit transactions of a bank or savings bank in extending credit under an open end loan account or other open end credit arrangement with a person who is a resident of this state, regardless of the place of making or place of performance of such contractual arrangement. A term of a writing or credit card device executed or signed by a person to evidence an open end credit arrangement specifying:*

*(a) that the law of another state shall apply;*

*(b) that the person consents to the jurisdiction of another state; and*

*(c) which fixes venue,*

*is invalid with respect to open end credit transactions to which this act applies. An open end credit arrangement, made in another state with a person who was a resident of that state when the open end credit arrangement was made, is valid and enforceable in this state according to its terms to the extent that it is valid and enforceable under the laws of the state applicable to the transaction.*

*Subd. 7. Any bank or savings bank extending credit in compliance with the provisions of this act which is injured competitively by violations of this act by another bank or savings bank may institute a civil action in the district courts of this state against such bank or savings bank for an injunction prohibiting any violation of the provisions of this act. The court, upon proper proof that the defendant has engaged in the practice in violation of the provisions of this act, may enjoin the future commission of such practice. Proof of monetary damage or loss of profits is not required. Costs and attorneys' fees may be allowed to the plaintiff, unless the court otherwise directs. The relief provided in this subdivision is in addition to remedies otherwise available against the same conduct under the common law or other statutes of this state.*

*Service of process shall be as in any other civil suit, except that where a defendant in such action is a foreign corporation or a national banking association with its principal place of business in another state, service of process may also be made by personal service outside the state, or in the manner provided by section 303.13, subdivision 1, clause (3), or in such manner as the court may direct. Process is valid if it satisfies the requirements of due process of law, whether or not defendant is doing business in Minnesota regularly or habitually."*

Page 4, line 15, strike "1975" and insert "1976"

Renumber sections in sequence

Further, amend title as follows:

Page 1, line 4, after the semicolon insert "providing for open end loans; territorial restrictions; remedies for violations;"

Page 1, line 5, before the period insert "; and Chapter 48, by adding a section"

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

Mr. Perpich, A. J. from the Committee on Taxes and Tax Laws, to which was referred the following appointment as reported in the Journal for January 27, 1976:

### MINNESOTA TAX COURT

Earl Gustafson

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

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

Mr. Gearty from the Committee on Governmental Operations, to which was 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, natu-*

ral 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 deem 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 16.23 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 appointment 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 qualifies. 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 116.09. 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.

(e) (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.

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 appoint-

ment 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 laws, 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 or 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 603, 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 or 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 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, 1975 Supplement, Section 144.02, is amended to read:

144.02 [MEETINGS; OFFICERS; QUORUM.] 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, with the advice and consent of the senate, 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. [APPOINTMENT.] 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. The commissioner so appointed shall have experience in public health administration. The board of health, and any professional health organization through the board of health, may recommend to the governor names of possible appointees.*

*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 insert in lieu thereof:

"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, Subdivisions 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; 144.04; 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; Chapter 144, by adding a section; and Minnesota Statutes, 1975 Supplement, Section 144.02; 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. Hughes from the Committee on Education, to which was referred

H. F. No. 1721: 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. Report adopted.

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

S. F. No. 357: A bill for an act relating to the university of Minnesota board of regents; providing for student or recent graduate members; amending Minnesota Statutes 1974, Chapter 137, by adding a section.

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

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

H. F. No. 717: A bill for an act relating to optometric education; higher education coordinating commission; providing for a study of the availability of educational opportunities in optometry for Minnesota students.

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

Strike the Rule 49 amendment adopted by the Senate on May 10, 1975

Amend H. F. No. 717 as follows:

Page 1, line 8, strike “COMMISSION” and insert “BOARD”

Page 1, line 8, strike “commission” and insert “board”

Page 1, line 10, after “optometry” insert “and doctors of osteopathy.”

Page 1, line 10, strike “commission” and insert “board”

Page 1, line 12, after “optometrists” insert “and osteopaths”

Page 1, line 12, strike “commission” and insert “board”

Page 1, line 18, strike “commission” and insert “board”

Page 1, line 20, after “optometry” insert “or colleges of osteopathy”

Page 1, line 21, strike “commission” and insert “board”

Page 1, line 23, strike "1977" and insert "1978"

Further, amend the title as follows:

Page 1, line 2, after "optometric" insert "and osteopathic"

Page 1, line 3, strike "commission" and insert "board"

Page 1, line 5, after "optometry" insert "and osteopathy"

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

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

H. F. No. 525: A bill for an act relating to state government; creating a department of transportation; prescribing its duties and responsibilities; transferring the functions of some state departments; appropriating money; amending Minnesota Statutes 1974, Sections 43.09, Subdivision 2a; and 360.017, Subdivision 1; repealing Minnesota Statutes 1974, Sections 4.20; 161.03; and 360.014.

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

Amend the report of the Committee on Governmental Operations, adopted by the Senate February 2, 1976, as follows:

Page 3, line 31, after "plan" insert "*. The plan shall not be in conflict with a land use plan promulgated by a regional development commission prior to July 1, 1976, or with that portion of the metropolitan council comprehensive development guide relating to land use adopted by the council prior to July 1, 1976*"

Page 4, line 12, strike the comma and insert "and"

Page 4, line 12, strike "*and schedule of*"

Page 4, line 13, strike "*expenditures*"

Page 4, line 15, after "plan" strike the comma and insert "and"

Page 4, line 15, strike "*, and schedule*"

Page 4, line 16, after the period insert: "*Upon promulgation of the plan and priorities, the commissioner shall prepare and periodically revise, as necessary, the schedule of authorized public transportation expenditures. The schedule, and revisions thereto, need not be promulgated as a rule but shall not be prepared or revised without public hearings.*"

Page 14, line 16, strike "him" and insert "*the commission or the commissioner of transportation*"

Page 14, line 18, after "*classifications,*" insert "*the commission or*"

Page 14, line 18, strike "*decides*" and insert "*decide*"

Page 14, line 19, strike "*he does*" and insert "*they do*"

Page 14, line 21, strike "he" and insert "*the commission or the commissioner of transportation, as appropriate,*"

Page 14, line 24, strike "*of the commissioner*"

Page 83, line 23, strike "*commissioner*" and insert "*commission*"

Page 83, line 25, strike "*commissioner*" and insert "*commission*"

Page 83, line 28, strike "*commissioner*" and insert "*commission*"

Page 84, line 32, strike "*commissioner*" and insert "*commission*"

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

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

S. F. No. 814: A bill for an act relating to the organization and operation of state government; education; establishing a higher education governance board; transferring powers, duties and obligations of the university of Minnesota board of regents, the Minnesota higher education coordinating commission, the state college board, and the community college board to the higher education governance board.

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 136A.02, Subdivision 1, is amended to read:

136A.02 [MEMBERSHIP; OFFICERS; COMPENSATION; ADVISORY COMMITTEES.] Subdivision 1. The higher education coordinating ~~commission board~~ shall consist of eight citizen ~~12 public~~ members; ~~one from each congressional district~~, to be appointed by the governor with the advice and consent of the senate, and ~~three citizen members also to be appointed by the governor by and with the advice and consent of the senate to represent the state at large. and three members, one to be appointed by the board of regents of the University of Minnesota, one by the state university board, and one by the state board for community colleges. The executive director of the Minnesota Private College Council shall also serve as an ex-officio, nonvoting member of the board. Each congressional district shall be represented by a public member on the board.~~ All appointees to the board shall be selected for their knowledge of and interest in post secondary education and at least one *public member* shall be selected specifically for his knowledge of and interest in vocational education.

~~Citizen members of the commission on May 22, 1974 shall continue as members of the commission under the provisions of their appointments.~~

~~Except as provided in subdivision 2 All members shall be appointed for a four year term beginning on February 15 in the year~~

in which the term begins. The initial members shall be appointed in the following manner to terms ending on the following dates:

(a) the first Monday in January, 1977: four public members, one member appointed by the board of regents, and one member appointed by the state university board;

(b) the first Monday in January, 1978: four public members and one member appointed by the board for community colleges;

(c) the first Monday in January, 1979: four public members. The members representing the three boards shall be appointed to terms consistent with, to the extent possible, their terms on their respective boards. Vacancies in on the ~~commission~~ board shall be filled by appointments for the unexpired term. All members shall serve until their successors are appointed and have qualified.

Sec. 2. Minnesota Statutes 1974, Section 136A.02, Subdivision 2, is amended to read:

Subd. 2. The members of the first higher education coordinating ~~commission~~ who are appointed by the governor with the advice and consent of the senate shall be appointed as follows: four of the citizen members appointed by the governor with the advice and consent of the senate shall be appointed for a term ending February 15, 1967, and the remaining four for a term ending February 15, 1969. The first members of the ~~commission~~ appointed by the governor as citizen members to represent the state at large shall be appointed for terms ending February 15, 1975. A member may be removed by his appointing authority at any time (1) for cause, after notice and hearing, or (2) after missing three consecutive meetings. The president of the board shall inform the appointing authority of a member missing the three consecutive meetings. After the second consecutive missed meeting and before the next meeting, the secretary of the board shall notify the member in writing that he may be removed if he misses the next meeting.

Sec. 3. Minnesota Statutes 1974, Section 136A.02, Subdivision 4, is amended to read:

Subd. 4. Members of the higher education coordinating ~~commission board~~ shall ~~serve without compensation~~ be compensated at the rate of \$50 per day spent on board activities, when authorized by the board. They shall be reimbursed; however, in addition for travel, subsistence, and other reasonable expenses incurred in the performance of their duties in the same manner and in the same amounts as other state officers and employees are reimbursed. Members who are full time state employees or full time employees of the political subdivisions of the state shall not receive the \$50 per day, but they shall suffer no loss in compensation or benefits from the state or a political subdivision as a result of their service on the board. Members who are full time state employees or full time employees of the political subdivisions of the state may receive the expenses provided for in this subdivision unless the expenses are reimbursed by another source.

Sec. 4. Minnesota Statutes, 1975 Supplement, Section 136A.04, is amended to read:

136A.04 [DUTIES.] The higher education coordinating ~~commission~~ board shall:

(a) Continuously study and analyze all phases and aspects of higher education, both public and private, and develop necessary plans and programs to meet present and future needs of the people of the state in respect thereto;

(b) Continuously engage in long range planning of the needs of higher education and, if necessary, cooperatively engage in such planning with neighboring states and agencies of the federal government;

(c) Act as successor to any committee or commission heretofore authorized to engage in exercising any of the powers and duties prescribed by sections 136A.01 to 136A.07;

(d) Review, make recommendations and identify priorities with respect to all plans and proposals for new or additional programs of instruction or substantial changes in existing programs to be established in or offered by, the University of Minnesota, the state colleges *universities*, the community colleges, and public area vocational-technical institutes, and private collegiate and non-collegiate institutions offering post-secondary education, and periodically review existing programs offered in or by the above institutions and recommend discontinuing or modifying any existing program, the continuation of which is judged by the ~~commission~~ board as being unnecessary or a needless duplication of existing programs;

(e) Develop in cooperation with the post-secondary systems, committee on appropriations of the house of representatives, committee on finance of the senate, and the departments of administration and finance a compatible budgetary reporting format designed to provide data of a nature to facilitate systematic review of the budget submissions of the university of Minnesota, the state college *university* system, the state community college system and the public vocational technical schools; and which includes the relating of dollars to program output;

(f) *Review and comment on budget requests, including plans for construction and acquisition of facilities, of the public post-secondary vocational-technical schools for the purpose of relating present resources and higher educational programs to the state's present and long range needs;*

~~(f)~~ (g) *Review and approve, disapprove, or modify budget requests, including plans for construction or acquisition of facilities, of the university of Minnesota, the state colleges, universities and the state community colleges, and public vocational-technical schools for the purpose of relating present resources and higher educational programs to the state's present and long range needs; and conduct a continuous analysis of the financing of post-secondary institutions and systems, including the assessments as to the extent to which the expenditures and accomplishments are consistent with legislative intent;*

(h) *Make unified presentations to the legislature of the budget requests, as approved or modified by the board, of the University of Minnesota, the state universities, and the state community colleges;*

~~(g)~~ (i) Obtain from private post-secondary institutions receiving state funds a report on their use of those funds.

Sec. 5. Minnesota Statutes, 1975 Supplement, Section 136A.05, is amended to read:

136A.05 [COOPERATION OF INSTITUTIONS OF HIGHER EDUCATION.] All institutions of higher education, public and private, and all state departments and agencies are requested to *shall* cooperate with and supply written information requested by the higher education coordinating ~~commission~~ *board* in order to enable it to carry out and perform its duties.

Sec. 6. Minnesota Statutes 1974, Section 136A.07, is amended to read:

136A.07 [REPORTS.] *Subdivision 1.* The higher education coordinating ~~commission~~ *board* shall report to the governor concerning its activities from time to time and may report in connection therewith to the governing body of each institution of higher education in the state, both public and private. It shall file a formal report with the governor not later than October 15 of each even numbered year so that the information therein contained, including recommendations, *approvals, disapprovals, and modifications of budget requests*, may be embodied in the governor's budget message to the legislature. It shall also report to the legislature not later than November 15 of each even numbered year.

*Subd. 2.* *The higher education coordinating board shall study higher education and shall make specific recommendations concerning it to the legislature in at least the following areas:*

(a) *graduate and undergraduate credit transfer policies, including the collegiate transfer course standards employed by the post-secondary vocational-technical educational system;*

(b) *comparable funding for comparable programs and comparable teaching loads and salaries for faculty based on comparable experience and qualifications;*

(c) *methods to encourage the lateral movement of faculty and students between the various post-secondary educational institutions; and*

(d) *staffing patterns at the various institutional and system levels, both academic and administrative, which may lead to inefficiency or duplication of effort.*

*In the course of its study, the board shall solicit the views of the administrators, faculty, and students at affected institutions. The board shall report its preliminary findings quarterly to a joint meeting of the appropriate education committees of the senate and the house of representatives. The final report of the board shall be presented prior to January 15, 1978.*

Sec. 7. *The membership of the higher education coordinating board as constituted in section 1 of this act shall replace and supersede the membership of the board as constituted prior to the effective date of this act.*

Sec. 8. [EFFECTIVE DATES.] *Sections 1, 2, 3, 5, 7, 8 and 9 shall be effective the day following final enactment. Sections 4 and 6 shall be effective April 1, 1978.*

Sec. 9. *There is appropriated from the general fund in the state treasury to the higher education coordinating board the sum of \$90,000. This appropriation shall be added to that appropriated in Laws 1975, Chapter 433, Section 10, Subdivision 1."*

Further, amend the title as follows:

Page 1, line 3, strike "establishing a higher" and insert "changing the membership of the higher education coordinating board; establishing new duties for the board; providing per diem, appropriating money; amending Minnesota Statutes 1974, Sections 136A.02, Subdivisions 1, 2, and 4; 136A.07; and Minnesota Statutes, 1975 Supplement, Sections 136A.04 and 136A.05."

Page 1, strike lines 4 to 9

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

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which was referred the following appointment as reported in the Journal for January 29, 1976:

#### GILLETTE HOSPITAL AUTHORITY

Herbert G. Lancaster

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

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

Mr. Conzemius from the Committee on Health, Welfare and Corrections, to which were referred the following appointments as reported in the Journal for January 29, 1976:

#### STATE BOARD OF HEALTH

Michael Keable

Burton D. Magnuson

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

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

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

S. F. No. 1704: A bill for an act relating to motor vehicles; defining terms; providing for the licensure and regulation of certain motor vehicle dealers; prescribing penalties; appropriating money; amending Minnesota Statutes 1974, Section 168.27.

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

Page 6, line 23, after "*with*" strike "*adequate space to display*"

Page 6, strike lines 24 and 25

Page 6, line 26, strike "*building; and*"

Page 7, line 9, strike "*with adequate space for the display of*"

Page 7, line 10, strike "*motor vehicles, either inside or outside the building;*"

Page 10, line 26, strike "*made*" and insert "*been convicted of making*"

Page 10, line 27, strike "*violated*" and insert "*been convicted of violating*"

Page 10, line 29, strike "*violated*" and insert "*been convicted of violating*"

Page 10, line 31, strike "*violated*" and insert "*been convicted of violating*"

Page 16, line 9, after "*hire*" insert "*(except to dealership employees)*"

Page 16, line 32, strike "*Upon the*"

Page 17, strike lines 1 through 13

Page 21, line 12, after "*of*" strike "*\$3,000 to run to the state of Minnesota*" and insert "*\$10,000*"

Page 21, line 17, after "*Minnesota*" insert "*and any purchaser of a motor vehicle for any monetary loss caused by failure of the licensee to meet the obligations enumerated above*"

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

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

S. F. No. 1848: A bill for an act relating to insurance; including surety bonds within the scope of the Minnesota insurance guaranty association act; amending Minnesota Statutes 1974, Sections 60C.02, Subdivisions 1 and 2; 60C.03, Subdivision 4; 60C.04; 60C.09, Subdivision 1; 60C.14, Subdivision 2.

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. 1865: A bill for an act relating to insurance; providing a counter-signature commission; amending Minnesota Statutes 1974, Section 60A.17, Subdivision 3.

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

Page 1, line 15, after "risk." insert:

*"If the law of another state requires Minnesota resident agents to pay a portion of the premium to or share commissions with a licensed non-resident agent,"*

Page 1, line 17, after "agent" insert "of that state"

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 re-referred

S. F. No. 830: A bill for an act relating to health care; requiring certain insurance policies and health care plans to provide benefits for health care services rendered in free standing ambulatory surgical centers.

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

Page 1, line 22 strike "1975" and insert "1976"

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. 945: A bill for an act relating to employment services; unemployment compensation; excluding and exempting family farm corporation officers from certain provisions; amending Minnesota Statutes 1974, Section 268.04, Subdivision 12, and by adding a subdivision.

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

Page 1, line 8, strike "1974" and insert ", 1975 Supplement"

Pages 1 to 14, strike all of subdivision 12 and insert:

"Subd. 12. "Employment" means: (1) Subject to the other provisions of this subdivision "employment" means service performed prior to January 1, 1945, which was employment as defined in this section prior to such date, and any service performed after December 31, 1944, including service in interstate commerce, by an individual who is a servant under the law of master and servant or who performs services for any employing unit, unless such services are performed by an independent contractor. Any service performed, including service in interstate commerce, by

(a) any officer of a any corporation other than a family farm corporation; or

(b) any individual other than an individual who is an employee under clause (a) who performs services for remuneration for any person as an agent-driver or commission-driver engaged in distributing meat products, vegetable products, fruit products, bakery products, beverages (other than milk), or laundry or dry-cleaning services, for his principal, or as a traveling or city salesman, other than as an agent-driver or commission-driver, engaged upon a fulltime basis in the solicitation on behalf of, and the transmission to, his principal (except for sideline sales activities on behalf of some other person) of orders from wholesalers, retailers, contractors, or operators of hotels, restaurants, or other similar establishments for merchandise for resale or supplies for use in their business operations;

Provided, that for purposes of clause (1) (b), the term "employment" shall include services described above performed after December 31, 1971, only if the contract of service contemplates that substantially all of the services are to be performed personally by such individual, the individual does not have a substantial investment in facilities used in connection with the performance of the services (other than in facilities for transportation), and the services are not in the nature of a single transaction that is not part of a continuing relationship with the person for whom the services are performed.

(2) The term "employment" shall include an individual's entire service, performed within or both within and without this state if (a) the service is localized in this state; or (b) the service is not localized in any state but some of the service is performed in this state and (1) the base of operations, or, if there is no base of operations, then the place from which such service is directed or controlled, is in this state; (2) the base of operations or place from which such service is directed or controlled is not in any state in which some part of the service is performed, but the individual's residence is in this state.

(3) Service shall be deemed to be localized within a state if (a) the service is performed entirely within such state; or (b) the service is performed both within and without such state, but the service performed without such state is incidental to the individual's service within the state, for example, is temporary or transitory in nature or consists of isolated transactions.

(4) After December 31, 1971, the term "employment" shall include an individual's service wherever performed within the United States, the Virgin Islands or Canada, if

(a) Such service is not covered under the unemployment compensation law of any other state, the Virgin Islands or Canada, and

(b) The place from which the service is directed or controlled is in this state.

(5) (a) Service covered by an election pursuant to section 268.11, subdivision 3; and

(b) Service covered by an arrangement pursuant to section

268.13 between the commissioner and the agency charged with the administration of any other state or federal employment security law, pursuant to which all service performed by an individual for an employing unit is deemed to be performed entirely within this state, shall be deemed to be employment if the commissioner has approved an election of the employing unit for which such service is performed, pursuant to which the entire service of such individual during the period covered by such election is deemed to be employment.

(6) Notwithstanding any inconsistent provisions of sections 268.03 to 268.24, the term "employment" shall include any services which are performed by an individual with respect to which an employing unit is liable for any federal tax against which credit may be taken for contributions required to be paid into a state unemployment compensation fund or which as a condition for full tax credit against the tax imposed by the federal unemployment tax act is required to be covered under this law.

(7) Service performed after July 1, 1957, by an individual for the state of Minnesota or any instrumentality which is wholly owned by the state of Minnesota or in the employ of this state and one or more other states or their instrumentalities.

(8) Service performed after January 1, 1974, by an individual for any political subdivision of the state of Minnesota or instrumentality thereof.

(a) The provisions of section 268.08, subdivision 5, shall apply to service covered by this section.

(b) The amounts required to be paid in lieu of contributions by any political subdivision shall be billed and payment made as provided in section 268.06, subdivision 28, clause (2), with respect to similar payments by nonprofit organizations.

(9) Service performed after December 31, 1971, by an individual in the employ of a religious, charitable, educational or other organization but only if the following conditions are met:

(a) the service is excluded from "employment" as defined in the federal unemployment tax act solely by reason of section 3306(c) (8) of that act; and

(b) the organization had one or more individuals in employment for some portion of a day in each of 20 different weeks, whether or not such weeks were consecutive, within either the current or preceding calendar year, regardless of whether they were employed at the same moment of time.

(10) For the purposes of clauses (7), (8), and (9), the term "employment" does not apply to service performed

(a) in the employ of a church or convention or association of churches, or an organization which is operated exclusively for religious purposes and which is operated, supervised, controlled, or principally supported by a church or convention or association of churches; or

(b) by a duly ordained, commissioned, or licensed minister of a church in the exercise of his ministry or by a member of a religious order in the exercise of duties required by such order; or

(c) in a facility conducted for the purpose of carrying out a program of rehabilitation for individuals whose earning capacity is impaired by age or physical or mental deficiency or injury or providing remunerative work for individuals who because of their impaired physical or mental capacity cannot be readily absorbed in the competitive labor market by an individual receiving such rehabilitation or remunerative work; or

(d) as part of an unemployment work relief or work training program assisted or financed in whole or in part by any federal agency or an agency of a state or political subdivision thereof, by an individual receiving such work relief or work training; or

(e) for a hospital in a state prison or other state correctional institution by an inmate of the prison or correctional institution.

(11) The term "employment" shall include the service of an individual who is a citizen of the United States, performed outside the United States (except in Canada or the Virgin Islands), after December 31, 1971, in the employ of an American employer (other than service which is deemed "employment" under the provisions of clauses (2), (3), or (4) or the parallel provisions of another state's law) if:

(a) The employer's principal place of business in the United States is located in this state; or

(b) The employer has no place of business in the United States, but the employer is an individual who is a resident of this state, or the employer is a corporation which is organized under the laws of this state, or the employer is a partnership or a trust and the number of partners or trustees who are residents of this state is greater than the number who are residents of any one other state; or

(c) None of the criteria of (a) and (b) of this clause is met but the employer has elected coverage in this state, or the employer having failed to elect coverage in any state, the individual has filed a claim for benefits, based on such service, under the law of this state.

(d) An "American employer," for the purposes of this subdivision, means a person who is an individual who is a resident of the United States, or a partnership if two thirds or more of the partners are residents of the United States, or a trust, if all of the trustees are residents of the United States, or a corporation organized under the laws of the United States or of any state;

(e) As used in this subdivision, the term "United States" includes the states, the District of Columbia, and the Commonwealth of Puerto Rico.

(12) Notwithstanding clause (1), all service performed after the effective date of this subdivision by an officer or member

of the crew of an American vessel on or in connection with such vessel, if the operating office, from which the operations of such vessel operating on navigable waters within, or within and without, the United States are ordinarily and regularly supervised, managed, directed and controlled is within this state.

(13) The term "employment" shall not include:

(a) Agricultural labor. The term "agricultural labor" includes all services performed subsequent to December 31, 1939:

(1) On a farm, in the employ of any person or *family farm corporation*, in connection with cultivating the soil, or in connection with raising or harvesting any agricultural or horticultural commodity, including the raising, shearing, feeding, caring for, training, and management of livestock, bees, poultry, fur-bearing animals and wildlife.

(2) In the employ of the owner or tenant or other operator of a farm, in connection with the operation, management, conservation, improvement, or maintenance of such farm and its tools and equipment, or in salvaging timber or clearing land of brush and other debris left by a tornadic-like storm, if the major part of such service is performed on a farm;

(3) In connection with the production or harvesting of any commodity defined as an agricultural commodity in section 15(g) of the agricultural marketing act, as amended (46 Stat. 1550, sec. 3; 12 U.S.C. 1141j) or in connection with the ginning of cotton, or in connection with the operation or maintenance of ditches, canals, reservoirs, or waterways, not owned or operated for profit, used exclusively for supplying and storing water for farming purposes;

(4) In the employ of the operator of a farm in handling, planting, drying, packing, packaging, processing, freezing, grading, storing, or delivering to storage or to market or to a carrier for transportation to market, in its unmanufactured state, any agricultural or horticultural commodity; but only if such operator produced more than one half of the commodity with respect to which such service is performed, or in the employ of a group of operators of farms (or a cooperative organization of which such operators are members) in the performance of service described herein, but only if such operators produced more than one half of the commodity with respect to which such service is performed; however, the provisions of this paragraph shall not be deemed to be applicable with respect to service performed in connection with commercial canning or commercial freezing or in connection with any agricultural or horticultural commodity after its delivery to a terminal market for distribution for consumption; or

(5) On a farm operated for profit if such service is not in the course of the employer's trade or business or is domestic service in a private home of the employer.

As used herein, the term "farm" includes stock, dairy, poultry, fruit, fur-bearing animal, and truck farms, plantations, ranches,

nurseries, ranges, greenhouses or other similar structures used primarily for the raising of agricultural or horticultural commodities, and orchards.

Notwithstanding the provisions of clause (13) (a) (1), (2), (3), (4) and (5), services performed after January 1, 1974, for an employing unit which has four or more persons, *excluding the officers of the corporation if the employing unit is a family farm corporation*, performing services in agricultural labor for some portion of a day in each of 20 different weeks, whether or not such weeks were consecutive, within either the current or preceding calendar year, regardless of whether they were employed at the same moment of time, shall not be excluded from the term "employment".

(b) Domestic service in a private home, local college club, or local chapter of a college fraternity or sorority;

(c) Casual labor not in the course of the employing unit's trade or business;

(d) Service performed on the navigable waters of the United States as to which this state is prohibited by the constitution and laws of the United States of America from requiring contributions of employers with respect to wages as provided in sections 268.03 to 268.24;

(e) Service performed by an individual in the employ of his son, daughter, or spouse, and service performed by a child under the age of 18 in the employ of his father or mother;

(f) Service performed in the employ of the United States government, or any instrumentality of the United States exempt under the constitution of the United States from the contributions imposed by sections 268.03 to 268.24, except that with respect to such service performed subsequent to December 31, 1939, and to the extent that the congress of the United States shall permit states to require any instrumentalities of the United States to make payments into an unemployment compensation fund under a state unemployment compensation act: then, to the extent permitted by congress, and from and after the date as of which such permission becomes effective, all of the provisions of these sections shall be applicable to such instrumentalities and to services performed for such instrumentalities in the same manner, to the same extent, and on the same terms as to all other employers, employing units, individuals, and services; provided, that if this state shall not be certified for any year by the United States department of labor under section 3304(c) of the federal internal revenue code, the payments required of such instrumentalities with respect to such year shall be refunded by the commissioner from the fund in the same manner and within the same period as is provided in section 268.16, subdivision 6, with respect to contributions erroneously collected;

(g) Service with respect to which unemployment compensation is payable under an unemployment compensation system established by an act of congress;

(h) (1) Service performed in any calendar quarter in the employ of any organization exempt from income tax under section 501(a) (other than an organization described in section 401(a)) or section 521 of the federal internal revenue code, if the remuneration for such service is less than \$50; or

(2) Service performed in the employ of a school, college, or university, if such service is performed by a student who is enrolled and is regularly attending classes at such school, college, or university; or

(3) Service performed by an individual under the age of 22 who is enrolled at a nonprofit or public educational institution which normally maintains a regular faculty and curriculum and normally has a regularly organized body of students in attendance at the place where its educational activities are carried on as a student in a fulltime program, taken for credit at such institution, which combines academic instruction with work experience, if such service is an integral part of such program, and such institution has so certified to the employer, except that this paragraph shall not apply to service performed in a program established for or on behalf of an employer or group of employers;

(i) Service performed in the employ of a foreign government (including service as a consular or other officer or employee or a nondiplomatic representative);

(j) Service performed in the employ of an instrumentality wholly owned by a foreign government, if

(1) The service is of a character similar to that performed in foreign countries by employees of the United States government or of an instrumentality thereof; and

(2) The commissioner finds that the United States secretary of state has certified to the United States secretary of the treasury that the foreign government, with respect to whose instrumentality exemption is claimed, grants an equivalent exemption with respect to similar service performed in the foreign country by employees of the United States government and of instrumentalities thereof.

(k) Service covered by an arrangement between the commissioner and the agency charged with the administration of any other state or federal employment security law pursuant to which all services performed by an individual for an employing unit during the period covered by such employing unit's duly approved election, are deemed to be performed entirely within such agency's state;

(l) Service performed in the employ of a hospital, if such service is performed by a patient of the hospital, as defined in clause (16);

(m) Service performed subsequent to December 31, 1940, as a student nurse in the employ of a hospital or a nurses' training school by an individual who is enrolled and is regularly attending classes in a nurses' training school chartered and approved pursu-

ant to state law; and service performed as an intern in the employ of a hospital by an individual who has completed a four years' course in a medical school chartered and approved pursuant to state law;

(n) Service performed subsequent to December 31, 1940, by an individual for a person as an insurance agent or as an insurance solicitor, if all such service performed by such individual for such person is performed for remuneration solely by way of commission (the word "insurance" as used in this subdivision shall include an annuity and an optional annuity);

(o) Service performed by an individual under the age of 18 in the delivery or distribution of newspapers or shopping news, not including delivery or distribution to any point for subsequent delivery or distribution;

(p) Service performed by an individual for a person as a real estate salesman, if all such service performed by such individual for such person is performed for remuneration solely by way of commission;

(q) If the service performed subsequent to December 31, 1940, during one half or more of any pay period by an individual for the person employing him constitutes employment, all the service of such individual for such period shall be deemed to be employment; but if the service performed during more than one half of any such pay period by an individual for the person employing him does not constitute employment, then none of the service of such individual for such period shall be deemed to be employment. As used in this subdivision, the term "pay period" means a period (of not more than 31 consecutive days) for which a payment or remuneration is ordinarily made to the individual by the person employing him.

(14) Except when performed for an institution of higher education, as defined in clause (15), or a hospital, as defined in clause (16), the term "employment" as applied to services performed by an individual for the state of Minnesota or any instrumentality wholly owned by the state, except political subdivisions or instrumentalities thereof, shall not include the following:

(a) Service performed by elected public officials and unclassified employees appointed for a definite term and employees of the legislature or a legislative commission employed as temporary employees, except after December 31, 1971, this exclusion shall not apply to service performed by unclassified employees in an instructional, research, or principal administrative capacity in an institution of higher education or a hospital;

(b) Service performed prior to January 1, 1972, by a faculty member in the employ of a university, college, school or any other institution of higher education which is supported wholly or substantially by public funds;

(c) Service performed by members of the Minnesota national guard when ordered to duty for military assignments;

(d) Service performed in the employ of the state natural resources department directly and solely in connection with emergency fire fighting, including but not limited to those persons temporarily employed for the purpose of detecting, locating, or suppressing forest fires.

(15) "Institution of higher education," for the purposes of this subdivision, means an educational institution which:

(a) Admits as regular students only individuals having a certificate of graduation from a high school, or the recognized equivalent of such a certificate;

(b) Is legally authorized in this state to provide a program of education beyond high school;

(c) Provides an educational program for which it awards a bachelor's or higher degree, or provides a program which is acceptable for credit toward such a degree, a program of post-graduate or post-doctoral studies, or a program of training to prepare students for gainful employment in a recognized occupation; and

(d) Is a public or other nonprofit institution.

(e) Notwithstanding any of the foregoing provisions of this clause, all colleges and universities in this state are institutions of higher education for purposes of this section.

(16) "Hospital" means an institution which has been licensed, certified or approved by the department of health as a hospital."

Amend the title as follows:

Line 5, strike "1974" and insert ", 1975 Supplement"

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

Mr. Coleman from the Committee on Rules and Administration, to which was referred H. F. No. 1977 for comparison to companion Senate Files, reports the following House File was found identical and recommends the House File be given its Second Reading and substituted for its companion Senate File as follows:

<b>CALENDAR OF</b>					
<b>GENERAL ORDERS</b>		<b>ORDINARY MATTERS</b>		<b>CALENDAR</b>	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1977	1840				

And that the above Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

#### SECOND READING OF SENATE BILLS

S. F. Nos. 357, 1848, 1865 and 830 were read the second time.

### SECOND READING OF HOUSE BILLS

H. F. Nos. 404, 109, 1721, 717, 945 and 1977 were read the second time.

### MOTIONS AND RESOLUTIONS

Mr. Gearty moved that the name of Mr. Spear be added as co-author to S. F. No. 1796. The motion prevailed.

Mr. Fitzsimons moved that the name of Mr. Perpich, A. J. be added as co-author to S. F. No. 1816. The motion prevailed.

Mr. McCutcheon moved that the name of Mr. Olhoff be added as co-author to S. F. No. 1860. The motion prevailed.

Mr. Gearty moved that the name of Mr. Stumpf be added as co-author to S. F. No. 1878. The motion prevailed.

### SUSPENSION OF RULES

Mr. Anderson moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to H. F. No. 1977 and that the rules of the Senate be so far suspended as to give H. F. No. 1977, now on General Orders, its third reading and place it on its final passage. The motion prevailed.

H. F. No. 1977: A bill for an act relating to the operation of government; changing the qualification for community school programs aid and for certain proceeds of the supplementary tax on taconite and iron sulphides; clarifying the provisions for certain reductions of foundation aid; sanctioning the reduction of certain levies and authorizing certain transfers of funds; amending Minnesota Statutes, 1975 Supplement, Sections 124.271, Subdivision 1; and 298.244, 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 56 and nays 1, as follows:

Those who voted in the affirmative were:

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

Mr. Arnold voted in the negative.

So the bill passed and its title was agreed to.

**MOTIONS AND RESOLUTIONS—CONTINUED**

Mr. Arnold moved that S. F. No. 661 be withdrawn from the Committee on Finance and re-referred to the Committee on Transportation and General Legislation. The motion prevailed.

Mr. Coleman moved that the Senate do now adjourn until 10:00 o'clock a.m., Thursday, February 12, 1976. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate