

EIGHTY-SECOND DAY

St. Paul, Minnesota, Thursday, March 4, 1976

The Senate met at 9:30 o'clock a.m. and was called to order by the President.

CALL OF THE SENATE

Mr. Coleman imposed a call of the Senate for the balance of today's proceedings. The following Senators answered to their names:

Arnold	Doty	Keefe, J.	Milton	Sillers
Berg	Fitzsimons	Keefe, S.	Olson, J. L.	Solon
Bernhagen	Gearty	Kirchner	Patton	Spear
Blatz	Hansen, Baldy	Kleinbaum	Pillsbury	Stassen
Borden	Hansen, Mel	Knutson	Purfeerst	Stokowski
Brataas	Hanson, R.	Kowalczyk	Renneke	Stumpf
Coleman	Hughes	Larson	Schaaf	Ueland
Conzemius	Humphrey	Lewis	Schmitz	Wegener
Davies	Jensen	McCutcheon	Schrom	Willet

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

Prayer was offered by the Chaplain, Rev. Alden Lynch.

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

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

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. Frederick and Merriam were excused from the Session of today. Mr. Hughes was excused from the Session of today at 12:30 o'clock p.m.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

February 25, 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:

Rebecca Knittle, 4656 Clinton Avenue South, Minneapolis, Hennepin County, has been appointed by me to the State Board of Human Rights, effective February 25, 1976, for a term expiring January 1, 1977.

Anna Lawler, 768 Lower Colonial Drive, St. Paul, Ramsey County, has been appointed by me to the State Board of Human Rights, effective February 25, 1976, for a term expiring January 1, 1978.

Melda Hedblom, 1801 Summit Avenue, St. Paul, Ramsey County, has been appointed by me to the State Board of Human Rights, effective February 25, 1976, for a term expiring January 1, 1979.

James Willis, 3216 First Avenue South, Minneapolis, Hennepin County, has been appointed by me to the State Board of Human Rights, effective February 25, 1976, for a term expiring January 1, 1979.

Raul Salazar, 7900 Xerxes Avenue South, Minneapolis, Hennepin County, has been appointed by me to the State Board of Human Rights, effective February 25, 1976, for a term expiring January 1, 1979.

Walter Dziedzic, 2727 Cleveland, Minneapolis, Hennepin County, has been appointed by me to the State Board of Human Rights, effective February 25, 1976, for a term expiring January 1, 1979.

Tollie Joe Flippin, Jr., 3309 Second Avenue South, Minneapolis, Hennepin County, has been appointed by me to the State Board of Human Rights, effective February 25, 1976, for a term expiring January 1, 1979.

Duane Korbel, 8129 Rhode Island Circle, Bloomington, Hennepin County, has been appointed by me to the State Board of Human Rights, effective January 1, 1976, for a term expiring January 1, 1979.

Cathy Clardy, 116 Circle High Drive, Burnsville, Dakota County, has been appointed by me to the State Board of Human Rights, effective January 1, 1976, for a term expiring January 1, 1979.

Manuel Guerrero, 806 Osceola Avenue, St. Paul, Ramsey County, has been appointed by me to the State Board of Human Rights, effective January 1, 1976, for a term expiring January 1, 1979.

Mary Lou Hill, 432 Oliver Avenue South, Minneapolis, Hennepin County, has been appointed by me to the State Board of Human Rights, effective January 1, 1976, for a term expiring January 1, 1979.

Branch Miller, 1530 South Sixth Street, Minneapolis, Hennepin County, has been appointed by me to the State Board of Human Rights, effective January 1, 1976, for a term expiring January 1, 1979.

Jose Trejo, 841 Delaware Avenue, St. Paul, Ramsey County, has been appointed by me to the State Board of Human Rights, effective January 1, 1976, for a term expiring January 1, 1979.

Ilene Jean Atwood, 5413 London Road, Duluth, St. Louis County, has been appointed by me to the State Board of Human Rights, effective January 1, 1976, for a term expiring January 1, 1979.

Sincerely,
Wendell R. Anderson, Governor

Referred to the Committee on Governmental Operations.

February 23, 1976

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

The Honorable Alec G. Olson
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1976 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S. F. No.	H. F. No.	Session Laws Chapter No.	Date Approved 1976	Date Filed 1976
234		10	February 20	February 20
370		11	February 20	February 20
1405		12	February 20	February 20
1510		13	February 20	February 20
1541		14	February 20	February 20
1584		15	February 20	February 20
1647		16	February 20	February 20

S. F. No.	H. F. No.	Session Laws Chapter No.	Date Approved 1976	Date Filed 1976
	1145	17	February 20	February 20
	1977	18	February 20	February 20

Sincerely,

Joan Anderson Growe
Secretary of State

March 1, 1976

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

The Honorable Alec G. Olson
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1976 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S. F. No.	H. F. No.	Session Laws Chapter No.	Date Approved 1976	Date Filed 1976
1949		19	March 1	March 1
	2331	20	March 1	March 1

Sincerely,

Joan Anderson Growe
Secretary of State

March 2, 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. 806, An act relating to control of noxious weeds; authorizing towns or cities to control noxious weed growth on state lands; providing reimbursement of certain expenses incurred to control weeds on state lands.

S. F. No. 1439, An act relating to agriculture; dividing the state into four regions for purposes of the potato industry promotion act; amending Minnesota Statutes 1974, Section 30.464, Subdivision 1.

S. F. No. 1501, An act relating to game and fish; regulating entry on agricultural lands for taking small or big game; pro-

viding a penalty; amending Minnesota Statutes 1974, Section 100.273.

S. F. No. 2034, 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.

Sincerely,

Wendell R. Anderson, Governor

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Messrs. Schmitz; Olson, H. D. and Olson, A. G. introduced—

S. F. No. 2387: A bill for an act relating to Independent School Districts No. 110, No. 278, No. 535, No. 341, and No. 173 and Special School District No. 1; allowing the school districts to provide certain items for nonpublic school children.

Referred to the Committee on Education.

Mr. Milton introduced—

S. F. No. 2388: A bill for an act relating to Independent School District No. 624 and Independent School District No. 12; providing for the exchange of territory between the districts.

Referred to the Committee on Education.

Mr. Lewis introduced—

S. F. No. 2389: A bill for an act relating to state government; providing for the taking of a special city census for the determination of state grants.

Referred to the Committee on Local Government.

Mr. Lewis introduced—

S. F. No. 2390: A bill for an act relating to courts; abolishing the clerk fee in Hennepin county municipal court for a tag; amending Minnesota Statutes 1974, Section 488A.03, Subdivision 11.

Referred to the Committee on Judiciary.

Mr. Lewis introduced—

S. F. No. 2391: A bill for an act relating to the city of St. Louis

Park; authorizing a supplemental retirement plan for elected officials.

Referred to the Committee on Governmental Operations.

Mr. Stokowski introduced—

S. F. No. 2392: A bill for an act relating to driver licenses; permitting limited licenses for violators of no-fault law; amending Minnesota Statutes 1974, Section 171.30, Subdivision 1.

Referred to the Committee on Judiciary.

Messrs. Lewis and Milton introduced—

S. F. No. 2393: A bill for an act relating to public health; providing that chiropractic colleges shall be entitled to receive cadavers for the purpose of anatomical study; amending Minnesota Statutes 1974, Section 145.14.

Referred to the Committee on Health, Welfare and Corrections.

Mr. McCutcheon introduced—

S. F. No. 2394: A bill for an act relating to tort liability; raising the liability limits of political subdivisions; limiting the liability of individuals employed by political subdivisions; amending Minnesota Statutes 1974, Section 466.04, Subdivision 1, and by adding subdivisions.

Referred to the Committee on Judiciary.

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

S. F. No. 2395: A bill for an act relating to taxation; inheritance taxes; exempting surviving spouses from inheritance tax; amending Minnesota Statutes 1974, Sections 291.01, Subdivisions 1, 4 and 5; 291.03; and 291.05.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Hansen, Baldy; Laufenburger and Hanson, R. introduced—

S. F. No. 2396: A bill for an act relating to health care; requiring certain group health care plans to include optional continuation of coverage after early retirement and until medicare benefits become available.

Referred to the Committee on Labor and Commerce.

Messrs. Pillsbury, Anderson and Nelson introduced—

**S. F. No. 2397: A bill for an act relating to the cities of Champ-
lin, Corcoran, Dayton, Maple Grove, Medina and Plymouth and**

the county of Hennepin; authorizing a levy of one mill by each city to provide funding for administrative expenses of the Elm Creek conservation and protection commission; directing the county of Hennepin to provide certain facilities and personnel to the Hennepin county soil and water conservation district.

Referred to the Committee on Taxes and Tax Laws.

Mr. Chmielewski introduced—

S. F. No. 2398: A bill for an act relating to highway traffic regulations; special permits for oversize and overweight vehicles; authorizing an annual permit for refuse compactor vehicles and prescribing maximum loads thereon; providing a fee therefor; amending Minnesota Statutes 1974, Section 169.86, Subdivision 5.

Referred to the Committee on Transportation and General Legislation.

Messrs. Hughes, McCutcheon and Ashbach introduced—

S. F. No. 2399: A bill for an act relating to retirement; employees included in membership of the public employees retirement association; amending Minnesota Statutes 1974, Section 353.01, Subdivision 2a.

Referred to the Committee on Governmental Operations.

Messrs. Willet and Chmielewski introduced—

S. F. No. 2400: A bill for an act relating to automobile insurance; requiring certain disclosures; prohibiting certain rate classifications; amending Minnesota Statutes 1974, Chapter 65B, by adding a section.

Referred to the Committee on Labor and Commerce.

Messrs. Moe, Doty and Ogdahl introduced—

S. F. No. 2401: A bill for an act relating to transportation; appropriating money to the public service commission for the purpose of contracting for railroad passenger service.

Referred to the Committee on Transportation and General Legislation.

Messrs. Purfeerst, Renneke and Solon introduced—

S. F. No. 2402: A bill for an act relating to historic sites; designating additional historic sites; amending Minnesota Statutes 1974, Sections 138.081, by adding a subdivision; 138.53, Subdivisions 7, 38, and by adding subdivisions; 138.58, by adding subdivisions; and 138.73, Subdivision 17.

Referred to the Committee on Natural Resources and Agriculture.

Mr. Merriam introduced—

S. F. No. 2403: A bill for an act relating to crime victims reparations; providing for confidentiality regarding specific identity of victims or claimants; amending Minnesota Statutes 1974, Chapter 299B, by adding a section.

Referred to the Committee on Judiciary.

Mr. Larson introduced—

S. F. No. 2404: A bill for an act relating to game and fish; regulating the shining of wild animals; amending Minnesota Statutes 1974, Section 100.29, Subdivision 10.

Referred to the Committee on Natural Resources and Agriculture.

Messrs. Chmielewski and Willet introduced—

S. F. No. 2405: A bill for an act relating to veterans; providing a preference in civil service employment to certain members of the active reserve forces; amending Minnesota Statutes, 1975 Supplement, Section 43.30.

Referred to the Committee on Governmental Operations.

Messrs. Bernhagen, Schrom and Dunn introduced—

S. F. No. 2406: A bill for an act relating to the counties of Meeker, Stearns, and Wright; appropriating money for restoration and improvements of Clearwater Lake watershed.

Referred to the Committee on Natural Resources and Agriculture.

Messrs. McCutcheon, Kirchner and Lewis introduced—

S. F. No. 2407: A bill for an act relating to victims of crime; directing the commissioner of corrections to provide for the planning of a victims' resource program and to implement an experimental operating victims' resource program; appropriating money.

Referred to the Committee on Judiciary.

Mr. Schaaf introduced—

S. F. No. 2408: A bill for an act relating to consumer protection; regulating invention development services; prescribing contract terms and disclosures to customers; defining terms; requiring invention developers to file a bond; providing penalties.

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

Mr. O'Neill introduced—

S. F. No. 2409: A bill for an act relating to courts; authorizing imposition of fees by Ramsey county municipal and probate court for county law library purposes; amending Minnesota Statutes 1974, Sections 140.22; 140.23; and Chapter 140, by adding sections.

Referred to the Committee on Judiciary.

Mr. Chenoweth introduced—

S. F. No. 2410: A bill for an act relating to taxation; providing for state reimbursement of taxing districts for tax reduction granted to Title II and certain other property; amending Minnesota Statutes 1974, Section 273.13, Subdivision 17b; and Chapter 273, by adding a section; and Minnesota Statutes, 1975 Supplement, Section 276.04.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Schaaf, Kowalczyk and Merriam introduced—

S. F. No. 2411: A bill for an act relating to metropolitan government; permitting loans from the metropolitan council to purchase highway right-of-ways; providing an appropriation; amending Minnesota Statutes 1974, Chapter 473, by adding a section.

Referred to the Committee on Metropolitan and Urban Affairs.

Mr. Schaaf introduced—

S. F. No. 2412: A bill for an act relating to taxation; providing that certain income tax payments may be designated to be paid to the state arts board; appropriating money; amending Minnesota Statutes 1974, Chapter 290, by adding a section.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Chenoweth and Keefe, S. introduced—

S. F. No. 2413: A bill for an act relating to social and charitable organizations; changing requirement of a certified public accountants statement in certain cases; amending Minnesota Statutes 1974, Section 309.53, Subdivision 3.

Referred to the Committee on Labor and Commerce.

Messrs. Merriam and Davies introduced—

S. F. No. 2414: A bill for an act relating to real property; termination of contract for sale; providing differing times of notice in accordance with duration of contract; amending Minnesota Statutes 1974, Section 559.21.

Referred to the Committee on Judiciary.

Mr. Merriam introduced—

S. F. No. 2415: A bill for an act relating to insurance; providing for investigation and review of rate changes; setting guidelines for approving increases; providing a state actuary for the department of insurance; charging a fee on insurance premiums; appropriating money; amending Minnesota Statutes 1974, Sections 70A.05; 70A.06, Subdivisions 1 and 4; 70A.10, Subdivisions 1 and 2; and Chapter 70A, by adding sections; repealing Minnesota Statutes 1974, Sections 70A.02, Subdivision 3; 70A.10, Subdivisions 3 and 4; 70A.11; 70A.12; and 70A.18.

Referred to the Committee on Labor and Commerce.

Messrs. Brown, Larson and Keefe, S. introduced—

S. F. No. 2416: A bill for an act relating to unemployment compensation; prohibiting interns 22 years of age or older from receiving unemployment compensation benefits; amending Minnesota Statutes, 1975 Supplement, Section 268.04, Subdivision 12.

Referred to the Committee on Labor and Commerce.

Messrs. Stokowski, Ogdahl and Chenoweth introduced—

S. F. No. 2417: A bill for an act relating to retirement; inclusions and exclusions under the Minnesota State Retirement System; amending Minnesota Statutes 1974, Section 352.01, Subdivisions 2A and 2B.

Referred to the Committee on Governmental Operations.

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

S. F. No. 2418: A bill for an act relating to the metropolitan government; providing for election of council members; providing for compensation of council members; amending Minnesota Statutes 1974, Section 473B.02, Subdivisions 2, 4, and 5; and by adding subdivisions.

Referred to the Committee on Metropolitan and Urban Affairs.

Messrs. Hughes, O'Neill and McCutcheon introduced—

S. F. No. 2419: A bill for an act relating to retirement; authorizing minimum pensions and annual adjustments for retired members of the St. Paul Teachers Retirement Fund Association; appropriating funds.

Referred to the Committee on Governmental Operations.

Messrs. Stumpf, O'Neill and Moe introduced—

S. F. No. 2420: A bill for an act relating to education; transportation aids; requiring transportation aid for elementary pupils

under certain hazardous traffic conditions; amending Minnesota Statutes, 1975 Supplement, Section 124.223.

Referred to the Committee on Education.

Messrs. Stumpf, O'Neill and McCutcheon introduced—

S. F. No. 2421: A bill for an act relating to highways; removing highway construction limitations; repealing Minnesota Statutes, 1975 Supplement, Section 161.123.

Referred to the Committee on Transportation and General Legislation.

Mrs. Brataas, by request, introduced—

S. F. No. 2422: A bill for an act relating to elections; hours of certain voter registration offices; amending Minnesota Statutes 1974, Section 201.091, Subdivision 6.

Referred to the Committee on Transportation and General Legislation.

Mrs. Brataas and Messrs. Moe and Ashbach introduced—

S. F. No. 2423: A bill for an act relating to environmental protection; providing that the commissioner of economic development be a permanent member of the environmental quality council; amending Minnesota Statutes 1974, Section 116C.03, Subdivision 2.

Referred to the Committee on Natural Resources and Agriculture.

Mrs. Brataas and Messrs. Merriam and O'Neill introduced—

S. F. No. 2424: A bill for an act relating to labor and industry; appropriating money for enforcement of fair labor standards.

Referred to the Committee on Labor and Commerce.

Mr. Schaaf introduced—

S. F. No. 2425: A bill for an act relating to commerce; providing longer warranties for mobile homes; amending Minnesota Statutes 1974, Section 327.54, Subdivision 2.

Referred to the Committee on Labor and Commerce.

Mr. Chmielewski introduced—

S. F. No. 2426: A bill for an act relating to taxation; exempting receipts from the processing of lumber by sawmills; amending Minnesota Statutes 1974, Section 297A.25, Subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. Humphrey introduced—

S. F. No. 2427: A bill for an act relating to public welfare; requiring a division for the physically handicapped within the state department of public welfare; amending Minnesota Statutes 1974, Section 256.01, Subdivision 4.

Referred to the Committee on Governmental Operations.

Mr. Lewis introduced—

S. F. No. 2428: A bill for an act relating to the juvenile court; authorizing the court to order a child's family to receive appropriate social services under certain circumstances; amending Minnesota Statutes 1974, Section 260.185, Subdivision 1.

Referred to the Committee on Judiciary.

Messrs. Lewis, Sillers and Humphrey introduced—

S. F. No. 2429: A bill for an act relating to education; learning disabled children; requiring the state board of education to make grants to court services for improving educational services to delinquent youth; appropriating money.

Referred to the Committee on Education.

Mr. Kleinbaum introduced—

S. F. No. 2430: A bill for an act relating to jurisdiction over federal lands; permitting acceptance by the state of retrocession of jurisdiction over federal lands by federal agencies; amending Minnesota Statutes 1974, Section 1.043.

Referred to the Committee on Natural Resources and Agriculture.

Mr. Arnold introduced—

S. F. No. 2431: A bill for an act relating to appropriations; abolishing open appropriations for various purposes; providing direct appropriations for debt service and for other purposes previously supported by open appropriations; amending Minnesota Statutes 1974, Sections 16.023; 16A.27; 84B.07; 176.183, Subdivision 2; 192.52; 268.06, Subdivision 25; 299D.03, Subdivision 1; 351.11; 352E.02; 355.46, Subdivision 3; 355.50; 481.15, Subdivision 2; Minnesota Statutes, 1975 Supplement, Section 136A.08, Subdivisions 1 and 2; and Laws 1973, Chapter 567, Section 7; repealing Minnesota Statutes 1974, Sections 124.23; 136.508; 352E.05; 355.31 to 355.39; Minnesota Statutes, 1975 Supplement, Section 261.233.

Referred to the Committee on Finance.

Mr. Arnold, for the Committee on Finance, introduced—

S. F. No. 2432: A bill for an act relating to interim claims against the state; appropriating moneys for the payment thereof; repealing Laws 1969, Chapter 886, Section 3, Subdivision 10.

Under the rules of the Senate, laid over one day.

Mr. Arnold introduced—

S. F. No. 2433: A bill for an act relating to appropriations; converting certain open appropriations for retirement to direct appropriations; abolishing other open appropriations for retirement; appropriating money; amending Minnesota Statutes 1974, Sections 3A.04, Subdivisions 3 and 4; 136.81, Subdivision 1; 352.04, Subdivision 5; 352B.25; 352C.03, Subdivision 2; 352C.04, Subdivision 3; 352C.09, Subdivision 2; 353.83; 354.55, Subdivision 5; 490.123, Subdivision 1; Minnesota Statutes, 1975 Supplement, Sections 3A.03, Subdivision 2; and 354A.12; repealing Minnesota Statutes 1974, Sections 3A.11, Subdivision 3; 352.73, Subdivision 4; 354.43, Subdivision 2; and 490.025, Subdivision 8.

Referred to the Committee on Finance.

Messrs. Hansen, Mel; Humphrey and Dunn introduced—

S. F. No. 2434: A bill for an act relating to energy conservation; awards for submission of significant plans or ideas.

Referred to the Committee on Governmental Operations.

Mr. Stassen introduced—

S. F. No. 2435: A bill for an act relating to the city of Hastings; removing certain restrictions on the use of certain lands conveyed by the state to the city; amending Extra Session Laws 1967, Chapter 18, Section 2.

Referred to the Committee on Natural Resources and Agriculture.

Mr. Moe introduced—

S. F. No. 2436: A bill for an act relating to public lands; authorizing the commissioner of natural resources to sell certain state owned lands; and authorizing certain county boards to sell certain tax-forfeited lands.

Referred to the Committee on Natural Resources and Agriculture.

Mr. Perpich, G. introduced—

S. F. No. 2437: A bill for an act relating to agriculture; prescribing the location of the department of agriculture; providing an appropriation; amending Minnesota Statutes 1974, Chapter 17, by adding a section.

Referred to the Committee on Natural Resources and Agriculture.

Mr. Sillers introduced—

S. F. No. 2438: A bill for an act relating to zoning; providing for enforcement of certain subdivision regulations by prohibiting the recording of conveyances containing unapproved descriptions; amending Minnesota Statutes 1974, Section 394.37, Subdivision 1.

Referred to the Committee on Local Government.

Mr. Merriam introduced—

S. F. No. 2439: A bill for an act relating to game and fish; prohibiting the spearing of certain species of fish unless the population is promiscuous or overcrowded; amending Minnesota Statutes 1974, Sections 97.48, Subdivision 1; 101.41, Subdivision 4; and 101.42, by adding a subdivision.

Referred to the Committee on Natural Resources and Agriculture.

Mr. Olson, A. G. introduced—

S. F. No. 2440: A bill for an act relating to towns; appropriating money for recodification of town laws.

Referred to the Committee on Local Government.

Mr. Solon introduced—

S. F. No. 2441: A bill for an act relating to public employment labor relations; reconciling negotiated contract provisions with existing law; designating the number of arbitrators; modifying the fees chargeable by arbitrators; amending Minnesota Statutes 1974, Sections 179.66, Subdivision 5; and 179.72, Subdivision 6.

Referred to the Committee on Labor and Commerce.

Mr. Solon introduced—

S. F. No. 2442: A bill for an act relating to pistols; providing for applications for permits to carry pistols by temporary residents; amending Minnesota Statutes, 1975 Supplement, Section 624.714, Subdivision 2.

Referred to the Committee on Judiciary.

Messrs. Josefson and Olson, J. L. introduced—

S. F. No. 2443: A bill for an act relating to the counties of Lincoln, Lyon and Murray; authorizing each county to designate a human services board.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Renneke and Ueland introduced—

S. F. No. 2444: A bill for an act relating to Blue Earth county;

providing for a tax levy in excess of limits for cost of coordinating services for the elderly.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Solon, O'Neill and Coleman introduced—

S. F. No. 2445: A bill for an act relating to taxation; exempting certain public pension plan and peace officers benefit fund payments from inheritance taxes; amending Minnesota Statutes 1974, Chapter 291, by adding a section.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Merriam, Coleman and Milton introduced—

S. F. No. 2446.: A bill for an act relating to labor; specifying a minimum wage rate for agricultural sugar beet workers; regulating hours for minor sugar beet employees; amending Minnesota Statutes 1974, Chapter 177, by adding a section; and Section 181A.07, Subdivision 1.

Referred to the Committee on Labor and Commerce.

Mr. Borden introduced—

S. F. No. 2447: A bill for an act relating to Aitkin county; authorizing sale of certain tax forfeited lakeshore property.

Referred to the Committee on Local Government.

Messrs. Ueland, Anderson and Renneke introduced—

S. F. No. 2448: A bill for an act relating to railroads; allowing reduced rates for transportation of solid waste material for reprocessing; amending Minnesota Statutes 1974, Section 218.021, Subdivision 2.

Referred to the Committee on Labor and Commerce.

Messrs. Tennesen and Keefe, S. introduced—

S. F. No. 2449: A bill for an act relating to crimes; circumstances justifying a discharge of a firearm to effect an arrest; amending Minnesota Statutes 1974, Sections 609.065; and 629.33.

Referred to the Committee on Judiciary.

Mr. Keefe, S. introduced—

S. F. No. 2450: A bill for an act relating to public employees; providing for an automatic pay increase to state employees who pass the certified professional secretary examination.

Referred to the Committee on Governmental Operations.

Messrs. Ashbach and Coleman introduced—

S. F. No. 2451: A bill for an act relating to insurance; removing licensing exemptions for certain insurance adjusters and appraisers; establishing a bill of rights for the processing of certain automobile claims; prohibiting certain practices; amending Minnesota Statutes 1974, Sections 72B.03; and 72B.14; repealing Minnesota Statutes 1974, Section 72B.10.

Referred to the Committee on Labor and Commerce.

Mr. Wegener introduced—

S. F. No. 2452: A bill for an act relating to juries; providing that persons 70 years of age or younger may serve on juries; amending Minnesota Statutes 1974, Section 628.43.

Referred to the Committee on Judiciary.

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

S. F. No. 2453: A bill for an act relating to taxation; changing the means of calculation and adjustment of levy limits in certain counties; amending Minnesota Statutes, 1975 Supplement, Section 275.51, Subdivision 3c.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Laufenburger and Borden introduced—

S. F. No. 2454: A bill for an act relating to public safety; appropriating money for the manufacture of license plates.

Referred to the Committee on Transportation and General Legislation.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, herewith returned: S. F. No. 1816.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 1, 1976

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, herewith returned: S. F. No. 1590.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 3, 1976

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. 570, and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 570: A bill for an act relating to taxation; increasing the income tax deduction for dependents' school expenses: amend—Berglin, Dahl and Heinitz.

ing Minnesota Statutes 1974, Section 290.09, Subdivision 22.

Senate File No. 570 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned March 1, 1976

Mr. President:

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

S. F. No. 932: A bill for an act relating to public welfare; permitting the commissioner of public welfare to establish maximum fees for congregate living care under income maintenance programs; amending Minnesota Statutes 1974, Section 256.01, Subdivision 2.

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

Senate File No. 932 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned March 3, 1976

Mr. President:

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

S. F. No. 995: A bill for an act relating to agriculture; regulating pesticides; providing a penalty; amending Minnesota Statutes 1974, Sections 21.47, Subdivisions 8 and 9; and 21.49, Subdivision 1; repealing Minnesota Statutes 1974, Sections 18.031; 18.032, Subdivisions 1 to 5, 7, and 8; 18.0321 to 18.036; 18A.01; 18A.02, Subdivisions 1, 2, 4, and 5; 18A.03 to 18A.11; 24.069; 24.071; 24.072, Subdivisions 1, 3, and 5; 24.0721 to 24.077; Minnesota Statutes, 1975 Supplement, Sections 18.032, Subdivision 6; 18A.02, Subdivision 3; and 24.072, Subdivisions 2 and 4.

Senate File No. 995 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned March 2, 1976

CONCURRENCE AND REPASSAGE

Mr. Purfeerst moved that the Senate concur in the amendments by the House to S. F. No. 995 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 995 was read the third time, as amended by the House, and placed on its repassage.

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

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

Those who voted in the affirmative were:

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

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

MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

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

S. F. No. 1135: A bill for an act relating to intoxicating and non-intoxicating liquor; age for licensing, sale, purchase, consumption, possession and furnishing; amending Minnesota Statutes 1974, Sections 340.02, Subdivision 8; 340.035, Subdivision 1; 340.119, Subdivision 2; 340.13, Subdivision 12; 340.355; 340.403, Subdivision 3; 340.73, Subdivision 1; 340.731; 340.78; 340.79; 340.80; and 340.81.

Senate File No. 1135 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned March 3, 1976

CONCURRENCE AND REPASSAGE

Mr. Bernhagen moved that the Senate concur in the amendments by the House to S. F. No. 1135 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1135: A bill for an act relating to intoxicating and non-intoxicating liquor; age for licensing, sale, purchase, consumption, possession and furnishing; amending Minnesota Statutes 1974, Sections

340.02, Subdivision 8; 340.035, Subdivision 1; 340.119, Subdivision 2; 340.13, Subdivision 12; 340.355; 340.403, Subdivision 3; 340.73, Subdivision 1; 340.731; 340.78; 340.79; 340.80; and 340.81.

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

The question being taken on the repassage of the bill, as amended,
And the roll being called, there were yeas 45 and nays 16, as follows:

Those who voted in the affirmative were:

Anderson	Doty	Josefson	Olson, A. G.	Schmitz
Arnold	Dunn	Kirchner	Olson, J. L.	Schrom
Ashbach	Fitzsimons	Knutson	O'Neill	Sillers
Berg	Gearty	Kowalczyk	Patton	Solon
Bernhagen	Hansen, Baldy	Larson	Perpich, A. J.	Stassen
Borden	Hansen, Mel	Moe	Perpich, G.	Stokowski
Chenoweth	Hanson, R.	Nelson	Pillsbury	Tennessen
Chmielewski	Hughes	Ogdahl	Purfeerst	Wegener
Davies	Jensen	Olhoft	Renneke	Willet

Those who voted in the negative were:

Bang	Conzemius	Keefe, S.	Lewis	Spear
Blatz	Humphrey	Kleinbaum	Milton	Stumpf
Brataas	Keefe, J.	Laufenburger	North	Ueland
Coleman				

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

MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 108, 1827, 1929, 1087, 1885, 1957, 2244, 1326, 1912, 2105, 2216 and 2147.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 1, 1976

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 116, 1005, and 1322.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 3, 1976

FIRST READING OF HOUSE BILLS

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

H. F. No. 108: A bill for an act relating to barbers and the board of barber examiners; increasing fees; amending Minnesota Statutes

1974, Section 154.18; and Minnesota Statutes, 1975 Supplement, Section 154.23.

Referred to the Committee on Labor and Commerce.

H. F. No. 1827: A bill for an act relating to health care; requiring certain insurance policies, health care plans and group subscriber contracts to provide certain benefits for out-patient treatment of alcoholism, chemical dependency or drug addiction; amending Minnesota Statutes 1974, Section 62A.149.

Referred to the Committee on Labor and Commerce.

H. F. No. 1929: A bill for an act relating to health care; requiring that certain insurance contracts and subscriber contracts provide benefits for certain services performed by podiatrists; amending Minnesota Statutes 1974, Section 62A.043.

Referred to the Committee on Labor and Commerce.

H. F. No. 1087: A bill for an act relating to privacy of communications; authorization for interception of wire or oral communications; amending Minnesota Statutes 1974, Section 626A.05.

Referred to the Committee on Judiciary.

H. F. No. 1885: A bill for an act relating to the metropolitan airports commission; requiring the installation of aircraft noise suppressing equipment at certain Minneapolis-St. Paul International Airport sites; amending Laws 1975, Chapter 13, Section 100, by adding a subdivision.

Referred to the Committee on Metropolitan and Urban Affairs.

H. F. No. 1957: 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.

H. F. No. 2244: A bill for an act relating to public employment labor relations; providing for determination of the fair share fee; providing for appeal of that determination; amending Minnesota Statutes 1974, Sections 179.63, by adding a subdivision; 179.65, Subdivision 2; 179.71, Subdivision 2; and 179.72, Subdivision 3.

Referred to the Committee on Rules and Administration.

H. F. No. 1326: A bill for an act relating to garnishment and execution; amending Minnesota Statutes 1974, Sections 550.04; 550.142; 550.37, Subdivisions 4, 13, 14, 18, 19, and by adding a subdivision; 571.41, Subdivisions 1 and 2, and by adding subdivisions; 571.55, Subdivisions 1 and 2; 571.61, Subdivision 1; 571.67; and Chapters 550, by adding a section; and 571, by adding sections;

repealing Minnesota Statutes 1974, Sections 571.47; 571.48; and 571.49.

Referred to the Committee on Judiciary.

H. F. No. 1912: A bill for an act relating to elections; affecting the place and time of voter registration; amending Minnesota Statutes 1974, Section 201.091, Subdivision 6.

Referred to the Committee on Transportation and General Legislation.

H. F. No. 2105: 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 Rules and Administration.

H. F. No. 2216: A bill for an act relating to interim claims against the state; appropriating moneys for the payment thereof; repealing Laws 1969, Chapter 886, Section 3, Subdivision 10.

Referred to the Committee on Rules and Administration.

H. F. No. 2147: A bill for an act relating to traffic regulation; providing for traffic and parking regulation by school boards; providing a penalty; amending Minnesota Statutes 1974, Chapter 123, by adding a section.

Referred to the Committee on Education.

H. F. No. 116: A bill for an act relating to family planning services; providing for the establishment of a comprehensive state family planning services plan; appropriating funds.

Referred to the Committee on Finance.

H. F. No. 1005: A bill for an act relating to meetings of state agencies and governing bodies open to public; providing for notice of meetings; amending Minnesota Statutes 1974, Section 471.705, Subdivision 1.

Referred to the Committee on Governmental Operations.

H. F. No. 1322: A bill for an act relating to public health; providing for the regulation of ambulance services; providing penalties; amending Minnesota Statutes 1974, Chapter 144, by adding sections; and Sections 144.801; 144.803; and 144.806; and Minnesota Statutes, 1975 Supplement, Section 144.802; repealing Minnesota Statutes 1974, Sections 144.804, Subdivisions 2 and 3; and 144.805.

Referred to the Committee on Health, Welfare and Corrections.

REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted, with the exception of the reports on S. F. Nos. 1895 and 2227 and H. F. No. 610 and reports pertaining to appointments. The motion prevailed.

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

S. F. No. 2252: A bill for an act relating to the towns of Moose Lake in Carlton county and Windemere in Pine county; authorizing the Moose Lake and Windemere area sanitary sewer district to exercise certain powers of sanitary districts; providing for the election of members of the sanitary sewer board; amending Laws 1974, Chapter 400, Sections 3, Subdivisions 5 and 12; 4, Subdivision 2, and by adding subdivisions; 8 by adding a subdivision; and by adding a section; repealing Laws 1974, Chapter 400, Section 4, Subdivisions 3, 4, 5 and 8.

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

Page 2, lines 4 and 5, strike "town boards" and insert "*governing bodies*"

Page 2, line 6, strike "town board" and insert "*governing body*"

Page 2, line 7, strike "town boards" and insert "*governing bodies*"

Page 2, line 9, strike the new language and insert "*For the purposes of this subdivision the governing body of a town is the town board.*"

Page 2, strike lines 10 to 31

Pages 2 to 5, strike all of section 4

Page 6, strike all of section 7

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 9, strike ", and by adding subdivisions"

Page 1, line 10, after "section" strike the semicolon

Page 1, strike line 11

Page 1, line 12, strike "Subdivisions 3, 4, 5, and 8"

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

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

S. F. No. 2112: A bill for an act relating to public employment labor relations; providing for determination of the fair share fee;

providing for appeal of that determination; amending Minnesota Statutes 1974, Sections 179.63, by adding a subdivision; 179.65, Subdivision 2; 179.71, Subdivision 2; and 179.72, Subdivision 3.

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

Page 2, lines 25 and 26, strike "*who are not members of the representative*"

Page 2, line 31, before the period, insert "*but the burden of proof relating to the amount of the fair share fee shall be on the exclusive representative*"

Page 3, line 4, after "*deductions*" insert "*for a fair share fee*"

Page 3, line 4, strike "*may*" and insert "*shall*"

Page 4, line 5, before the period, insert "*and sections 3 and 4 shall apply retroactively to any proceeding presently pending challenging the circumstances and amount of a fair share fee*"

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

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

S. F. No. 1824: A bill for an act relating to building contractors; providing for a state bond to replace local requirements; amending Minnesota Statutes 1974, Chapter 16, by adding a section.

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

Strike everything after the enacting clause and insert:

"Section 1. [DEFINITIONS.] Subdivision 1. As used in this act, the terms in this section shall have the meanings assigned to them.

Subd. 2. "Board" means the Minnesota state builders board.

Subd. 3. "Class A builder or class A building contractor" means a person who, in the pursuit of an independent business, undertakes or offers to undertake, or submits a bid, to construct, alter, repair, improve, move, or demolish a structure. This subdivision shall apply only to builders and contractors whose business operations require the use of three or more building trades or crafts during the normal course of business activity.

Subd. 4. "Class B builder" means a person not eligible for class A who is:

(a) Authorized to perform work in a trade or craft; and

(b) Independently responsible for any work on a structure. Construction activities covered in class B shall include, but not be limited to, the installation, construction, replacement, or improvement of concrete and blacktop driveways, swimming pools, porches, garages, fall-out shelters, barns and machine sheds, central heating or air conditioning, storm

windows, awnings, fire and burglar alarms, and other improvements to structures.

Subd. 5. "Commissioner" means the commissioner of administration.

Subd. 6. "Person" includes an individual, firm, partnership, association, and nonprofit and business corporations.

Sec. 2. [MINNESOTA STATE BUILDERS BOARD.] Subdivision 1. There shall be established within the department of administration, building codes division, the Minnesota state builders board, consisting of seven members appointed by the commissioner. Three of the members shall be builders, one shall be the director of the building codes division or his designee, one shall be a member of a building trades union, and two shall be consumers. After the initial appointments to the board, only those builders registered under sections 1 to 10 shall be appointed to or serve on the board as builder members.

Subd. 2. The provisions of Minnesota Statutes, Section 214.09, Subdivisions 2 and 3 shall govern membership terms and compensation of board members.

Subd. 3. The board shall select from among its members a chairperson, a vice-chairperson, and such other officers for such terms and with such duties and powers necessary for the performance of their duties as the board determines.

Subd. 4. A majority of the members of the board constitutes a quorum for the transaction of business.

Sec. 3. [LICENSES.] Subdivision 1. A person shall not do work or submit a bid to do work as a class A or B builder or class A contractor unless he has first obtained a license issued by the board.

Subd. 2. No political subdivision of the state shall issue a building permit to anyone required to be licensed under this section who does not have such license.

Subd. 3. No political subdivision of the state shall require any licensee to be registered, licensed or pay any license or registration fee or post a license bond under any ordinance, law, rule or regulation of the political subdivision. This subdivision only prohibits local imposition of an occupational licensing or registration scheme and does not prohibit charging for building permits or other charges not directly related to occupational licensing or registration.

Subd. 4. It shall be prima facie evidence of doing business as a class A or B builder or class A contractor if within any one 12 month period a person offers for sale two or more structures on which he or an employee performed work described in section 2, subdivision 3, of this act.

Subd. 5. A class A or B builder or class A contractor may not bring or maintain an action for compensation for the performance of any work described in section 1 unless said builder or contractor was licensed pursuant to this act at the time of bidding or entering into a contract for the performance of the work.

Sec. 4. [APPLICATION FOR LICENSE.] A person who wishes to be licensed as a class A or B builder or class A contractor shall submit

an application to the board, under oath, on a form prescribed by the board. The application shall include the following information regarding the applicant:

- (1) Employer's social security account number;
- (2) Workers' compensation insurance account number;
- (3) Unemployment insurance account number;
- (4) State withholding tax account number;
- (5) Federal withholding tax account number;
- (6) Whether a class A builder or contractor or a class B builder, and, if the latter, the type of specialty engaged in;
- (7) The name and address of:
 - (a) Each partner or venturer, if the applicant is a partnership or a joint venture;
 - (b) The owner, if the applicant is an individual proprietorship;
 - (c) The corporate officers, if the applicant is a corporation.

Sec. 5. [LICENSING.] Subdivision 1. The board may promulgate rules in accordance with Minnesota Statutes, Chapter 15 governing the issuance of a license. The rules may prescribe the form of license application and classes or exemptions authorized pursuant to this act.

Subd. 2. Application and renewal fees shall be as follows:

- (a) \$75 for original licensing and renewal of a class A builder's or contractor's license.
- (b) \$45 for original licensing and renewal of a class B builder's license.

Fees collected shall be distributed two-thirds to the municipality or town where the licensee's principal place of business is located, or if not located in a municipality or town to the county where the licensee's principal place of business is located, and one-third shall be deposited with the state treasurer and credited to the general fund.

Subd. 3. A class A builder or contractor, or a class B builder who has a building permit in his name, issued to him by a political subdivision of this state, applying for a license shall file with the board a bond with one or more corporate sureties authorized to do business in this state in the amount of \$2,500 annual aggregate with the state of Minnesota as obligee, conditioned that the builder or contractor will comply with the provisions of this act. In lieu of the surety bond required by this subdivision, the builder or contractor may file with the board, under the same terms and conditions as stated above, a deposit in cash or negotiable securities acceptable to the board.

Subd. 4. At the time of licensing the applicant shall furnish the board satisfactory evidence that he has in effect public liability and property damage insurance covering his work subject to this act in the sum of not less than

- (a) \$50,000 for property damage;

(b) \$100,000 for injury or damage, including death, to any one person; and

(c) \$300,000 for injury or damage including death, arising out of any one accident.

The insurer shall notify the board of the cancellation of any insurance required by this section not later than ten days before the effective date of such cancellation.

Subd. 5. A license is valid for one year from the date of issuance. It may be renewed by the same procedure as for an original license upon application and the furnishing of such additional information as the board may require.

Sec. 6. [ISSUANCE MANDATORY, GROUNDS FOR DENIAL, REVOCATION OR SUSPENSION.] The board shall issue a license to any person who qualifies under this act and under rules of the board. The board shall not issue a license to any person, or may suspend, revoke, or refuse to renew the license of any person when it finds:

(a) That the licensee or applicant has submitted false information in his application for licensing or renewal;

(b) That the insurance required by section 5, subdivision 4 of this act is not in effect;

(c) That the bond or security required by section 5, subdivision 3 of this act is not in effect;

(d) That the licensee or applicant has engaged in conduct as a builder or contractor that is dishonest or fraudulent;

(e) That the licensee or applicant has violated this act, or a rule or order of the board.

Sec. 7. [HEARINGS.] Any person aggrieved by a determination of the board in refusing to grant a license or a renewal thereof or by a determination of the board in revoking or suspending a license is entitled to a hearing thereon as in a contested case under Minnesota Statutes, Chapter 15.

Sec. 8. [INVESTIGATIONS; POWERS.] Subdivision 1. The board may investigate the activities of any person engaged in the building industry to determine compliance with this act.

Subd. 2. The board has the power to administer oaths, issue notices and subpoenas in the name of the board, compel the attendance of witnesses and the production of evidence, hold hearings, and perform such other acts as are reasonably necessary to carry out its duties under this act.

Sec. 9. [EXEMPTIONS AND EXCLUSIONS; POWER TO CREATE EXEMPTIONS AND EXCLUSIONS.] Subdivision 1. The provisions of this act shall not apply to:

(a) Construction, alteration, improvement, or repair for the federal government, the state of Minnesota, or any political subdivision of the state;

(b) A person who solely furnishes materials, supplies, equipment, or finished products, to a builder;

(c) An owner who contracts for work to be performed by a person required to be licensed under the provisions of this act;

(d) A person who is licensed under any state agency to do work for which a license is otherwise required by this act;

(e) A person performing work on property owned and occupied by him;

(f) A person who performs work subject to this act, for compensation as an employee of a builder or contractor.

Subd. 2. The board may by rule provide for exemptions or exclusions in addition to those prescribed in this section where it deems that the public interest does not require licensing.

Sec. 10. [EFFECTIVE DATE.] This act is effective January 1, 1977."

Further, strike the title and insert:

"A bill for an act relating to commerce; requiring the licensing of builders and contractors; creating a board; requiring bonds and insurance."

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

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

S. F. No. 2180: A bill for an act relating to housing and redevelopment authorities; allowing employees and commissioners to purchase a principal residence in a housing and redevelopment authority project; amending Minnesota Statutes 1974, Section 462.431.

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

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

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

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

Strike everything after the enacting clause and insert:

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

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

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

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

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

Amend the title by striking it in its entirety and inserting: "A bill for an act relating to the purchase of surplus government property by public employees; providing a penalty; amending Minnesota Statutes 1974, Chapter 43, by adding a section; repealing Minnesota Statutes 1974, Section 15.055."

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

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

S. F. No. 1821: A bill for an act relating to civil service; providing for the status of persons holding positions changed to the unclassified service; amending Minnesota Statutes, 1975 Supplement, Section 43.09, Subdivision 2a.

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

Page 2, line 3, strike "*shall*"

Page 2, strike line 4

Page 2, line 5, strike "*his request*" and insert "*of a position that is declassified pursuant to this subdivision, if he so requests within 30 days after being removed from that position*"

Page 2, line 8, after "*incumbent*" insert "*, at the time the position was declassified,*"

Page 2, line 10, after "*shall*" insert "*, if he so requests within 120 days after being removed from that position,*"

Page 2, line 14, reinsert the stricken "*accepts*" and strike the new language

Page 3, after line 2, insert:

"Sec. 2. [EFFECTIVE DATE.] *This act shall be effective the day*

after final enactment. An incumbent of a position that was declassified within one year prior to the effective date of this act shall have the rights accorded by this act."

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

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

S. F. No. 1078: A bill for an act relating to the city of Two Harbors; providing for reimbursement of city officers for wages lost during time spent on official business.

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

Page 1, line 12, strike "member" and insert "official"

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

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

S. F. No. 2147: A bill for an act relating to intoxicating liquor; permits to sell upon military bases or installations.

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

Page 1, line 8, strike "adjutant general, with the approval of the"

Page 1, line 9, strike the comma

Page 1, line 11, after "installations" insert "under the jurisdiction of the adjutant general and provided the adjutant general authorizes such licenses"

Page 1, after line 14, add a section to read:

"Sec. 2. [EFFECTIVE DATE.] This act is effective on the day following its final enactment."

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

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

S. F. No. 1753: A bill for an act relating to financial institutions; requiring insurance for accounts in credit unions and savings associations; requiring a certificate of approval; amending Minnesota Statutes 1974, Section 51A.23 by adding subdivisions; and Chapter 52 by adding a section.

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

Page 1, line 12, strike "1978" and insert "1979"

Page 2, line 8, strike "1980" and insert "1981"

Page 3, line 8, strike "1980" and insert "1981"

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

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

S. F. No. 1776: A bill for an act relating to workmen's compensation; providing that compensation for injury to internal organs will be based on that injury's contribution to the individual's general physical disability; amending Minnesota Statutes 1974, Section 176.101, Subdivision 3.

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

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes, 1975 Supplement, Section 176.101, Subdivision 3, is amended to read:

Subd. 3. [PERMANENT PARTIAL DISABILITY.] For the permanent partial disability from the loss of a member the compensation for total disability during the healing period shall be as stated in subdivision 1. For partial disability during the healing period the compensation shall be as stated in subdivision 2. The healing period shall not exceed 104 weeks. Thereafter and in addition thereto, compensation shall be that named in the following schedule, subject to a maximum compensation of \$135 per week:

(1) For the loss of a thumb, $66\frac{2}{3}$ percent of the daily wage at the time of injury during 65 weeks;

(2) For the loss of a first finger, commonly called index finger, $66\frac{2}{3}$ percent of the daily wage at the time of injury during 40 weeks;

(3) For the loss of a second finger, $66\frac{2}{3}$ percent of the daily wage at the time of injury during 35 weeks;

(4) For the loss of a third finger, $66\frac{2}{3}$ percent of the daily wage at the time of injury during 25 weeks;

(5) For the loss of a fourth finger, commonly called the little finger, $66\frac{2}{3}$ percent of the daily wage at the time of injury during 20 weeks;

(6) The loss of the first phalange of the thumb or of any finger, is considered equal to the loss of one-half of the thumb or finger and compensation shall be paid at the prescribed rate during one-half the time specified for the loss of the thumb or finger;

(7) The loss of one and one-half or more phalanges is considered equal to the loss of the entire finger or thumb; but in no

case shall the amount received for more than one finger exceed the amount provided in this schedule for the loss of a hand;

(8) For the loss of a great toe, $66\frac{2}{3}$ percent of the daily wage at the time of injury during 35 weeks;

(9) For the loss of a toe other than a great toe, $66\frac{2}{3}$ percent of the daily wage at the time of injury during 15 weeks;

(10) The loss of the first phalange of any toe is considered equal to the loss of one-half of the toe, and compensation shall be paid at the prescribed rate during one-half the time specified for the loss of the toe;

(11) The loss of one and one-half or more phalanges is considered equal to the loss of the entire toe;

(12) For the loss of a hand, not including the wrist movement, $66\frac{2}{3}$ percent of the daily wage at the time of injury during 195 weeks;

(13) For the loss of a hand, including wrist movement, $66\frac{2}{3}$ percent of the daily wage at the time of injury during 220 weeks;

(14) For the loss of an arm, $66\frac{2}{3}$ percent of the daily wage at the time of injury during 270 weeks;

(15) Amputation of the arm below the elbow is considered the loss of a hand, including wrist movement, if enough of the forearm remains to permit the use of an effective artificial member, otherwise it is considered the loss of an arm;

(16) For the loss of a foot, not including ankle movement, $66\frac{2}{3}$ percent of the daily wage at the time of injury during 140 weeks;

(17) For the loss of a foot, including ankle movement, $66\frac{2}{3}$ percent of the daily wage at the time of injury during 165 weeks;

(18) For the loss of a leg, if enough of the leg remains to permit the use of an effective artificial member, $66\frac{2}{3}$ percent of the daily wage at the time of injury during 195 weeks;

(19) For the loss of a leg so close to the hip that no effective artificial member can be used, $66\frac{2}{3}$ percent of the daily wage at the time of injury during 220 weeks;

(20) Amputation of a leg below the knee is considered as equal to the loss of a foot, including ankle movement, if enough of the lower leg remains to permit the use of an effective artificial member, otherwise it is considered as equal to the loss of a leg;

(21) For the loss of an eye, $66\frac{2}{3}$ percent of the daily wage at the time of injury during 160 weeks;

(22) For the complete permanent loss of hearing in one ear, $66\frac{2}{3}$ percent of the daily wage at the time of injury during 85 weeks;

(23) For the complete permanent loss of hearing in both ears, $66\frac{2}{3}$ percent of the daily wage at the time of injury during 170 weeks;

(24) For the loss of an eye and a leg, $66\frac{2}{3}$ percent of the daily wage at the time of injury during 475 weeks;

(25) For the loss of an eye and an arm, $66\frac{2}{3}$ percent of the daily wage at the time of injury during 475 weeks;

(26) For the loss of an eye and a hand, $66\frac{2}{3}$ percent of the daily wage at the time of injury during 450 weeks;

(27) For the loss of an eye and a foot, $66\frac{2}{3}$ percent of the daily wage at the time of injury during 400 weeks;

(28) For the loss of two arms, other than at the shoulder, $66\frac{2}{3}$ percent of the daily wage at the time of injury during 500 weeks;

(29) For the loss of two hands, $66\frac{2}{3}$ percent of the daily wage at the time of injury during 500 weeks;

(30) For the loss of two legs, other than so close to the hips that no effective artificial member can be used, $66\frac{2}{3}$ percent of the daily wage at the time of injury during 500 weeks;

(31) For the loss of two feet, $66\frac{2}{3}$ percent of the daily wage at the time of injury during 500 weeks;

(32) For the loss of one arm and the other hand, $66\frac{2}{3}$ percent of the daily wage at the time of injury during 500 weeks;

(33) For the loss of one hand and one foot, $66\frac{2}{3}$ percent of the daily wage at the time of injury during 500 weeks;

(34) For the loss of one leg and the other foot, $66\frac{2}{3}$ percent of the daily wage at the time of injury during 500 weeks;

(35) For the loss of one leg and one hand, $66\frac{2}{3}$ percent of the daily wage at the time of injury during 500 weeks;

(36) For the loss of one arm and one foot, $66\frac{2}{3}$ percent of the daily wage at the time of injury during 500 weeks;

(37) For the loss of one arm and one leg, $66\frac{2}{3}$ percent of the daily wage at the time of injury during 500 weeks;

(38) For loss of the voice mechanism, $66\frac{2}{3}$ percent of the daily wage at the time of injury during 500 weeks;

(39) For head injuries resulting in permanent partial disability, $66\frac{2}{3}$ percent of the daily wage at the time of injury for that proportion of 500 weeks which is represented by the percentage of such permanent partial disability as is determined from competent testimony adduced at a hearing before a compensation judge, a commissioner, or the commission;

(40) For permanent partial disability resulting from injury to any internal organ, including the heart, $66\frac{2}{3}$ percent of the daily wage at time of injury for that proportion of 500 weeks which is represented by the percentage of *his general physical disability resulting from* such permanent partial disability as is determined from competent testimony adduced at a hearing before a compensation judge, a commissioner, or the commission;

(41) For disfigurement or scarring not resulting from the loss of a member or other injury specifically compensated, affecting the employability or advancement opportunity of the injured person in the employment in which he was injured or other employment for which the employee is then qualified or for which the employee has become qualified, 66⅔ percent of the daily wage at the time of injury during such period as the compensation judge or the commission in cases on appeal determines, not beyond 90 weeks;

(42) For permanent partial disability resulting from injury to the back, 66⅔ percent of the daily wage at the time of injury for that proportion of 350 weeks which is represented by the percentage of such permanent partial disability as is determined from competent testimony adduced at a hearing before a compensation judge, a commissioner, or the commission;

(43) When an employee sustains concurrent injuries resulting in concurrent disabilities he shall receive compensation only for the injury which entitled him to the largest amount of compensation, but this does not affect liability for disfigurement affecting the employability of the injured person or liability for the concurrent loss of more than one member, for which members compensations are provided in the specific schedule and in subdivision 5;

(44) In all cases of permanent partial disability it is considered that the permanent loss of the use of a member is equivalent to and draws the same compensation as the loss of that member, but the compensation in and by this schedule provided shall be in lieu of all other compensation in such cases, except as otherwise provided by this section;

In the event a worker has been awarded, or is entitled to receive, a compensation for loss of use of a member under any workers' compensation law, and thereafter sustains a loss of such member under circumstances entitling him to compensation therefor under the workers' compensation act, as amended, the amount of compensation awarded, or that he is entitled to receive, for such loss of use, is to be deducted from the compensation due under the schedules of this section for the loss of such member, provided, that the amount of compensation due for the loss of the member caused by the subsequent accident is in no case less than 25 percent of the compensation payable under the schedule of this section for the loss of such member;

(45) In cases of permanent partial disability due to injury to a member, resulting in less than total loss of the member, not otherwise compensated in this schedule, compensation shall be paid at the prescribed rate during that part of the time specified in the schedule for the total loss of the member which the extent of the injury to the member bears to its total loss;

(46) In cases of permanent partial disability caused by simultaneous injury to two or more members, the applicable schedules in this subdivision shall be increased by 15 percent. This clause shall not apply when the injuries are compensated under paragraphs 22 to 37 inclusive, of this subdivision. In cases of partial disability due to injury to both eyes resulting in less than total loss of vision in one or both eyes compensation shall be paid at the prescribed rate during that part of

450 weeks which the extent of the combined injury to both eyes bears to the complete loss of industrial vision;

(47) The commissioner of the department of labor and industry with the commission may make or revise rules for the determination of the extent of the impairment of the industrial use of one or both eyes taking into account all primary coordinate factors of vision. These rules shall be made or revised after consultation with experts on industrial vision and after public notice to and hearing of interested parties;

(48) For permanent partial disability resulting from injury to the body as a whole due to burns, $66\frac{2}{3}$ percent of the daily wage at the time of injury, for that proportion of 350 weeks which is represented by the percentage of such permanent partial disability as is determined from competent testimony adduced at a hearing before a compensation judge, a commissioner or the commission, said compensation to be paid in addition to such compensation as employee would otherwise be entitled to for loss of use to a member in accordance with this section;

(49) In all cases of permanent partial disability not enumerated in this schedule the compensation shall be $66\frac{2}{3}$ percent of the difference between the daily wage of the worker at the time of the injury and the daily wage he is able to earn in his partially disabled condition, subject to a maximum of \$100 per week, and continue during disability, not to exceed 350 weeks; and if the employer does not furnish the worker with work which he can do in his permanently partially disabled condition and he is unable to secure such work with another employer after a reasonably diligent effort, the employee shall be paid at his or her maximum rate of compensation for total disability.

Sec. 2. [EFFECTIVE DATE.] *This act shall apply to all injuries occurring on or subsequent to the day following its final enactment.*"

Amend the title as follows:

Page 1, line 16, strike "1974" and insert ", 1975 Supplement"

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

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

S. F. No. 1819: A bill for an act relating to appropriations; providing funding for the continued operation of detached worker programs for assistance to young people.

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

Page 1, line 8, strike "committee" and insert "commission"

Page 1, line 15, strike "\$ to the program operating"

Page 1, line 16, strike "in the city of Minneapolis,"

Page 1, line 17, strike "northeastern" and insert "northwestern"

Page 1, line 19, strike "appropriation" and insert "grant-in-aid"

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

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

S. F. No. 2037: A bill for an act relating to medicine and osteopathy; authorizing continuing education requirements for licensed practitioners; amending Minnesota Statutes 1974, Chapter 147, by adding a section.

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

Page 1, line 10, after "may" insert "by rule"

Page 1, line 12, strike "20 hours of" and insert "150"

Page 1, line 13, strike "continuing education per year or 60"

Page 1, line 14, after "establishing" insert "the"

Page 1, line 18, strike "classes" and insert "specialties"

Page 1, line 20, after "after" insert "a"

Page 1, line 22, strike "completing"

Page 1, line 22, after "with" insert "the"

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 referred

S. F. No. 1861: A bill for an act relating to elections; affecting the place and time of voter registration; amending Minnesota Statutes 1974, Section 201.091, Subdivision 6.

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

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

S. F. No. 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.

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

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

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

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

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

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

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

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

S. F. No. 2070: A bill for an act relating to highways; adding a new route to the trunk highway system in substitution of an existing route.

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

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

S. F. No. 2151: A bill for an act relating to motor vehicles; registration and taxation; exempting certain vehicles from license fees; amending Minnesota Statutes, 1975 Supplement, Section 168.012, Subdivision 2b.

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

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

S. F. No. 2172: A bill for an act relating to highways; designating and establishing the route of the "Glacial Ridge Trail"; amending Minnesota Statutes 1974, Section 161.14, Subdivision 15.

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

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

S. F. No. 2233: A bill for an act relating to private cemeteries; recovery of abandoned lots; amending Minnesota Statutes 1974, Chapter 307, by adding a section.

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

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

S. F. No. 2318: A bill for an act relating to highways; providing for the construction and maintenance of acoustical barriers along the perimeter of certain trunk highways; amending Minnesota Statutes, 1975 Supplement, Section 161.125.

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

Mr. Arnold from the Committee on Finance, to which was 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 360.114.

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 1, strike lines 20 and 21

Page 2, strike lines 1 and 2 and insert: "*The governor may remove the commissioner at any time for cause after notice and hearing.*"

Strike the amendment to page 3, line 31, made by the committee on Transportation and General Legislation, adopted by the Senate February 9, 1976

Page 113, strike all of section 120 and insert:

"Sec. 120. [APPROPRIATION.] *There is appropriated from the general fund to the commissioner of transportation the following amount:*

(a) *To organize the department* \$75,000

(b) *To initiate the study required by section 3, subdivision 3, clause (d)* \$75,000

This appropriation is available upon his appointment and shall not lapse but shall remain available until fully expended."

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

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

S. F. No. 175: A bill for an act relating to corrections; increasing the scope of the jurisdiction and power of the ombudsman; preserving the rights of complainants; providing a penalty for persons hindering the ombudsman; removing an expiration date; amending Minnesota Statutes 1974, Sections 241.42, Subdivision 2; 241.44, Subdivisions 1 and 3, and by adding a subdivision; and Chapter 241, by adding a section; repealing Minnesota Statutes 1974, Section 241.42, Subdivision 4; and Laws 1973, Chapter 553, Section 7.

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

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

S. F. No. 100: A bill for an act relating to cities and towns; providing for negotiation of contracts between cities, towns, and state departments and agencies for provision of fire and police protection services for state institutions, land and other property; and appropriating money.

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

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

S. F. No. 1587: A bill for an act relating to appropriations; appropriating money to fund a program of graduate training in family practice for physicians.

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

Page 1, line 9, strike "\$96,000" and insert "\$24,000"

Page 1, line 13, strike "each" and insert "the"

Page 1, line 14, strike "program" and insert "foundation"

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

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

S. F. No. 1097: A bill for an act relating to health; providing for pilot programs for dental care for senior citizens; establishing means of administration; subsidizing premiums to cover cost of services; appropriating money.

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

Strike everything after the enacting clause and insert:

"Section 1. [PURPOSE.] The purpose of the pilot dental program is to determine the need, the feasibility of establishing a statewide dental program for eligible senior citizens, the optimal methods of providing dental service, whether the provision of dental services causes the general health of the participants to be improved and whether the provision of dental services to the eligible senior citizens provides comparable benefits to society as if provided to others.

Sec. 2. [PILOT PROGRAMS; ESTABLISHMENT.] The state board of health shall establish two pilot programs to provide dental care to senior citizens. One pilot program shall be established in the metropolitan area, composed of Hennepin, Ramsey, Anoka, Washington, Dakota, Scott, and Carver counties; and one pilot program shall be established in an area selected by the state board of health and located outside of the seven metropolitan counties.

Sec. 3. [ADMINISTRATION.] The pilot programs shall be administered by the state board of health. The state board of health shall appoint a seven member advisory task force to advise the board on the operation of the pilot programs. All of the members of the advisory task force shall be senior citizens. The compensation of members, their removal from office, and the filling of vacancies shall be as provided in Minnesota Statutes, Section 15.059.

Sec. 4. [SERVICE CONTRACTS; REVIEW.] Subdivision 1. [SERVICE CONTRACTS.] For each pilot program, the board of health shall contract for the provision and financing of dental services under the terms set forth in this act. The board shall contract with an insurance company regulated under Minnesota Statutes, Chapter 62A, or a nonprofit health service plan corporation regulated under Minnesota Statutes, Chapter 62C, or a health maintenance organization established pursuant to Minnesota Statutes, Chapter 62D. The party or parties with whom the state board of health contracts shall be known as the dental carriers.

Subd. 2. [REVIEW.] The state board of health and the dental carriers shall monitor the pilot programs. Review of the extent and quality of dental service provided shall be done only by one or more licensed dentists.

Subd. 3. [EVALUATION AND REPORT.] The state board of health shall evaluate and report the results of the pilot programs to the legislature by January 2, 1978, and each year thereafter for five years. The reports shall include but not be limited to: (a) the optimal methods of providing dental services including the cost effectiveness of each pilot program; (b) the effect, if any, upon the general health of the individual receiving the dental services; (c) the extent and quality of dental services provided by the pilot program; (d) the number of participants in each pilot program; and (e) the types of dental care most used or needed by the participants.

Sec. 5. [ELIGIBILITY FOR BENEFITS.] Subdivision 1. The board of health shall select participants for each pilot program from among the applicants who meet the eligibility criteria set forth in subdivision 2. At least ten percent of the senior citizens selected by the board for participation in each pilot program must be residents of a nursing home.

Subd. 2. [FULL SUBSIDY.] The full cost of premiums for participation in a pilot program shall be paid by the board of health for individuals who live in the area to be serviced by a pilot program and who:

(a) Are not eligible to receive dental services or reimbursement for dental services under any other program authorized by law, or who do not have coverage for dental services from an insurance company, a nonprofit service plan corporation, or a health maintenance organization; and

(b) Are retired and aged 62 or over; and

(c) Have an annual net income of less than \$3,500 if single, or \$4,500 if married. These maximum figures shall be semi-annually adjusted in proportion to the increase in the consumer price index as determined by the United States Department of Labor for the Minneapolis-St. Paul metropolitan area.

Sec. 6. [SERVICES AND PAYMENT.] Subdivision 1. [SERVICES COVERED.] Services to be made available to participants in each pilot program shall include the following if provided or prescribed by a licensed dentist:

(a) routine examinations,

(b) x-rays,

(c) emergency treatment for relief of pain,

(d) restorative services,

(e) oral surgery, including preoperative and postoperative care,

(f) surgical and nonsurgical periodontics,

(g) endodontics, including pulpal therapy and root canal filling, and

(h) prosthetics.

Subd. 2. [PAYMENT.] The cost of the dental services, equal to at least 80 percent of the usual, customary and reasonable fee of the treating dentist, will be paid by the dental carrier, with no deductible amount. Participants shall be responsible for the remaining 20 percent of the fee and for any amounts in excess of the limits set forth in subdivision 3.

Subd. 3. [LIMITATION.] No services shall be provided nor shall any payment be made by a dental carrier in excess of \$500 per participant per year.

Sec. 7. [FINANCIAL REQUIREMENTS.] Subdivision 1. The state board of health shall have access to all financial data of each dental carrier relating to the pilot programs.

Subd. 2. [PROFIT.] Any amount of profit earned by a dental carrier over ten percent of the total annual premiums, after payment of claims and administrative expenses, shall be returned by the dental carrier to the state board of health.

Sec. 8. [OUTSIDE FUNDING.] The state board of health shall investigate the availability of additional public and private funding for

the purposes of this act. The state board of health may solicit and accept, on behalf of the pilot programs established pursuant to this act, contributions, gifts, and grants from any public or private sources.

Sec. 9. [APPROPRIATION.] There is appropriated from the general fund of the state treasury the sum of \$400,000 to the state board of health for the biennium ending June 30, 1977, for the purposes of this act.

Sec. 10. This act shall expire June 30, 1977."

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

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

S. F. No. 612: A bill for an act relating to retirement; withdrawal of share values by members of the unclassified employees retirement program; amending Minnesota Statutes 1974, Section 352D.05, Subdivision 3.

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

Page 1, line 7, strike "1974" and insert ", 1975 Supplement"

Page 1, lines 9 to 11, strike the new language

Page 1, line 11, strike "qualified person" and insert "participant"

Page 1, line 18, after "subdivision 1." insert "*The provisions of this subdivision shall apply to any person with 42 months or more of service in the unclassified service and employer shares credited to his account with respect to that service, who terminated service prior to July 1, 1973.*"

Amend the title as follows:

Page 1, line 5, strike "1974" and insert ",1975 Supplement"

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

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

S. F. No. 2122: A bill for an act relating to energy conservation; establishing an energy conservation information center; requiring the commissioner of administration to complete certain energy conservation modifications to state buildings; authorizing the commissioner of administration to promulgate rules concerning energy conservation physical improvements for public school, city, and county buildings; requiring the inspection of certain public buildings; authorizing the issuance of bonds for energy conservation improvements; appropriating money; amending Minnesota Statutes 1974, Chapters 116H, by adding sections; and 120, by adding sections; and Sections 116H.12, by adding subdivisions; and 120.78, by adding a subdivision.

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

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1974, Chapter 116H, is amended by adding a section to read:

[116H.085] [ENERGY CONSERVATION INFORMATION CENTER.] *The director shall establish an energy conservation information center in the agency's offices in St. Paul. The information center shall maintain a toll-free telephone information service and disseminate printed materials on energy conservation topics, including but not limited to availability of loans and other public and private financing methods for energy conservation physical improvements, the techniques and materials used to conserve energy in buildings including retrofitting or upgrading insulation and installing weatherstripping, the projected prices and availability of different sources of energy, and the alternative sources of energy.*

Sec. 2. Minnesota Statutes 1974, Section 116H.12, is amended by adding a subdivision to read:

Subd. 10. Before January 1, 1980, the commissioner of administration, in cooperation with the director, shall survey all buildings owned by the state of Minnesota which are heated by oil or interruptable natural gas units, including buildings and associated facilities of the state university system, the community college system, the Minnesota historical society building and all buildings under the administration or supervision of the commissioners of natural resources, corrections, welfare, or highways, to determine whether energy savings could be accomplished through insulation, climate control or illumination modifications, or changes in building structures and systems. If the commissioner determines, based upon a formula specified by the director, that a modification is economically feasible, in that estimated savings in fuel procurement cost will exceed the cost of the modification amortized over the remaining useful life of the building, he shall implement the modification in a manner designed to maximize the reduction in costs resulting from the modification. Before January 1, 1977, the commissioner shall submit a progress report to the legislature indicating the number and percentage of state-owned buildings surveyed, the estimated costs of implementing the economically feasible modifications, and his preliminary findings, recommendations, and priorities for implementing the economically feasible modifications based upon the continuing survey.

Sec. 3. Minnesota Statutes 1974, Section 116H.12, is amended by adding a subdivision to read:

Subd. 11. Before January 1, 1980, the university of Minnesota, after consultation with the director, shall survey all buildings and associated facilities of the university of Minnesota which are heated by oil or interruptable gas units to determine whether energy savings could be accomplished through insulation, climate control or illumination modifications, or changes in building structures and systems. If the university determines, based upon a formula specified by the director, that a modification is economically feasible, in

that estimated savings in fuel procurement costs will exceed the cost of the modification amortized over the remaining useful life of the building, it shall implement the modification in a manner designed to maximize the reduction in costs resulting from the modification. Before January 1, 1977, the university shall submit a progress report to the legislature indicating the number and percentage of university-owned buildings surveyed, the estimated costs of implementing the economically feasible modifications, and its preliminary findings, recommendations, and priorities for implementing economically feasible modifications based upon the continuing survey.

Sec. 4. Minnesota Statutes 1974, Chapter 116H, is amended by adding a section to read:

[116H.121] [ENERGY CONSERVATION STANDARDS IN CERTAIN PUBLIC BUILDINGS.] *Before July 1, 1977, the commissioner of administration, in consultation with the director, shall amend the rules concerning heat loss, illumination, and climate control standards promulgated pursuant to Minnesota Statutes, 1975 Supplement, Section 116H.12, Subdivision 4, to apply to all existing buildings heated by oil or interruptable gas units owned by the state, the university of Minnesota, any city, any county, and any school district.*

Sec. 5. Minnesota Statutes 1974, Chapter 116H, is amended by adding a section to read:

[116H.122] [INSPECTIONS AND FUEL COST ESTIMATES.] *Before July 1, 1978, each city council and county board of commissioners shall complete an inspection of all existing city-owned or county-owned buildings within their respective jurisdictions. The inspection shall determine, based upon a formula specified by the director, the estimated remaining useful life of each building, together with the present degree and estimated cost of compliance with the energy conservation standards promulgated pursuant to section 4 of this act. A council or board may contract with any municipal building official appointed pursuant to Minnesota Statutes, Section 16.861, or the state building inspector to perform the energy conservation inspection. Each board and council shall estimate, based upon a formula specified by the director, the annual potential savings in fuel procurement costs for existing heating and cooling systems which would be realized for each county or city-owned building if it were improved to comply with the energy conservation standards.*

Sec. 6. Minnesota Statutes 1974, Chapter 116H, is amended by adding a section to read:

[116H.123] [AUTHORIZED IMPROVEMENT.] *A city council or county board of commissioners shall authorize any necessary improvements to insure compliance with the energy conservation standards if, based upon a formula specified by the director, the estimated savings in fuel procurement costs after the proposed improvements to a building are completed exceeds the estimated installation or remodeling costs amortized over the remaining useful life of the building. Each council or board shall file the ener-*

gy conservation inspection and estimated fuel procurement data for each city or county-owned building within its respective boundaries with the director of the Minnesota energy agency before December 31, 1978, for his review and comment.

Sec. 7. Minnesota Statutes 1974, Chapter 116H, is amended by adding a section to read:

[116H.124] [FINANCING.] *The installation of weatherstripping, the retrofitting or upgrading of insulation, or the modification of existing heating, ventilation, and cooling systems authorized pursuant to section 6 of this act shall be financed by the issuance of obligations in the manner and form prescribed by Minnesota Statutes, Chapter 475. The obligations may be issued only after obtaining the approval of the majority of the electors voting on the question of issuing obligations at a special or regular election. The obligations shall not be included in the computation of the net debt limitations of any city or county. Any city or county should immediately report the results of any election on the question of the issuance of obligations for the above purposes to the director.*

Sec. 8. Minnesota Statutes 1974, Section 120.78, is amended by adding a subdivision to read:

Subd. 3. Before November 15, 1976, the commissioner of education shall analyze the reports and plans required in subdivisions 1 and 2 and submit a report to the legislature concerning the energy efficiency of school buildings owned or operated by all school districts and recommend proposed legislation concerning energy conservation measures for school buildings.

Sec. 9. Minnesota Statutes 1974, Chapter 120, is amended by adding a section to read:

[120.781] [INSPECTIONS.] *Before July 1, 1978, each board shall complete an inspection of all existing public school buildings which it owns or operates that are heated by oil or interruptable gas units in order to determine the estimated remaining useful life of each building, together with the present degree and estimated cost of compliance with the energy conservation standards promulgated pursuant to section 4 of this act. The results of the energy conservation inspection shall be recorded on a form furnished by the director of the Minnesota energy agency. A board may contract with any municipal building official appointed pursuant to Minnesota Statutes, Section 16.861 or the state building inspector to perform the energy conservation inspection. Each board shall estimate the annual savings in fuel procurement costs for existing heating and cooling systems which would be realized for each public school building within the district if it were improved to comply with the energy conservation standards, based upon a formula specified by the director of the Minnesota energy agency.*

Sec. 10. Minnesota Statutes 1974, Chapter 120, is amended by adding a section to read:

[120.782] [AUTHORIZED IMPROVEMENTS.] *A board shall authorize any necessary improvements to insure compliance with the energy conservation standards if, based upon a formula specified by the director of the Minnesota energy agency, the estimated savings in fuel procurement costs after the proposed improvements to a building are completed exceed the estimated installation or remodeling costs of the improvement amortized over the remaining useful life of the building. Each board shall file the energy conservation inspection and estimated fuel procurement data for each public school building within the district with the director of the Minnesota energy agency before December 31, 1978, for his review and comment.*

Sec. 11. Minnesota Statutes 1974, Chapter 120, is amended by adding a section to read:

[120.783] [FINANCING.] *If a board determines that the proceeds of the levy permitted under Minnesota Statutes, Section 124.04, and the balance in the capital outlay fund are sufficient to complete all the improvements authorized pursuant to section 10 of this act in order to comply with the energy conservation standards, the board shall by January 1, 1980, enter contracts to complete all the authorized improvements. If a board determines that the proceeds of the levy permitted under Minnesota Statutes, Section 124.04 and the balance in the capital outlay fund are insufficient to complete all the improvements authorized pursuant to section 10 of this act, then the board shall apply to the commissioner for permission to issue obligations in the manner and form prescribed by Minnesota Statutes, Chapter 475, in the amount of the authorized improvements. The obligations may be issued only after obtaining the approval of the majority of the electors voting on the question of issuing obligations at a regular or special election. Each school district shall immediately report the results of any election on the question of issuing obligations for the above purposes to the commissioner and the director of the energy agency. These obligations shall not be included in the computation of any net debt limitations.*

Sec. 12. [APPROPRIATION.] *There is appropriated from the general fund \$158,000 to the commissioner of administration, \$8,000 for promulgation of the rules required by section 4 of this act, and \$150,000 to comply with section 2 of this act. There is appropriated from the general fund \$100,000 to the director of the Minnesota energy agency, \$50,000 to establish and maintain the energy conservation information center pursuant to section 1, and \$50,000 to contract for infrared aerial photographs, at least 50 percent of which shall be conducted outside the metropolitan area as defined in Minnesota Statutes, Section 473.121, Subdivision 2. These appropriations shall not cancel and shall be available until completely expended.*

Sec. 13. *This act is effective the date following its final enactment."*

Amend the title on line 9, after "school," insert "state,"

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

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

S. F. No. 2175: A bill for an act relating to medical assistance for the needy; allowing the cost of certain home care services provided by public health nurses to be paid by medical assistance; authorizing an experimental program for the cost of home care of the elderly; amending Minnesota Statutes 1974, Chapter 256B, by adding a section; and Minnesota Statutes, 1975 Supplement, Section 256B.02, Subdivision 7.

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

Page 1, line 23, strike "*signed*"

Page 1, line 23, after "*statement*" insert "*submitted under oath*"

Page 2, line 6, after "*services*" insert "*which would normally be*"

Page 2, line 10, after "*elderly*" insert "*or physically disabled*"

Page 2, line 12, after "*are*" insert "*physically disabled or*"

Page 2, line 12, after "*older*" insert "*, and*"

Page 2, line 20, after "*expenses*" insert a comma

Page 2, strike line 28

Amend the title as follows:

Page 1, line 6, after "*the*" and before "*elderly*" insert "*physically disabled or*"

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

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

H. F. No. 1078: A bill for an act relating to real estate; requiring certain real estate developers to comply with trust account requirements; amending Minnesota Statutes, 1975 Supplement, Section 82.18.

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

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

S. F. No. 1967: A bill for an act relating to trusts; administration of express trusts by cities; amending Minnesota Statutes 1974, Section 501.11.

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

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

S. F. No. 2251: A bill for an act relating to crime victims reparations; authorizing a claim to be filed within one year of the time when it could have been reasonably made; amending Minnesota Statutes 1974, Section 299B.03, Subdivision 2.

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

Page 2, line 5, strike "*reasonably*"

Page 2, line 8, strike "*reasonably*"

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

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

S. F. No. 2227: A bill for an act relating to negligence; civil actions; establishing the rule of pure comparative recovery negligence; amending Minnesota Statutes 1974, Section 604.01, Subdivision 1.

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

Page 1, line 10, reinstate "*negligence*"

Page 1, line 10, strike "*fault*"

Page 1, line 17, strike "*culpability*" and insert "*responsibility*"

Page 1, line 19, strike "*a*"

Page 1, line 20, reinstate "*verdicts*"

Page 1, line 20, strike "*verdict*"

Page 1, line 21, strike "*allowed*" and insert "*sustained by*"

Page 1, line 22, strike "*culpability*" and insert "*responsibility*"

Page 1, line 22, reinstate "*party*"

Page 1, line 23, before "The" insert "*To calculate the damages to be awarded each claimant,*"

Page 1, line 23, strike "the amount of" and insert "*each claimant's sustained*"

Page 2, line 1, strike "*allowed each claimant*"

Page 2, line 2, strike "*culpability*" and insert "*responsibility*"

Page 2, line 7, strike "*culpability*" and insert "*responsibility*"

Amend the title as follows:

Page 1, line 3, strike "recovery" and insert "responsibility"

Page 1, line 4, strike "negligence"

And when so amended the bill do pass. Mr. Blatz questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

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

S. F. No. 1673: A bill for an act relating to the operation of state government; authorizing the commissioner of administration to acquire vehicles for the car pooling of state employees; appropriating money; amending Minnesota Statutes 1974, Section 16.755.

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

Strike everything after the enacting clause and insert:

"Section 1. In order to conserve energy and to alleviate traffic congestion in and about the location of state offices, the commissioner of administration shall, in cooperation with the director of the Minnesota energy agency, the commissioner of highways and interested non-profit agencies, establish and operate an employee transportation program utilizing commuter vans with a capacity of not less than seven nor more than 12 passengers. The commissioner shall acquire or lease commuter vans, or otherwise contract for the provision of commuter vans, and shall make the vans available for the use of state employees in a manner consistent with standards and procedures adopted by the commissioner. Standards and procedures adopted pursuant to this section shall not be subject to chapter 15. Commuter vans may be used by state employees to travel between their homes and their work locations, and for personal purposes after working hours, not including partisan political activity. The commissioner shall provide in his standards and procedures for the recovery by the state of vehicle acquisition, lease, operation and insurance costs through efficient and convenient assignment of vans, and for the billing costs and collection of fees. A state employee using a van for personal use shall pay, pursuant to the standards and procedures adopted by the commissioner, for operating and routine maintenance costs incurred as a result of the personal use. The commissioner shall promote the maximum practicable participation of state employees in the use of the vans. Fees collected pursuant to this section shall be deposited in the account from which costs of operating, maintaining and leasing or amortizing acquisition costs for the specific vehicle are paid.

Sec. 2. Use of the vans shall be limited to areas not having adequate public transportation between the residences of state employees and their places of employment. During the first year, the van program shall be implemented both in the seven-county metropolitan area and in one other region of the state.

Sec. 3. The program shall be evaluated after its first year of operation, and the commissioner of administration shall at that time recommend to the legislature whether the program should

be expanded or discontinued. The commissioner shall periodically inform the metropolitan council and the capitol area architectural and planning board on the operation of the program.

Sec. 4. Notwithstanding section 15.31 or any other law to the contrary, the commissioner of administration may purchase, pursuant to chapter 16, collision insurance coverage for the commuter vans. Notwithstanding sections 16.75, subdivision 7, and 168.012, the vans shall be marked in a manner to advertise that the vans are state employee commuter vans. The vans shall not be equipped with tax-exempt motor vehicle number plates.

Sec. 5. A vehicle being used for transporting state employees pursuant to this act shall not be deemed, for purposes of chapter 65B, a common carrier or a vehicle used in the for-hire transportation of persons or property. A driver or owner of a vehicle being used for transporting state employees pursuant to this act shall not be held to the standard of care applicable to drivers or owners of common carriers, nor shall they be subject to ordinances which relate exclusively to the regulation of drivers or owners of automobiles for hire or other common carriers.

Sec. 6. Minnesota Statutes 1974, Section 16.755, is repealed.

Sec. 7. This act is effective the day following final enactment and shall expire June 30, 1979."

Amend the title as follows:

Line 5, strike "amending" and insert "repealing"

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

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

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

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

Page 1, strike lines 5 through 18

Renumber subsequent sections

Page 2, line 1, after "nursing" and before "in" insert "services"

Page 2, line 6, after "home" insert "on or"

Page 2, line 6, strike "June 30, 1977" and insert "January 1, 1978"

Page 2, line 9, strike "30" and insert "90"

Page 2, line 10, after "the" insert "date of the"

Page 2, line 12, strike "no" and insert "a"

Page 2, line 12, strike "home's" and insert "home"

Page 2, line 12, after "shall" insert "not"

Page 2, line 13, after "the" and before "board" insert "state"

Page 2, line 14, after the period insert "The decision of the state board of health under this subdivision not to issue or renew a nursing home license shall be appealable under the provisions of Minnesota Statutes, Chapter 15."

Renumber the remaining section

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

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

H. F. No. 610: A bill for an act relating to metropolitan government; providing for election of council members; amending Laws 1975, Chapter 13, Section 3, Subdivisions 2 and 3, and by adding subdivisions; and Minnesota Statutes 1974, Sections 10A.01, Subdivision 5; 10A.17, Subdivision 3; 10A.20, Subdivisions 3 and 5; 10A.21, Subdivision 1; 10A.22, Subdivision 5; and 10A.25, Subdivisions 2 and 6.

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

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes, 1975 Supplement, Section 473.123, is amended to read:

473.123 [METROPOLITAN COUNCIL.] Subdivision 1. [CREATION.] A metropolitan council with jurisdiction in the metropolitan area consisting of the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington, is created. It shall be under the supervision and control of 17 members, all of whom shall be residents of the metropolitan area. *Commencing on the first Monday of January, 1979, the council shall consist of 16 members.*

Subd. 2. [TERMS.] Commencing the first Monday in January, 1975, the council members shall be appointed by the governor from each of the districts described in subdivision 3. The terms of the members shall be as follows: members representing even numbered districts for terms ending the first Monday in January, 1977; , and then for terms ending the first Monday in January, 1979 and members representing odd numbered districts for terms ending the first Monday in January, 1979. Thereafter the term of each member shall be for a term of four years and until his successor is appointed and qualified.

Members of the council serving as of the first Monday in January, 1975 shall continue to serve the district described in subdivision 3 in which they reside for the term herein prescribed for that district, provided that if more than one such member resides in the same district the governor shall designate one of them to serve as the council member from the district and the terms of the other members are thereupon terminated. The governor shall appoint as members of the council one resident of each

district described in subdivision 3 in which no present member of the council resides to serve for the term herein defined. For the purpose of this subdivision the residence of present members of the council serving as of the first Monday in January, 1975 shall be their residence as of July 1, 1974.

Commencing with the general election in 1978, members of the council shall be elected, one from each district described in subdivision 3, to three year terms. Commencing with the uniform municipal election in 1981, members shall be elected in the following manner: members representing even-numbered districts shall be elected in 1981 for a four-year term and every four years thereafter; members representing odd-numbered districts shall be elected at the uniform municipal election in 1981 for a two-year term, and in 1983 for a four year term and every four years thereafter. An elective term for a member shall begin on the first Monday in January after election and continue until his successor is elected and qualifies.

Subd. 3. [MEMBERSHIP.] Sixteen members of the metropolitan council shall be appointed by the governor on a nonpartisan basis, after consulting with all members of the legislature from the area composing the council district for which the member is to be appointed, by and with the advice and consent of the Senate elected. Each such council member shall reside in the council district which he represents. Each council district shall be represented by one member of the council. Council districts are hereby created as follows:

(1) The first council district consists of that part of the city of St. Paul described as follows: commencing at the intersection of the center line of University avenue with the west city limits, extending easterly along the center line of University avenue to the center line of Rice street, extending southerly along the center line of Rice street to the center line of Interstate 94, extending easterly along the center line of Interstate 94 to the center line of Summit avenue extended, extending southwesterly along the center line of Summit avenue extended and Summit avenue to the center line of Kellogg boulevard, extending southeasterly along the center line of Kellogg boulevard to the center line of Eagle street, extending southeasterly along the center line of Eagle street to the main channel of the Mississippi river, extending southwest-erly, westerly, and northerly along the main channel of the Mississippi river to the west city limits, and extending northerly along the west city limits to the point of origin.

(2) The second council district consists of that part of the county of Ramsey consisting of the cities of Lauderdale, Falcon Heights, and Roseville; and that part of the city of St. Paul described as follows: commencing at the intersection of the center line of University avenue with the west city limits, extending easterly along the center line of University avenue to the center line of Rice street, extending northerly along the center line of Rice street to the Burlington Northern railroad right of way, extending easterly along the Burlington Northern railroad right of way to the center line of Sylvan street, extending northerly along the center line of Sylvan street to the center line of Magnolia avenue west, extending easterly along the center line of Magnolia avenue west to the center line of Agate street, extending northerly along the center

line of Agate street to the center line of Jessamine avenue west extended, extending easterly along the center line of Jessamine avenue west extended to the center line of Interstate 35E, extending northerly along the center line of Interstate 35E to the north city limits, and extending westerly, southerly, westerly, southerly, westerly, northerly, westerly, and southerly along the city limits to the point of origin.

(3) The third council district consists of that part of the city of St. Paul described as follows: commencing at the intersection of the center line of Interstate 35E with the north city limits, extending southerly along the center line of Interstate 35E to the center line of Jessamine avenue west extended; extending westerly along the center line of Jessamine avenue west extended to the center line of Agate street, extending southerly along the center line of Agate street to the center line of Magnolia avenue west, extending westerly along the center line of Magnolia avenue west to the center line of Sylvan street, extending southerly along the center line of Sylvan street to the Burlington Northern railroad right of way, extending westerly along the Burlington Northern railroad right of way to the center line of Rice street, extending southerly along the center line of Rice street to the center line of Interstate 94, extending easterly along the center line of Interstate 94 to the center line of Summit avenue extended, extending southwesterly along the center line of Summit avenue extended and Summit avenue to the center line of Kellogg boulevard, extending southeasterly along the center line of Kellogg boulevard to the center line of Eagle street, extending southeasterly along the center line of Eagle street to the main channel of the Mississippi river, extending southwesterly along the main channel of the Mississippi river to the south city limits, extending easterly, northerly, easterly, southerly, easterly, southeasterly, easterly, northerly, and westerly along the city limits to the point of origin.

(4) The fourth council district consists of that part of the county of Ramsey consisting of the town of White Bear; the cities of Arden Hills, Gem Lake, Little Canada, Mounds View, New Brighton, North Oaks, North St. Paul, Shoreview, and Vadnais Heights; that part of the city of White Bear Lake lying in the county of Ramsey; and that part of the city of Maplewood lying north of the center line of Larpenteur Avenue.

(5) The fifth council district consists of that part of the county of Hennepin consisting of the city of Robbinsdale; that part of the city of Golden Valley described as follows: commencing at the intersection of the center line of trunk highway No. 100 with the north city limits, extending southerly along the center line of trunk highway No. 100 to the Minnesota Western railroad right of way, extending easterly along the Minnesota Western railroad right of way to the east city limits, and extending northerly, westerly, northerly, and westerly along the city limits to the point of origin; and that part of the city of Minneapolis described as follows: commencing at the intersection of the main channel of the Mississippi river with the north city limits, extending southerly along the main channel of the Mississippi river to the Burlington Northern railroad right of way, extending southwesterly along the Burlington Northern railroad right of way to the center line of Sixth street north extended, extending southeasterly along the center line of Sixth street north extended and Sixth street north to the center

line of Hennepin avenue, extending southwesterly along the center line of Hennepin avenue to the center line of Franklin avenue west, extending westerly along the center line of Franklin avenue west to the center line of Lake of the Isles boulevard east, extending southerly along the center line of Lake of the Isles boulevard east to the center line of Lake Calhoun boulevard east, extending southerly along the center line of Lake Calhoun boulevard east to the center line of Lake street west, extending westerly along the center line of Lake street west to the west city limits, and extending northerly, easterly, northerly, and easterly along the city limits to the point of origin.

(6) The sixth council district consists of that part of the county of Hennepin consisting of that part of the city of St. Anthony lying in the county of Hennepin; and that part of the city of Minneapolis described as follows: commencing at the intersection of the main channel of the Mississippi river with the north city limits, extending southerly along the main channel of the Mississippi river to the Burlington Northern railroad right of way, extending southwesterly along the Burlington Northern railroad right of way to the center line of Sixth street north extended, extending southeasterly along the center line of Sixth street north extended and Sixth street north to the center line of Hennepin avenue, extending southwesterly along the center line of Hennepin avenue to the center line of Lincoln avenue extended, extending easterly along the center line of Lincoln avenue extended to the center line of Lyndale avenue south, extending southerly along the center line of Lyndale avenue south to the center line of Twenty-fourth street east, extending easterly along the center line of Twenty-fourth street east to the center line of Stevens avenue south, extending southerly along the center line of Stevens avenue south to the center line of Twenty-fifth street east, extending easterly along the center line of Twenty-fifth street east to the center line of Fifteenth avenue south, extending northerly along the center line of Fifteenth avenue south to the center line of Twenty-fourth street east, extending easterly along the center line of Twenty-fourth street east to the center line of Cedar avenue south, extending northerly along the center line of Cedar avenue south to the center line of Sixth street south; extending easterly along the center line of Sixth street south to the center line of Twenty-seventh avenue south extended, extending northerly along the center line of Twenty-seventh avenue south extended to the main channel of the Mississippi river, extending southeasterly along the main channel of the Mississippi river to the east city limits, and extending northerly, westerly, northerly, westerly, northerly, and westerly to the point of origin; and that part of the county of Ramsey consisting of that part of the city of St. Anthony lying in the county of Ramsey.

(7) The seventh council district consists of that part of the city of Minneapolis described as follows: commencing at the intersection of the center line of Lake street west with the west city limits, extending easterly along the center line of Lake street west to the center line of Lake Calhoun boulevard east, extending northerly along the center line of Lake Calhoun boulevard east to the center line of Lake of the Isles boulevard east, extending northerly along the center line of Lake of the Isles boulevard east to the center line of Franklin avenue west, extending easterly along the center line of Franklin avenue west to the center line of

Hennepin avenue, extending northeasterly along the center line of Hennepin avenue to the center line of Lincoln avenue extended, extending easterly along the center line of Lincoln avenue extended to the center line of Lyndale avenue south, extending southerly along the center line of Lyndale avenue south to the center line of Twenty-fourth street east, extending easterly along the center line of Twenty-fourth street east to the center line of Stevens avenue south, extending southerly along the center line of Stevens avenue south to the center line of Twenty-fifth street east, extending easterly along the center line of Twenty-fifth street east to the center line of Chicago avenue south, extending southerly along the center line of Chicago avenue south to the center line of Thirty-eighth street east, extending westerly along the center line of Thirty-eighth street east to the center line of Fourth avenue south, extending southerly along the center line of Fourth avenue south to the center line of Forty-second street east, extending westerly along the center line of Forty-second street east to the center line of Interstate 35W, extending southerly along the center line of Interstate 35W to the center line of Forty-eighth street east extended, extending westerly along the center line of Forty-eighth street east extended and Forty-eighth street east to the center line of Nicollet avenue south, extending southerly along the center line of Nicollet avenue south to the center line of Fifty-seventh street east, extending easterly along the center line of Fifty-seventh street east and Fifty-seventh street east extended to the center line of Interstate 35W, extending southerly along the center line of Interstate 35W to the south city limits, and extending westerly, northerly, westerly, and northerly to the point of origin.

(8) The eighth council district consists of that part of the city of Minneapolis described as follows: commencing at the intersection of the main channel of the Mississippi river with the east city limits, extending northwesterly along the main channel of the Mississippi river to the center line of Twenty-seventh avenue south extended, extending southerly along the center line of Twenty-seventh avenue south extended to the center line of Sixth street South, extending westerly along the center line of Sixth street south to the center line of Cedar avenue south, extending southerly along the center line of Cedar avenue south to the center line of Twenty-fourth street east, extending westerly along the center line of Twenty-fourth street east to the center line of Fifteenth avenue south, extending southerly along the center line of Fifteenth avenue south to the center line of Twenty-fifth street east, extending westerly along the center line of Twenty-fifth street east to the center line of Chicago avenue south, extending southerly along the center line of Chicago avenue south, to the center line of Thirty-eighth street east, extending westerly along the center line of Thirty-eighth street east to the center line of Fourth avenue south, extending southerly along the center line of Fourth avenue south to the center line of Forty-second street east, extending westerly along the center line of Forty-second street east to the center line of Interstate 35W, extending southerly along the center line of Interstate 35W to the center line of

Forty-eighth street east extended, extending westerly along the center line of Forty-eighth street east extended and Forty-eighth street east to the center line of Nicollet avenue south, extending southerly along the center line of Nicollet avenue south to the center line of Fifty-seventh street east, extending easterly along the center line of Fifty-seventh street east and Fifty-seventh street east extended to the center line of Interstate 35W, extending southerly along the center line of Interstate 35W to the south city limits, and extending easterly, northerly, easterly, and northerly to the point of origin.

(9) The ninth council district consists of that part of the county of Hennepin consisting of the Fort Snelling area; the city of Richfield; and that part of the city of Bloomington described as follows: commencing at the intersection of the center line of France avenue south with the north city limits, extending southerly along the center line of France avenue south to the center line of One Hundred Second street west, extending westerly along the center line of One Hundred Second street west to the center line of Johnson avenue, extending southerly along the center line of Johnson avenue to the Minneapolis, Northfield, and Southern railroad right of way, extending southwesterly along the Minneapolis, Northfield, and Southern railroad right of way to the center line of Normandale boulevard, extending southerly along the center line of Normandale boulevard to the south city limits, extending easterly, northeasterly, westerly, northerly, and westerly along the city limits to the point of origin.

(10) The tenth council district consists of that part of the county of Hennepin consisting of the cities of New Hope, Crystal and St. Louis Park; and that part of the city of Golden Valley described as follows: commencing at the intersection of the center line of trunk highway No. 100 and the north city limits, extending southerly along the center line of trunk highway No. 100 to the Minnesota Western railroad right of way, extending easterly along the Minnesota Western railroad right of way to the east city limits, extending southerly, westerly, southerly, westerly, and northerly along the city limits to the center line of Olson Memorial highway, extending easterly along the center line of Olson Memorial highway to the center line of Winnetka avenue north, extending northerly along the center line of Winnetka avenue north to the north city limits, and extending easterly along the north city limits to the point of origin.

(11) The eleventh council district consists of that part of the county of Hennepin consisting of the cities of Edina, Medicine Lake, Minnetonka, Plymouth, Hopkins and Wayzata; and that part of the city of Golden Valley described as follows: commencing at the intersection of the center line of Winnetka avenue north and the north city limits, extending southerly along the center line of Winnetka avenue north to the center line of Olson Memorial highway; extending westerly along the center line of Olson Memorial highway to the west city limits, and extending northerly and easterly along the city limits to the point of origin.

(12) The twelfth council district consists of that part of the

county of Anoka consisting of the towns of Burns, Grow, Oak Grove, and Ramsey; the cities of Anoka, Bethel and St. Francis; and that part of the county of Hennepin consisting of the town of Hassan; the cities of Corcoran, Champlin, Dayton, Greenfield, Independence, Loretto, Maple Grove, Maple Plain, Medina, Minnetrista, Osseo, Rogers, St. Bonifacius, Brooklyn Center and Brooklyn Park; and that part of the cities of Hanover and Rockford lying in the county of Hennepin.

(13) The thirteenth council district consists of that part of the county of Anoka consisting of the town of Ham Lake; the cities of East Bethel, Hilltop, Columbia Heights, Coon Rapids, and Fridley; and that part of the city of Spring Lake Park and the city of Blaine lying in Anoka county; and that part of the county of Ramsey consisting of that part of the cities of Spring Lake Park and Blaine lying in the county of Ramsey.

(14) The fourteenth council district consists of the county of Washington; that part of the county of Anoka consisting of the towns of Columbus and Linwood; and the cities of Centerville, Circle Pines, Lexington, and Lino Lakes; that part of the county of Dakota consisting of the towns of Marshan, Nininger, and Ravenna; the city of Hastings; and that part of the county of Ramsey consisting of that part of the city of Maplewood lying south of the center line of Larpenteur avenue.

(15) The fifteenth council district consists of that part of the county of Dakota consisting of the towns of Castle Rock, Douglas, Eagan, Empire, Eureka, Greenvale, Hampton, Randolph, Sciota, Vermillion, and Waterford; the cities of Apple Valley, Burnsville, Coates, Farmington, Hampton, Inver Grove Heights, Lilydale, Mendota, Mendota Heights, Miesville, New Trier, Randolph, Rosemount, Sunfish Lake, Vermillion, South St. Paul and West St. Paul.

(16) The sixteenth council district consists of the counties of Carver and Scott; that part of the county of Dakota consisting of the city of Lakeville; and that part of the county of Hennepin consisting of the cities of Deephaven, Eden Prairie, Excelsior, Greenwood, Long Lake, Minnetonka Beach, Mound, Orono, Shorewood, Spring Park, Tonka Bay, and Woodland; that part of the city of Chanhassen lying in the county of Hennepin; and that part of the city of Bloomington described as follows: commencing at the intersection of the center line of France avenue south with the north city limits, extending southerly along the center line of France avenue south to the center line of One Hundred Second street west, extending westerly along the center line of One Hundred Second street west to the center line of Johnson avenue south, extending southerly along the center line of Johnson avenue south to the Minneapolis, Northfield, and Southern railroad right of way, extending southwesterly along the Minneapolis, Northfield and Southern railroad right of way to the center line of Normandale boulevard, extending southerly along the center line of Normandale boulevard to the south city limits, and extending westerly, northerly, and easterly, along the city limits to the point of origin.

Subd. 3a. [OATH OF OFFICE.] *Each member of the council shall qualify by taking and subscribing the oath of office prescribed by the Constitution, Article 5, Section 6. The oath, duly certified by the official administering it, shall be filed with the secretary of the council.*

Subd. 3b. [VACANCIES.] *If the office of any elected member becomes vacant, a successor shall be selected by the council, to serve until after a member is elected at the next general election. The term of an elected successor shall commence on the day of the next regular meeting of the council following his election and continue for the remainder of the term of the elected member being replaced.*

Subd. 3c. [ELECTIONS, PROCEDURE.] *Any eligible person desiring to be a candidate for the council from any district shall file an affidavit of candidacy in the manner and within the time prescribed by section 202A.22 and pay a filing fee in the amount of \$20. The candidate shall state in his affidavit that on election day he will have resided within the state not less than one year and in the district from which he seeks election for not less than six months. The primary and general elections shall be conducted in accordance with the provisions of Minnesota election law. The names of the candidates shall be placed on a partisan ballot at the primary election and the names of the nominees at the primary election shall be placed on the official partisan ballot for the ensuing general election.*

Subd. 4. [CHAIRMAN; APPOINTMENT, DUTIES.] (a) *Until the first Monday in January, 1979, the chairman of the metropolitan council shall be appointed by the governor as the 17th voting member thereof by and with the advice and consent of the senate to serve at his pleasure. He shall be a person experienced in the field of municipal and urban affairs with administrative training and executive ability.*

(b) *Commencing the first Monday in January, 1979, the chairman shall be elected by the council members from among the members of the council. The chairman shall serve for a three-year term until the first Monday in January, 1981. Thereafter, the chairman shall serve for a two-year term.*

~~(b)~~ (c) *The chairman of the metropolitan council shall preside at the meetings of the metropolitan council and shall act as principal executive officer. He shall organize the work of the metropolitan council, appoint all officers and employees thereof, subject to the approval of the metropolitan council, and be responsible for carrying out all policy decisions of the metropolitan council. His salary and expense allowances shall be fixed by the metropolitan council.*

Subd. 5. [METROPOLITAN COUNCIL; DUTIES AND COMPENSATION.] *The metropolitan council shall elect such officers as it deems necessary for the conduct of its affairs other than the chairman. A secretary and treasurer need not be members of the metropolitan council. Meeting times and places shall be fixed by the metropolitan council and special meetings may be called by a majority of the members of the metropolitan council or by*

the chairman thereof. Each metropolitan council member other than the chairman shall be paid a *per diem compensation of \$50 for each meeting and for such other services as authorized by the metropolitan council at the same salary as state legislators*, and shall be reimbursed for his reasonable expenses *in the same manner and amount as state employees*.

In the performance of its duties the metropolitan council may promulgate rules governing its operation, establish committees, divisions, departments and bureaus and staff the same as necessary to carry out its duties and when specifically authorized by law make appointments to other governmental agencies and districts. All officers and employees of the metropolitan council shall serve at the pleasure of the appointing authority in the unclassified service of the state civil service. Rules promulgated by the metropolitan council shall be in accordance with the administrative procedure provisions contained in chapter 15.

Subd. 6. [EXECUTIVE DIRECTOR.] Upon the recommendation of the chairman the metropolitan council may appoint an executive director to serve at his pleasure as the principal operating administrator for the metropolitan council. He may be chosen from among the citizens of the nation at large, and shall be selected on the basis of his training and experience in the field of municipal and urban affairs.

Sec. 2, Minnesota Statutes, 1975 Supplement, Section 473.141, Subdivision 3, is amended to read:

Subd. 3. [CHAIRMAN.] The chairman of each commission shall be appointed by the ~~governor~~ *chairman of the council* with the ~~advice and consent~~ *approval* of the ~~senate~~ *council* and shall be the ninth voting member of the commission and shall meet all qualifications established for members, except the chairman need only reside within the metropolitan area. The chairman shall preside at all meetings of the commission, if present, and shall perform all other duties and functions assigned to him by the commission or by law. Each commission may appoint from among its members a vice-chairman to act for the chairman during his temporary absence or disability.

Sec. 3, Minnesota Statutes, 1975 Supplement, Section 473.146, Subdivision 4, is amended to read:

Subd. 4. The metropolitan council shall be the designated planning agency for any long-range comprehensive transportation planning required by Section 134 of the Federal Highway Act of 1962, Section 4 of Urban Mass Transportation Act of 1964 and Section 112 of Federal Aid Highway Act of 1973 and such other federal transportation laws as may hereinafter be enacted. The council shall assure administration and coordination of transportation planning with appropriate state, regional and other agencies, counties, and municipalities, ~~and together with the metropolitan transit commission shall establish such an advisory body consisting of citizen representatives, commission, municipality, county and appropriate state agency representatives in fulfillment of the planning responsibilities of the council and the commission.~~

Sec. 4. Minnesota Statutes, 1975 Supplement, Section 473.249, Subdivision 1, is amended to read:

473.249 [TAX LEVY.] Subdivision 1. The metropolitan council may levy a tax on all taxable property in the counties named in section 473.121 to provide funds for the purposes of sections 473.121 to 473.249, *and for the purpose of carrying out other responsibilities of the council as provided by law.* The tax shall not exceed ~~seven thirtieths~~ *three-tenths* of one mill on each dollar of assessed valuation of all such taxable property, and shall be levied and collected in the manner provided by section 473.08.

Sec. 5. Minnesota Statutes 1974, Section 10A.01, Subdivision 5, is amended to read:

Subd. 5. "Candidate" means an individual who seeks nomination for election or election to any statewide office or legislative office, other than a federal office for which candidates are required to report under federal laws. The term candidate shall also include supreme court and district court judges of the state, *and an individual who seeks nomination for election or election to the metropolitan council.* An individual shall be deemed to seek nomination for election or election if he has taken the action necessary under the law of the state of Minnesota to qualify himself for nomination for election or election to an office, has received contributions or made expenditures in excess of \$100, or has given his consent, implicit or explicit, for any other person to receive contributions or make expenditures in excess of \$100 with a view to bringing about his nomination for election or election to an office.

Sec. 6. Minnesota Statutes 1974, Section 10A.17, Subdivision 3, is amended to read:

Subd. 3. The treasurer or deputy treasurer of a political committee may make an authorization for petty cash in any reporting period of not more than \$100 per week for statewide elections and \$20 per week in legislative elections *and metropolitan council elections* to be used for miscellaneous expenditures.

Sec. 7. Minnesota Statutes 1974, Section 10A.20, Subdivision 3, is amended to read:

Subd. 3. Each report under this section shall disclose:

(a) The amount of liquid assets on hand at the beginning of the reporting period;

(b) The name, address and employer, or, if self-employed, occupation of each person, political committee or political fund who has made one or more contributions to or for the political committee or political fund including the purchase of tickets for dinners, luncheons, rallies, and similar fund raising events within the year in an aggregate amount or value in excess of \$50 for legislative candidates *and candidates for metropolitan council*, and in excess of \$100 for statewide candidates, together with the amount and date of the contributions, and the aggregate amount of contributions within the year of each contributor so disclosed. The lists of contributors shall be in alphabetical order;

(c) The total sum of individual contributions made to or for the political committee or political fund during the reporting period and not reported under clause (b);

(d) The name and address of each political committee, political fund or candidate from which the reporting committee or fund received, or to which that committee made, any transfer of funds, together with the amounts and dates of all transfers. The lists shall be in alphabetical order;

(e) Each loan to or from any person within the year in an aggregate amount or value in excess of \$100, together with the full names and mailing address, occupations and the principal places of business, if any, of the lender or endorsers, if any, and the date and amount of the loans;

(f) Each receipt in excess of \$100 not otherwise listed under clauses (b) to (e);

(g) The total sum of all receipts by or for the political committee or political fund during the reporting period;

(h) The name, address, occupation and the principal place of business, if any, of each person to whom expenditures have been made by the political committee or political fund or on its behalf within the year in an aggregate amount in excess of \$100, the amount, date and purpose of each expenditure and the name and address of, and office sought by, each candidate on whose behalf the expenditure was made;

(i) The sum of individual expenditures which is not otherwise reported under clause (h);

(j) The name, address, occupation and the principal place of business, if any, of each person to whom an expenditure for personal services, salaries, and reimbursable expenses in excess of \$100 has been made, and which is not otherwise reported, including the amount, date and purpose of the expenditure;

(k) The sum of individual expenditures for personal services, salaries and reimbursable expense which is not otherwise reported under (j);

(l) The total expenditures made by the political committee or political fund during the reporting period;

(m) The amount and nature of debts and obligations owed by or to the political committee or political fund, and a continuous reporting of their debts and obligations after the election until the debts and obligations are extinguished;

(n) The amount and nature of any contract, promise or agreement, in writing, whether or not legally enforceable, to make a contribution or expenditure;

(o) The name of each person, committee or political fund, which has been authorized by the treasurer to make expenditures on behalf of the candidate and the nature and amount of each authorized expenditure.

Sec. 8. Minnesota Statutes 1974, Section 10A.20, Subdivision 5, is amended to read:

Subd. 5. In any statewide election any contribution or contributions from a person or association totaling \$2,000 or more, or in any

legislative election *or metropolitan council election*, any contribution of \$200 or more, received after the period covered in the last report prior to an election and prior to the election shall be reported to the commission by telegram within 48 hours after its receipt and in the next required report.

Sec. 9. Minnesota Statutes 1974, Section 10A.21, Subdivision 1, is amended to read:

10A.21 [REPORTS TO COUNTY AUDITOR.] Subdivision 1. All reports or statements that must be filed with the commission by the principal campaign committee of legislative candidates *and candidates for metropolitan council* shall also be filed with the county auditor of each county in which the legislative *or metropolitan council* district lies.

Sec. 10. Minnesota Statutes 1974, Section 10A.22, Subdivision 5, is amended to read:

Subd. 5. A political committee or political fund making an expenditure, other than a transfer of funds, for or on behalf of more than one candidate for state or legislative office *or membership on the metropolitan council* shall allocate the expenditure among the candidates on a reasonable costs basis and report this allocation for each candidate. The treasurer shall retain for audit any documents supporting the allocation.

Sec. 11. *This act applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.*"

Further, amend the title as follows:

Page 1, line 3, strike "Laws 1975,"

Page 1, strike line 4

Page 1, line 5, strike "by adding subdivisions; and"

Page 1, strike all of line 9 and insert "Minnesota Statutes, 1975 Supplement, Sections 473.123; 473.141, Subdivision 3; 473.146, Subdivision 4; and 473.249, Subdivision 1."

And when so amended the bill do pass. Mr. Renneke questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

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

S. F. No. 2210: A bill for an act relating to Red River watershed; authorizing watershed districts which are members of the lower Red River watershed management board to levy a tax; authorizing the management board to institute certain projects; allowing the board to enter certain intergovernmental agreements.

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

Page 2, line 8, strike "by assessment upon" and insert "in any manner permitted by Minnesota Statutes, Chapter 112"

Page 2, line 9, strike "benefitted properties"

Page 2, line 9, after "the" insert "limitations of"

Page 2, line 10, after "preliminary" insert "cost"

Page 2, line 10, strike "of costs for projects and works" and insert "specified in Minnesota Statutes, Section 112.48, Subdivision 4, shall not be applicable."

Page 2, strike lines 11 and 12

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

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

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.

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

Page 1, line 10, strike "*determines*" and insert "*is authorized by law*"

Page 1, line 11, strike "*that it is necessary*"

Page 1, line 13, strike "*any*" and insert "*, that*"

Page 1, line 14, strike "*Any owner or owners consenting*" and insert "*This subdivision shall apply only in those situations where condemnation is not otherwise authorized for the acquisition.*"

Page 1, strike lines 15 and 16.

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

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

S. F. No. 2200: A bill for an act appropriating money to the commissioner of natural resources for mineland reclamation purposes.

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

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

S. F. No. 2300: A bill for an act relating to livestock sanitation; providing indemnification to owners of condemned cattle by reason of being nonreactors to the brucellosis test, or by rea-

son of being exposed to brucellosis and not eligible for test; authorizing indemnity to owners of grade bulls slaughtered because of certain other dangerous diseases; amending Minnesota Statutes 1974, Section 35.09, Subdivision 2, and by adding a subdivision.

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

Page 4, line 9, strike "\$1,000" and insert "\$600"

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

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

S. F. No. 2362: A bill for an act relating to counties; changing lands subject to county control; amending Minnesota Statutes 1974, Section 394.24, Subdivision 3.

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

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

S. F. No. 1859: A bill for an act relating to port authorities; authorizing port authorities to apply for and exercise the powers of a foreign trade zone; amending Minnesota Statutes 1974, Section 458.192, Subdivision 1, and by adding a subdivision.

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

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

S. F. No. 2355: A bill for an act relating to state employees; limiting severance allowances for certain employees; amending Minnesota Statutes, 1975 Supplement, Section 43.224.

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

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

S. F. No. 1624: A bill for an act relating to housing and redevelopment; redefining powers of local housing and redevelopment authorities in carrying out legislation; making loans and grants and renting housing to tenants; amending Minnesota Statutes 1974, Sections 462.445, Subdivisions 4 and 9; and 462.475, Subdivision 1; repealing Minnesota Statutes 1974, Section 462.501, Subdivision 1.

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

Page 1, after line 10, insert:

"Section 1. Minnesota Statutes 1974, Section 462.425, Subdivision 6, is amended to read:

Subd. 6. [APPOINTMENT; APPROVAL; TERM; VACANCY.] The commissioners constituting an authority shall be appointed by the mayor, with the approval of the governing body. Those initially appointed shall be appointed for terms of one, two, three, four, and five years, respectively. Thereafter all commissioners shall be appointed for five-year terms. Each vacancy in an unexpired term shall be filled in the same manner in which the original appointment was made. *The council of any municipality which appoints members of the city council as commissioners may set the terms of office of the commissioner to coincide with his term of office as a council member.*"

Pages 5 to 8, strike sections 2 and 3

Page 8, after line 10, insert:

"Sec. 4. *This act shall be effective the day after final enactment.*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "permitting coinciding terms of office for city council members of a municipality who are appointed commissioners of a municipal housing and redevelopment authority;"

Page 1, line 4, strike "making"

Page 1, strike line 5

Page 1, line 6, after "Sections" insert "462.425, Subdivision 6; and"

Page 1, line 7, strike "Subdivisions 4 and 9" and insert "Subdivision 4"

Page 1, line 7, strike "and 462.475,"

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

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

H. F. No. 290: A bill for an act relating to sex discrimination; abolishing discrimination on the basis of sex in certain insurance laws; amending Minnesota Statutes 1974, Sections 61A.12, Subdivisions 2 and 4; 62A.041; 62C.14, Subdivision 5a; 69.40; 69.41; and 69.48.

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

Page 2, line 19, strike "1975" and insert "1976"

Page 2, line 30, strike "1975" and insert "1976"

Page 3, line 19, strike "1975" and insert "1976"

Page 4, strike section 5, and insert:

"Sec. 5. Minnesota Statutes, 1975 Supplement, Section 69.40, is amended to read:

69.40 [PAYMENTS.] The amount so paid to a relief association by the state and each city under the provisions of sections 69.25 to 69.53, and by it set aside and deposited as a special fund, shall be appropriated and disbursed by the association for the following purposes:

(1) For the relief of sick, injured and disabled members of the relief association, their ~~widows~~ *surviving spouses* and orphans; and

(2) For the payment of disability and service pensions to members of the relief association; and

(3) For the expenses of such association as authorized by the board of trustees of any such association of any city now or hereafter having 75,000 inhabitants or more and less than 150,000 inhabitants; and

(4) For the administrative expenses of the association directly related to the operation of the fund including necessary travel, as authorized by the board of trustees of the association of any city now or hereafter having 400,000 or more inhabitants.

Amend the title as follows

Page 1, line 6, strike "69.40;"

Page 1, line 6, strike "and"

Page 1, line 6, after "69.48" insert "; and Minnesota Statutes, 1975 Supplement, Section 69.40"

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. 1619: A bill for an act relating to intoxicating liquors; repealing certain obsolete provisions; increasing the penalty for selling or giving away poisonous liquor; amending Minnesota Statutes 1974, Sections 340.71 and 340.942; repealing Minnesota Statutes 1974, Sections 340.38; 340.70; 340.73; 340.76; 340.77; 340.78; 340.79; 340.80; 340.81; 340.83; 340.87; 340.88; 340.89; 340.90; 340.91; 340.92; and 340.93.

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

Page 2, line 13, strike "340.73;" and "340.78;"

Page 2, line 14, strike "340.81;"

Amend the title as follows

Page 1, line 7, strike "340.73;"

Page 1, line 8, strike "340.78;" and "340.81;"

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

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

S. F. No. 1927: A bill for an act relating to no fault automobile insurance; clarifying the definition of motor vehicle; providing penalties against motorcycle owners who violate the no fault insurance act; amending Minnesota Statutes 1974, Section 65B.67, by adding a subdivision.

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

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

S. F. No. 2254: A bill for an act relating to unemployment compensation; providing that an individual who has voluntarily left or indefinitely separated from employment with a school and is hired for the next school year by another school may not collect benefits during the period between successive school years; amending Minnesota Statutes, 1975 Supplement, Section 268.08, Subdivision 5.

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

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

S. F. No. 1875: A bill for an act relating to health; restricting persons who may administer anesthesia; licensing registered nurses to administer anesthesia; providing for temporary permits and extended time for compliance; amending Minnesota Statutes 1974, Section 148.171; and Chapters 145, by adding a section; and 148 by adding a section.

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

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1974, Chapter 145, is amended by adding a section to read:

[145.401] [PERSONS WHO MAY ADMINISTER ANESTHESIA.]
No person may administer anesthesia to another person unless he possesses a current license in this state in an occupation permitting the administration of anesthesia, or has been trained as a physician's assistant in anesthesia in a program approved by the board of medical examiners by rule. A physician's assistant in anesthesia may administer anesthesia only under the direct supervision of an anesthesiologist authorized to practice in this state. A registered nurse anesthetist may administer anesthesia only under the supervision of a licensed physician, osteopath or dentist. Students enrolled in and currently attending schools of licensed occupations permitting the administration of anesthesia are

permitted to administer anesthesia under the supervision of a licensed physician, osteopath, or dentist.

Sec. 2. Minnesota Statutes 1974, Section 148.171, is amended to read:

148.171 [DEFINITIONS.] *Subdivision 1. As used in sections 148.-171 to 148.285 the following terms shall have the meaning given:*

~~(1) The term~~ *Subd. 2. "Board" shall mean Minnesota board of nursing.*

~~(2) The term~~ *Subd. 3. "Registered nurse" abbreviated R.N., shall mean a natural person licensed by the Minnesota board of nursing to practice professional nursing.*

~~(3) Subd. 4.~~ *The practice of professional nursing means the performance for compensation or personal profit of the professional interpersonal service of: (a) providing a nursing assessment of the actual or potential health needs of individuals, families, or communities; (b) providing nursing care supportive to or restorative of life by functions such as skilled ministrations of nursing care, supervising and teaching nursing personnel, health teaching and counseling, case finding and referral to other health resources; and (c) evaluating these actions.*

The practice of professional nursing includes both independent nursing functions and delegated medical functions which may be performed in collaboration with other health team members, or may be delegated by the professional nurse to other nursing personnel. Independent nursing function may also be performed autonomously. The practice of professional nursing requires that level of special education, knowledge, and skill ordinarily expected of an individual who has completed an approved professional nursing education program as described in section 148.211, subdivision 1.

Subd. 5. "Registered nurse anesthetist" means a registered nurse licensed by the board of nursing to administer anesthesia.

Subd. 6. "Anesthesia" shall have the meaning prescribed by the board of health by rule.

Sec. 3. Minnesota Statutes, 1975 Supplement, Section 148.181, Subdivision 1, is amended to read:

148.181 [BOARD OF NURSING; MEMBERSHIP, APPOINTMENTS, VACANCIES, REMOVALS.] *Subdivision 1. The board of nursing shall consist of 11 members appointed by the governor, each of whom shall be a resident of this state. Seven members shall be nurses; each of whom shall have graduated from an approved school of nursing; shall be licensed as a registered nurse in this state; shall have had at least five years experience in nursing following graduation. Four of the seven shall have had at least two years executive or teaching experience in nursing education and shall have been actively engaged in the practice of nursing within two years of appointment. One of the seven shall be a registered nurse anesthetist. The remaining four members shall be public members as defined for purposes of Laws 1973, Chapter 638. Membership terms, compensation of members, removal of members, the filling of membership vacancies, and fiscal year and reporting requirements shall be as*

provided in sections 214.07 to 214.09. Each member of the board shall file with the secretary of state the constitutional oath of office before beginning his or her term of office.

Sec. 4. Minnesota Statutes, 1975 Supplement, Section 148.231, is amended to read:

148.231 [ADVISORY COUNCIL, CONTINUING EDUCATION REQUIREMENTS; REGISTRATION; NON-PRACTICING LIST.] Subdivision 1. [REGISTRATION.] Except for a person whose name is on the non-practicing list as provided in this section, every person licensed to practice professional nursing *and every registered nurse anesthetist* must also maintain with the board, a current registration for practice as a registered nurse *or registered nurse anesthetist* which must be renewed at regular intervals stipulated by the board by rule. Upon adoption by the board of rules ~~and regulations~~ establishing procedures and minimum requirements for successful completion of specified continuing education as hereinafter provided, no certificate of registration shall be issued by the board to a nurse until he or she has submitted satisfactory evidence of compliance with the procedures and minimum requirements established by the board.

The fee for periodic registration for practice as a registered nurse shall be determined by the board by rule. A penalty fee shall be added for any application received after the expiration date as specified by the board by rule. Upon receipt of the application and the required fees, the board shall verify the application and the evidence of completion of continuing education requirements in effect, and thereupon issue to such applicant a certificate of registration for the next renewal period.

Subd. 2. [ADVISORY COUNCIL.] The board of nursing shall appoint an advisory task force on registration consisting of 15 members, to study procedures and requirements for continuing education for nurses *and nurse anesthetists*, and to submit recommendations for rules to the board by January 1, 1977. The task force shall assist the board in evaluating the effects of the procedures and requirements and periodically recommending revision to the board. Members of the advisory council shall be registered nurses, no more than seven of whom shall live in Hennepin or Ramsey counties. At least three members from Hennepin and Ramsey counties and three of the other members shall be appointed by the board from lists submitted by professional nursing organizations in the state. Members of the task force shall be entitled to expenses in the same manner and amount as received by state employees. The task force shall expire January 1, 1978.

Subd. 3. [CONTINUING EDUCATION REQUIREMENTS.] Not later than January 1, 1978 the board shall by rule promulgate and thereafter periodically revise as it deems appropriate rules for: (a) the type and amount of continuing education directly related to nursing required for a registered nurse as a qualification for licensure or any registration to practice as a registered nurse; ~~and~~ (b) *the type and amount of continuing education directly related to the administration of anesthesia required for a registered nurse anesthetist as a qualification for licensure or any registration to practice as a registered nurse anesthetist*; and (c) the period of time authorized for applicants to meet the continuing education

requirements. In establishing the rules, the board may differentiate in the type, amount, and period for meeting the continuing education required of applicants.

Subd. 4. [FAILURE TO REGISTER.] Any person licensed under the provisions of sections 148.171 to 148.285 who fails to re-register within the period hereinbefore provided, shall be deemed delinquent and shall not be entitled to practice nursing in this state as a registered nurse or *registered nurse anesthetist*, until an application for renewal registration has been filed with the board accompanied by satisfactory evidence of compliance with the procedures and minimum requirements currently established by the board for continuing education and by a registration fee for each calendar year during which said applicant has failed to register, up to a maximum stipulated by the board by rule, and a certificate of re-registration issued to such person.

Subd. 5. [NON-PRACTICING LIST; RE-REGISTRATION.] A person licensed under the provisions of sections 148.171 to 148.285 who desires to retire from practice temporarily, shall send a written notice to the board. Upon the receipt of ~~such~~ *the* notice, the board shall place the name of ~~such~~ *the* person on the non-practicing list. While so remaining on this list, the person shall not be subject to the payment of any fees, and shall not practice ~~nursing as a nurse or as a nurse anesthetist~~ in this state. When ~~such~~ *the* person desires to resume practice he or she shall make application for re-registration, and submit satisfactory evidence of compliance with the procedures and minimum requirements established by the board for continuing education, and pay the registration fee for the current period to the board. Thereupon, the registration certificate shall be issued to ~~such~~ *the* applicant, and ~~such~~ *person* ~~he or she~~ shall immediately be placed on the practicing list as a registered nurse or *registered nurse anesthetist*.

Subd. 6. [FEE FOR LICENSE VERIFICATION.] A person licensed under the provisions of sections 148.171 to 148.285 who requests the board to verify such Minnesota license to another jurisdiction shall pay a fee *as determined by board rule* to the board for each verification.

Sec. 5. Minnesota Statutes 1974, Chapter 148, is amended by adding a section to read:

[148.235] [LICENSING REGISTERED NURSE ANESTHETISTS.] *Subdivision 1. [APPLICATION.] A person desiring a license as a registered nurse anesthetist shall submit to the board evidence that he has:*

- (a) A current license as a registered nurse;*
- (b) Completed a course of study in a school of nurse anesthesia approved by the board by rule; and*
- (c) Successfully completed a national qualifying exam in a form approved by the board by rule.*

Subd. 2. [TEMPORARY PERMITS UNTIL LICENSE APPROVED.] *A person licensed or certified to administer anesthesia*

in another jurisdiction and qualified for licensing as a registered nurse anesthetist in this state may apply to the board for a temporary permit for the period between application for a license in this state and approval of the application.

Sec. 6. Minnesota Statutes, 1975 Supplement, Section 148.261, is amended to read:

148.261 [REVOCATION OF LICENSE.] Subdivision 1. The board shall have power pursuant to procedures specified in the administrative procedure act, unless otherwise permitted in this section, to deny, suspend, revoke, or restrict the license and registration of any person to practice professional nursing licensed or registered pursuant to sections 148.171 to 148.285, or to otherwise discipline a licensee or applicant upon proof that the person:

(1) Has employed fraud or deceit in procuring or attempting to procure a license to practice nursing as a registered nurse, *the administration of anesthesia as a registered nurse anesthetist*, or annual registration for the practice of *professional nursing thereof*;

(2) Has been convicted of a felony or gross misdemeanor;

(3) Is unfit or incompetent by reason of negligence, habits or other causes;

(4) Is habitually intemperate or is addicted to the use of habit-forming drugs;

(5) Has, in his or her professional capacity, exhibited behavior which creates an undue risk of harm to others;

(6) Is guilty of unethical practice of nursing;

(7) Has wilfully or repeatedly violated any of the provisions of sections 148.171 to 148.285.

Subd. 2. Before the board shall order any such suspension, restriction, disciplinary action or revocation it shall, on its own motion, cause an investigation to be made. It shall issue a citation under the seal of the board, signed by the executive director, directing and requiring the licensee to show cause on a day certain why his or her license and registration shall not be suspended, restricted or revoked on the grounds specified therein, and the person shall be given 20 days notice of the hearing. The board may without notice or hearing temporarily suspend the license and registration for not more than 30 days when any of the grounds of revocation, suspension or discipline designated in section 148.261, subdivision 1, are under investigation by the board, a citation has been issued by the board pursuant to this subdivision, and the board has determined that the practice of nursing *or the administration of anesthesia* by the person creates an imminent risk of harm to others. The board must schedule a hearing on a temporary suspension within ten days after the date of suspension. At any hearing under this section, the licensee shall be entitled to be represented by legal counsel. A hearing officer may preside at the hearing and a stenographic record shall be kept of the proceedings. The action of the board hereunder, affecting a license or registration, shall be subject to review in district court pursuant to sections 15.0424 to 15.0426.

Subd. 3. Any registered nurse or registered nurse anesthetist whose license or registration has been suspended, restricted or revoked, may have his license reinstated and a new registration issued when in the discretion of the board the action is warranted, provided that ~~such the~~ nurse may be required by the board to pay 50 percent of the costs of the proceedings resulting in the suspension or revocation of the license or registration certificate and reinstatement of the license or renewal certificate, and in addition thereto, pay the fee for the current year's registration.

Sec. 7. Minnesota Statutes, 1975 Supplement, Section 148.271, is amended to read:

148.271 [ALLOWABLE UNLICENSED PRACTICES.] The provisions of sections 148.171 to 148.285 shall not prohibit:

(1) The furnishing of nursing assistance in an emergency.

(2) The practice of nursing by any legally qualified nurse or the practice of nurse anesthesia by any legally qualified nurse anesthetist of another state who is employed by the United States government or any bureau, division or agency thereof while in the discharge of his or her official duties.

(3) Under the direct supervision of a registered nurse, the practice of nursing by a graduate of a school of professional nursing approved by the board between the date of graduation and the date of notification to ~~such the~~ graduate of the board action upon his or her application for licensure hereunder, provided that ~~such the~~ graduate will take the first examination for licensure hereunder following graduation given by the board and will be issued a permit by the board to engage in supervised practice of professional nursing while awaiting notification of the results of ~~such the~~ examination. The board is authorized to issue permits to ~~such~~ graduates which shall permit the practice of professional nursing under direct supervision from the date of graduation until the date that the board shall notify ~~such the~~ graduates of the results of their applications for registration conditioned upon ~~such the~~ graduates making prompt application for registration and taking the first examination given by the board which they are eligible to take following graduation. ~~Such~~ Permits issued under this clause shall not be renewable.

(4) Under the direct supervision of a licensed physician, osteopath or dentist, the practice of nurse anesthesia by a graduate of a school of nurse anesthesia approved by the board between the date of graduation and the date of notification to the graduate of the board action upon his or her application for licensure hereunder, provided that the graduate will take the first examination for licensure hereunder following graduation as specified in section 5, subdivision 1, clause (c) of this act and will be issued a permit by the board to engage in supervised practice of nurse anesthesia while awaiting notification of the result of the examination. The board is authorized to issue permits to graduates which shall permit the practice of nurse anesthesia under direct supervision from the date of graduation until the date that the board shall notify the graduates of the results of their application for registration conditional

upon the graduates making prompt application for registration and taking the first examination given as specified in section 5, subdivision 1, clause (c) of this act which they are found eligible to take following graduation. Permits issued under this clause shall not be renewable.

~~(4)~~ (5) The practice of any profession or occupation licensed by the state, other than professional nursing, by any person duly licensed to practice ~~such~~ *the* profession or occupation, or the performance by ~~such~~ *a* the person of any acts properly coming within the scope of ~~such~~ *a* the profession, occupation or license.

~~(5)~~ (6) The performance of any act in the nursing care of the sick by a nurse's aid under the direction of a registered nurse.

~~(6)~~ (7) The practice of nursing *or nurse anesthesia* by a person licensed as a professional nurse *or nurse anesthetist* in another jurisdiction and qualified for licensure in the state of Minnesota pursuant to a temporary permit issued by the board of nursing which permit shall be issued by the board pursuant to ~~such~~ *the* rules and regulations as it may promulgate, for the period between the submission of a proper application for licensure by ~~such~~ *the* person and the date of action upon ~~such~~ *the* application by the board.

~~(7)~~ (8) The care of the sick, injured or infirm in a private home by any person who does not assume or represent to be a registered or professional nurse.

(9) The administration of anesthesia by a registered nurse who is enrolled in and currently attending a school of nurse anesthesia approved by the board, if the anesthesia is administered under the direct supervision of a licensed physician, osteopath, or dentist.

Sec. 8. Minnesota Statutes, 1975 Supplement, Section 148.281, Subdivision 1, is amended to read:

148.281 [VIOLATIONS.] Subdivision 1. It shall be unlawful for any person, corporation, or association, to:

(1) Sell or fraudulently obtain or furnish any nursing diploma, license or record, or aid or abet therein;

(2) Practice professional nursing under cover of any diploma, license, or record illegally or fraudulently obtained or signed or issued unlawfully or under fraudulent representation;

(3) Practice professional nursing unless duly licensed and currently registered to do so under the provisions of sections 148.171 to 148.285;

(4) Use any abbreviation or other designation tending to imply licensure as a registered nurse unless duly registered and licensed so to practice professional nursing under the provisions of sections 148.171 to 148.285;

(5) Practice professional nursing in a manner prohibited by the board in any restriction of a license or registration issued under the provisions of sections 148.171 to 148.285;

(6) Practice professional nursing during the time his or her license or current registration issued under the provisions of sections 148.171 to 148.285 shall be suspended or revoked;

(7) Conduct a school of nursing for the training of persons to become registered nurses or professional nurses unless the school or course has been approved by the board ;

(8) *Administer anesthesia unless duly licensed and currently registered to do so under the provisions of sections 148.171 to 148.285, and unless the administration is under the direct supervision of a licensed physician, osteopath or dentist.*

Sec. 9. Minnesota Statutes 1974, Section 148.283, is amended to read:

148.283 [UNAUTHORIZED PRACTICE OF PROFESSIONAL NURSING.] The practice of professional nursing by any person who has not been licensed to practice professional nursing , or the administration of anesthesia by any person who has not been licensed to do so, under the provisions of sections 148.171 to 148.285, or whose license has been suspended or revoked, or has expired, is hereby declared to be inimical to the public health and welfare and to constitute a public nuisance. Upon complaint being made thereof by the board of nursing, or any prosecuting officer, and upon a proper showing of the facts, the district court of the county where such practice occurred may enjoin such acts and practice. ~~Such~~ The injunction proceeding shall be in addition to, and not in lieu of, all other penalties and remedies provided by law.

Sec. 10. *The provisions of this act shall be effective on August 1, 1976 as to all registered nurses licensed on or after that date. The provisions of this act shall not apply to registered nurses licensed before August 1, 1976 until August 1, 1979.*"

Further, amend the title as follows:

Page 1, line 6, strike "Section" and insert "Sections"

Page 1, line 6, after "148.171" and before the semicolon insert "and 148.283"

Page 1, line 6, after the semicolon insert "Minnesota Statutes, 1975 Supplement, Sections 148.181, Subdivision 1; 148.231; 148.261; 148.271; and 148.281, Subdivision 1;"

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

Mr. Moe from the Committee on Natural Resources and Agriculture, to which were referred the following appointments as reported in the Journal for February 19, 1976.

POLLUTION CONTROL AGENCY

Mrs. Marion Watson

Joseph Grinnell

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

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

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

S. F. No. 2338: A bill for an act relating to education; appropriating money to Independent School District No. 518 for programs for handicapped children.

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

Page 1, line 9, after "children" insert "enrolled in Lakeview School at Worthington, Minnesota,"

Amend the title as follows:

Line 4, before the period insert "enrolled in Lakeview School at Worthington"

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

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

S. F. No. 1942: A bill for an act relating to elections; providing for uniform reporting dates for campaign disclosure forms; providing for disclosure of campaign contributions and expenditures of political committees and candidates for local office; amending Minnesota Statutes 1974, Chapters 123, 373, and 471, by adding sections; and Minnesota Statutes, 1975 Supplement, Sections 210A.01, Subdivisions 1, 5, 6, 8, 9, and by adding subdivisions; 210A.05, Subdivision 1; 210A.16; 210A.23; 210A.24; 210A.25; 210A.26; 210A.27, Subdivision 1; 210A.29; 210A.32; 210A.33; Chapter 210A, by adding sections; repealing Minnesota Statutes, 1975 Supplement, Sections 123.015; 210A.01, Subdivisions 4 and 7; 210A.22; 210A.28; and 210A.31.

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

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1974, Section 10A.01, Subdivision 5, is amended to read:

Subd. 5. "Candidate" means an individual who seeks nomination for election or election to any statewide ~~office or~~ legislative office ~~or county office in any county or any city office in any city of more than 20,000 population~~, other than a federal office for which candidates are required to report under federal laws. The term candidate shall also include supreme court and district court judges of the state. An individual shall be deemed to seek nomination for election or election if he has taken the action necessary under the law of the state of Min-

nesota to qualify himself for nomination for election or election to an office, has received contributions or made expenditures in excess of \$100, or has given his consent, implicit or explicit, for any other person to receive contributions or make expenditures in excess of \$100 with a view to bringing about his nomination for election or election to an office.

Sec. 2. Minnesota Statutes 1974, Section 10A.01, is amended by adding a subdivision to read:

Subd. 6a. "Local ethics office" means:

(a) The county auditor for candidates for elected county office and elected county officials in any county;

(b) The city clerk for candidates for elected city office and elected city officials in any city of more than 20,000 population.

Sec. 3. Minnesota Statutes 1974, Section 10A.01, is amended by adding a subdivision to read:

Subd. 9a. "City or county election" means a regular, special, primary, or special primary election for county office in any county or for city office in any city of more than 20,000 population, including a convention or caucus of a political party held to nominate or endorse a candidate for the offices of mayor and city council in cities of the first class.

Sec. 4. Minnesota Statutes 1974, Section 10A.01, is amended by adding a subdivision to read:

Subd. 11a. "Local public official" means any person holding elective county office in any county or elected city office in any city of more than 20,000 population.

Sec. 5. Minnesota Statutes 1974, Section 10A.02, Subdivision 7, is amended to read:

Subd. 7. All members and employees of the commission shall be subject to any provisions of law regulating political activity by state employees. In addition, no member or employee of the commission shall be a candidate for, or holder of, (a) a national, state, congressional district, legislative district, county or precinct office in a political party, or (b) an elected public office for which party designation is required by statute in the state, an elective county office in any county, or an elective city office in any city of more than 20,000 population.

Sec. 6. Minnesota Statutes 1974, Section 10A.02, Subdivision 8, is amended to read:

Subd. 8. The commission shall:

(a) Report at the close of each fiscal year to the legislature, the governor and the public concerning the action it has taken, the names, salaries, and duties of all individuals in its employ and the money it has disbursed. The commission shall include and identify in its report any other reports it has made during the fiscal year. It may indicate apparent abuses and offer legislative recommendations;

(b) Prescribe forms for statements and reports required to be filed

under sections 10A.01 to 10A.34 and make the forms available to persons required to file them;

(c) Make available to the persons required to file the reports and statements a manual setting forth the recommended uniform methods of bookkeeping and reporting;

(d) Develop a filing, coding and cross-indexing system consistent with the purposes of sections 10A.01 to 10A.34;

(e) Make the reports and statements filed with it available for public inspection and copying by the end of the second day following the day on which they were received. Any person may copy a report or statement by hand or by duplicating machine and the commission shall provide duplicating services at cost for this purpose. No information copied from reports and statements shall be sold or utilized by any person for any commercial purpose;

(f) *Notwithstanding the provisions of section 138.163*, preserve reports and statements for a period of ~~six~~ five years from the date of receipt;

(g) Compile and maintain a current list and summary of all statements or parts of statements pertaining to each candidates; and

(h) Prepare and publish reports as it may deem appropriate. *Local ethics offices shall carry out the duties provided in subdivisions (d), (e), (f), (g) and (h) of this section.*

Sec. 7. Minnesota Statutes 1974, Section 10A.02, Subdivision 9, is amended to read:

Subd. 9. *The commission*, the executive director of the commission or his staff, *or local ethics office* shall inspect all material filed with the commission as promptly as is necessary to comply with the provisions of sections 10A.01 to 10A.34. The executive director *or local ethics office* shall immediately notify the person required to file a document with the commission *or office* if a written complaint is filed with the commission *or office* by any registered voter alleging, or it otherwise appears, that a document filed with the commission *or office* is inaccurate or does not comply with the provisions of sections 10A.01 to 10A.34 or that a person has failed to file a document required by sections 10A.01 to 10A.34.

Sec. 8. Minnesota Statutes 1974, Section 10A.02, Subdivision 10, is amended to read:

Subd. 10. The commission may make audits and investigations with respect to statements and reports which are filed or which should have been filed under the provisions of sections 10A.01 to 10A.34. In all matters relating to its official duties, the commission *or local ethics office* shall have the power to issue subpoenas and cause them to be served. If a person does not comply with a subpoena, the commission *or local ethics office* may apply to the district court of ~~Ramsey county~~ *the county in which it is located* for issuance of an order compelling obedience to the subpoena. A person failing to obey the order is punishable by the court as for contempt.

Sec. 9. Minnesota Statutes 1974, Section 10A.02, Subdivision 11, is amended to read:

Subd. 11. Any hearing or action of the commission *or local ethics office* concerning any complaint or investigation shall be confidential and all information obtained by the commission *or office* shall be privileged until the commission makes a finding that the commission *or office* believes there is or is not probable cause to conclude that a violation of Laws 1974, Chapter 470 or other campaign laws has occurred. Any person, including any member or employee of the commission *or office*, violating the confidentiality provisions of this subdivision shall be guilty of a gross misdemeanor. After determination of its findings the commission *or office* shall report any finding of probable cause to the appropriate law enforcement authorities.

Sec. 10. Minnesota Statutes 1974, Section 10A.02, Subdivision 13, is amended to read:

Subd. 13. The provisions of chapter 15, shall apply to the commission *or local ethics office* including the power to prescribe rules and regulations to carry out the purposes of sections 10A.01 to 10A.34. *The rules concerning disclosure of campaign financing and economic interests shall be applied by all local ethics offices.*

Sec. 11. Minnesota Statutes 1974, Section 10A.09, Subdivision 1, is amended to read:

10A.09 [STATEMENTS OF ECONOMIC INTEREST.] Subdivision 1. Except for a candidate for elective office in the judicial branch, an individual shall file a statement of economic interest with the commission *or local ethics office*:

(a) Within 60 days of accepting employment as a public official; or

(b) Within 14 days after filing an affidavit of candidacy or petition to appear on the ballot for an elective public office *including any state-wide or legislative office or any county office in any county or any city office in any city of more than 20,000 population; or*

(c) In the case of a public official requiring the advice and consent of the senate, prior to the submission of his name to the senate, and in any event, within 60 days after he undertakes the duties of his office.

Sec. 12. Minnesota Statutes 1974, Section 10A.09, Subdivision 2, is amended to read:

Subd. 2. The secretary of state or the appropriate county auditor upon receiving an affidavit of candidacy or petition to appear on the ballot from an individual required by this section to file a statement of economic interest, and any official who nominates or employs a public official required by this section to file a statement of economic interest, shall notify the commission *or local ethics office* of the name of the individual required to file a statement and the date of the affidavit, petition or nomination.

Sec. 13. Minnesota Statutes 1974, Section 10A.09, Subdivision 3, is amended to read:

Subd. 3. The commission *or local ethics office* shall notify the secretary of state or the appropriate county auditor and, when necessary in

the case of appointive office, the presiding officer of the house that will approve or disapprove the nomination, of the name of the individual who has filed a statement of economic interest with the commission *or local ethics office* and the date on which the statement was filed.

Sec. 14. Minnesota Statutes 1974, Section 10A.09, Subdivision 4, is amended to read:

Subd. 4. The commission *or local ethics office* shall notify by registered mail any candidate for elective office who fails within 14 days after filing for office to submit a statement of economic interest required by this section. A candidate who knowingly fails to submit a statement of economic interest within seven days after receiving notice from the commission *or local ethics office* is guilty of a misdemeanor.

Sec. 15. Minnesota Statutes 1974, Section 10A.09, Subdivision 7, is amended to read:

Subd. 7. All *local* public officials in office on ~~April 13, 1974~~ *the effective date of this act* shall file with the ~~commission~~ *local ethics office* a statement of economic interest within ~~60~~ *90* days after the date ~~the commission issues statement of economic interest forms of final enactment.~~

Sec. 16. Minnesota Statutes 1974, Section 10A.09, Subdivision 8, is amended to read:

Subd. 8. Any public official, ~~except a member of the legislature or a constitutional officer~~ *public official in the state, and a local public official*, who is required to file a statement of economic interest and fails to do so by the prescribed deadline shall be suspended without pay by the commission in the manner prescribed in the contested case procedures in chapter 15.

Sec. 17. Minnesota Statutes 1974, Section 10A.17, Subdivision 2, is amended to read:

Subd. 2. *In elections for statewide and legislative office*, no person or persons acting in concert other than the candidate and the treasurer of the candidate's principal campaign committee may make expenditures of more than \$20 with the authorization or consent, express or implied, of a candidate or his agent, or under the control, direct or indirect, of a candidate or his agent on behalf of a candidate without receiving from the treasurer of that candidate's principal campaign committee (i) prior written authorization and (ii) certification that the expenditures will not exceed the limits on expenditures as set forth in Sections 10A.25 and 10A.27. All such expenditures shall be counted against the spending limitations of the candidate.

Sec. 18. Minnesota Statutes 1974, Section 10A.17, Subdivision 3, is amended to read:

Subd. 3. The treasurer or deputy treasurer of a political committee may make an authorization for petty cash in any reporting period of not more than \$100 per week for statewide elections and \$20 per week in legislative, *county or city* elections to be used for miscellaneous expenditures.

Sec. 19. Minnesota Statutes 1974, Section 10A.20, Subdivision 3, is amended to read:

Subd. 3. Each report under this section shall disclose:

(a) The amount of liquid assets on hand at the beginning of the reporting period;

(b) The name, address and employer, or, if self-employed, occupation of each person, political committee or political fund who has made one or more contributions to or for the political committee or political fund including the purchase of tickets for dinners, luncheons, rallies, and similar fund raising events within the year in an aggregate amount or value in excess of \$50 for *city, county and* legislative candidates and in excess of \$100 for statewide candidates, together with the amount and date of the contributions, and the aggregate amount of contributions within the year of each contributor so disclosed. The lists of contributors shall be in alphabetical order;

(c) The total sum of individual contributions made to or for the political committee or political fund during the reporting period and not reported under clause (b);

(d) The name and address of each political committee, political fund or candidate from which the reporting committee or fund received, or to which that committee made, any transfer of funds, together with the amounts and dates of all transfers. The lists shall be in alphabetical order;

(e) Each loan to or from any person within the year in an aggregate amount or value in excess of \$100, together with the full names and mailing address, occupations and the principal places of business, if any, of the lender or endorser, if any, and the date and amount of the loans;

(f) Each receipt in excess of \$100 not otherwise listed under clauses (b) to (e);

(g) The total sum of all receipts by or for the political committee or political fund during the reporting period;

(h) The name, address, occupation and the principal place of business, if any, of each person to whom expenditures have been made by the political committee or political fund or on its behalf within the year in an aggregate amount in excess of \$100, the amount, date and purpose of each expenditure and the name and address of, and office sought by, each candidate on whose behalf the expenditure was made;

(i) The sum of individual expenditures which is not otherwise reported under clause (h);

(j) The name, address, occupation and the principal place of business, if any, of each person to whom an expenditure for personal services, salaries, and reimbursable expenses in excess of \$100 has been made, and which is not otherwise reported, including the amount, date and purpose of the expenditure;

(k) The sum of individual expenditures for personal services, salaries and reimbursable expense which is not otherwise reported under (j);

(1) The total expenditures made by the political committee or political fund during the reporting period;

(m) The amount and nature of debts and obligations owed by or to the political committee or political fund, and a continuous reporting of their debts and obligations after the election until the debts and obligations are extinguished;

(n) The amount and nature of any contract, promise or agreement, in writing, whether or not legally enforceable, to make a contribution or expenditure;

(o) The name of each person, committee or political fund, which has been authorized by the treasurer to make expenditures on behalf of the candidate and the nature and amount of each authorized expenditure.

Sec. 20. Minnesota Statutes 1974, Section 10A.20, Subdivision 5, is amended to read:

Subd. 5. In any statewide election any contribution or contributions from a person or association totaling \$2,000 or more, or in any city, county or legislative election any contribution of \$200 or more, received after the period covered in the last report prior to an election and prior to the election shall be reported to the commission or local ethics office by telegram within 48 hours after its receipt and in the next required report.

Sec. 21. Minnesota Statutes 1974, Section 10A.33, is amended to read:

10A.33 [APPLICATION.] The provisions of sections 10A.30 to 10A.32 shall apply only in *statewide and legislative* general elections and primary elections preceding *statewide and legislative* general elections and shall not ~~include~~ *apply in* special elections, special primary elections, conventions and caucuses of a political party or elections for city or county offices.

Sec. 22. [REPEAL.] *Minnesota Statutes, 1975 Supplement, Sections 210A.16; 210A.23; 210A.24; 210A.25; 210A.26; 210A.27; 210A.28; 210A.32 and 210A.33 are repealed.*"

Further, amend the title as follows:

Page 1, strike lines 2 to 16 and insert

"relating to ethics in government; conduct of certain local public officials and candidates for local elected offices; imposing duties on counties and certain city clerks; amending Minnesota Statutes 1974, Sections 10A.01, Subdivision 5, and by adding subdivisions; 10A.02, Subdivisions 7, 8, 9, 10, 11 and 13; 10A.09, Subdivisions 1, 2, 3, 4, 7 and 8; 10A.17, Subdivisions 2 and 3; 10.20, Subdivisions 3 and 5; and 10A.33; repealing Minnesota Statutes, 1975 Supplement, Sections 210A.16; 210A.23; 210A.24; 210A.-25; 210A.26; 210A.27; 210A.28; 210A.32; and 210A.33."

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 referred

S. F. No. 1499: A bill for an act relating to the conduct of public

officials and campaigns for public office; redefining certain terms; providing for the filing of certain reports and statements; providing penalties; amending Minnesota Statutes 1974, Sections 10A.01, Subdivisions 2 and 11; 10A.02, Subdivisions 1, 8 and 11; 10A.04, Subdivision 4; 10A.07, Subdivision 1; 10A.09, Subdivision 5; 10A.14, Subdivision 2; 10A.19, Subdivision 1; 10A.20, Subdivisions 1, 2 and 3, and by adding a subdivision; 10A.21, Subdivision 1; 10A.22, Subdivision 5; 10A.23; 10A.25, Subdivisions 3 and 6; 10A.27, Subdivision 3; repealing Minnesota Statutes 1974, Sections 10A.01, Subdivision 14; 10A.14, Subdivision 3; 10A.22, Subdivisions 2 and 8.

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

Strike everything after the enacting clause and insert:

Section 1. Minnesota Statutes 1974, Section 10A.01, Subdivision 2, is amended to read:

Subd. 2. "Administrative action" means an action of a ~~non-ministerial~~ nature by any official, board, commission or agency of the executive branch to make rules, regulations or general policy. "Administrative action" does not include the application or administration of those rules, regulations or policies in specific instances, except in cases of rate setting, power plant siting and others specified by the commission.

Sec. 2. Minnesota Statutes 1974, Section 10A.01, Subdivision 5, is amended to read:

Subd. 5. "Candidate" means an individual who seeks nomination for election or election to any statewide office or legislative office, other than a federal office for which candidates are required to report under federal laws. The term candidate shall also include *an individual who seeks nomination for election or election to supreme court and district court judges judgeships* of the state. An individual shall be deemed to seek nomination for election or election if he has taken the action necessary under the law of the state of Minnesota to qualify himself for nomination for election or election to an office, has received contributions or made expenditures in excess of \$100, or has given his consent, implicit or explicit, for any other person to receive contributions or make expenditures in excess of \$100 with a view to bringing about his nomination for election or election to an office.

Sec. 3. Minnesota Statutes 1974, Section 10A.01, Subdivision 7, is amended to read:

Subd. 7. "Contribution" means:

(a) A gift, subscription, loan, advance, the providing of supplies, materials or equipment, or deposit of money or anything else of value made to influence the nomination for election or election of a candidate to office *except a loan of money by a national or state bank made in accordance with applicable banking laws and regulations and in the ordinary course of business, which shall be considered a loan by each endorser or guarantor in that proportion of the unpaid balance thereof that each endorser or guarantor bears to the total number of endorsers or guarantors* ;

(b) A transfer of funds between political committees or political funds; or

(c) The payment of compensation for the personal services of another person which are rendered to a candidate, political committee or political fund to influence the nomination for election or election of a candidate to office by any person other than that candidate, political committee or political fund.

"Contribution" does not include services provided without compensation by individuals volunteering their time on behalf of a candidate, political committee or political fund, or coverage by news media, but only while acting in the ordinary course of business of publishing or broadcasting news items, editorials or other comments.

Sec. 4. Minnesota Statutes 1974, Section 10A.01, Subdivision 10, is amended to read:

Subd. 10. "Expenditure" means:

(a) A purchase, payment, distribution, loan, advance, deposit or gift of money or anything of value, made for the purpose of influencing the nomination for election or election of any candidate to office *except a loan of money by a national or state bank made in accordance with applicable banking laws and regulations and in the ordinary course of business*; or

(b) A transfer of funds between political committees or political funds.

"Expenditure" does not include: (a) Services provided without compensation by individuals volunteering their time on behalf of a candidate, political committee, or political fund; or (b) expenses incurred by a member of the legislature or a person holding constitutional office in the executive branch, in performing services for constituents. The commission shall have the power to determine whether the expense was incurred primarily for the purpose of providing a constituent service or is an expenditure within the meaning of this subdivision.

Sec. 5. Minnesota Statutes 1974, Section 10A.01, Subdivision 11, is amended to read:

Subd. 11. "*Lobbying*" means any attempt to influence legislative or administrative action by communicating with public officials or by urging others to communicate with public officials.

"Lobbyist" means includes any:

(a) Individual Person, including any public official except a member of the legislature, who is engaged engages in lobbying (i) in the course of his regular employment, or (ii) for pay or other consideration, or (iii) when such person is authorized by another person to spend money for the purpose of attempting to influence legislative or administrative action by communicating with public officials lobbying purposes;

(b) Officially designated representatives of any person or association which has as a major purpose the influencing of legislative or administrative action who attempt to influence an action by communicating with public officials; or

~~(e) (b) Individual Person who engages in lobbying and spends more than \$250 in any year for lobbying purposes, not including traveling expenses and membership dues . ; in any year for the purpose of attempting to influence legislative or administrative action by communicating with public officials.~~

"Lobbyist" does not include:

~~(a) A public official or employee of the state or any of its political subdivisions or public bodies acting in his official capacity;~~

~~(b) (a) Parties and their representatives appearing in a proceeding before a state board, commission or agency of the executive branch unless the board, commission or agency is acting in a non ministerial capacity taking administrative action;~~

~~(c) (b) Individuals in the course of selling goods or services to be paid for by public funds; or~~

~~(d) (c) News media or their employees or agents, but only while acting in the ordinary course of business of publishing or broadcasting news items, editorials or other comments or paid advertisements which directly or indirectly urge official action;~~

~~(e) (d) Paid expert witnesses whose testimony is requested by the body before which they are appearing or one of the parties to a proceeding, but only while acting in the ordinary course of preparing or delivering testimony; or~~

~~(e) Any person who engages in lobbying and spends less than \$250 for lobbying purposes in any year, and whose total costs in connection with lobbying in any year are less than \$500, including compensation and reimbursed expenses received by such person.~~

Sec. 6. Minnesota Statutes 1974, Section 10A.01, is amended by adding a subdivision to read:

Subd. 19. "Officeholder" means an individual who holds any elected statewide office or elected legislative office, other than a federal office for which candidates are required to report under federal laws, or is a supreme court or district court judge of the state.

Sec. 7. Minnesota Statutes 1974, Section 10A.02, Subdivision 1, is amended to read:

10A.02 [STATE ETHICS COMMISSION.] Subdivision 1. There is hereby created a state ethics commission composed of six members. The members shall be appointed by the governor with the advice and consent of three-fifths of both the senate and the house of representatives acting separately. Failure by either house to confirm the appointment of a commission member within 45 legislative days after his appointment shall be deemed to be a refusal to advise and consent and his appointment shall terminate immediately after 45 legislative days or nonconfirmation, whichever is earlier. One member shall be a former state legislator from a major political party different from that of the governor; one member shall be a former state legislator from the same political

party as the governor; two members shall be persons who have not been public officials, held office in a political party other than precinct delegate, or been elected to public office for which party designation is required by statute in the three years prior to the time of their appointment; and the other two members shall not support the same political party. No more than three of the members of the commission shall support the same political party.

Sec. 8. Minnesota Statutes 1974, Section 10A.02, Subdivision 5, is amended to read:

Subd. 5. The commission shall appoint an executive director who shall be in the unclassified service. The commission may also employ and prescribe the duties of other permanent or temporary employees in the unclassified service as may be necessary to administer sections 10A.01 to 10A.34, subject to appropriation. The executive director and all other employees shall serve at the pleasure of the commission. ~~All administrative services such as supplies, office space and furnishings, payroll preparation and accounting services shall be provided to the commission by the secretary of state.~~ Expenses of the commission shall be approved by the chairman or such other member as the rules of the commission may provide and the expenses shall then be paid in the same manner as other state expenses are paid.

Sec. 9. Minnesota Statutes 1974, Section 10A.02, Subdivision 8, is amended to read:

Subd. 8. The commission shall: (a) Report at the close of each fiscal year to the legislature, the governor and the public concerning the action it has taken, the names, salaries, and duties of all individuals in its employ and the money it has disbursed. The commission shall include and identify in its report any other reports it has made during the fiscal year. It may indicate apparent abuses and offer legislative recommendations;

(b) Prescribe forms for statements and reports required to be filed under sections 10A.01 to 10A.34 and make the forms available to persons required to file them;

(c) Make available to the persons required to file the reports and statements a manual setting forth the recommended uniform methods of bookkeeping and reporting;

(d) Develop a filing, coding and cross-indexing system consistent with the purposes of sections 10A.01 to 10A.34;

(e) Make the reports and statements filed with it available for public inspection and copying by the end of the second day following the day on which they were received. Any person may copy a report or statement by hand or by duplicating machine and the commission shall provide duplicating services at cost for this purpose. No information copied from reports and statements shall be sold or utilized by any person for any commercial purpose;

(f) *Notwithstanding the provisions of section 138.163, preserve reports and statements for a period of six five years from the date of receipt;*

(g) Compile and maintain a current list and summary of all statements or parts of statements pertaining to each candidate; and

(h) Prepare and publish reports as it may deem appropriate.

Sec. 10. Minnesota Statutes 1974, Section 10A.02, Subdivision 11, is amended to read:

Subd. 11. Any hearing or action of the commission concerning any complaint or investigation shall be confidential and all information obtained by the commission shall be privileged until the commission makes a finding that the commission believes there is or is not probable cause to conclude that a violation of Laws 1974, Chapter 470 or other campaign laws has occurred. Any person, including any member or employee of the commission, violating the confidentiality provisions of this subdivision shall be guilty of a gross misdemeanor. ~~After determination of its findings~~ *The commission shall make a finding within 30 days of receipt of a written complaint unless a majority of the members agrees to extending the time limit, and shall report any finding* of probable cause to the appropriate law enforcement authorities.

Sec. 11. Minnesota Statutes 1974, Section 10A.04, Subdivision 4, is amended to read:

Subd. 4. The report shall include all information required on the registration form and the following information for the reporting period:

(a) The lobbyist's total disbursements on lobbying and a breakdown of those disbursements into categories specified by the commission, including but not limited to the cost of publication and distribution of each publication used in lobbying; other printing media, including the cost of production; postage; travel; fees, including allowances; entertainment; telephone and telegraph and other expenses;

(b) Each honorarium, gift ~~or~~, loan, ~~item or benefit~~ excluding contributions to a candidate, equal in value to \$20 or more, given or paid ~~and the amount and nature of each honorarium, gift, loan, item or benefit~~ to any public official by the lobbyist or any employer or any employee of the lobbyist. The list shall include the name and address of each public official to whom the honorarium, gift, loan, item or benefit was given or paid and the date it was given or paid; and

(c) Each original source of funds in excess of \$500 in any year used for the purpose of lobbying. The list shall include the name, address and employer, or, if self employed, the occupation and principal place of business, of each payer of funds in excess of \$500.

Sec. 12. Minnesota Statutes 1974, Section 10A.07, Subdivision 1, is amended to read:

10A.07 [CONFLICTS OF INTEREST.] Subdivision 1. Any public official who in the discharge of his official duties would be required to take an action or make a decision which would substan-

tially affect his financial interests or those of a business with which he is associated *other than solely as an employee*, unless the effect on him is no greater than on other members of his business classification, profession or occupation, shall take the following actions:

(a) He shall Prepare a written statement describing the matter requiring action or decision and the nature of his potential conflict of interest;

(b) He shall Deliver copies of the statement to the commission and to his immediate superior, if any;

(c) If he is a legislator, he shall deliver a copy of the statement to the presiding officer of the house in which he serves; and

(d) If a potential conflict of interest presents itself and there is insufficient time to comply with the provisions of clauses (a) to (c), the public official shall verbally inform his superior or the official body, or committee thereof, in which he serves of the potential conflict. He shall file a written statement with the commission within one week after the potential conflict presents itself.

Sec. 13. Minnesota Statutes 1974, Section 10A.09, Subdivision 5, is amended to read:

Subd. 5. A statement of economic interest required by this section shall be on a form prescribed by the commission. The individual filing shall provide the following information:

(a) His name, address, occupation and principal place of business;

(b) The name of each business with which he is associated and the nature of that association; and

(c) A listing of all real property within the state, excluding homestead property, in which he has a fee simple interest, a contract for deed or an option to buy, whether direct or indirect, and which interest is valued in excess of \$2,500. The filing shall indicate the municipality, if any street address and the city or town, or if there is no street address, the section, township and range, and the county wherein the property is located.

Sec. 14. Minnesota Statutes 1974, Section 10A.11, Subdivision 6, is amended to read:

Subd. 6. Except for transfers of funds between political committees and transfers from the state election campaign fund, a political committee shall be financed solely through voluntary ~~donations~~ contributions by natural persons or political funds.

Sec. 15. Minnesota Statutes 1974, Section 10A.14, Subdivision 2, is amended to read:

Subd. 2. The statement of organization shall include:

(a) The name and address of the political committee or political fund;

(b) The names and addresses of the supporting associations of a political fund;

(c) The geographic area in which it will operate and the purpose of the political committee or political fund;

(d) The name, *and* address *and* position of the custodian of books and accounts *if other than the treasurer*;

(e) The name and address of the chairman, the treasurer, and any other principal officers including deputy treasurers, if any;

~~(f) The name, address, office sought, and party affiliation, if any, of each candidate whom the committee or political fund is supporting, or, if the committee or political fund is supporting the entire ticket of any party, the name of the party;~~

~~(g) A statement as to whether the committee or political fund is a continuing one;~~

~~(h) (f) A listing of all depositories or safety deposit boxes used; and~~

~~(i) (g) A statement as to whether the committee is a principal campaign committee.~~

Sec. 16. Minnesota Statutes 1974, Section 10A.19, Subdivision 1, is amended to read:

10A.19 [PRINCIPAL CAMPAIGN COMMITTEE.] Subdivision 1. Every candidate shall designate and cause to be formed a single principal campaign committee *no later than 14 days after filing an affidavit of candidacy or petition to appear on the ballot*.

Sec. 17. Minnesota Statutes 1974, Section 10A.20, Subdivision 1, is amended to read:

10A.20 [CAMPAIGN REPORTS.] Subdivision 1. *The treasurer of every principal campaign committee shall file the reports required by this section in the year in which the candidate being supported stands for election. Every* The treasurer of a every political committee *or* and political fund shall file the reports required by this section in any year it receives contributions or makes expenditures in excess of \$100.

Sec. 18. Minnesota Statutes 1974, Section 10A.20, Subdivision 2, is amended to read:

Subd. 2. The reports shall be filed with the commission by the following dates:

~~(a) In years in which any candidate being supported does not stand for election;~~

~~(1) January 7; and~~

~~(2) July 7;~~

~~(b) In years in which any candidate being supported does stand for election:~~

~~(1) January 7;~~

~~(2) July 7;~~

(3) Five days before any primary election in which the candidate stands for election;

(4) Five days before any general election in which the candidate stands for election; and

(5) 30 days after the last election in which a candidate stands for election;

(e) In special or special primary elections in which a candidate stands for election:

(1) 30 days before the election; and

(2) Five days before the election.

on January 31 of every year and, in years in which the candidate being supported stands for election, ten days before any primary or special primary election and ten days before any general or special election and 30 days after the last election in which the candidate's name appears on the ballot. The January 31 report shall cover the time from the last day of the period covered by the last report through December 31 of the previous calendar year. All other reports shall cover the time from the last day of the period covered by the last report to five days prior to the filing date.

If a scheduled filing date falls on a Saturday, Sunday or legal holiday, the filing date shall be the next regular business day.

Sec. 19. Minnesota Statutes 1974, Section 10A.20, Subdivision 3, is amended to read:

Subd. 3. Each report under this section shall disclose:

(a) The amount of liquid assets on hand at the beginning of the reporting period;

(b) The name, address and employer, or, if self-employed, occupation of each person, political committee or political fund who has made one or more contributions to or for the political committee or political fund including the purchase of tickets for dinners, luncheons, rallies, and similar fund raising events within the year in an aggregate amount or value in excess of \$50 for legislative candidates and in excess of \$100 for statewide candidates, together with the amount and date of the contributions, and the aggregate amount of contributions within the year of each contributor so disclosed. The lists of contributors shall be in alphabetical order;

(c) The total sum of individual contributions made to or for the political committee or political fund during the reporting period and not reported under clause (b) ;

(d) The name and address of each political committee, political fund or candidate from which the reporting committee or fund received, or to which that committee made, any transfer of funds, together with the amounts and dates of all transfers. The lists shall be in alphabetical order;

(e) (d) Each loan to or from any person within the year in an

aggregate amount or value in excess of \$100, together with the full names and mailing address, occupations and the principal places of business, if any, of the lender or endorsers, if any, and the date and amount of the loans;

~~(f)~~ (e) Each receipt in excess of \$100 not otherwise listed under clauses (b) to ~~(e)~~ (d) ;

~~(g)~~ (f) The total sum of all receipts by or for the political committee or political fund during the reporting period;

~~(h)~~ (g) The name, ~~and~~ address, ~~occupation and the principal place of business, if any,~~ of each person to whom expenditures have been made by the political committee or political fund or on its behalf within the year in an aggregate amount in excess of \$100, the amount, date and purpose of each expenditure and the name and address of, and office sought by, each candidate on whose behalf the expenditure was made;

~~(i)~~ (h) The sum of individual expenditures which is not otherwise reported under clause ~~(h)~~ (g) ;

~~(j)~~ The name, address, occupation and the principal place of business, if any, of each person to whom an expenditure for personal services, salaries, and reimbursable expenses in excess of \$100 has been made, and which is not otherwise reported, including the amount, date and purpose of the expenditure;

~~(k)~~ The sum of individual expenditures for personal services, salaries and reimbursable expense which is not otherwise reported under ~~(j)~~;

~~(l)~~ (i) The total expenditures made by the political committee or political fund during the reporting period;

~~(m)~~ (j) The amount and nature of ~~debts and obligations~~ any debt or obligation owed by or to the political committee or political fund, and a continuous reporting of their debts and obligations after the election until the debts and obligations are extinguished;

~~(n)~~ (k) The amount and nature of any contract, promise or agreement, in writing, whether or not legally enforceable, to make a contribution or expenditure; ~~and~~

~~(o)~~ (l) *For principal campaign committees only:* The name of each person, committee or political fund, which has been authorized by the treasurer to make expenditures on behalf of the candidate and the nature and amount of each authorized expenditure.

Sec. 20. Minnesota Statutes 1974, Section 10A.20, is amended by adding a subdivision to read:

Subd. 12. The ethical practices board shall notify any person who fails to file a statement required by this section. A person who knowingly fails to file the statement within seven days after receiving notice from the commission is guilty of a misdemeanor.

Sec. 21. Minnesota Statutes 1974, Section 10A.21, Subdivision 1, is amended to read:

10A.21 [REPORTS TO COUNTY AUDITOR.] Subdivision 1. *An identical copy of all reports or statements that must be filed with the commission by the principal campaign committee of legislative candidates shall also be filed on the same day with the county auditor of each county in which the legislative district lies.*

Sec. 22. Minnesota Statutes 1974, Section 10A.22, Subdivision 5, is amended to read:

Subd. 5. A political committee or political fund making an expenditure, other than a transfer of funds, for or on behalf of more than one candidate for state or legislative office shall allocate the expenditure among the candidates on a reasonable cost basis and report this allocation for each candidate. The treasurer shall retain for audit any documents supporting the allocation.

Provided that expenditures by a state or local committee of a political party to pay the cost of preparation, display or distribution of a sample ballot, printed slate card or other printed list of three or more candidates for public office for which election is held shall be deemed expenditures of the candidate or committee incurring them and shall not be allocated. Provided further that expenditures by any candidate or committee to pay the cost of preparing for display or displaying any list of candidates on broadcasting stations or billboards or in newspapers, magazines or other public advertising media shall be allocated among the candidates named on the list.

Sec. 23. Minnesota Statutes 1974, Section 10A.23, is amended to read:

10A.23 [CHANGES AND CORRECTIONS.] Any material changes in information previously submitted and any corrections to a report or statement shall be reported in writing to the commission within ten days following the date of the event prompting the change or the date upon which the person filing became aware of the inaccuracy. The change or correction shall identify the form and the paragraph containing the information to be changed or corrected. Any person who wilfully fails to report a material change or correction is guilty of a gross misdemeanor.

Sec. 24. Minnesota Statutes 1974, Section 10A.25, Subdivision 3, is amended to read:

Subd. 3. Notwithstanding subdivision 2, clause (a), a candidate for the endorsement for the office of lieutenant governor at the convention of a political party may spend \$30,000 or five percent of the amount in subdivision 2, clause (a); ~~prior to the time of to seek~~ endorsement. This money shall be in addition to the money which may be expended pursuant to subdivision 2, clause (a).

Sec. 25. Minnesota Statutes 1974, Section 10A.25, Subdivision 6, is amended to read:

Subd. 6. In a year in which a ~~candidate does not stand for election~~ *an election does not occur for an office held or sought*, no expenditures shall be made and no obligations to make expendi-

tures shall be incurred by a candidate or officeholder or by a political committee, political fund or individual which makes expenditures with the authorization, express or implied, and under the control, direct or indirect, of the candidate or officeholder or his agents which shall result in the aggregate expenditure on behalf of the candidate or officeholder in that year of an amount in excess of 20 percent of the amount of the aggregate expenditure permitted by subdivision 2. Expenditures permitted by this subdivision shall be in addition to expenditures permitted by subdivision 2.

Sec. 26. Minnesota Statutes 1974, Section 10A.25, Subdivision 7, is amended to read:

Subd. 7. On or before January 15 of each year, the ~~commissioner of health~~ *state demographer* shall certify to the commission the *estimated* population of the state of Minnesota for the last ~~calendar~~ year ending before the date of certification. In determining the per capita amounts for each office in *section 10A.25*, subdivision 2, the commission shall use:

(a) In the case of the elections for governor and lieutenant governor, attorney general, secretary of state, state treasurer and state auditor, the total *estimated* population of the state;

(b) In the case of the elections for state senator, 1/67 of the total *estimated* population of the state;

(c) In the case of elections for state representative, 1/134 of the total *estimated* population of the state.

Sec. 27. Minnesota Statutes 1974, Section 10A.27, Subdivision 3, is amended to read:

Subd. 3. Expenditures by a political party on behalf of candidates of that party generally, without referring to any of them specifically in any advertisement published or posted, on any broadcast, or in any telephone conversation, if that conversation mentions three or more ~~candidates~~ *persons appearing on the ballot*, shall not be subject to the limitations of section 10A.25, subdivision 2.

Sec. 28. *Minnesota Statutes 1974, Sections 10A.01, Subdivision 14; 10A.14, Subdivision 3; 10A.20, Subdivision 4; and 10A.22, Subdivisions 2 and 8 are repealed.*

Sec. 29. *This act is effective July 1, 1976."*

Further, amend the title as follows:

Page 1, line 3, after "office;" insert "defining "lobbying";"

Page 1, line 3, after "redefining" insert ""lobbyist" and"

Page 1, line 3, after "certain" insert "other"

Page 1, line 7, after "Subdivisions 2" insert ", 5, 7, 10"

Page 1, line 7, after "11" insert ", and by adding a subdivision"

Page 1, line 7, after "Subdivisions 1," insert "5,"

Page 1, line 9, after "Subdivision 5;" insert "10A.11, Subdivision 6;"

Page 1, line 13, after "Subdivisions 3" strike "and 6" and insert "6 and 7"

Page 1, line 15, after "3;" insert "10A.20, Subdivision 4;"

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 referred

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.

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

Page 1, line 19, strike "and connecting road networks" and insert "municipal streets and township roads"

Page 2, line 27, after "disbursement" insert "to the commissioner of highways or any other officer or agency of the state"

Page 2, line 28, strike "to the commissioner of highways or any other"

Page 2, line 29, strike "officer or agency of the state"

Page 3, line 4, after "disbursement" insert "to the commissioner of highways"

Page 3, line 11, strike "and to standards, criteria and"

Page 3, line 12, strike "priorities established by the law"

Page 3, line 28, strike "standards for"

Page 3, line 29, strike "eligibility,"

Page 4, line 14, strike "and regional planning agencies"

Page 4, line 16, strike "recommendation to the state planning"

Page 4, line 17, strike "agency in"

Page 8, strike lines 12 through 20 and insert:

"(1) \$300,000,000 to the state planning agency for use by the commissioner of highways for the construction and reconstruction of key bridges and bridge approaches on the trunk highway system including interstate routes;

(2) to the state planning agency for use by the commissioner of highways for the construction and reconstruction of key bridges on the following road systems:

(a) \$160,000,000 for county highway systems;

(b) \$50,000,000 for municipal street systems; and

(c) \$90,000,000 for township road systems."

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

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

S. F. No. 2173: A bill for an act relating to Minnesota culture; preserving and presenting Minnesota folklife.

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

Page 2, line 13, strike " , beliefs, dances,"

Page 2, line 14, strike "songs, tales, sayings, art, crafts"

Page 2, line 14, strike "other"

Page 2, line 30, strike "composed of"

Page 2, line 31, strike "citizens of the state"

Pages 3 to 6, strike Sections 5, 6, 7 and 8 in their entirety and insert:

"Sec. 5. [STATE FOLKLORIST; POWERS.] Subdivision 1. The state folklorist shall exercise the powers conferred in this section with the approval of the director of the Minnesota historical society.

Subd. 2. The folklorist may accept gifts and grants for the support of the center; receive money and other property donated, bequeathed, or devised, without condition or restriction other than that it be for the purposes of the center, and use, sell or otherwise dispose of such property for the purpose of carrying out their functions.

Subd. 3. The state folklorist may enter into contracts with, award grants, loans, and scholarships to individuals and groups, and in the case of clause (5), to private radio and television broadcasters, museums, educational institutions and corporations for the purpose of:

(1) support and promotion of research, scholarship, and training in Minnesota folklife;

(2) support and promotion of live performances, festivals, exhibits, and workshops related to Minnesota folklife;

(3) purchase, receipt, support, and promotion of exhibitions and displays, including presentations by still and motion picture films and audio and visual magnetic tape recordings, which represent or illustrate some aspect of Minnesota folklife;

(4) purchase, production and support of exhibition, projects, presentations, and materials especially designed for classroom use representing or illustrating some aspect of Minnesota folklife; and

(5) making arrangements to present, display, exhibit, disseminate, communicate and broadcast to local, regional, or state audiences any item referred to in subdivision 4, clause (2).

Subd. 4. The state folklorist may:

(1) Establish and maintain branches of the center in conjunction with any state department, agency, or institution;

(2) Procure, receive, purchase, and collect for preservation or retention in an appropriate archive or museum creative works, exhibitions, presentations, objects, materials, artifacts, and audio and visual records including still and motion picture film, records, audio and visual magnetic tape recordings, written records, and manuscripts which represent or illustrate some aspect of Minnesota folklife;

(3) Establish procedures for loaning or making available any item in the archives authorized by this act to any individual or group;

(4) Loan, lease, or otherwise make available to public, private, and nonprofit educational institutions items developed pursuant to subdivision 3, clause (4);

(5) Develop and implement other programs to preserve, support, revitalize, and disseminate Minnesota folklife.

Sec. 6. [STATE FOLKLORIST; DUTIES.] Subdivision 1. It shall be the duty of the state folklorist to:

(1) Sponsor, engage in, and direct fundamental research into the folklife of this state and to encourage and coordinate folklife research and investigation undertaken within the state;

(2) Cooperate with other agencies of the state which may have authority to determine the location of folklife materials;

(3) Protect to the extent possible and encourage the preservation of folklife items located on privately owned property or otherwise in the private possession of individuals;

(4) Obtain for the state objects of folklife significance and data relating to the objects;

(5) Cooperate with the university of Minnesota and other institutions and organizations to preserve and collect Minnesota folklife, together with the data relating to the folklife; and

(6) Disseminate folklife information through the publication of reports of folklife research conducted within the state.

Subd. 2. [ANNUAL REPORT.] The state folklorist shall submit to the director of the Minnesota historical society an annual report concerning the operation of the center, including a detailed statement of all private and public funds received and expended by the center and such recommendations as the center deems appropriate.

Subd. 3. [CONTRIBUTORS' RIGHTS.] The state folklorist shall avoid any actions which infringe on the personal rights of individuals contributing to the center.

Sec. 7. [FOLKLIFE INFORMATION.] In order to maximize communication and cooperation among those collecting or studying Minnesota folklife, to protect the rights of persons who give information to collectors and students of Minnesota folklife, and to assist those who wish to represent accurately the folklife of the state of Minnesota, the state folklorist may establish procedures by which persons

who collect or study Minnesota folklife may

(1) submit their plans and report their ongoing and final findings to the center;

(2) report to the center any use, publication, or production of their work, and provide copies of any publication; and

(3) provide at no cost to themselves copies of their fieldwork data for deposit in the archive of the center to be used in accordance with the wishes of the donor."

Further amend the title as follows:

Page 1, line 3, after "folklife" insert:

“; creating center for study of Minnesota folklife; creating position of state folklorist in the historical society; prescribing powers and duties of the folklorist”

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

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

S. F. No. 1895: A bill for an act relating to agriculture; establishing a family farm security program to encourage loans for farm real estate; appropriating money.

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

Strike everything after the enacting clause and insert:

“Section 1. [PURPOSE.] *In order to aid farmers in obtaining credit for the acquisition of farm real estate, there is established a family farm security program which shall provide state money in guarantee of loans made according to the provisions of sections 1 to 14.*

Sec. 2. [DEFINITIONS.] *Subdivision 1. For the purposes of this act the following terms shall have the meanings given.*

Subd. 2 “Applicant” means a person applying for a family farm security loan.

Subd. 3. “Council” means the family farm advisory council.

Subd. 4. “Commissioner” means the commissioner of agriculture.

Subd. 5. “Family farm security loan” means a loan for acquisition of farm land approved by the commissioner. It may include one or more of the following: (a) a family farm security loan guarantee; (b) a payment adjustment; (c) a participation loan.

Subd. 6. “Farm land” means land in Minnesota that is capable of supporting the commercial production of agricultural crops, livestock or livestock products, poultry products, milk or dairy products, or fruit or other horticultural products.

Subd. 7. “Lender” means any bank, savings bank, mutual savings bank, building and loan association, savings and loan association, or-

ganized under the laws of this state or the United States, trust companies, trust companies acting as fiduciaries, and other financial institutions subject to the supervision of the commissioner of banks; and any foreign or domestic corporation engaged in the business of insurance which is subject to the supervision of the commissioner of insurance as defined in Minnesota Statutes, Section 60A.02, Subdivisions 1 and 3; and any financial institution operating under the supervision of the farm credit administration. In case of participation loans as authorized in section 8, "lender" also means the seller of the property.

Subd. 8. "Participation loan" means a loan in which part or all of the purchase price of the farm is financed by a loan from the seller of the property, and the remainder of the loan, if any, is supplied by a lender as defined in subdivision 7. A participation loan may be secured by two or more separate notes that carry different interest rates.

Sec. 3. [ADMINISTRATION.] Subdivision 1. The family farm security program shall be administered by the commissioner.

Subd. 2. [RULES.] The commissioner shall promulgate rules necessary for the efficient administration of sections 1 to 7; section 8, subdivisions 1 and 2; section 10, subdivisions 1 and 4; and section 14.

Subd. 3. [REPORT TO LEGISLATURE.] On or before January 1 of each year the commissioner shall submit a report to the legislature, as provided in Minnesota Statutes, Section 3.195, concerning the actions of the commissioner and the status of loans granted.

Sec. 4. [ADVISORY COUNCIL.] Subdivision 1. [COMPOSITION.] There is established a family farm advisory council composed of seven members appointed by the governor as follows:

(a) Two officers from a commercial lending institution;

(b) One dairy farmer;

(c) One livestock farmer;

(d) One cash grain farmer;

(e) One officer from a farm credit association;

(f) One representative of consumers of food products who shall not be a farmer or lender.

Subd. 2. [TERMS AND COMPENSATION.] The council shall expire and the terms, compensation and removal of members of the council shall be governed by Minnesota Statutes, Section 15.059. The council shall meet monthly or more often as needed. Initial members shall be appointed for terms as follows: (a) for terms ending the first Monday in January, 1979: one officer from a commercial lending institution, the dairy farmer, the cash grain farmer, and the representative of consumers; and (b) for terms ending the first Monday in January, 1980: the remaining members.

Subd. 3. [CHAIRMAN.] The members of the council shall annually elect a chairman and other officers they deem necessary.

Subd. 4. [DUTIES.] The duties of the council shall be as follows:

(a) To review and appraise the family farm security program;

(b) *To give advice and counsel to the commissioner regarding the family farm security program;*

(c) *To review all applications for family farm security loans and make recommendations to the commissioner as to their disposition;*

(d) *To make recommendations to the governor, legislature and the public on or before December 31 of each year regarding any needed state policy or program changes to foster and promote the economic health and viability of the family farm.*

Subd. 5. [STAFF; SERVICES.] The commissioner of agriculture shall provide the council with necessary staff, office space and administrative services.

Sec. 5. [ELIGIBILITY.] A family farm security loan guarantee, payment adjustment or participation loan approval may be granted if the following criteria are satisfied:

(a) *That the applicant is a resident of the state of Minnesota, or shows sufficient evidence that he intends to become a resident;*

(b) *That the applicant has sufficient education, training, or experience in the type of farming for which he wishes the loan and continued participation in a farm management program, approved by the commissioner, for the duration of the family farm security loan;*

(c) *That the applicant has total net worth valued at less than \$50,000 and has demonstrated a need for the loan;*

(d) *That the applicant intends to purchase farm land to be used by the applicant for agricultural purposes.*

Sec. 6. [PROCEDURE.] Subdivision 1. [APPLYING FOR LOAN; LOAN DENIED.] Any person desiring to acquire farm land may make application with a lender for one or more of the following: (1) a family farm security loan guarantee; (2) payment adjustment; and (3) participation loan. Upon completion of the appropriate forms by the applicant and the lender, the lender shall forward the application to the commissioner for approval. The commissioner may approve the application if the criteria of sections 5 and 7 are satisfied, and shall notify the applicant and the lender of his decision.

If the application is denied, the commissioner shall return the application to the lender with a written statement of the reasons for the denial. The applicant shall be given a copy of the reasons for the denial of the loan. If the circumstances of the applicant change such that he becomes eligible, he may reapply.

Subd. 2. [APPROVED LOANS.] If the commissioner approves the loan application, he shall retain a copy of the application for his files and return the original to the lender. The applicant and the lender may then complete the transaction for the loan.

Subd. 3. [PRIVACY OF RECORDS.] The information contained in an application and the statement of reasons for the denial of an application shall be private data on individuals as defined in Minnesota Statutes, Section 15.162.

Subd. 4. [DEFAULT; FILING CLAIM.] *Within 90 days of a default on a family farm security loan, the lender shall send notice to the applicant stating that the commissioner must be notified if the default continues for another 90 days, and the consequences of that default. The lender and the applicant may agree to take any steps reasonable to assure the fulfillment of the loan obligation.*

After 180 days from the initial default, if the applicant has not made arrangements to meet his obligation, the lender shall file a claim with the commissioner, identifying the loan and the nature of the default, and relinquishing to the state all rights of the lender in exchange for payment of the outstanding balance due. If the commissioner is satisfied that the default has occurred, he shall authorize payment of state funds to the lender, and shall notify the defaulting party. The commissioner shall then become the holder of the mortgage. He shall arrange for fair market value appraisal of the farm land and shall accept applications from prospective purchasers who meet the criteria of sections 5 and 7 and have the support of a lender willing to finance the purchase. If an application is accepted by the commissioner, the property will be sold to the applicant and treated as though it were a new family farm security loan. If no buyer who is a qualified applicant can be found within 90 days at the fair market price as determined by the commissioner, the commissioner shall advertise the property and sell it to the highest bidder.

In the case of a participation loan involving more than one note, all of the notes shall be considered to be in default if one of the notes is in default.

Subd. 5. [GUARANTEE VOID.] *The loan guarantee shall be void only if the guaranteed loan was obtained by fraud or material misrepresentation of which the original lender or subsequent holder had actual knowledge.*

Sec. 7. [TERMS OF THE LOAN.] *Subdivision 1. A family farm security loan shall be transacted on forms provided by the commissioner with the advice of the attorney general. The commissioner shall establish an appraisal procedure and shall thereby determine the value of the property before guaranteeing a family farm security loan.*

Subd. 2. [PAYMENT ADJUSTMENT.] *To be eligible for payment adjustment a family farm security loan shall have a maximum term of 20 years and shall provide for payments at least annually so that the loan shall be amortized over its term with equal annual payments of principal and interest. During the first ten years of a family farm security loan, the commissioner shall annually pay to the lender four percent of the outstanding balance due at the beginning of that year and the applicant shall pay the remainder of the payment due. After the tenth year, the applicant shall make payments according to the stated interest rate. The applicant may petition the commissioner for one ten year renewal of the payment adjustment. If a renewal is granted, in the 21st year the applicant shall reimburse the commissioner for*

the sums paid on the applicant's behalf under this subdivision. If no renewal is granted, the applicant shall reimburse the commissioner in the 11th year for the sums paid on the applicant's behalf under this subdivision.

Subd. 3. [ANNUAL REVIEW OF NET WORTH.] *The applicant shall annually submit to the commissioner a statement of his net worth. If his net worth in any year exceeds the sum of \$100,000, the applicant shall be ineligible for a payment adjustment in that year.*

Sec. 8. [PARTICIPATION LOANS.] Subdivision 1. [AUTHORIZATION.] *The commissioner may provide a guarantee to the lenders on participation loans when the buyer satisfies the eligibility criteria in section 5. The commissioner may also provide a payment adjustment on behalf of the applicant in the case of participation loans.*

Subd. 2. [NEGOTIABILITY AND MARKETABILITY.] *A participation loan shall be secured by a negotiable note or notes as defined in Minnesota Statutes, Section 336.3-104. Participation loan notes may be sold at a premium or discount. The commissioner must be notified in writing within 30 days when a participation loan note is sold or exchanged.*

Subd. 3. [TAXABILITY.] *The interest earned by the seller of the property on a participation loan that is guaranteed by the commissioner shall be excludable from gross income for the year in which it is received.*

Sec. 9. Minnesota Statutes, 1975 Supplement, Section 290.08, is amended by adding a subdivision to read:

Subd. 23. *The interest earned by the seller of the property on a participation loan that is guaranteed by the commissioner of agriculture under the provisions of section 8.*

Sec. 10. [SALE OR CONVEYANCE.] Subdivision 1. [IMMEDIATE REPAYMENT OF LOAN.] *Any applicant who sells or conveys the property for which a family farm security loan was issued shall immediately retire the entire indebtedness still owed to the lender and the commissioner. The new owner may negotiate a family farm security loan in his own right, but under no circumstances may the original loan be assumed by the new owner. This subdivision is not intended to prohibit the applicant from granting a security interest in the property for the purposes of securing an additional loan.*

Subd. 2. [TAX PENALTY ON CAPITAL GAIN.] *Minnesota Statutes, Chapter 290 shall apply to determine the amount of the gain realized on the sale of property for which a family farm security loan has been issued. In lieu of the tax imposed by chapter 290, the following rate of tax shall be imposed on any gain realized on the sale of the property:*

	Time lapsed from issuance of loan		Tax rate
	At least	but less than	Percent
(a)		1 year	100
(b)	1 year	3 years	90
(c)	3 years	5 years	80

(d)	5 years	7 years	70
(e)	7 years	9 years	60
(f)	9 years	10 years	50

This tax shall no longer be applicable and the tax imposed by chapter 290 shall apply when the property for which a family farm security loan was issued has been held by the applicant for more than ten years after the issuance of the loan. Chapter 290 shall apply when the applicant has realized a loss on the sale of the property.

Subd. 3. [WAIVER OF TAX PENALTY.] The commissioner of revenue shall waive the imposition of the tax in subdivision 2 if the applicant has died or suffered a total disability.

For the purposes of this section, "total disability" means the total and permanent loss of sight of both eyes, the loss of both arms at the shoulder, the loss of both legs so close to the hips that no effective artificial members can be used, complete and permanent paralysis, total and permanent loss of mental faculties, or any other injury which totally incapacitates the applicant from working his farm.

Subd. 4. [DISCLOSURE IN LOAN CONTRACT.] Every family farm security loan shall contain notice of the penalties imposed by this section. The lender shall explain these terms to the applicant before submitting the loan to the commissioner for approval.

Sec. 11. Minnesota Statutes 1974, Section 48.24, Subdivision 5, is amended to read:

Subd. 5. Loans or obligations shall not be subject under this section to any limitation based upon such capital and surplus to the extent that they are secured or covered by guarantees, or by commitments or agreements to take over or to purchase the same, made by the commissioner of agriculture on the purchase of agricultural land or by any Federal Reserve bank or by the United States or any department, bureau, board, commission, or establishment of the United States, including any corporation wholly owned directly or indirectly by the United States.

Sec. 12. Minnesota Statutes, 1975 Supplement, Section 290.01, Subdivision 20, is amended to read:

Subd. 20. [GROSS INCOME.] Except as otherwise provided in this chapter, the term "gross income," as applied to corporations includes every kind of compensation for labor or personal services of every kind from any private or public employment, office, position or services; income derived from the ownership or use of property; gains or profits derived from every kind of disposition of, or every kind of dealing in, property; income derived from the transaction of any trade or business; and income derived from any source.

For each of the taxable years beginning after December 31, 1960 and prior to January 1, 1971, the term "gross income" in its application to individuals, estates, and trusts, shall mean the

adjusted gross income as computed for federal income tax purposes as defined in the Internal Revenue Code of 1954, as amended through December 31, 1970 for the applicable taxable year, with the modifications specified in this section.

For each of the taxable years beginning after December 31, 1970, the term "gross income" in its application to individuals, estates, and trusts shall mean the adjusted gross income as computed for federal income tax purposes as defined in the Internal Revenue Code of 1954, as amended through the date specified herein for the applicable taxable year, with the modifications specified in this section.

(i) The Internal Revenue Code of 1954, as amended through December 31, 1970, shall be in effect for taxable years beginning after December 31, 1970 and prior to January 1, 1973.

(ii) The Internal Revenue Code of 1954, as amended through December 31, 1972, shall be in effect for taxable years beginning after December 31, 1972.

(iii) The Internal Revenue Code of 1954, as amended through December 31, 1973, shall be in effect for taxable years beginning after December 31, 1973.

(iv) The Internal Revenue Code of 1954, as amended through December 31, 1974, shall be in effect for the taxable years beginning after December 31, 1974.

References to the Internal Revenue Code of 1954 in clauses (a), (b) and (c) following shall mean the code in effect for the purpose of defining gross income for the applicable taxable year.

(a) Modifications increasing federal adjusted gross income. There shall be added to federal adjusted gross income:

(1) Interest income on obligations of any state other than Minnesota or a political subdivision of any such other state exempt from federal income taxes under the Internal Revenue Code of 1954;

(2) Interest income on obligations of any authority, commission, or instrumentality of the United States, which the laws of the United States exempt from federal income tax, but not from state income taxes;

(3) Income taxes imposed by this state or any other taxing jurisdiction, to the extent deductible in determining federal adjusted gross income and not credited against federal income tax;

(4) Interest on indebtedness incurred or continued to purchase or carry securities the income from which is exempt from tax under chapter 290, to the extent deductible in determining federal adjusted gross income;

(5) Amounts received as reimbursement for an expense of sickness or injury which was deducted in a prior taxable year to the extent that the deduction for such reimbursed expenditure resulted in a tax benefit;

(6) Losses which do not arise from events or transactions which

are assignable to Minnesota under the provisions of sections 290.17 to 290.20, including any capital loss or net operating loss carryforwards or carrybacks resulting from such losses, and including any such nonassignable losses which occur prior to the time the individual becomes a resident of the state of Minnesota;

(7) The amount of any federal income tax overpayment for any previous taxable year, received as refund or credited to another taxable year's income tax liability, proportionate to the percentage of federal income tax that was claimed as a deduction in determining Minnesota income tax for such previous taxable year.

The overpayment refund or credit, determined with respect to a husband and wife on a joint federal income tax return for a previous taxable year, shall be reported on joint or separate Minnesota income tax returns. In the case of separate Minnesota returns, the overpayment shall be reported by each spouse proportionately according to the relative amounts of federal income tax claimed as a deduction on his or her separate Minnesota income tax return for such previous taxable year;

(8) In the case of a change of residence from Minnesota to another state or nation, the amount of moving expenses which exceed total reimbursements and which were therefore deducted in arriving at federal adjusted gross income;

(9) In the case of property disposed of on or after January 1, 1973, the amount of any increase in the taxpayer's federal tax liability under section 47 of the Internal Revenue Code of 1954, as amended through December 31, 1974, to the extent of the credit under section 38 of the Internal Revenue Code of 1954, as amended through December 31, 1974, that was previously allowed as a deduction either under section 290.01, subdivision 20 (b) (9) or under section 290.09, subdivision 24; and

(10) Expenses and losses arising from a farm which are not allowable under section 290.09, subdivision 29;

(11) Expenses and depreciation attributable to substandard buildings disallowed by section 290.101.

(b) Modifications reducing federal adjusted gross income. There shall be subtracted from federal adjusted gross income:

(1) Interest income on obligations of any authority, commission or instrumentality of the United States to the extent includible in gross income for federal income tax purposes but exempt from state income tax under the laws of the United States;

(2) The portion of any gain, from the sale or other disposition of property having a higher adjusted basis for Minnesota income tax purposes than for federal income tax purposes, that does not exceed such difference in basis; but if such gain is considered a long-term capital gain for federal income tax purposes, the modification shall be limited to fifty per centum of such portion of the gain. This modification shall not be applicable if the difference in basis is due to disallowance of depreciation pursuant to section 290.101.

(3) Interest or dividend income on securities to the extent exempt from income tax under the laws of this state authorizing the issuance of such securities but includible in gross income for federal income tax purposes;

(4) Income which does not arise from events or transactions which are assignable to Minnesota under the provisions of sections 290.17 to 290.20;

(5) Losses, not otherwise reducing federal adjusted gross income assignable to Minnesota, arising from events or transactions which are assignable to Minnesota under the provisions of sections 290.17 to 290.20, including any capital loss or net operating loss carryforwards or carrybacks resulting from such losses;

(6) If included in federal adjusted gross income, the amount of any overpayment of income tax to Minnesota, or any other state, for any previous taxable year, whether such amount is received as a refund or credited to another taxable year's income tax liability;

(7) The amount of any pension or benefit which is excluded from gross income under the provisions of section 290.08, subdivision 6; and

(8) The amount of compensation for personal services in the armed forces of the United States or the United Nations which is excluded from gross income under the provisions of section 290.65; and

(9) In the case of property acquired on or after January 1, 1973, the amount of any credit to the taxpayer's federal tax liability under section 38 of the Internal Revenue Code of 1954, as amended through December 31, 1974, but only to the extent that the credit is connected with or allocable against the production or receipt of income included in the measure of the tax imposed by this chapter - ;

(10) The interest earned by the seller of the property on a participation loan that is guaranteed by the commissioner of agriculture as provided by this act;

(11) The amount of gain included in federal adjusted gross income attributable to sales taxed under this act.

(c) Modifications affecting shareholders of electing small business corporations under section 1372 of the Internal Revenue Code of 1954, or section 290.972 of this chapter.

(1) Shareholders in a small business corporation, which has elected to be so taxed under the Internal Revenue Code of 1954, but has not made an election under section 290.972 of this chapter, shall deduct from federal adjusted gross income the amount of any imputed income from such corporation and shall add to federal adjusted gross income the amount of any loss claimed as a result of such stock ownership. Also there shall be added to federal adjusted gross income the amount of any distributions in cash or property made by said corporation to its shareholders during the taxable year.

(2) In cases where the small business corporation has made an election under section 1372 of the Internal Revenue Code of 1954, but has not elected under section 290.972 of this chapter and said corporation is liquidated or the individual shareholder disposes of his

stock and there is no capital loss reflected in federal adjusted gross income because of the fact that corporate losses have exhausted the shareholders basis for federal purposes, such shareholders shall be entitled, nevertheless, to a capital loss commensurate to their Minnesota basis for the stock.

(3) In cases where the election under section 1372 of the Internal Revenue Code of 1954 antedates the election under section 290.972 of this chapter and at the close of the taxable year immediately preceding the effective election under section 290.972 the corporation has a reserve of undistributed taxable income previously taxed to shareholders under the provisions of the Internal Revenue Code of 1954, in the event and to the extent that such reserve is distributed to shareholders such distribution shall be taxed as a dividend for purposes of this act.

Items of gross income includible within these definitions shall be deemed such regardless of the form in which received. Items of gross income shall be included in gross income of the taxable year in which received by a taxpayer unless properly to be accounted for as of a different taxable year under methods of accounting permitted by section 290.07, except that (1) amounts transferred from a reserve or other account, if in effect transfers to surplus, shall, to the extent that such amounts were accumulated through deductions from gross income or entered into the computation of taxable net income during any taxable year, be treated as gross income for the year in which the transfer occurs, but only to the extent that such amounts resulted in a reduction of the tax imposed by this act, and (2) amounts received as refunds on account of taxes deducted from gross income during any taxable year shall be treated as gross income for the year in which actually received, but only to the extent that such amounts resulted in a reduction of the tax imposed by this act.

(d) Modification in computing taxable income of the estate of a decedent. Amounts allowable under section 291.07, subdivision 1 (2) in computing Minnesota inheritance tax liability shall not be allowed as a deduction in computing the taxable income of the estate unless there is filed within the time and in the manner and form prescribed by the commissioner a statement that the amounts have not been allowed as a deduction under section 291.07 and a waiver of the right to have such amounts allowed at any time as deductions under section 291.07. The provisions of this paragraph shall not apply with respect to deductions allowed under section 290.077 (relating to income in respect of decedents). In the event that the election made for federal tax purposes under section 642(g) of the Internal Revenue Code of 1954 differs from the election made under this paragraph appropriate modification of the estate's federal taxable income shall be made to implement the election made under this paragraph in accordance with regulations prescribed by the commissioner.

Sec. 13. Minnesota Statutes, 1975 Supplement, Section 290.09, Subdivision 4, is amended to read:

Subd. 4. [TAXES.] Taxes paid or accrued within the taxable year, except (a) income or franchise taxes imposed by this chapter; (b) taxes

assessed against local benefits of a kind deemed in law to increase the value of the property assessed; (c) inheritance, gift and estate taxes except as provided in section 290.077, subdivision 4; (d) cigarette and tobacco products excise tax imposed on the consumer; (e) that part of Minnesota property taxes for which a credit or refund is claimed and allowed under section 290.0603 or 290.066; (f) federal income taxes, by corporations, national and state banks except as provided in section 290.18; and (g) *the tax imposed by section 10, subdivision 2, of this act when the property has been held for less than ten years after the issuance of the loan; and* ~~(g)~~ (h) tax paid by any corporation or national or state bank to any foreign country or possession of the United States to the extent that a credit against federal income taxes is allowed under the provisions of the Internal Revenue Code of 1954, as amended through December 31, 1974. If the taxpayer's foreign tax credit consists of both foreign taxes deemed paid and foreign taxes actually paid or withheld, it will be conclusively presumed that foreign taxes deemed paid were first used by the taxpayer in its foreign tax credit. Minnesota gross income shall include the amount of foreign tax paid which had been allowed as a deduction in a previous year, provided such foreign tax is later allowed as a credit against federal income tax. Income taxes permitted to be deducted hereunder shall, regardless of the methods of accounting employed, be deductible only in the taxable year in which paid. Taxes imposed upon a shareholder's interest in a corporation which are paid by the corporation without reimbursement from the shareholder shall be deductible only by such corporation.

Sec. 14. [APPROPRIATIONS.] *Subdivision 1. There is appropriated from the general fund to a special account in the state treasury the sum of \$10,000,000 to be invested by the state board of investment in such securities as authorized by law.*

Such sums as may be needed from time to time to pay lenders for defaulted loans is appropriated from the special account to the commissioner.

Subd. 2. Interest accrued from the investment of funds from the special account is annually appropriated, and the sum of \$ from the general fund is appropriated to the commissioner to be used for payment adjustment under section 7, subdivision 2.

Subd. 3. There is appropriated from the general fund to the commissioner the sum of \$56,000 for administrative expenses incurred in fulfilling the provisions of this act."

Amend the title as follows:

Line 4, after "money" insert "; amending Minnesota Statutes 1974, Section 48.24, Subdivision 5; and Minnesota Statutes, 1975 Supplement, Sections 290.01, Subdivision 20; and 290.09, Subdivision 4"

And when so amended the bill do pass and be re-referred to the Committee on Governmental Operations. Mr. Berg questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Pursuant to Rule 60, a roll call was taken on the motion of Mr. Moe that S.F. 1895, as amended, be recommended to pass.

There were 10 yeas and 4 nays as follows:

Those who voted in the affirmative were:

Dunn; Hanson, R.; Merriam; Moe; Olson, H. D.; Purfeerst; Schrom; Stumpf; Wegener and Willet.

Those who voted in the negative were:

Berg, Bernhagen, Olhoft and Renneke.

The bill passed the committee.

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

S. F. No. 1964: A bill for an act relating to education; expanding reimbursement program for community school programs; authorizing state reimbursement for programs for children in state institutions; appropriating money; amending Minnesota Statutes, 1975 Supplement, Sections 124.271, Subdivision 2; and 124.32, Subdivision 3a; repealing Minnesota Statutes 1974, Section 275.39.

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. Subdivision 1. Any school district which has been or will be providing educational services to Southeast Asian refugee children from Vietnam, Cambodia, Laos, or Thailand for whom English is a second language may apply before July 1, 1976 to the commissioner of education for state categorical aid. The commissioner shall review the petition by September 1, 1976 to determine whether the district has incurred or will incur additional and uncompensated costs because of the provision of these services. If the commissioner determines that the district has incurred or will incur an additional and uncompensated cost, he shall pay to the district an amount not to exceed \$40 for each Southeast Asian child served.

Subd. 2. All aid distributed pursuant to this section shall be utilized by a school district for the purpose of paying additional and uncompensated costs which have been or will be incurred in the provision of these services.

Subd. 3. Prior to January 15, 1977, the commissioner shall report to the education committees of the senate and the house of representatives on the distribution of these aids. The report shall include (a) the recipients of the aid; (b) the amounts distributed, and (c) the reasons for these distributions.

Sec. 2. For the 1975-76 school year, if a district provides post-secondary vocational-technical education to pupils who are not residents of that district, it shall receive foundation aid for any such pupils who qualify to attend a post-secondary vocational-technical school without tuition pursuant to section 124.565, subdivision 1 or 2.

Sec. 3. [3.9276] [EDUCATIONAL ALTERNATIVE PROGRAMS.] *Subdivision 1. For the 1976-77 school year, the council on quality education shall make grants to not less than six pilot alternative educational programs. At least three pilot programs shall be outside the cities of the first class and the seven county metropolitan area, and at least one of those outside these areas shall be a cooperative effort among several school districts. Grants for any program shall not exceed \$3,000 per year per pupil enrolled in that program less the amount earned by that pupil for that district as foundation aid. Educational alternative programs are programs which are voluntary alternatives to mainstream educational programs and which are designed for pupils who are identified as having such learning and behavioral problems as to have little or no interest in participating in the regular school programs. At least 60 percent of the students enrolled in any such program shall have a history of appearances before a juvenile court, as defined in section 260.021, or contact with other agencies exercising similar corrective functions, or a verified history of serious behavioral problems. All referrals to educational alternative programs shall be made by pupil referral committees to be established by each building principal within a district receiving grants under this section. Members of these committees shall include, but not be limited to, the principal, assistant principal, counselors, school psychologist, school social worker, and other appropriate faculty and professional representatives.*

Subd. 2. Notwithstanding section 3.926, subdivision 2, every educational alternative program proposal shall be submitted to the council on quality education not less than six weeks before the planned commencement of the program. The council shall prescribe the form and manner of application and shall determine the participating pilot programs. In making this determination, the council shall give preference to those programs which appear most able to coordinate their services with existing programs and other governmental agencies. The council shall report on the programs annually to the committees on education of the senate and house of representatives.

Subd. 3. Each district providing pilot programs shall establish and maintain an account separate from all other district accounts for the receipt and disbursement of all funds related to these educational alternative programs. All foundation aid or other special state aid earned for a district by a student enrolled in an educational alternative program shall be deposited by the district in the educational alternative program account and shall be used solely for the purposes of that program.

Subd. 4. A school district providing educational alternative programs shall be eligible to receive funds for these programs from other government agencies and from private sources when such funds are available.

Subd. 5. Educational alternative programs established and operational prior to the effective date of this section shall be eligible for grants under this section.

Subd. 6. The state board of education shall provide service to the pilot programs by:

(a) Applying for funds which are, or may become available under federal programs, including funds for administration, demonstration projects, training, technical assistance, planning, and evaluation;

(b) Providing professional and technical assistance.

Subd. 7. The council on quality education shall appoint an advisory council of nine members on educational alternative programs. Appointed members shall represent at least the following disciplines: corrections; juvenile justice; education; special learning and behavior problems; mental health; career counseling; and vocational education; provided that not more than five council members shall be professionally or occupationally affiliated in these disciplines. This advisory council shall expire, and the membership terms, compensation, and removal of members shall be as provided in section 15.059.

Sec. 4. Minnesota Statutes, 1975 Supplement, Section 120.17, Subdivision 1, is amended to read:

120.17 [HANDICAPPED CHILDREN.] Subdivision 1. [SPECIAL INSTRUCTION FOR HANDICAPPED CHILDREN OF SCHOOL AGE.] Every district shall provide special instruction and services, either within the district or in another district, for handicapped children of school age who are residents of the district and who are handicapped as set forth in section 120.03. When the provision of instruction, training, and services may result in hardship or injury to the child, the school board may appeal the mandatory provisions of Laws 1971, Chapter 689 to the commissioner of education who shall determine what provisions shall be made by the district for the education of the child. School age means the ages of four years to 21 years for children who are deaf, blind, crippled or have speech defects; and five years to 21 years for mentally retarded children; handicapped as defined in section 120.03 and shall not extend beyond secondary school or its equivalent. Every district may provide special instruction and services for handicapped children who have not attained school age. Districts with less than the minimum number of eligible handicapped children as determined by the state board shall cooperate with other districts to maintain a full sequence of programs for education, training and services for handicapped children as defined in section 120.03, subdivisions 1 to 3. A district that decides to maintain programs for trainable handicapped children is encouraged to cooperate with other districts to maintain a full sequence of programs.

Sec. 5. Minnesota Statutes 1974, Section 120.17, Subdivision 2, is amended to read:

Subd. 2. [METHOD OF SPECIAL INSTRUCTION.] Special instruction or training and services for handicapped children may be provided by one or more of the following methods:

- (a) Special instruction and services in connection with attending regular elementary and secondary school classes;
- (b) The establishment of special classes;
- (c) Instruction and services at the home or bedside of the child;
- (d) Instruction and services in other districts;
- (e) Instruction and services in a state college laboratory school or a university of Minnesota laboratory school;
- (f) Instruction and services in a state residential school or a school department of a state institution approved by the commissioner; or by any other method approved by him;
- (g) Instruction and services in other states;
- (h) Contract with public, private or voluntary agencies. *The primary responsibility for the education of a handicapped child shall remain with the district of the child's residence regardless of which method of providing special instruction or training and services is used.*

Sec. 6. Minnesota Statutes 1974, Section 120.17, Subdivision 5, is amended to read:

Subd. 5. [SCHOOL OF PARENTS' CHOICE.] Nothing in this chapter shall be construed as preventing parents of a handicapped educable child from sending such child to a school of their choice, if they so elect, subject to admission standards and policies to be adopted pursuant to the provisions of Minnesota Statutes, Chapter 248 sections 38 to 46 of this act, and all other provisions of Chapter 71, Extra Session Laws 1959 chapters 120 to 129.

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

Subd. 7a. [ATTENDANCE AT SCHOOL FOR THE DEAF OR BRAILLE AND SIGHTSAVING SCHOOL.] Responsibility for special instruction and services for a visually disabled or hearing impaired child attending the Minnesota school for the deaf or the Minnesota braille and sight-saving school shall be determined in the following manner:

(a) The legal residence of the child shall be the school district in which his parent or guardian resides;

(b) When it is determined pursuant to section 42, subdivision 1 or 2 of this act that the child is entitled to attend either school, the state board shall provide the appropriate educational program for the child at that school. The state board shall make a tuition charge to the child's district of residence for the actual cost of providing the program; provided, however, that the amount of tuition charged shall not exceed \$2,000 for any school year. The district of the child's residence shall pay the tuition and may claim foundation aid for the child;

(c) When it is determined that the child can benefit from public school enrollment but that the child should also remain in

attendance at the applicable school, provision for this instruction shall be made in the following manner:

(1) Determination of eligibility for special instruction and services shall be made by the admissions and discharge committee. This decision shall be subject to the rules relating to due process promulgated by the state board, and shall be made only after consultation with the parents and the school district of residence;

(2) The school district where the institution is located shall provide an appropriate educational program for the child and shall make a tuition charge to the child's district of residence for the actual cost of providing the program, less any amount of aid received pursuant to section 124.32;

(3) The district of the child's residence shall pay the tuition and other program costs including the unreimbursed transportation costs and may claim foundation aid for the child. Aids for handicapped children shall be paid to the district providing the special instruction and services. Special transportation shall be provided by the district providing the education program and the state shall reimburse such district within the limits provided by law;

(4) If a school district pays tuition under the provisions of this clause, it shall not be charged by the state board under clause (b).

(d) The state board shall provide free billing services for the district where the institution is located for tuition charges to be made pursuant to clause (b), if agreeable to that district.

Sec. 8. Minnesota Statutes 1974, Section 120.17, is amended by adding a subdivision to read:

Subd. 9. No resident of a district who is eligible for special instruction and services pursuant to this section shall be denied provision of this instruction and service on a shared time basis because of attendance at a nonpublic school defined in section 123.932, subdivision 3.

Sec. 9. Minnesota Statutes 1974, Section 120.17, is amended by adding a subdivision to read:

Subd. 10. All tuition billing for the education of nonresident children pursuant to this section shall be done on uniform forms prescribed by the commissioner. The billing shall contain an itemized statement of costs which are being charged to the district of residence. One copy of each such billing shall be filed with the commissioner.

Sec. 10. Minnesota Statutes 1974, Section 120.74, Subdivision 1, is amended to read:

120.74 [PROHIBITED FEES.] Subdivision 1. A school board is not authorized to charge fees in the following areas:

(a) Textbooks, workbooks, art materials, laboratory supplies, towels;

(b) Supplies necessary for participation in any instructional course except as authorized in sections 120.73 and 120.75;

(c) Field trips which are required as a part of a basic education program or course;

(d) Graduation caps, gowns, any specific form of dress necessary for any educational program, and diplomas;

(e) Instructional costs for necessary school personnel employed in any course or educational program required for graduation;

(f) Library books required to be utilized for any educational course or program;

(g) Admission fees, dues, or fees for any activity the pupil is required to attend;

(h) Any admission or examination cost for any required educational course or program;

(i) Locker rentals ;

(j) *School transportation and related services for which the district is authorized to receive transportation aid pursuant to section 124.223 or for hazardous transportation for which a district may levy pursuant to section 275.125, subdivision 5.*

Sec. 11. Minnesota Statutes 1974, Section 121.21, is amended by adding a subdivision to read:

Subd. 4a. No district shall expend funds from any source for construction of, additions to or expansion of facilities of an area vocational-technical school without the approval of the state board if the construction, addition or expansion requires the expenditure of an amount equal to or greater than \$75 per pupil unit in average daily membership in the school or changes the perimeter walls of an existing facility. No construction, addition or expansion which requires the expenditure of less than \$75 per pupil unit and does not change a perimeter wall shall be carried out without the approval of the commissioner of education.

Sec. 12. [121.90] [DEFINITIONS.] "Receivable", "liabilities", "fund balances", "revenues" and "expenditures" have the meanings specified in the Uniform Financial Accounting and Reporting System for Minnesota School Districts unless otherwise provided by law.

Sec. 13. [121.91] [ADVISORY COUNCIL ON UNIFORM FINANCIAL ACCOUNTING AND REPORTING STANDARDS.] Subdivision 1. *There is created an advisory council on uniform financial accounting and reporting standards, composed of thirteen members appointed as follows:*

- (1) *Two employees of the state department of education appointed by the commissioner of education;*
- (2) *an employee of the office of state auditor appointed by the state auditor;*
- (3) *one licensed certified public accountant appointed by the state board of education;*

- (4) nine persons who are representative of the various size school districts in the state and who are public school employees whose positions involve activities related to school financing and accounting, appointed by the state board.

Professional associations composed of persons eligible to be appointed under clauses (3) and (4) may recommend nominees from their associations to the state board.

Subd. 2. The council shall expire, and the terms, compensation and removal of members shall be as provided in section 15.059. The state board shall determine the length of terms of the initial members consistent with section 15.059.

Subd. 3. The council shall annually select a chairman and secretary from its membership. Meetings shall be held at the call of the chairman.

Sec. 14. [121.92] [UNIFORM FINANCIAL ACCOUNTING AND REPORTING STANDARDS.] Subdivision 1. The council shall recommend to the state board uniform financial accounting and reporting standards for school districts. Prior to October 1, 1976, the state board shall adopt uniform financial accounting and reporting standards which are consistent with this act and with generally accepted accounting principles and practices. The standards so adopted shall be known as the Uniform Financial Accounting and Reporting System for Minnesota School Districts.

Subd. 2. The state board shall meet the requirements of chapter 15 in the adoption and revision of these standards. All substantive interpretations of these standards by the department shall be published in the state register.

Sec. 15. [121.93] [REVENUE RECOGNITION.] Subdivision 1. School district revenues shall be recognized and reported on the district books of account in accordance with this section.

Subd. 2. Revenues shall be recorded in a manner which clearly indicates that they are applicable to a specific accounting period and fund.

Subd. 3. Receivables shall be recorded in a manner which clearly reflects amounts of money due to a particular fund from public and private sources at the date of each accounting statement.

Subd. 4. All current levies of local taxes, including portions assumed by the state, shall be recognized as receivable at the beginning of the calendar year during which collection normally takes place. Such receivables shall be reserved for use in the subsequent fiscal year. Payments of current taxes including but not limited to March personal property tax settlements, received prior to July 1, shall be recorded as revenue to be earned as of July 1 with appropriate adjustments to the receivables and the reserves for such taxes. All current taxes received prior to July 1 plus the balance of the reserves shall be recognized as revenue on July 1.

Subd. 5. Foundation aid, endowment fund apportionment, and guarantee aid shall be recognized as revenue of the fiscal year for which the aids are designated by statute.

Subd. 6. Transportation aids, including depreciation aid, and any categorical aids not otherwise provided for in this section shall be recognized as revenue of the fiscal year for which these aids are designated by statute.

Subd. 7. Summer school aids shall be recognized as revenues and recorded as receivables during the fiscal year in which the summer school session ends; provided that nothing in this subdivision shall be construed to provide for a different rate of aid than that provided in section 124.20.

Subd. 8. "Categorical reimbursement" aids are those aids for which the expenditures of the prior fiscal year are used only for determination of the amount. These aids shall be recognized as revenues and recorded as receivables in the fiscal year designated for payment.

Subd. 9. Interest shall be recognized in the fiscal year during which earned, and shall be allocated proportionately to the funds from which the resources were invested.

Subd. 10. Federal aids or grants shall be recognized as revenues and recorded as receivables in the fiscal year during which the eligible expenditures are recognized.

Subd. 11. State aids or grants, that are paid as a matching of an expenditure, shall be recognized as revenues and recorded as receivables in the fiscal year during which the eligible expenditure is recognized.

Subd. 12. Other revenues not specified in this section shall be recognized as revenues and shall be recorded in the fiscal year earned.

Subd. 13. Deviations from the principles set forth in this section shall be evaluated and explained in footnotes to audited financial statements.

Subd. 14. The state board shall specify the fiscal year or years to which the revenue from any aid or tax levy is applicable if Minnesota Statutes do not so specify.

Sec. 16. [121.94] [EXPENDITURE RECOGNITION.] *Subdivision 1. School district expenditures shall be recognized and reported on the district books of account in accordance with this section.*

Subd. 2. There shall be fiscal year-end recognition of expenditures and the related offsetting liabilities recorded in each fund in accordance with the Uniform Financial Accounting and Reporting System for Minnesota School Districts.

Subd. 3. Purchase orders, itemized in detail, for other than inventory supply items, which are issued to outside vendors and based on firm prices shall be recorded as expenditures in the fiscal year designated at the time of the issuance of the order.

Subd. 4. Inventory supply items may be recorded as expenditures at the time of the issuance of the purchase order or at the time of delivery to the school district's subordinate unit or other consumer of the item.

Subd. 5. Salaries and wages shall be recorded as expenditures in the fiscal year in which the personal services are performed.

Subd. 6. Other payable items shall be recorded in the fiscal year in which the liability is incurred.

Subd. 7. Deviations from the principles set forth in this section shall be evaluated and explained in footnotes to audited financial statements.

Sec. 17. [121.95] [REQUIREMENT FOR ACCOUNTING, BUDGETING AND REPORTING.] *Subdivision 1. On or before June 30, 1977, each Minnesota school district shall adopt the Uniform Financial Accounting and Reporting System for Minnesota School Districts provided for in section 14 of this act.*

Subd. 2. [UNAUDITED FINANCIAL STATEMENTS.] Each Minnesota school district shall submit to the commissioner by August 15, 1977 and August 15 of each year thereafter, an unaudited financial statement for the preceding fiscal year. This statement shall be submitted on forms prescribed by the commissioner after consultation with the advisory council on uniform financial accounting and reporting standards.

Subd. 3. [AUDITED FINANCIAL STATEMENTS.] Prior to June 30 of the calendar year following the submission of the unaudited financial statement, the school district shall provide to the commissioner and state auditor an audited financial statement prepared in a form which will allow comparison with and correction of the unaudited statement.

Subd. 4. [BUDGET REPORTING.] Each Minnesota school district shall submit to the department by August 15, 1977, and by August 15 of each year thereafter, on forms prescribed by the commissioner, the revenue and expenditure budgets adopted for that fiscal year.

Subd. 5. All governmental units formed by joint powers agreements entered into by school districts pursuant to Minnesota Statutes, Sections 120.17, 123.351, 471.59, or any other law shall be subject to the provisions of this section.

Sec. 18. [121.96] [CASH FLOW; SCHOOL DISTRICT REVENUES; BORROWING FOR CURRENT OPERATING COSTS.] *Subdivision 1. The commissioner of finance shall remit all payments of state aids to school districts in conformance with the dates provided by law or, when not so provided, with a schedule of aid payments to be established by the commissioner of education in consultation with other affected state agencies.*

Subd. 2. The auditors or finance officers of Minnesota counties shall remit all payments of taxes to the school districts in conformance with the provisions of section 276.11. School districts which have need for tax remittance advances may secure them from the counties by making formal requests in conformance with section 276.11.

Subd. 3. Minnesota school districts may issue tax and aid anticipation certificates in conformance with the provisions of sections 124.71 to 124.781, with the additional provision that the proceeds of such borrowing or any other method of borrowing shall be recorded as liabilities of funds for which the taxes were levied, or for which the aids are receivable. Nothing in this subdivision shall provide authority for borrowing against the tax levies and aids of one school district fund for the purpose of increasing the available cash balance of another fund.

Subd. 4. Unless otherwise provided by law, no district shall, for the purpose of increasing the available cash balance of another fund, borrow or transfer funds from the building construction fund, debt redemption fund, trust and agency fund, or from any sinking fund for outstanding bonds issued for any purpose. However, if the contemplated use for which funds were originally placed in the building construction fund or a sinking fund is afterwards abandoned or if a balance remains after the use is accomplished, a district may devote these funds as provided in section 475.65. For the purpose of insuring fund integrity, separate bank accounts shall be maintained for building construction funds, debt redemption funds, trust and agency funds, and sinking funds for outstanding bonds. However, nothing in this subdivision shall be construed to prohibit the use of common bank accounts for other funds unless prohibited by law.

Sec. 19. [121.97] [STATUTORY OPERATING DEBT.] *Subdivision 1. The "statutory operating debt" of a school district means the net negative fund balance in all school district funds, other than capital expenditure, building construction, debt service, trust and agency, and post-secondary vocational-technical education funds, calculated as of June 30 of each year in accordance with the Uniform Financial Accounting and Reporting Systems for Minnesota School Districts.*

Subd. 2. The commissioner shall establish a uniform auditing or other verification procedure for school districts to determine whether a statutory operating debt exists in any Minnesota school district as of June 30, 1977. The standards for this uniform auditing or verification procedure shall be promulgated by the state board pursuant to chapter 15. If a school district applies to the commissioner for a statutory operating debt verification or if the unaudited financial statement for the school year ending June 30, 1977 reveals that a statutory operating debt might exist, the commissioner shall require a verification of the amount of the statutory operating debt which actually does exist.

Subd. 3. If an audit or other verification procedure conducted pursuant to subdivision 2 determines that a statutory operating debt exists and does not come within the provisions of subdivision 4, a district shall follow the procedures set forth in section 56 of this act to eliminate this operating debt.

Subd. 4. If the amount of the statutory operating debt verified pursuant to subdivision 2 is less than three percent of the most recent fiscal year's expenditure amount for the funds considered under subdivision 1, the net negative fund balance shall not qualify as statutory operating debt for the purposes of this section and sections 20 and 56 of this act.

Subd. 5. The commissioner of education shall certify the amount of statutory operating debt for each school district. Prior to June 30, 1979, the commissioner may, on the basis of corrected figures, adjust the total amount of statutory operating debt certified for any district.

Subd. 6. On January 15, 1998, the commissioner of education shall report to the legislature on the districts for which the levy allowable under section 56 of this act has been insufficient to eliminate the statutory operating debt of the district, determined as of June 30, 1977.

Subd. 7. This section and the provisions of section 56 of this act

shall be applicable only to common, independent, and special school districts and districts formed pursuant to Laws 1967, Chapter 822, as amended, and Laws 1969, Chapters 775 and 1060, as amended. This section and the provisions of section 56 of this act shall not apply to Independent School District No. 625.

Subd. 8. Any district eligible to receive any amounts pursuant to section 56 of this act shall disclose its statutory operating debt retirement plan by footnote to the audited financial statement.

Sec. 20. [121.98] [EXPENDITURE LIMITATIONS.] Subdivision 1.

(a) Beginning in fiscal year 1978 and in each year thereafter, a district which had statutory operating debt on June 30, 1977 pursuant to section 19 of this act shall limit its expenditures in each fiscal year to the amount of revenue recognized in the same fiscal year in accordance with the Uniform Financial Accounting and Reporting System for Minnesota School Districts.

(b) The expenditures of a district for each fiscal year shall be limited so that the amount of its statutory operating debt calculated for that fiscal year pursuant to section 19 of this act is not greater than the amount of the district's statutory operating debt as of June 30, 1977, as certified and adjusted by the commissioner;

(1) reduced by an amount equal to the cumulative entries to that district's "Reserve Account for Reducing Operating Debt";

(2) increased by an amount equal to two and one half percent of that district's operating expenditures for the fiscal year immediately preceding the fiscal year for which the statutory operating debt calculation is being made.

(c) When a district is no longer required to levy pursuant to section 56 of this act, subdivision 2 of this section shall be applicable.

Subd. 2. Beginning in fiscal year 1978 and each year thereafter, any district not subject to subdivision 1 shall limit its expenditures so that its appropriate fund balances shall not constitute statutory operating debt as defined and limited in section 19 of this act.

Subd. 3. If a school district does not limit its expenditures in accordance with this section, the commissioner shall so notify the appropriate committees of the legislature by no later than January 1 of the year following the end of that fiscal year.

Sec. 21. [121.99] [PARTICIPATION IN COMPUTER SYSTEMS.] Subdivision 1. *On or before July 1, 1980, all Minnesota school districts shall convert financial accounting and reporting operations to a computer based financial management accounting and reporting system utilizing regional or other computing facilities and utilizing accounts and records defined in accordance with the Uniform Financial Accounting and Reporting System for Minnesota School Districts.*

Subd. 2. After July 1, 1980, participation in a computer based financial management accounting and reporting system shall be mandatory. The form of this participation shall be appealable to the commissioner.

Sec. 22. Minnesota Statutes 1974, Section 123.37, Subdivision 1, is amended to read:

123.37 [INDEPENDENT SCHOOL DISTRICTS, CONTRACTS.] Subdivision 1. No contract for work or labor, or for the purchase of furniture, fixtures, or other property, except books registered under the copyright laws, or for the construction or repair of school houses, the estimated cost or value of which shall exceed \div (a) \$3,000 for school districts with an enrollment of students in grades 1 to 12 of less than 10,000 or (b) \$5,000 for all other school districts that specified in section 471.345, subdivision 3, shall be made by the school board without first advertising for bids or proposals by two weeks' published notice in the official newspaper. Such notice shall state the time and place of receiving bids and contain a brief description of the subject matter.

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

After taking into consideration conformity with the specifications, terms of delivery, and other conditions imposed in the call for bids, every such contract shall be awarded to the lowest responsible bidder, duly executed in writing, and the person to whom the same is awarded shall give a sufficient bond to the board for its faithful performance, and otherwise conditioned as required by law. A record shall be kept of all bids, with names of bidders and amount of bids, and with the successful bid indicated thereon. A bid containing an alteration or erasure of any price contained in the bid which is used in determining the lowest responsible bid shall be rejected unless the alteration or erasure is corrected as herein provided. An alteration or erasure may be crossed out and the correction thereof printed in ink or typewritten adjacent thereto and initialed in ink by the person signing the bid. In the case of identical low bids from two or more bidders, the board may, at its discretion, utilize negotiated procurement methods with the tied low bidders for that particular transaction, so long as the price paid does not exceed the low tied bid price. In the case where only a single bid is received, the board may, at its discretion, negotiate a mutually agreeable contract with the bidder so long as the price paid does not exceed the original bid. If no satisfactory bid is received, the board may readvertise. Standard requirement price contracts established for supplies or services to be purchased by the district shall be established by competitive bids. Such standard requirement price contracts may contain escalation clauses and may provide for a negotiated price increase or decrease based upon a demonstrable industrywide or regional increase or decrease in the vendor's costs. Either party to the contract may request that the other party demonstrate such increase or decrease. The term of such contracts shall not exceed two years with an option on the part of the district to renew for an additional two years. Provided that in the case of purchase of perishable food items except milk for school lunches and vocational training programs a contract of any amount may be made by direct negotiation by obtaining two or more written quotations for the purchase or sale, when possible, without advertising for bids or

otherwise complying with the requirements of this section or section 471.345, subdivision 3. All quotations obtained shall be kept on file for a period of at least one year after receipt thereof.

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

Firm bid contracts for the purchase of milk and ice cream renegotiated between August 25, 1973 and July 1, 1974 which provide for a price increase or decrease based upon a demonstrable industrywide or regional increase in the vendor's costs are valid and not void under this subdivision; provided that the adjustment shall not exceed the increase or decrease authorized in the applicable federal marketing order for raw milk; and provided further that a school district which did not renegotiate its contract before February 1, 1974, shall not adjust its contract to provide for price increases or decreases for purchases made before February 1, 1974.

Sec. 23. Minnesota Statutes 1974, Section 123.37, Subdivision 1b, is amended to read:

Subd. 1b. Notwithstanding the provisions of subdivision 1 or section 471.345, a contract for the transportation of school children may be made either by direct negotiation, by obtaining two or more written quotations for the service; when possible, or upon sealed bids. At least 30 days before awarding a directly negotiated contract, the school district shall, by published notice, request quotations for the service to be provided. All quotations obtained shall be kept on file for a period of at least one year after receipt thereof. If a contract is made by direct negotiation, negotiations shall be carried on at a meeting of the school board open to the public. If a contract is made upon sealed bids, the procedure for advertising and awarding bids shall conform to the provisions of subdivision 1.

Sec. 24. Minnesota Statutes, 1975 Supplement, Section 124.04, is amended to read:

124.04 [CAPITAL EXPENDITURE TAXING AUTHORITY.] In addition to the tax levy prescribed by law for general and special school purposes, the board of any district may levy annually an amount such that the sum of the levy and attached machinery aid for capital outlay purposes calculated pursuant to section 273.138, subdivision 3, clause (1), shall not exceed the greater of \$70 per pupil unit or, in 1976 and 1977, \$70 per 1975-76 pupil unit or, in districts where the pupil unit count is increased pursuant to section 124.17, subdivision 1, clause (7), \$75 per pupil unit. No levy under this section shall exceed 10 mills on each dollar of assessed valuation of taxable property in the district as adjusted for the preceding year by the equalization aid review committee notwithstanding the provisions of sections 272.64 and 275.49; provided that said levy may not exceed by more than two mills (three mills if the district adds units pursuant to section

124.17, subdivision 1, clause (7)) the levy under this section in the previous year and provided further that any district which did not levy pursuant to this section in 1972 may certify a maximum levy of six mills not to exceed \$65 per pupil unit in 1974. The tax so levied shall be collected in the manner provided by law for the collection of school taxes. The proceeds of the tax may be used only to acquire land, improve and repair school sites, to equip, re-equip, repair and improve buildings and permanent attached fixtures, and to pay leasing fees for computers and computer services. Subject to the commissioner's approval, the tax proceeds may also be used to rent or lease buildings for school purposes and to acquire or construct buildings. The board shall establish a fund in which the proceeds of this tax shall be accumulated until expended.

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

Sec. 25. Minnesota Statutes, 1975 Supplement, Section 124.17, Subdivision 2, is amended to read:

Subd. 2. Membership for pupils in grades kindergarten through twelve and for handicapped prekindergarten pupils shall mean the number of pupils on the current roll of the school, counted from the date of entry until withdrawal. The date of withdrawal shall mean the day the pupil permanently leaves the school or the date it is officially known that the pupil has left or has been legally excused; provided that any pupil, regardless of age, who has been absent from school without a legally justifiable excuse for 15 consecutive school days shall be dropped from the roll and classified as withdrawn. Nothing in Extra Session Laws 1971, Chapter 31, shall be construed as waiving the compulsory attendance provisions cited in section 120.10. Average daily membership shall equal the sum for all pupils of the number of days of the school year each pupil is enrolled in the district's schools divided by the number of days said schools are in session. For districts operating 12 months schools, days schools are in session shall mean the number of session days required by section 124.19, subdivision 1. The average daily membership of a pupil enrolled on a shared time basis shall equal the ratio of the total minutes for which such pupil is enrolled and the minimum minutes required during the year for a regularly enrolled public school pupil. Foundation aid for shared time pupils shall equal the amount which would accrue if shared time pupil units, counted pursuant to *subdivision 1, clauses (1) and (2) of this section*, were added to the district's total pupil units used in determining its foundation aid. *Foundation aid for shared time pupils shall be in addition to any other aid to which the district is otherwise entitled and shared time pupil units shall not be used for any other computation under subdivision 1 or for any computation under section 124.04.* A district shall not be entitled to transportation aid under section ~~124.22~~ 124.222 for pupils enrolled on a shared time basis unless the statutes specifically provide for transportation aid to such student. This subdivision shall be effective July 1, 1975 as applied to shared time foundation aid and July 1, 1976 as applied to pupils in area vocational-technical schools.

Sec. 26. Minnesota Statutes, 1975 Supplement, Section 124.212, Subdivision 8a, is amended to read:

Subd. 8a. (1) Notwithstanding any provisions of any other law to the contrary, the adjusted assessed valuation used in calculating foundation aid shall include only that property which is currently taxable in the district. For districts which received payments under sections 124.215, subdivision 2a; 124.25; 124.30; ~~360.133~~ ~~473.633~~; ~~360.135~~ ~~473.635~~; and 124.28; the foundation aid shall be reduced by: The previous year's payment to the district pursuant to said sections times the ratio of the maximum levy allowed the district under section 275.125, subdivision 2a, to the total levy allowed by section 275.125, but not to exceed 45 percent in 1975-1976 and 50 percent in 1976-1977 of the previous year's payment.

(2) For districts which received payments under sections 294.21 to 294.28; 298.23 to 298.28; 298.32; 298.34 to 298.39; 298.391 to 298.396; 298.405; 298.51 to 298.67; any law imposing a tax upon severed mineral values, or under any other distributing proceeds in lieu of ad valorem tax assessments on copper or nickel properties; the foundation aid shall be reduced in the August adjustment payment by the previous fiscal year's payment to the district pursuant to said sections times the ratio of the maximum levy allowed the district under section 275.125, subdivision 2a, to the total levy allowed by section 275.125 for collection in the calendar year ending during the aforementioned fiscal year, but not to exceed 40 percent in the August 1975 adjustment, 45 percent in the August 1976 adjustment, and 50 percent in the August 1977 adjustment of the previous fiscal year's payment.

Sec. 27. Minnesota Statutes 1974, Section 124.222, is amended by adding a subdivision to read:

Subd. 6. No district may charge a fee for school transportation and related services for which the district is authorized to receive transportation aid pursuant to section 124.223 or for hazardous transportation for which the district may levy pursuant to section 275.125, subdivision 5.

Sec. 28. Minnesota Statutes, 1975 Supplement, Section 124.223, is amended to read:

124.223 [TRANSPORTATION AID AUTHORIZATION.] For the 1974-1975 school year and thereafter, school transportation and related services for which state transportation aid is authorized are:

(1) Transportation or board of resident pupils who reside one mile or more from the public schools which they could attend, or transportation to, from, or between the schools they attend pursuant to a program approved by the commissioner of education, or who reside one mile or more from a private school actually attended, but only to the extent permitted by sections 123.76 to 123.79 with respect to private school pupils;

(2) Transportation to and from or board and lodging in another district, of resident pupils of a district without a secondary school; the pupils may attend a classified secondary school in another

district and shall receive board and lodging in or transportation to and from a district having a classified secondary school at the expense of the district of the pupil's residence;

(3) Transportation for residents to and from a state board approved secondary vocational center;

(4) Transportation or board and lodging of a handicapped pupil when he cannot be transported on a regular school bus, and the conveying of handicapped pupils between home and school and within the school plant;

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

(6) Transportation for resident pupils to and from an instructional community-based employment station which is part of an approved occupational experience secondary vocational program;

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

(8) *Transportation for residents to and from the Minnesota school for the deaf or the Minnesota braille and sight-saving school;*

~~(8)~~ (9) Services described in clauses (1) to ~~(7)~~ (8) when provided in conjunction with a state board approved summer school program.

Sec. 29. Minnesota Statutes 1974, Section 124.26, is amended by adding a subdivision to read:

Subd. 4. [PAYMENT SCHEDULE.] The state shall pay to each school district 30 percent of its estimated adult education aid entitlement for the fiscal year on or before each of the following dates: September 30, December 31, and March 31. The actual balance due the district shall be paid on or before August 31 of the following fiscal year.

Sec. 30. Minnesota Statutes, 1975 Supplement, Section 124.271, Subdivision 2, is amended to read:

Subd. 2. In fiscal year 1977 and each year thereafter, the state shall pay 50 cents per capita to each school district which is operating a community school program in compliance with the rules and regulations established by the state board and which has levied ~~at least the lesser of the \$1 per capita or the maximum permissible certified levy~~ for community services pursuant to section 275.125, subdivision 8, for use in that year.

Sec. 31. Minnesota Statutes, 1974, Section 124.32, as amended by Laws 1975, Chapter 432, Sections 48 to 50, is amended to read:

124.32 [HANDICAPPED CHILDREN.] Subdivision 1. The state shall pay to any school district and ~~unorganized territory;~~ ~~(a) for the employment in its educational program for handicapped children,~~ 65 percent of the salary of essential personnel

employed by the district in that school year in its educational programs for handicapped children, but this amount shall not exceed \$10,000 for the normal school year for each full time person employed, or a pro rata amount for a part time person or a person employed for a limited time, including but not limited to summer school; . (b) for the employment of an individual jointly with another district or districts or unorganized territory in its educational program for handicapped children, 65 percent of the salary of essential personnel, but this amount shall not exceed \$10,000 for the normal school year for each full time person employed, or a pro rata amount for a part time person or a person employed for a limited time including but not limited to summer school. This provision shall apply whether the essential personnel are employed by a district alone or jointly with another district or districts.

Subd. 2. The state shall reimburse each district or unorganized territory for supplies and equipment purchased or rented for use in the instruction of handicapped children in the amount of one-half of the sum actually expended by the district or unorganized territory but not to exceed an average of \$50 in any one school year for each handicapped child receiving instruction. The state shall pay to any school district providing educational programs for handicapped children 50 percent of the sum actually expended by the district in that school year for the purchase or rental of supplies and equipment exclusively used in these educational programs, but this amount shall not exceed an amount equal to \$50 per school year for each handicapped child receiving special instruction and services.

Upon following such procedure as requested by the commissioner of education and the filing of an estimated budget, a district may bill the state for its entitlement under this subdivision. If the aid paid exceeds this entitlement, the excess amount shall be deducted from the August payment, or the aid payment of any future school year in which the fact that this excess payment was made is discovered.

Subd. 3a. The purpose of this subdivision is to change the method of funding of educational programs for handicapped children from reimbursement based on past expenditures to a current funding basis. Beginning July 1, 1976, the state shall not reimburse expenditures from the 1975-1976 school year programs, including 1976 summer school programs, but shall pay aids for the 1976-1977 school year programs and for each year thereafter on a current funding basis.

Subd. 4. The aids provided for handicapped children shall be paid to the district providing the special instruction and services. Foundation aid shall be paid to the district or unorganized territory of the pupils' residence. The total amount of aid paid may not exceed the amount expended for handicapped children for in the school year for which the aid is paid. If the aid paid does exceed the amount expended, the excess amount shall be deducted from the August payment, or the aid payment of any future school

year in which the fact that this excess payment was made is discovered.

Subd. 5. When a handicapped child is placed in a residential facility approved by the commissioner and established primarily to serve handicapped children and when the child's educational program is approved by the commissioner, the state shall pay to the resident district not to exceed 65 percent of instructional costs charged to the resident district, less the foundation aid per pupil unit payable to the resident district. Not more than \$400,000 shall be spent annually for purposes of implementing this subdivision. If that amount does not suffice, the aid shall be pro rated among all qualifying districts.

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

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

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

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

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

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

Subd. 7. [PAYMENT SCHEDULE.] *Except as may be otherwise authorized by the commissioner to accommodate a flexible school year program, the state shall pay to each school district ten percent of the estimated aids to handicapped children in each of the months from September through May based on information available and the final distribution shall be made in August of the following year.*

Sec. 32. Minnesota Statutes, 1975 Supplement, Section 124.561, Subdivision 3, is amended to read:

Subd. 3. [BUDGETS.] Before January 1, 1976, and before January 1 of each year thereafter post-secondary vocational-technical school budgets for the following fiscal year shall be submitted to the state board for vocational education. The state board for vocational education shall approve the budgets for each district prior to June 1 of each year ~~at~~ after a consolidated public hearing held pursuant to ~~chapter 15, subdivision 3a of this section which shall be held prior to June 1 or each year and which shall continue until all interested persons, representatives, and organizations have had an opportunity to be heard.~~ The total amount or reimbursement payments approved for fiscal year 1975 payable in fiscal year 1976 shall not exceed by more than 14 percent the amount appropriated for post-secondary vocational-technical education for payment in fiscal year 1975. No district shall increase its operating deficit during fiscal year 1976 unless authorized to do so by the state board for vocational education. The state board for vocational education shall before September 1, 1975 promulgate rules and regulations which establish the approval criteria for budgets, including responsiveness to current and projected manpower needs of population groups to be served in the various geographic areas and communities of the state, particularly disadvantaged and handicapped persons; adequacy of evaluation of programs; and other criteria set forth in the state plan for vocational education. The commissioner, in cooperation with the department of finance, shall establish program budget standards by which area vocational-technical institutes shall submit financial requests.

Sec. 33. Minnesota Statutes, 1975 Supplement, Section 124.561, is amended by adding a subdivision to read:

Subd. 3a. The consolidated public hearing held by the state board pursuant to subdivision 3 of this section shall take place with at least six board members present and shall continue until all interested persons, representatives, and organizations have had an opportunity to be heard. Notice of intention to hold the hearing shall be given at least 20 days prior to the date set for the hearing by United States mail to each district submitting a post-secondary vocational school budget, to other interested persons, representatives, and organizations who register their names with the commissioner of education for that purpose, and in the state register. The department of education shall make available at least one free copy of the proposed disposition of budgets to any person requesting it. Unless the commissioner determines that the use of an audio magnetic recording device is more appropriate, a court reporter shall keep a record at every hearing. A transcript of the hearing record shall be made available upon the request of any person, provided that the request is in writing and the cost of preparing the transcript is borne by the requesting person. After allowing written material to be submitted and added to the hearing record for five days after the public hearing ends, the commissioner of education shall proceed as promptly as possible to write a report containing the proposed final disposition of budgets. This report shall contain findings and conclusions based on substantial evidence from the hearing record to support the proposed final

disposition. The report shall be available to all affected school districts upon request for at least 15 days before the state board takes final action on the budgets. Any district which is adversely affected by the proposed final disposition of budgets may demand and shall be given an opportunity to be heard in support of modification of the proposed disposition at the meeting at which the state board takes final action on the budgets; provided, the state board may place reasonable restrictions on the length of time allowed for testimony.

Sec. 34. Minnesota Statutes, 1975 Supplement, Section 124.562, Subdivision 2, is amended to read:

Subd. 2. Membership for pupils in post-secondary vocational-technical schools shall mean the number of pupils on the current roll of the school, counted from the date of entry until withdrawal. The date of withdrawal shall mean the day the pupil permanently leaves the school or the date it is officially known that he has left or has been legally excused; provided that any pupil, regardless of age, who has been absent from school without a legally justifiable excuse for 15 consecutive school days shall be dropped from the roll and classified as withdrawn. No pupil who is counted in average daily membership pursuant to this section shall be counted in average daily membership in any district pursuant to section 124.17, subdivision 2, *unless he is eligible to earn foundation aid pursuant to section 120.80 or is attending a post-secondary vocational-technical school course on a part time basis in addition to spending six hours per day in a secondary program. Average daily membership shall equal the sum for all pupils of the number of days of the school year each pupil is enrolled in a post-secondary vocational-technical school in a district divided by 175. Average daily membership for pupils who are enrolled on a part time basis, in post-secondary vocational-technical schools, but not including adult vocational pupils, shall equal (a) the sum for all pupils of the number of days of the school year each pupil is enrolled in a post-secondary vocational-technical school in a district times the number of hours per day each student is enrolled divided by the number of hours the school is in session per day six (b) divided by 175 ; provided the number of hours which are counted for average daily membership for any pupil in any one program shall in no event exceed the number of hours approved by the state board for completion of the program. For a post-secondary vocational-technical school, the normal school year shall be at least the number of session days required by section 124.19, subdivision 1. In all post-secondary vocational-technical schools, the minimum length of the school day for each pupil, exclusive of the noon intermission, shall be six hours. Exceptions may be made by the local school administration for approved programs to meet individual student needs.*

Sec. 35. Minnesota Statutes, 1975 Supplement, Section 124.563, Subdivision 3, is amended to read:

Subd. 3. Post-secondary vocational categorical and capital expenditure aid shall be apportioned by the state board for vocational education at the consolidated public hearing held pursuant to section 124.561, subdivision 3. All post-secondary vocational

categorical and capital expenditure aid approved at this public hearing shall be distributed to the districts on or before August 1, December 1, March 1 and June 1 of each year. Additional post-secondary vocational categorical and capital expenditure aid may be distributed on or before March 1 and June 1 of each year if it is apportioned at a consolidated public hearing held in before February 15 of that year pursuant to Chapter 15 in the manner specified in section 124.561, subdivision 3a. On the date of each post-secondary vocational categorical and capital expenditure aid payment, the state board shall report to the appropriate committees of the legislature on the distribution of post-secondary vocational categorical and capital expenditure aid. The report shall include (a) the recipients of the aid; (b) the amounts distributed, and (c) the reasons for these distributions.

Sec. 36. Minnesota Statutes, 1975 Supplement, Section 124.565, Subdivision 2, is amended to read:

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

Sec. 37. Minnesota Statutes 1974, Chapter 124, is amended by adding a section to read:

[124.566] *The state board for vocational education may transfer unused post-secondary vocational categorical aid to the post-secondary vocational foundation aid account should an increase in average daily membership cause a deficiency in post-secondary vocational foundation aid in the 1976-77 school year. This section shall expire June 30, 1977.*

Sec. 38. [128A.01] [LOCATION.] *The Minnesota school for the deaf and the Minnesota braille and sight-saving school shall be continued at Faribault, and shall be grouped and classed with the educational institutions of the state.*

Sec. 39. [128A.02] [TRANSFER OF AUTHORITY.] *Subdivision 1. The state board of education shall be responsible for the control, management and administration of the Minnesota school for the deaf and the Minnesota braille and sight-saving school, and all the property real or personal appertaining thereto.*

Subd. 2. *The state board shall promulgate rules regarding the*

maintenance and conduct of both schools and the individuals in attendance, and shall perform all duties necessary to provide the most beneficial and least restrictive program of education for each child handicapped by visual disability or hearing impairment.

Subd. 3. The state board may employ central administrative staffs and other personnel as necessary to provide and support programs and services in each school. The state board may discharge staff and personnel pursuant to provisions of law applicable to independent school districts. These schools shall be deemed to be public schools for the purposes of sections 125.03 and 125.04, and all teachers as defined in those sections who are employed at these schools shall be subject to the standards of the board of teacher standards and certification ; provided that any teacher who does not meet these standards as of the effective date of this section shall be required to meet these standards by September 15, 1978 in order to continue in employment.

Subd. 4. The state board may enter into contracts with other public and private agencies and institutions to provide residential and building maintenance services if it determines that these services could thus be provided in a more efficient and less expensive manner.

Sec. 40. [128A.03] [ADVISORY COUNCILS.] *Subdivision 1. The state board of education shall appoint an advisory council on the Minnesota school for the deaf and an advisory council on the Minnesota braille and sight-saving school. These councils shall advise the state board in all matters pertaining to the control, management, and administration of these schools.*

Subd. 2. Each advisory council shall consist of seven members. The members shall be representative of the various geographic regions of the state, shall include parents or guardians of visually disabled or hearing impaired children, and shall include two representatives from groups representing the interests of visually disabled or hearing impaired individuals, as applicable. All members shall have knowledge, experience and interest in the problems of visually disabled or hearing impaired children.

Subd. 3. The councils shall expire and the terms, compensation and removal of members shall be as provided in section 15.059.

Subd. 4. The advisory council of each school shall audit all expenses incurred by each school and shall oversee the development of the annual budget request which shall be submitted to the state board. Each respective council shall make recommendations pertaining to the employment of all staff at each school including hiring, salaries, fringe benefits, and personnel policies. Each council shall also make recommendations for rules and regulations regarding the maintenance of each school and the children in attendance.

Sec. 41. [128A.04] [GIFTS AND CONVEYANCES.] *The state board of education shall take and hold in trust all lands or other property granted, given, devised, or conveyed to the schools, or to either of them. All moneys and securities so received and*

all income from this property shall be deposited in the state treasury in compliance with section 16.18, subject to the order of the state board.

Sec. 42. [128A.05] [ATTENDANCE.] Subdivision 1. [SCHOOL FOR THE DEAF.] *Any individual who is between four and 21 years of age who is deaf or hearing impaired shall be entitled to attend the school for the deaf if it is determined pursuant to the rules relating to due process promulgated by the state board that the nature of severity of the hearing impairment is such that education in regular or special education classes provided by the school district cannot be achieved satisfactorily and that attendance at the school would be the least restrictive alternative for that individual. Nothing in this subdivision shall be construed as a limitation on the attendance at this school of children who have other handicaps in addition to being deaf or hearing impaired.*

Subd. 2. [BRAILLE AND SIGHT-SAVING SCHOOL.] *Any individual who is between four and 21 years of age who is blind or visually disabled shall be entitled to attend the braille and sight-saving school if it is determined pursuant to the rules relating to due process promulgated by the state board that the nature or severity of the visual impairment is such that education in regular or special education classes provided by the school district cannot be achieved satisfactorily and that attendance at the school would be the least restrictive alternative for that individual. Nothing in this subdivision shall be construed as a limitation on the attendance at this school of children who have other handicaps in addition to being blind or visually disabled.*

Subd. 3. *Attendance at the school for the deaf and the braille and sight-saving schools shall be subject to the compulsory attendance provisions of section 120.10 except that attendance may be excused pursuant to that section by the commissioner of education or his designee. Any person failing to comply with the provisions of section 120.10 shall be subject to the provisions of section 120.12. The superintendent of the applicable school shall exercise the duties imposed by section 120.12. Attendance at the school for the deaf or the braille and sight-saving school shall fulfill the mandatory requirements of section 120.17.*

Sec. 43. [128A.06] [ADMITTANCE AND DISCHARGE.] Subdivision 1. *The admissions and discharge committee of each school shall include the field consultant of the applicable school and four members who are knowledgeable in the fields of hearing impairment or visual disability, as applicable, to be appointed by the state board.*

Subd. 2. *Preliminary application for admission shall be made by June 1 upon the appropriate forms provided by the field consultant or the district superintendent. The admissions and discharge committee shall make its recommendations by July 1. An admittance shall be provisional until it is determined that that individual comes within the provisions of section 42, subdivision 1 or 2 of this act.*

Subd. 3. *An individual in attendance at either school prior to*

the effective date of this section shall be entitled to continue in attendance without reapplication provided that it is determined by September 1, 1977 that that individual comes within the provisions of section 42, subdivision 1 or 2 of this act.

Subd. 4. The progress of an individual in attendance at either school shall be evaluated monthly by the professional staff of that school. The individual shall be returned to the district of residence when deemed appropriate by the admissions and discharge committee. This decision shall be subject to the rules relating to due process promulgated by the state board, and shall be made only after consultation with the parents and the school district of residence.

Sec. 44. [128A.07] [EXPENSE OF PUPILS.] *Any individual attending the school for the deaf or the braille and sight-saving school shall be provided, by the person legally liable for his support, with sufficient funds to furnish him with proper clothing, postage, and necessary incidental expenses. If the person legally liable for his support is unable to make these provisions for him, the county welfare board of the county of which he is a resident shall pay to the superintendent of the school in which he is a pupil a sum to be fixed by the commissioner of education pursuant to rules promulgated by the state board. In addition, the school district of residence shall be liable for the actual transportation of the pupil to and from the school in which he is a pupil.*

Applicants from other states who can benefit by being enrolled may be accepted so long as acceptance does not preclude acceptance of an eligible Minnesota resident. The commissioner of education shall obtain reimbursement from other states for the costs incurred in connection with nonresidents accepted and may contract with the appropriate authorities of other states to effect reimbursement. All money received from other states shall be paid to the state treasurer and placed in the general fund subject to the order of the state board.

Sec. 45. [128A.08] [BLIND STUDENT TO RECEIVE EXPENSES WHILE AT CERTAIN SCHOOLS.] *Any blind person who is, and for five years immediately preceding the making of his application for aid under sections 38 to 46 of this act has been, a resident of this state, who is a regularly enrolled student pursuing any course of study, profession, art, or science in any university, college, or conservatory of music approved by the state board, in the discretion and under direction of the board, may receive a sum or sums of money, not exceeding \$300 in any one year, for the purpose of defraying his necessary expenses, including those of a reader, while in attendance upon such university, college, or conservatory, such expenditures to be made from the appropriations for the current expenses of the Minnesota braille and sight-saving school. Not more than ten such blind persons shall receive this aid in any one year.*

Sec. 46. [128A.09] [FIELD CONSULTANTS.] *The state board of education shall employ a field consultant for each of these schools. The duties of the field consultant shall include visiting*

all visually disabled or hearing impaired children residing in the state and assisting them and their parents in any and all matters relating to their educations. The field consultant shall have knowledge of the problems of visually disabled or hearing impaired persons, shall be learned and experienced in counseling and shall possess such other educational qualifications as may be determined by the state board. He shall have an office and secretarial staff in his respective school. He shall have access to reports and statistics of all schools and social agencies in the state to the extent consistent with state and federal law and shall attempt to identify all visually disabled and hearing impaired children, their abilities and educational status, and shall provide this information to the state board. He shall meet with parents and guardians of visually disabled or hearing impaired children and assist them in making decisions as to the types of education most beneficial to their children. He shall also make arrangements for the education of their children in either of these schools.

Sec. 47. Minnesota Statutes 1974, Chapter 137, is amended by adding a section to read:

[137.22] *Any resident of the state graduated from the Minnesota braille and sight-saving school or the Minnesota school for the deaf, upon compliance with all other admission requirements, shall be entitled to pursue any course of study at the University of Minnesota without expense for tuition; and the board of regents shall receive him into any department thereof.*

Sec. 48. [EFFECT OF TRANSFER TO STATE BOARD OF EDUCATION.] Subdivision 1. [TRANSFER OF FUNCTIONS.] *The powers, duties and functions of the commissioner of public welfare relating to the Minnesota school for the deaf and the Minnesota braille and sight-saving school are transferred to the state board of education which shall be the successor to the commissioner of public welfare as to all powers and duties heretofore vested in and imposed upon the commissioner of public welfare relating to these schools.*

Subd. 2. [TRANSFER NOT TO CONSTITUTE NEW AUTHORITY.] *Except as provided herein, the transfer of powers, duties and functions under sections 38 to 48 shall not constitute the creation of a new authority, but shall constitute a continuation of the powers, duties and functions. For the purpose of succession, all rights, authorities, powers, duties, functions and obligations existing at the time of the transfer shall continue with the same force and effect as if no transfer had been made.*

Subd. 3. [CONTINUATION OF RULES AND REGULATIONS.] *Any order, rule or regulation issued or existing and in force at the time of the transfer of powers, duties and functions under sections 38 to 48, and not otherwise inconsistent with these sections shall continue in full force and effect as an order, rule, or regulation of the state board, or program under the control of the state board, until the order, rule or regulation is amended, repealed or superseded, or the program terminated.*

Subd. 4. [TRANSFER NOT TO AFFECT LEGAL ACTION.] *The transfer of powers, duties and functions as provided in sections 38 to*

48 shall not affect any action or proceeding whether of an administrative, civil or criminal nature pending at the time of the transfer, but the action shall be prosecuted or defended in the name of the state board, and the state board, upon application to the appropriate court, shall be substituted as a party to the action or proceeding. No contract entered into according to law shall be affected by the transfer, but shall be performed as if the transfer had not occurred.

Subd. 5. [TRANSFER OF STATUTORY REFERENCE.] *Whenever a person or authority whose powers, duties and functions are transferred hereunder is referred to in any statute, contract or document, the reference or designation shall be deemed to refer to the board, department or officer to which the powers, duties and functions have been transferred.*

Subd. 6. [CONTINUATION OF RIGHTS OF EMPLOYMENT.] *All employees in the classified or unclassified service, pursuant to the provisions of the state personnel act, of the department of public welfare employed at these schools on the effective date of this section are transferred to the department of education, and the employees shall not lose any rights or benefits now accorded them by law.*

Subd. 7. [TRANSFER OF PROPERTY.] *All books, maps, plans, papers, records and property of every description within the jurisdiction and control of the commissioner of public welfare relating to these schools and necessary for their operation, shall be delivered and turned over to the state board of education, and it is authorized to take possession thereof.*

Subd. 8. [TRANSFER OF FUNDS.] *The unencumbered and unexpended balance of all funds appropriated to the commissioner of public welfare for the Minnesota school for the deaf and the Minnesota braille and sight-saving school are transferred and reappropriated to the department of education. All state and federal aids from any source which have heretofore been available to the commissioner of public welfare for the use of these schools are hereby granted to the department of education.*

Sec. 49. Minnesota Statutes 1974, Section 246.01, is amended to read:

246.01 [POWERS AND DUTIES.] *The commissioner of public welfare is hereby specifically constituted the guardian of both the estate and person of all feeble-minded or epileptic persons, the guardianship of whom has heretofore been vested in the state board of control or in the director of social welfare whether by operation of law or by an order of court without any further act or proceeding, and all the powers and duties vested in or imposed upon the state board of control or the director of social welfare, with reference to mental testing of persons mentally deficient or epileptic, and with reference to the institutions of the state of Minnesota except correctional institutions administered and managed by the commissioner of corrections, are hereby transferred to, vested in, and imposed upon the commissioner of public welfare, and in relation thereto he is hereby charged with and shall have the exclusive power of administration and management of all of the following state institutions: The schools and hospitals for*

the mentally retarded and epileptic, state hospitals for the mentally ill, the Minnesota braille and sight-saving school, the state school for the deaf, and the state hospital for inebriates. He shall have power and authority to determine all matters relating to the unified and continuous development of all of the foregoing institutions and of such other institutions, the supervision of which may, from time to time, be vested in him. It is intended that there be vested in him all of the powers, functions, and authority heretofore vested in the state board of control relative to such state institutions. He shall have the power and authority to accept, in behalf of the state, contributions and gifts of money and personal property for the use and benefit of the inmates of the public institutions under his control, and all moneys and securities so received shall be deposited in the state treasury subject to the order of the commissioner of public welfare. If the gift or contribution is designated by the donor for a certain institution or purpose, the commissioner of public welfare shall expend or use the same as nearly as may be in accordance with the conditions of the gift or contribution, compatible with the best interests of the inmates and the state. The commissioner of public welfare is hereby constituted the "state agency" as defined by the social security act of the United States and the laws of this state for all purposes relating to mental health and mental hygiene.

For the purpose of carrying out his duties, the commissioner of public welfare shall accept from mentally deficient wards for whom he is specifically appointed guardian a signed application for his consent to the marriage of said ward. Upon receipt of such application he shall promptly conduct such investigation as he deems proper and determine if the contemplated marriage is for the best interest of the ward and the public. A signed copy of the commissioner's determination shall be mailed to the ward and to the clerk of the district court of the county where the application for such marriage license was made.

There is hereby appropriated to such persons or institutions as are entitled to such sums as are provided for in this section, from the fund or account in the state treasury to which the money was credited, an amount sufficient to make such payment.

Sec. 50. Minnesota Statutes 1974, Section 248.07, Subdivision 3, is amended to read:

Subd. 3. [SPECIAL ATTENTION.] The Commissioner of public welfare shall give special attention to the cases of such blind handicapped youth as who are eligible to attendance at attend the Minnesota Braille and sight-saving school, the Minnesota school for the deaf, or the public school classes for the blind handicapped children, but are not in attendance thereat, or are not receiving adequate instruction elsewhere and seek to secure such attendance by all practicable means. The commissioner shall report all such cases to the school district of the individual's residence and to the state board of education.

Sec. 51. On or before January 15, 1977, the commissioner of public welfare shall report to the legislature as to whether the

transfer of any funds under sections 39 and 48 of this act would violate any federal laws or regulation or would cause the loss of any federal money or aid. The report shall specify the programs involved, shall cite the specific authority which would be violated, and shall detail the consequences of this violation.

Sec. 52. Minnesota Statutes, 1975 Supplement, Section 275.125, Subdivision 2a, is amended to read:

Subd. 2a. (1) In 1975, a school district may levy for all general and special school purposes, an amount equal to the amount raised by the 1974 adjusted assessed valuation of the district times the number of mills, not to exceed 29, that bears the same relation to 29, as the greater sum computed pursuant to section 124.212, subdivision 7b, clause (2), bears to \$960.

(2) In 1976, a school district may levy for all general and special school purposes, an amount equal to the amount raised by the 1975 adjusted assessed valuation of the district times the number of mills, not to exceed 29, that bears the same relation to 29, as the sum of the greater sum computed pursuant to section 124.212, subdivision 7b, clause (2), and the greater of (a) five-sixths of the difference that results when such greater sum is subtracted from \$1015, or (b) \$55, bears to \$1015.

(3) For any district levying less than the maximum levy allowable in clauses (1) and (2), beginning with the levy certified in 1976, payable in 1977, the foundation aid to the district for the 1977-78 school year, and for subsequent levies, foundation aid for subsequent school years, calculated pursuant to section 124.212, shall be reduced by the amount of the difference between the actual levy and the maximum levy allowable under clauses (1) and (2). In the application of this clause, the maximum levy allowable under clauses (1) and (2) shall be reduced by any reduction of this levy which is required by section 275.125, subdivision 9 or any other law.

(4) The levy authorized by clauses (1) or (2) may be increased in any amount which is approved by the voters of the district at a referendum called for the purpose. Such a referendum may be called by the school board or shall be called by the school board upon written petition of qualified voters of the district. The referendum shall be held on a date set by the school board. Only one such election may be held in a single school year. The question on the ballot shall be whether a specific millage which will yield a specific amount based on the most recent assessed valuation may be added to that authorized by clauses (1) or (2). If approved, the amount provided by the millage applied to each year's assessed valuation shall be authorized for certification until revoked by the voters of the district at a subsequent referendum, which may be called by the school board and which shall be called by the school board upon the written petition of qualified voters of the district unless the petition for revocation is submitted in the same year in which a levy has been increased by the voters pursuant to this clause. A petition authorized by this clause shall be effective if signed by a number of qualified

voters in excess of 15 percent, or 10 percent if the school board election is held in conjunction with a general election, of the average number of voters at the two most recent district wide school elections. A referendum invoked by petition shall be held within three months of submission of the petition to the school board unless the petition for revocation is submitted in the same year in which a levy has been increased by the voters pursuant to this clause. Notwithstanding any law to the contrary, the approval of 50 percent plus one of those voting on the question is required to pass a referendum.

Sec. 53. Minnesota Statutes, 1975 Supplement, Section 275.125, Subdivision 4, is amended to read:

Subd. 4. The amounts necessary to make payments for bonds issued and for interest thereon, including the bonds and interest thereon, issued as authorized by section 275.125, subdivision 3, clause (7) (C), as it read in Minnesota Statutes 1974 ; ; and the amounts necessary for repayment of debt service loans and capital loans ; ; the amount authorized for capital expenditures pursuant to section 124.04 ; ; and the amount authorized for liabilities of dissolved districts pursuant to section 122.45 ; and the amounts necessary to pay the district's obligations under section 268.06, subdivision 25 ; and the amounts necessary to pay the district's obligations under section 127.05.

Sec. 54. Minnesota Statutes 1974, Section 275.125, is amended by adding a subdivision to read:

Subd. 4a. In 1976 and each year thereafter, a district may levy the amounts necessary to pay assessments for local improvements levied on property owned by the school district pursuant to section 435.19 or any other law or charter provision authorizing assessments against publicly owned property.

Sec. 55. Minnesota Statutes, 1975 Supplement, Section 275.125, Subdivision 9, is amended to read:

Subd. 9. (1) Districts which receive payments which result in deductions from foundation aid pursuant to section 124.212, subdivision 8a, shall reduce the permissible levies authorized by subdivisions 3 to 14 by 25 percent in 1973, 50 percent in 1974, 75 percent in 1975, and 100 percent for each year thereafter of that portion of the previous year's payment not deducted from foundation aid on account of the payment, unless such a levy reduction is otherwise required by law. The levy reductions shall be made in the proportions that each permissible levy bears to the sum of the permissible levies. *Reductions in levies of the applicable proportions of amounts received pursuant to sections 124.215, subdivision 2a; 124.25; 124.28; 124.30; 473.633; and 473.635, shall be made prior to the reductions in clause (2).*

(2) Notwithstanding any other law to the contrary, districts which received payments pursuant to sections 294.21 to 294.28; 298.23 to 298.28; 298.32; 298.34 to 298.39; 298.391 to 298.396; 298.405; 298.51 to 298.67; and any law imposing a tax upon severed mineral values, or under any other law distributing proceeds

in lieu of ad valorem tax assessments on copper or nickel properties; shall not include a portion of these aids in their permissible levies pursuant to those sections, but instead shall reduce the permissible levies authorized by section 275.125 to be spread in the calendar year in which the deduction from foundation aid is made pursuant to section 124.212, subdivision 8a, by the portion of the previous fiscal year's payment which was not deducted from foundation aid in that calendar year pursuant to section 124.212, subdivision 8a.

(3) No reduction pursuant to this subdivision shall reduce the levy made by the district pursuant to section 275.125, subdivision 2a, to an amount less than the amount equal to the amount raised by a levy of 10 mills times the adjusted assessed valuation of that district for the preceding year as determined by the equalization aid review committee. Moreover, the amount of any increased levy authorized by referendum pursuant to section 275.125, subdivision 2a, clause (4) shall not be reduced pursuant to this subdivision.

(4) Notwithstanding any law to the contrary, any amounts received by districts pursuant to sections 294.21 to 294.28; 298.23 to 298.28; 298.34 to 298.39; 298.391 to 298.396; 298.405; 298.51 to 298.67; and any law imposing a tax on several mineral values, or under any other law distributing proceeds in lieu of ad valorem tax assessments on copper or nickel properties; and not deducted from foundation aid pursuant to section 124.212, subdivision 8a, clause (2), and not reduced from levies pursuant to this subdivision, shall be deposited prior to May 1 in the taconite property tax relief fund established pursuant to section 16A.70 for purposes of paying the taconite homestead credit provided in section 273.135.

Sec. 56. Minnesota Statutes 1974, Section 275.125, is amended by adding a subdivision to read:

Subd. 9a. (1) In 1977 and each year thereafter in which so required by this subdivision, a district shall make an additional levy to eliminate its operating debt, determined as of June 30, 1977 and certified and adjusted by the commissioner. This levy shall not be made in more than 20 successive years and each year before it is made, it must be approved by the commissioner and the approval shall specify its amount. This levy shall in each year be an amount which is equal to the amount raised by a levy of 1.5 mills times the adjusted assessed valuation of the district for the preceding year as determined by the equalization aid review committee; provided that in the last year in which the district is required to make this levy, it shall levy an amount not to exceed the amount raised by a levy of 1.5 mills times the adjusted assessed valuation of the district for the preceding year as determined by the equalization aid review committee. When the cumulative proceeds of the levies made pursuant to this subdivision equal an amount equal to the statutory operating debt of the district, the levy shall be discontinued.

(2) The district shall establish a special account which shall be designated "Reserve Account for Purposes of Reducing Statutory Operating Debt" on its books and records. This account shall reflect

the proceeds of the levy authorized pursuant to this subdivision. The proceeds of this levy, as reflected in this account, shall be used only for cash flow requirements and shall not be used to supplement district revenues or income for the purposes of increasing the district's expenditures or budgets.

(3) Any district which is required to levy pursuant to this subdivision shall certify the maximum levy allowable under Minnesota Statutes Section 275.125, Subdivisions 2a and 6 or 7 in that same year.

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

Subd. 11a. In 1976 and each year thereafter, a district may levy an amount equal to the amount of the employer contributions paid, in the fiscal year prior to the year in which the levy is certified, pursuant to the provisions of sections 353.28 and 355.299, less the amount paid pursuant to the provisions of sections 353.28 and 355.299 in fiscal year 1974. In no event shall the levy authorized pursuant to this subdivision exceed an amount equal to the amount raised by a levy of one mill times the adjusted assessed valuation of the district for the preceding year as determined by the equalization aid review committee.

Sec. 58. Minnesota Statutes, 1975 Supplement, Section 275.125, Subdivision 14, is amended to read:

Subd. 14. Districts maintaining a post-secondary vocational-technical school may levy additional amounts as follows:

(1) A district maintaining a post-secondary vocational-technical school shall assume responsibility for a local share of the district post-secondary vocational deficit. The local share shall be 30 percent, or 15 percent in Independent School District Nos. 595 and 793, of the district post-secondary vocational deficit as of July 1, 1975, as certified to the commissioner of education pursuant to section 124.561, subdivision 4.

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

(3) If the additional levy allowed in clause (2) of this subdivision would be insufficient to eliminate the local share of the district's post-secondary vocational deficit as of July 1, 1975, as

certified to the commissioner of education, it may petition the commissioner of education for authority to issue general obligation bonds in an amount sufficient to meet the deficiency. Before the bonds may be issued, they must be authorized by the commissioner. The authorization shall specify a term not to exceed seven years and the amount of the bond issue provided that the levy authorization to pay the principal and interest on the bonds may amount of principal and interest due in any year on the bonds will not, based on the 1974 adjusted assessed valuation of the district as determined by the equalization aid review committee, annually exceed .25 mills in a district in a city of the first class, .5 mills in districts formed pursuant to Laws 1969, Chapter 1060, as amended; Laws 1969, Chapter 775, as amended; or Laws 1967, Chapter 822, as amended, or six mills in any other district maintaining a post-secondary vocational-technical school times the 1974 adjusted assessed valuation of the district as determined by the equalization aid review committee; provided, however, that the mill limitation is subject to the provisions of section 475.74. The bonds authorized by this section shall be secured, sold and issued pursuant to the provisions of Chapter 475, except as otherwise provided herein. The bonds shall not be included in computing any debt limitation for a the district and no election shall be required for their sale and issuance.

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

(5) The state shall assume responsibility for 70 percent, or in Independent School District Nos. 595 and 793 for 85 percent, of a district's post-secondary vocational deficit as of July 1, 1975, as certified to the commissioner of education. The state portion of the deficit shall be paid to each district in fiscal years 1977 and 1978 in two equal payments, provided that the levy for the district's portion of the deficit has been approved by the commissioner and the required portion for the 1975 levy has been certified to the county auditor.

Sec. 59. Minnesota Statutes, 1975 Supplement, Section 275.125, Subdivision 15, is amended to read:

Subd. 15. Any district which in any year levies an amount which is greater than the amount allowed by subdivisions 2a to 14, shall lose an amount of state foundation aid equal to one-half of the excess in the levy; . provided that However, if any levy which is found to be excessive as a result of a decision of the tax court or a redetermination by the equalization aid review committee under section 124.212, subdivisions 11 to 18, shall not be compensated for in the next levy of the district the amount of the excess shall be deducted from the levy certified in the next year for the same purpose; provided that if no levy is certified in the next year for the same purpose or if the amount certified is less than the amount of the excess, the excess shall be deducted from that levy and the levy certified pursuant to subdivision 2a. The amount of aid lost shall be deducted from the aid which would otherwise have been received for the school year which commences in the calendar year during which the excessive levy

is being collected. Any foundation aid so withheld shall be withheld in accordance with the procedures specified in section 124.15. A levy made in 1971 prior to the effective date of Extra Session Laws 1971, Chapter 31, Article 20 shall be reviewed, and may be modified, by the appropriate authority of the district for the purpose of reducing such levy to conform to the limitation imposed by Extra Session Laws 1971, Chapter 31, Article 20. Any reduction in such levy made prior to December 16, 1971 shall be given the same effect as though such reduction had been made prior to the expiration of the time allowed by law for making the levy.

Sec. 60. Minnesota Statutes 1974, Section 353.28, Subdivision 8, is amended to read:

Subd. 8. If the taxes authorized to be levied under this section cause the total amount of taxes levied to exceed any limitation upon the power of a county, city, or town, or school district to levy *levy* taxes, the governmental subdivision concerned, if it is *other than a school district*, may levy taxes in excess of the limitation in such amount as is necessary to meet its obligations under this section. *School districts may levy amounts pursuant to this subdivision only to the extent allowed by section 57 of this act.* The expenditures authorized to be made under this chapter by any municipality are not included in computing the cost of government as defined in any home rule charter of any municipality affected by Laws 1957, Chapter 935.

Sec. 61. Minnesota Statutes 1974, Section 355.299, is amended to read:

355.299 [OBLIGATIONS OF POLITICAL SUBDIVISIONS.] Each political subdivision is hereby authorized and directed to pay its obligations under this act from moneys collected from taxes or other revenues. Each political subdivision authorized to levy taxes may include in its tax levy the amount necessary to pay such obligations. If the taxes authorized to be levied under this section cause the total amount of taxes levied to exceed any limitation whatsoever under the power of the political subdivision to levy taxes, such political subdivision, if it is other than a school district, may levy taxes in excess of the limitation in such amount as is necessary to meet its obligation under this act. *School districts may levy amounts pursuant to this section only to the extent allowed under section 57 of this act.* The expenditures authorized to be made shall not be included in computing the cost of government as defined in any home rule charter or charter of any city affected thereby. The governing body of a municipality for the purposes of meeting its obligations hereunder, in the event of deficit, may issue its obligations payable in not more than two years in an amount which may cause its indebtedness to exceed any statutory or charter limitation without an election and may levy taxes and pay therefor in a manner provided in section 475.61 and acts amendatory thereto.

Sec. 62. Subdivision 1. The appropriation in Laws 1975, Chapter 432, Section 96, Clause (1) includes \$300,000 in 1976 for emergency aid in addition to the sum already appropriated for that purpose in that clause.

Subd. 2. The department of education is authorized to pay school districts sufficient sums from the appropriations in Laws 1975, Chapter 432, Section 96, Clause (2) for the years ending June 30, 1976 and 1977, to insure that each district receives the same amount for depreciation on buses which are nine or more years of age as of July 1, 1975 as the district would have received for those buses had the depreciation computation remained at ten percent per year for 1976 and 1977 in section 124.222. The state shall not be obligated for any amount in excess of this appropriation in future years because of this change in computation method.

Subd. 3. The commissioner of education is authorized to adjust the base cost per eligible pupil transported in the 1974 fiscal year for purposes of payment of transportation aids in the 1976 and 1977 fiscal years. This adjustment shall be made on the basis of the study mandated by the provisions of Minnesota Statutes, 1975 Supplement, Section 124.222, Subdivision 5. Any increases in state transportation aid necessitated by these adjustments shall be paid from the sums appropriated for those years pursuant to Laws 1975, Chapter 432, Section 96, Clause (2).

Subd. 4. The department of education is authorized to pay \$27,090.75 from the sum appropriated pursuant to Laws 1975, Chapter 432, Section 96, Clause (1) for the year ending June 30, 1976, to Independent School District No. 332 for foundation aid not paid in fiscal years 1972 and 1973.

Subd. 5. The department of education is authorized to pay \$5,501.58 from the sum appropriated pursuant to Laws 1975, Chapter 432, Section 96, Clause (1) for the year ending June 30, 1976, to Independent School District Numbers 200, 213, 276, and 492 for payment of unpaid aid for shared time instructional programs determined to be due by the public examiner.

Subd. 6. The appropriation in Laws 1975, Chapter 432, Section 96, Clause (2) for the year ending June 30, 1977 includes the sum of \$116,500 for shared time transportation in addition to the sum appropriated for that purpose in that clause.

Subd. 7. Notwithstanding the provisions of Laws 1975, Chapter 433, Section 2, Subdivision 9, Paragraph 4, the council on quality education may transfer \$31,110 from the appropriation in Laws 1975, Chapter 433, Section 2, Subdivision 4, Clause 2, to the appropriation in Laws 1975, Chapter 433, Section 2, Subdivision 4, Clause 1.

Sec. 63. [APPROPRIATION.] There is appropriated from the general fund of the state treasury to the department of education the following sums for the years and purposes indicated:

For the year ending June 30

	<i>1976</i>	<i>1977</i>
(1) Special Education Aid	\$2,200,000	\$1,925,000

(a) *The appropriations in (1) shall be added to the sums appropriated for the years designated in Laws 1975, Chapter 432, Section 96, Clause (3).*

(b) *The appropriation in (1) for the year ending June 30, 1976 includes \$200,000 for reimbursement of expenses incurred by school districts for programs involving services for handicapped children whose districts of residence are determined pursuant to Minnesota Statutes, Section 120.17, Subdivision 8a and who are placed in state institutions or licensed residential facilities for care and treatment for the 1975-76 school year and 1976 summer school. This reimbursement shall be made on the same basis and at the same rate as for the 1974-75 school year and 1975 summer school. This reimbursement shall be made notwithstanding the provisions of Minnesota Statutes, 1975 Supplement, Section 124.32, Subdivision 3a.*

(c) *The appropriation in (1) for the year ending June 30, 1976 includes \$2,000,000 for the payment of special education aid for 1976 summer school programs. These programs shall be reimbursed on the same formula as were 1975 summer school programs. This reimbursement shall be made notwithstanding the provisions of Minnesota Statutes, 1975 Supplement, Section 124.32, Subdivision 3a.*

- (d) *The appropriation in (1) for the year ending June 30, 1977 is for the payment of special education aid for children who attend non-public school and receive special instruction and services at a public school on a shared time basis.*
- (e) *If the appropriations in (1) are insufficient for the purposes indicated, the aids shall be prorated among all qualifying districts and the state shall not be obligated for any amount in excess of these appropriations for those purposes.*
- | | | |
|---|------------|------------|
| (2) <i>Adult Education Aid.....</i> | \$ 117,925 | \$ 178,500 |
| <i>The appropriation in (2) shall be added to the sums appropriated for the years designated in Laws 1975, Chapter 432, Section 96, Clause (13), and shall be used solely as aid for programs conducted pursuant to Minnesota Statutes, Section 124.26. If the appropriations in (2), when added to the appropriations made pursuant to Laws 1975, Chapter 432, Section 96, Clause (13) are insufficient in either year, the aid shall be prorated among all qualifying districts and the state shall not be obligated for any amount in excess of these appropriations for this purpose.</i> | | |
| (3) <i>Educational Services to Southeast Asian Children..</i> | | \$ 50,000 |
| <i>The appropriation in (3) shall be used solely for the purpose of section 1 of this act. If the appropriation in (3) is insufficient for this purpose, the aids shall be prorated among all qualifying districts and the state shall not be obligated for any amount in excess of this appropriation for this purpose.</i> | | |

1976

1977

- (4) *Transfer of the Minnesota school for the deaf and the Minnesota braille and sight-saving school*

\$ 30,000

The appropriation in (4) is for the purpose of planning the transfer of the Minnesota school for the deaf and the Minnesota braille and sight-saving school from under the jurisdiction of the commissioner of welfare to the state board of education. Not to exceed \$20,000 of the appropriation in (4) shall be used to hire additional personnel beyond the existing complement of the department of education for this purpose.

- (5) *Implementation of the Uniform Financial Accounting and Reporting System for Minnesota School Districts.*

\$ 100,000

The appropriation in (5) is for the implementation of the Uniform Financial Accounting and Reporting System for Minnesota School Districts. This appropriation shall be used for dissemination of materials, inservice training of public school personnel, and for additional departmental personnel necessary to implement this system; provided that not to exceed \$50,000 of this appropriation shall be used to hire additional personnel beyond the existing complement of the department for this purpose. Any unexpended balance remaining from the appropriation in (5) shall not cancel but shall be available for the second year of the biennium.

- (6) *Educational Alternative Programs*

\$1,500,000

The appropriation in (6) shall be used by the council on quality education for funding educational alternative programs pursuant to section 3 of this act. Not to exceed \$37,500 of the appropriation in (6) may be expended for administration and evaluation of these programs by the council and for the employment of personnel by the council, beyond the existing complement of the department of education, for those purposes.

Sec. 64. [REPEALER.] *Subdivision 1. Minnesota Statutes 1974, Sections 122.54; 275.39, and Minnesota Statutes, 1975 Supplement, Section 275.125, Subdivision 11 are repealed.*

Subd. 2. Minnesota Statutes 1974, Sections 248.01; 248.02; 248.03; 248.04; 248.05; 248.06; and 248.09, are repealed. This subdivision shall be effective July 1, 1977.

Subd. 3. Minnesota Statutes 1974, Sections 124.28 as amended by Laws 1975, Chapter 432, Section 44; Minnesota Statutes 1974, Sections 124.281 and 124.29, are repealed. This subdivision shall be effective July 1, 1979.

Sec. 65. [EFFECTIVE DATES.] *Sections 1, 2, 3, 5, 10, 12, 13, 14, 17, 25, 26, 27, 29, 30, 32, 33, 52, 58, 59, 62, 63, and 64 of this act shall be effective the day following final enactment. Sections 9, 11, 18, 19, 34, 35, 36, 37, 40, 51, 53, 54, 55, 56, 57, 60, and 61 shall be effective July 1, 1976. Section 8 of this act shall be effective August 15, 1976. Sections 6, 7, 15, 16, 20, 22, 23, 24, 28, 31, 38, 39, 41, 42, 43, 44, 45, 46, 47, 48, 49, and 50 shall be effective July 1, 1977. Section 4 of this act shall be effective August 15, 1977."*

Further, amend the title by striking it in its entirety, and insert the following:

"A bill for an act relating to the operation of government; providing for aids to education, tax levies, and the distribution of tax revenues; granting certain powers and duties to school districts, the commissioner of education, the state board of education, and the state board for vocational education; establishing a uniform definition of school age for all handicapped children; transferring the Minnesota school for the deaf and the Minnesota braille and sight-saving school from the jurisdiction of the commissioner of welfare to the state board of education; prohibiting certain fees; providing for the adoption of the Uniform Financial Accounting and Reporting System for Minnesota School Districts; appropriating money; amending Minnesota Statutes 1974, Sections 120.17, Subdivisions 2 and 5, and by adding subdivisions; 120.74, Subdivision 1; 121.21, by adding a subdivision; 123.37, Subdivisions 1 and

1b; 124.222, by adding a subdivision; 124.32, as amended; Chapter 124, by adding a section; Chapter 137 by adding a section; 246.01; 248.07, Subdivision 3; 353.28, Subdivision 8; 355.299; Minnesota Statutes, 1975 Supplement, Sections 120.17, Subdivision 1; 124.04; 124.17, Subdivision 2; 124.212, Subdivision 8a; 124.223; 124.26, by adding a subdivision; 124.32; 124.561, Subdivision 3, and by adding a subdivision; 124.562, Subdivision 2; 124.563, Subdivision 3; 124.565, Subdivision 2; 275.125, Subdivisions 2a, 4, 9, 14, 15, and by adding subdivisions; repealing Minnesota Statutes 1974, Sections 122.54; 124.28, as amended; 124.281; 124.29; 248.01; 248.02; 248.03; 248.04; 248.05; 248.06; 248.09; 275.39; Minnesota Statutes, 1975 Supplement, Section 275.125, Subdivision 11."

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. 1884: A bill for an act relating to accident and health insurance; providing a conversion privilege for divorced spouses.

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

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1974, Chapter 62A, is amended by adding a section to read:

[62A.21] [CONVERSION PRIVILEGES FOR INSURED FORMER SPOUSES.] *Subdivision 1. No policy of accident and health insurance providing coverage of hospital or medical expense on either an expense incurred basis or other than an expense incurred basis, which in addition to covering the insured also provides coverage to the spouse of the insured shall contain a provision for termination of coverage for a spouse covered under the policy solely as a result of a break in the marital relationship except by reason of an entry of a valid decree of dissolution of marriage.*

Subd. 2. Every policy described in subdivision 1 which contains a provision for termination of coverage of the spouse upon dissolution of marriage shall contain a provision to the effect that upon the entry of a valid decree of dissolution of marriage between the insured parties the spouse whose marriage has been dissolved shall be entitled to have issued to him or her, without evidence of insurability, upon application made to the company within 30 days following the entry of the decree, and upon the payment of the appropriate premium, an individual policy of accident and health insurance. The policy shall provide the coverage then being issued by the insurer which is most nearly similar to, but not greater than, the terminated coverages. Any and all probationary or waiting periods set forth in the policy shall be considered as being met to the extent coverage was in force under the prior policy.

Subd. 3. This section applies to every policy of accident and health insurance which is delivered, issued for delivery, renewed or amended on or after the effective date of this section.

Sec. 2. Minnesota Statutes 1974, Chapter 62C, is amended by adding a section to read:

[62C.142] [CONVERSION PRIVILEGE FOR FORMER SPOUSES.] *Subdivision 1. No subscriber contract of a nonprofit health service plan corporation which in addition to covering the subscriber, also covers the subscriber's spouse shall contain a provision for termination of coverage for a spouse covered under the subscriber contract solely as a result of a break in the marital relationship except by reason of an entry of a valid decree of dissolution of marriage between the parties.*

Subd. 2. Every subscriber contract, other than a contract whose continuance is contingent upon continued employment or membership, which contains a provision for termination of coverage of the spouse upon dissolution of marriage shall contain a provision to the effect that upon the entry of a valid decree of dissolution of marriage between the covered parties the spouse whose marriage was dissolved shall be entitled to have issued to him or her, without evidence of insurability, upon application made to the corporation within 30 days following the entry of the decree and upon the payment of the appropriate fee, an individual subscriber contract. The contract shall provide the coverage then being issued by the corporation which is most nearly similar to, but not greater than, the terminated coverage. Any probationary or waiting period set forth in the conversion contract shall be considered as being met to the extent coverage was in force under the prior contract.

Subd. 3. This section applies to every subscriber contract which is delivered, issued for delivery, renewed or amended on or after the effective date of this section.

Sec. 3. Minnesota Statutes 1974, Chapter 62D, is amended by adding a section to read:

[62D.101] [CONVERSION PRIVILEGES FOR FORMER SPOUSES.] *Subdivision 1. No health maintenance contract which in addition to covering an enrollee, also covers the enrollee's spouse shall contain a provision for termination of coverage for a spouse covered under the health maintenance contract solely as a result of a break in the marital relationship except by reason of an entry of a valid decree of dissolution of marriage between the parties.*

Subd. 2. Every health maintenance contract, other than a contract whose continuance is contingent upon continued employment or membership, which contains a provision for termination of coverage of the spouse upon dissolution of marriage shall contain a provision to the effect that upon the entry of a valid decree of dissolution of marriage between the covered parties the spouse whose marriage was dissolved shall be entitled to have issued to him or her, without evidence of insurability, upon application made to the health maintenance organization within 30 days following the entry of the decree, and upon the payment of the appropriate fee, an individual health maintenance contract. The contract shall provide the coverage then being issued by the organization which is most nearly similar to, but not greater than, the terminated coverage. Any probationary or waiting period set forth in the conversion contract shall be considered as being met to the extent coverage was in force under the prior contract.

Subd. 3. This section applies to every health maintenance contract which is delivered, issued for delivery, renewed or amended on or after the effective date of this section.

Sec. 4. This act is effective 60 days after its final enactment."

Further, delete the title in its entirety and insert:

"A bill for an act relating to health care; providing conversion privileges for spouses whose marriage was dissolved under certain accident and health insurance policies, health service plan subscriber contracts and health maintenance contracts; amending Minnesota Statutes 1974, Chapters 62A, by adding a section; 62C, by adding a section; and 62D, by adding a section."

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

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

S. F. No. 2099: A bill for an act relating to the operation and structure of state government; eliminating certain qualifications for the office of commissioner of personnel; amending Minnesota Statutes 1975, Section 43.001, Subdivision 2.

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

Page 1, line 14, reinsert the stricken language

Page 1, line 15, reinsert "position including"

Page 1, line 15, after the stricken word "five" insert "at least three"

Page 1, line 15, reinsert the stricken "years"

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

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

S. F. 2109: A bill for an act relating to the operation of state government; providing for a study on improving public access to state services and facilities; requiring a report.

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

Page 2, after line 14, insert:

"Sec. 4. [APPROPRIATION.] The sum of \$14,250 is hereby appropriated to carry out the provisions of this act."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after "report" insert "; appropriating money"

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

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

S. F. No. 2232: A bill for an act relating to optometric services; providing for inclusion of optometric services in benefits for expenses incurred for medical treatment or services; amending Minnesota Statutes 1974, Section 62A.15, Subdivision 1, and by adding a subdivision.

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

Page 1, line 16, strike "*for*"

Page 1, line 17, strike "*chiropractic services,*"

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

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

S. F. No. 2056: A bill for an act relating to the city of Duluth; authorizing residential property rehabilitation loans.

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

Page 1, line 9, after "loans" insert "and grants"

Page 1, line 11, strike "which loans may include payments" and insert "including grants"

Further amend the title:

Page 1, line 3, after "loans" insert "and grants"

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

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

S. F. No. 60: A bill for an act relating to insurance; providing for the establishment and administration of plans of health insurance to provide certain minimum benefits to all persons in the state; creating a health security advisory commission; creating a comprehensive health care association; appropriating money.

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

Page 1, line 10, strike "14" and insert "17"

Page 1, line 11, strike "1975" and insert "1976"

Page 1, line 12, after "minimum" insert "health insurance"

Page 1, line 13, strike "14" and insert "17"

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

Page 2, line 11, strike "commission" and insert "commissioner"

Page 2, line 11, strike "miniumum" and insert "minimum"

Page 2, strike lines 13-14 and insert:

"Subd. 6. "Commissioner" means the commissioner of insurance."

Page 2, line 16, strike "or" and insert a comma

Page 2, line 18, before the period insert "or a dependent child of any age who is disabled"

Page 3, line 6, after "hospital" insert ", surgical"

Page 3, after line 6, insert:

" "Policy" does not include coverage which is (1) limited to disability or income protection coverage, (2) automobile medical payment coverage, (3) supplemental to liability insurance, or (4) sold by fraternal and provides payments on a per diem, daily indemnity or non-expense incurred basis."

Page 3, line 26, strike "commission" and insert "commissioner"

Page 3, line 28, strike "a qualified plan" and insert "the number two qualified plan offered through the association"

Page 3, line 30, after "a" insert "number two individual"

Page 4, line 3, strike "carrier" and insert "insurer or insurers"

Page 4, line 4, strike "commission" and insert "association"

Page 4, line 12, strike "provided" and insert "sells"

Page 4, line 16, strike "by the commission"

Page 4, line 18, before "qualified" insert "number two"

Page 4, line 22, strike ", may offer and" and insert "shall"

Page 4, line 24, strike "health security advisory commission" and insert "commissioner"

Page 4, line 27, strike "three" and insert "two"

Page 4, line 30, strike "three" and insert "two"

Page 5, line 4, strike "offer" and insert "make available at least"

Page 5, line 5, after "a" insert "number two"

Page 5, strike lines 9 through 32

Page 6, strike lines 1 through 32

Page 7, strike lines 1 through 32

Page 8, strike lines 1 through 32

Page 9, strike lines 1 through 32

Page 10, strike lines 1 through 6

Page 10, line 10, strike "of insurance"

Page 10, line 11, after "of" insert "each type of"

Page 10, line 17, strike "of insurance"

Page 10, line 25, strike "of insurance"

Page 10, line 27, after "of" insert "each type of"

Page 11, line 8, strike "or deductible"

Page 11, line 8, strike "commission" and insert "commissioner"

Page 11, line 11, after "issued" insert "or renewed"

Page 11, line 31, after "requirements" insert "for coverage"

Page 11, line 32, strike "the laws of this state" and insert "Minnesota Statutes, Chapter 62A"

Page 12, line 1, strike "1976" and insert "1977"

Page 12, line 2, strike "1977" and insert "1978"

Page 12, line 6, strike "1978" and insert "1979"

Page 12, line 7, strike "1978" and insert "1979"

Page 12, line 11, strike "1979" and insert "1980"

Page 12, line 17, strike "1976" and insert "1977"

Page 12, line 19, strike "100" and insert "80"

Page 12, strike lines 31 and 32

Page 13, strike lines 1 and 2

Renumber subsequent clauses in sequence

Page 13, line 5, before the semicolon insert "if the services commence within 14 days following confinement of at least three days in a hospital for the same condition"

Page 13, line 12, after "rental" insert "or purchase, as appropriate,"

Page 13, line 13, strike "Diagnosic" and insert "Diagnostic"

Page 13, line 23, after "an" insert "injury"

Page 13, line 24, after "law," strike "or"

Page 13, line 28, before the semicolon insert ", or (iii) for which benefits are payable under another policy of accident and health insurance"

Page 13, line 30, before the semicolon, insert "or birth defect"

Page 14, line 4, before the semicolon, insert ", unless a private room is prescribed as medically necessary by a physician"

Page 14, strike lines 5 through 8

Renumber subsequent clauses in sequence

Page 14, line 9, before "Any" insert "That part of"

Page 14, line 11, strike "that" and insert "which"

Page 15, line 6, strike "subdivision" and insert "this section"

Page 15, line 7, strike "2"

Page 15, line 7, strike "\$150" and insert "\$500"

Page 15, line 8, strike everything after "person."

Page 15, strike line 9

Page 15, line 13, strike "60" and insert "80"

Page 15, line 13, strike "subdivision" and insert "this section"

Page 15, line 14, strike "2"

Page 15, line 14, strike "\$150" and insert "\$750"

Page 15, line 15, strike everything after "person."

Page 15, strike line 16

Page 15, line 19, after "a" insert "number three"

Page 15, strike lines 20 through 32 and insert:

"Sec. 7. [QUALIFIED MEDICARE SUPPLEMENT PLAN.] Any plan which provides benefits to persons over the age of 65 years may be certified as a qualified medicare supplement plan if the plan is designed to supplement medicare and provides coverage of 50 percent of the deductible or copayment required under Parts A and B of medicare and 80 percent of the charges for covered services described in section 6, subdivision 1, which are not paid by parts A and B of medicare. The coverage shall include a limitation of \$1,000 per person on total annual out-of-pocket expenses for covered services. The coverage shall be subject to a maximum lifetime benefit of not less than \$100,000."

Page 16, strike lines 1 through 32

Page 17, strike lines 1 through 30

Page 17, line 31, strike "Subd. 4." and insert "Sec. 8."

Page 17, line 31, strike "commission" and insert "commissioner"

Page 18, line 1, strike "1975" and insert "1976"

Page 18, line 1, strike "and direct" and insert a period

Page 18, strike line 2

Page 18, line 3, strike "commission" and insert "commissioner"

Page 18, line 3, strike "promulgate,"

Page 18, line 4, strike "and regulations"

Page 18, line 9, strike "Select" and insert "Approve the selection of"

Page 18, line 9, after "carrier" insert "by the association"

Page 18, line 9, after "and" insert "the association's"

Page 18, line 11, after "Appoint" insert "advisory"

Page 18, strike lines 12 through 14 and insert "(e) Contract with insurers and others for administrative services;"

Page 18, line 17, after the semicolon insert "and"

Page 18, strike lines 18 and 19

Page 18, line 20, strike "(h)" and insert "(g)"

Page 18, line 23, strike "1975" and insert "1976"

Page 18, line 25, strike "; and" and insert a period

Page 18, strike lines 26-32

Page 19, line 8, strike "commission" and insert "commissioner"

Page 19, line 15, strike "1976" and insert "1977"

Page 19, after line 18, insert:

"Subd. 4. In the performance of their duties as members of the association, the members shall be exempt from the provisions of Minnesota Statutes, Sections 325.8011 to 325.8028."

Page 19, line 21, strike "commission" and insert "commissioner"

Page 19, line 27, before the period insert "and their employers"

Page 20, line 7, after "shall" insert "contribute to the costs of the association and"

Page 20, line 12, strike "five" and insert "ten"

Page 20, line 12, after "from" strike "the"

Page 20, strike line 13

Page 20, strike lines 27 and 28 and insert a period

Page 21, line 3, strike "five" and insert "ten"

Page 21, line 5, strike "or credited to"

Page 21, line 9, before "qualified" insert "number two"

Page 21, line 15, strike "commission" and insert "commissioner"

Page 21, line 18, strike "commission" and insert "commissioner"

Page 21, line 20, strike "of insurance"

Page 21, line 21, strike "d"

Page 21, line 22, strike "commission" and insert "association"

Page 21, line 27, strike "guaranteed"

Page 21, line 29, strike "commission" and insert "association"

Page 22, line 8, strike "commission" and insert "commissioner and the association"

Page 22, line 10, strike "commission" and insert "association"

Page 22, line 12, strike "commission" and insert "association"

Page 22, line 18, after "entitled" insert ", with whom claims are to be filed"

Page 22, line 18, after "whom" insert "benefits are"

Page 22, line 18, after the period, insert "The certificate shall indicate that coverage was obtained through the association."

Page 22, line 20, strike "commission" and insert "commissioner and the association"

Page 22, line 22, strike "commission" and insert "commissioner and the association"

Page 23, line 7, strike "commission" and insert "commissioner"

Page 23, line 15, strike "COMMISSION" and insert "COMMISSIONER"

Page 23, strike lines 23 through 27

Page 23, line 30, strike "during the" and insert a period

Page 23, strike lines 31 and 32

Page 24, line 1, strike "established by the commission."

Page 24, line 3, strike "commission" and insert "writing carrier"

Page 24, line 14, strike "COMMISSION'S" and insert "COMMISSIONER'S"

Page 24, line 16, strike "commission" and insert "writing carrier"

Page 24, after line 22, insert:

"Subd. 3. No person who obtains coverage pursuant to this section shall be covered for any pre-existing condition during the first six months of coverage under the state plan if the person was treated for that condition during the 90 days immediately preceding the filing of an application."

Page 24, line 26, strike "commission" and insert "commissioner"

Page 25, line 1, strike "commission" and insert "commissioner"

Page 25, after line 3, insert:

"Sec. 15. [DUAL OPTION.] Subdivision 1. An employer who employs in this state, on the average during a calendar quarter, 100 employees or more, other than seasonal employees as defined in Minnesota Statutes 1974, Section 268.07, Subdivision 5, and who offers a health benefits plan to employees, whether (i) purchased from an insurer or a health maintenance organization, or (ii) provided on a self insured basis, shall, upon the next renewal of the health benefits plan contract, offer his employees a dual option to obtain health benefits through either an accident and health insurance policy or a health maintenance organization contract if one is available.

Subd. 2. An employer may make the dual offers through an insurer, a health maintenance organization or on a self insured basis. If an offer

is made on a self insured basis, the accident and health insurance type of coverage or health maintenance organization type of coverage shall meet the requirements of the laws of this state but need not be approved by the commissioner or the board of health.

Subd. 3. No insurer which is also certified as a health maintenance organization shall submit a bid to an employer for providing the dual option required by this section which combines the bids for the accident and health insurance policy and the health maintenance organization contract in one bid or a single price package.

Subd. 4. The board of health, in consultation with the commissioner, shall adopt rules to implement the provisions of this section.

Sec. 16. Minnesota Statutes 1974, Section 62D.12, is amended by adding subdivisions to read:

Subd. 10. Any health maintenance organization which includes coverage of comprehensive dental services in its comprehensive health maintenance services shall not include the charge for the dental services in the same rate as the charge for other comprehensive health maintenance services. The rates for dental services shall be computed and stated separately.

Subd. 11. No health maintenance organization which offers coverage of comprehensive dental services in its comprehensive health maintenance services shall contract with licensed dentists unless all licensed dentists in the geographic area served by the health maintenance organization have the opportunity to serve as providers of the dental services.

Subd. 12. No health maintenance organization shall construct a clinic facility for the provision of dental services unless it owns an existing facility for the provision of comprehensive health maintenance services.

Sec. 17. [CONVERSION PRIVILEGES.] Every policy of group accident and health insurance or contract of coverage by a health maintenance organization written or renewed in this state, shall include, in addition to the provisions required by Minnesota Statutes, Section 62A.17, the right to convert to an individual coverage qualified plan without the addition of underwriting restrictions regardless of the reason for leaving the group. The person leaving the group may exercise his right to conversion within 30 days of leaving the group. Plans of health coverage shall also include a provision which, upon the death of the individual in whose name the contract was issued, permits every other individual then covered under the contract to elect, within the period specified in the contract, to continue his coverage under the same or a different contract until such time as he would have ceased to have been entitled to coverage had the individual in whose name the contract was issued lived. The provisions of this section shall also apply to any group policy issued pursuant to section 13 of this article."

Underline all new language in the bill

Page 25, line 4, strike "Subdivision 1."

Page 25, line 5, before "is" insert "75,000"

Page 25, line 6, strike "commission" and insert "commissioner"

Page 25, strike lines 8 through 14 and insert:

"Sec. 19. [EFFECTIVE DATE.] Sections 2, 4 to 6, 15 and 17 shall be effective January 1, 1977; sections 3, and 7 to 16 shall be effective on the date of their final enactment."

Renumber sections in sequence

Amend the title as follows:

Page 1, strike line 6

Page 1, line 7, after the semicolon, insert "providing a dual option for health care for certain employees; regulating health maintenance organizations' coverage of dental services and conversion privileges;"

Page 1, line 8, before the period, insert ": amending Minnesota Statutes 1974, Section 62D.12, by adding subdivisions"

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

Mr. Coleman from the Committee on Rules and Administration, to which was referred H. F. No. 2011 for comparison to companion Senate Files, reports the following House File was found not identical with its companion Senate File as follows:

GENERAL ORDERS		CALENDAR OF ORDINARY MATTERS		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
				2011	1869

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 2011 be amended as follows:

Page 2, line 30, delete "and"

Page 3, line 19, delete "over a period" and insert "and" and delete "to"

And when so amended, H. F. No. 2011 will be identical to S. F. No. 1869 and further recommends that H. F. No. 2011 be given its second reading and substituted for S. F. No. 1869 and that the Senate File be indefinitely postponed.

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

SECOND READING OF SENATE BILLS

S. F. Nos. 2252, 2112, 2180, 1821, 1078, 2147, 1753, 1776, 2037, 1861, 1981, 2023, 2024, 2070, 2151, 2172, 2233, 2318, 175, 100, 1587, 1097, 612, 2175, 1967, 2251, 1673, 2025, 2027, 2362, 1859, 2355, 1624, 1619, 1927, 2254, 1942, 1499, 2173, 1884, 2099, 2232 and 2056 were read the second time.

SECOND READING OF HOUSE BILLS

H. F. Nos. 527, 525, 1078, and 2011 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Chenoweth moved that the name of Mr. Doty be added as co-author to S. F. No. 2379. The motion prevailed.

Mr. Conzemius moved that S. F. No. 2288 be withdrawn from the Committee on Health, Welfare and Corrections and re-referred to the Committee on Governmental Operations. The motion prevailed.

Mr. Hansen, Baldy moved that S. F. No. 2334 be withdrawn from the Committee on Labor and Commerce and re-referred to the Committee on Health, Welfare and Corrections. The motion prevailed.

Mr. Borden moved that his name be stricken and the name of Mr. Wegener be added as chief author to S. F. No. 724. The motion prevailed.

Mr. Borden moved that the name of Mr. Ashbach be added as co-author to S. F. No. 1789. The motion prevailed.

Mr. Borden moved that the name of Mr. Ashbach be added as co-author to S. F. No. 1790. The motion prevailed.

Mr. Borden moved that the name of Mr. Sillers be added as co-author to S. F. No. 1799. The motion prevailed.

Mr. Olson, A. G. moved that the name of Mr. Dunn be added as co-author to S. F. No. 2440. The motion prevailed.

Mr. Borden moved that the name of Mr. Humphrey be added as co-author to S. F. No. 2342. The motion prevailed.

Mr. Laufenburger moved that S. F. No. 1851 be withdrawn from the Committee on Transportation and General Legislation and re-referred to the Committee on Metropolitan and Urban Affairs. The motion prevailed.

Mr. Laufenburger moved that the name of Mr. Frederick be added as co-author to S. F. No. 2454. The motion prevailed.

Mr. Perpich, G. moved that the name of Mr. Stassen be added as co-author to S. F. No. 1914. The motion prevailed.

Mr. Tennesen moved that H. F. No. 749 and the Conference Committee Report thereon be taken from the table. The motion prevailed.

ADOPTION OF CONFERENCE COMMITTEE REPORT

Mr. Tennesen moved that the recommendations and Conference Committee Report as printed in the Journal January 27, 1976 on H. F. No. 749 be now adopted, and that the bill be repassed as amended by the Conference Committee.

Mr. Jensen moved that the Senate refuse to adopt the Conference Committee Report on H. F. No. 749, that the Committee on Commit-

tees appoint a new Conference Committee consisting of 5 members on the part of the Senate and that the House be advised of the Senate action and be requested to appoint a like Committee to confer on the differences between the Senate and the House on H. F. No. 749.

The question being taken on the adoption of the motion of Mr. Jensen,

And the roll being called, there were yeas 31 and nays 34, as follows:

Those who voted in the affirmative were:

Anderson	Chmielewski	Jensen	Olson, H. D.	Ueland
Ashbach	Doty	Josefson	Patton	Wegener
Berg	Dunn	Kowalczyk	Purfeerst	Willet
Bernhagen	Fitzsimons	Moe	Renneke	
Blatz	Hansen, Baldy	Nelson	Schrom	
Borden	Hanson, R.	Olhoff	Solon	
Brown	Hughes	Olson, A. G.	Stassen	

Those who voted in the negative were:

Arnold	Gearty	Knutson	Ogdahl	Schmitz
Bang	Hansen, Mel	Larson	Olson, J. L.	Sillers
Brataas	Humphrey	Laufenburger	O'Neill	Spear
Chenoweth	Keefe, J.	Lewis	Perpich, A. J.	Siokowski
Coleman	Keefe, S.	McCutcheon	Perpich, G.	Stumpf
Conzemius	Kirchner	Milton	Pillsbury	Tennessen
Davies	Kleinbaum	North	Schaaf	

The motion did not prevail.

The question recurred on the motion of Mr. Tennessen to adopt the recommendations and Conference Committee Report on H. F. No. 749. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

H. F. No. 749: A bill for an act relating to controlled substances; providing medical and educational intervention, evaluation, and treatment of persons in possession of small amounts of marijuana; providing penalties for possession of small amounts of marijuana; and prohibiting municipalities from enacting ordinances imposing greater civil or criminal penalties than provided by state law for the possession, sale or distribution of small amounts of marijuana; amending Minnesota Statutes 1974, Section 152.15, Subdivision 2, and by adding a subdivision.

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

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

Mr. Doty moved that those not voting be excused from voting.

The question being taken on adoption of the motion,

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

Those who voted in the affirmative were:

Anderson	Chmielewski	Jensen	Olhoff	Schrom
Arnold	Doty	Josefson	Olson, H. D.	Solon
Berg	Dunn	Keefe, J.	O'Neill	Stassen
Bernhagen	Fitzsimons	Kleinbaum	Patton	Wegener
Blatz	Hansen, Baldy	Kowalczyk	Perpich, G.	Willet
Borden	Hansen, Mel	Larson	Pillsbury	
Brataas	Hanson, R.	Moe	Renneke	
Brown	Hughes	Nelson	Schmitz	

Those who voted in the negative were:

Coleman	Keefe, S.	Milton	Purfeerst	Stumpf
Conzemius	Kirchner	North	Schaaf	Tennessen
Davies	Knutson	Ogdahl	Sillers	Ueland
Gearty	Laufenburger	Olson, J. L.	Spear	
Humphrey	Lewis	Perpich, A. J.	Stokowski	

The motion prevailed.

And the roll being called, there were yeas 34 and nays 30, as follows:

Those who voted in the affirmative were:

Arnold	Davies	Kirchner	O'Neill	Sillers
Ashbach	Gearty	Knutson	Patton	Spear
Bang	Hansen, Mel	Laufenburger	Perpich, A. J.	Stokowski
Brataas	Hughes	Lewis	Perpich, G.	Stumpf
Chenoweth	Humphrey	Milton	Pillsbury	Tennessen
Coleman	Keefe, J.	Ogdahl	Renneke	Ueland
Conzemius	Keefe, S.	Olson, J. L.	Schaaf	

Those who voted in the negative were:

Anderson	Chmielewski	Jensen	Nelson	Schmitz
Berg	Doty	Josefson	North	Schrom
Bernhagen	Dunn	Kleinbaum	Olhoff	Solon
Blatz	Fitzsimons	Kowalczyk	Olson, A. G.	Stassen
Borden	Hansen, Baldy	Larson	Olson, H. D.	Wegener
Brown	Hanson, R.	Moe	Purfeerst	Willet

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

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Laufenburger moved that H. F. No. 2043 be withdrawn from the Committee on Transportation and General Legislation and re-referred to the Committee on Rules and Administration for comparison with S. F. No. 1942 now on General Orders. The motion prevailed.

Mr. Kleinbaum moved that S. F. No. 830 be taken from the table. The motion prevailed.

CONCURRENCE AND REPASSAGE

Mr. Kleinbaum moved that the Senate concur in the amendments by the House to S. F. No. 830 and that the bill be placed on its repassage as amended. The motion prevailed.

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.

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

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

And the roll being called, there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

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

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

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Moe moved that S. F. No. 919 and the Conference Committee Report thereon be taken from the table. The motion prevailed.

ADOPTION OF CONFERENCE COMMITTEE REPORT

Mr. Moe moved that the recommendations and Conference Committee Report as printed in the Journal February 26, 1976 on S. F. No. 919 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S. F. No. 919: A bill for an act relating to the environment; directing creation of an environmental permits coordination unit within the environmental quality council; authorizing an optional consolidated application and hearing procedure for certain permits; directing establishment of permit information centers; appropriating money.

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

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

And the roll being called, there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

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

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

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Chenoweth moved that the name of Mr. Gearty be added as co-author to S. F. No. 2410. The motion prevailed.

SUSPENSION OF RULES

Mr. Coleman moved that the rules of the Senate be so far suspended as to make the General Orders Calendar a Special Orders Calendar for the following bills: S. F. Nos. 2076, 2057, 1223, 2155, 2051, 1493, 1924, 1838, 1862, 2124, 2223 and H. F. No. 1751. The motion prevailed.

SPECIAL ORDER

S. F. No. 2076: A bill for an act relating to corrections; permitting the commissioner of corrections to pay inmates of medium-minimum security facilities certain wages and to charge such inmates for room, board, and other expenses incidental to their confinement; amending Minnesota Statutes 1974, Section 241.01, by adding a subdivision.

Mr. Lewis moved to amend S. F. No. 2076 as follows:

Page 2, line 6, after "convicted" insert "*of a violation of Minnesota Statutes, Sections 609.185, 609.19, 609.195, 609.20, 609.205, 609.225, 609.342, 609.343, or 609.344*"

Page 2, strike lines 7 through 9

The motion prevailed. So the amendment was adopted.

S. F. No. 2076 was read the third time, as amended, and placed on its final passage.

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

And the roll being called, there were yeas 52 and nays 10, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Ashbach	Bernhagen	Hansen, Baldy	Kowalczyk	Schrom
Berg	Doty	Knutson	Nelson	Stassen

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

SPECIAL ORDER

S. F. No. 2057: A bill for an act relating to the city of Duluth; liquor license for the arena-auditorium complex; amending Laws 1967, Chapter 406, Section 1, Subdivision 1.

Mr. Solon moved to amend S. F. No. 2057 as follows:

Page 2, line 5, after "in any" insert "*amateur hockey game, or*"

The motion prevailed. So the amendment was adopted.

S. F. No. 2057 was read the third time, as amended, and placed on its final passage.

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

And the roll being called, there were yeas 55 and nays 4, as follows:

Those who voted in the affirmative were:

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

Messrs. Olhoft; Olson, J. L.; Renneke and Stumpf voted in the negative.

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

SPECIAL ORDER

S. F. No. 1223: A bill for an act relating to public welfare; authorizing grants for programs of child care services; altering allocations of grants; amending Minnesota Statutes 1974, Sections 245.83, Subdivisions 2 and 5; 245.84; 245.85; 245.86; and 245.87.

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 57 and nays 2, as follows:

Those who voted in the affirmative were:

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

Messrs. Hansen, Baldy and Schrom voted in the negative.

So the bill passed and its title was agreed to.

SPECIAL ORDER

S. F. No. 2155: A bill for an act relating to United Hospital District, Staples, Minnesota; authorizing the issuance of general obligation bonds of the district without the consent of the governing bodies of the municipalities included in the district; excluding the bonds from the net debt of the district; and excluding taxes levied for the payment of the bonds from certain levy limitations.

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 50 and nays 1, as follows:

Those who voted in the affirmative were:

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

Mr. Jensen voted in the negative.

So the bill passed and its title was agreed to.

SPECIAL ORDER

S. F. No. 2051: A bill for an act relating to local improvements; council procedure; authorizing percentage payment in advance of completion of improvement on engineer's estimate; amending Minnesota Statutes 1974, Section 429.041, Subdivision 6.

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 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

SPECIAL ORDER

H. F. No. 1751: A bill for an act relating to game and fish; firearms permissible for taking wild animals; amending Minnesota Statutes 1974, Section 100.29, Subdivision 9.

Mr. Larson moved to amend H. F. No. 1751 as follows:

Page 2, after line 5, insert the following:

"Sec. 2. Minnesota Statutes 1974, Section 100.29, Subdivision 10, is amended to read:

Subd. 10. It shall be unlawful to throw or cast the rays of a spotlight, headlight, or other artificial light on any highway, or in any field, woodland, or forest, for the purpose of spotting, locating or taking any wild animal, except raccoons when treed with the aid of dogs, while having in possession or under control, either singly or as one of a group of persons, any firearm, bow or other implement whereby big game could be killed ; ~~unless the firearm is unloaded in both barrels and magazine and completely contained in a gun case expressly made for that purpose which is fully enclosed by being zipped, snapped, buckled, tied, or otherwise fastened with no portion of the firearm exposed, or contained in the trunk of the car with the trunk door closed and in the case of a bow, unless the same is completely encased or unstrung or contained in the trunk of the car with the trunk door closed.~~ When artificial lights are used to take raccoon when treed with the aid of dogs, the rifles used to take raccoon shall not be of a larger caliber than .22 rim-fire, and shotguns so used shall only contain shells with shot no larger than No. 4. Artificial lights to take raccoon when treed with the aid of dogs shall be legal."

Amend the title as follows:

Page 1, line 3, after the semicolon insert "regulating the shining of wild animals;"

Page 1, line 4, strike "Subdivision 9" and insert "Subdivisions 9 and 10"

The motion prevailed. So the amendment was adopted.

H. F. No. 1751 was read the third time, as amended, and placed on its final passage.

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

And the roll being called, there were yeas 55 and nays 3, as follows:

Those who voted in the affirmative were:

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

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

So the bill passed and its title was agreed to.

SPECIAL ORDERS

S. F. No. 1493: A bill for an act relating to natural resources; amending certain laws concerning minnows; amending Minnesota Statutes 1974, Sections 97.40, Subdivision 27; 97.45, Subdivision 15; 97.55, Subdivision 13; 98.46, Subdivision 17; 101.42, Subdivisions 5 and 6; and Minnesota Statutes, 1975 Supplement, Section 98.46, Subdivision 5.

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

The question being taken on the passage of the bill,

And the roll being called, there were yeas 49 and nays 7, as follows:

Those who voted in the affirmative were:

Arnold	Dunn	Kirchner	Olhoff	Schrom
Ashbach	Fitzsimons	Kleinbaum	Olson, J. L.	Sillers
Bang	Gearty	Knutson	O'Neill	Solon
Bernhagen	Hansen, Baldy	Larson	Patton	Stassen
Blatz	Hansen, Mel	Laufenburger	Perpich, A. J.	Stokowski
Borden	Hughes	Lewis	Perpich, G.	Tennessen
Brataas	Humphrey	Moe	Pillsbury	Ueland
Brown	Jensen	Nelson	Purfeerst	Wegener
Chmielewski	Josefson	North	Renneke	Willet
Conzemius	Keefe, J.	Ogdahl	Schmitz	

Those who voted in the negative were:

Coleman	Doty	Olson, H. D.	Spear	Stumpf
Davies	Keefe, S.			

So the bill passed and its title was agreed to.

SPECIAL ORDERS

S. F. No. 1924: A bill for an act relating to employment agencies; excluding teacher and nurse placement agencies from the definition of employment agency; amending Minnesota Statutes 1974, Section 184.21, Subdivision 2.

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

The question being taken on the passage of the bill,

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

Those who voted in the affirmative were:

Arnold	Brown	Dunn	Jensen	Kowalczyk
Ashbach	Chenoweth	Fitzsimons	Josefson	Larson
Bang	Chmielewski	Gearty	Keefe, J.	Laufenburger
Berg	Coleman	Hansen, Baldy	Keefe, S.	Lewis
Bernhagen	Conzemius	Hansen, Mel	Kirchner	McCutcheon
Blatz	Davies	Hughes	Kleinbaum	Milton
Brataas	Doty	Humphrey	Knutson	Moe

Nelson	Olson, J. L.	Pillsbury	Sillers	Stumpf
North	O'Neill	Purfeerst	Solon	Tennessen
Ogdahl	Patton	Renneke	Spear	Ueland
Olhoff	Perpich, A. J.	Schmitz	Stassen	Willet
Olson, H. D.	Perpich, G.	Schrom	Stokowski	

So the bill passed and its title was agreed to.

SPECIAL ORDER

S. F. No. 1838: A bill for an act relating to crimes; accusation; increasing the limitation on time in which an indictment for offering of bribes to or acceptance of bribes by public officers or employees may be found; amending Minnesota Statutes 1974, Section 628.26.

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

The question being taken on the passage of the bill,

And the roll being called, there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

SPECIAL ORDER

S. F. No. 1862: A bill for an act relating to motor vehicles; registration and taxation; removing certain requirements for notarization; amending Minnesota Statutes, 1975 Supplement, Section 168.10, 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 57 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

SPECIAL ORDER

S. F. No. 2124: A bill for an act relating to cities; increasing the amount of obligations that may be issued for television systems; validating prior issuances; amending Minnesota Statutes 1974, Section 465.70.

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

The question being taken on the passage of the bill,

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

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

SPECIAL ORDER

S. F. No. 2223: A bill for an act relating to the city of Albert Lea; authorizing a housing finance program; providing for the issuance of general obligation and revenue bonds to finance the program.

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

The question being taken on the passage of the bill,

And the roll being called, there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Olson, A. G. moved that S. F. No. 375 be taken from the table. The motion prevailed.

CONCURRENCE AND REPASSAGE

Mr. Olson, A. G. moved that the Senate concur in the amendments by the House to S. F. No. 375 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 375: A bill for an act relating to city and town government; excluding statutory cities from the application of certain city laws; modifying the application of other laws to conform to the present classification of cities; amending various statutes to reflect the conversion of villages and boroughs to statutory cities; repealing various obsolete provisions of municipal laws; amending Minnesota Statutes 1974, Sections 144.154; 145.01; 205.07, Subdivision 1; 205.10; 205.11; 205.13; 205.14, Subdivision 3; 205.15; 205.16; 205.17, Subdivisions 1 and 3; 205.20, Subdivisions 1 and 4; 329.09; 340.20; 366.10; 410.05, Subdivision 1; 412.02, Subdivision 5; 412.022, Subdivision 1; 412.023, Subdivision 5; 412.131; 412.171; 412.191, Subdivision 1; 412.311; 412.571, Subdivisions 1, 4 and 5; 413.02, Subdivisions 1 and 2; 414.09, Subdivision 3; 415.11, Subdivision 1; 427.09; 427.10; 427.11; 427.12; 429.111; 437.02; 440.11; 440.135, Subdivision 1; 446.04, Subdivision 1; 447.05; 451.06; 451.09; 452.01, Subdivision 1; 455.01; 455.05; 455.13; 455.23; 455.26; 455.27; 455.28; 455.29; 455.30; 455.32; 456.32; 457.13; 458.09, Subdivision 1; 458.20; 458.25; 458.46; 463.04; 465.26; 465.70; 465.71; 471.38, Subdivision 1; 471.69; Chapters 205, by adding a section; 410, by adding a section; and repealing Minnesota Statutes 1974, Sections 118.05; 129.13; 145.02; 197.64; 205.05; 205.06; 205.07, Subdivision 2; 205.08; 205.09; 205.091; 205.12; 274.013; 275.24; 275.36; 368.12; 368.50 to 368.84; 412.017; 412.022, Subdivisions 2 and 3; 412.191, Subdivision 5; 412.841; 415.031 to 415.07; 416.03; 416.04; 416.08 to 416.15; 418.13 to 418.15; 423.21; 426.09; 426.10; 426.15 to 426.18; 435.05; 435.41; 435.46; 436.02; 436.04; 437.01; 438.03; 438.04; 438.07; 440.12; 440.16 to 440.32; 440.39; 441.10 to 441.20; 441.265 to 441.46; 443.14 to 443.17; 443.20 to 443.25; 444.15; 446.03; 447.08; 447.09; 447.23; 448.04 to 448.16; 448.26 to 448.49; 449.04; 449.05; 449.07; 450.06 to 450.08; 452.01, Subdivision 2; 452.02 to 452.07; 452.18 to 452.20; 453.01 to 453.14; 454.01 to 454.045; 455.02 to 455.04; 455.06 to 455.11; 455.15 to 455.22; 456.01 to 456.15; 456.23; 457.02; 457.12; 458.26 to 458.31; 458.47 to 458.49; 459.08 to 459.13; 461.01; 461.07 to 461.11; 463.05; 465.06 to 465.08; 465.51; 465.52; 465.57; 465.59 to 465.63; 471.01 to 471.04; 471.05 to 471.14; 471.48; 645.44, Subdivision 3a; Chapter 460, as it appears in Minnesota Statutes 1945; Laws 1895, Chapter 239; Laws 1897, Chapter 85; Laws 1901, Chapter 379; Laws 1907, Chapter 22; Laws 1911, Chapter 53; Laws 1913, Chapters 7 and 47; Laws 1915, Chapters 125 and 230, Sections 2 and 3; Laws 1917, Chapter 190; Laws 1919, Chapter 424; Laws 1921, Chapter 30; Extra Session Laws 1935, Chapter 8; Laws 1937, Chapter 198; Laws 1941, Chapter 266, as amended; Laws 1947, Chapter 470 and Laws 1953, Chapter 697.

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

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

And the roll being called, there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

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

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

THIRD READING OF SENATE BILLS

S. F. No. 550: A bill for an act relating to civil actions; abolishing all civil causes of action for breach of promise to marry, alienation of affections, criminal conversation and seduction; providing penalties.

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 25 and nays 34, as follows:

Those who voted in the affirmative were:

Blatz	Davies	Keefe, J.	North	Sillers
Brown	Fitzsimons	Keefe, S.	Olson, A. G.	Spear
Chenoweth	Gearty	Kleinbaum	Perpich, A. J.	Stumpf
Coleman	Humphrey	Lewis	Perpich, G.	Tennessee
Conzemius	Josefson	Moe	Pillsbury	Ueland

Those who voted in the negative were:

Anderson	Brataas	Kirchner	Olhoff	Schmitz
Arnold	Chmielewski	Kowalczyk	Olson, H. D.	Schrom
Ashbach	Doty	Larson	Olson, J. L.	Solon
Bang	Dunn	Laufenburger	O'Neill	Stokowski
Berg	Hansen, Baldy	McCutcheon	Patton	Wegener
Bernhagen	Hansen, Mel	Nelson	Purfeerst	Willet
Borden	Hanson, R.	Ogdahl	Renneke	

So the bill failed to pass.

THIRD READING OF HOUSE BILLS

H. F. No. 1999: A bill for an act relating to game and fish; providing temporary permits for handicapped hunters; amending Minnesota Statutes, 1975 Supplement, Section 98.48, Subdivision 12.

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

The question being taken on the passage of the bill,

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

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

H. F. No. 523: A bill for an act relating to public lands; authorizing the state and counties to exchange land; amending Minnesota Statutes 1974, Sections 373.01, Subdivision 1; 94.342, Subdivision 3; and 94.343, Subdivisions 1 and 3.

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

The question being taken on the passage of the bill,

And the roll being called, there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

CALENDAR OF ORDINARY MATTERS

S. F. No. 2237: A bill for an act directing the sale of a certain parcel of tax forfeited land in St. Louis county.

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

The question being taken on the passage of the bill,

And the roll being called, there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Doty in the chair.

After some time spent therein, the committee arose, and the President having resumed the chair, Mr. Doty reported that the committee had considered the following:

S. F. Nos. 1880, 1997, 1996, 2077, 1262 and 1976, which the committee recommends to pass.

S. F. No. 2219, which the committee recommends be returned to the author.

S. F. No. 2161, which the committee recommends to pass with the following amendment offered by Mr. Ashbach:

Page 1, after line 20, insert:

"Sec. 2. Notwithstanding the provisions of Minnesota Statutes, Chapter 340 or Section 624.701 or any other law or ordinance to the contrary, the governing body of the city of Roseville may issue one temporary on-sale intoxicating liquor license in each year for not to exceed one 24 consecutive hour period to a holder of a valid on-sale liquor license, which will permit the licensee to sell intoxicating liquor or food or both off the licensed premises in connection with the Central Park Foundation Ball, and in the year 1976, only, the governing body of the city of Roseville may issue an additional temporary on-sale intoxicating liquor license for not to exceed one 24 consecutive hour period to a holder of a valid on-sale liquor license, which will permit the licensee to sell intoxicating liquor or food or both off the licensed premises in connection with the Roseville Bicentennial Town Gathering. The temporary licenses shall be subject to local ordinances and to such terms, including a license fee, as the issuing authority shall prescribe."

Renumber the remaining section

Further amend the title as follows:

Page 1, line 3, strike "a"

Page 1, line 4, strike "festival" and insert "festivals"

S. F. No. 1876, which the committee recommends to pass with the following amendment offered by Mr. North:

Page 5, line 20, after the period insert "*A state employee who serves on an advisory council or committee as a representative of a specific state department or agency shall not receive the \$35 per day.*"

S. F. No. 1388, which the committee recommends to pass with the following amendment offered by Mr. Kowalczyk:

Page 1, line 10, after "nurse" insert "*,on the days when she is on regular duty at a school,*"

Page 1, line 13, before "shall" insert a comma

H. F. No. 109 which the committee reports progress, subject to the following motion:

Mr. North moved to amend the amendment placed on H. F. No. 109 by the Committee on Governmental Operations, adopted by the Senate on February 9, 1976, as follows:

After Section 1, insert:

"Sec. 2. [4.035] [EXECUTIVE ORDERS.] *Subdivision 1. [APPLICABILITY.] A written statement or order executed by the governor pursuant to his constitutional or statutory authority and denominated by him as an executive order, or a statement or order of the governor required by law to be in the form of an executive order, shall be uniform in format, shall be numbered consecutively, and shall be effective and expire as provided in this section. Executive orders creating agencies shall be consistent with the provisions of this section and section 5.*

Subd. 2. [EFFECTIVE DATE.] An executive order issued pursuant to sections 12.31 to 12.32 or any other emergency executive order issued to protect a person from an imminent threat to his health and safety shall be effective immediately and shall be filed with the secretary of state and published in the state register as soon as possible after its issuance. Emergency executive orders shall be identified as such in the order. Any other executive order shall be effective, and shall be filed with the secretary of state, 15 days after its publication in the state register. The governor shall submit a copy of the executive order to the commissioner to facilitate publication in the state register.

Subd. 3. [EXPIRATION DATE.] Unless an earlier date is specified by statute or by executive order, an executive order shall expire 30 days after the date that the governor who issued the order vacates his office.

Sec. 3. Minnesota Statutes, 1975 Supplement, Section 15.051, Subdivision 1, is amended to read:

15.051 [STATE REGISTER.] Subdivision 1. [PURPOSE.] The commissioner of administration shall publish a state register containing all notices for hearings concerning rules, giving time,

place and purpose of the hearing and the full text of the action being proposed. Further, the register shall contain all rules, amendments, suspensions, or repeals thereof, pursuant to the provisions of this chapter. The commissioner shall further publish any executive order issued by the governor which shall become effective ~~upon such~~ 15 days after publication except as provided in section 2, subdivision 2. The commissioner shall further publish any official notices in the register which a state agency requests him to publish. Such notices shall include, but shall not be limited to, the date on which a new agency becomes operational, the assumption of a new function by an existing state agency, or the appointment of commissioners. The commissioner may prescribe the form and manner in which agencies submit any material for publication in the state register, and he may withhold publication of any material not submitted according to the form or procedures he has prescribed.

The commissioner of administration may organize and distribute the contents of the register according to such categories as will provide economic publication and distribution and will offer easy access to information by any interested party.

Sec. 4. Minnesota Statutes 1974, Section 15.051, Subdivision 3, is amended to read:

Subd. 3. [SUBMISSION OF ITEMS FOR PUBLICATION.] Any state agency which desires to publish a notice of hearing, rule or regulation or change thereof, ~~or an executive order~~, shall submit a copy of the entire document, including dates when adopted, and filed with the secretary of state, to the commissioner of administration in addition to any other copies which may be required to be filed with the commissioner by other law.

Sec. 5. [15.0593] [AGENCIES CREATED BY EXECUTIVE ORDER.] *The governor may by executive order create in his office advisory task forces, councils and committees to advise or assist him on matters relating to the laws of this state. A task force, council or committee so created shall have no more than 15 members, and vacancies may be filled by the governor. Members of a task force, council or committee shall receive no per diem but may be paid expenses in the same manner as state employees. A task force, council or committee shall expire two years after the date of the order unless otherwise specified consistent with section 2, subdivision 3. The task force, council or committee shall be named beginning with the prefix "Governor's Task Force on", "Governor's Council on" or "Governor's Committee on". The governor shall not create a board, commission, authority or other similar multi-member agency except as provided in this section. A multi-member agency previously created by executive order shall be renamed and shall be consistent with the provisions of this section. Nothing in this section shall apply, to the extent inconsistent with statute or federal law, to any multi-member agency specifically authorized by statute or specifically authorized by federal law as a condition precedent to the receipt of federal moneys.*

After the last line of Sec. 4, insert:

"Sec. 8. Minnesota Statutes 1974, Section 16.125, is amended to read:

16.125 [TRANSFER OF POWERS OR DUTIES.] *Subdivision 1. The authority of the commissioner of administration under sections 16.13 and 16.135, includes the authority to transfer functions, in order to improve efficiency or avoid duplication, may transfer powers or duties, and personnel necessary to perform the powers or duties, of a department to another or agency with the approval of the governor to another department or agency that has been in existence for at least one year prior to the date of transfer. A transfer must have received the prior approval of the governor.*

Subd. 2. [FORM OF TRANSFER; EFFECTIVE DATE.] A transfer made pursuant to subdivision 1 shall be in the form of a reorganization order. A reorganization order shall be filed with the secretary of state, shall be uniform in format and shall be numbered consecutively. An order shall be effective upon filing with the secretary of state and shall remain in effect until amended or superseded. Copies of the filed order shall be delivered promptly by the commissioner to the secretary of the senate and the chief clerk of the house.

Subd. 3. [CERTAIN REORGANIZATION ORDERS.] A reorganization order which transfers all or substantially all of the powers or duties of a department, the energy agency, the housing finance agency or the pollution control agency shall be submitted to the chief clerk of the house and the secretary of the senate, and the order shall not become effective if the legislature by concurrent resolution disapproves the order before the 20th legislative day after its submission to the chief clerk of the house and the secretary of the senate.

Subd. 4. In case of transfer of function The commissioner of finance shall determine the fractional part of the appropriation to the department or agency from which the function power or duty is transferred for the function represented by that transferred power or duty, and that part of the appropriation is hereby reappropriated to the transferee department or agency assigned the function. The commissioner shall forthwith report the transfers to the committee on finance in the senate and the committee on appropriations in the house of representatives."

Renumber the sections in sequence

Section 39, line 1, after "Sections" insert "16.13,"

Amend the title amendment as follows:

Line 6 of the title amendment, after "heads;" insert "standardizing the format and procedures relating to executive orders and reorganization orders; prescribing uses for executive orders; limiting the scope of reorganization orders;"

Line 7 of the title amendment, after "Sections" insert "15.051, Subdivision 3;"

Line 7 of the title amendment, after "16.01;" insert "16.125;"

Line 17 of the title amendment, strike "Section" and insert "Sections 15.051, Subdivision 1; and"

Line 17 of the title amendment, after "Sections" insert "16.13;"

The motion prevailed. So the amendment was adopted.

H. F. No. 59, which the committee recommends to pass with the following amendment offered by Mr. Olhoft:

Page 1, line 14, strike "*such*" and insert "*the*"

Page 1, line 15, strike "*such*" and insert "*a*"

Page 1, line 16, strike "*or her*"

Page 1, line 16, strike "*such*"

Page 1, line 17, strike "*he or she*" and insert "*the secretary of state*"

Page 1, line 21, strike "*said*" and insert "*the*"

Page 1, line 22, strike "*such*" and insert "*the*"

And then, on motion of Mr. Doty, the report of the Committee of the Whole, as kept by the Secretary, was adopted.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman moved that the Senate do now adjourn until 12:30 o'clock p.m., Friday, March 5, 1976. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate