

## EIGHTY-SEVENTH DAY

St. Paul, Minnesota, Thursday, March 11, 1976

The Senate met at 10:00 o'clock a.m. and was called to order by the President.

Prayer was offered by the Chaplain, Rabbi Harold Schechter.

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

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

The President declared a quorum present.

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

## 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:

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

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

**MEMBERS EXCUSED**

Mr. Merriam was excused from the Session of today. Messrs. Anderson, Fitzsimons and Hansen, Mel were excused from this evening's Session. Mr. Bang was excused from the Session of today at 3:00 o'clock p.m. Mr. Lewis was excused from this evening's Session at 6:00 o'clock p.m. Mr. Berg was excused from this evening's Session at 7:30 o'clock p.m. Mr. Keefe, J. was excused from this evening's Session at 8:00 o'clock p.m. Mr. Spear was excused from the early part of this evening's Session until 8:15 o'clock p.m.

**EXECUTIVE AND OFFICIAL COMMUNICATIONS**

March 8, 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
869		28	March 5	March 5
1551		29	March 5	March 5
	369	30	March 5	March 5
	717	31	March 5	March 5
	719	32	March 5	March 5
	933	33	March 5	March 5
	951	34	March 5	March 5
	1104	35	March 5	March 5
	1191	36	March 5	March 5

Sincerely,

Joan Anderson Growe  
Secretary of State

March 9, 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
570		37	March 8	March 8
1816		38	March 8	March 8
	1527	39	March 8	March 8
	1995	40	March 8	March 8
	2170	41	March 8	March 8

Sincerely,

Joan Anderson Growe  
Secretary of State

### INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Messrs. Solon; Perpich, G. and Doty introduced—

S. F. No. 2512: A bill for an act relating to St. Louis county; limiting the property tax levy.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Kirchner and Nelson introduced—

S. F. No. 2513: A bill for an act relating to licensing of electricians; fees for license and license renewal; amending Minnesota Statutes 1974, Section 326.242, Subdivision 8.

Referred to the Committee on Labor and Commerce.

Messrs. Olhoft, Milton and Laufenburger introduced—

S. F. No. 2514: A bill for an act relating to taxation; providing for a refund of certain amounts of taxes paid for the 1975 taxable year; appropriating money.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Stokowski and Schaaf, by request, introduced—

S. F. No. 2515: A bill for an act relating to the city of Columbia Heights; providing for the appointment of certain public safety personnel in the city.

Referred to the Committee on Metropolitan and Urban Affairs.

Messrs. Hughes, Knutson and Milton introduced—

S. F. No. 2516: A bill for an act relating to physicians; requiring continuing medical education; providing for reporting of credit hours, granting of extensions, and discipline; defining terms.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Stumpf and Hughes introduced—

S. F. No. 2517: A bill for an act relating to Ramsey county; increasing to five the number of members of the Ramsey county civil service commission.

Referred to the Committee on Metropolitan and Urban Affairs.

Mr. Stumpf introduced—

S. F. No. 2518: A bill for an act relating to public employment labor relations; providing for the determination of the fair share payment; amending Minnesota Statutes 1974, Section 179.65, Subdivision 2.

Referred to the Committee on Labor and Commerce.

Mr. Milton introduced—

S. F. No. 2519: A bill for an act relating to Ramsey county; providing that the county assessor, the county highway engineer and the veterans service officer serve at the pleasure of the board of county commissioners.

Referred to the Committee on Metropolitan and Urban Affairs.

Mr. O'Neill introduced—

S. F. No. 2520: A bill for an act relating to automobile insurance; changing priority of certain benefits; requiring certain premium reductions; providing income loss coverage to disabled unemployment compensation recipients; amending Minnesota Statutes 1974, Sections 65B.44, Subdivision 3; 65B.61; and 65B.70, by adding a subdivision.

Referred to the Committee on Labor and Commerce.

Messrs. Berg, Brown and O'Neill introduced—

S. F. No. 2521: A bill for an act relating to taxation; providing that amounts paid as social security taxes be excluded from gross income for purposes of income tax calculations; amending Minnesota Statutes, 1975 Supplement, Section 290.01, Subdivision 20.

Referred to the Committee on Taxes and Tax Laws.

Mr. Spear introduced—

S. F. No. 2522: A bill for an act relating to public records; regulating the administration of the state archives and state and local public records; providing a penalty; amending Minnesota Statutes 1974, Sections 138.161; 138.162; 138.17, Subdivisions 1, 6, and 7; 138.18, 138.19; 138.20; and 138.21; and Chapter 138, by adding sections; repealing Minnesota Statutes 1974, Section 16.66.

Referred to the Committee on Governmental Operations.

**Messrs. Keefe, S.; Spear and Tennesen introduced—**

S. F. No. 2523: A bill for an act relating to general assistance; providing that a person employed in a general assistance work program who subsequently applies for a similar position with state or municipal government will be credited with the prior work experience; amending Minnesota Statutes 1974, Section 256D.11, Subdivision 2.

Referred to the Committee on Health, Welfare and Corrections.

**Mr. Wegener introduced—**

S. F. No. 2524: A bill for an act relating to the city of Little Falls; firemen's service pensions.

Referred to the Committee on Governmental Operations.

**Mr. Wegener introduced—**

S. F. No. 2525: A bill for an act relating to health; exempting certain leased public health facilities from property taxation; amending Minnesota Statutes 1974, Section 447.47.

Referred to the Committee on Taxes and Tax Laws.

**Messrs. Olson, J. L.; O'Neill and Jensen introduced—**

S. F. No. 2526: A bill for an act relating to taxation; reducing corporate and individual income tax rates; providing for an investment credit; allowing deduction of federal taxes paid by corporations and benefits for hiring certain persons; permitting use of income averaging method for calculating taxable income; amending Minnesota Statutes 1974, Sections 290.06, Subdivision 1, and by adding a subdivision; 290.09, by adding a subdivision; and Chapter 290, by adding a section; and Minnesota Statutes, 1975 Supplement, Sections 290.06, Subdivision 2c; and 290.09, Subdivision 4.

Referred to the Committee on Taxes and Tax Laws.

**Messrs. Keefe, J.; Keefe, S. and Berg introduced—**

S. F. No. 2527: A bill for an act relating to elections; permitting use of term "independent"; amending Minnesota Statutes, 1975 Supplement, Section 202A.11, Subdivision 2.

Referred to the Committee on Transportation and General Legislation.

**Mr. Perpich, A. J. introduced—**

S. F. No. 2528: A bill for an act relating to state government; appropriating money to the Grand Portage Reservation Business Council.

Referred to the Committee on Finance.

Mr. McCutcheon introduced—

S. F. No. 2529: A bill for an act relating to taxation; increasing the homestead base value for purposes of property taxation; amending Minnesota Statutes, 1975 Supplement, Section 273.122, Subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. McCutcheon introduced—

S. F. No. 2530: A bill for an act relating to taxation; providing for additional income-adjusted homestead credit relief in certain cases; amending Minnesota Statutes, 1975 Supplement, Section 290A.04, Subdivision 2, and by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Mr. Laufenburger introduced—

S. F. No. 2531: A bill for an act relating to local improvements; requiring the payment of interest by municipalities on money due under public improvement contracts and not paid in accordance with such contracts; amending Minnesota Statutes 1974, Chapter 429, by adding a section.

Referred to the Committee on Local Government.

Mr. Kleinbaum introduced—

S. F. No. 2532: A bill for an act relating to ambulance services; reimbursing volunteer ambulance attendants for training school expenses; appropriating money; amending Minnesota Statutes 1974, Chapter 144, by adding a section.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Ueland introduced—

S. F. No. 2533: A bill for an act relating to the city of Mankato; public transit; granting to the city of Mankato certain powers, duties and exemptions provided by law for transit commissions.

Referred to the Committee on Local Government.

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

S. F. No. 2534: A bill for an act relating to appropriations; appropriating funds for seminars for local governmental officials.

Referred to the Committee on Local Government.

Messrs. Ueland and Renneke introduced—

S. F. No. 2535: A bill for an act relating to state lands; authorizing conveyance by the state of an easement for utility purposes over certain state lands in Blue Earth county.

Referred to the Committee on Natural Resources and Agriculture.

Messrs. Anderson, Fitzsimons and Arnold introduced—

S. F. No. 2536: A bill for an act relating to historic sites; establishing a state interpretive center system consisting of sites throughout the state which are of interest for their historic or environmental significance.

Referred to the Committee on Natural Resources and Agriculture.

Mr. Solon introduced—

S. F. No. 2537: A bill for an act relating to state government; requiring a public employer who employs a member of a state board, committee, council, commission, authority or task force to be reimbursed for expenses incurred in releasing the employee for such service; amending Minnesota Statutes 1974, Chapter 15, by adding a section.

Referred to the Committee on Governmental Operations.

Mr. Chmielewski introduced—

S. F. No. 2538: A bill for an act relating to taxation; exempting advertising billboards from property taxation; amending Minnesota Statutes, 1975 Supplement, Section 272.02, Subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. O'Neill introduced—

S. F. No. 2539: A bill for an act relating to state government; creating a board of sheet metal, heating, ventilation and air conditioning; permitting a statewide license; appropriating money.

Referred to the Committee on Labor and Commerce.

Messrs. Frederick, Fitzsimons and Berg introduced—

S. F. No. 2540: A bill for an act proposing an amendment to the Minnesota Constitution, Article IV, Section 12; providing a regular session of the legislature in odd numbered years only.

Referred to the Committee on Governmental Operations.

Mr. Spear introduced—

S. F. No. 2541: A bill for an act relating to contests and giveaways; requiring certain disclosure; providing a penalty.

Referred to the Committee on Labor and Commerce.

Messrs. Berg, Bernhagen and Schrom introduced—

S. F. No. 2542: A bill for an act relating to taxation; distribution of proceeds of taxation of electric transmission and certain distribution lines; amending Minnesota Statutes, 1975 Supplement, Section 124.212, Subdivision 2; and Minnesota Statutes 1974, Section 273.42.

Referred to the Committee on Taxes and Tax Laws.

Mr. Olson, A. G. introduced—

S. F. No. 2543: A bill for an act relating to taxation; providing for the taxation of unemployment compensation benefits if the recipient's other income is in excess of \$12,000 in the year; amending Minnesota Statutes 1974, Section 290.08, Subdivision 6.

Referred to the Committee on Taxes and Tax Laws.

#### 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. 1852.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 8, 1976

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned: S. F. Nos. 1252, 1901, 1924 and 1975.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 9, 1976

Mr. President:

I have the honor to announce the passage by the House of the following Senate File herewith returned: S. F. No. 2070.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 10, 1976



Mr. President:

I have the honor to announce the adoption by the House of the following House Concurrent Resolution, herewith transmitted:

House Concurrent Resolution No. 21: A house concurrent resolution designating September 13 to 19, 1976 as Minnesota Farmfest Week.

Edward A. Burdick, Chief Clerk, House of Representatives  
Transmitted March 10, 1976

Referred to the Committee on Rules and Administration.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1751:

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.

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

Dahl, McEachern and Wigley have been appointed as such committee on the part of the House.

House File No. 1751 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives  
Transmitted March 9, 1976

Mr. Bernhagen moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 1751, and that a Conference Committee of 3 members be appointed by the Committee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1530:

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

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

Cassery; Berg; Schreiber; Sieben, H. and Eken have been appointed as such committee on the part of the House.

House File No. 1530 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives  
Transmitted March 9, 1976

Mr. North moved that H. F. No. 1530 be laid on the table. The motion prevailed.

Mr. President:

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

S. F. No. 1383: A bill for an act relating to metropolitan government; regulating solid waste; amending Laws 1975, Chapter 13, Sections 1, by adding subdivisions; 11, Subdivision 1; 139; 140, Subdivision 1; 141; 142; 143; and 144; and by adding sections; repealing Laws 1975, Chapter 13, Section 140, Subdivision 2.

Senate File No. 1383 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned March 9, 1976

Mr. North moved that S. F. No. 1383 be laid on the table. The motion prevailed.

Mr. President:

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

S. F. No. 1794: A bill for an act relating to courts; prescribing the jurisdictional limits of conciliation courts in the counties of Hennepin and Ramsey; amending Minnesota Statutes 1974, Sections 488A.12, Subdivision 3; and 488A.29, Subdivision 3.

Senate File No. 1794 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned March 8, 1976

#### CONCURRENCE AND REPASSAGE

Mr. Gearty moved that the Senate concur in the amendments by the House to S. F. No. 1794 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1794: A bill for an act relating to courts; prescribing

the jurisdictional limits of conciliation courts in the counties of Hennepin and Ramsey; amending Minnesota Statutes 1974, Sections 488A.12, Subdivision 3; 488A.14, Subdivision 6; 488A.29, Subdivision 3; and 488A.31, Subdivision 6.

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

Senate File No. 1493 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 9, 1976

#### CONCURRENCE AND REPASSAGE

Mr. Schrom moved that the Senate concur in the amendments by the House to S. F. No. 1493 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1493 was read the third time, as amended by the House, and placed on its repassage.

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

And the roll being called, there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Keefe, J.	Olhoff	Schrom
Arnold	Doty	Keefe, S.	Olson, A. G.	Sillers
Ashbach	Dunn	Kirchner	Olson, H. D.	Solon
Bang	Fitzsimons	Kleinbaum	Olson, J. L.	Spear
Berg	Frederick	Knutson	O'Neill	Stassen
Bernhagen	Gearty	Kowalczyk	Patton	Stokowski
Blatz	Hansen, Baldy	Larson	Perpich, A. J.	Stumpf
Borden	Hansen, Mel	Lewis	Perpich, G.	Tennessee
Brataas	Hanson, R.	McCutcheon	Pillsbury	Ueland
Brown	Hughes	Milton	Purfeerst	Wegener
Chenoweth	Humphrey	Moe	Renneke	Willet
Chmielewski	Jensen	North	Schaaf	
Coleman	Josefson	Ogdahl	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 House Files, herewith transmitted: H. F. Nos. 435, 1988, 2225, 2335, 1349 and 1897.

Edward A. Burdick, Chief Clerk, House of Representatives  
Transmitted March 8, 1976

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 1382, 1953, 1979, 2188 and 2197.

Edward A. Burdick, Chief Clerk, House of Representatives  
Transmitted March 9, 1976

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 2441, 1961, 1962, 1963, 1964, 1966, 1967, 2007, 2009, 2010, 2090, 2155, 2159, 595, 1913, 1918, 1919, 1960, 2048, 2321, 2338, 2518, 1926, 2342, 2442, 2463, 2490, 424, 608, 1866, 2022 and 2344.

Edward A. Burdick, Chief Clerk, House of Representatives  
Transmitted March 10, 1976

**FIRST READING OF HOUSE BILLS**

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

**H. F. No. 435:** 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.

Referred to the Committee on Rules and Administration.

**H. F. No. 1988:** 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.

Referred to the Committee on Rules and Administration.

**H. F. No. 2225:** A bill for an act relating to veterans affairs; applications for adjusted compensation; establishing an application time limit; extending the appropriation expiration date; amending Minnesota Statutes, 1975 Supplement, Section 197.973; and Laws 1975, Chapter 3, Section 2.

Referred to the Committee on Rules and Administration.

**H. F. No. 2335:** A bill for an act relating to insurance; revising financial requirements for certain insurance companies; amending Minnesota Statutes 1974, Section 60A.07, Subdivisions 5a, 5b, 5c and 5d.

Referred to the Committee on Rules and Administration.

**H. F. No. 1349:** A bill for an act relating to taxation; increasing inheritance tax exemptions; providing that the same inheritance rates and exemptions apply to widow and widower; increasing the maintenance deduction; providing for the payment of the inheritance tax in installments over five years; providing an undue hardship deferral; amending Minnesota Statutes 1974, Sections 291.03; 291.05; 291.10; 291.11, Subdivision 1; 291.14, Subdivision 2; 291.20, Subdivisions 1 and 4; and Chapter 291, by adding a section; and Minnesota Statutes, 1975 Supplement, Sections 291.131, Subdivision 6; 291.132; and 291.14, Subdivision 4.

Referred to the Committee on Rules and Administration.

**H. F. No. 1897:** A bill for an act relating to game and fish; commercial fishing on Lake of the Woods; amending Minnesota Statutes 1974, Section 102.26, Subdivision 2.

Referred to the Committee on Natural Resources and Agriculture.

**H. F. No. 1382:** A bill for an act relating to transportation; authorizing the commissioner of administration to acquire vehicles for the car pooling of state employees; removing, restricting or clarifying certain laws which discourage use of shared ride commuter vans to transport employees to and from work; providing

certain incentives; appropriating money; amending Minnesota Statutes 1974, Chapter 221, by adding a section; and Sections 16.85, Subdivision 1; and 65B.47, Subdivisions 1 and 2; and Minnesota Statutes, 1975 Supplement, Sections 65B.43, Subdivision 12; 221.011, Subdivision 22; repealing Minnesota Statutes 1974, Section 16.755.

Referred to the Committee on Rules and Administration.

H. F. No. 1953: 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.

H. F. No. 1979: A bill for an act relating to taxation; defining "claimant" for purposes of certain homestead credits; amending Minnesota Statutes, 1975 Supplement, Sections 290A.03, Subdivision 8; and 290A.04, Subdivisions 2 and 3.

Referred to the Committee on Taxes and Tax Laws.

H. F. No. 2188: A bill for an act relating to motor vehicles; defining powers of the registrar of motor vehicles; providing for the appointment of private deputy registrars; providing for the appointment of a county license bureau director as deputy registrar; amending Minnesota Statutes 1974, Sections 168.33, Subdivision 7; and 373.35, Subdivision 1; and Minnesota Statutes, 1975 Supplement, Section 168.33, Subdivision 2; repealing Minnesota Statutes 1974, Section 373.36.

Referred to the Committee on Transportation and General Legislation.

H. F. No. 2197: A bill for an act relating to insurance; providing for certain mandatory deductible offerings; amending Minnesota Statutes 1974, Section 65B.49, Subdivision 5.

Referred to the Committee on Labor and Commerce.

H. F. No. 2441: A bill for an act relating to Minnesota Statutes; providing for the correction of erroneous, ambiguous, omitted and obsolete references and text; reenacting certain laws inadvertently repealed; eliminating certain duplicitious and conflicting provisions superseded by or conflicting with other provisions of law; amending Minnesota Statutes 1974, Chapter 359, by adding a section; Sections 9.031, Subdivision 3; 15.50, Subdivision 2; 16.02, Subdivision 14; 16.13; 16.872, Subdivision 2; 16A.125, Subdivision 6; 30.464, Subdivision 1; 30.467; 30.469; 38.02, Subdivision 2; 43.07, Subdivision 1; 72A.25, Subdivision 3; 86.41; 110.53; 116F.08; 121.85; 121.86; 121.88; 123.32, Subdivision 7; 144.01; 144.63, Subdivision 2; 144.952, Subdivision 1; 151.02; 155.04; 156.11; 176.471, Subdivision 3; 205.10, as amended; 216.25; 239.46; 246.02, Subdivision 4; 248.07, Subdivision 4; 253A.02, Subdivision 18; 256.863; 256.935, Subdivision 1; 256D.-21; 268.10, Subdivision 8; 270.10, Subdivision 1; 271.10, Subdi-

vision 2; 275.127; 291.33, Subdivision 1; 298.281, Subdivision 5; 306.38, Subdivision 2; 309.52, Subdivision 1a; 319A.11, Subdivision 2; 341.05, Subdivision 2; 341.06; 341.07; 341.08; 341.09, Subdivisions 2 and 3; 341.12; 341.13; 341.15; 345.38, Subdivision 1; 355.80; 363.10; 366.10; 368.01, Subdivision 25; 375A.09, Subdivision 4; 414.07, Subdivision 2; 414.08; 430.031, Subdivision 4; 462A.04, Subdivision 1; 472.03, Subdivision 2; 481.15, Subdivision 2; 487.03, Subdivision 2; 490.12, Subdivision 5; 490.16, Subdivision 6; 532.38; 546.09; 546.10; 562.04; 617.41; Minnesota Statutes, 1975 Supplement, Sections 15.162, Subdivision 1; 15.163, Subdivision 2; 15.166, Subdivisions 1 and 2; 15.167; 43.12, Subdivision 23; 43.43, Subdivision 2; 82.18; 116A.01, Subdivision 1a; 116A.20, Subdivision 1; 116A.24, Subdivision 1; 121.87, Subdivision 1; 123.36, Subdivision 10; 124.03, Subdivision 1; 124.212, Subdivision 8a; 127.25, Subdivision 3; 136A.233, Subdivision 1; 144.53; 147.01; 148.03; 148.181, Subdivision 1; 148.52; 148.67; 150A.02, Subdivision 1; 153.02; 154.22; 156.01, Subdivision 1; 210A.09; 273.138, Subdivision 3; 298.281, Subdivision 1; 325.942, Subdivision 1; 326.04; 326.17; 326.241, Subdivision 1; 326.541; 341.01; 341.04; 341.05, Subdivision 1; 341.10; 341.11; 354A.12; 386.63, Subdivision 1; 473.204, Subdivision 2; 473.823, Subdivision 4; 488A.01, Subdivision 5; 500.24, Subdivision 2; 501.81, Subdivision 3; Laws 1975, Chapter 271, Section 3; reenacting Laws 1969, Chapters 1123, as amended; 1126, Section 2, as amended; and 1137, as amended; repealing Minnesota Statutes 1974, Sections 15A.081, Subdivision 1a; 123.31, as amended; 239.45; and 366.182; Laws 1975, Chapters 46, Section 11; 162, Section 28; and 342, Section 1; Laws 1976, Chapter 2, Section 152.

Referred to the Committee on Judiciary.

H. F. No. 1961: A bill for an act relating to the city of Chanhassen; firemen's service pensions.

Referred to the Committee on Rules and Administration.

H. F. No. 1962: A bill for an act relating to the city of Wadena; increasing payments for firemen's relief association service pensions.

Referred to the Committee on Governmental Operations.

H. F. No. 1963: A bill for an act relating to the city of Mound; firemen's service pensions; amending Laws 1973, Chapter 175, Section 1, as amended.

Referred to the Committee on Rules and Administration.

H. F. No. 1964: A bill for an act relating to the city of Newport; volunteer firemen's service pensions.

Referred to the Committee on Governmental Operations.

H. F. No. 1966: A bill for an act relating to judges; authoriz-

ing certain retired judges and their dependents to participate in the state employee hospital benefits and medical benefits program; amending Minnesota Statutes 1974, Section 43.491, by adding a subdivision.

Referred to the Committee on Rules and Administration.

H. F. No. 1967: A bill for an act relating to the city of Rockford; proportionate service pensions and financing requirements of the firemen's relief association.

Referred to the Committee on Governmental Operations.

H. F. No. 2007: A bill for an act relating to the city of Wayzata; volunteer firemen's service pensions; amending Laws 1973, Chapter 472, Section 1.

Referred to the Committee on Governmental Operations.

H. F. No. 2009: A bill for an act relating to the city of Eveleth; firemen's pensions therein; amending Laws 1935, Chapter 208, Section 11, as added.

Referred to the Committee on Rules and Administration.

H. F. No. 2010: A bill for an act relating to the city of Eveleth; increase in police pensions; amending Laws 1965, Chapter 636, Section 8, as added.

Referred to the Committee on Rules and Administration.

H. F. No. 2090: A bill for an act relating to the city of Worthington; volunteer firemen's service pensions.

Referred to the Committee on Rules and Administration.

H. F. No. 2155: A bill for an act relating to retirement; proportionate annuities for members of various funds; amending Minnesota Statutes, 1975 Supplement, Section 356.32, Subdivision 2.

Referred to the Committee on Governmental Operations.

H. F. No. 2159: A bill for an act relating to the city of Minneapolis; municipal employees survivor benefits; amending Minnesota Statutes 1974, Section 422A.23, Subdivisions 2 and 3; repealing Minnesota Statutes 1974, Section 422A.23, Subdivision 4.

Referred to the Committee on Governmental Operations.

H. F. No. 595: A bill for an act relating to retirement; authorized expenditures of firemen's relief associations; amending Minnesota Statutes 1974, Section 424.31.

Referred to the Committee on Governmental Operations.

H. F. No. 1913: A bill for an act relating to the city of Waseca; authorizing lump sum firemen's service pensions.



Referred to the Committee on Governmental Operations.

H. F. No. 1918: A bill for an act relating to the city of Shakopee; authorizing an increase in fire department relief association lump sum service benefits.

Referred to the Committee on Rules and Administration.

H. F. No. 1919: A bill for an act relating to public employees; providing for state recognition of the certified professional secretary examination.

Referred to the Committee on Governmental Operations.

H. F. No. 1960: A bill for an act relating to the firemen's relief association of the city of Goodview; providing that years of service with the Goodview volunteer fire department shall be treated as years of service with the Goodview firemen's relief association; repealing Laws 1974, Chapter 188.

Referred to the Committee on Rules and Administration.

H. F. No. 2048: A bill for an act relating to highways; authorizing the use by certain local business and religious establishments of certain advertising devices on certain highways; amending Minnesota Statutes 1974, Sections 160.283, by adding a subdivision; and 160.284.

Referred to the Committee on Transportation and General Legislation.

H. F. No. 2321: A bill for an act relating to the city of Sauk Rapids; fireman's lump sum service pensions; amending Laws 1973, Chapter 481, Section 1.

Referred to the Committee on Governmental Operations.

H. F. No. 2338: A bill for an act relating to the city of Fergus Falls; firemen's service pensions; amending Laws 1971, Chapter 2, Section 1.

Referred to the Committee on Governmental Operations.

H. F. No. 2518: 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 Rules and Administration.

H. F. No. 1926: A bill for an act relating to drugs; clarifying the prohibition against sale or possession of legend drugs by certain persons; authorizing local detoxification centers to purchase and possess legend drugs; amending Minnesota Statutes 1974, Section 151.37, Subdivision 5.

Referred to the Committee on Rules and Administration.

H. F. No. 2342: A bill for an act relating to state hospitals; providing certain name changes; amending Minnesota Statutes 1974, Sections 252.025, Subdivision 1; 253.201; 253A.02, by adding a subdivision; and 254.05.

Referred to the Committee on Finance.

H. F. No. 2442: A bill for an act relating to Minnesota Statutes; restoring certain erroneously omitted language; amending Laws 1975, Chapter 347, Section 3.

Referred to the Committee on Judiciary.

H. F. No. 2463: A bill for an act relating to highway traffic regulations; defining terms; authorizing flashing lights on certain vehicles; authorizing certain vehicles to be equipped with a flashing amber lamp and to display the lighted lamp under certain conditions; amending Minnesota Statutes 1974, Sections 169.01, by adding a subdivision; and 169.64, Subdivision 3, and by adding a subdivision.

Referred to the Committee on Rules and Administration.

H. F. No. 2490: 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.

Referred to the Committee on Rules and Administration.

H. F. No. 424: A bill for an act relating to tort liability of cities, counties, towns, public authorities, certain public corporations, school districts and political subdivisions of the state; amending Minnesota Statutes 1974, Section 466.05, Subdivision 1.

Referred to the Committee on Judiciary.

H. F. No. 608: A bill for an act relating to labor; specifying a minimum wage rate for agricultural sugar beet workers; appropriating money; amending Minnesota Statutes 1974, Chapter 177, by adding a section.

Referred to the Committee on Labor and Commerce.

H. F. No. 1866: 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, Sections 466.04, Subdivision 1, and by adding subdivisions; and 466.05, Subdivision 2.

Referred to the Committee on Judiciary.

H. F. No. 2022: A bill for an act relating to real property; title registration; providing for the issuance of duplicate certificates of title to replace lost or destroyed duplicate certificates; prescribing fees of the registrar; amending Minnesota Statutes 1974, Sections 508.44 and 508.82.

Referred to the Committee on Rules and Administration.

H. F. No. 2344: A bill for an act relating to physicians; requiring continuing medical education; providing for reporting of credit hours, granting of extensions, and discipline; defining terms.

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. 2096, 2247, 1895 and 1950 and reports pertaining to appointments. The motion prevailed.

Mr. Laufenburger from the Committee on Transportation and General Legislation, to which were referred the following appointments as reported in the Journal for February 20, 1976:

### ETHICAL PRACTICES BOARD

Roger Noreen

Harold Chase

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

S. F. No. 2156: A bill for an act relating to public safety; highway patrol; authorizing the commissioner of public safety to maintain certain aircraft; excepting certain personnel in the department of public safety from the requirement of reimbursing the state for the cost of using state-owned vehicles; amending Minnesota Statutes, 1975 Supplement, Section 16.753.

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

Page 2, line 6, strike "*two*" and insert "*helicopters and*"

Page 2, lines 9 to 12, strike all of section 3 and insert:

"Sec. 3. Laws 1975, Chapter 204, Section 31, Subdivision 2, is amended to read:

Subd. 2. Supplies and Expense    10,153,390    10,100,716

Of the amounts provided in subdivision 2, \$7,225,312 for the first year and \$6,848,124 for the second year are appropriated from the trunk highway fund for traffic safety programs.

Of the amounts provided in subdivision 2, \$1,862,264 for the first year and \$2,042,709 for the second year are appropriated from the

highway user tax distribution fund for administration of motor vehicle laws.

Of the amount provided in subdivision 2, \$1,065,814 for the first year and \$1,209,883 for the second year is appropriated from the general fund.

The commissioner is directed to sell or otherwise dispose of two fixed wing aircraft operated by the department of public safety prior to January 1, 1976. The commissioner shall maintain not more than three helicopters in flight condition. The three units which the department is authorized to maintain shall be located in and for primary use in the seven county metropolitan area. As the number of aircraft units is reduced as herein directed, the number of highway patrol officer pilots shall be reduced accordingly and those officers reassigned to road patrol duty. Once returned to road patrol duty, highway patrol officers shall not continue to receive flight status compensation in addition to their regular salaries. All moneys received from the sale of aircraft shall be deposited as non-dedicated receipts to the trunk highway fund."

Further, amend the title as follows:

Page 1, line 9, after "16.753" insert "; Laws 1975, Chapter 204, Section 31, Subdivision 2"

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

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

S. F. No. 2379: A bill for an act relating to public transit; authorizing public transit authorities to establish public transit aid programs designed to assist nonprofit organizations providing transit services to the elderly and handicapped.

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. 2053: A bill for an act relating to elections; providing for nonpartisan municipal elections in Duluth; amending Minnesota Statutes 1974, Section 205.17.

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

Page 2, line 1, strike "other"

Page 2, line 2, after "organized" insert ", except the city of Duluth"

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. 1971: A bill for an act relating to transportation; providing for rail transportation improvements throughout the state; creating the Minnesota rail line improvement fund; authorizing the development of a state plan for rail transportation and a feasibility study of rail line acquisition by the state or by a political subdivision of the state; appropriating money.

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

Strike everything after the enacting clause and insert:

"Section 1. [LEGISLATIVE PURPOSE.] The legislature finds and determines that integrated transportation systems, including railways, highways and airways, are necessary in order to meet the economic and energy needs of the citizens of the state, both now and in the future. The legislature finds that a portion of the present railroad system in the state does not provide adequate service to citizens of the state. The legislature further finds and determines that it is in the best interest of the state to establish and fund a rail service improvement program and to establish a railroad planning progress in order to preserve and improve essential rail service in the state.

Sec. 2. [CITATION.] Sections 1 to 10 may be cited as "the Minnesota rail service improvement act".

Sec. 3. [DEFINITIONS.] Subdivision 1. As used in sections 1 to 10, the terms defined in this section shall have the meanings given them herein.

Subd. 2. "Department" means the state planning agency.

Subd. 3. "Director" means the director of the state planning agency.

Subd. 4. "Rail line" means railroad roadbeds, track, track structure, and other appurtenances of railroad right-of-way.

Subd. 5. "Rail service" means rail transportation and local rail service.

Subd. 6. "Rail user" means shippers, consignors or other business entities that depend upon or benefit from the movement of goods and products by means of rail service.

Sec. 4. [RAIL SERVICE IMPROVEMENT FUND.] Subdivision 1. [DEPOSITS; APPROPRIATION.] The rail service improvement fund is created as a special account in the state treasury. All money appropriated to or received by the department for the purpose of rail service improvement, other than administrative costs, shall be deposited in this fund. All money so deposited is appropriated to the department for expenditure for rail service improvement in accordance with applicable federal law and subject to the expenditure restrictions provided in subdivision 2 of this section. Administrative costs for the rail service improvement program shall not be paid from the fund but shall be provided by direct appropriations to the department for this purpose.

Subd. 2. [EXPENDITURE RESTRICTIONS.] Direct appro-

priations to the rail service improvement fund, unless otherwise specified, shall be expended exclusively for rehabilitation of rail lines through contracts negotiated and entered into by the director. The participants in these contracts shall be railroads, rail users and the department, and may be political subdivisions of the state and the federal government. In such contracts, participation by all parties shall be voluntary.

Subd. 3. In making any contract pursuant to subdivision 2 the director may:

(1) Stipulate minimum operating standards for rail lines when improved, including speed, freight-carrying capacity, and frequency of service;

(2) Require a portion of the total assistance for improving a rail line to be loaned to the railroad by rail users and require the railroad to reimburse rail users for any loan on the basis of use of the line and the revenues produced when the line has been improved;

(3) Determine the terms and conditions under which all or any portion of state funds allocated shall be repaid to the department by the railroads. Reimbursement may be made as a portion of the increased revenue derived from the improved rail line. Any reimbursement received by the department pursuant to this clause shall be deposited in the rail service improvement fund and shall be appropriated exclusively for rehabilitating other rail lines in this state; and

(4) Require, in lieu of reimbursement as provided in clause (3) of this subdivision, that the railroad establish and maintain a separate railroad fund to be used exclusively for rehabilitation of other rail lines in Minnesota, to which a portion of the increase in revenue derived from the improved rail line shall be credited. The terms and conditions for use of moneys in the fund shall be stipulated in the contract. The contract shall also stipulate a penalty for use of such funds in a manner other than as set forth in the contract and require the railroad to report to the department at such times as the director requires, concerning the disbursement of funds and the general status of rail line improvements.

Sec. 5. [RAIL SERVICE IMPROVEMENT PROGRAM.] Subdivision 1. There is created the rail service improvement program to provide assistance for improvement of rail service in the state.

Subd. 2. The director shall identify those rail lines that have deteriorated or are in danger of deteriorating so as to be unable to carry the speeds and weights necessary to efficiently transport the goods and products moved or sought to be moved on the lines.

Subd. 3. The director shall have all the powers necessary and convenient to implement the rail service improvement program, including the power to:

(a) Develop criteria for determining priorities for the allocation of funds or in kind contributions to railroads. In determining priorities, the considerations of the director shall include the economic and social benefits to the state and to the area being served;

(b) Negotiate and enter into contracts for rail line rehabilitation or other rail service improvement;

(c) Disburse state and federal funds for rail service improvements;

(d) Adopt rules necessary to carry out the purposes of this act.

Sec. 6. [FUNDS OF POLITICAL SUBDIVISIONS.] The governing body of any political subdivision of the state may with the approval of the director appropriate money for rail service improvement and may participate in the state rail service improvement program.

Sec. 7. [COOPERATION BETWEEN STATES.] The director may cooperate with other states in connection with the rail service improvement program and the railroad planning process. In exercising the authority conferred by this section, the director may enter into contractual arrangements with other states.

Sec. 8. [ACCEPTANCE OF FEDERAL FUNDS.] The director may exercise those powers necessary for the state to qualify for, accept, and disburse any federal funds that may be made available pursuant to the provisions of the federal rail revitalization and regulatory reform act of 1976, or any other federal law, including the power to:

(a) Establish an adequate plan for rail services in the state as part of an overall planning process for all transportation services in the state, including a suitable process for updating, revising, and amending the plan,

(b) Administer and coordinate the plan with other state agencies, and provide for the equitable distribution of resources,

(c) Develop, promote, and support safe, adequate and efficient rail transportation services; employ qualified personnel; maintain adequate programs of investigation, research, promotion and development, with provisions for public participation; and take all practical steps to improve transportation safety and reduce transportation-related energy utilization and pollution,

(d) Adopt and maintain adequate procedures for financial control, accounting and performance evaluation in order to assure proper use of state and federal funds,

(e) Do all things otherwise necessary to maximize federal assistance to the state under the federal rail revitalization and regulatory reform act of 1976 or other relevant federal legislation.

Sec. 9. [ACCESS TO INFORMATION.] The director may request any railroad to provide such information as necessary to carry out the purposes of this act. Railroads operating within

the state shall provide such information within 60 days of the date of the request. The director may issue subpoenas to compel production of such information if not provided within the time required. The director shall exercise all necessary caution to avoid disclosure of confidential information supplied under this section.

Sec. 10. [APPROPRIATIONS.] Subdivision 1. There is appropriated from the general fund to the rail service improvement fund the sum of \$3,000,000.

Subd. 2. There is appropriated from the general fund to the state planning agency the sum of \$150,000 for administrative costs of the rail service improvement program, to be available until June 30, 1977.

Sec. 11. [EFFECTIVE DATE.] This act is effective the day following final enactment."

Further, amend the title as follows:

Page 1, strike lines 2 to 9 and insert:

"relating to transportation; creating a rail service improvement fund; authorizing contractual agreements for rail line rehabilitation; establishing a rail service improvement program; requiring study of state regulatory and tax policies affecting rail transportation; prescribing powers and duties of the director of the state planning agency; 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. 1788: A bill for an act relating to banks and banking; authorizing consumer banking facilities; providing penalties.

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

Page 2, line 4, strike "effects" and insert "affects"

Page 2, line 5, after "customers" strike the semicolon and insert ", or the use of a device which performs transactions for customers of a credit union or a savings and loan association as provided in section 5, subdivision 3 of this act."

Page 2, line 6, strike "except,"

Page 2, line 6, strike "exclude" and insert "include"

Page 2 after line 21, insert:

"Subd. 6. "Savings and loan association" means an association subject to the provisions of sections 51A.01 to 51A.57 and an association organized and existing under the laws of the United States and having its principal office in this state.



Subd. 7. "Credit union" means a credit union subject to the provisions of sections 52.01 to 52.22 and a credit union organized and existing under the laws of the United States and having its principal office in this state."

Page 4, line 6, after "bank." strike "Provided that any bank customer who has lost or has "

Page 4, strike lines 7 to 12

Page 5, line 21, after "facilities" insert "and which shall be based on a per transaction cost"

Page 5, line 21, after the period insert "Subject to the provisions of this act, anyone establishing and maintaining a consumer banking facility may make the same available for use by one or more savings and loan associations and credit unions and the customers thereof. A bank may participate upon contractual agreement in the use of a device which qualified as a consumer banking facility pursuant to the provisions of this act and is owned or operated by one or more savings and loan associations or credit unions. Any financial institution requesting use of a consumer banking facility shall be permitted use if the financial institution conforms to reasonable technical operation standards established by the facility provider and approved by the commissioner.

For the purposes of this subdivision consumer banking facility shall include all facilities used for transmitting information from the consumer banking facility to a financial institution."

Page 6, line 11, after "(c)" insert "Media advertising or"

Page 6, line 11, strike "to"

Page 6, line 12, strike "its customers"

Page 6, line 13, strike "which said banks will provide," and insert "and promoting their usage."

Page 6, strike line 14

Page 7, line 6, after "losses" strike "to"

Page 7, line 7, strike "its customers"

Page 7, strike lines 9 to 14 and insert "A bank shall be liable for all unauthorized withdrawals unless the unauthorized withdrawal was (a) due to the negligent conduct or the intentional misconduct of the operator of a consumer banking facility or his agent in which case the operator shall be liable , or (b) due to the loss or theft of the customer machine readable card in which case the customer shall be liable for those unauthorized withdrawals made prior to the time the bank is notified of the loss or theft subject to a maximum liability of \$50. Transactions which involve deposits or payments by a customer to a financial institution at a consumer banking facility are completed when the deposit or payment is made and the customer receives his receipt at the consumer banking facility. Any loss due to theft or other reason subsequent to that time is a loss by the bank."

Page 7, line 15, strike "unauthorized withdrawal."

Page 8, after line 31, insert:

"Sec. 12. Minnesota Statutes 1974, Chapter 52, is amended by adding a section to read:

[52.041] *Subdivision 1. [DEFINITIONS.] (a) A "credit union" means a cooperative association organized in accordance with the provisions of this chapter or Title 12 of the United States Code. (b) A "credit union consumer facility" means any manned or unmanned electronic based system, device or machine located separate and apart from the credit union offices through which a credit union member may communicate and obtain from his credit union any authorized service pursuant to terms of an existing contractual arrangement between a credit union and its member. The device may receive or dispense cash or transfer funds for a member's benefit, subject to verification of the credit union.*

*Subd. 2. [CREDIT UNION CONSUMER FACILITY; AUTHORITY.] A credit union having its principal office in this state may own, establish, maintain or use one or more credit union consumer facilities.*

*Subd. 3. [SHARED FACILITIES.] A credit union may participate in the ownership, establishment, maintenance or use of one or more credit union consumer facilities with one or more credit unions. A credit union may share upon contractual agreement with one or more federal or state charter commercial banks, mutual savings bank or savings and loan association having its principal office in this state. Approval to own, establish, maintain or use a credit union consumer facility shall be given by the commissioner of banks upon application of a credit union if it shall appear that the facility will benefit the members of the credit union and is consistent with purposes of Minnesota Statutes, Chapter 52.*

*Subd. 4. [RULES AND REGULATIONS.] Pursuant to Minnesota Statutes, Chapter 15, the commissioner of banks shall promulgate rules and regulations consistent with all applicable provisions of this act that are reasonably necessary to carry out and make effective the provisions and purposes of this section."*

Renumber the sections in sequence

Underline all the new language in the bill

Amend the title as follows:

Page 1, line 3, before the semicolon insert "and credit union facilities"

Page 1, line 3, after "penalties" insert "; amending Minnesota Statutes 1974, Chapter 52, by adding a section"

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. 2247: A bill for an act abolishing the Clearwater River Watershed district in the counties of Meeker, Stearns and Wright.

Reports the same back with the recommendation that the bill do pass. Mr. Bang 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. 2343: A bill for an act relating to game and fish; migratory waterfowl hunting hours; amending Minnesota Statutes 1974, Section 100.27, by adding a subdivision.

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

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

S. F. No. 2226: A bill for an act relating to counties; authorizing inclusion of cities in sewer and water districts; allowing certain special assessments; providing a flexible accounting system for multi-county projects; amending Minnesota Statutes 1974, Sections 116A.01, Subdivisions 1 and 2, and by adding a subdivision; 116A.16; 116A.17, Subdivision 2; and 116A.24, Subdivision 3; and Minnesota Statutes, 1975 Supplement, Sections 116A.01, Subdivisions 1a and 4; and 116A.20, Subdivisions 2 and 6.

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

Page 5, line 8, after "*county*" insert "*in its discretion*"

Page 5, line 9, after "*county*" insert "*, or in that part of the county located in the area to be served by the water or sewer or combined system, or in that part of the county located in the district in which the system is located,*"

Page 5, line 15, strike "*the payment of*" and insert "*all such ad valorem taxes not otherwise permitted to be levied under this subdivision from the state or federal funds or other funds made available to pay these costs under chapter 116A if and to the extent the funds become available. Each county, in its discretion, may levy ad valorem property taxes upon all taxable property*"

Page 5, strike lines 16 through 18

Page 5, line 19, strike "*the county, or*"

Page 6, line 24, strike "*development*"

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

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

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

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

Page 1, line 11, after "students" insert "*who meet eligibility criteria established by resolution of the hospital board*"

Page 1, line 13, strike "*in the state*"

Page 1, line 15, after the period insert "*No loan may exceed \$28,000 to any one applicant, to be paid in annual installments not to exceed \$7,000 per year. No loan may be made to any student who is receiving a similar loan under any other program authorized by law. Each recipient shall execute a note to the hospital district payable on demand for the principal amount of the loan, and for any interest agreed to by the parties. All other*"

Page 1, line 17, after "be" insert "*determined by the parties and shall be*"

Page 1, line 18, after the period insert "*If the recipient fails to fulfill the obligation to practice, the principal and interest, if any, shall be payable according to the terms of the note executed by the recipient.*"

Page 1, after line 18, insert

"Sec. 2. Minnesota Statutes 1974, Section 447.34, Subdivision 1, is amended to read:

447.34 [PAYMENT OF EXPENSES; TAXATION.] Subdivision 1. Expenses of acquisition, betterment, administration, operation, and maintenance of all hospital and nursing home facilities operated by any hospital district, *expenses incurred pursuant to section 1 of this act*, and the expenses of organization and administration of such district and of planning and financing such facilities, shall be paid from the revenues derived from such facilities, and to the extent necessary, from ad valorem taxes levied by the hospital board upon all taxable property situated within the district, and, to the extent determined from time to time by the board of county commissioners of any county in which territory of the district is situated, from appropriations made by said board in accordance with the provisions of Minnesota Statutes, Section 376.08, and any future laws amending or supplementing the same. Any moneys appropriated by such board of county commissioners for the acquisition or betterment of facilities of the hospital district may be transferred in the discretion of the hospital board to a sinking fund for bonds issued for that purpose. The hospital board may agree to repay to the county any sums appropriated by the board of county commissioners for this purpose, out of the net revenues to be derived from operation of its facilities, and subject to such terms as may be agreed upon. No taxes levied by a hospital district in any year, other than taxes levied for payment of bonded indebtedness, shall exceed in amount \$1.50 per capita of the population of the district according to the last state or federal census, if the amount proposed to be levied in excess of such amount, when added to the levy subject to the limitations of Minnesota Statutes, Section 275.10 or Section 275.11, of any of the municipalities within the district, would cause such municipal levy to exceed the limitations of such applicable section."

Amend the title as follows:

Page 1, line 5, after "1974," insert "Section 447.34, Subdivision 1; and"

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. 1987: A bill for an act relating to the city of Eveleth; firemen's pensions therein; amending Laws 1935, Chapter 208, Section 11, as added.

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

Page 1, line 18, after the period insert "*No retired member or surviving widow shall receive increases under both Laws 1975, Chapter 200, and this act.*"

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

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

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

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

Page 1, line 18, after the period insert "*No retired member or surviving widow shall receive increases under both Laws 1975, Chapter 186, and this act.*"

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

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

S. F. No. 1814: A bill for an act relating to the city of Worthington; volunteer firemen's service pensions.

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

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

S. F. No. 1802: A bill for an act relating to the firemen's relief association of the city of Goodview; providing that years of service with the Goodview volunteer fire department shall be treated as years of service with the Goodview firemen's relief association; repealing Laws 1974, Chapter 188.

Reports the same back with the recommendation that the bill do

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

Mr. Hansen, Baldy from the Committee on Labor and Commerce, to which was referred the following appointment as reported in the Journal for January 29, 1976:

#### **CABLE COMMUNICATIONS BOARD**

Arnold W. Aberman

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

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

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

S. F. No. 1944: A bill for an act relating to health; emphasizing what conditions make a certificate of need necessary; amending Minnesota Statutes 1974, Section 145.72, Subdivision 3, as amended.

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:

[145.761] [WAIVER.] *A proposal meeting the requirements of Section 145.72, Subdivision 3, clause (1) may be granted a waiver from the requirements of section 145.73 by the state board of health if the board determines that (a) the proposed capital expenditure is less than three percent of the annual operating budget of the facility applying for a waiver, and the expenditure is required solely to meet mandatory federal or state life, safety or other codes; or (b) the proposal involves projects not related to direct patient care services, such as parking lots, sprinkler systems, heating or air conditioning equipment, fire doors, food service equipment, building maintenance, or other projects of a like nature.*

*The request for a waiver shall be submitted by the applicant to the state board of health at the same time the applicant submits a notice of intent to the area wide comprehensive health planning agency pursuant to section 145.76, subdivision 1. The area wide comprehensive health planning agency shall submit its recommendation on the issue of the waiver to the state board of health, but the recommendation shall not be binding on the state board of health. The state board of health shall notify the applicant and the area wide comprehensive health planning agency of its decision to grant or deny the waiver within 60 days of receipt of the request.*

Sec. 2. Minnesota Statutes, 1975 Supplement, Section 145.811, is amended to read:

145.811 [APPEALS.] The decision of the state board of health made

pursuant to section 145.79, clauses (a) and (b) , or section 1 of this act shall be the final administrative decision. Notwithstanding that the proceeding before the state board of health is not a contested case, any person aggrieved by the decision of the state board of health denying a certificate of need or denying a waiver pursuant to section 1 of this act shall be entitled to judicial review in the manner provided for in sections 15.0424 to 15.0426.

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

Amend the title as follows:

Page 1, line 2, strike "emphasizing what conditions" and insert "providing for a waiver of the certificate of need requirements by the state board of health; amending Minnesota Statutes, 1975 Supplement, Section 145.811; and Minnesota Statutes 1974, Chapter 145, by adding a section."

Page 1, strike lines 3 to 5

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. 1872: A bill for an act relating to health; providing that persons eligible for medical assistance have free selection of a medical care vendor; amending Minnesota Statutes, 1975 Supplement, Sections 256D.03, Subdivision 3; and 261.21, Subdivision 2.

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

Page 1, line 17, strike "*this chapter*" and insert "*sections 256D.01 to 256D.19*"

Page 1, line 18, strike "for the delivery"

Page 2, line 1, strike "and regulations"

Page 2, line 4, strike "and regulations"

Page 2, after line 24, insert

"Sec. 3. Minnesota Statutes, 1975 Supplement, Section 261.22, Subdivision 2, is amended to read:

Subd. 2. [DUTIES OF COUNTY BOARD.] If upon filing of ~~such~~ the report and a full investigation of the application the county board shall be satisfied that the case is one which could be remedied by hospital treatment and , that ~~such the~~ afflicted person is financially unable to secure or provide the same for himself and that the persons legally charged with the support and maintenance of ~~such that~~ person, if any there be, are financially unable to provide ~~such~~ hospitalization, the county board may grant or approve ~~said~~ the application. If the county board is not so satisfied, it may take additional testimony or make ~~each any~~ further investigation as it ~~shall deem~~ *deems* proper and it shall reject any

application if it finds that the facts do not merit the expenditure of public money for the relief of ~~such afflicted the~~ person. Upon ~~the approving and granting such approval of the~~ application and ~~the relief therein prayed for~~, the chairman of ~~such the~~ county board shall arrange for the hospitalization of ~~such afflicted the~~ person, in a hospital selected by the ~~county person to be hospital-~~ized. If the county board shall find that the applicant or the person legally responsible for his support and maintenance is not able to pay in full but is able to pay in part for ~~such the~~ hospitalization at ~~such the~~ hospital, the county board may approve ~~such the~~ application of ~~such afflicted the~~ person on ~~such any~~ terms of division of hospital charges and costs as it may deem equitable and just. The county board shall provide for ~~taking such afflicted transportation of the~~ person to the hospital. When a physician certifies that an emergency exists in any case and that he believes that the person suffering is unable to pay for hospitalization ~~such~~, ~~that person shall be admitted to any such hospital he selects upon~~ the order of the chairman of the county board or upon the order of the county commissioner of the district in which ~~such the~~ alleged indigent person resides; and thereafter an investigation shall be made in the manner hereinbefore provided. When a physician certifies in a case of an injury ~~← or an emergency →~~ that immediate surgical or medical treatment is necessary, the patient shall forthwith be admitted to any ~~such hospital he selects upon said certifi-~~cate for a period not to exceed 72 hours; and thereafter an investigation shall be certified and made in the manner provided in sections 261.21 to 261.23. "

Amend the title as follows:

Page 1, line 6, strike "and"

Page 1, line 6, after "2" and before the period insert "; and 261.22, Subdivision 2"

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. 1844: A bill for an act relating to judges; authorizing certain retired judges and their dependents to participate in the state employee hospital benefits and medical benefits program; amending Minnesota Statutes 1974, Section 43.491, by adding a subdivision.

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

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

S. F. No. 1964: 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; 275.125, by adding subdivisions; 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; 124.561, 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; 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.

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

Page 6, lines 25 to 28, make the new language a separate paragraph

Page 16, line 28, strike "*However,*"

Page 38, line 14, after "*certification*" insert "*and the state board of education*"

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. 1297: A bill for an act relating to highway traffic regulations; lengths of certain vehicles and combinations of vehicles; amending Minnesota Statutes 1974, Section 169.81, Subdivision 3.

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. 1998: A bill for an act relating to elections; providing certain changes in voter registration; amending Minnesota Statutes 1974, Sections 201.091, Subdivisions 2 and 3, and by adding a subdivision; and 201.121, Subdivision 2.

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

Page 2, line 15, strike "*precinct*" and insert "*registered voter*"

Page 2, line 19, after "*reproduction*" insert "*and a paper copy of the list shall be available for examination without cost to the auditor*"

Page 2, line 20, strike "*precinct*" and insert "*registered voter*"

Page 2, line 21, strike "*precinct*" and insert "*registered voter*"

Pages 2 and 3 delete Section 4.

Further, amend the title as follows:

Page 1, line 2, strike "*providing certain changes*" and insert "*requiring the county auditor to make available certain voter registration lists*"

Page 1, line 3, strike "*in voter registration*"

Page 1, line 4, strike "*Sections*" and insert "*Section*"

Page 1, line 5, strike "*;* and 201.121, Subdivision"

Page 1, line 6, strike "*2*"

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. 1792: A bill for an act relating to the registration of title to real estate; fees of the registrar; providing that certain fees be credited to the assurance fund; eliminating the fees for filing the certified copy of the application for registration; amending Minnesota Statutes 1974, Sections 508.75 and 508.82.

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. 1793: A bill for an act relating to real property; title registration; providing for the issuance of duplicate certificates of title to replace lost or destroyed duplicate certificates; prescribing fees of the registrar; amending Minnesota Statutes 1974, Sections 508.44 and 508.82.

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

Page 4, after line 2, insert:

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

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. 1932: A bill for an act relating to state administrative procedures; amending Minnesota Statutes 1974, Section 15.0418; and Minnesota Statutes, 1975 Supplement, Section 15.0411, Subdivisions 3 and 4.

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. 2167: A bill for an act relating to eminent domain; time of title and possession; providing that certain payments deposited with the court shall not draw interest; amending Minnesota Statutes, 1975 Supplement, Section 117.042.

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

Page 1, line 23, strike "*shall not draw*" and insert "*and*"

Page 1, line 23, strike "*from the date of*" and insert "*earned thereon shall be turned over at the appropriate time claimant*"

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

Further, amend the title as follows:

Page 1, line 4, strike "*not*"

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. 2327: A bill for an act relating to courts; clarifying fee exclusions for the Hennepin county municipal court; amending Minnesota Statutes 1974, Section 488A.03, Subdivision 11a.

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

Page 1, after line 17, insert:

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

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. 2373: A bill for an act relating to estates; clarifies aspects of the law concerning administration of estates; harmonizes relevant registered land law with probate code; modifies

document verification requirements; changes notice requirements; eliminates de novo appeals from probate court; authorizes the probate court to waive inheritance tax liens in supervised administrations; eliminates notice to attorney general for certain charitable devices; amending Minnesota Statutes 1974, Sections 524.1-310; 524.3-505; 524.3-1003; 524.3-1007; 524.3-1201; 525.72; amending Minnesota Statutes, 1975 Supplement, Sections 501.79, Subdivision 2; 508.68; 524.1-401; 524.3-301; 524.3-306; 524.3-310; 524.3-403; 524.3-603; 524.3-715; 524.3-801; 524.3-803; 524.3-806; 524.3-1204; 524.4-204, and 525.31.

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

Pages 14 to 19, strike all of section 11

Page 21, line 3, after "the" insert "*presentment and*"

Page 23, after line 19, insert the following:

"Sec. 14. Minnesota Statutes 1974, Section 524.3-908, is amended to read:

524.3-908 [DISTRIBUTION; RIGHT OR TITLE OF DISTRIBUTE.] Proof that a distributee has received an instrument or deed of distribution of assets in kind, or payment in distribution, from a personal representative, is conclusive evidence that the distributee has succeeded to the interest of the *decedent and the* estate in the distributed assets, as against all persons interested in the estate, except that the personal representative may recover the assets or their value if the distribution was improper.

Sec. 15. Minnesota Statutes, 1975 Supplement, Section 524.3-910, is amended to read:

524.3-910 [PURCHASERS FROM DISTRIBUTEES PROTECTED.] If property distributed in kind or a security interest therein is acquired by a purchaser, or lender, for value from a distributee who has received an instrument or deed of distribution from the personal representative, the purchaser or lender takes title free of any claims of the estate *and any interested person*, and incurs no personal liability to ~~the estate~~ *them*, whether or not the distribution was proper. To be protected under this provision, a purchaser or lender need not inquire whether a personal representative acted properly in making the distribution in kind."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 12, after "524.3-505;" insert "524.3-908;"

Page 1, line 16, strike "524.3-715;"

Page 1, line 17, after "524.3-806;" insert "524.3-910;"

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. 1576: A bill for an act relating to retirement; police pensions in cities of the fourth class; amending Minnesota Statutes 1974, Sections 423.55; 423.56; and 423.58.

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

Strike everything after the enacting clause and insert:

"Section 1. [SURVIVOR BENEFITS.] Subdivision 1. Notwithstanding Minnesota Statutes, Section 423.58, when a service pensioner, disability pensioner, deferred pensioner, or an active member of the Crookston police relief association or the Thief River Falls police relief association dies, leaving a surviving spouse, one or more surviving children, or both, such surviving spouse and said child or children shall be entitled to a pension or pensions as follows:

(1) To such surviving spouse a pension in an amount equal to 30 percent of the member's average monthly salary earned as a police officer over the last six months of allowable service preceding death, payable monthly for the surviving spouse's natural life; provided, however, that if the surviving spouse shall remarry, then such pension shall cease and terminate as of the date of remarriage.

(2) To such child or children, until the child reaches the age of 18 years, or age of 21 years if dependent and a full-time student, a monthly benefit equal to ten percent of the member's average monthly salary earned as a police officer over the last full six months of allowable service preceding death. Payments for the benefit of any qualified dependent child under the age of 18 years shall be made to the surviving parent or if there be none, to the legal guardian of such child. The maximum monthly benefit for any one family shall not exceed \$450, and the minimum benefit per family shall not be less than \$150. If the member shall die under circumstances which entitle his surviving spouse and dependent children to receive benefits under the workers' compensation law, the amounts so received by them shall not be deducted from the benefits payable under this section.

Subd. 2. (a) "Surviving spouse" means a person who became the member's legally married spouse while or prior to the time he was on the payroll of any such police department as a police officer, and remained such continuously after their marriage until his death, without having applied for any divorce or legal separation, and who, in case the deceased member was a service or deferred pensioner, was legally married to such member before his retirement from said police department; and who, in any case, was residing with him at the time of his death. No temporary absence for purposes of business, health or pleasure, shall constitute a change of residence for the purposes of this section.

(b) "Surviving child" means any child born the issue of the

lawful wedlock of a service, disability or deferred pensioner, or of deceased active member.

Sec. 2. This act with respect to the Crookston police relief association is effective upon approval by the governing body of the city of Crookston and upon compliance with Minnesota Statutes, Section 645.021, and this act with respect to the Thief River Falls police relief association is effective upon approval by the governing body of the city of Thief River Falls and upon compliance with Minnesota Statutes, Section 645.021."

Further, amend the title as follows:

Page 1, strike line 3 and insert "of Crookston and Thief River Falls."

Page 1, strike line 4

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

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

S. F. No. 2460: A bill for an act relating to the bicentennial; appropriating money to the Minnesota American Revolution Bicentennial Commission.

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

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

S. F. No. 2365: A bill for an act relating to retirement; actuarial valuations and experience studies of various public retirement funds; amortization of unfunded accrued liabilities; amending Minnesota Statutes 1974, Sections 356.22, Subdivision 2; 422A.08, Subdivision 2; and Minnesota Statutes, 1975 Supplement, Section 356.215, Subdivision 4.

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

Page 4, line 11, strike "larger" and insert "nearest"

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. 1867: A bill for an act relating to the city of Chanhasen; firemen's service pensions.

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

Page 1, line 9, delete "to retired members"

Page 1, line 10, after "has" insert "reached the age of 50 years and who has"

Page 1, line 11, after "performed" insert "at least"

Page 1, after line 12, insert a new section to read:

"Sec. 2. This act is effective upon approval by the governing body of the city of Chanhassen and upon compliance with the provisions of Minnesota Statutes, Section 645.021."

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. 2195: A bill for an act relating to cities; authorizing cities engaged in electric power distribution to secure electric power by individual or joint action; authorizing the creation of municipal power agencies; defining their powers and responsibilities; authorizing the issuance of bonds.

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

Page 6, line 7, strike "three" and insert "five"

Page 12, after line 26, insert

"Subd. 20. It shall pay to each taxing authority within whose taxing jurisdiction its property is situated, in lieu of taxes on its property, the amounts of the taxes which would be payable if its property were owned by a private person. For this purpose the property of a municipal power agency shall be valued in the same manner and by the same procedure as the property of private persons."

Renumber the subdivisions in sequence

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

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

S. F. No. 2381: A bill for an act relating to the city of Fairmont; authorizing a solid waste disposal and resource recovery facility; granting the city the powers of a county under Minnesota Statutes 1974, Chapter 400.

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

Page 1, line 12, after "counties" insert "and other local government units"

Page 1, line 13, after the period insert "The city's facilities and program shall be exempt from any regulation by the county under

Minnesota Statutes, Chapter 400, but nothing herein shall be construed to exempt the city's facilities and programs from applicable rules and regulations or statutory authority of the Minnesota pollution control agency."

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

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

S. F. No. 2469: A bill for an act relating to the city of Rochester; increasing the membership of the housing and redevelopment authority; providing terms.

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

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

S. F. No. 2330: A bill for an act relating to municipalities; procedures required for the letting of certain contracts; amending Minnesota Statutes 1974, Section 471.345, Subdivisions 3, 4 and 5.

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

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

S. F. No. 2242: A bill for an act relating to state hospitals; providing certain name changes; amending Minnesota Statutes 1974, Sections 252.025, Subdivision 1; 253.201; 253A.02, by adding a subdivision; and 254.05.

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

Page 1, strike lines 19 through 23

Page 2, strike lines 1 through 9

Renumber subsequent sections

Amend the title as follows:

Page 1, line 4, strike "253.201 ;"

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. 2100: A bill for an act relating to insurance; defining persons entitled to participate in the assigned claims plan for motor vehicle injuries; amending Minnesota Statutes 1974, Section 65B.64, Subdivision 1.



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

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

S. F. No. 2291: A bill for an act relating to insurance; revising financial requirements for certain insurance companies; amending Minnesota Statutes 1974, Section 60A.07, Subdivisions 5a, 5b, 5c and 5d.

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

Page 1, line 10, after "be" insert "*initially*"

Page 1, line 21, strike "*continuously*" and insert "*constantly*"

Page 1, line 22, after "*after*" insert "*initial*"

Page 6, line 10, strike "*1982*" and insert "*1983*"

Page 6, line 14, strike "*1982*" and insert "*1983*"

Page 6, line 18, strike "*1982*" and insert "*1983*"

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. 2174: A bill for an act relating to intoxicating liquor; importation of limited quantities without payment of tax; amending Minnesota Statutes 1974, Section 340.601.

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

Page 2, after line 7, add a section to read:

"Sec. 2. *This act takes effect on June 1, 1976.*"

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

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

S. F. No. 2328: A bill for an act relating to insurance; eliminating certain abstracting and publishing requirements for financial statements of fraternal beneficiary associations and reciprocal or interinsurance exchanges; amending Minnesota Statutes 1974, Sections 60A.13, Subdivision 7; and 60A.14, Subdivision 1; repealing Minnesota Statutes 1974, Section 60A.13, Subdivisions 3 and 4.

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

Page 4, line 6, strike "*1975*" and insert "*1976*"

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

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

S. F. No. 1780: A bill for an act relating to credit unions; allowing credit unions to permit draft withdrawals by their members; amending Minnesota Statutes 1974, Section 52.04.

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. 2267: A bill for an act relating to economic development; appropriating money.

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

Page 1, line 7, strike "\$100,000" and insert "\$150,000"

Page 1, line 7, after "for" strike "tourism matching grants" and insert "the year ending June 30, 1977. The appropriation in this section is in addition to the sum already appropriated in Laws 1975, Chapter 204, Section 44, Subdivision 3 for the same year"

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. 2370: A bill for an act relating to loan guaranties; requiring notice to guarantor of extent of liability.

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

Page 1, line 10, strike "up to the amount" and insert "according to the terms"

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

Mr. Perpich, A. J., from the Committee on Taxes and Tax Laws, to which was re-referred

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 do pass. Report adopted.

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

S. F. No. 2377: A bill for an act relating to public welfare; mental health; allocating fees for services collected by mental health centers.

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

Page 1, line 6, after "1." insert "Minnesota Statutes 1974, Chapter 245, is amended by adding a section to read:

[245.696] "

Page 1, line 22, strike "an"

Page 1, line 22, strike "sum" and insert "fees"

Page 2, line 6, after "center" insert "*from the state which is*"

Underline all new language in the bill

Amend the title as follows:

Page 1, line 4, after "centers" and before the period insert: "; amending Minnesota Statutes 1974, Chapter 245, by adding a section "

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. 1615: A bill for an act relating to natural resources; prohibiting, except in national emergencies, the leasing of state minerals and the use of state natural resources in connection with mining in the boundary waters canoe area.

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

Strike everything after the enacting clause and insert:

"Section 1. [84.523] [DEFINITIONS.] Subdivision 1. For purposes of sections 1 and 2, the following terms have the meanings given them in this section.

Subd. 2. "Boundary waters canoe area" means that area of lands and waters included within the boundaries designated in federal regulation REG U-3, 36 Code of Federal Regulations 293.16, as that regulation provided on January 1, 1975.

Subd. 3. "Natural resources" has the meaning given it in section 116B.02, subdivision 4.

Subd. 4. "Degradation" means any conduct which materially adversely affects or is likely to materially adversely affect the environment.

Sec. 2. [85.524] [UNLAWFUL ACTS.] Subdivision 1. [MIN-

ING ACTIVITIES AND PEAT HARVESTING PROHIBITED IN B.W.C.A.] Except pursuant to sections 2 to 5 in those cases of national emergency which have been declared by the Congress and which direct the need for exploration and mining of, or for the exploitation of peat deposits on, federal lands within the boundary waters canoe area, no state owned or administered land may be leased for exploration or mining of minerals, or for purpose of harvesting peat, and no state permits, licenses or leases shall be issued to use any other state natural resources for any mineral exploration or mining operations, or for peat harvesting operations, in the boundary waters canoe area.

Subd. 2. [RESOURCE DEGRADATION PROHIBITED.] No agency or political subdivision shall grant approval or issue any rule, regulation, permit or license authorizing or allowing the commercial development, exploitation or removal of a natural resource located outside the boundary waters canoe area by mining, peat harvesting or related activities which would result in degradation of a natural resource within the boundary waters canoe area.

Sec. 3. [1.0454] [NATIONAL EMERGENCY.] In the event of a national emergency declared by Congress, all other similar natural resources within the state shall be exhausted before any commercial development, exploitation, removal or adulteration by mining, peat harvesting or related activities of a natural resource may occur within the boundary waters canoe area.

Sec. 4. [1.0455] [INVESTIGATION AND DETERMINATION.] In the event of a national emergency declared by Congress which requires, for the protection of national interests, exploitation of natural resources of the type found in the boundary waters canoe area, the commissioner of natural resources shall investigate and determine if there are reasonable alternative methods for providing the needed resources. If the investigation shows there are reasonable alternatives to exploitation of natural resources in the area, no permit for development shall be issued. If the commissioner of natural resources determines there is a need to provide resources from within the boundary waters canoe area, and that there is no reasonable alternative available to meet the need, a permit may be issued upon approval by the state legislature.

Sec. 5. [EFFECTIVE DATE.] This act is effective the day after its final enactment."

Further amend the title as follows:

Line 3, strike "the leasing of state" and insert "certain activities in the boundary waters canoe area; prohibiting certain activities outside the boundary waters canoe area which cause degradation of a natural resource within the boundary waters canoe area."

Strike lines 4 to 6.

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. 1456: A bill for an act relating to soil and water conservation; providing for the operation of the soil and water conservation commission; amending Minnesota Statutes 1974, Sections 40.03, Subdivisions 1 and 4; and 40.06, Subdivision 2.

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

Page 1, strike lines 8 to 23 and insert:

"Section 1. Minnesota Statutes, 1975 Supplement, Section 40.03, Subdivision 1, is amended to read:

40.03 [SOIL AND WATER CONSERVATION COMMISSION.] Subdivision 1. [MEMBERS.] There is hereby established, to serve as an agency within the department of natural resources and to perform the functions conferred upon it in this chapter, the state soil and water conservation commission to be composed of 11 members, seven of whom shall be elected supervisors of soil and water conservation districts selected as herein provided. Four members thereof shall be ex officio members composed of the following: The director of the agricultural extension service of the University of Minnesota; the dean of the institute of agriculture of the University of Minnesota; the director of the pollution control agency; the commissioner of agriculture. ~~The director of the agricultural extension service~~ *Each ex officio member may designate the associate director of the agricultural extension service a person within his organization to act in his stead as a member of the commission, with all his rights and privileges. The designation shall be filed with the secretary of state. Similarly, the dean of the institute of agriculture may designate the associate dean of the institute of agriculture to act in his stead, with all his rights and privileges- which designation also shall be filed with the secretary of state.* The commission shall invite the state conservationist of the United States soil conservation service to serve as an advisory member. The commission may also invite a representative of the state association of soil and water conservation districts, the association of Minnesota counties, the league of municipalities and such other organizations and governmental agencies as may be deemed necessary to serve as advisory members. The other seven members of said commission shall be appointed by the governor from nominees who are elected representatives of the state soil and water conservation districts, recommended by the state association of soil and water conservation district supervisors submitted to the governor, and in the event of a failure to submit such nominees to the governor he shall make the necessary appointments from present or past supervisors of soil and water conservation districts. One member shall be appointed from each department of natural resources region except that two members shall be appointed from region number one. The four members heretofore appointed shall serve for the balance of the terms for which they were appointed. The fifth, sixth and seventh member members shall be appointed for a ~~term~~ *terms* of five years. Thereafter as

vacancies occur all appointments shall be made for terms of five years. The commission shall keep a record of its official actions, and may perform such acts, hold such public hearings, and promulgate such rules and regulations as may be necessary for the execution of its functions under this chapter. The commission shall be responsible to the commissioner of natural resources and shall continue to exercise all powers and duties as conferred upon it by law."

Page 2, strike lines 1 through 32

Page 3, strike lines 1 through 6

Page 3, after line 6, insert:

"Sec. 2. Minnesota Statutes 1974, Section 40.03, Subdivision 2, is amended to read:

Subd. 2. [EMPLOYEES.] The state soil and water conservation commission may employ, with the approval of the commissioner of natural resources, an administrative officer in the unclassified service and such technical experts and such other agents and employees, permanent and temporary, as it may require, and shall determine their qualifications, duties, and compensation. The department of natural resources shall provide administrative functions of Minnesota Statutes, Section 40.03. The commissioner of natural resources shall make available by separate budget to the state soil and water conservation commission such staff services, funds for operation, and office space as are necessary for the administration and coordination of its functions. The commission shall be responsible to the commissioner for reporting purposes in regard to staff functions and those operations as they relate to department activities.

The commissioner of natural resources shall, subject to approval of the state soil and water conservation commission, provide an administrative officer and such technical experts and such other agents and employees, permanent and temporary, as it may require in carrying out Minnesota Statutes, Section 40.03, and shall determine their qualifications and duties, and recommend compensation to the commissioner of personnel. The commission may call upon the attorney general for such legal services as it may require. It shall have authority to prescribe the powers and duties of its officers and employees, and to delegate to its chairman or to one or more of its other officers or members or administrative officer such of its own powers and duties as it may deem proper. The administrative officer shall serve at the pleasure of the commissioner and may be dismissed only upon the advice and recommendation of the commission. All other personnel of the commission shall be transferred to the department of natural resources and shall be in the classified service of the state. The administrative officer is responsible to the commission and may be dismissed by the commissioner of natural resources only upon the advice and recommendation of the commission. All permanent personnel of the commission are employees of the department of natural resources and are in the classified service of the state except as otherwise required by statute. All rights, duties and responsibilities

ties of the existing staff of the commission on November 12, 1971 shall remain unchanged except as may be agreed upon by the commission and the commissioner. Upon request of the commission, for the purpose of carrying out any of its functions, the supervising officer of any state agency, or of any state institution of learning, shall, insofar as may be possible under available appropriations, and having due regard to the needs of the agency to which the request is directed, assign or detail to the commission members of the staff or personnel of the agency or institution of learning, and make such special reports, surveys, or studies as the commission may request."

Page 3, after line 12, insert

*"(1) Prepare and present to the commissioner of the department of natural resources a budget to finance the activities of the commission and the districts and to administer any law appropriating funds to districts."*

Page 3, line 13, strike "(1)" and insert "(2)"

Page 3, line 27, strike "(2)" and insert "(3)"

Page 4, line 1, strike "(3)" and insert "(4)"

Page 4, after line 3, insert:

*"(5) Approve or disapprove the plans or programs of districts as they relate to the use of state funds as administered by the commission;"*

Page 4, line 4, strike "(4)" and insert "(6)"

Page 4, line 7, strike "(5)" and insert "(7)"

Page 4, line 12, strike "(6)" and insert "(8)"

Page 5, line 7, strike "1975" and insert "1976"

Renumber the sections in sequence

Amend the title as follows:

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

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

Page 1, line 5, before "and" insert "; Minnesota Statutes 1974, Sections 40.03, Subdivision 2"

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

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

S. F. No. 1675: A bill for an act relating to public indebtedness; revising and clarifying provisions as to manner of sale and execution of obligations; maximum interest rates; designation of paying agents; cremation of obligations; use of investment

income from proceeds; administration of debt service funds; re-funding; method of payment and interest rate on special assessments and obligations payable from special assessments; amending Minnesota Statutes 1974, Sections 48.15, by adding a subdivision; 138.17, Subdivision 1; 429.061; Subdivision 2; 429.091, Subdivisions 1, 3 and 4; 475.51, Subdivision 6; 475.55; 475.553, Subdivisions 1 and 2; 475.60, Subdivisions 2 and 3; 475.65; 475.66; and 475.67, Subdivisions 7 and 12; and repealing Minnesota Statutes 1974, Section 475.553, Subdivision 4.

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

Page 2, after line 8, insert:

"Sec. 2. Minnesota Statutes 1974, Section 475.51, is amended by adding a subdivision to read:

*Subd. 11. "Reporting dealer to the federal reserve bank of New York" means a securities broker-dealer licensed pursuant to chapter 80A, or an affiliate thereof, which makes primary markets in United States government securities and reports daily to the federal reserve bank of New York its position with respect to such securities held by it and amounts borrowed thereon.*

Sec. 3. Minnesota Statutes 1974, Section 475.52, Subdivision 1, is amended to read:

475.52 [BOND ISSUES; PURPOSES.] Subdivision 1. [STATUTORY CITIES.] ~~Any city not governed by a home rule charter, or~~ Any statutory city may issue bonds or other obligations for the acquisition or betterment of public buildings, means of garbage disposal, hospitals, nursing homes, homes for the aged, schools, libraries, museums, art galleries, parks, playgrounds, stadia, sewers, sewage disposal plants, subways, streets, sidewalks; for any utility or other public convenience from which a revenue is or may be derived; for a permanent improvement revolving fund; for changing, controlling or bridging streams and other waterways; for the acquisition and betterment of bridges and roads within two miles of the corporate limits; and for acquisition of equipment for snow removal, street construction and maintenance, or fire fighting. Without limitation by the foregoing ~~any such~~ the city may issue bonds to provide money for any authorized corporate purpose except current expenses."

Page 2, lines 16 through 21, strike the new language and reinstate the stricken language.

Page 3, line 12, strike "or"

Page 3, line 13, strike "*limiting interest rates upon public offering,*"

Page 5, after line 3, insert:

"Sec. 7. Minnesota Statutes 1974, Section 475.553, Subdivision 3, is amended to read:

Subd. 3. ~~Cremation~~ Certificates provided under subdivision 2



shall be retained in the official records of the municipality and the paying agent. Such ~~exemption~~ certificates may subsequently be destroyed at the times and upon the conditions otherwise permitted by law, but no earlier than the time of final payment and redemption of all obligations of the respective issues to which they pertain.

Sec. 8. Minnesota Statutes 1974, Section 475.553, Subdivision 5, is amended to read:

Subd. 5. Any obligation, as defined in section 475.51, issued or to be issued by the state or any agency, instrumentality, or subdivision thereof, by written order and agreement executed by the officer or officers authorized by law to issue such obligations, may be ~~exemption destroyed~~ as provided herein, and for this purpose such officers shall have all the powers granted herein to governing bodies of municipalities. The state auditor, pursuant to the administrative procedures act, may formulate and prescribe requirements for resolutions, orders, agreements, and certificates relating to the ~~exemption destruction~~ of public obligations and coupons. The provisions of any other law relating to the destruction of public records shall not apply to the ~~exemption destruction~~ of obligations and coupons."

Page 6, line 5, after "*municipality*" insert "*in the presence of an official of the municipality*"

Page 6, after line 19, insert:

"Sec. 11. Minnesota Statutes 1974, Section 475.61, Subdivision 5, is amended to read:

Subd. 5. When all conditions exist precedent to the ~~issuance~~ offering for sale of obligations of any municipality in any amount for any purpose authorized by law, and the municipality has applied for a grant or loan of state or federal funds to aid in payment of cost incurred for the authorized purpose, its governing body may by resolution issue and sell temporary obligations not exceeding the total amount authorized, maturing within not more than three years from the date such obligations are issued. In this event *so much of* the proceeds of the grant or loan when received shall be ~~irrevocably appropriated credited to the sinking debt service fund for the temporary obligations as may be needed for the payment thereof, with interest, when due, and the estimated amount thereof may be deducted from the tax which would otherwise be required by subdivision 1 to need not be levied.~~ Any amount of the temporary obligations which cannot be paid at maturity, from the proceeds of the grant or loan or from any other funds appropriated by the governing body for the purpose, shall be paid from the proceeds of definitive obligation to be issued and sold before the maturity date; or if sufficient funds are not available for payment in full of the temporary obligations at maturity, the holders thereof shall have the right to require the issuance in exchange therefor of definitive obligations secured in the manner provided in subdivision 1 and bearing interest at the maximum rate permitted by law."

Page 8, line 28, strike "*qualified as provided*" and insert "*or dealer referred to in subdivision 2*"

Page 8, line 29, strike "*below*"

Page 9, line 15 after "\$10,000,000" insert "*or a reporting dealer to the federal reserve bank of New York*"

Page 12, after line 16, insert:

"Sec. 16. Minnesota Statutes 1974, Section 471.56, Subdivision 1, is amended to read:

471.56 [MUNICIPAL FUNDS.] Subdivision 1. Any municipal funds, not presently needed for other purposes, may be *deposited or invested in any obligations in which sinking funds are now authorized to be invested pursuant to the manner and subject to the conditions provided in section 475.66, including appreciation bonds issued by the United States of America on a discount basis for the deposit and investment of debt service funds. Municipal funds may also be deposited in time deposits of any state or national bank subject to the limitations and requirements of chapter 118.* The term "municipal funds" as used herein shall include all general, special, permanent, trust, and other funds, regardless of source or purpose, held or administered by any county or city, or by any officer or agency thereof, in the state of Minnesota.

Sec. 17. Minnesota Statutes 1974, Section 471.56, Subdivision 3, is amended to read:

Subd. 3. Such county, city, or official or agency thereof, may at any time sell ~~such~~ obligations purchased pursuant to this section, and the money received from such sale, and the interest and profits or loss on such investment shall be credited or charged, as the case may be, to the fund from which the investment was made. Neither such official nor agency, nor any other official responsible for the custody of such funds shall be personally liable for any loss so sustained *from the deposit or investment of funds in accordance with the provisions of section 475.66. Any such obligation may be deposited for safekeeping with any bank or trust company.*

Pages 14 to 16 strike all of section 12 and insert:

"Sec. 19. Minnesota Statutes 1974, Section 429.091, Subdivision 1, is amended to read:

429.091 [FINANCING.] Subdivision 1. [AUTHORITY.] At any time after a contract for the construction of all or part of an improvement has been entered into or the work has been ordered done without a contract as authorized in section 429.041 one or more improvements are ordered as contemplated in section 429.031, the council may issue obligations in such amount as it deems necessary to defray in whole or in part the expense incurred and estimated to be incurred in making ~~an~~ the improvement or improvements, including every item of cost from inception to completion and all fees and expenses incurred in connection with

the improvement or the financing thereof. More than one improvement may be financed by a single issue of obligations without other consolidation of the proceedings of the kinds authorized in section 475.65. In the event of any omission, error, or mistake in any of the proceedings required precedent to the ordering of any improvement, the validity of the obligations shall not be affected thereby. The council shall cause all further actions and proceedings to be taken with due diligence that are required for the construction of each improvement financed wholly or partly from the proceeds of obligations issued hereunder, and for the final and valid levy of special assessments and the appropriation of any other funds needed to pay the obligations and interest thereon when due."

Page 18, line 17, reinstate the stricken language, "solely to defray expenses of"

Page 18, line 18, after the stricken "improvement" insert "*such improvements*"

Page 18, line 18, reinstate the stricken "and payment of principal and interest due upon"

Page 18, line 19, restore the stricken "the obligations"

Page 18, line 19, after the stricken "until" insert "*prior to*" and reinstate the stricken "completion and payment of all costs of"

Page 18, line 20, at the beginning of the line, reinstate the stricken "the"

Page 18, line 20, after the stricken "improvement" insert "*improvements so financed*" and reinstate the stricken period

Page 18, line 21, reinstate the stricken "any balance of the proceeds of bonds remaining therein" and capitalize "any"

Page 18, line 22, reinstate the stricken "may be"

Page 18, line 22, after the stricken "fund", insert "*used to pay the cost, in whole or in part,*"

Page 18, line 22, reinstate the stricken "of any other"

Page 18, line 23, reinstate the stricken "improvement instituted pursuant to this chapter"

Page 21, after line 11, insert:

"Sec. 23. Minnesota Statutes 1974, Section 124.05, Subdivision 3, is amended to read:

Subd. 3. When the board, ~~by unanimous resolution,~~ deems it advisable, it may ~~invest~~ *authorize the investment or deposit of* such amount of funds as will not in the opinion of the board be currently needed by the district in ~~any of the bonds of any county, city, town, school district, drainage or other district created pursuant to law for public purposes in Minnesota, Iowa, Wisconsin, and North and South Dakota, or in U.S. treasury bonds with maturity date not to exceed five years from the time~~

of purchase, or in securities issued by the following agencies of the United States, maturing not to exceed five years from the time of purchase: Federal Home Loan Banks, Federal Intermediate Credit Banks, Federal Land Banks, and the Federal National Mortgage Association; or in U. S. Treasury Bills, U. S. Certificates of Indebtedness, or U. S. Treasury Notes. The board may also invest such amount of funds as in its opinion may not be currently needed in Certificates of Deposit of any state or national bank, provided the bank shall deposit a bond to the district, executed by a corporate surety company equal to the amount of the Certificate of Deposit or, in lieu of such bond, shall assign to the school district collateral securities for deposits in accordance with Minnesota Statutes 1961, Section 118.01 to the extent such certificates of deposit may not be insured under the provisions of Minnesota Statutes 1961, Section 118.10, and any acts amendatory thereof the manner and subject to the conditions provided in section 475.66 for the deposit and investment of debt service funds.

Sec. 24. Minnesota Statutes 1974, Section 124.05, Subdivision 4, is amended to read:

Subd. 4. Any board investing funds in such authorized securities shall deposit such securities for safekeeping with the county treasurer of the county wherein such the district is located or with any bank maintaining a safekeeping department. Such county treasurer or bank shall give a receipt for each and all of such securities to the board, and such county treasurer or bank shall keep such securities for safekeeping until such time as the board shall adopt a resolution requesting the county treasurer or bank to turn such securities or any of them over to the treasurer of such district or dealer qualified as provided in section 475.66."

Renumber the sections in sequence

Page 21, line 25, strike "is" and insert "and Minnesota Statutes, 1975 Supplement, Section 471.561, are"

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

"A bill for an act relating to public indebtedness; revising and clarifying provisions as to manner of sale and execution of obligations; designation of paying agents; cremation of obligations; payment of grant anticipation certificates; use of investment income from proceeds; administration of debt service funds; refunding; method of payment and interest rate on special assessments and obligations payable from special assessments; amending Minnesota Statutes 1974, Sections 48.15, by adding a subdivision; 124.05, Subdivision 3 and 4; 138.17, Subdivision 1; 429.061, Subdivision 2; 429.091, Subdivisions 1, 3, and 4; 471.56, Subdivisions 1 and 3; 475.51, Subdivision 6, and adding a subdivision; 475.52, Subdivision 1; 475.55; 475.553, Subdivisions 1, 2, 3, and 5; 475.60, Subdivisions 2 and 3; 475.61, Subdivision 5; 475.65; 475.66; and 475.67, Subdivisions 7 and 12; and repealing Minnesota Statutes 1974, Section 475.553, Subdivision 4, and Minnesota Statutes, 1975 Supplement, Section 471.561."

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. 2255: A bill for an act relating to handicapped persons; authorizing a feasibility study for the establishment of a rehabilitation center and residence for certain handicapped persons; appropriating money.

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

Page 1, line 9, strike "feasibility"

Page 1, line 10, strike "as"

Page 1, line 10, strike "the establishment" and insert "determine the feasibility of establishing"

Page 1, line 10, after "Southwest" insert "state"

Page 1, line 11, strike "of"

Page 1, line 13, strike "in an" and insert a period

Page 1, strike lines 14 and 15

Page 1, line 16, strike the colon

Page 1, line 16, strike "such a" and insert "the"

Page 2, line 1, after the semicolon insert "and"

Page 2, line 1, after "Southwest" insert "state"

Page 2, line 2, strike the comma and insert a period

Page 2, strike lines 3 to 9

Page 2, line 12, after "age" insert "who live"

Page 2, line 12, strike "requiring" and insert "and who require"

Page 2, line 14, strike "capacity and"

Page 2, line 14, strike "for rehabilitation"

Page 2, line 15, strike "residential use"

Page 2, line 15, after "halls" and before the semicolon insert "as residences for the handicapped"

Page 2, line 16, after "The" insert "licensing and certification"

Page 2, line 16, strike "as to" and insert a semicolon

Page 2, strike line 17

Page 2, line 20, after "persons" insert a comma

Page 2, line 25, strike "as to" and insert "of"

Page 2, line 26, after "of" insert "available"

Page 2, line 26, strike "for the facilities," and insert a semicolon

Page 2, strike lines 27 and 28

Page 2, line 29, strike "the merits of various" and insert "alternative"

Page 2, line 31, after "of" insert "program"

Page 2, line 32, strike "of the program"

Page 3, line 1, after "of" and before "evaluation" insert "program"

Page 3, line 1, strike "of program progress and" and insert a period

Page 3, strike line 2

Page 3, line 8, strike "given" and insert "presented"

Page 3, line 9, after "legislature" and before the period insert "by January 1, 1978"

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

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

S. F. No. 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.

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

Page 1, strike line 9 and insert "all school districts"

Page 1, line 10, strike "341, and No. 173 and Special School District No. 1"

Page 1, line 13, strike "any items" and insert "instructional materials"

Page 1, line 16, strike "department" and insert "board"

Strike section 2 and insert:

"Sec. 2. This act shall be effective the day following final enactment."

Further, amend the title as follows:

Page 1, line 2, strike "Independent School Districts No. 110,"

Page 1, strike line 3

Page 1, line 4, strike "School District No. 1" and insert "education"

Page 1, line 4, strike "allowing the" and insert "requiring"

Page 1, line 5, strike "certain items" and insert "instructional materials"

Page 1, line 5, after "for" insert "certain"

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

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

S. F. No. 1935: A bill for an act relating to education; environmental curriculum; providing for the inclusion of food production studies as part of environmental education; amending Minnesota Statutes 1974, Section 126.111.

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

Page 1, line 19, after "*materials*" insert "*and instructional approaches*"

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

Page 1, line 20, strike "*program*" and insert "*programs*"

Page 1, line 21, after "*include*" insert "*an appropriate*"

Page 1, line 22, strike "*studies*" and insert "*focus*"

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

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

S. F. No. 2384: A bill for an act relating to education; school districts; state aids; providing for aid to school districts increasing their levy pursuant to referendum.

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

Page 1, line 10, strike "one-half of"

Page 1, line 14, after "referendum" insert "; provided that no district shall in any year receive an amount greater than \$100,000 pursuant to this section"

Page 1, after line 14 insert:

"Sec. 2. There is appropriated from the general fund of the state treasury to the department of education the sum of \$..... for the fiscal year ending June 30, 1977."

Further, amend the title as follows:

Page 1, line 4, after "referendum" insert "; appropriating money"

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

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

S. F. No. 2375: A bill for an act relating to education; right to read program; appropriating money.

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

Page 1, line 8, strike "solely"

Page 1, line 9, strike "for" and insert "by"

Page 1, line 9, after "program" insert "to promote reading and writing skills of Minnesota residents"

Page 1, line 10, after "provide" insert "technical assistance on a regional basis"

Page 1, line 12, strike ", on a regional basis," and insert a period

Page 1, line 13, strike "technical assistance"

Page 1, line 13, after "members" insert "shall be employed for this purpose"

Page 1, line 13, after the period insert: "To coincide with the revised criteria adopted by the right to read program, and inservice training program for the 11 staff members will be implemented. This will be organized and maintained jointly by the division of instruction and the division of special and compensatory education."

Page 1, line 15, after "educational" insert "cooperative"

Page 1, line 15, strike "area" and insert "unit"

Page 1, line 16, strike "such" and insert "one"

Page 1, line 16, strike the comma and insert a period

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

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

S. F. No. 2351: A bill for an act relating to education; requiring school districts to engage in planning, evaluation and reporting; establishing an office of planning assistance for public elementary and secondary school districts; 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. [DEFINITION.] "Evaluation" means the process of identifying, collecting, analyzing, quantifying, and reporting information that can be used as a basis for judgments in decision-based situations.

Sec. 2. [POLICY.] Educational evaluation services that include educational measurement are needed by school districts to provide useful information to decision-makers, including school



boards, superintendents, school personnel, parents, students, the local community, and the legislature.

Sec. 3. For the purposes of this act, each school board shall evaluate by appropriate means the progress of its students. In addition, the school board shall include in the final evaluation the opinions of students, parents, and other residents of the community served by the school. Each year a final professional staff evaluation of progress shall be conducted which shall utilize test results and other performance data as well as faculty interpretation and judgments.

Sec. 4. Evaluation may include, but not be limited to, assessments in basic skill programs such as reading, mathematics, language arts, social studies, and science. It may also include evaluation reports of special federal, state, or local projects; evaluation reports related to curriculum review and development needs; individual student and classroom evaluation reports to be used in determining immediate needs in basic skill areas; evaluation reports to assist in the distribution of supportive services; and collection and maintenance of census data to insure a stable base for projecting school programs and building needs.

Sec. 5. An educational cooperative service unit is encouraged to provide technical assistance in the development of an evaluation plan to any district which requests its assistance.

Sec. 6. School boards shall file the results of their evaluations with the state department of education each year.

Sec. 7. [FINANCING.] The state shall reimburse each school district one dollar per year for each student evaluated, upon receipt of the school district's report; provided that no district which files a report shall receive less than \$1,000 pursuant to this section.

Sec. 8. [APPROPRIATION.] There is appropriated from the general fund of the state treasury to the department of education for the year ending June 30, 1977 the sum of \$1,400,000 for the purposes of section 7 of this act."

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

"A bill for an act relating to education; encouraging school districts to engage in evaluations of their students and to report the results; reimbursing school districts for these evaluations; appropriating money."

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

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

S. F. No. 664: A bill for an act relating to education; school districts; severance pay; authorizing matching funds; appropriating money; amending Minnesota Statutes 1974, Section 465.72.

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 465.72, is amended to read:

465.72 [SEVERANCE PAY.] ~~Except as may otherwise be provided in Laws 1959, Chapter 600, as amended,~~ All counties, cities and townships and school districts are hereby authorized and empowered to pay severance pay to all of its employees and to establish, prescribe and promulgate provisions, rules and regulations for the payment of such severance pay upon leaving employment prior to the normal retirement date. Such severance pay shall be excluded from retirement deductions and from any calculations in retirement benefits, and shall be paid over a period not to exceed five years from termination of employment. In the event that a terminated employee dies before all or a portion of the severance pay has been disbursed, that balance due shall be paid to a named beneficiary or, lacking same, to the deceased's estate. In no event shall severance pay ~~provided exceed 100 working days' pay for an employee leaving employment exceed an amount equivalent to 100 days pay.~~

Sec. 2. Subdivision 1. As used in this section, "teacher" means an employee employed by a public school district as an elementary or secondary classroom teacher or as an administrator in a position with a salary not exceeding that of an elementary or secondary school principal in that district.

Subd. 2. A teacher who meets the minimum service requirements of Minnesota Statutes, Section 354.44, Subdivision 1, and who has been employed for not less than 10 years immediately preceding application by one independent or special school district, who is at least 55 years of age, shall be eligible for severance pay, pursuant to sections 2 to 6, upon submission of a written resignation accepted by the school board.

Subd. 3. School districts are hereby authorized and empowered to pay severance pay to all eligible teachers, upon early retirement, an amount representing five days of pay for each full year of full time service, but not to exceed a total of 50 days of pay, subject to the proration formula by age as provided in section 4.

Subd. 4. In addition to the severance pay provided in subdivision 3, a teacher shall be eligible to receive as severance pay upon retirement, the amount obtained by multiplying 30 percent of unused number of sick leave days, not to exceed 50, times that teacher's daily rate of pay, subject to the proration formula by age as provided in section 4.

Sec. 3. [DAILY RATE OF PAY.] In applying these provisions, a teacher's daily rate of pay shall be that teacher's daily rate at the time of retirement, as provided in the basic salary schedule for the basic school year, and shall not include any additional compensation for extracurricular activities, extended employment or other extra compensation.

**Sec. 4. [ELIGIBILITY.]** *A teacher shall be eligible for severance pay as defined and limited in section 2 according to the following schedule relating to the employee's age at the end of the school year in which early retirement occurs:*

<i>Age</i>	<i>Percent</i>
55	100
56	95
57	90
58	85
59	80
60	75
61	65
62	50
63	35
64	20
65	0

**Sec. 5. [BENEFIT COVERAGE.]** *Teachers who apply for early retirement shall be eligible to receive all retirement benefits, and all benefits allowed to any full time teacher employed by the school district. Such benefits shall include, but are not limited to, existing group health and hospitalization insurance programs. In addition, teachers who apply for early retirement shall remain eligible for school board contribution toward single group health and hospitalization coverage. An eligible teacher under the provisions of this act who desires family coverage may obtain this coverage by paying 100 percent of the additional dependent's premium.*

**Sec. 6. [PAYMENTS.]** *Severance pay shall be paid annually by the school district in two equal installments, on the July and January payrolls, based upon the effective date of retirement. Severance pay shall not be granted to any teacher who is discharged by the school district.*

**Sec. 7. [EFFECTIVE DATE.]** *This act is effective the day following final enactment and shall apply to teachers who retire at the conclusion of the 1975-76 school year and shall not be retroactive to any teacher who had retired prior to March 1, 1976."*

Further, amend the title as follows:

Page 1, line 3, strike "authorizing matching funds; appropriating"

Page 1, line 4, strike "money;"

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

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

S. F. No. 1991: A bill for an act relating to education; pro-

viding for loans to medical students on certain conditions; amending Minnesota Statutes, 1975 Supplement, Section 147.30.

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

Page 1, line 22, strike "commission" and insert "board"

Page 2, lines 4, 14, 18 and 24, strike "commission" and insert "board"

Page 2, line 11, strike the new language and reinstate the stricken language

Page 2, line 14, after "commission" insert "*; provided further that if a student received a loan pursuant to this section prior to June 1, 1975, the obligation to repay the principal and interest on any such loan made before or after that date shall be forgiven if the recipient has practiced medicine or osteopathy for three years in an area in need of medical doctors or osteopaths as designated by the higher education coordinating board*"

Page 2, line 19, reinstate the stricken language

Page 2, line 20, strike "\$6,000"

Page 2, line 23, strike the new language and reinstate the stricken language

Page 2, line 24, after the period insert "*However, if a student received a loan pursuant to this section prior to June 1, 1975, assistance to that student may be granted in the amount that the board determines sufficient for the purpose specified in this section but not to exceed \$6,000 per year or \$24,000 in aggregate principal amount.*"

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

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

S. F. No. 2194: A bill for an act relating to education; transportation of children; requiring the installation of intercommunication systems in school buses.

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

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

S. F. No. 2225: A bill for an act relating to medical assistance for the needy; establishing guidelines for reimbursement of medical services furnished by nursing homes; prescribing certain responsibilities for the department of public welfare.

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

Strike everything after the enacting clause and insert:

"Section 1. [256B.41] [POLICY; INTENT.] Subdivision 1. The state agency shall by rule establish a formula for the reimbursement of nursing homes which qualify as vendors of medical assistance.

Subd. 2. It is the intent of the legislature to establish certain limitations on the state agency in setting standards for the reimbursement of nursing homes for the care of recipients of medical assistance pursuant to Minnesota Statutes, Chapter 256B. It is not the intent of the legislature to repeal or change any existing or future rule promulgated by the state agency relating to the reimbursement of nursing homes unless the rule is clearly in conflict with sections 1 to 6 of this act. If any provision of sections 1 to 6 of this act is determined by the United States government to be in conflict with existing or future requirements of the United States government with respect to medical assistance, the federal requirements shall prevail.

Sec. 2. [256B.42] [INTEREST EXPENSE.] The state agency shall not reimburse any nursing home, other than a nursing home owned by a federal, state or local unit of government, for any interest expense. The state agency may by rule provide for the reimbursement of governmentally owned nursing homes for the costs of interest on capital indebtedness.

Sec. 3. [256B.43] [DEPRECIATION.] Subdivision 1. The state agency shall by rule establish a depreciation allowance for nursing homes purchased on or after March 1, 1976. The depreciation allowance shall be based on the lesser of the purchase price or the appraised value of the facility at the time of the purchase. After the purchase of a nursing home, the purchaser of the nursing home or the state agency may request an appraisal of the facility pursuant to the provisions of subdivision 3. The value of the facility determined pursuant to this subdivision shall be the original value and shall be the basis for depreciation.

Subd. 2. If any nursing home expands its facility or makes any other capital expenditures subsequent to March 1, 1976, the cost of the expansion or capital expenditure shall be added to the original value, and the total shall become the new original value and basis for depreciation. If the state agency disputes the cost attributed to the expansion or capital expenditure, it may request an appraisal pursuant to subdivision 3.

Subd. 3. The state agency shall obtain a list of not more than 25 appraisers who have experience in appraising nursing homes. In the event that an appraisal is requested pursuant to this section, or section 4, subdivision 2, the state agency and the owner of the nursing home shall select an appraiser from the list in accordance with procedures established by the state agency by rule. The appraisal shall be based on the replacement cost of the facility. The cost of the appraisal shall be paid by the party requesting it. The cost of an appraisal requested by a nursing home shall not be reimbursed by the state agency.

Subd. 4. For the purposes of sections 3 and 4, "facility" means the building in which a nursing home is located and all permanent fixtures attached to it. "Facility" does not include the land or any supplies and equipment which are not fixtures. "Original value" means the value of the facility established pursuant to subdivision 1. "Accumulated depreciation" means the total depreciation which has been allowed based on the original value.

Sec. 4. [256B.44] [INVESTMENT ALLOWANCE.] Subdivision 1. The state agency shall by rule establish an investment allowance for all nursing homes other than governmentally owned homes. The allowance for proprietary homes shall be \_\_\_\_\_ percent of the original value of the facility for depreciation purposes established pursuant to section 3. The allowance for non-proprietary homes shall be \_\_\_\_\_ percent of the value of the facility. The percentages established by this subdivision shall apply from January 1, 1977, through December 31, 1977. The state agency shall, no later than December 1 of each year, conduct a public hearing pursuant to the rule making provisions of Chapter 15 to determine the percentages to be used in the following calendar year.

Subd. 2. The owner of a nursing home or the state agency may request a new appraisal of the facility not more often than every \_\_\_\_\_ years. If a new appraisal is made, the new appraised value less accumulated depreciation shall become the new basis for that nursing home's investment allowance. The appraiser shall be selected and the appraisal undertaken in accordance with the provisions of section 3, subdivision 3. The basis for reimbursement for depreciation shall continue to be the original value of the facility established pursuant to section 3.

Subd. 3. The \_\_\_\_\_ year period used for the purposes of subdivision 2 shall commence with the date of purchase. The state agency or the owner of any nursing home purchased before March 1, 1976, may request an appraisal on July 1, 1976 or \_\_\_\_\_ years after the date of purchase, whichever occurs last in time.

Subd. 4. If a non-governmentally owned nursing home is operated on a lease basis, the state agency shall not reimburse the operator for any rental fee in excess of the total amount it would pay to the owner of the facility as an investment allowance and depreciation allowance pursuant to sections 3 and 4. If a governmentally owned nursing home is operated on a lease basis, the state agency shall not reimburse the operator for any rental fee in excess of the total amount it would pay as interest expense pursuant to section 2.

Sec. 5. [256B.45] [RATE LIMITS.] Subdivision 1. The state agency shall by rule establish separate limitations on the costs for items which directly relate to the provision of patient care to residents of nursing homes and those which do not directly relate to the provision of care. The limits on patient care related items shall be hourly limits based on the needs of the residents of the nursing home up to maximum limits established by the state agency.

Subd. 2. No reimbursement shall be allowed for (1) political contributions, (2) salaries or expenses of a lobbyist, as defined in section 10A.01, subdivision 11, for lobbying activities, (3) advertising designed to encourage potential residents to select a particular nursing home, (4) assessments levied by the health department for uncorrected violations, (5) legal fees for unsuccessful challenges to decisions by state agencies, and (6) that part of the dues paid to a nursing home or hospital association which is used for any of the purposes listed in items (1) through (5). The state agency shall by rule exclude the costs of any other items which it determines are not directly related to the provision of patient care.

Sec. 6. [256B.46] [CONDITIONS FOR PARTICIPATION.]  
Subdivision 1. No nursing home shall be eligible to receive medical assistance payments unless it agrees in writing that it will refrain from:

(a) Charging nonmedical assistance residents rates for similar services which exceed by more than 10 percent those rates which are approved by the state agency for medical assistance recipients; effective July 1, 1978, no nursing home shall be eligible for medical assistance if it charges nonmedical assistance recipients rates for similar services which exceed those which are approved by the state agency for medical assistance recipients; provided, however, that the nursing home may (1) charge nonmedical assistance residents a higher rate for a private room and (2) may charge for special services which are not included in the daily rate if medical assistance patients are charged separately for the same services in addition to the daily rate paid by the state agency;

(b) Requiring an applicant for admission to the home, or the guardian or conservator of the applicant, as a condition of admission, to pay an admission fee in excess of \$100, loan any money to the nursing home, or promise to leave all or part of the applicant's estate to the home; and

(c) Requiring any resident of the nursing home to utilize a vendor of health care services who is a licensed physician or pharmacist chosen by the nursing home.

The prohibitions set forth in clause (b) shall not apply to a nonproprietary retirement home which contains an identifiable unit of fewer than 20 percent of the total number of facility beds to provide nursing care to the residents of the home.

Subd. 2. No nursing home shall be eligible to receive medical assistance payments unless it agrees in writing to:

(a) Provide the state agency with its most recent (1) balance sheet and statement of revenues and expenses as audited by the state auditor's office, a certified public accountant licensed by this state or by a public accountant as defined in section 412.222, and (2) statement of ownership for the nursing home, together with a separate balance sheet, statement of revenues and expenses, and ownership for each nursing home if more than one nursing home or other business operation is owned by the same owner;

(b) Provide the state agency with copies of all leases, purchase agreements and other related documents related to the lease or purchase of the nursing home; and

(c) Provide to the state agency upon request copies of leases, purchase agreements, or similar documents for the purchase or acquisition of equipment, goods and services for which reimbursement is requested from the state agency.

Subd. 3. The state agency may reject any annual cost report filed by a nursing home pursuant to Minnesota Statutes, Chapter 256B, if it determines that the report or the information required in subdivision 2, clause (a) has been filed in a form that is incomplete or inaccurate. In the event that a report is rejected pursuant to this subdivision, the state agency may reimburse a nursing home at the rate determined for its prior fiscal year, or at an interim rate established by the state agency, until a complete and accurate report is filed.

Sec. 7. [EFFECTIVE DATE.] Except for section 6, the provisions of this act shall be effective for all cost reports for fiscal years beginning after December 31, 1976. The provisions of section 6 shall be effective January 1, 1977."

Amend the title as follows:

Page 1, line 6, strike "department" and insert "commissioner"

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

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

S. F. No. 1950: A bill for an act relating to the practice of chiropractic; prohibiting the state and its political subdivisions from discriminating against licensed chiropractors in any manner which would tend to impede their performing and receiving compensation for authorized services; amending Minnesota Statutes 1974, Sections 148.03; and 148.08, Subdivision 2.

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

Page 1, line 25, strike "*three*" and insert "*four*"

Page 2, line 28, strike "*or because of race, creed or sex*"

Page 3, line 3, strike "*or because of race, creed or sex*"

Page 3, line 9, after "*or*" insert "*its*"

And when so amended the bill do pass. Mr. Bernhagen 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. 1895: A bill for an act relating to agriculture; establishing a family farm security program to encourage loans for farm real estate; appropriating money; amending Minnesota Statutes 1974, Section 48.24, Subdivision 5; and Minnesota Statutes 1975 Supplement, Sections 290.01, Subdivision 20; and 290.09, Subdivision 4.

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

Page 3, line 12 strike "*governor*" and insert "*commissioner of agriculture*"

Page 4, line 11 strike "*governor*" and insert "*commissioner of agriculture*"

And when so amended the bill do pass and be re-referred to the Committee on Taxes and Tax Laws. Mr. Berg questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

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

S. F. No. 2487: A bill for an act relating to corrections; appropriating money.

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

Page 1, line 4, after "1." and before "The" insert "Subdivision 1."

Page 1, line 4, after "of" insert "\$"

Page 1, line 4, after "appropriated" strike the period and insert: "to the commissioner of corrections to plan for the construction of a new or renovation of the existing adult maximum security institution at Stillwater for up to 400 persons, and to modify and convert the Minnesota metropolitan training center into a medium-minimum security institution for at least 200 but not more than 400 persons.

Subd. 2. \$ . . . . . of this appropriation shall be used for the following purposes:

(a) Development of architectural and engineering plans and working drawings for the new adult maximum security institution, including a determination of the feasibility of utilizing any of the existing buildings on the grounds of the state prison; and

(b) Design of the program and staffing pattern for any new facility.

Subd. 3. For the modification and conversion of the Minnesota

metropolitan training center, \$ . . . . . of this appropriation shall be used for basic improvement of the facility, and \$ . . . . . shall be used to provide needed security modifications.

Subd. 4. The commissioner of corrections shall determine whether the Minnesota correctional institution for women at Shakopee shall be continued as a correctional facility for women, or utilized for other correctional purposes. If the commissioner shall determine that the facility is of no further practical use as a correctional facility, he is authorized to discontinue its use.

Subd. 5. The commissioner shall also:

(a) Analyze and evaluate the state correctional institution at Sauk Centre, and determine the most beneficial use of the institution as a correctional facility for up to 260 persons.

(b) Maintain the state correctional facility at Red Wing as a facility for 250 juveniles.

(c) Maintain the state reformatory for men at St. Cloud as a medium-maximum facility for up to 600 adults.

(d) Maintain the minimum security facility at Stillwater for up to 80 persons.

(e) Maintain the state facility at Willow River as a minimum security training facility for up to 60 persons.

(f) Analyze and evaluate, in consultation with the commissioner of public welfare, the need for the construction of new facilities or the remodification of the existing institutions at the St. Peter security hospital, the St. Cloud reformatory for men, and the Minnesota metropolitan training center, to provide mental health services to the present and projected institutional population.

Sec. 2. The appropriation in this act shall be immediately available upon final enactment."

Amend the title as follows:

Page 1, line 2, after "corrections;" insert "maximum security institutions; prescribing duties for the commissioner of corrections;"

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

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

S. F. No. 2126: A bill for an act relating to the legislature; establishing a legislative commission on the economic status of women; 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. [ADVISORY COUNCIL ON THE ECONOMIC

**STATUS OF WOMEN.]** Subdivision 1. An advisory council is hereby created to study and report on the economic status of women in Minnesota.

Subd. 2. The council shall consist of five members of the house of representatives appointed by the speaker, five members of the senate appointed by the committee on committees, and eight citizens appointed by the governor. Members shall serve until the expiration date of this act or until the expiration of their legislative terms. The compensation of non-legislator members, their removal from office and the filling of vacancies shall be as provided in section 15.059.

Subd. 3. The council shall study all matters relating to the economic status of women in Minnesota, including but not limited to matters of credit, family support and inheritance laws relating to economic security of the homemaker, educational opportunities, career counseling, contribution of women to Minnesota's per capita and family income and state revenues, job and promotion opportunities and laws and business practices constituting barriers to the full participation by women in the economy.

Subd. 4. The council shall report its findings and recommendations to the legislature not later than November 15, 1977, and shall supplement its findings and recommendations not later than November 15, 1978.

Subd. 5. The council may hold meetings and hearings at the times and places it designates to accomplish the purposes set forth in this act. It shall annually select a chairman and other officers from its membership as it deems necessary.

Subd. 6. The legislative coordinating commission shall supply the council with necessary staff, office space and administrative services.

**Sec. 2. [APPROPRIATION.]** There is appropriated from the general fund to the legislative coordinating commission the sum of \$125,000, to pay the expenses incurred by the commission.

Notwithstanding Minnesota Statutes, Section 16A.28, or any other law relating to the lapse of an appropriation, the appropriation made by this section shall not lapse but shall continue until January 15, 1979.

**Sec. 3.** This act shall be effective July 1, 1976 and shall expire January 15, 1979."

Amend the title as follows:

Page 1, line 2, delete "a"

Page 1, line 3, delete "legislative commission" and insert "an advisory council"

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

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

S. F. No. 2309: A bill for an act relating to retirement; distribution of state aid to policemen's relief associations; amending Minnesota Statutes 1974, Sections 69.021, Subdivisions 5, 6, and 7; and 69.031, subdivision 5.

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

Page 12, after line 28, insert:

"Sec. 8. Minnesota Statutes 1974, Section 69.06, is amended to read:

69.06 [SERVICE PENSIONS.] Every fire department relief association organized under any laws of this state when its certificate of incorporation or bylaws so provide may pay out of any funds received from the state, or other source, a service pension in such amount, not exceeding ~~\$40~~ \$80 per month, as hereinafter authorized, or as may be provided by its bylaws, to each of its members who has heretofore retired or may hereafter retire, who has reached or shall hereafter reach the age of 50 years and who has done or hereafter shall do active duty for 20 years or more as a member of a volunteer, paid or partially paid and partially volunteer, fire department in the municipality where the association exists, and who has been or shall hereafter be a member of such fire department relief association at least ten years prior to such retirement and who complies with such additional conditions as to age, service, and membership as may be prescribed by the certificate or bylaws of the association.

The amount of monthly pension which may be paid to such retired firemen may be increased by adding to the maximum above prescribed an amount not exceeding ~~\$2~~ \$4 per month for each year of active duty over 20 years of service before retirement; provided, that no such fire department relief association shall pay to any member thereof a pension in any greater amount than the sum of ~~\$60~~ \$120 per month.

Any such fire department relief association where the majority of its members are volunteer firemen may provide in its certificate of incorporation or bylaws for a service pension in an amount not exceeding ~~\$300~~ \$600 per year of service to be in a lump sum where the retiring member qualifies for a service pension under the provisions hereinbefore set forth.

These pensions shall be uniform in amount, except as herein otherwise provided. No such pension shall be paid to any person while he remains a member of the fire department and no person receiving such pension shall be entitled to other relief from the association. No payments made or to be made by the association to any member on the pension role shall be subject to judgment, garnishment, execution, or other legal process and no person entitled to such payment shall have the right to assign the same, nor shall the association have the authority to recognize any assignment or pay over any sum which has been assigned."

Page 12, line 29, strike "Sec. 8." and insert :

"Sec. 9. *Section 8 shall be effective July 1, 1976.*"

Further, amend the title as follows:

Page 1, line 3, after "associations;" insert "volunteer firemen's lump sum and monthly benefits;"

Page 1, line 6, strike the second "and"

Page 1, line 6, before the period, insert "; and 69.06"

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. 2339: A bill for an act relating to public welfare; specifying services to handicapped persons; defining terms; amending Minnesota Statutes 1974, Section 645.44, by adding a subdivision; and Minnesota Statutes, 1975 Supplement, Section 256.01, Subdivision 2.

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

Page 6, line 6, after "*disabilities*" insert "*which are not the result of the normal aging process, which*"

Page 6, line 7, strike "*that*"

Page 6, line 8, strike "*that*" and insert "*which*"

Page 6, line 10, strike "*but which are not*" and insert a period

Page 6, strike line 11

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. 2121: A bill for an act relating to Otter Tail county; permitting Otter Tail county to designate a human services board.

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

Page 1, after line 4, insert:

"Section 1. Minnesota Statutes 1974, Section 402.01, Subdivision 1, is amended to read:

402.01 [AGREEMENT.] Subdivision 1. One or more contiguous counties, having an aggregate population of 50,000 or more persons or ~~comprising all the counties within a region designated pursuant to sections 462.381 to 462.396 or chapter 473B, three or more contiguous counties~~ situated within the boundaries of the same region designated pursuant to sections 462.381 to 462.396 or chapter 473B, may, by resolution of their county boards of commissioners, designate a human services board having the composition, powers, and duties provided in sections 402.01 to 402.10."

Page 1, line 5, strike "1" and insert "2"

Page 1, line 5, after "1." insert "*Subdivision 1.*"

Page 1, line 10, strike "Sec." and insert "*Subd.*"

Page 1, line 10, strike "act" and insert "section"

Underline all new language in the bill

Amend the title as follows:

Page 1, line 2, strike "Otter Tail county" and insert "human services"

Page 1, line 2, after the semicolon insert "changing the requirements for counties joining together to form a human services board;"

Page 1, line 3, after "board" and before the period insert "amending Minnesota Statutes 1974, Section 402.01, Subdivision 1"

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. 2334: A bill for an act relating to public welfare; authorizing the assignment of accident insurance proceeds by any recipient of medical assistance; amending Minnesota Statutes, 1975 Supplement, Sections 256B.02, Subdivision 9; 256B.042, by adding a subdivision; and 256B.06, Subdivision 1.

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

Page 1, line 9, strike ", 1975 Supplement" and insert "1974"

Page 1, line 10, strike "Subdivision 9,"

Page 1, line 10, after "amended" insert "by adding a subdivision"

Page 1, delete lines 11 to 14 and insert:

*"Subd. 10. "Automobile accident coverage" means any plan, or that portion of a plan, regulated under Chapter 65B, which provides benefits for medical expenses incurred in an automobile accident."*

Page 2, line 32, after "application" strike the parenthesis and insert a comma

Page 3, line 1, strike the parenthesis and insert a comma

Page 3, line 3, strike "such"

Page 3, line 18, after "from" insert "automobile"

Page 3, line 19, strike "insurance policies" and insert "coverage"

Page 3, line 26, after "under" insert "automobile"

Page 3, line 26, after "accident" insert "coverage and"

Page 3, line 27, strike "or"

Page 3, line 27, strike "*and accident*"

Amend the title as follows:

Page 1, line 4, after "amending" insert "Minnesota Statutes 1974, Section 256B.02, by adding a subdivision;"

Page 1, line 6, strike "256B.02, Subdivision 9;"

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. 2096: A bill for an act relating to metropolitan government; changing the metropolitan parks and open space commission to the metropolitan parks, arts and recreation commission and prescribing its powers and duties; authorizing the metropolitan council to issue bonds and levy taxes therefor; authorizing the commission to impose an admissions tax; imposing a transient lodging tax in the metropolitan area; requiring the completion of an environmental impact statement prior to construction of a new sports facility; requiring a certificate of need for regional recreational facilities; amending Minnesota Statutes 1974, Chapter 473, by adding sections; Minnesota Statutes, 1975 Supplement, Sections 473.121, Subdivisions 7 and 14; 473.146, by adding a subdivision; 473.147; 473.301; 473.302; and 473.303, Subdivision 1; repealing Minnesota Statutes 1974, Section 340.11, Subdivision 11a.

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

Page 2, lines 8 to 12, strike all of section 3

Renumber sections in sequence

Page 3, strike lines 10 to 15 and insert "*include, to the extent appropriate, any of the statements and descriptions listed in section 473.146, subdivision 1, and the plan shall be adopted following the procedures provided in section 473.146, subdivision 2.*"

Page 3, strike lines 16 to 32

Page 4, strike lines 1 to 9

Page 4, line 10, after "*Subd.*" strike "3" and insert "2"

Page 4, line 13, strike "*commission*" and insert "*council*"

Page 4, line 17, strike "*8 to 16*" and insert "*5 to 17*"

Page 5, after line 30, insert a subdivision to read:

"*Subd. 12. "Debt service fund" means the fund from which are payable the principal and interest on all bonds issued or assumed by the council under sections 8 and 10.*"

Page 6, line 18, after *"recreational facilities"* and before the comma, insert *"including sports facilities"*

Page 6, line 25, strike *"8 to 16 of this act"* and insert *"5 to 17"*

Page 7, line 7, strike *"SPORTS FACILITIES;"*

Page 7, line 10, after *"including"* strike the comma

Page 7, line 18, before *"purposes"* insert *"sports facility"*

Page 7, line 18, strike *"8 to 16"* and insert *"5 to 17"*

Page 7, strike lines 19 and 20

Page 7, line 21, strike *"street in the city of Minneapolis"*

Page 7, line 24, after *"commission"* insert *"only in connection with the construction of sports and related facilities and"*

Page 8, line 6, before the period, insert *"subject to the approval by the council of any sale of real property"*

Page 8, line 8, after the period insert *"The proceeds of sale shall be used as directed by the council, to pay the capital cost of sports facilities or to pay bonds issued by the council for that purpose or bonds upon which it is obligated under the provisions of section 8, subdivision 2."*

Page 9, line 20, strike *"parks,"* and insert *"culture and arts. parks and"*

Page 9, strike lines 21 to 31 and insert:

*"Subd. 12. The commission shall appoint a nine member advisory sports facility building committee with membership as follows: a member representing the commission; a representative of the university of Minnesota; four citizen representatives, three of which shall reside outside of the city of Minneapolis, including a member designated by the project area committee of the Cedar-Riverside redevelopment project area in the city of Minneapolis; and one member of the metropolitan sports area commission from each of the cities, to be chosen by the parks, arts and recreation commission. A representative of each professional athletic team which intends to use the facility shall serve as an ex-officio member of the committee. The"*

Page 10, line 16, strike *"8 to 16"* and insert *"7 to 14"*

Page 10, line 18, strike *"and 4"* and insert *"4, and 15,"*

Page 10, line 18, strike *"of this act"*

Page 10, line 23, strike *"commission shall assume"*

Page 10, line 24, before the period, insert *"is transferred to the commission"*

Page 11, line 3, after *"fund"* insert *"and the metropolitan sports area bond sinking fund"*

Page 11, line 13, strike *"section 12"* and insert *"sections 7 to 14"*



Page 11, line 14, strike "*for*" and insert "*with respect to*"

Page 11, line 14, before "*bonds*" insert "*general obligation*"

Page 11, line 31, strike "*by this act*"

Page 13, line 1, strike "*system*" and insert "*association*"

Page 13, line 7, strike "*an*" and insert "*a matching*"

Page 13, line 25, strike "*9*" and insert "*8*"

Page 14, line 6, after "*475*" insert "*and this section*"

Page 14, line 16, strike "*3*" and insert "*1*"

Page 14, line 18, after "*acquisition*" insert "*and betterment*"

Page 14, line 18, after "*of*" insert "*a*"

Page 14, line 18, after "*stadium*" insert "*seating approximately 65,000 persons*"

Page 14, line 20, after "*facilities*" insert "*for approximately 3,000 automobiles*"

Page 14, line 20, strike "*in*"

Page 14, strike lines 21 and 22

Page 14, line 23, strike "*1976,*"

Page 14, lines 23 and 24, strike "*or other funds of the council or the commission*"

Page 14, line 25, after "*site*" insert "*or for the construction or installation of a dome over the playing field*"

Page 14, line 31, after the semicolon insert "*each agreement shall provide for the posting of a bond in the amount of \$5,000,000 to ensure the payment of the obligations of the professional clubs over the life of the agreements;*"

Page 14, line 32, after "*Acceptance*" insert "*by the environmental quality council*"

Page 15, line 1, before the semicolon, insert "*and all necessary permits have been issued by the pollution control agency*"

Pages 15 and 16, strike all of clauses (c) to (e) and insert:

*"(c) The entire site on which the stadium and parking and ancillary facilities are to be situated lies within three quarters of a mile of the intersection of 12th avenue and 2nd street in the city of Minneapolis; provided that any facilities, constructed with the proceeds of bonds issued under this subdivision, in the area to the east of trunk highway 394 shall be consistent with the city of Minneapolis' plan for the Cedar Riverside urban renewal area;*

*(d) The commission has received a grant of funds, or has entered into an agreement or agreements sufficient in the judgment of the council to assure the receipt of funds, at the time and in the amount required to make any payment upon which its*

*acquisition of title to and possession of the site is conditioned, and to pay all costs of clearing the site of all buildings and other structures, plus any necessary relocation costs;*

*(e) The commission has acquired title to the site, including all easements and other appurtenances needed for the construction and operation of the stadium, or an order has been entered by a court of competent jurisdiction determining that its taking of the site and appurtenances is necessary and authorized by law and appointing commissioners to assess and award the damages pursuant to section 117.075;*

*(f) All agreements entered into by the commission are consistent with the purposes of sections 7 to 14, and the council has reviewed plans prepared for the commission in detail sufficient so that the development of final plans and specifications in accordance therewith will assure completion of the project in conformity with said purposes;*

*(g) The council finds that there are adequate provisions for traffic circulation at the stadium site;*

*(h) In the considered judgment of the council the proceeds of the bonds will be sufficient to pay the entire cost of the stadium and ancillary facilities, and the revenues that may reasonably be expected to be received from the sources described in section 11, including but not limited to the playing agreements referred to in clause (a) above, and from investment of the construction fund, and from the sale of any part of the existing metropolitan sports area which is no longer needed, will be sufficient to pay all current expenses of operation, administration, and maintenance of the commission's sports facilities, to pay the principal of and interest on all bonds referred to in this subdivision and in section 8, subdivision 2, when due or called for prior redemption, and to accumulate and maintain an adequate bond reserve; and*

*(i) The council in determining whether the aforementioned items have been satisfied may require of the lessee professional teams any and all relevant corporate fiscal and financial data, including, but not limited to, profit and loss statements, annual audit statements, and balance sheets."*

Page 16, line 18, strike the comma and insert "and"

Page 16, line 19, strike "or improvements,"

Page 17, strike lines 25 to 32

Page 18, strike lines 1 to 21, and insert:

**"[473.354] [FINANCES.] Subdivision 1. [ADMISSION TAX.]**  
*The council may by resolution levy, impose, and collect an admissions tax, additional to and not in lieu of any taxes imposed by chapter 297A, upon the granting by any private or public person, association, or corporation, other than the commission, of the privilege of admission to activities conducted on premises owned, operated, or controlled by the commission. No other tax may be levied on such transactions by any other unit of government*

*except the state. The tax shall be stated and charged separately from the sales price so far as practicable and shall be collected by the grantor of admission from the person admitted and shall be a debt from that person to the grantor, and the tax required to be collected shall constitute a debt owed by the grantor to the commission, which debts shall be recoverable at law in the same manner as other debts. Every person, association, or corporation granting such admissions may be required, as provided in resolutions of the council, to secure a permit, to file returns, to deposit security for the payment of the tax, and to pay such penalties for nonpayment, and interest on late payments, as shall be deemed necessary or expedient to assure the prompt and uniform collection of the tax. The tax may not exceed three percent of the selling price; except that the tax upon admissions to activities conducted in the stadium referred to in section 10, subdivision 3, may be imposed at rates not to exceed ten percent of the selling price. The tax imposed by this subdivision shall be paid by the commission into the debt service fund."*

Page 18, line 27, strike "that"

Page 19, strike lines 6 to 20, and insert: "quarterly, one half to the municipality in which the tax was collected and one half to the commission to be distributed as provided in section 13. When the council deems it necessary to provide sufficient revenues to meet the obligations of the debt service fund as set forth in section 10, subdivision 4, it may increase the rate of this tax to 4-½ percent, after which the commissioner of revenue shall remit the net collections thereof, four-ninths to the municipality in which the tax was collected and five-ninths to the commission for distribution as provided in section 13."

Page 20, strike line 11 after the comma

Page 20, strike line 12

Page 20, line 13, strike "reasonable"

Page 20, line 13, before the comma, insert "as authorized by the council"

Page 20, line 22, before "An" insert "Subdivision 1."

Page 20, line 26, after "bonds" insert "in excess of \$1,500,000"

Page 21, after line 4, insert a subdivision to read:

*"Subd. 2. The pollution control agency shall take final action to approve or deny any permits necessary for the construction of the new sports facility within ten months following the effective date of this act."*

Page 21, line 21, strike "12" and insert "11"

Page 21, line 22, strike "under section 11"

Page 21, line 24, before "one" insert "at least"

Page 21, line 27, strike the first "the" and insert "any"

Page 21, line 27, after "revenues" insert "therefrom"

Page 21, line 28, strike "11" and insert "10"

Page 21, line 29, after "that" insert "any of"

Page 21, line 31, after "that" insert "any of"

Page 22, line 4, after "collections" insert "remitted"

Page 22, line 7, after the period, insert: "*The commission may use up to five percent of the collections remitted for the operating expenses of the commission.*"

Further amend the title as follows:

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

Page 1, line 8, strike "imposing" and insert "authorizing the council to impose"

Page 1, line 11, after "statement" insert "and pollution control agency permits"

Page 1, line 12, after "facility;" insert "authorizing a liquor license for the commission;"

Page 1, lines 16 and 17, strike "473.146, by adding a subdivision;"

And when so amended the bill do pass. Mr. Brown 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. 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.

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

Page 1, line 7, after "1." insert "Subdivision 1."

Page 1, line 14, strike ", lands acquired"

Page 1, line 15, strike "pursuant to Laws 1941, Chapter 511,"

Page 1, after line 19, insert:

"Subd. 2. Notwithstanding Minnesota Statutes, Sections 94.09 to 94.16, before January 1, 1977, and after the issuance of all necessary permits for the construction and operation of a taconite tailings disposal facility for Reserve Mining Company, the commissioner of natural resources may sell at public auction in the manner specified in Minnesota Statutes, Sections 92.12 to 92.16, any lands acquired pursuant to Laws 1941, Chapter 511, regardless if they are determined to be surplus state lands, which are located within the site which the state of Minnesota and Reserve Mining Company agree is suitable for disposal of the latter's taconite tailings if the executive council by an affirmative vote

of four members authorizes the commissioner to convey such lands. The public meeting of the executive council shall be based only on the commissioner's record of the proceedings concerning permits issued by the commissioner pursuant to Minnesota Statutes, Section 105.42."

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

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

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

S. F. No. 2382: A bill for an act relating to drainage systems; authorizing a board or court to allow amendment of the engineer's and viewers' report for the purposes of taking into consideration certain inflationary cost factors; amending Minnesota Statutes 1974, Section 106.241.

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1974, Section 106.241, is amended to read:

106.241 [PROCEDURE WHEN CONTRACT NOT LET OR COMPLETED.] Subsequent to the establishment of any drainage system, if no bids are received except for a price more than 30 percent in excess of the engineer's estimate, or for a price in excess of the benefits, less damages and other costs, *or if a contract is let, but due to unavoidable delays not occasioned by the contractor, the contract cannot be completed for a price within the benefits, less damages and other costs*, proceedings may be had as follows.

If it shall appear to the persons interested in said ditch that the engineer made an error in his estimate or that the plans and specifications could be changed in a manner materially affecting the cost of the improvements without interfering with the efficiency thereof, then any of said persons may petition the board or court so stating and asking that an order be made ~~reconsidering and rescinding the order theretofore made establishing the drainage system, and that~~ the engineer's and viewers' reports be referred back to the engineer and to the viewers for further consideration.

*If it appears to a person interested in the ditch that no bids were received except for a price more than 30 percent in excess of the engineer's estimate due to the inflation of construction cost between the time of the engineer's cost estimates and the time of letting of the contract, or if a contract is let and there is unavoidable delay, not occasioned by the contractor, between the time of the letting of the contract and completion of construction, with the result that the contract cannot be completed for a price within the benefits assessed due to inflation of construction costs, the interested person may petition the board or court for an order to reconsider the engineer's and viewers' reports. The person may request in his petition that the board or court reconsider the engineer's original estimate and viewers' report and update them to take into consideration inflationary construction cost increases.*

Upon presentation of such petition, the board or court shall order a hearing, therein designating the time and place for hearing, and cause notice thereof to be given by publication in the same newspapers where the notice of final hearing was theretofore published.

At the time and place specified in the order and notice, the board or court shall consider the petition and hear all interested parties.

Upon said hearing, if it shall appear that the engineer's original estimate was erroneous and should be corrected, or that the plans and specifications could be changed in a manner materially affecting the cost of the improvement without interfering with the efficiency thereof, and further, that upon said correction or modification, a contract could be let within the 30 percent limitation and within the available benefits, then the board or court may, by order, authorize the engineer to amend his report. If the changes recommended by the engineer in any manner affect the amount of benefits or damages to any property, or if it becomes apparent because of inflated land values and inflated construction costs that the benefits should be re-examined, the viewers' report shall be referred back to the viewers to re-examine the benefits and damages and report the same to the board or court. *If at the hearing the board or court determines that no bids were received or that construction under the contract previously let cannot be completed except for a price more than 30 percent in excess of the engineer's estimate, or in excess of the benefits, less damages and other costs, due to inflationary construction cost increases, the board or court may by order authorize the engineer and viewers to amend their report to take into account the inflationary cost increases.*

The board or court may continue the hearing to give the engineer or the viewers additional time for the making of their amended reports and in such case the jurisdiction of the board or court shall continue in all respects at the adjourned hearing.

Upon said hearing the board or court shall have full authority to ~~reopen the original order establishing said ditch, and to set said order aside, and to consider the amended engineer's report and the amended viewers' report, if any, and to make findings and an order thereon the same as is provided in sections 106.191 and 106.201.~~ *All proceedings thereafter taken shall be the same as is provided upon the original findings and order of the board or court. Any party aggrieved thereby may appeal to the district court pursuant to section 106.631, subdivision 1.*

*Sec. 2. This act is effective the day following its final enactment."*

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. 2435: A bill for an 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.

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

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

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.

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

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

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.

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. 2485: A bill for an act relating to natural resources; authorizing the inclusion of additional lands within the boundaries of Itasca State Park.

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

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

S. F. No. 2282: A bill for an act relating to the Minnesota state historical society; interpretive centers; appropriating money.

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

Page 1, lines 13 and 14, strike "Horizons subcommittee of the Bicentennial committee of Faribault" and insert "bicentennial committee's tri-river valley interpretative program"

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. 2509: A bill for an act relating to state lands; authorizing the conveyance of certain state lands in Rice county to the city of Faribault for the purpose of establishing a nature and agricultural interpretative center.

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

Page 1, line 14, strike "a nature and agricultural interpretative"

and insert "the bicentennial horizons committee's tri-river valley interpretative program"

Page 1, line 15, strike "center"

Page 5, line 3, strike "NATURE AND AGRICULTURAL" and insert "REGIONAL"

Page 5, line 7, strike "nature and agricultural" and insert "regional"

Page 5, line 9, strike "involved with"

Page 5, line 10, strike "agriculture and nature"

Amend the title as follows:

Page 1, line 5, strike "nature and agricultural" and insert "regional"

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. 652: A bill for an act relating to the organization, operation and financing of state government; establishing an indirect cost billing system; requiring revolving fund billing rates by the commissioner of finance; transferring certain powers and duties relating to finance and recordation from and to the department of finance; appropriating money; amending Minnesota Statutes 1974, Sections 3.30, Subdivision 2; 16.141, Subdivisions 2 and 3a; 16.19; 16A.132, Subdivision 3; 16A.15, Subdivision 3; 16A.17; 16A.28; 16A.58; 84A.04; 93.12; 124.28, Subdivision 2; 276.09; 276.10; 293.10; 348.04; 354A.07; 379.05; 379.07; 379.09; 385.21; and 473F.07, Subdivisions 1 and 2; and Chapter 16A, by adding sections; repealing Minnesota Statutes 1974, Sections 10.16; 16A.09; 16A.125; and 136.06.

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 3.30, Subdivision 2, is amended to read:

Subd. 2. [MEMBERS; DUTIES.] The chairman of the senate committee on taxes and tax laws, the chairman of the senate committee on finance, the chairman of the house committee on taxes and tax laws, and the chairman of the house committee on appropriations shall constitute a committee to be known as the legislative advisory committee. The governor shall preside over the meetings of the committee but shall not be a member thereof. If any of the legislative members elect not to serve on the committee, the house of which they are members, if in session, shall select some other member for such vacancy. If the legislature is not in session, vacancies in the legislative membership of the committee shall be



filled by the last speaker of the house or, if he be not available, by the last chairman of the house rules committee, in case of a house vacancy, and by the last senate committee on committees or other appointing authority designated by the senate rules in case of a senate vacancy. The commissioner of finance shall act as secretary of the committee and shall keep a permanent record and minutes of its proceedings, which shall be made available for examination upon request of any interested citizen public records. The commissioner of finance shall transmit, under the provisions of section 3.195, a report to the next legislature of all actions of said committee. The members of the committee shall receive travelling and subsistence expenses in attending meetings of the committee. From the appropriation made for the committee there shall be paid the travelling and subsistence expenses of members of the committee in attending meetings thereof and for the payment of stenographic services which if performed by a person in the classified service of the state shall be in addition to his regular salary. The committee shall meet from time to time upon the call of the governor or upon the call of the secretary at the request of three or more of its members.

Sec. 2. Minnesota Statutes 1974, Section 15.191, Subdivision 2, is amended to read:

Subd. 2. [APPROVAL.] Before an imprest cash fund is established an application showing the need therefor shall be presented to the state auditor commissioner of finance who shall fix the amount of the fund for the department or agency. Upon the approval of the application by the commissioner of administration finance, the imprest cash fund is established and the commissioner of finance shall notify the applicant.

Sec. 3. Minnesota Statutes 1974, Section 16A.055, is amended to read:

16A.055 [DUTIES OF COMMISSIONER.] The commissioner of finance shall exercise the rights, powers, and duties vested in and imposed upon his office. He shall have charge of the administration of the financial affairs of the state. He shall keep the general books of account of the state. The general books of account shall be on a double entry control basis, with such revenue, expenditure, asset and liability accounts as will give complete control over all financial and expenditure operations of the state and over all officials, departments, and agencies of the state government. Accounts shall be set both as to expenditures and revenue according to generally accepted practice in governmental accounting. The commissioner of finance shall formulate and prescribe for all departments and other state agencies a system of uniform records, accounts, statements, estimates, revenue receipt forms, vouchers, bills, and demands with suitable instructions governing the installation and use thereof. The accounting system and form so prescribed shall be adopted and employed by all officials, departments, and agencies of the state government. The commissioner of finance shall exercise constant supervision and control thereof. All accounting and financial records shall be kept on the fiscal year basis of 12 months ending at midnight between June 30 and

July 1. The commissioner of finance and his designated agents shall at all times have free access to the books, records, accounts, and papers of the several departments and agencies.

*To accomplish the above duties, the commissioner may assign a designee to any department or agency of the state to monitor the fiscal activities therein, insure compliance with statutes and administrative requirements promulgated by the commissioner and provide any additional assistance he deems appropriate. Development of a budget consistent with a department or agency's goals, responsibilities and priorities and supervision of a department or agency's personnel shall be the responsibility of the department or agency head.*

Sec. 4. Minnesota Statutes 1974, Chapter 16A, is amended by adding a section to read:

[16A.095] [PROGRAM BUDGETING.] *Subdivision 1. [LEGISLATIVE POLICY.] The legislature finds that in the present era of increasing cost and complexity of state governmental operations with the attendant increase in sums requested and appropriated at each legislative session to enable state departments and agencies to perform their functions of service to the public, it is highly desirable that budgets considered by the legislature be stated in terms of services to the people in order to present fiscal policies in the context of services to be accomplished. The legislature therefore finds it desirable that future budgets and appropriations be stated in terms of programs and anticipated accomplishment rather than in terms of objects of expenditure. Program budgeting, herein defined as the arrangement of budgetary information into program categories in such a way as to emphasize the purposes for which state moneys are to be spent, will be of invaluable assistance to the legislature in its consideration of budgets and appropriations requests. It is believed that it will also assist departments and agencies in clearly stating and properly emphasizing their budgetary needs.*

*Subd. 2. [ESTABLISHMENT OF PROGRAM.] The commissioner of finance shall develop the budget process to accomplish the policy as stated in subdivision 1 for state departments and agencies, provided, that such process need not comply with other provisions of law relating to the setting forth of expenditures by organizational units, character and objects of expenditure. The commissioner of finance shall promulgate regulations and instructions applicable to budget preparation governing the classification of expenditures and the content, and submission of budget requests and appropriation measures. The commissioner of finance shall select agencies and departments to implement the budget system. The commissioner of finance shall make recommendations to the legislature on the subject of any legislation or special appropriations which may be required for implementation of the budgeting system for all state departments and agencies. Such budget system shall, to the greatest extent practicable, emphasize alternative approaches in the program development and criteria for performance evaluation and measurement. All state departments and agen-*

*cies shall cooperate with the commissioner of finance to assure implementation of budgets which meet the requirements of the commissioner of finance and which give due regard to the requirements of the various departments and agencies involved. No state agency shall begin or install any system of program or programmatic budgeting until they have first secured the explicit permission of the commissioner of finance.*

**Subd. 3. [WAIVER OF REQUIREMENT OF SUBMITTING BUDGET.]** *Notwithstanding any other law to the contrary, the commissioner of finance after consulting the committee on appropriations of the house of representatives and the committee on finance of the senate may waive the requirements for submitting a budget by object of expenditure for agencies and departments which are, at his direction, requesting programmatic appropriations.*

**Sec. 5. Minnesota Statutes 1974, Chapter 16A, is amended by adding a section to read:**

**[16A.126] [COMMISSIONER TO APPROVE BILLING RATES FOR REVOLVING FUNDS.]** *The commissioner of finance shall approve the rates at which services are billed state departments or agencies by any revolving fund.*

**Sec. 6. Minnesota Statutes 1974, Chapter 16A, is amended by adding a section to read:**

**[16A.127] [INDIRECT COSTS.] Subdivision 1. [DEFINITIONS.]** *As used in this section the following terms shall have the meanings given them:*

*(a) "State agency" means a state department, board, council, committee, authority, commission or other entity in the executive branch of state government;*

*(b) "Nongeneral fund moneys" means any moneys any state agency is authorized to receive and expend from a source other than the general fund;*

*(c) "Statewide indirect costs" means all operating costs incurred by the state treasurer and the departments of administration, finance and personnel which are attributable to the provision of services to any state agency;*

*(d) "Commissioner" means the commissioner of finance.*

**Subd. 2. [STATEWIDE INDIRECT COST PLAN.]** *Each year the commissioner shall prepare a statewide indirect cost plan showing the category and amount of statewide indirect costs attributable to each state agency for the current fiscal year. The commissioner shall submit copies of the plan to the governor and to the legislature pursuant to section 3.195.*

**Subd. 3. [TRANSFER OF FUNDS.]** *Pursuant to the statewide indirect cost plan the commissioner shall transfer to the general fund that portion of the statewide indirect costs applicable to nongeneral fund moneys received by any state agency for the pre-*

vious fiscal year. Upon making such a transfer, the commissioner is authorized and directed to make appropriate entries in the records of the funds involved in the transfer. Notwithstanding the foregoing, the commissioner may determine, for reasons of sound fiscal management, to waive the transfer to the general fund of the indirect costs for certain nongeneral fund moneys. The commissioner shall report any waivers under this subdivision to the governor and the legislature at the time of his submission of the statewide indirect cost plan for the following fiscal year.

**Subd. 4. [FEDERAL INDIRECT COST PROPOSALS.]** Whenever a state agency applies or submits a budget for or receives federal moneys, the state agency shall prepare and submit to the appropriate federal agency an indirect cost proposal and make such further submissions necessary to obtain both statewide and state agency indirect cost moneys. Any indirect cost proposals and related documents must be submitted to and approved by the commissioner prior to the time they are submitted to the appropriate federal agency. A state agency need not prepare and submit an indirect cost proposal if it establishes to the commissioner's satisfaction that such submission is not economically feasible.

**Subd. 5. [TRANSFER OF FUNDS; FEDERAL INDIRECT COST PROPOSAL.]** If the appropriate federal agency approves a state agency's indirect cost proposal, the commissioner shall transfer to the general fund that portion of the federal moneys received by the state agency attributable to statewide indirect costs. If the federal agency approves only a portion of the state agency's indirect cost proposal, the commissioner shall transfer to the general fund all or such part, if any, of that portion of the federal moneys received by the state agency attributable to statewide indirect costs that the commissioner deems appropriate. If the federal agency fails to approve any portion of the state agency's indirect cost proposal, the state agency shall submit documentation of the failure to approve and a statement of the reasons therefor to the commissioner.

**Subd. 6. [REPORTS.]** The commissioner shall require such information and reports from each state agency as he deems necessary to carry out the duties of this section.

**Sec. 7. Minnesota Statutes 1974, Section 16A.129, is amended to read:**

**16A.129 [COMMISSIONER TO MAKE RULES.]** The commissioner of finance shall have the following powers: to approve or reject the compensation schedules submitted by the personnel board for the various classes, grades, and titles of the employees of the various officials, departments, and agencies of the state government and institutions under their control; power to require a complete record of the officers, assistants, and employees appointed thereby or employed therein, and to require the salaries of the same to be in conformity with the scale of compensation established pursuant to law; and to prepare and prescribe classes of expenditures and revenue for the purpose of budget-making and accounting; to procure by lease, with the approval of the

governor, office space and buildings for the use of the state government or any department, office, or institution thereof, to purchase, except as otherwise provided in Laws 1925, Chapter 126, as amended, all supplies and equipment for all state officials, departments, and agencies of the state government, including tools, machinery, and materials to be used by the state in the construction and maintenance of state highways; but the commissioner, in his discretion, may designate an officer or employee of any such department to make, under the general supervision and direction of the commissioner, such purchases for the department in which such designation is so made as he may specify.

The authority of the commissioner to approve or reject a scale of compensation therefor shall not apply to the unclassified service as prescribed by the state civil service law.

Sec. 8. Minnesota Statutes 1974, Chapter 16A, is amended by adding a section to read:

[16A.14] [ALLOTMENT AND ENCUMBRANCE.] *Subdivision 1. [ALLOTMENT PERIOD.] For the purposes of operation of the allotment system, each fiscal year shall be one fiscal year of 12 months which shall end at midnight between each June 30 and July 1, provided, that the commissioner of finance may prescribe a different period suited to the circumstances, not exceeding 12 months nor extending beyond the end of the fiscal year. This provision does not apply to allotments made with respect to appropriations made for constructions or permanent improvement.*

*Subd. 2. [FUNDS TO WHICH SYSTEM APPLIES.] Except as otherwise expressly provided therein, the provisions of Laws 1939, Chapter 431, relating to the allotment system and to the encumbering of funds shall apply to appropriations and funds of all kinds, including standing or annual appropriations and dedicated funds from which expenditures are to be made, from time to time, by or under the authority of any agency, but shall not apply to appropriations for the courts or the legislature, nor to payment of unemployment compensation benefits nor to the funds deposited in the state treasury for disbursement by the commissioner of highways when acting as the agent of a political subdivision pursuant to law. In the case of construction or other permanent improvement contracts and transactions for the acquisition of real estate, equipment, repair, rehabilitation, appurtenances or utility systems to be used for public purposes, where periodical allotments are impracticable, the commissioner may dispense therewith and prescribe such regulations as will insure proper application and encumbering of funds. Contingent funds appropriated for the governor or the attorney general shall not be subject to the provisions thereof relating to allotment, but shall be subject to the other provisions thereof relating to expenditure and encumbering of funds.*

*Subd. 3. [APPROPRIATIONS AVAILABLE FOR ALLOTMENT; SPENDING PLANS.] No appropriation to any agency shall become available for expenditure thereby during any allotment period until such agency shall have submitted to the commissioner of finance a spending plan in advance, in such form as the commissioner shall prescribe, for such allotment period next ensuing, of the amount required for each*

activity to be carried on and each purpose for which money is to be expended during that period, and until such spending plan shall have been approved, increased, or decreased by the commissioner of finance and funds allotted therefor.

**Subd. 4. [SPENDING PLANS WITHIN APPROPRIATION; APPROVAL; PROCEDURE.]** *If the spending plan is within the terms of the appropriation as to amount and purposes, having due regard for the probable further needs of the agency for the remainder of the fiscal year or other term for which the appropriation was made, and if there is a need for such appropriation for the next ensuing allotment period, the commissioner of finance shall approve the estimated amount for expenditure. Otherwise the commissioner of finance shall modify the spending plan so as to conform with the terms of the appropriation and the prospective needs of the agency and shall reduce the amount allotted accordingly. The commissioner of finance shall act promptly upon all spending plans, and shall notify every agency of its allotments at least five days before the beginning of each allotment period. The total amount allotted to any agency for the fiscal year or other terms for which the appropriation was made shall not exceed the amount appropriated for such year or term.*

**Subd. 5. [MODIFICATION.]** *The commissioner of finance shall also have authority at any time to modify or amend any spending plan previously approved by him, upon application of or upon notice to the agency concerned, and upon a showing of emergency or other cause; provided, no deficit or undue reduction of funds to meet future needs of such agency will result therefrom.*

**Sec. 9. Minnesota Statutes 1974, Chapter 16, is amended by adding a section to read:**

**[16.243] [COMMISSIONER; ADDITIONAL POWERS.]** *The commissioner of administration shall have the following powers: to procure by lease, with the approval of the governor, office space and buildings for the use of the state government or any department, office, or institution thereof; to purchase, except as otherwise provided in chapter 16, all supplies and equipment for all state officials, departments, and agencies of the state government, including tools, machinery, and materials to be used by the state in the construction and maintenance of state highways; but the commissioner, in his discretion, may designate an officer or employee of any such department to make, under the general supervision and direction of the commissioner, such purchases for the department in which such designation is so made as he may specify.*

**Sec. 10. Minnesota Statutes 1974, Section 16A.15, Subdivision 3, is amended to read:**

**Subd. 3. [PAYMENT WITHIN ALLOTMENT AND ENCUMBRANCE; EXCEPTIONS.]** *No payment shall be made and without prior obligation. No obligation shall be incurred against any fund, allotment, or appropriation unless the commissioner of finance shall first certify that there is a sufficient unencumbered balance in such fund, allotment, or appropriation to meet the same. Every expenditure or obligation authorized or incurred in violation of the provisions of Laws 1939, Chapter 431, shall be presumed invalid and shall be ineligible for payment until its validity is established as hereinafter provided. Every*

payment made in violation of the provisions of Laws 1939, Chapter 431, shall be deemed illegal, and every official authorizing or making such payment, or taking part therein, and every person receiving such payment, or any part thereof, shall be jointly and severally liable to the state for the full amount so paid or received. If any appointive officer or employee of the state shall knowingly incur any obligation or shall authorize or make any expenditure in violation of the provisions of Laws 1939, Chapter 431, or take part therein, it shall be grounds for his removal by the officer appointing him, and, if the appointing officer be other than the governor and shall fail to remove such officer or employee, the governor may exercise such power of removal, after giving notice of the charges and opportunity for hearing thereon to the accused officer or employee and to the officer appointing him. Claims presented against existing appropriations without prior allotment or encumbrance may, upon investigation, review, and approval by the commissioner of finance be determined valid where the services, materials, and supplies for which payment is claimed have been actually rendered or furnished to the state in good faith without collusion and without intent to defraud. Thereafter the commissioner of finance may draw his warrant in payment of such claims in the same manner in which other claims, properly allotted and encumbered prior to inception thereof, are paid.

Sec. 11. Minnesota Statutes 1974, Chapter 16A, is amended by adding a section to read:

[16A.155] [BUDGET AND ALLOTMENT SYSTEM, REFUNDS.] *Notwithstanding the provisions of section 8 of this act and section 16A.15, or any other law to the contrary, the payment of a refund for any purpose authorized by law shall be chargeable against the fund, appropriation, allotment or encumbrance for the period in which the refund is paid.*

Sec. 12. Minnesota Statutes 1974, Section 16A.17, Subdivision 1, is amended to read:

16A.17 [PREPARATION OF STATE PAYROLL.] Subdivision 1. [COMMISSIONER TO DETERMINE PAY PERIOD.] The commissioner of finance, with the approval of the governor, shall fix the time for payment of salaries due elective and appointive officers and employees of the state government. ~~As herein determined said~~ Salaries shall be paid either monthly, semi-monthly or for each two week period; provided, however, that no employee whose salary is less than \$500 a month the amount prescribed by Title 29, Code of Federal Regulations, Part 541, as amended through December 31, 1974, shall be paid on a monthly or longer basis.

Sec. 13. Minnesota Statutes 1974, Section 16A.17, Subdivision 4, is amended to read:

Subd. 4. [EQUAL SALARY PAYMENTS; ALLOCATION.] If the commissioner provides for equal payments of salaries throughout the year, the payroll shall be allocated as provided in this subdivision.

(1) If the payroll period extends beyond one quarter of the year and into another quarter of the year, the amount of the payroll for such payroll period shall be chargeable to the respective allotments and encumbrances according to procedures to be established by the commissioner of finance.

(2) This subdivision is applicable to salaries of state officers and employees payable in equal payments throughout the year notwithstanding any *other* provision in Minnesota Statutes 1967, Chapter 16, and any act amendatory thereof relating to the budget, allotment, and encumbrance system. No provision of any subsequent law relating to the budget, allotment, and encumbrance system or to appropriations for the payment of salaries of state officers and employees shall be construed as inconsistent with this subdivision unless and except only so far as expressly provided in such subsequent act that the provisions of this subdivision shall not be applicable or shall be superseded, modified, amended, or repealed.

Sec. 14. Minnesota Statutes 1974, Section 16A.17, Subdivision 5, is amended to read:

Subd. 5. [PAYROLL DEDUCTIONS MADE BY FINANCE.] Whenever in any law the duty is imposed upon the head of a state department or agency to make deductions from, or employer contributions on, the salaries and wages of state officers and employees for such purposes as are authorized or directed by law and to prepare or issue vouchers in connection therewith and the payroll for such officers and employees is prepared by the central payroll section of the department of finance, such duties as ~~hereinbefore referred to~~ shall devolve upon the commissioner of finance. Notwithstanding any other law to the contrary, where a state officer or employee directs, in writing, that a voluntary deduction shall be made from his salary or wages, the officer or employee shall file an original and one copy of his written instruction with the credit union, organization, association, agency, or carrier to which the deduction is to be paid and the intended recipient of such deduction shall forward the original of the instruction, signed by the employee, together with such other information as the commissioner of finance may prescribe concerning the amount of the deduction or change therein to the head of the state department or agency who prepares the payroll involved.

Sec. 15. Minnesota Statutes 1974, Section 16A.17, Subdivision 6, is amended to read:

Subd. 6. [PAYROLL PREPARATION.] All payrolls for the compensation of work performed, by elective and appointive state officers and employees, with the exception of the legislative and judicial branches, *in the executive branch* shall be prepared by the central payroll section of the department of finance. *Upon request of the rules committee of the senate or house of representatives or the supreme court, as appropriate, the commissioner shall also prepare payrolls for the legislative and judicial branches by using pay procedures similar to those used in the executive branch.*

Sec. 16. Minnesota Statutes 1974, Section 16A.17, Subdivision 7, is amended to read:

Subd. 7. [REPORTING OF HOURS WORKED.] (1) ~~To facilitate the lowering of the payroll preparation cost,~~ The commissioner of finance may authorize certification by authorized offi-



cials as to hours worked for payroll purposes in anticipation of the hours actually worked. The commissioner shall prescribe such procedures as may be necessary to assure that no payment shall be made for hours not worked unless covered by leave in accordance with civil service rules and regulations of the department of personnel or as provided in clause (2).

(2) Upon certification by the commissioner of finance, any agency of the state government shall release part or all of any fund held for an employee to correct an overpayment to any officer or employee described in subdivision 6 who has been erroneously paid.

Provided, however, that employee contributions in a retirement fund shall not be released until such time as the former state employee or person otherwise entitled thereto would be eligible to apply for a refundment and has been given proper notice. Amounts paid under the provisions of this section shall be considered the equivalent of a refundment. If an employee or survivor is entitled to an immediate or deferred annuity or survivor benefit, no funds shall be paid from his retirement account under the provisions of this section.

Sec. 17. Minnesota Statutes 1974, Section 16A.17, is amended by adding a subdivision to read:

*Subd. 9. [PAYROLL COSTS.] The moneys in the computer services revolving fund used for the costs of preparing the state payroll, and all the earnings accrued thereto, are appropriated to a central payroll revolving fund under the department of finance. In the instance of a direct appropriation for the costs of preparing the state payroll, all state departments and agencies shall be billed for their share of the payroll preparation costs through the indirect cost billing system, with the moneys collected being deposited in the general fund.*

Sec. 18. Minnesota Statutes 1974, Chapter 16A, is amended by adding a section to read:

**[16A.275] [RECEIPTS DEPOSITED WITH STATE TREASURER.]** *All receipts from any source shall be deposited with the state treasurer each day, except as otherwise provided by law, and unless such receipts are under \$50 in which event payment may be deferred until they aggregate such sum; and at the same time a report of all receipts since the last previous report and of the disposition thereof shall be made to the commissioner of finance by the depositing agency. All moneys received by the treasurer during any month shall be credited by him and by the commissioner of finance to the proper funds not later than the first day of the following month.*

Sec. 19. Minnesota Statutes 1974, Section 16A.28, is amended to read:

**16A.28 [APPROPRIATIONS TO REVERT TO STATE TREASURY.]** Except as specifically provided for in appropriation acts, every appropriation or part thereof of any kind hereafter made subject to the provisions of this section remaining

unexpended and unencumbered at the close of any fiscal year shall lapse and *the commissioner shall cause same to be returned to the fund from which such appropriation was made; provided, that an appropriation for construction or other permanent improvement shall not lapse until the purposes for which the appropriation was made shall have been accomplished or abandoned unless such appropriation has stood during the entire fiscal biennium without any expenditure therefrom or encumbrances thereon.*

*On October 16 of each year all allotments and encumbrances for the preceding fiscal year shall be cancelled unless an agency certifies to the commissioner that there is an encumbrance incurred pursuant to law for services rendered or goods ordered in the preceding fiscal year. The commissioner may reinstate that portion of the cancellation needed to meet the certified encumbrance or he may charge the certified encumbrance against the current year's appropriation.*

Except as otherwise expressly provided by law, the provisions of this section shall apply to every appropriation of a stated sum for a specified purpose or purposes heretofore or hereafter made ~~from the general fund~~, but shall not, unless expressly so provided by law, apply to any fund or balance of a fund derived wholly or partly from special taxes, fees, earnings, fines, federal grants, or other sources which are by law appropriated for special purposes by standing, continuing, or revolving appropriations.

Sec. 20. Minnesota Statutes 1974, Chapter 16A, is amended by adding a section to read:

[16A.30] [APPLICATIONS FOR NONSTATE FUNDS.] *Subdivision 1. Every department or agency of the executive branch of state government shall, prior to the submission of any application for nonstate funds, submit the original of the application to the commissioner of finance. The commissioner shall promptly return the application indicating his approval or disapproval. No application for funds shall be submitted without the prior approval of the commissioner of finance. The commissioner of finance may promulgate rules, regulations, and directives to implement the provisions of this section.*

*Subd. 2. The provisions of this section shall not apply to the Minnesota historical society.*

Sec. 21. Minnesota Statutes 1974, Section 84A.04, is amended to read:

84A.04 [LISTS OF LANDS.] ~~Not later than September 1, 1920,~~ The auditor of each county in which a portion of this preserve and hunting ground is situated shall certify to the commissioner of ~~finance~~ *natural resources* a list of all the lands within the boundaries of the preserve and hunting ground, except lands lying within the boundaries of any incorporated city, which have been bid in for the state at the delinquent tax sale held in the year 1928 for the non-payment of taxes or special drainage assessments and not redeemed or assigned to an actual purchaser, which certificate shall contain the following information:

- (1) The legal description of each parcel of such lands ;
- (2) The amount of principal and interest of delinquent drainage assessments, if any, or instalments thereof, for all years prior to the date of such report, against each such parcel of land ; and
- (3) The amount of drainage assessments thereof assessed against each such parcel of land which have been or are to be extended upon the tax rolls of such county for collection with the taxes for the year 1927 and subsequent years.

On or before June fifteenth, of each year thereafter, such county auditor shall certify to the commissioner of *finance natural resources* a supplemental report giving the information contained in the original report covering such lands within this preserve and hunting ground bid in for the state at the annual tax sale of that year and not included in the previous report.

When redemption is made of any parcel of such land within the preserve and hunting ground which has been bid in for the state at any tax sale for taxes heretofore levied or when the tax liens on such land are assigned to an actual purchaser, the county auditor shall report the same forthwith to the commissioner of *finance natural resources*, and the county treasurer shall transmit forthwith the proceeds of such redemption to the state treasurer.

After each distribution has been made of the tax collections on the June and November tax settlements, such county auditor shall certify to the commissioner of *finance natural resources* the following information relating to bonds issued to finance or refinance public drainage ditches lying wholly or partly within this preserve and hunting ground and the collection of assessments levied on account of such ditches :

- (1) The amount of principal and interest to become due on such bonds prior to the next ensuing tax settlement and distribution ;
- (2) The amount of moneys collected from such drainage assessments and credited to the funds of these ditches ; and
- (3) The amount of the deficit in the ditch fund of the county chargeable to such ditches.

Upon the approval of this certificate by the commissioner of *finance natural resources*, he shall draw a warrant or warrants on the state treasurer, payable out of the Red Lake game preserve fund, for the amount of the deficit in favor of such county.

As to all public drainage ditches which lie wholly within this preserve and hunting ground, the maximum amount of money which shall be paid to or for the benefit of such county, in the manner above provided, shall never exceed the principal and interest of the bonds issued to finance and refinance such ditches outstanding at the time of the passage and approval of sections 84A.01 to 84A.11, less moneys on hand in the county ditch fund to the credit of such ditches, and such liability shall be reduced, from time to time, by the amount of any and all payments of

assessments hereafter extended, made by the owners of lands heretofore assessed for benefits on account of such ditches. As to all public drainage ditches which lie partly within and partly without the boundaries of this preserve and hunting ground, the maximum amount which shall be paid to or for the benefit of such county shall never exceed the percentage of bonds issued to finance and refinance such ditches so outstanding, less moneys on hand in the county ditch fund to the credit of such ditches at the time of the passage and approval of sections 84A.01 to 84A.11, which bears the same proportion to the whole amount of such bonds as the original benefits assessed against lands within the game preserve bear to the original total benefits assessed to the entire system of such ditches, and such liability shall be reduced, from time to time, by the payments of all assessments hereafter extended, made by the owners of lands in this preserve and hunting ground, of assessments for benefits heretofore assessed on account of any such ditch. The commissioner of ~~finance~~ *natural resources* shall have authority to provide and prescribe the forms for any reports required by sections 84A.01 to 84A.11 to be made to him, and to require any further and additional information from any officials of these counties which he deems necessary for the proper administration of sections 84A.01 to 84A.11.

Sec. 22. Minnesota Statutes 1974, Section 93.12, is amended to read:

93.12 [FORFEITURE OF PERMITS AND LEASES.] In the event the holder of such permit or lease shall fail to comply with all the provisions contained in sections 93.08 to 93.12 to be by him performed or observed and such default shall continue for a period of 30 days the commissioner of *natural resources* upon 30 days notice to the holder of such permit or lease by registered mail to the address of such holder as shown by the records of the commissioner of ~~finance~~ *natural resources* may declare such permit or lease and all rights acquired thereunder forfeited. Upon the filing of the order of forfeiture with the commissioner of ~~finance~~ *natural resources* all rights under such lease or permit shall cease.

Sec. 23. Minnesota Statutes 1974, Section 276.09, is amended to read:

276.09 [SETTLEMENT BETWEEN AUDITOR AND TREASURER.] On the last day of February, May, and October, of each year, the county treasurer shall make full settlement with the county auditor of his receipts and collections for all purposes, from the date of the last settlement up to and including each day mentioned, and the auditor shall, within 30 days after each settlement, send an abstract of same to the ~~commissioner of finance~~ *state auditor* in such form as the ~~commissioner of finance~~ *state auditor* may prescribe. At each settlement the treasurer shall make complete returns of his collections on the current tax list, showing the amount collected on account of the several funds included in the list.

Sec. 24. Minnesota Statutes 1974, Section 276.10, is amended to read:

276.10 [APPORTIONMENT AND DISTRIBUTION OF FUNDS.] On the last day of February, May, and October, of each year, the county auditor and county treasurer shall make distribution of all undistributed funds remaining in the treasury, apportioning the same, as provided by law, and placing the same to the credit of the state, town, city, or school district, and each county fund. Within 20 days after such distribution is completed, the county auditor shall make report thereof to the ~~commissioner of finance~~ *state auditor*, in such form as the ~~commissioner of finance~~ *state auditor* may prescribe. The county auditor shall issue his warrant for the payment of any moneys remaining in the county treasury to the credit of the state, town, city, or school district on application of the persons entitled to receive the same.

Sec. 25. Minnesota Statutes 1974, Section 293.10, is amended to read:

293.10 [DRAFT ON DELINQUENT; EVIDENCE.] On or before the tenth day of June, in each year, the commissioner of ~~finance~~ *revenue* shall ~~make his draft upon the issue his order to any person delinquent in the payment of such tax for the amount of taxes and penalty due thereon and place the same in the hands of the state treasurer for collection. The draft of the commissioner of finance for the tax and penalty imposed by the provisions of this chapter this order shall be prima facie evidence in any court where proceedings may be brought for its enforcement that the amount therein stated is due from the person against whom the same is drawn.~~

Sec. 26. Minnesota Statutes 1974, Section 348.04, is amended to read:

348.04 [PROOFS SENT TO COMMISSIONER OF NATURAL RESOURCES.] Before August first the county auditor shall compare the proofs furnished by the claimant with the assessor's report, and, if they correspond in substance, he shall immediately forward to the commissioner of ~~finance~~ *natural resources* the original proofs of claim and a certified list of all plats filed.

Sec. 27. Minnesota Statutes 1974, Section 379.05, is amended to read:

379.05 [RECORD OF DESCRIPTION OF TOWN, WHERE KEPT; ABSTRACT SENT TO COMMISSIONER OF REVENUE.] Each county auditor shall within 30 days after any such town is organized transmit by mail to the commissioner of ~~finance~~ *revenue* an abstract of such report, giving the name and boundaries of such town and record in a book kept for that purpose a full description of each such town.

Sec. 28. Minnesota Statutes 1974, Section 379.07, is amended to read:

379.07 [TOWNS WITH SAME NAME.] If the commissioner of ~~finance~~ *revenue*, on comparing the abstracts of the reports from the several counties, finds that two or more towns have the same

name, he shall transmit to the auditor of the proper county the name to be altered, and the county board shall, at its next meeting thereafter, adopt for such town a different name. When such name is adopted the county auditor shall inform the commissioner of *finance revenue*, as before directed.

Sec. 29. Minnesota Statutes 1974, Section 379.09, is amended to read:

379.09 [ORDER OF BOARD.] The ~~prayer of the~~ Petition being granted, the board shall make a formal order to that effect, which shall be filed with the county auditor and thereupon the official name of such town shall be the one so adopted. The auditor shall within 20 days after any such change of name of town transmit by mail to the commissioner of *finance revenue* an abstract of all the proceedings and orders of the county commissioners relative to such change of name.

Sec. 30. Minnesota Statutes 1974, Section 385.21, is amended to read:

385.21 [ACTION AGAINST.] If any county treasurer fails to make return or settlement, or to pay over all money with which he stands charged, at the time and in the manner prescribed by law, the county auditor, on receiving instructions for that purpose from the ~~commissioner of finance~~ *state auditor* or from the county board of his county, shall cause an action to be commenced against such treasurer and his sureties in the district court of his county; and judgment may be rendered therein against them for the amount due from such treasurer, with interest and a penalty of ten percent thereon.

Sec. 31. Minnesota Statutes 1974, Section 473F.07, Subdivision 1, is amended to read:

473F.07 [COMPUTATION OF AREA-WIDE TAX BASE.] Subdivision 1. Each county auditor shall certify the determinations pursuant to sections 473F.04, 473F.05, and 473F.06 to the administrative auditor on or before November 20 of 1972 and each subsequent year. The administrative auditor shall determine the sum of the amounts certified pursuant to section 473F.06, and divide that sum by two and one half. The resulting amount shall be known as the "area-wide tax base for . . . . . (year)."

Sec. 32. Minnesota Statutes 1974, Section 473F.07, Subdivision 2, is amended to read:

Subd. 2. The commissioner of *finance revenue* shall certify to the administrative auditor, on or before November 20 of 1972 and each subsequent year, the population of each municipality for the preceding year, the proportion of that population which resides within the area, the average fiscal capacity of municipalities for the preceding year, and the fiscal capacity of each municipality for the preceding year.

Sec. 33. Minnesota Statutes, 1975 Supplement, Section 484.54, is amended to read:

484.54 [EXPENSES OF JUDGES.] The judges of the district court shall be paid, in addition to the amounts now provided by law, all sums they shall hereafter pay out ~~as necessary traveling and hotel expenses~~ while absent from their places of residence in the discharge of their official duties, ~~and except that a judge shall not be paid such travel expenses for travel from his place of residence to and from his permanent chambers.~~ Judges shall submit their travel expenses on the same forms state employees must utilize to seek travel reimbursement. Additionally, judges of the district court shall be reimbursed for all sums, not reimbursed by counties, they shall necessarily hereafter pay out for telephone tolls, postage, expressage, and stationery, including printed letterheads and envelopes for official business ~~except that a judge shall not be paid such traveling expenses for travel from his place of residence to and from his permanent chambers.~~

Each judge claiming reimbursement for allowable expenses may file with the supreme court monthly and shall file ~~within not later than 90 days after the expenses are incurred, unless the time is extended by the commissioner of finance, with the commissioner of finance~~ an itemized statement, verified by ~~him the judge, of all such allowable expenses actually paid by him which shall be audited by the commissioner of finance and paid upon his warrant.~~ All statements shall be audited by the supreme court and, if approved by the supreme court, shall be paid by the commissioner of finance from appropriations for this purpose.

Sec. 34. [REPEALER.] *Minnesota Statutes 1974, Sections 3.30, Subdivision 2a; 10.16; 16.141; 16.16; 16.161; 16.164; 16.18; 16.19; 16A.09; 16A.125, Subdivisions 1, 2, 3, 7, 8, 9, and 10; 16A.17, Subdivision 2; and 136.06, are repealed.*

Sec. 35. [EFFECTIVE DATE.] *This act is effective the day following its final enactment."*

Further, strike the title and insert:

"A bill for an act relating to the organization, operation and financing of state government; establishing an indirect cost billing system; requiring revolving fund billing rates to be determined by the commissioner of finance; transferring certain powers and duties relating to finance and recordation from and to the department of finance; appropriating money; amending the expense provisions for district court judges; amending Minnesota Statutes 1974, Sections 3.30, Subdivision 2; 15.191, Subdivision 2; 16A.055; 16A.129; 16A.15, Subdivision 3; 16A.17, Subdivisions 1, 4, 5, 6, 7, and by adding a subdivision; 16A.28; 84A.04; 93.12; 276.09; 276.10; 293.10; 348.04; 379.05; 379.07; 379.09; 385.21; 473F.07, Subdivisions 1 and 2; Chapter 16, by adding a section; and Chapter 16A, by adding sections; Minnesota Statutes, 1975 Supplement, Sections 484.54; repealing Minnesota Statutes 1974, Sections 3.30, Subdivision 2a; 10.16; 16.141; 16.16; 16.161; 16.164; 16.18; 16.19; 16A.09; 16A.125, Subdivisions 1, 2, 3, 7, 8, 9, and 10; 16A.17, Subdivision 2; and 136.06."

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. 2510: A bill for an act relating to natural resources; authorizing the designation of the Zumbro river as a canoe and boating route; amending Minnesota Statutes 1974, Section 85.32, Subdivision 1.

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. 2363: A bill for an act relating to public welfare; providing for administrative and judicial review of certain actions and decisions of local welfare agencies; repealing Minnesota Statutes 1974, Sections 256.77; 256B.10; 256B.11; 256D.12; and 256D.40.

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

Page 2, line 3, strike "Chapter 256D, Chapter 261" and insert "Sections 256D.35 to 256D.41"

Page 5, line 29, strike "256D.12"

Page 6, line 1, strike ", 256D.12"

Amend the title as follows:

Page 1, line 6, strike "256D.12;"

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. 2008: A bill for an act relating to counties; providing that county libraries receive copies of state statutes and the state register; appropriating money; amending Minnesota Statutes 1974, Sections 15.051, by adding a subdivision; and 482.07, by adding a subdivision.

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

Page 1, line 13, after "*register*" insert "*and compilation of agency rules*"

Page 1, line 15, after "*register*" insert "*and compilation of agency rules*"

Page 1, line 20, after "*Statutes*" insert ", *any supplement thereto*"

Page 1, line 23, after "*statutes*" insert ", *supplements*"

Page 2, line 1, strike "*state registrar*" and insert "*commissioner of administration*"



Amend the title as follows:

Page 1, line 3, after "statutes" insert ", compiled rules"

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

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

H. F. No. 771: A bill for an act relating to the city of Albert Lea; placing the chief of police under the public employees police and fire fund.

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

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

S. F. No. 855: A bill for an act relating to metropolitan government; authorizing council regulations establishing standards and guidelines for determining matters of metropolitan significance to be adopted without specific legislative approval; amending Laws 1975, Chapter 13, Section 18, Subdivision 2.

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

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

S. F. No. 2486: A bill for an act relating to highways; construction limitations on certain trunk highways; authorizing the preparation of environmental impact statements for such highways; amending Minnesota Statutes, 1975 Supplement, Section 161.123.

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

Page 2, strike lines 20 to 32

Page 2, after line 19, insert the following: "*The commissioner of highways shall be authorized to prepare environmental impact statements, utilizing the most reasonably recent available data, on the following:*"

Page 3, line 1, strike "(a) The"

Page 3, line 5, after "necessary" strike the ";" and insert ". *In the preparation of such environmental impact statements the commissioner shall analyze and evaluate.*"

Page 3, line 6, strike "(b)" and insert "(a)"

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

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. 1800: A bill for an act relating to unemployment compensation; disqualifying an individual from benefits for a voluntary termination of employment if within the previous three years he had received more than 13 weeks of benefits after a voluntary termination of employment; requiring the commissioner of the department of revenue to furnish certain information to the department of employment services; requiring the commissioner of the department of employment services to furnish certain information to the department of public welfare; providing that unemployment compensation benefits be taxable as gross income if the benefits and federal gross income exceed \$8,000; amending Minnesota Statutes 1974, Sections 268.12, Subdivision 12; and 290.61; Minnesota Statutes, 1975 Supplement, Sections 268.09, Subdivision 1; and 290.01, Subdivision 20.

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 268.04, Subdivision 12, is amended to read:

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

(a) any officer of a corporation; or

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

Provided, that for purposes of clause (1) (b), the term "employment" shall include services described above performed after December 31, 1971, only if the contract of service contemplates that substantially all of the services are to be performed personally by such individual, the individual does not have a substantial in-

vestment in facilities used in connection with the performance of the services (other than in facilities for transportation), and the services are not in the nature of a single transaction that is not part of a continuing relationship with the person for whom the services are performed.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(12) Notwithstanding clause (1), all service performed after the effective date of this subdivision by an officer or member of the crew of an American vessel on or in connection with such vessel, if the operating office, from which the operations of such vessel operating on navigable waters within, or within and without, the United States are ordinarily and regularly supervised, managed, directed and controlled is within this state.

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

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

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

(2) In the employ of the owner or tenant or other operator of a farm, in connection with the operation, management, conservation, improvement, or maintenance of such farm and its tools and equip-

ment, or in salvaging timber or clearing land of brush and other debris left by a tornadic-like storm, if the major part of such service is performed on a farm;

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

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

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

As used herein, the term "farm" includes stock, dairy, poultry, fruit, fur-bearing animal, and truck farms, plantations, ranches, nurseries, ranges, greenhouses or other similar structures used primarily for the raising of agricultural or horticultural commodities, and orchards.

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

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

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

(d) Service performed on the navigable waters of the United States as to which this state is prohibited by the constitution and laws of the United States of America from requiring contributions

of employers with respect to wages as provided in sections 268.03 to 268.24;

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

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

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

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

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

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

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

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

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

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

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

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

(m) Service performed subsequent to December 31, 1940, as a student nurse in the employ of a hospital or a nurses' training school by an individual who is enrolled and is regularly attending classes in a nurses' training school chartered and approved pursuant to state law; and service performed as an intern in the employ of a hospital by an individual who has completed a four years' course in a medical school chartered and approved pursuant to state law;

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

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

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

(q) If the service performed subsequent to December 31, 1940,



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

*(r) Part time service performed by an individual for a political subdivision of the state of Minnesota when such individual is employed in park and recreation activities of the political subdivision for a fixed period of time not to exceed one hundred calendar days in any calendar year.*

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

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

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

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

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

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

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

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

(c) Provides an educational program for which it awards a bach-

elor's or higher degree, or provides a program which is acceptable for credit toward such a degree, a program of post-graduate or post-doctoral studies, or a program of training to prepare students for gainful employment in a recognized occupation; and

(d) Is a public or other nonprofit institution.

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

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

Sec. 2. Minnesota Statutes, 1975 Supplement, Section 268.06, Subdivision 8, is amended to read:

Subd. 8. [DETERMINATION OF CONTRIBUTION RATES.] For the year 1976 and for each calendar year thereafter the commissioner shall determine the contribution rate of each employer by adding the minimum rate to the experience ratio, except that if the ratio for the current calendar year exceeds the experience ratio for the preceding calendar year by more than one and one-half percentage points, the increase for the current year shall be limited to one and one-half percentage points. The minimum rate for all employers shall be nine-tenths of one percent if the amount in the unemployment compensation fund is less than \$90,000,000 on June 30 of the preceding calendar year; or eight-tenths of one percent if the fund is more than \$90,000,000 but less than \$110,000,000; or seven-tenths of one percent if the fund is more than \$110,000,000 but less than \$130,000,000; or six-tenths of one percent if the fund is more than \$130,000,000 but less than \$150,000,000; or five-tenths of one percent if the fund is more than \$150,000,000 but less than \$170,000,000; or three-tenths of one percent if the fund is more than \$170,000,000 but less than \$200,000,000; or one-tenth of one percent if the fund is \$200,000,000 or more; provided that no employer shall have a contribution rate of more than ~~five~~ seven percent except that in the case of an employer whose experience ratio in each of the immediately preceding three calendar years was in excess of ~~five~~ seven percent, the maximum contribution rate shall be ~~six~~ nine percent.

Sec. 3. Minnesota Statutes 1974, Section 268.06, is amended by adding a subdivision to read:

*Subd. 8a. [EMERGENCY SURTAX.] Notwithstanding any other provision of this section, each employer subject to this law shall pay, in addition to regular contributions applicable to calendar years 1976, 1977 and 1978, an emergency surtax of ten percent of the regular contributions.*

Sec. 4. Minnesota Statutes, 1975 Supplement, Section 268.09, Subdivision 1, is amended to read:

268.09 [UNEMPLOYMENT COMPENSATION; DISQUALIFIED FROM BENEFITS.] Subdivision 1. [DISQUALIFYING CONDITIONS.] An individual shall be disqualified for benefits:

(1) [VOLUNTARY LEAVING OR DISCHARGE FOR MISCONDUCT.] If such individual voluntarily and without good cause attributable to the employer discontinued his employment with such employer or *leaves employment because of pregnancy without availing herself of maternity leave rights*, or was discharged for misconduct, not amounting to gross misconduct, connected with his work or for misconduct which interferes with and adversely affects his employment, if so found by the commissioner, for not less than five nor more than eight weeks of unemployment in addition to and following the waiting period; or was discharged for gross misconduct connected with his work or gross misconduct which interferes with and adversely affects his employment, if so found by the commissioner, for 12 weeks of unemployment in addition to and following the waiting period; which disqualification shall not be removed by subsequent employment; and provided further that the commissioner is empowered to impose a total disqualification for the benefit year and to cancel part or all of the wage credits from the last employer from whom he was discharged for gross misconduct connected with his work; and the maximum benefit amount payable to such individual shall be reduced as follows: *until he has, subsequent to that separation, earned wages in insured work from which he has been separated under non-disqualifying conditions in an amount equal to or in excess of six times his weekly benefit amount.*

(a) *by an amount equal to the weekly benefit amount times the number of weeks for which such individual was disqualified; when the separation occurs because of a voluntary separation as described in this clause or as a result of discharge for misconduct; When the separation occurs as a result of a discharge for gross misconduct such disqualification shall continue until he has earned wages in insured work from which he has been separated under non-disqualifying conditions in an amount equal to or in excess of twelve times his weekly benefit amount.*

(b) *by an amount equal to 12 times his weekly benefit amount; when the separation occurs as a result of a discharge for gross misconduct.*

For the purpose of this clause "gross misconduct" shall be defined as misconduct involving assault and battery, or an immoral act, or the malicious destruction of property or the theft of money or property of a value of \$50, or more.

This provision shall not apply to any individual who left his employment to accept work offering substantially better conditions of work or substantially higher wages or both, or whose separation from such employment was due to serious illness of such individual.

(2) Separation to assume family obligations. If such individual voluntarily leaves employment because of pregnancy without availing herself of maternity leave rights provided by law; provided that such disqualification shall be removed by subsequent employment in insured work for a period of not less than six weeks.

(a) *An individual who voluntarily leaves employment for com-*

*elling personal reasons involving the obligation to care for a seriously ill member of the immediate family shall be disqualified for benefits for five weeks of unemployment in addition to and following the waiting period.*

(3) (2) [LIMITED OR NO CHARGE OF BENEFITS.] Benefits paid subsequent to an individual's separation under any of the foregoing clauses or because of his failure, without good cause, to accept an offer of suitable re-employment, shall not be used as a factor in determining the future contribution rate of the employer from whose employment such individual separated or whose offer of re-employment he refused; provided that this clause shall not apply to an individual involuntarily separated from employment because of pregnancy.

(4) (3) [FAILURE TO APPLY FOR OR ACCEPT SUITABLE WORK.] If the commissioner finds that he has failed, without good cause, either to apply for available, suitable work when so directed by the employment office, or the commissioner or to accept suitable work when offered him, or to return to his customary self-employment (if any) when so directed by the commissioner, or to actively seek employment. Such disqualification shall continue for the week in which such refusal or failure occurred and ~~for a period of seven weeks until he has earned wages in insured work from which he has been separated under non-disqualifying conditions in an amount equal to or in excess of six times his weekly benefit amount of unemployment immediately following such refusal or failure.~~

(a) In determining whether or not any work is suitable for an individual, the commissioner shall consider the degree of risk involved to his health, safety, and morals, his physical fitness and prior training, his experience, his length of unemployment and prospects of securing local work in his customary occupation, and the distance of the available work from his residence.

(b) Notwithstanding any other provisions of sections 268.03 to 268.24, no work shall be deemed suitable, and benefits shall not be denied thereunder to any otherwise eligible individual for refusing to accept new work under any of the following conditions:

(1) if the position offered is vacant due directly to a strike, lock-out, or other labor dispute;

(2) if the wages, hours, or other conditions of the work offered are substantially less favorable to the individual than those prevailing for similar work in the locality;

(3) if as a condition of being employed the individual would be required to join a union or to resign from or refrain from joining any bona fide labor organization;

(4) if after December 31, 1971, such individual is in training with the approval of the commissioner.

(5) [LABOR DISPUTE.] If such individual has left or partially or totally lost his employment with an employer because of a strike

or other labor dispute. Such disqualification shall prevail for each week during which such strike or other labor dispute is in progress at the establishment in which he is or was employed, except that such disqualification shall be for one week following commencement of the strike or other labor dispute for any employee who is not participating in or directly interested in the labor dispute which caused such individual to leave or partially or totally lose such employment. Failure or refusal of an individual to accept and perform available and customary work in the establishment constitutes participation. For the purpose of this section the term "labor dispute" shall have the same definition as provided in the Minnesota labor relations act. Nothing in this subdivision shall be deemed to deny benefits to any employee:

(a) who becomes unemployed because of a strike or lockout caused by an employer's willful failure to observe the terms of the safety and health section of a union contract or failure to comply with an official citation for a violation of federal and state laws involving occupational safety and health; provided, however, that benefits paid in accordance with this provision shall not be charged to the employer's experience rating account if, following official appeal proceedings, it is held that there was no willful failure on the part of the employer,

(b) who becomes unemployed because of a lockout,

(c) who is dismissed during the period of negotiation in any labor dispute and prior to the commencement of a strike, or

(d) unless he is unemployed because of a jurisdictional dispute between two or more unions.

Provided, however, that voluntary separation during the time that such strike or other labor dispute is in progress at such establishment shall not be deemed to terminate such individual's participation in or direct interest in such strike or other labor dispute for purposes of this subdivision.

Benefits paid to an employee who has left or partially or totally lost his employment because of a strike or other labor dispute shall not be charged to his employer's account unless the employer was a party to the particular strike or labor dispute.

Notwithstanding any other provision of his section, an individual whose last separation from employment with an employer occurred prior to the commencement of the strike or other labor dispute and was permanent or for an indefinite period, shall not be denied benefits or waiting week credit solely by reason of his failure to apply for or to accept recall to work or reemployment with the employer during any week in which the strike or other labor dispute is in progress at the establishment in which he was employed.

(6) [REFUSAL OF SUITABLE REEMPLOYMENT.] If such individual has failed without good cause to accept suitable reemployment offered by a base period employer. Such disqualification shall prevail for the week in which the failure occurred and for a period of seven weeks of unemployment following such failure until he

*has, subsequent to that separation, earned wages in insured work from which he has been separated under non-disqualifying conditions an amount equal to or in excess of six times his weekly benefit amount , provided such disqualification shall not apply if such individual is in training with the approval of the commissioner.*

Sec. 5. Minnesota Statutes 1974, Section 268.12, Subdivision 12, is amended to read:

Subd. 12. [INFORMATION.] Except as hereinafter otherwise provided, information obtained from any employing unit or individual pursuant to the administration of sections 268.03 to 268.24, and from any determination as to the benefit rights of any individual shall be held confidential and shall not be disclosed or be open to public inspection in any manner revealing the individual's or employing unit's identity. Any claimant or other interested party (or his legal representative) shall be supplied with information from the records of the department of employment services, to the extent necessary for the proper presentation of his claim, contention or refutation of any claim in which he is an interested party in any proceeding under these sections with respect thereto. Subject to such restrictions as the commissioner may by regulation prescribe, such information may be made available to any agency of this or any other state, or any federal agency charged with the administration of an employment and security law or the maintenance of a system of public employment offices, any local human rights department within the state which has enforcement powers, or the Bureau of Internal Revenue of the United States Department of the Treasury, and information obtained in connection with administration of the employment service may be made available to persons or agencies for purposes appropriate to the operation of a public employment service. Upon request therefor, the commissioner shall furnish to any agency of the United States charged with the administration of public works or assistance through public employment, and may furnish to any state agency similarly charged, or any local human rights department within the state which has enforcement powers, the name, address, ordinary occupation, and employment status of each recipient of benefits and such recipient's rights to further benefits under these sections. The commissioner may request the Comptroller of the Currency of the United States to cause an examination of the correctness of any return or report of any national banking association rendered pursuant to the provisions of these sections, and may in connection with such request, transmit any such report or return to the Comptroller of the Currency of the United States as provided in section 3305(c) of the federal internal revenue code. *Upon request of the department of public welfare, the commissioner shall verify at a reasonable cost whether or not a person is or was employed for the dates or time requested. The department of public welfare shall maintain the information obtained as a private record within the meaning of section 15.162, subdivision 3, provided the information may be used by the department of public welfare for prosecuting violations of law.*

All letters, reports, communications, or any other matters, either

oral or written, from an employer or his workers to each other or to the commissioner or any of his agents, representatives, or employees, which shall have been written or made in connection with the requirements and administration of sections 268.03 to 268.24 or the regulations thereunder, shall be absolutely privileged and shall not be made subject matter or basis for any suit for slander or libel in any court of this state.

Sec. 6. 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 said buildings disallowed by section 290.101; ;

(12) *Benefits received from the fund established by Minnesota Statutes, Section 268.05, but only to the extent that the total of benefits and federal adjusted gross income exceeds \$8,000.*

(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.

(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. 7. Minnesota Statutes 1974, Section 290.61, is amended to read:

290.61 [PUBLICITY OF RETURNS, INFORMATION.] It shall be unlawful for the commission or any other public official or employee to divulge or otherwise make known in any manner any particulars set forth or disclosed in any report or return required by this chapter, or any information concerning, the taxpayer's affairs acquired from his or its records, officers, or employees while examining or auditing any taxpayer's liability for taxes imposed hereunder, except in connection with a proceeding involving taxes due under this chapter from the taxpayer making such return and except as provided in section 290.361. *Upon request of the department of employment services the commissioner shall furnish to that department at a reasonable cost information as to whether or not a person received taxable wages during the year for which information is requested, and if he did receive taxable wages, the employer from which the wages were obtained. The department of employment services shall maintain the information obtained as a private record within the meaning of section 15.162, subdivision 3, provided the information may be used by the department of employment services for prosecuting violations of law.* The commissioner may furnish a copy of any taxpayer's return to any official of the United States or of any state having duties to perform in respect to the assessment or collection of any tax imposed upon or measured by income, if such taxpayer is required by the laws of the United States or of such state to make a return therein and if the laws of the United States or of such state provide substantially for the same secrecy in respect to the information revealed thereby as is provided by our laws. The commissioner and all other public officials and employees shall keep and maintain the same secrecy in respect to any information furnished by any department, commission, or official of the United States or of any other state in respect to the income of any person as is required by this section in respect to information concerning the affairs of taxpayers under this chapter. Nothing herein contained shall be construed to prohibit the

commissioner from publishing statistics so classified as not to disclose the identity of particular returns or reports and the items thereof.

Any person violating the provisions of this section shall be guilty of a gross misdemeanor.

**Sec. 8. [EFFECTIVE DATE.]** *Sections 1, 5 and 7 are effective for services performed subsequent to the day following final enactment. Section 2 is effective January 1, 1977. Section 3 is effective retroactive to January 1, 1976. Section 4 is effective for benefit years beginning on or after June 27, 1976. Section 6 is effective for taxes payable in 1977 on income earned in 1976."*

Amend the title as follows:

Page 1, strike lines 3 to 19 and insert "providing for exclusion of certain part time services; providing for an emergency surtax in employer contributions; modifying disqualifying conditions for employment compensation; permitting information to be furnished to department of public welfare by commissioner of employment services; permitting information to be furnished to department of employment services by commissioner of revenue; providing taxation of unemployment compensation benefits in certain conditions; providing a penalty; amending Minnesota Statutes 1974, Sections 268.06, by adding a subdivision; 268.12, Subdivision 12; and 290.61, Minnesota Statutes, 1975 Supplement, Sections 268.04, Subdivision 12; 268.06, Subdivision 8; 268.09, Subdivision 1; and 290.01, Subdivision 20."

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

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

**H. F. No. 341:** A bill for an act relating to teachers; providing for an executive director of the professional teaching practices commission; budget of professional teaching practices commission; appropriating money; amending Minnesota Statutes 1974, Sections 125.184, Subdivision 2; and 125.185, Subdivisions 4 and 6; repealing Minnesota Statutes 1974, Section 125.185, Subdivision 8.

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

Page 1, lines 14, 20 and 24, strike "commission" and insert "board"

Page 1, strike lines 15 to 17, and insert "*secretary who shall be in the unclassified civil service and who shall not be a member of the board.*"

Page 2, lines 1, 3 and 19, after "board" insert "*of education*"

Page 2, lines 2, 5, 8, 11, 13, 16, 20, 27 and 29, strike "commission" and insert "board"

Page 2, line 22, strike "1974" and insert ", 1975 Supplement"

Page 2, line 24, strike "commission" and insert "board"

Page 2, line 30, after the period insert "The expenses of adminis-

tering sections 125.01 to 125.187 shall be paid for from appropriations made to the *board and to the state board of education.*"

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. 2293: A bill for an act relating to aeronautics; appropriating and transferring money for construction of hangers.

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

Page 1, line 6, strike "hanger" and insert "hangar"

Further, amend the title as follows:

Page 1, line 3, strike "hangers" and insert "hangars"

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. 2263: A bill for an act relating to highway traffic regulations; defining terms; authorizing flashing lights on certain vehicles; authorizing certain vehicles to be equipped with a flashing amber lamp and to display the lighted lamp under certain conditions; amending Minnesota Statutes 1974, Sections 169.01, by adding a subdivision; and 169.64, Subdivision 3, and by adding a subdivision.

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

Page 2, line 4, restore the stricken word "lights" and strike "*lamps on farm tractors*"

Page 2, line 6, strike "*and other vehicles*"

Page 2, line 12, strike "(a)"

Page 2, lines 16 to 19, strike all of clause (b) and insert:

*"(1) A service vehicle shall not display the lighted lamp when traveling upon the highway or at any other time except at the scene of a disabled vehicle or while engaged in snow removal or road maintenance."*

Page 2, line 20, strike "(c)" and insert "(2)"

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

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

S. F. No. 2322: A bill for an act relating to motor vehicles; defin-

ing powers of the registrar of motor vehicles; providing for the appointment of private deputy registrars; providing for the appointment of a county license bureau director as deputy registrar; amending Minnesota Statutes 1974, Section 373.35, Subdivision 1; and Minnesota Statutes, 1975 Supplement, Section 168.33, Subdivision 2; repealing Minnesota Statutes 1974, Section 373.36.

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

Page 2, line 7, strike “, or if” and insert “and”

Page 4, line 5, strike “commissioner of public safety” and insert “registrar”

Further, amend the title as follows:

Page 1, line 6, before “amending” insert “removing bond as qualification for certain deputy registrars and their employees;”

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. 1886: A bill for an act relating to courts; providing for the election of Hennepin County municipal judges at the uniform municipal election; amending Minnesota Statutes 1974, Section 488A.021, Subdivision 3.

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

Page 2, after line 29, insert:

*“(g) Except for provisions relating to the date of the election and except as otherwise provided in this subdivision, the laws governing general elections shall apply to the election of Hennepin county court judges. All cities and towns within the county shall have the same responsibilities with respect to the conduct of elections held pursuant to this subdivision as they have with respect to the conduct of elections of county officers generally.”*

Page 3, after line 1, insert:

*“Sec. 3. This act is effective on the day following final enactment.”*

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. 1999: A bill for an act relating to elections; preparation of ballots; amending Minnesota Statutes 1974, Section 208.04; repealing Minnesota Statutes 1974, Sections 208.21 to 208.35.

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

Page 1, line 9, before "When" insert "*Subdivision 1.*"

Page 1, line 13, after the period insert "*The secretary of state shall certify the names of all duly nominated presidential and vice-presidential candidates to the county auditors of the several counties.*"

Page 1, line 13, after "auditor" insert ", subject to the rules of the secretary of state,"

Page 2, line 2, strike "shall be as" and insert "and"

Page 2, strike lines 3 to 10

Page 2, after line 16, insert:

*"Subd. 2. The rules for preparation and delivery of presidential ballots shall be the same as the rules for white ballots under section 203A.31. subdivision 3a. The state shall reimburse the counties for the cost of the preparation of the presidential ballot."*

Further, amend the title as follows:

Page 1, after line 2, insert: "imposing duties on the county auditor; repealing special provisions for voting in presidential elections;"

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. 2014: A bill for an act relating to retirement; increasing certain benefits and annuities; appropriating money.

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

Page 1, line 11, after "retirement fund;" insert "June 27, 1973, with respect to permanent disability benefits, retirement annuities, and retirement allowance options II, III and IV paid to surviving spouses pursuant to Minnesota Statutes 1971, Section 422.08 provided by the Minneapolis municipal employees retirement fund; April 25, 1959, with respect to survivor benefits paid to surviving spouses of contributing members provided by the Minneapolis municipal employees retirement fund;"

Page 2, line 11, after "retirement fund;" strike "or"

Page 2, line 12, after "retirement fund" strike the period and insert a semicolon

Page 2, after line 12, insert

"(6) the Minneapolis municipal employees retirement fund; or  
(7) the legislators' retirement plan."

Page 2, line 22, after "and 3." insert "Provided however, that no plan participant who is receiving a permanent disability benefit or a retirement annuity from the Minneapolis municipal employees retirement fund in excess of \$500 per month shall be

entitled to an increase in such benefit or annuity pursuant to this act."

Page 3, line 26, after "and 3." insert "Provided however, that no surviving spouse who is receiving an option II, III or IV survivor retirement allowance pursuant to Minnesota Statutes 1971, Section 422.08 provided by the Minneapolis municipal employees retirement fund shall be entitled to an increase in such annuity pursuant to this act if the retirement annuity which was paid or payable to the plan participant was in excess of \$500 per month."

Page 4, line 18, strike "\$17,067,923" and insert "\$19,851,133"

Page 4, line 26, after "\$5,612,272" strike the period and insert a semicolon

Page 4, after line 26, insert

"(6) To the Minneapolis municipal employees retirement fund \$2,740,752;

(7) To the executive director of the Minnesota state retirement system for the purpose of paying increases to plan participants of the legislators' retirement plan pursuant to this act \$43,375;

(8) To the executive director of the Minnesota state retirement system for the purposes of paying increases to surviving spouses of plan participants of the legislators' retirement plan pursuant to this act for the fiscal year ending July 1, 1977 \$783."

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

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

S. F. No. 1906: A bill for an act relating to licensed occupations; establishing a policy for the regulation of occupations; transferring responsibility for the provision of staffing and administrative services; clarifying reporting responsibilities; prescribing a procedure for complaint review; granting licensing boards additional powers relating to injunctive relief, subpoenas and continuing education; prescribing duties of the board of health relating to human services occupations, creating advisory councils; merging the licensed practical nursing board into the board of nursing; transferring employees and moneys; appropriating money; amending Minnesota Statutes 1974, Sections 125.182, Subdivision 3; 125.183, by adding a subdivision; 125.184, as amended; 125.185, as amended; 125.187; 144.955; 144.959; 147.021, Subdivision 1; 147.06; 147.13; 147.18; 147.23; 148.05; 148.06, Subdivision 1; 148.07, as amended; 148.10; 148.211, Subdivision 2; 148.241, Subdivision 1; 148.291, Subdivision 3; 148.57; 148.59; 148.90, as amended; 148.91, Subdivisions 1 and 3; 148.97, Subdivision 6; 148.98; 150A.04, Subdivision 5; 150A.06, Subdivision 1; 150A.08, Subdivision 4; 150A.09, Subdivision 3; 151.06, Subdivision 4; 151.10; 151.13; 151.14; 151.19; 151.25; 151.27;



155.02, Subdivision 7a; 155.03, Subdivision 2; 155.06, Subdivision 3; 155.09, Subdivisions 1, 4 and 5; 155.11, Subdivision 2; 155.14; 155.16; 155.18, Subdivision 1; 155.20, Subdivision 2; 156.01, Subdivision 5; 156.02, Subdivision 2; 156.03; 156.07; 156.072, Subdivisions 2 and 3; 156.081, Subdivision 1; 156.14; 214.06; 270.47; 326.08, Subdivision 1; 326.11, Subdivision 6; 326.15; 326.22, as amended; 326.23; 326.241, as amended; 326.242, Subdivisions 8 and 9; 326.33, Subdivisions 2 and 3; 326.331; 326.332, Subdivision 1; 326.334, Subdivisions 1 and 3; 326.54; 326.543; 326.544; 326.545; 326.546; 341.05, as amended; 341.06; 341.07; 341.08; 341.12; 341.13; 341.15; 386.63, Subdivisions 2 and 3; 386.64; 386.65, Subdivisions 1 and 2; 386.67; Chapter 214, by adding sections; Minnesota Statutes, 1975 Supplement, Sections 125.183, Subdivision 3; 144.952, by adding a subdivision; 147.01; 147.02, Subdivision 1; 147.05; 148.03; 148.181; 148.191; 148.211, Subdivision 1; 148.261, Subdivision 1; 148.29, Subdivision 2; 148.291, Subdivision 1; 148.299; 148.52; 148.54; 148.60; 148.95; 150A.02, Subdivision 1; 150A.03, Subdivision 2; 151.03; 151.07; 153.02; 153.03; 153.04; 153.13; 154.22; 154.23; 155.05; 155.06, Subdivision 1; 155.08; 156.01, Subdivision 1; 214.04; 214.07; 270.41; 270.42; 326.03, Subdivision 1; 326.04; 326.05; 326.06; 326.08, Subdivision 2; 326.09; 326.10; 326.11, Subdivisions 1 and 5; 326.12; 326.13; 326.14; 326.17; 326.33, Subdivision 1; 326.541; 326.542; 341.01; 341.04; 341.10; 341.11; 386.63, Subdivision 1; 386.66; 386.68; repealing Minnesota Statutes 1974, Sections 144.956; 144.958; 144.965; 145.861; 145.862; 145.863; 145.864; 148.06, Subdivision 2; 148.281, Subdivision 2; 148.291, Subdivision 2; 148.55; 148.94; 148.97, Subdivision 2; 148.99, Subdivision 1; 150A.04, Subdivisions 1, 2, 3 and 4; 150A.07; 150A.08, Subdivision 2; 150A.09, Subdivision 2; 151.09; 153.10; 156.01, Subdivision 4; 326.08, Subdivision 3; 326.11, Subdivision 3; 326.16; 386.63, Subdivision 6; 386.65, Subdivision 2; Minnesota Statutes, 1975 Supplement, Sections 145.865, Subdivision 1; 145.866; 148.211, Subdivision 3; 148.231, Subdivision 3; 148.291, Subdivision 4; 148.297, Subdivision 2; 148.55; 326.11, Subdivisions 2 and 4; 386.695; 386.696; and 386.70, Subdivisions 3, 4, 5 and 6.

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

Page 3, line 1, strike the comma and insert "*and*"

Page 3, line 2, strike "*and hearing officer*"

Page 4, line 28, strike "*Legal and*"

Page 5, lines 4 to 5, strike "*To the extent practicable, to insure consistency and competency,*"

Page 5, line 8, after the period insert "*Notwithstanding the foregoing, the attorney general shall not be precluded by this section from assigning other attorneys to service a board if necessary in order to insure competent and consistent legal representation.*"

Page 6, line 5, strike everything after the period.

Page 6, strike lines 6 to 11 and insert:

*"The executive secretaries serving the remaining boards shall be hired by those boards, and shall be in the unclassified civil service. Boards not requiring a full-time executive secretary may employ such services on a part-time basis. To the extent practicable the sharing of part-time executive secretaries by boards being serviced by the same department is encouraged."*

Page 6, line 12, strike "secretary and other"

Page 6, line 13, strike "for" and insert "Executive secretaries of the boards and"

Page 6, line 18, after the period insert "If necessary, a board may hire part-time, temporary employees to administer and grade examinations."

Page 6, line 21, after "[FEES" insert "; RENEWALS.] Subdivision 1. [ASSESSMENT OF FEES"

Page 7, after line 4, insert:

*"Subd. 2. [LICENSE RENEWALS.] Notwithstanding any law to the contrary, each health-related and non-health related licensing board shall promulgate rules providing for the renewal of licenses. The rules shall specify the period of time for which a license is valid, procedures and information required for renewal, and renewal fees to be set pursuant to subdivision 1."*

Page 9, line 32, after "communication" insert "on a form prepared by the attorney general"

Page 10, line 19, strike "empowered"

Page 10, line 20, strike "shall" and insert "is empowered to"

Page 10, line 23, after "or" insert ", if the board determines,"

Page 11, line 3, after "if" insert "after investigation"

Page 11, line 10, after the period insert "Before the designee of the attorney general or the executive secretary may direct the holding of a disciplinary hearing, he shall have considered the recommendations of the consulted board member."

Page 11, line 17, after the period, insert:

*"Nothing in this section shall preclude the board from scheduling, on its own motion, a disciplinary hearing based upon the findings or report of the board's executive secretary, a board member or the designee of the attorney general assigned to the board. Nothing in this section shall preclude a member of the board or its executive secretary from initiating a complaint."*

Page 11, line 19, after "it" insert "relating to its lawful regulation activities"

Page 12, line 17, after "to" insert "regulate or"

Page 13, line 6, strike "teacher standards and certification" and insert "teaching"

Page 14, line 5, strike "undertake" and insert "wherever possible delegate"

Page 14, lines 6 to 7, strike "*or it may delegate this function*"

Page 15, after line 30, insert

"Sec. 9. Minnesota Statutes, 1975 Supplement, Section 125.03, Subdivision 1, is amended to read:

125.03 [TEACHERS, DEFINITION, CERTIFICATION.] Subdivision 1. The term "teachers" for the purpose of ~~certification~~ *licensure*, means and includes any and all persons employed in a public school as members of the instructional and supervisory staff such as superintendents, principals, supervisors, classroom teachers, and librarians.

Sec. 10. Minnesota Statutes 1974, Section 125.04, is amended to read:

125.04 [QUALIFIED TEACHER DEFINED.] A qualified teacher is one holding a valid ~~certificate license~~, as hereinafter provided, to perform the particular service for which he is employed in a public school.

Sec. 11. Minnesota Statutes 1974, Section 125.05, is amended to read:

125.05 [BOARD TO ISSUE LICENSES.] Subdivision 1. [QUALIFICATIONS.] The authority to ~~certify license~~ teachers as defined herein is vested in the ~~teacher standards and certification commission~~ *board of teaching* but based solely on criteria and qualifications approved by the state board of education. The authority to ~~certify license~~ superintendents and principals is vested in the state board of education. ~~Certificates~~ *Licenses* shall be issued to such persons as the ~~commission board~~ finds to be physically competent and morally fit to teach. Qualifications of teachers and other professional employees shall be determined by the ~~commission board~~ under the rules which it promulgates. ~~Certificates of qualifications of teachers~~ *Licenses* shall be issued by the commissioner and the commissioner shall issue ~~certificates licenses~~ to any qualified blind graduates of a school of education.

Subd. 2. [EXPIRATION AND RENEWAL.] Each ~~certificate license~~ shall bear the date of issue. ~~Certificates~~ *Licenses* shall expire and be renewed in accordance with rules promulgated by the ~~commission board~~. Renewal requirements for the renewal of a ~~certificate license~~ shall include the production of satisfactory evidence of successful teaching experience for at least one school year during the period covered by the ~~certificate license~~ in grades or subjects for which the ~~certificate license~~ is valid or the completion of such additional preparation as the ~~commission board~~ shall prescribe.

Subd. 3. [EFFECTIVE DATE.] This act is effective July 1, 1969. Nothing contained herein shall be construed as affecting the validity of a permanent certificate issued prior to July 1, 1969.

Sec. 12. Minnesota Statutes 1974, Section 125.06, is amended to read:

125.06 [APPLICANTS TRAINED IN OTHER STATES.]

When a ~~certificate~~ *license* to teach is authorized to be issued to any holder of a diploma or a degree of a Minnesota state college, or of the University of Minnesota, or of a liberal arts college, or a technical training institution, such ~~certificate~~ *license* may also, in the discretion of the ~~commission board of teaching~~, be issued to any holder of a diploma or a degree of a teacher training institution of equivalent rank and standing of any other state, granted by virtue of the completion of a course in teacher preparation essentially equivalent in content to that required by such Minnesota state college or the university of Minnesota or a liberal arts college in Minnesota or a technical training institution as preliminary to the granting of a diploma or a degree of the same rank and class.

Sec. 13. Minnesota Statutes 1974, Section 125.08, is amended to read:

125.08 [TEACHERS' LICENSES, FEES.] Each application for the issuance, renewal, or extension of a ~~certificate~~ *license* to teach shall be accompanied by a processing fee in an amount set by the ~~commission board of teaching by rule~~. Except as otherwise provided in this section, such fee shall be paid to the commissioner, who shall deposit them with the state treasurer, as provided by law, and report each month to the commissioner of finance the amount of fees collected. The fee as set by the ~~commission board~~ shall be nonrefundable for applicants not qualifying for a ~~certificate~~ *license*, provided however, that the fee shall be refunded by the state treasurer in those cases in which the applicant already holds a valid unexpired ~~certificate~~ *license*.

Sec. 14. Minnesota Statutes 1974, Section 125.09, Subdivision 1, is amended to read:

125.09 [SUSPENSION OR REVOCATION OF LICENSES.] Subdivision 1. [GROUNDS FOR REVOCATION.] The ~~commission board of teaching~~ may, on the written complaint of the board employing a teacher, ~~or of the superintendent of schools where such teacher is employed, or of a teacher organization, or of a teacher in a district where no teacher organization exists, or of the commissioner any other interested person~~, which complaint shall specify the nature and character of the charges, suspend or revoke such teacher's ~~certificate~~ *or license* to teach for any of the following causes:

- (1) Immoral character or conduct;
- (2) Failure, without justifiable cause, to teach for the term of his contract;
- (3) Gross inefficiency or wilful neglect of duty; or
- (4) Failure to meet ~~recertification~~ *relicensure* requirements; or
- (5) Fraud or misrepresentation in obtaining a ~~certificate~~ *license*.

Sec. 15. Minnesota Statutes, 1975 Supplement, Section 125.11, is amended to read:

125.11 [RECORDING OF LICENSES; DISTRICT SUPERINTENDENT.] No person shall be accounted a qualified teacher until such person has filed for record with the district superintendent where such person intends to teach a *certificate license*, or certified copy thereof, authorizing such person to teach school in such district school system.

Sec. 16. Minnesota Statutes 1974, Section 125.12, Subdivision 1, is amended to read:

125.12 [EMPLOYMENT; CONTRACTS, TERMINATION.] Subdivision 1. [TEACHER DEFINED.] A superintendent, principal, supervisor, and classroom teacher and any other professional employee required to hold a *certificate license* from the state department shall be deemed to be a "teacher" within the meaning of this section.

Sec. 17. Minnesota Statutes 1974, Section 125.13, Subdivision 1, is amended to read:

125.13 [EXCHANGE TEACHERS.] Subdivision 1. A person holding a *certificate license* and contract to teach in a Minnesota public school and assigned by the employing district to teach elsewhere is an exchange teacher.

Sec. 18. Minnesota Statutes 1974, Section 125.17, Subdivision 1, is amended to read:

125.17 [TEACHER TENURE ACT; CITIES OF THE FIRST CLASS; DEFINITIONS.] Subdivision 1. [WORDS, TERMS AND PHRASES.] Unless the language or context clearly indicates that a different meaning is intended, the following words, terms, and phrases, for the purposes of the following subdivisions in this section shall be defined as follows:

(a) [TEACHERS.] The term "teacher" includes every person regularly employed, as a principal, or to give instruction in a classroom, or to superintend or supervise classroom instruction, or as placement teacher and visiting teacher. Persons regularly employed as counselors and school librarians shall be covered by these sections as teachers if *certificated licensed* as teachers or as school librarians.

(b) [SCHOOL BOARD.] The term "school board" includes a majority in membership of any and all boards or official bodies having the care, management, or control over public schools.

(c) [DEMOTE.] The word "demote" means to reduce in rank or to transfer to a lower branch of the service or to a position carrying a lower salary or compensation.

Sec. 19. Minnesota Statutes 1974, Section 125.182, Subdivision 2, is amended to read:

Subd. 2. "Teacher" means a supervisor, classroom teacher, or other similar professional employee required to hold a *certificate license* from the state department of education."

Page 16, line 2, strike "teacher standards and certification" and insert "*teaching*"

Page 16, line 7, after "*board*" insert "*of teaching*"

Page 16, line 23, strike "certification" and insert "*licensure*"

Page 16, line 28, after "fees;" insert "*the selection and duties of an executive secretary to serve the board;*"

Page 17, lines 7, 14, and 21, after "*board*" insert "*of teaching*"

Page 17, lines 26, 29 and 31, strike "*standards*"

Page 18, lines 1 and 5, strike "certification" and insert "*licensure*"

Page 18, lines 3, 7, 11, 14, 17, 20, 23, 27 and 31, strike "*standards*"

Page 18, lines 4, 7, 11, 14, 17, 20, 23, 27, and 31, after "*board*" insert "*of teaching*"

Page 18, lines 12, 13, 15, 16, and 18, strike "certificates" and insert "*licenses*"

Page 18, line 18, after "125.09" insert "*and section 5*"

Page 18, line 32, strike "certificated" and insert "*licensed*"

Page 19, lines 2, 20 and 22, strike "certificate" and insert "*license*"

Page 19, lines 3, 8, 11, 12, 20 and 29, strike "*standards*"

Page 19, lines 5 and 19, strike "certificated" and insert "*licensed*"

Page 19, lines 16 and 17, strike "*teacher standards and certification*" and insert "*teaching*"

Page 20, line 8, strike "teacher standards and certification" and insert "*teaching*"

Page 20, after line 13, insert:

"Sec. 26. *The revisor of statutes shall change the references to "teacher standards and certification commission" or "board of teacher standards and certification" or "commission" wherever they appear in chapters 121 to 129 and 214, to "board of teaching" or "board", as appropriate.*"

Page 22, lines 5 to 12, reinsert the stricken language

Page 26, line 3, after the period, insert "*The board may by rule establish fees for the renewal of licenses and permits authorized by this chapter. The board may assess a charge, to be set by rule, for the delinquent payment of a fee.*"

Page 30, line 23, strike "may" and insert "*shall*"

Page 30, line 23, strike the comma

Page 30, line 24, strike "discharge, and fix the compensation of"

Page 30, line 25, strike everything after "secretary"

Page 30, strike lines 26 to 28

Page 30, line 29, strike everything before the period

Page 35, lines 15 to 17 strike "first day of January of each year after a license is issued to them, as herein provided" and insert "*date of expiration of their licenses*"

Page 35, line 23, strike "an annual"

Page 35, line 23, after "renewal" insert "*of their*"

Page 35, line 23, strike "The"

Page 35, line 24, strike "*executive secretary* shall, 30 days or"

Page 35, strike lines 25 to 30

Page 38, line 12, after "in" insert "*professional*"

Page 38, line 14, after "of" insert "*, and one of the five shall have had at least two years executive or teaching experience in practical nursing education*"

Page 39, line 4, strike "*, a nurse to hold office for a term of five*"

Page 39, strike line 5

Page 39, line 6, strike "expiration of the former term"

Page 39, line 22, strike "DIRECTOR" and insert "SECRETARY"

Page 39, line 26, strike "may" and insert "*shall*"

Page 39, line 27, strike "as hereinafter provided who"

Page 39, line 23, strike "*shall* not be a member of the board"

Page 40, line 2, strike "148.285" and insert "148.299"

Page 40, line 5, strike "148.285" and insert "148.299"

Page 40, line 8, strike "148.285" and insert "148.299"

Page 40, line 22, strike "148.285" and insert "148.299"

Page 40, after line 25, insert "*The board shall appoint an advisory task force on nursing education consisting of eleven members for the purposes of advising the board on matters pertaining to career progression and the approval and operation of nursing programs, assisting with surveys of nursing programs, collecting nursing education data and providing liaison between the board and nursing education. Three members shall be either an administrator or supervisor in one of the following types of agencies at the time of appointment and throughout his term: hospital, nursing home or community nursing service. The remaining eight members shall be either an administrator or faculty member in one of the following types of educational programs at the time of appointment and throughout his term: nursing assistant program, practical nursing program preparing for licensure, professional nursing program preparing for licensure, or advanced nursing program for licensed practical or registered nurses. The task force shall expire and the compensation and removal of members shall be as provided in section 15.059.*"

Page 41, line 4, strike "FEE"

Page 43, line 12, strike "148.285" and insert "148.299"

Page 47, after line 20, insert:

"Sec. 53. Minnesota Statutes 1974, Section 148.32, is amended to read:

148.32 [LICENSES; DENIAL, REVOCATION, REFUSAL.] All licenses to practice midwifery heretofore or hereafter issued by the board of medical examiners must be ~~annually~~ renewed and a fee of \$1 be paid for each renewal *as set by the board*. Licenses may be revoked, suspended, conditioned, limited, qualified or restricted, or renewals refused by the board for unprofessional or dishonorable conduct, or neglect to make proper returns to health officers of births, deaths, puerperal fever, and other contagious diseases.

A license to practice midwifery is suspended if (1) a guardian of the person of a licensee is appointed by order of a probate court pursuant to sections 525.54 to 525.612, for reasons other than the minority of the licensee; or (2) the licensee is committed by order of a probate court pursuant to sections 253A.01 to 253A.21 or 526.09 to 526.11. The license remains suspended until the licensee is restored to capacity by a court and, upon petition by the licensee, the suspension is terminated by the board after a hearing."

Page 51, lines 9 to 10, strike "Before April 1 each year, each authorized" and insert "*A licensed*"

Page 51, line 12, strike "in default of which the board"

Page 51, lines 14 to 15, strike "may revoke the license of any optometrist so in default; but the payment of"

Page 51, lines 15 to 16, strike "*the* fee at or before the time of hearing, with such additional sum,"

Page 51, line 17, strike "as may be fixed by the board, shall excuse"

Page 51, strike lines 18 to 23

Page 51, line 24, strike everything before the period and insert "*in order to renew his license as provided by board rule*"

Page 52, lines 7 to 8, strike "The secretary shall give such bond as the board shall from time to time require."

Page 52 after line 10, insert:

"Sec. 59. Minnesota Statutes, 1975 Supplement, Section 148.67, is amended to read:

148.67 [EXAMINING COMMITTEE.] The board of medical examiners shall appoint an examining committee in carrying out the provisions of this law, regarding the qualifications and examinations of physical therapists. The examining committee shall consist of five members, citizens and residents of the state of Minnesota, composed of three physical therapists, one licensed and registered doctor of



medicine in the general practice of medicine, and one professor or associate or assistant professor from a course in physical therapy accredited by the state board of medical examiners. *The committee shall expire, and the terms, compensation and removal of members shall be as provided in section 15.059.*"

Page 54, lines 12 to 13, strike "of two years from date of issuance, but may be renewed biennially" and insert "*as set by the board*"

Page 59, after line 20 insert:

"Sec. 71. Minnesota Statutes 1974, Section 150A.09, Subdivision 1, is amended to read:

150A.09 [ANNUAL REGISTRATION OF LICENSE.] Subdivision 1. [RENEWAL INFORMATION AND PROCEDURE.] On or before the first day of January each year license expiration date every licensed dentist and dental hygienist shall transmit to the executive secretary of the board, upon a form prescribed by the board, his signature, office address or addresses, the number of his license certificate, whether such licensee has been engaged during the preceding year in the active practice of dentistry or dental hygiene, whether within or without the state, and such other pertinent information as may be required by the board, together with the fee established by the board and, in default of providing such information or payment of such fee, the board may, upon hearing and upon 30 days' notice, suspend the license of the dentist or dental hygienist during such default, but the providing of such information as requested by the board and the payment of such fee on or before the date of hearing, with an additional sum equal to that of the renewal fee, shall excuse the default and the suspension proceeding shall thereupon terminate. The board may collect such fee by civil action. At least 30 days before January 1 a license date expiration, the board shall cause a written notice stating the amount and due date of the fee and the information to be provided by the licensee, to be sent to every the licensed dentist and dental hygienist."

Page 60, after line 13, insert:

"Sec. 74. Minnesota Statutes, 1975 Supplement, Section 151.06, Subdivision 1, is amended to read:

151.06 [POWERS AND DUTIES.] Subdivision 1. The board of pharmacy shall have the power and it shall be its duty:

- (1) To regulate the practice of pharmacy;
- (2) To regulate the manufacture, wholesale, and retail sale of drugs or medicines within this state;
- (3) To regulate the identity, labeling, purity, and quality of all drugs and medicines dispensed in this state, using the United States pharmacopoeia and the national formulary, or any revisions thereof, or standards adopted under the federal act as the standard;
- (4) It may, by its duly authorized representative, enter and inspect any and all places where drugs or medicines are sold,

vended, given away, compounded, dispensed, manufactured, wholesaled or held; it may secure samples or specimens of any drug or medicine after paying or offering to pay for such sample; it shall be entitled to inspect and make copies of any and all records of shipment, purchase, manufacture, quality control, and sale of drugs or medicines provided, however, that such inspection shall not extend to financial data, sales data, or pricing data;

(5) To examine and ~~register~~ *license* as pharmacists all applicants whom it shall deem qualified to be such;

(6) To deny, suspend, revoke, or refuse to renew any registration or license required under chapter 151, to any applicant or registrant or licensee upon any of the following grounds:

(a) Fraud or deception in connection with the securing of such license or registration;

(b) In the case of a pharmacist, conviction in any court of a felony;

(c) In the case of a pharmacist, conviction in any court of an offense involving moral turpitude;

(d) Habitual indulgence in the use of narcotics, stimulants, or depressant drugs; or habitual indulgence in intoxicating liquors in a manner which could cause conduct endangering public health;

(e) Unprofessional conduct or conduct endangering public health;

(f) Gross immorality;

(g) Employing, assisting, or enabling in any manner an unlicensed person to practice pharmacy;

(h) Conviction of theft of drugs, or the unauthorized use, possession, or sale thereof;

(i) Violation of any of the provisions of this chapter or any of the rules or regulations of the state board of pharmacy;

(j) In the case of a pharmacy license, operation of such pharmacy without a pharmacist present and on duty;

(k) In the case of a pharmacist, physical or mental disability which could cause incompetency in the practice of pharmacy;

(7) To employ necessary assistants and make rules for the conduct of its business;

(8) To perform such other duties and exercise such other powers as the provisions of the act may require;

(9) For the purposes aforesaid it shall be the duty of the board to make and publish uniform rules and regulations not inconsistent herewith for carrying out and enforcing the provisions of this chapter."

Page 60, lines 25 and 30, strike "registration" and insert "licensure"

Page 60, line 28, strike "registered" and insert "*licensed*"

Page 61, after line 19, insert:

"Sec. 78. Minnesota Statutes 1974, Section 151.101, is amended to read:

151.101 [INTERNSHIP.] The board may ~~register~~ *license* as an intern any natural person who has satisfied the board that he is of good moral character, not physically or mentally unfit, and who has successfully completed the educational requirements for intern ~~registration~~ *licensure* prescribed by the board. The board shall prescribe standards and requirements for internship training but may not require more than one year of such training.

The board in its discretion may accept internship experience obtained in another state provided the internship requirements in such other state are in the opinion of the board equivalent to those herein provided.

Sec. 79. Minnesota Statutes 1974, Section 151.11, is amended to read:

151.11 [REGISTERED ASSISTANT PHARMACIST TO CONTINUE IN CERTAIN CASES.] It shall be lawful for all persons duly registered as assistant pharmacists prior to January 1, 1930, to ~~continue to~~ act as *such a licensed assistant pharmacist* and nothing herein shall prevent such persons from taking the examination for pharmacists upon proper application and payment of the examination fee.

Sec. 80. Minnesota Statutes 1974, Section 151.12, is amended to read:

151.12 [RECIPROCITY; LICENSURE FEE.] The board may in its discretion grant ~~registration~~ *licensure* without examination to any pharmacist licensed by the board of pharmacy or a similar board of another state which accords similar recognition to licensees of this state; provided, the requirements for ~~registration~~ *licensure* in such other state are in the opinion of the board equivalent to those herein provided. The fee for ~~registration~~ *licensure* shall be in such amount as the board may determine ~~not exceeding the sum of \$100 by rule.~~

Page 61, line 23, strike "registered" and insert "*licensed*"

Page 61, line 24, strike "annually"

Page 61, line 26, after the period insert "*The board may promulgate by rule a charge to be assessed for the delinquent payment of a fee.*"

Page 61, line 29, strike "every renewal" and insert "*license*"

Page 61, lines 29 to 30, strike " , not later than one year from its date"

Page 62, line 19, strike "council" and insert "*task force*"

Page 62, line 22, strike "Members of the"

Page 62, strike lines 23 to 32, and insert "*The task force shall expire, and the compensation and removal of members shall be as provided in section 15.059.*"

Page 63, line 27, strike "registration" and insert "licensure"

Page 64, after line 27, insert:

"Sec. 86 . Minnesota Statutes 1974, Section 151.37, Subdivision 5, is amended to read:

Subd. 5. Nothing in this chapter shall prohibit the sale to, or the possession of, a legend drug by ~~registered~~ *licensed* drug wholesalers, ~~registered~~ *licensed* manufacturers, registered pharmacies, any licensed hospital or bona fide hospitals wherein animals are treated or licensed pharmacists and licensed practitioners while acting within the course of their practice only.

Sec. 87 . Minnesota Statutes 1974, Section 151.37, Subdivision 6, is amended to read:

Subd. 6. Nothing in this chapter shall prohibit the possession of a legend drug by an employee or agent of a ~~registered~~ *licensed* manufacturer, ~~registered~~ *licensed* drug wholesaler or registered pharmacy, while acting in the course of his employment.

Sec. 88. Minnesota Statutes 1974, Section 151.40, is amended to read:

151.40 [POSSESSION AND SALE OF HYPODERMIC SYRINGES AND NEEDLES.] It shall be unlawful for any person to possess, have under his control, manufacture, sell, furnish, dispense, or otherwise dispose of hypodermic syringes or needles or any instrument or implement which can be adapted for subcutaneous injections, except by the following persons when acting in the course of their practice or employment: licensed practitioners, registered pharmacies and their employees or agents, ~~registered~~ *licensed* pharmacists, licensed doctors of veterinary medicine or their assistants, registered nurses, registered medical technologists, medical interns, ~~registered~~ *licensed* drug wholesalers, their employees or agents, licensed hospitals, licensed nursing homes, bona fide hospitals where animals are treated, licensed morticians, syringe and needle manufacturers, their dealers and agents, persons engaged in animal husbandry, clinical laboratories, persons engaged in bona fide research or education or industrial use of hypodermic syringes and needles provided such persons cannot use hypodermic syringes and needles for the administration of drugs to human beings unless such drugs are prescribed, dispensed, and administered by a person lawfully authorized to do so, persons who administer drugs pursuant to an order or direction of a licensed doctor of medicine or of a licensed doctor of osteopathy duly licensed to practice medicine."

Page 64, lines 31 to 32, strike "examiners and registration"

Page 65, line 25, strike "registration" and insert "licensure"

Page 66, lines 4 and 19, strike "registered" and insert "*licensed*"

Page 66, line 5, strike "certificate" and insert "license"

Page 66, line 9, strike "registration" and insert "licensure"

Page 66, line 14, strike "certificate of registration" and insert "license"

Page 66, line 20, strike "on or before July 1 of each year"

Page 66, after line 22, insert:

"Sec. 92. Minnesota Statutes 1974, Section 153.07, is amended to read:

153.07 [CANCELATION OF REGISTRATION.] The board after hearing may by majority vote revoke any ~~certificate issued by it and cancel the registration~~ license of any podiatrist who has been convicted of violation of the provisions of section 153.08. The board may after hearing by majority vote revoke the ~~certificate and cancel the registration~~ license of any person when the court records of any state or territory within the United States, or the federal court records, or the record of any court of jurisdiction in any foreign country, show that such person has been found guilty of a criminal offense. The board may after hearing by majority vote revoke the ~~certificate and cancel the registration~~ license of any person whose ~~registration~~ license was granted upon mistake of material fact. The board may subsequently, but not earlier than one year thereafter, by unanimous vote, ~~reissue any certificate and register~~ license anew any podiatrist whose ~~certificate~~ license was revoked and whose ~~registration~~ was canceled by the board.

Sec. 93. Minnesota Statutes 1974, Section 153.08, is amended to read:

153.08 [UNPROFESSIONAL CONDUCT.] The board may after hearing refuse to issue a ~~certificate~~ license to any person, or may revoke the ~~certificate and cancel the registration~~ license of any person ~~registered~~ licensed under the provisions of this chapter, who after investigation shall be found by a majority vote of the board guilty of grossly unprofessional and dishonest conduct. The words "unprofessional and dishonest conduct" shall be held to mean, within the provisions of this chapter:

(1) The willing betrayal of a professional secret;

(2) Having professional connection with, or lending the use of one's name to, an ~~unregistered~~ unlicensed podiatrist, or having professional connection with anyone who has been convicted in court of any criminal offense;

(3) Being guilty of offenses involving moral turpitude, habitual intemperance, or being habitually addicted to the use of morphine, opium, cocaine or other drugs having a similar effect, or for using, selling, or giving away any substance or compound containing alcohol or drugs for other than legal and legitimate purposes;

(4) Practice of podiatry with any type of business establishment other than an approved hospital or medical clinic or ac-

credited college or university, or private office or association with another podiatrist or medical practitioner; provided that any podiatrist may practice with any existing business establishment where podiatry is presently being practiced;

(5) Violation of any of the provisions of this chapter.

Sec. 94 . Minnesota Statutes 1974, Section 153.09, is amended to read:

153.09 [SUSPENSION OF LICENSURE.] The board may revoke or suspend for an indefinite period, but not less than six months, the ~~certificate of registration~~ *license* of any person found guilty under the provisions of section 153.08.

Sec. 95 . Minnesota Statutes, 1975 Supplement, Section 153.15, is amended to read:

153.15 [OFFENSES; PENALTIES.] Any person who shall unlawfully obtain ~~registration~~ *license* under this chapter, whether by false or untrue statements contained in his application to the board or by presenting to the board a fraudulent diploma, certificate, or license, or one fraudulently obtained, shall be deemed guilty of a misdemeanor; and, ~~upon conviction thereof, punished by a fine of not less than \$25 nor more than \$100 or by imprisonment for not less than 30 nor more than 90 days;~~ and any person not being lawfully authorized to practice podiatry in this state and ~~registered~~ *licensed* as aforesaid, who shall advertise as a podiatrist in any form, or hold himself out to the public as a podiatrist, or who shall attempt to mislead any person or the public into assuming that he or she is licensed, or who, not being duly licensed to practice medicine, osteopathy, or chiropractic in this state, shall offer to diagnose or treat the ailments of the human foot, or who shall diagnose or treat the ailments of the human foot by medicinal, mechanical, or surgical means, shall be guilty of a misdemeanor; and, ~~upon conviction thereof, for each offense, punished by a fine of not less than \$25 nor more than \$100 or by imprisonment for not less than 30 nor more than 90 days;~~ provided, that the simple sale of shoes, appliances or similar devices including arch supports and the adjustment thereof, or the sale of heel pads, cushions or other devices shall not be considered the practice of podiatry; however the adjusting of, or the addition of corrective wedging of said shoes, appliances or similar devices for correction of feet ailments except as provided above shall be by prescription of a licensed practitioner under the terms of this chapter. Provided, however, that no appliance prescribed by a podiatrist for the prevention, correction or relief of foot ailments or troubles shall be in any manner altered, adjusted or readjusted by any person other than licensed practitioner of podiatry.

It shall be unlawful for any person, firm, or corporation to publish directly or indirectly or circulate any fraudulent, false, or misleading statements as to the skill or method of practice of any person or operator in the practice of podiatry, or in any way to advertise podiatry as to be practiced without pain, or to advertise in

any manner with a view to deceiving the public, or to claim superiority over other podiatrists, or to publish reports of cases or certificates of same in any advertising media, or to advertise as using any anesthetic, drug, formula, material, medicine, method, or system, or to advertise free podiatry services or examinations, or to advertise any amount as a price or fee for the service of any person engaged in the practice of podiatry. Any licensed ~~and registered~~ podiatrist may announce by way of a professional card containing only the name, title, degree, office location, office hours, telephone number, and residence address and telephone number, if desired, and if he limits his practice to a specialty he may announce it, but such card shall not be greater in size than eight column inches, and such information may be inserted in public print when not more than two columns in width and four inches in depth; outdoor or similar signs shall not exceed 12 by 18 inches and the text limited to the above qualifications. It shall not be considered unprofessional or unlawful to conduct an educational campaign to give information as to the practice of podiatry, providing such campaign is first approved by the board. Any person violating any of the provisions of this section as it relates to advertising shall be guilty of a misdemeanor."

Page 66, after line 31, insert:

"Sec. 97 . Minnesota Statutes 1974, Section 154.04, is amended to read:

154.04 [PERSONS EXEMPT FROM COMPLIANCE.] The following persons are exempt from the provisions of this chapter while in the proper discharge of their professional duties:

(1) Persons authorized by the law of this state to practice medicine, surgery, osteopathy, and chiropractic;

(2) Commissioned medical or surgical officers of the United States army, navy, or marine hospital service;

(3) Registered nurses, *licensed practical nurses* and nursing aides performing services under the direction and supervision of a registered nurse, provided, however, that no additional compensation shall be paid for such service and patients who are so attended shall not be charged for barbering;

(4) Persons practicing beauty culture , *provided, however, that persons practicing beauty culture shall not hold themselves out as barbers or, except in the case of manicurists, practice their occupation in a barber shop.*"

Page 71, line 20, strike "Such"

Page 71, strike lines 21 to 23

Page 72, line 32, strike "Renewal"

Page 72, line 32, after "license" insert "*renewal periods and*"

Page 74, after line 7, insert:

"Sec. 111. Minnesota Statutes 1974, Section 155.15, is amended to read:

155.15 [LICENSES; DISPLAY, RENEWAL.] Every holder of a license granted by the board, as provided in this chapter, shall display it in a conspicuous place in his place of business. All licenses shall expire ~~December 31 on the date each year as set forth of the year in which issued~~, unless renewed as herein provided. The holder of a license issued by the board shall ~~annually, on or before December 31, renew his license and pay the renewal fee as prescribed by the board~~. If such license is not renewed on or before ~~December 31 of the year in which it is issued~~ the designated date, such licensee shall pay a penalty of \$1, in addition to the renewal fee of an operator's license and \$2, in addition to the renewal fee of a manager operator's or manicurist's license.

In the event that such renewal shall be applied for more than ~~one year~~ 3 months subsequent to the expiration date of the last license, then such applicant shall be required to take an examination in the same manner as if no license had ever been issued."

Page 76, after line 2, insert:

"Sec. 114. Minnesota Statutes 1974, Section 155.19, is amended to read:

155.19 [SERVICES EXCEPTED; EMERGENCY.] Nothing in this chapter shall prohibit services in cases of emergency where compensation or other reward is not received, nor in domestic service, nor services by persons authorized and licensed under the laws of this state to practice medicine, surgery, dentistry, podiatry, osteopathy, chiropractic, or barbering. This section shall not be construed to authorize any of the persons so exempted to wave the hair, or to color, tint, or bleach the hair, in any manner. *This section shall not be construed to permit a barber to practice barbering in a beauty shop.*"

Page 78, line 16, strike "ANNUAL REGISTRATION" and insert "LICENSE RENEWAL"

Page 78, line 22, strike everything after "shall"

Page 78, strike line 23

Page 78, line 24, strike everything before the period and insert "*periodically renew his license in a manner set by the board*"

Page 78, line 27, strike "Fees shall"

Page 78, strike lines 28 to 29

Page 78, line 30, strike "Notice of"

Page 78, line 30, strike "*the fee shall be given to all veterinarians*"

Page 78, strike line 31

Page 78, line 32, strike "*which the license fee is due.*" and insert "*Renewal*"

Page 79, line 1, after the period insert "*The board may assess a charge for delinquent payment of a renewal fee.*"

Page 79, strike lines 2 to 10



Page 79, lines 15 to 16 and 23 to 24, strike "for annual registration"

Page 83, after line 20, insert:

"Sec. 128. Minnesota Statutes, 1975 Supplement, Section 270.48, is amended to read:

270.48 [LICENSURE OF QUALIFIED PERSONS.] The board shall ~~certify~~ *license* persons as possessing the necessary qualifications of an assessing official. Different levels of ~~certification~~ *licensure* may be established as to classes of property which assessors may be certified to assess at the discretion of the board. Every person, except a local or county assessor, regularly employed by the assessor to assist in making decisions regarding valuing and classifying property for assessment purposes shall be required to become ~~certified~~ *licensed* within three years of his date of employment or June 1, 1975, whichever is later. ~~Certification~~ *Licensure* shall be required for local and county assessors as otherwise provided in sections 270.41 to 270.53.

Sec. 129. Minnesota Statutes 1974, Section 270.50, is amended to read:

270.50 [EMPLOYMENT OF LICENSED ASSESSORS.] Commencing June 15, 1975, no assessor shall be employed who has not been ~~certified~~ *licensed* as qualified by the board, provided the time to comply may be extended after application to the board upon a showing that ~~certified~~ *licensed* assessors are not available for employment. The board may ~~certify that~~ *license* a county or local assessor who has not received the training, but possesses the necessary qualifications for performing the functions of his office by the passage of an approved examination or may waive the examination if such person has demonstrated competence in performing the functions of his office for a period of time the board deems reasonable. The county or local assessing district shall assume the cost of training of its assessors in courses approved by the board for the purpose of obtaining the assessor's ~~certificate~~ *license* to the extent of course fees, mileage, meals and lodging, and recognized travel expenses not paid by the state. If the governing body of any township or city fails to employ an assessor as required by sections 270.41 to 270.53, the assessment shall be made by the county assessor.

A town shall pay its assessor \$20 for each day the assessor is attending approved courses or taking the examination. In addition, the town shall pay its assessor \$10 for each approved course successfully completed and \$20 upon his ~~certification~~ *licensure*. The maximum payable to an assessor for successful completion of courses and ~~certification~~ *licensure* shall not exceed \$50.

In the case of townships organized after the effective date of this act except towns located in counties enumerated in section 391.01 or which have elected a county assessor system in accordance with section 273.055, the board shall allow the town adequate time to employ a ~~certified~~ *licensed* assessor.

Sec. 130. Minnesota Statutes 1974, Section 270.51, is amended to read:

270.51 [PREVIOUSLY ACCREDITED ASSESSORS.] All assessors previously accredited by the commissioner of revenue shall be considered as qualified under sections 270.41 to 270.53 and shall be so ~~certified~~ *licensed*."

Page 84, lines 14 to 15, strike "as defined for purposes of Laws 1973, Chapter 638"

Page 85, line 25, strike "certificates of registration" and insert "*licenses*"

Page 85, line 26, strike "bylaws and"

Page 87, line 22, strike "registered" and insert "*licensed*"

Page 89, line 21, strike "Subd. 4. [EXPIRATION.]"

Page 89, strike lines 22 to 25

Page 89, line 26, strike "mail, every person"

Page 89, line 26, strike "*licensed* of the date of the"

Page 89, strike lines 27 to 28

Page 89, line 29, strike everything after "~~registrant~~"

Page 89, strike line 30

Page 89, line 31, strike "the expiration of the"

Page 89, line 31, strike "*license*. Renewal may be"

Page 89, strike line 32

Page 90, strike lines 1 to 2

Page 90, lines 4 to 5, strike "certificate before June 30 of the year of expiration" and insert "*license*"

Page 90, lines 12, 22 and 32, restore the stricken "certification" and strike "*licensure*"

Page 90, lines 19 and 29, restore the stricken "certificate"

Page 90, lines 19 and 30, strike "*license*"

Page 91, line 8, restore the stricken "certificate"

Page 91, line 9, strike "*license*"

Page 92, line 18, strike everything after "board."

Page 93, line 5, strike "registrant" and insert "*licensee*"

Page 95, line 32, strike "REGISTERED AND"

Page 97, line 24, strike "certificates" and insert "*licenses*"

Page 98, line 3, strike "certificate" and insert "*license*"

Page 98, lines 30 to 31, strike "on May 1 of each year"

Page 98, line 31, strike "within 30 days for one year"

Page 99, lines 2 to 3, strike "on or before June 30 of the year in which issued, such" and insert "*before its expiration, the*"

Page 99, strike lines 5 to 6

Page 99, line 8, strike "certificate" and insert "*license*"

Page 99, line 25, strike "AND CERTIFICATES"

Page 101, after line 27, insert:

"Sec. 154. Minnesota Statutes, 1975 Supplement, Section 326.18, is amended to read:

326.18 [BOARD, DUTIES, OFFICERS, EXAMINATIONS.] A majority of the board shall constitute a quorum. The board shall elect one of its number as chairman, another as vice chairman, and another as secretary and treasurer, who shall hold their respective offices for a term of one year and until their successors are elected. The affirmative vote of four members of the board shall be considered as the action of the board. The board shall enforce the standard of general education; the standard of special education in the science and art of accounting; the standard of moral character a general public experience, as prescribed in sections 326.17 to 326.23, in all examinations conducted thereunder. The board shall make rules and regulations for the conduct of applicants' examinations and the character and scope of such examinations, the method and time of filing applications for examinations and their form and contents, and all other rules and regulations proper to carry into effect the purposes of sections 326.17 to 326.23. All such examinations shall be conducted by the board of accountancy. The time and place of holding examinations shall be advertised for not less than three consecutive days in one daily newspaper published in each of the counties where the examinations are to be held, and not less than 20 days prior to the date of each examination. The examinations shall take place as often as may be convenient in the opinion of the board. The board may make further rules and regulations, including but not limited to rules of professional conduct, pertaining to corporations practicing public accounting which it deems consistent with or required by the public welfare.

The board shall keep records of its proceedings, an accurate list of all applications made, ~~certificates~~ *licenses* issued, ~~certificates registered,~~ and ~~certificates~~ *licenses* revoked, and shall keep proper financial records in which there shall be entered a complete statement of the cash receipts and disbursements.

*The board shall issue to each person who meets the initial requirements of a certified public accountant a certificate to that effect, and shall maintain a record of that issuance.*

It shall adopt and provide itself with a seal with a band inscribed "Certified Public Accountant, State of Minnesota," with the coat of arms of Minnesota in the center, which seal shall be affixed to each certificate issued ~~or registered~~ under sections 326.17 to 326.23. All records of the board shall be open to the inspection of the public at the office of its secretary.

Sec. 155. Minnesota Statutes 1974, Section 326.19, is amended to read:

326.19 [LICENSURE; QUALIFICATION OF ACCOUNTANT.] Subdivision 1. [LICENSES TO WHOM GRANTED.] No ~~certificate~~ *license* for a certified public accountant shall be granted, except as provided herein or in subdivisions 2 and 3, to any person other than one who is over the age of 18 years and of good moral character and who shall have completed at least three years of public accounting experience (1) as a staff employee of a certified public accountant or public accountant or (2) as an auditor in the office of legislative auditor or state auditor, an auditor in the division of cooperative accounting, state department of agriculture, or as an auditor or examiner with any other agency of government, which experience, in the opinion of the board is equally comprehensive and diversified or (3) as a self-employed public accountant or as a partner in a firm of public accountants or (4) in any combination of the foregoing capacities, and who shall have successfully passed an examination in such subjects as the board may prescribe in its rules. No person qualifying under this section shall be permitted to take such examination unless he shall have completed the above experience requirements. This subdivision shall expire July 1, 1976.

Subd. 2. [LICENSES; GRANTING; EXAMINATION.] The ~~certificate~~ *license*, certified public accountant, shall be granted to any person:

(a) Who has attained the age of 18 years; and

(b) Who is of good moral character; and

(c) Who holds:

(i) a master's degree with a major in accounting from a college or university that is fully accredited by the North Central Association of Colleges and Secondary Schools, or an equivalent accrediting association, or who has in the opinion of the board at least an equivalent education, providing at least one year of experience of the type specified in subdivision 4, has been completed; or

(ii) a baccalaureate degree, with a major in accounting, from a college or university that is fully accredited by the North Central Association of Colleges and Secondary Schools, or an equivalent accrediting association, or whose credits are acceptable to the University of Minnesota for admission to graduate study, or who has in the opinion of the board at least an equivalent education, providing at least two years experience of the type specified in subdivision 4, has been completed; or

(iii) a baccalaureate degree from a college or university that is fully accredited by the North Central Association of Colleges and Secondary Schools, or an equivalent accrediting association, or whose credits are acceptable to the University of Minnesota for admission to graduate study, or who has in the opinion of the board at least an equivalent education, providing at least three years experience of the type specified in subdivision 4, has been completed; or

(iv) evidence of having completed two or more years of study with passing grade average or above from a college or university that is fully accredited by the North Central Association of Colleges and Secondary Schools, or an equivalent accrediting association, or whose credits are acceptable to the University of Minnesota for admission to graduate study, or an area vocational technical school, a Minnesota licensed private vocational school which fulfills the requirements of sections 141.21 to 141.36, or who has in the opinion of the board at least an equivalent education, providing at least five years experience of the type specified in subdivision 4, has been completed; or

(v) a diploma as a graduate of an accredited high school or who has in the opinion of the board at least an equivalent education, providing at least six years experience of the type specified in subdivision 4, has been completed; and

(d) Who has completed successfully an examination in such subjects and at such times, as the board may prescribe in its rules. The examination shall be administered by the board only to a candidate who holds:

(i) a baccalaureate degree with a major in accounting or higher degree, as described in clause (c) (i) or clause (c) (ii) or to persons having at least an equivalent education, or to candidates for such degree providing such candidate is currently registered in his final semester or quarter preceding graduation, or

(ii) a baccalaureate degree, as described in clause (c) (iii), provided at least one year experience of the type specified in subdivision 4, has been completed, or

(iii) evidence of having completed two or more years of study with passing grade average or above from a college, university, area vocational technical school or a Minnesota licensed private vocational school which fulfills the requirements of sections 141.21 to 141.36, as described in clause (c) (iv), provided at least three years experience of the type specified in subdivision 4, has been completed, or

(iv) a diploma as a graduate of an accredited high school, as described in clause (c) (v), provided at least five years experience of the type specified in subdivision 4, has been completed.

Subd. 3. [LICENSE WITHOUT EXAMINATION.] The state board of accountancy may, in its discretion, waive the examination of and may issue a *certificate license* for certified public accountant to any person possessing the qualifications mentioned in this section, who:

(a) Is the holder of a C.P.A. *license* or certificate, issued under the laws of another state, provided the requirements for the degree or certificate in the state which has granted it to the applicant are, in the opinion of the state board of accountancy, equivalent to those herein provided; or

(b) Shall be the holder of a degree or certificate of certified public accountant or chartered accountant, or the equivalent thereof,

issued in any foreign country, provided that the requirements for such degree or certificate are equivalent to those herein provided for the degree or certificate *license* of certified public accountant in this state.

(c) Shall in another jurisdiction have completed successfully an examination which, in the opinion of the board, is comparable to that prescribed by the board in its rules and provided that such person has satisfied the other requirements of subdivision 2.

Subd. 4. [QUALIFYING EXPERIENCE FOR EXAMINATION AND GRANTING OF LICENSE.] Qualifying experience for subdivisions 2 and 3 shall include public accounting experience (1) as a staff employee of a certified public accountant or public accountant, a firm of certified public accountants or public accountants, or a corporation formed for the practice of public accounting; or (2) as an auditor in the office of the legislative auditor or state auditor, or as an auditor or examiner with any other agency of government, which experience, in the opinion of the board is equally comprehensive and diversified; or (3) as a self-employed public accountant or as a partner in a firm of public accountants; or (4) in any combination of the foregoing capacities.

Sec. 156. Minnesota Statutes 1974, Section 326.20, is amended to read:

326.20 [RENEWAL.] Subdivision 1. [LICENSE RENEWAL OF CERTIFIED PUBLIC ACCOUNTANTS.] Every holder of a certified public accountant ~~certificate~~ *license* issued by the board, if he is engaged, or intends to be engaged, in public practice within this state at any time during a calendar year shall ~~obtain a registration card for such year~~ *renew his license as prescribed by the board.*

The board shall, in December of each year, upon application made by any holder of an unrevoked Minnesota certificate ~~and license~~ as a certified public accountant ~~issue a registration card~~ *renew the license* which shall be good until December 31 of the ~~next succeeding year for a period prescribed by the board,~~ unless the said certificate ~~or license~~ shall sooner be revoked. Interim ~~registration cards~~ *licenses* shall be issued to individuals who have satisfied the provisions of sections 326.17 to 326.23 within the year.

Subd. 2. [LICENSURE OF PARTNERSHIPS.] Every partnership in which one or more certified public accountants of this state is a partner, if it is engaged, or intends to be engaged, in public practice within this state at any time during a calendar year shall register with the state board of accountancy for such year. Upon application made upon the affidavit of a general partner of such partnership who is a certified public accountant of this state in good standing, the board shall, in December of each year, issue a ~~registration card~~ *license* which shall be good until December 31 of the ~~next succeeding year for a period prescribed by the board,~~ unless the said ~~registration~~ *license* shall sooner be revoked. Interim ~~registration cards~~ *licenses* shall be issued to partnerships who have satisfied the provisions of this subdivision. The application shall confer upon the board the consent of the partnership, and of the

general partner making the application, to the board's jurisdiction over the acts of the partnership and its partners or agents within the state.

Subd. 3. [UNLICENSED PRACTICE.] It shall be unlawful for any certified public accountant or any partnership containing one or more certified public accountants to engage in public practice within this state unless such certified public accountant or partnership is duly registered *licensed* as provided by this section. A partnership shall be deemed in public practice within this state if it performs professional accounting services for a fee. A certified public accountant shall be deemed in public practice within this state if he performs professional accounting services for a fee within this state.

Sec. 157. Minnesota Statutes 1974, Section 326.21, is amended to read:

326.21 [HOLDER OF LICENSE, HOW STYLED.] Any person who has received from the state board of accountancy a certificate of his qualifications to practice as a certified public accountant shall be known and styled a certified public accountant; and no other person who has not received such a certificate shall assume such title or the title of certified accountant, or the abbreviation C.P.A., or any other words, letters, or abbreviations tending to indicate that the person so using the same is a certified public accountant. No partnership shall style itself as a firm of certified public accountants unless (1) all partners resident in this state are certified public accountants of this state and (2) all managers in charge of offices maintained in this state are certified public accountants of this state and (3) all partners, wherever situated, are certified public accountants of one of the states or territories or of the District of Columbia and (4) the partnership is duly registered *licensed* under section 326.20. No corporation, other than one duly registered *licensed* under the laws of this state shall style itself as certified public accountants, or use the abbreviation C.P.A. in connection with its corporate name."

Page 101, lines 31 to 32, strike "EXAMINATION AND CERTIFICATE" and insert "LICENSE AND RENEWAL"

Page 102, line 9, strike "an annual registration card" and insert "*a license*"

Page 102, line 10, after "annual" insert "*renewal*"

Page 102, line 25, strike "registration" and insert "*license*"

Page 103, line 6, strike "registrations" and insert "*licenses*"

Page 103, line 10, strike "registration" and insert "*license*"

Page 104, lines 29 to 32, reinsert the stricken language

Page 105, lines 1 to 3, reinsert the stricken language

Page 105, lines 10 to 11, strike "one year from the date of issuance" and insert "*in a manner as provided by the board*"

Page 110, after line 26, insert:

"Sec. 168. Minnesota Statutes 1974, Section 326.333, is amended to read:

326.333 [INFORMATION AND MATERIAL ACCOMPANYING APPLICATION.] Each such application shall be accompanied by:

(1) A surety bond executed by a company authorized to do business in the state of Minnesota wherein the applicant shall be principal, with sureties to be approved by the commissioner of public safety, to the state of Minnesota, in the penal sum of \$5,000, upon the condition that applicant and each of applicant's employees shall faithfully observe all the laws of Minnesota and of the United States, including sections 326.331 to 326.339, and shall pay all damages suffered by any person by reason of the violation of any such law by applicant or by the commission of any wilful and malicious wrong by any such applicant in the course of the conduct of such business. Action upon such bond may be brought by any person so aggrieved not later than within two years of the act complained of;

(2) For each person signing the application the verified certificates of at least five citizens not related to the signer who have known the signer for more than five years, certifying that the signer is of good moral character;

(3) Two photographs and a full set of fingerprints for each person signing the application;

(4) A duly acknowledged certificate evidencing the fact that at least one of the persons signing the application for private detective has been regularly employed as a detective by a licensed detective agency or has been a member of the United States government investigative service, a sheriff or member of a city police department of a rank or grade of sergeant or higher, or equivalent occupation, for a period of not less than three years;

(5) An acknowledged certificate evidencing the fact that at least one of the persons signing the application for protective agent has been regularly employed as a detective or has been a member of the United States government investigative service, a sheriff or member of a city police department of a rank or grade higher than that of patrolman, or equivalent part-time occupation or special training, for a period of not less than three years; or has completed a course prescribed by the state police officers training board."

Page 111, line 9, after "office" insert "*for at least 20 days*"

Pages 111 and 112, strike Section 133

Page 116, line 4, strike "an annual" and insert "*a*"

Page 116, line 15, strike "such annual license" and insert "*the*"

Page 116, line 21, strike "an annual" and insert "*a license*"

Page 117, strike lines 19 to 24



Page 119, after line 7, insert:

"Sec. 181. Minnesota Statutes 1974, Section 386.61, Subdivision 2, is amended to read:

Subd. 2. "~~Registered~~ *Licensed* abstracter" means any official, person, firm or corporation obtaining ~~certificates of registration licenses~~ pursuant to the terms of sections 386.61 to 386.76; and includes (1) present duly qualified and acting registers of deeds not now prohibited by law from making abstracts; (2) any person, firm or corporation engaged in the business of making abstracts of title and issuing certificates showing ownership of, or interest in, or liens upon any lands in the state of Minnesota, whether registered or not.

Sec. 182. Minnesota Statutes, 1975 Supplement, Section 386.62, is amended to read:

386.62 [LICENSE REQUIRED.] No official, person, firm, association or corporation shall engage in the business of making abstracts of title and issuing certificates showing ownership of, or interest in, or liens upon any lands in the state of Minnesota, whether registered or not, without first obtaining a ~~certificate of registration license~~ pursuant to the provisions of sections 386.61 to 386.76."

Page 120, lines 14 to 15, strike "; and it may retain administrative or legal counsel, if deemed necessary"

Page 120, lines 31 to 32, strike "CERTIFICATE OF REGISTRATION" and insert "LICENSE"

Page 121, lines 1, 20 and 24, strike "certificate of registration" and insert "*license*"

Page 122, lines 26 and 29, strike "registered" and insert "*licensed*"

Page 123, line 4, strike "registered" and insert "*licensed*"

Page 123, after line 15, insert:

"Sec. 191. Minnesota Statutes 1974, Section 386.69, is amended to read:

386.69 [LICENSES; CONTENTS, TERM.] ~~The certificates~~ *Licenses* issued by said board under the provisions hereof shall recite that such bond or insurance policy has been duly filed and approved, and ~~such certificates the license~~ shall authorize the official, person, firm or corporation named in it to engage in and carry on the business of an abstractor of real estate titles in the county in which said official, person, firm or corporation is authorized to make abstracts. ~~The certificate license shall be issued for the term of one year, and expires on July 1 of each year, and shall be renewable annually, as of such date, in each succeeding year, a period as determined by the board, and shall thereafter be renewed upon conditions prescribed by the board.~~

Sec. 192. Minnesota Statutes, 1975 Supplement, Section 386.70, Subdivision 1, is amended to read:

386.70 [DENIAL, SUSPENSION AND REVOCATION OF LICENSES, INVALIDATING BONDS.] Subdivision 1. The board may by order deny, suspend or revoke any ~~certificate~~ *license*, may censure an abstractor holding a ~~certificate~~ *license* or may hold and declare a bond or insurance policy insufficient and invalid if it finds (1) that the order is in the public interest, and (2) that the applicant or abstractor holding the ~~certificate~~ *license* or, if the holder of the certificate is a firm or corporation, any officer, director, partner, employee or agent thereof:

(a) Has filed an application for a license which is incomplete in any material respect or contains any statement which, in light of the circumstances under which it is made, is false or misleading with respect to any material fact;

(b) Has engaged in a fraudulent, deceptive or dishonest practice;

(c) Is permanently or temporarily enjoined by any court of competent jurisdiction from engaging in or continuing any conduct or practice involving any aspect of the real estate business;

(d) Has failed to reasonably supervise his employees or agents so as to cause injury or harm to the public;

(e) Has been convicted of a felony;

(f) Has been habitually careless or inattentive to business;

(g) Has failed to employ competent abstracters; or

(h) Has violated or failed to comply with any provision of sections 386.61 to 386.76 or any rule or order hereunder.

Sec. 193. Minnesota Statutes, 1975 Supplement, Section 386.71, is amended to read:

386.71 [LICENSED ABSTRACTERS, ACCESS TO PUBLIC RECORDS.] Except as provided in Laws 1974, Chapter 435, Section 3.11 (c), ~~registered~~ *licensed* abstracters shall have access during ordinary office hours to the public records in the office of the register of deeds in the county in which such abstractor is authorized to function, to make such memoranda, microfilm, photostats, photographs, or notations from the records thereof as may be necessary for the purpose of making or compiling abstracts, continuations thereof, or issuing certificates showing ownership of, or interest in, or liens upon any lands in the state, whether registered or not, and the compiling, posting, copying and keeping up their abstract books, indices, or other records necessary to carry on or perform the duties and functions of a ~~registered~~ *licensed* abstractor, provided that such access during ordinary office hours shall in no manner hinder or interfere with the public officer in the performance of his official duties.

Sec. 194. Minnesota Statutes 1974, Section 386.72, is amended to read:

386.72 [ABTRACTER'S CERTIFICATE AS PRIMA FACIE EVIDENCE.] Any abstract of title, continuation thereof or certificate showing ownership of, or interest in, or liens upon any

lands in the state of Minnesota, whether registered or not, certified to be true and correct by any ~~registered~~ *licensed* abstracter under the signature and seal of such abstracter, shall be received by the courts of this state as prima facie evidence of the existence or nonexistence of records, the content and filing indicated on such abstract, continuation thereof or certificate hereinbefore described.

Sec. 195. Minnesota Statutes 1974, Section 386.73, is amended to read:

**386.73 [REGISTERS OF DEEDS, MAY EMPLOY LICENSED ABSTRACTERS.]** Nothing herein shall prohibit any register of deeds who does not hold a certificate of authority pursuant to the provisions hereof from employing a ~~registered~~ *licensed* abstracter and issuing abstracts pursuant to sections 386.61 to 386.76.

Sec. 196. Minnesota Statutes 1974, Section 214.01, Subdivision 1. is amended to read:

**214.01 [DEFINITIONS.]** Subdivision 1. The words defined in this section for purposes of ~~sections 214.01, and 214.04 to 214.06~~ *this chapter* have the meanings given them unless the context clearly requires otherwise.

Sec. 197. Minnesota Statutes, 1975 Supplement, Section 214.01, Subdivision 2, is amended to read:

Subd. 2. "Health related licensing board" means the board of examiners of nursing home administration established pursuant to section 144.952, the board of medical examiners created pursuant to section 147.01, the board of nursing created pursuant to section 148.181, the board of chiropractic examiners established pursuant to section 148.02, ~~the board of licensed practical nursing created pursuant to section 148.29,~~ the board of optometry established pursuant to section 148.52, the board of ~~examiners of~~ *psychologists* *psychology* established pursuant to section 148.90, the board of dentistry established pursuant to section 150A.02, the board of pharmacy established pursuant to section 151.02, the board of podiatry ~~examiners and registration~~ established pursuant to section 153.02, and the ~~veterinary examining~~ *board of veterinary medicine*, established pursuant to section 156.01.

Sec. 198. Minnesota Statutes, 1975 Supplement, Section 214.09, Subdivision 3, is amended to read:

Subd. 3. **[COMPENSATION.]** Members of the boards shall be compensated at the rate of \$35 per day spent on board activities, *when authorized by the board*, plus expenses in the same manner and amount as received by state employees. Members who are full-time state employees or employees of the political subdivisions of the state shall not receive the \$35 per day; ~~but they shall suffer no loss in compensation or benefits from the state or a political subdivision as a result of their service on the board if the major part of their activities occur during normal working hours for which they are also compensated by the state or political subdivision. A board member who is an employee of the state or political subdivision shall suffer no loss in compensation or bene-~~

*fits as a result of their service on the board. Members who are state employees or employees of the political subdivisions of the state may receive the expenses provided for in this subdivision unless the expenses are reimbursed by another source."*

Page 123, line 16, strike everything after "153."

Page 123, strike lines 17 to 22 and insert:

*"To the extent possible in order to be consistent with section 9, the present members of the allied health manpower credentialing committee shall be the initial members of the human services occupations advisory council."*

Page 124, line 5, after the period, insert *"The commissioner of finance shall transfer to the appropriate department or board funds appropriated in respect to powers, duties, personnel or services which are transferred by this act."*

Page 124, line 20, after the period insert *"The report shall comment upon the effectiveness of the staffing pilot program provided in subdivision 3 and shall recommend whether the program should be expanded or discontinued."*

*Subd. 3. Notwithstanding the provisions of section 2, subdivision 3, the commissioner of health and the chairman of the commerce commission shall each appoint, with the approval of the affected licensing boards, one unclassified employee of their respective departments who shall each serve as the executive secretary for two or more of the boards not listed in section 2, subdivision 3 and which are serviced by the respective departments. This staffing pilot program shall terminate July 1, 1978, unless extended by the legislature."*

Page 124, strike lines 21 to 32

Page 125, strike lines 1 to 15 and insert:

*"Sec. 201. [REVISOR'S INSTRUCTIONS.] In the next and subsequent editions of Minnesota Statutes the revisor of statutes shall substitute the terms "licensed teacher," "licensure" or similar appropriate terminology respecting licensure of teachers, for the terms "certified teacher," "certification" in respect to teachers, and similar terminology relating to teacher certification."*

Page 125, line 17, after "Sections" insert *"125.09, Subdivisions 2 and 3;"*

Page 125, line 17, after "144.958;" insert *"144.96;"*

Page 125, line 18, after "2;" insert *"148.08, Subdivision 1;"*

Page 125, lines 18 and 19, strike *"148.231, Subdivision 3, 148.281, Subdivision 2;"*

Page 125, line 20, after "148.55;" insert *"148.58;"*

Page 125, line 23, after "153.10;" insert *"153.11; 154.065, Subdivision 6;"*

Page 125, line 27, after "3;" insert *"148.231, Subdivision 3; 148.-261, Subdivision 2;"*

Page 125, line 28, before "326.11," insert "326.10, *Subdivision 4*;"

Page 125, line 28, after "4;" insert "326.242, *Subdivision 8*; 326.-334, *Subdivision 3*;"

Page 125, line 31, after ".]" insert "*Section 5, Subdivisions 1 and 2, of this act shall be effective July 1, 1977. The remainder of*"

Page 125, lines 16 to 30, underline the new language

Page 125, line 32, strike "*in statute or rule*"

Page 126, line 1, after "*fees*" insert "*, license renewal*"

Page 126, line 2, strike "*are*" and insert "*were enforced or promulgated pursuant to sections of Minnesota Statutes which are amended or*"

Page 126, line 6, after "*effect*" insert "*, to the extent not inconsistent with this act,*"

Page 126, line 8, after the period insert "*Notwithstanding the preceding sections, a licensing board may continue to use until July 1, 1977, procedures for the review and investigation of complaints and the holding of disciplinary hearings which were in effect on June 30, 1976, to the extent the procedures are consistent with chapter 15. A certificate or registration granted to a person by a licensing board shall remain in force until its scheduled expiration unless revoked or suspended. After the expiration the person, if he qualifies, shall be issued a license pursuant to this act.*"

Renumber the sections in sequence

Strike the title and insert:

"A bill for an act relating to licensed occupations; establishing a policy for the regulation of occupations; transferring responsibility for the provision of staffing and administrative services; clarifying reporting responsibilities; prescribing a procedure for complaint review; granting licensing boards additional powers relating to injunctive relief, subpoenas, continuing education, and other matters; prescribing duties of the board of health relating to human services occupations, creating advisory councils; merging the licensed practical nursing board into the board of nursing; making miscellaneous changes in practice acts for various licensed occupations; adopting the standard terms "licensure" and "license" for occupational licensing boards; transferring employees and moneys; appropriating money; amending Minnesota Statutes 1974, Sections 125.04; 125.05; 125.06; 125.08; 125.09, Subdivision 1; 125.12, Subdivision 1; 125.13, Subdivision 1; 125.17, Subdivision 1; 125.182, Subdivisions 2 and 3; 125.183, by adding a subdivision; 125.184, as amended; 125.185, as amended; 125.187; 144.955; 144.959; 147.021, Subdivision 1; 147.06; 147.13; 147.18; 147.23; 148.05; 148.06, Subdivision 1; 148.07, as amended; 148.10; 148.211, Subdivision 2; 148.241, Subdivision 1; 148.291, Subdivision 3; 148.32; 148.57; 148.59; 148.90, as amended; 148.91, Subdivisions 1 and 3; 148.97, Subdivision 6; 148.98; 150A.04, Subdivision 5; 150A.06, Subdivision 1; 150A.08, Subdivision 4; 150A.09, Subdivisions 1 and 3; 151.06, Sub-

division 4; 151.10; 151.101; 151.11; 151.12; 151.13; 151.14; 151.19; 151.25; 151.27; 151.37, Subdivisions 5 and 6; 151.40; 153.07; 153.08; 153.09; 154.04; 155.02, Subdivision 7a; 155.03, Subdivision 2; 155.06, Subdivision 3; 155.09, Subdivisions 1, 4 and 5; 155.11, Subdivision 2; 155.14; 155.15; 155.16; 155.18, Subdivision 1; 155.19; 155.20, Subdivision 2; 156.01, Subdivision 5; 156.02, Subdivision 2; 156.03; 156.07; 156.072, Subdivisions 2 and 3; 156.081, Subdivision 1; 156.14; 214.01, Subdivision 1; 214.06; 270.47; 270.50; 270.51; 326.08, Subdivision 1; 326.11, Subdivision 6; 326.15; 326.19; 326.20; 326.21; 326.22, as amended; 326.23; 326.241, as amended; 326.242, Subdivisions 8 and 9; 326.33, Subdivisions 2 and 3; 326.331; 326.332, Subdivision 1; 326.333; 326.334, Subdivision 1; 326.54; 326.543; 326.544; 326.545; 326.546; 341.05, as amended; 341.06; 341.07; 341.08; 341.12; 341.13; 341.15; 386.61, Subdivision 2; 386.63, Subdivisions 2 and 3; 386.64; 386.65, Subdivision 1; 386.67; 386.69; 386.72; 386.73; Chapter 214, by adding sections; Minnesota Statutes, 1975 Supplement, Sections 125.03, Subdivision 1; 125.11; 125.183, Subdivision 3; 144.952, by adding a subdivision; 147.01; 147.02, Subdivision 1; 147.05; 148.03; 148.181; 148.191; 148.211, Subdivision 1; 148.261, Subdivision 1; 148.29, Subdivision 2; 148.291, Subdivision 1; 148.299; 148.52; 148.54; 148.60; 148.67; 148.95; 150A.02, Subdivision 1; 150A.03, Subdivision 2; 151.03; 151.06, Subdivision 1; 151.07; 153.02; 153.03; 153.04; 153.13; 153.15; 154.22; 154.23; 155.05; 155.06, Subdivision 1; 155.08; 156.01, Subdivision 1; 214.01, Subdivision 2; 214.04; 214.07; 214.09, Subdivision 3; 270.41; 270.42; 270.48; 326.03, Subdivision 1; 326.04; 326.05; 326.06; 326.08, Subdivision 2; 326.09; 326.10; 326.11, Subdivisions 1 and 5; 326.12; 326.13; 326.14; 326.17; 326.18; 326.33, Subdivision 1; 326.541; 326.542; 341.01; 341.04; 341.10; 341.11; 386.62; 386.63, Subdivision 1; 386.66; 386.68; 386.70, Subdivision 1; 386.71; repealing Minnesota Statutes 1974, Sections 125.09, Subdivisions 2 and 3; 144.956; 144.958; 144.96; 144.965; 145.861; 145.862; 145.863; 145.864; 148.06, Subdivision 2; 148.08, Subdivision 1; 148.291, Subdivision 2; 148.55; 148.58; 148.94; 148.97, Subdivision 2; 148.99, Subdivision 1; 150A.04, Subdivisions 1, 2, 3 and 4; 150A.07; 150A.08, Subdivision 2; 150A.09, Subdivision 2; 151.09; 153.10; 153.11; 154.065, Subdivision 6; 156.01, Subdivision 4; 326.08, Subdivision 3; 326.11, Subdivision 3; 326.16; 386.63, Subdivision 6; 386.65, Subdivision 2; Minnesota Statutes, 1975 Supplement, Sections 145.865, Subdivision 2; 145.866; 148.211, Subdivision 3; 148.231, Subdivision 3; 148.261, Subdivision 2; 148.291, Subdivision 4; 148.297, Subdivision 2; 148.55; 326.10, Subdivision 4; 326.11, Subdivisions 2 and 4; 326.242, Subdivision 8; 326.334, Subdivision 3; 386.695; 386.696; and 386.70, Subdivisions 3, 4, 5 and 6."

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

H. F. Nos. 1349, 1918 and 1926 for proper reference, recommends the above House Files be re-referred to their respective Committees as follows:

H. F. No. 1918 to the Committee on Governmental Operations.

H. F. No. 1926 to the Committee on Health, Welfare and Corrections.

H. F. No. 1349 to the Committee on Taxes and Tax Laws.

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

## SECOND READING OF SENATE BILLS

S. F. Nos. 2379, 2053, 1788, 2343, 2226, 1979, 1987, 1986, 1814, 1802, 1944, 1872, 1844, 1964, 1297, 1998, 1792, 1793, 2167, 2327, 2373, 1576, 2365, 1867, 2195, 2381, 2469, 2330, 2100, 2291, 2174, 2328, 1780, 2370, 2210, 1615, 1456, 1675, 2387, 1935, 664, 1991, 2339, 2121, 2334, 2436, 2382, 2435, 2423, 2485, 2509, 2510, 2363, 855, 2486, 1800, 2263, 2322, 1886, 1999 and 1906 were read the second time.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 1932 and 771 were read the second time.

## MOTIONS AND RESOLUTIONS

Mr. Josefson moved that S. F. No. 1784 and the committee report and minority report thereon be taken from the table. The motion prevailed.

Mr. Jensen moved that the minority report be adopted.

The question being taken on the adoption of the motion,

And the roll being called, there were yeas 27 and nays 38, as follows:

Those who voted in the affirmative were:

Anderson	Brataas	Hansen, Baldy	Larson	Sillers
Ashbach	Brown	Hanson, R.	Olson, H. D.	Stassen
Bang	Chmielewski	Jensen	Olson, J. L.	Ueland
Berg	Dunn	Josefson	Patton	
Bernhagen	Fitzsimons	Kirchner	Pillsbury	
Blatz	Frederick	Knutson	Renneke	

Those who voted in the negative were:

Arnold	Hansen, Mel	Lewis	Olson, A. G.	Spear
Borden	Hughes	McCutcheon	O'Neill	Stokowski
Chenoweth	Humphrey	Milton	Perpich, A. J.	Stumpf
Coleman	Keefe, J.	Moe	Perpich, G.	Tennessee
Conzemius	Keefe, S.	Nelson	Purfeerst	Wegener
Davies	Kleinbaum	North	Schaaf	Willet
Doty	Kowalczyk	Ogdahl	Schmitz	
Gearty	Laufenburger	Olhoft	Solon	

The motion did not prevail.

Mr. Coleman moved that the committee report on S. F. No. 1784 be adopted. The motion prevailed. Report adopted.

Mr. Moe moved that S. F. No. 2264 be withdrawn from the Committee on Natural Resources and Agriculture and re-referred to the Committee on Labor and Commerce. The motion prevailed.

Mr. Moe moved that S. F. No. 2188 be withdrawn from the Committee on Natural Resources and Agriculture and re-referred to the Committee on Health, Welfare and Corrections. The motion prevailed.

Mr. Chenoweth moved that H. F. No. 1530 be taken from the table. The motion prevailed.

Mr. Chenoweth moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 1530, and that a Conference Committee of 5 members be appointed by the Committee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. Tennesen moved that the name of Mrs. Brataas be added as co-author to S. F. No. 2506. The motion prevailed.

Mr. Tennesen moved that S. F. No. 2380 be withdrawn from the Committee on Health, Welfare and Corrections and re-referred to the Committee on Finance. The motion prevailed.

Mr. Moe moved that the name of Mr. O'Neill be added as co-author to S. F. No. 2325. The motion prevailed.

Mr. Moe moved that the name of Mr. Dunn be added as co-author to S. F. No. 2436. The motion prevailed.

Mr. Renneke moved that his name be stricken as co-author to S. F. No. 1308. The motion prevailed.

Mr. Olson, H. D. moved that S. F. No. 1308 and the Conference Committee Report thereon be laid on the table and the Conference Committee Report be printed in the Journal. The motion prevailed.

#### **CONFERENCE COMMITTEE REPORT ON S. F. NO. 1308**

A bill for an act relating to natural resources; clarifying procedures for acquisition of wildlife lands; modifying the definition of beneficial public use; requiring a substantial beneficial public use to be served in order to classify waters as public; establishing an accelerated program of inventorying, classifying, and designating state waters; prescribing the powers and duties of the commissioner of natural resources and counties in connection therewith; prescribing interim rules and regulations; specifying certain restrictions on drainage; eliminating the duty of the commissioner of natural resources to promulgate certain criteria relating to drainage systems; clarifying the criteria which county boards or district courts must consider concerning drainage systems; appropriating money; amending Minnesota Statutes 1974, Sections 97.481; 105.37, Subdivision 6, and by adding subdivisions; 105.38; 105.42.



Subdivision 1; 106.021, Subdivisions 2 and 6; 106.031, Subdivision 1; 106.081, Subdivisions 1, 3 and 4; 106.091, Subdivisions 1 and 2; 106.101, Subdivisions 4 and 5; 106.111, Subdivision 1; 106.121, Subdivisions 1 and 4; 106.131; 106.201, Subdivisions 1 and 2; and Chapter 105, by adding sections.

March 8, 1976

The Honorable Alec G. Olson  
President of the Senate

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

We, the undersigned conferees for S. F. No. 1308 report that we have agreed upon the items in dispute and recommend as follows:

That the house recede from its amendments and that S. F. No. 1308 be amended as follows:

Strike everything after the enacting clause and insert the following:

"Section 1. Minnesota Statutes, 1975 Supplement, Section 97.481, is amended to read:

97.481 [ACQUISITION OF WILDLIFE LANDS.] The commissioner of natural resources is hereby authorized and empowered to acquire, in the name of the state, by gift, lease, purchase and transfer of state lands, any such wildlife lands, such as marsh or wetlands, and the margins thereof, including ponds, small lakes and stream bottom lands, which he finds desirable to acquire in the interests of water conservation relating to wildlife development programs, and, he may also acquire for this purpose from any state agency, itself included, lands now in state ownership or tax-forfeited which are suitable for wildlife purposes, and when such lands are so acquired, he is authorized to develop the same in the interest of wildlife, recreational or public hunting areas as he shall deem desirable. *In the determination of which lands will be acquired as wildlife lands, the commissioner shall assign highest priority to parcels containing type 3 or 4 wetlands, as defined in U.S. Fish and Wildlife Service Circular No. 39 (1971 edition), which were previously determined to be public waters.* No such lands shall be acquired until first approved for such purchase, or lease, by a majority of the members of the board of county commissioners in the counties where the land to be purchased, or leased, is located. In the counties in which a soil and water conservation district is organized the supervisors will act as counsellors to the board of county commissioners regarding the best utilization and capability of the land proposed for purchase, including the questions of drainage and flood control. The commissioner in the purchase of such wetlands must recognize that when a majority of land owners, or owners of a majority of the land in the watershed, petition for a drainage outlet, that the state should not interfere, or unnecessarily delay such drainage proceedings when such proceedings are conducted according to the Minnesota Drainage Code. In no case should state lands, so purchased, or leased, be used to produce crops ~~which are in a surplus~~

as defined by the federal government unless such crops are needed to sustain wildlife. No lands described herein shall be acquired unless there is acquired simultaneously therewith a right-of-way or easement from said lands to a public road so as to make entry upon said lands available to the public. The commissioner may designate lands or interests in lands acquired pursuant to this section as wildlife management areas for the purposes of the outdoor recreation system.

Sec. 2. Minnesota Statutes 1974, Section 105.37, Subdivision 6, is amended to read:

Subd. 6. "Beneficial public purpose", in relation to waters of the state, includes but is not limited to any or all of the following purposes:

(a) Water supply for municipal, industrial, or agricultural ; ~~or other~~ purposes ;

(b) Recharge of underground water strata;

(c) Retention of water to prevent or reduce downstream flooding, thereby minimizing erosion and resultant property damage;

(d) Entrapment and retention of nutrients and other materials which impair the quality of natural resources;

(e) Recreational activities such as swimming, boating, fishing, and hunting;

(f) Public navigation other than for recreational purposes;

(g) Wildlife habitat ~~such as fish spawning and rearing areas, waterfowl nesting and feeding areas, and areas for the spawning, rearing, feeding, and protection nesting of other wildlife; or~~

(h) Areas designated as scientific and natural areas pursuant to section 84.033.

Sec. 3. Minnesota Statutes 1974, Section 105.37, is amended by adding a subdivision to read:

*Subd. 9. "Waterbasin" means an enclosed natural depression with definable banks capable of containing water which may be partly filled with waters of the state and which is discernible on aerial photographs.*

Sec. 4. Minnesota Statutes 1974, Section 105.37, is amended by adding a subdivision to read:

*Subd. 10. "Natural watercourse" means any natural channel which has definable beds and banks capable of conducting confined runoff from adjacent lands.*

Sec. 5. Minnesota Statutes 1974, Section 105.37, is amended by adding a subdivision to read:

*Subd. 11. "Altered natural watercourse" means a former natural watercourse which has been affected by man made changes in straightening, deepening, narrowing, or widening of the original channel.*

Sec. 6. Minnesota Statutes 1974, Section 105.37, is amended by adding a subdivision to read:

*Subd. 12. "Artificial watercourse" means a watercourse which has been artificially constructed by man where there was no previous natural watercourse.*

Sec. 7. Minnesota Statutes 1974, Section 105.38, is amended to read:

105.38 [DECLARATION OF POLICY.] In order to conserve and utilize the water resources of the state in the best interests of the people of the state, and for the purpose of promoting the public health, safety and welfare, it is hereby declared to be the policy of the state:

(1) Subject to existing rights all waters of the state which serve a material beneficial public purpose are public waters subject to the control of the state. *In the determination of whether a beneficial public purpose exists, specific evidence of the present or future beneficial public purpose shall be evaluated in accordance with section 105.37, subdivision 6, and with reference to the existing land use of the area, the soil types surrounding and underlying the water, the ownership of the land surrounding the water, the relative agricultural and wildlife productivity of the area, and relevant provisions of a county or municipal shorelands ordinance enacted pursuant to section 105.485.* The public character of water shall not be determined exclusively by the proprietorship of the underlying, overlying, or surrounding land or on whether it is a body or stream of water which was navigable in fact or susceptible of being used as a highway for commerce at the time this state was admitted to the union. This section is not intended to affect determination of the ownership of the beds of lakes or streams.

(2) The state, to the extent provided by law from time to time, shall control the appropriation and use of surface and underground waters of the state.

(3) The state shall control and supervise, so far as practicable, any activity which changes or which will change the course, current, or cross-section of public waters, including but not limited to the construction, reconstruction, repair, removal, abandonment, the making of any other change, or the transfer of ownership of dams, reservoirs, control structures, and waterway obstructions in any of the public waters of the state.

Sec. 8. Minnesota Statutes 1974, Chapter 105, is amended by adding a section to read:

[105.391] [PUBLIC WATERS INVENTORY AND CLASSIFICATION.] *Subdivision 1. On the basis of all information available to him, the commissioner shall inventory the waterbasins of each county and make a preliminary designation as to which constitute public waters. The commissioner shall send his preliminary designation for each county to the county board of that county for its review and comment.*

*Subd. 2. Within 90 days after a county board has received the commissioner's preliminary designation, it shall notify the commissioner of any disagreement with his designation. The commissioner may extend the time within which a county may notify him of a disagreement.*

*Subd. 3. If there is no disagreement between the commissioner and a county concerning the preliminary designation of waterbasins in that county, the commissioner by rule shall designate as public waters those waterbasins listed in the preliminary designation. In the same rule making proceeding the commissioner may also designate as public waters any watercourses which have been determined to be public and classified as to the level of regulation in accordance with the procedures of the commissioner's interim rules. The designation of watercourses as public waters pursuant to this subdivision shall remain in effect until changed by rule of the commissioner following the inventory, designation, and classification of watercourses prescribed by this section. A hearing on proper designation of waterbasins or watercourses shall be held in the county in which the waters to be designated are located. Except as provided below, no waterbasin designated public water may be drained, and no permit authorizing drainage of a waterbasin containing public water may be issued, unless the public water being drained is replaced by a waterbasin which will have equal or greater public value. However, after a state water bank program has been established, a waterbasin designated public water which is eligible for inclusion in that program may be drained without a permit and without replacement of a waterbasin of equal or greater public value if the commissioner does not elect, within 60 days of the receipt of an application for a permit to drain the waterbasin, to either (1) place the waterbasin in the state waterbank program, or (2) acquire it pursuant to section 97.481, or (3) indemnify the landowner through any other appropriate means, including but not limited to conservation restrictions, easements, leases, or any applicable federal program. If the applicant is not offered his choice of any one of all of the above alternatives, he is entitled to drain the waters involved.*

*Subd. 4. If there is a disagreement between the commissioner and a county concerning the preliminary designation of a waterbasin as public waters in that county, the commissioner shall attempt to resolve the disagreement with the county within 60 days after receiving notice of disagreement from the county. During the 60 day period the commissioner may proceed, in the manner provided by subdivision 3, to make a final designation for those waterbasins which are not the subject of disagreement between the commissioner and the county.*

*Subd. 5. If after 60 days from the date of receiving notice of disagreement by a county, there remain matters upon which the commissioner and the county disagree, the commissioner shall order a public hearing to be held in the county and conducted pursuant to chapter 15. A hearings unit composed of two persons appointed by the commissioner, one person appointed by the affected county board and one person appointed by the area soil and water conservation district shall select a fifth member within 45 days of the public hearing order. If the fifth member of the hearings unit can-*

not be agreed upon by the four appointees within the 45 day period, then the state soil and water conservation board shall select such member within 30 days. In the event there is a watershed district whose boundaries include the waters involved, the district shall provide the hearings unit with its recommendations. Upon completion of the hearing and review of the hearing examiner's report, the hearings unit shall issue its findings of fact, conclusions and an order, which shall be considered the decision of an agency in a contested case for purposes of judicial review pursuant to section 15.0425. Upon receipt of the order of the hearings unit and after the appeal period has expired, or upon receipt of the final order of the court in the case of an appeal, the commissioner shall promulgate by rule a list of the waterbasins and watercourses determined to be public waters by the hearings unit, provided that unless any aggrieved party other than the commissioner or the affected county board seeks judicial review of the order of the hearings unit, pursuant to chapter 15, both the commissioner and the affected county board shall be bound by the order of the hearings unit and shall not be entitled to seek judicial review. A person who did not intervene pursuant to section 116B.09 in the initial action for judicial review of the order of the hearings unit shall not be entitled to maintain a subsequent civil action pursuant to section 116B.03. In the event the county appeals an order of the hearings unit, the commissioner shall be obligated to pay 50 percent of the appeal costs and disbursements of the county. In the event the commissioner appeals an order of the hearings unit, the commissioner shall be obligated to pay the costs and disbursements incurred by the county in defense of the appeal.

Subd. 6. From money appropriated to him for the following purposes, the commissioner shall grant aid to counties to facilitate an inventory of all watercourses for the purpose of designating which watercourses in the county are public waters and for the purpose of recommending a management classification for each watercourse. The commissioner shall consider the size of a county and the number of watercourses within the county when making a grant. Within a reasonable time following the grant of aid for a watercourse inventory, as specified by the commissioner, the county shall report to the commissioner on its watercourse inventory, its recommendations as to which watercourses in the county should be designated public waters, and its recommended management classifications. Within 90 days after receiving a county's report, the commissioner shall notify the county of any disagreement with the county's report. If there is no disagreement concerning a particular watercourse the commissioner shall by rule designate that watercourse public waters and shall specify its proper management classification. The commissioner shall attempt to resolve any disagreement between the commissioner and a county within 60 days after notifying the county of his disagreement. During the 60 day period the commissioner may proceed, in the manner provided by subdivision 3, to make a final designation for watercourses which are not the subject of disagreement between the commissioner and the county. If, after 60 days from the date the county receives notice of the commissioner's disagreement, there remain matters upon which the commissioner and a county disagree, the commissioner, in accordance with subdivision 5, shall present the disagreement to a

hearings unit as stipulated therein who shall conduct a public hearing which upon completion shall further comply with the provisions of subdivision 5 relating to judicial review, final order and appeal costs.

*Subd. 7. Waters of this state are public waters for the purposes of this section if they have been determined to be public waters or navigable waters by the district court or, if appealed, by the supreme court of this state or by the United States supreme court.*

*Subd. 8. Notwithstanding any other law to the contrary the procedures, rules and guidelines set forth in the order of the commissioner of natural resources dated March 4, 1976, and filed with the secretary of state by March 4, 1976, and given a document number by the secretary of state, shall be valid and enforceable emergency rules of the commissioner of natural resources for the purposes of Minnesota Statutes, Sections 15.0411 to 15.0422, with respect to public waters during the period between the effective date of this act and their designation as public waters pursuant to this section, without further act or deed of the commissioner.*

**Sec. 9. Minnesota Statutes 1974, Chapter 105, is amended by adding a section to read:**

**[105.392] [WATER BANK PROGRAM.] Subdivision 1. The legislature finds that it is in the public interest to preserve the wetlands of the state and thereby to conserve surface waters, to preserve wildlife habitat, to reduce runoff, to provide for flood-water retention, to reduce stream sedimentation, to contribute to improved subsurface moisture, to enhance the natural beauty of the landscape, and to promote comprehensive and total water management planning. Therefore, the commissioner of natural resources is authorized to promulgate rules, which shall include the procedures and payment rates designed to effectuate the terms of this section. This program is intended to supplement and complement the federal water bank program and the payment rates established shall be at least equal to the federal rates existing at the time any agreements are entered into.**

*Subd. 2. The commissioner shall have authority to enter into agreements with landowners for the conservation of wetlands. These agreements shall be entered into for a period of ten years, with provision for renewal for additional ten year periods. The commissioner may re-examine the payment rates at the beginning of any ten year renewal period in the light of the then current land and crop values and make needed adjustments in rates for any renewal period.*

*Wetlands eligible for inclusion in the waterbank program shall have all the following characteristics as determined by the commissioner: (a) types 3 or 4, as defined in U. S. Fish and Wildlife Service Circular No. 39 (1971 edition); (b) less than 50 acres in area; (c) declared public waters because of its beneficial public value as wildlife habitat; (d) its drainage is lawful, feasible, and practical; and (e) its drainage would provide high quality cropland and that is the projected land use.*

*Subd. 3. In the agreement between the commissioner and an owner, the owner shall agree:*

*(1) to place in the program for the period of the agreement eligible wetland areas he designates, which areas may include wetlands covered by a federal or state government easement which permits agricultural use, together with such adjacent areas as determined desirable by the commissioner;*

*(2) not to drain, burn, fill, or otherwise destroy the wetland character of such areas, nor to use such areas for agricultural purposes, as determined by the commissioner;*

*(3) to effectuate the wetland conservation and development plan for his land in accordance with the terms of the agreement, unless any requirement thereof is waived or modified by the commissioner;*

*(4) to forfeit all rights to further payments or grants under the agreement and to refund to the state all payments or grants received thereunder upon his violation of the agreement at any stage during the time he has control of the land subject to the agreement if the commissioner determines that such violation is of such a nature as to warrant termination of the agreement, or to make refunds or accept such payment adjustments as the commissioner may deem appropriate if he determines that the violation by the owner does not warrant termination of the agreement;*

*(5) upon transfer of his right and interest in the lands subject to the agreement during the agreement period, to forfeit all rights to further payments or grants under the agreement and refund to the state all payments or grants received thereunder during the year of the transfer unless the transferee of any such land agrees with the commissioner to assume all obligations of the agreement;*

*(6) not to adopt any practice specified by the commissioner in the agreement as a practice which would tend to defeat the purposes of the agreement; and*

*(7) to additional provisions which the commissioner determines are desirable and includes in the agreement to effectuate the purposes of the program or to facilitate its administration.*

*Subd. 4. In return for the agreement of the owner, the commissioner shall (1) make an annual payment to the owner for the period of the agreement at the rate as the commissioner determines to be fair and reasonable in consideration of the obligations undertaken by the owner; and (2) provide advice on conservation and development practices on the wetlands and adjacent areas for the purposes of this section as the commissioner determines to be appropriate. In making his determination, the commissioner shall consider, among other things, the rate of compensation necessary to encourage owners of wetlands to participate in the water bank program.*

*Subd. 5. Any agreement may be renewed or extended at the end of the agreement period for an additional period of ten years by mutual agreement of the commissioner and the owner, subject to*

*any rate redetermination by the commissioner. If during the agreement period the owner sells or otherwise divests himself of the ownership or right of occupancy of the land, the new owner may continue such agreement under the same terms or conditions, or enter into a new agreement in accordance with the provisions of this section, including the provisions for renewal and adjustment of payment rates, or he may choose not to participate in the program, except any water declared public waters shall not be drained.*

*Subd. 6. The commissioner may terminate any agreement by mutual agreement with the owner if the commissioner determines that the termination would be in the public interest, and may agree to any modification of agreements he may determine to be desirable to carry out the purposes of the program or facilitate its administration.*

Sec. 10. Minnesota Statutes 1974, Section 105.42, Subdivision 1a, is amended to read:

Subd. 1a. The commissioner shall recommend by January 15, 1975, to the legislature a comprehensive law containing standards and criteria governing the issuance and denial of permits under this section. These standards and criteria shall relate to the diversion of water from other uses and changes in the level of public waters to insure that projects will be completed and maintained in a satisfactory manner. *The commissioner may by rule identify classes of activities in waterbasins and classes of watercourses on which the commissioner may delegate permit authority to the appropriate county or city under such guidelines as the commissioner may provide based on agreement with the involved county or city and in compliance with the requirements of section 105.45.* After November 15, 1975, a permit shall be granted under this section only when the project conforms to state, regional, and local water and related land resources management plans, and only when it will involve a minimum of encroachment, change, or damage to the environment, particularly the ecology of the waterway. In those instances where a major change in the resource is justified, permits shall include provisions to compensate for the detrimental aspects of the change.

In unincorporated areas and, after January 1, 1976, in incorporated areas, permits that will involve excavation in the beds of public waters shall be granted only where the area in which the excavation will take place is covered by a shoreland conservation ordinance approved by the commissioner and only where the work to be authorized is consistent with the shoreland conservation ordinance. Each permit that will involve excavation in the public waters shall include provisions governing the deposition of spoil materials.

No permit affecting flood waters shall be granted except where the area covered by the permit is governed by a flood plain management ordinance approved by the commissioner and the conduct authorized by the permit is consistent with the flood plain management ordinance, provided that the commissioner has determined that sufficient information is available for the adop-



tion of a flood plain ordinance. No permit involving the control of flood waters by structural means, such as dams, dikes, levees, and channel improvements, shall be granted until after the commissioner has given due consideration to all other flood damage reduction alternatives. In developing his policy with regard to placing emergency levees along the banks of public waters under flood emergency conditions, the commissioner shall consult and cooperate with the office of emergency services.

No permit that will involve a change in the level of public waters shall be granted unless the shoreland adjacent to the waters to be changed is governed by a shoreland conservation ordinance approved by the commissioner and the change in water level is consistent with that shoreland conservation ordinance. Standards and procedures for use in deciding the level of a particular lake must insure that the rights of all persons are protected when lake levels are changed and shall include provisions for providing technical advice to all persons involved, for establishing alternatives to assist local agencies in resolving water level conflicts, and mechanics necessary to provide for local resolution of water problems within the state guidelines.

Sec. 11. Minnesota Statutes 1974, Section 106.021, Subdivision 2, is amended to read:

Subd. 2. [DRAINAGE OF WATERBASINS AND WATERCOURSES.] No lake waterbasin shall be completely drained nor shall any activity regulated by section 105.42 be initiated in a natural watercourse be channelized except upon until the determination of the commissioner of natural resources of the state of Minnesota that such lake waterbasin or natural watercourse is not public waters of the state as defined by section 105.38 ; or pursuant to the permit of the commissioner as provided in subdivision 3 . If a waterbasin or watercourse is determined to be public waters, the permissible drainage activities shall be governed by section 8, subdivisions 3 and 6, of this act.

Sec. 12. Minnesota Statutes 1974, Section 106.021, Subdivision 6, is amended to read:

Subd. 6. [CRITERIA FOR PROPOSED DRAINAGE SYSTEMS.] Before January 1, 1975, the commissioner of natural resources shall promulgate, in the manner provided in chapter 15, a list of criteria that County boards or court courts must consider the following criteria when establishing and improving drainage systems . No criteria relating to drainage systems, whether promulgated pursuant to this subdivision or pursuant to Laws 1973, Chapter 315, shall be effective prior to July 1, 1975. The criteria shall relate to the social, economic, and environmental impact of the proposed drainage systems, and shall be limited to the following for which a preliminary order pursuant to section 106.101, has not been issued prior to the effective date of this act :

(a) An economic analysis of The private and public benefits and costs derived from the proposed project;

(b) ~~An analysis of The~~ present and anticipated agricultural land acreage availability and use within the ~~county~~ project area ;

(c) ~~An analysis of The~~ flooding characteristics of project lands involved;

(d) ~~An analysis of The~~ alternative measures for the conservation, allocation, and development of the drainage waters;

(e) ~~An analysis of The~~ water quality effects as a result of the proposed project;

(f) ~~An analysis of The~~ fish and wildlife resources affected by the proposed project;

(g) ~~An analysis of The~~ shallow ground water availability, distribution, and use in the project area;

(h) ~~An analysis of The~~ overall environmental impact of all the criteria in items (a) to (g) ;

(i) *The present and anticipated land use within the project area .*

Sec. 13. Minnesota Statutes 1974, Section 106.031, Subdivision 1, is amended to read:

106.031 [PETITION.] Subdivision 1. [FORM.] Before any public drainage system or other improvement authorized by sections 106.011 to 106.661 is established, a petition therefor shall be filed with the county auditor, if for a drainage system entirely within one county, or ~~with the clerk of the district court pursuant to section 106.015, subdivision 1~~, if for a drainage system within two or more counties. Such petition shall be signed by not less than a majority of the resident owners of the land described in the petition or by the owners of at least 60 percent of the area of such land, exclusive of the holder of easements for electric or telephone transmission and distribution lines. The lands described in the petition shall be those over which the proposed ditch passes or upon which the improvement is located, and the petition shall set forth the description of such lands and shall set forth the necessity for the ditch or improvement, and that the same will be of public benefit and utility and will promote the public health, with the description of the starting point, the general course, and terminus or location of the same. The petition shall state that the petitioners will pay all costs and expenses which may be incurred in case the proceedings are dismissed or for any reason no contract for the construction thereof is let. Such petition may be signed by the authorized representative of any municipal corporation or by the commissioner of highways, or the authorized agent of any public institution or any corporation which may be affected by or assessed for the proposed construction; but in such case, the signature of such representatives, commissioner, agent, or corporation shall each count only as one signature on the petition. Each ditch proceeding shall be designated by number assigned by the auditor or clerk.

Sec. 14. Minnesota Statutes 1974, Section 106.081, Subdivision 1, is amended to read:

106.081 [PRELIMINARY SURVEY AND REPORT.] Subdivision 1. [SURVEY AND REPORT.] The engineer shall promptly proceed and examine all matters set forth in the petition and order and make such preliminary survey of the territory likely to be affected by the proposed improvement as will enable him to determine whether the same is necessary and feasible in compliance with reference to the requirements of section 106.021 , subdivision 6. *The engineer shall also examine and gather information concerning the factors stated in sections 105.37, subdivision 6, and 105.38, clause (1) for consideration in the determination of whether the proposed drainage system substantially affects any public water .* If some other plan than that described in the petition is found practical, the engineer shall so report, giving such detail and information as is necessary to inform the court or board on all matters pertaining to the feasibility of the proposed plan, either as outlined in the petition or according to a different plan recommended by the engineer. He shall show all changes, whether by extension, adding laterals, or otherwise, that may be necessary to make the plan of the proposed improvement practicable and feasible. If the construction of a ditch or drain is involved in the proposed improvement, the engineer shall examine and report the nature and capacity of the outlet and any necessary extension thereof.

Sec. 15. Minnesota Statutes 1974, Section 106.081, Subdivision 3, is amended to read:

Subd. 3. [INCLUSION IN PRELIMINARY REPORT.] If he finds the improvement petitioned for is feasible, and complies with the requirements of section 106.021, subdivision 6, he shall include in his report a preliminary plan of the proposed system showing thereon the proposed drain and laterals or other improvements, and the outlet thereof, together with the watershed of such drainage system and the lands and properties likely to be affected, including so far as known the names of the owners thereof. He shall show upon such plan the elevation of the outlet and the controlling elevations of the lands likely to be affected and also the probable size and character of the ditches and laterals necessary to make the plan practicable and feasible. All elevations so far as practical shall be referred to standard sea level datum. He shall show in his report the character of the outlet and the sufficiency thereof and also the probable cost of the drains and improvements shown on his plan, and all other information and data necessary to disclose the practicability, necessity and feasibility of the proposed improvement, including an analysis consideration of the project as required by section 106.021 , subdivision 6, and such other information as the board or court may order.

Sec. 16. Minnesota Statutes 1974, Section 106.081, Subdivision 4, is amended to read:

Subd. 4. [LIMITATION OF SURVEY.] The engineer shall confine his preliminary survey to the drainage area described in the petition, except to secure outlet, unless authorized by order of the board or court, with the consent of the bondsmen, at a hear-

ing after ten days notice by mail to the petitioners and bondsmen; and any investigation made by the engineer as to outlet, without such order, shall be confined to running the necessary levels to ascertain the distance necessary to secure the proper fall. The preliminary survey shall include ~~an analysis~~ *consideration* of the impact of the project as required by section 106.021, *subdivision 6*.

Sec. 17. Minnesota Statutes 1974, Section 106.091, Subdivision 1, is amended to read:

106.091 [FILING ENGINEER'S REPORT; COMMISSIONER'S REPORT.] Subdivision 1. [FILING.] Upon completion of his survey and report, the engineer shall file his report in duplicate with the auditor or clerk. The auditor or clerk shall transmit one copy thereof to the director of the division of waters, soils and minerals. If the ~~report be filed with the clerk~~ *proposed drainage system involves more than one county*, a duplicate thereof shall also be filed with the auditor of each county affected.

Sec. 18. Minnesota Statutes 1974, Section 106.091, Subdivision 2, is amended to read:

Subd. 2. [COMMISSIONER'S REPORT.] The commissioner of natural resources shall make an advisory report to the board or court giving his opinion as to the sufficiency and adequacy of the engineer's report. The commissioner shall set forth in his report any matters pertaining to the project which should be further investigated and evaluated in accordance with ~~section sections~~ *sections 105.37, subdivision 6; 105.38, clause (1), and 106.021, subdivision 6*. If the commissioner determines that the report is not adequate and sufficient, he shall so report *the specific inadequacies or insufficiencies*. The commissioner's initial report shall be filed with the auditor or clerk on or before the date fixed for the preliminary hearing or at any continuance thereof. The commissioner may request additional time for review and evaluation of the engineer's report in cases where such additional time can be shown to be necessary for proper evaluation. However, no request for additional time for filing the commissioner's report may be made after five days from the date of notice by the auditor or clerk that a date is to be fixed for the preliminary hearing. No extension of time shall exceed two weeks from the date of the request.

Sec. 19. Minnesota Statutes 1974, Section 106.101, Subdivision 4, is amended to read:

Subd. 4. [DISMISSAL.] At said hearing or any adjournment thereof, if it shall appear that the proposed improvement is not feasible, or that the adverse environmental impact is greater than the public benefit or utility based upon the ~~requirements and~~ *criteria* required to be considered by section 106.021, *subdivision 6*, and no plan is reported by the engineer whereby it can be made feasible, and acceptable, or that it is not of public benefit or utility, or that the outlet is not adequate, the petition shall be dismissed.

Sec. 20. Minnesota Statutes 1974, Section 106.101, Subdivision 5, is amended to read:

Subd. 5. [FINDINGS AND ORDER.] If the board or court shall be satisfied that the proposed improvement as outlined in the petition or as modified and recommended by the engineer is feasible, that there is necessity therefor, that it will be of public benefit and promote the public health, based upon the ~~requirements~~ and criteria required to be considered by section 106.021, *subdivision 6*, and that the outlet is adequate, the board or court shall so find and by such order shall designate the changes that shall be made in the proposed improvement from that outlined in the petition including such changes as are necessary to minimize or ~~compensate for~~ *mitigate* adverse impact on the environment. These changes may be described in general terms and shall be sufficiently described by filing with the order a map outlining the proposed improvement thereon. Thereafter the petition shall be treated as modified accordingly. When the ditch shall outlet into an existing county or judicial ditch, the board or court may find that the outlet is adequate subject to confirmation and permission being obtained in accordance with section 106.531. In such case the board or court shall assign a number to the ditch and the board or court shall proceed to act in behalf of the ditch to obtain outlet rights in accordance with section 106.531.

Sec. 21. Minnesota Statutes 1974, Section 106.111, Subdivision 1, is amended to read:

106.111 [ORDER FOR DETAILED SURVEY.] Subdivision 1. Upon the filing of the *preliminary hearing* order as specified in section 106.101, subdivision 5, the board or court shall order the engineer or any other engineer, if a change of engineers be determined, to proceed to make a detailed survey and furnish all necessary plans and specifications for the proposed improvement and report the same to the board or court with all reasonable dispatch. All of the provisions of section 106.071 shall be applicable to the employment of the engineer.

Sec. 22. Minnesota Statutes 1974, Section 106.121, Subdivision 1, is amended to read:

106.121 [ENGINEER'S SURVEY.] Subdivision 1. [SURVEY AND EXAMINATION.] Upon the filing of the order *for detailed survey* named in section 106.111, the engineer shall proceed to survey the lines of the drainage improvement petitioned for and approved by order made upon preliminary hearing, and to survey and examine all lands and properties affected thereby.

Sec. 23. Minnesota Statutes 1974, Section 106.121, Subdivision 4, is amended to read:

Subd. 4. [DATA AND REPORT.] The engineer shall prepare and submit the following data and report:

(a) A complete map of the drainage system or improvement drawn to scale, showing thereon (1) the termini and course of each drain and whether open or tile, and the location of all other proposed im-

provements; (2) the location and situation of the outlet; (3) the watershed of the drainage system and the sub-watershed of main branches, if any, together with the location of existing highway bridges and culverts; (4) all lands and properties affected, together with the names of the owners thereof so far as known; (5) public streets, highways and railways affected; (6) the outlines of any lake basin, wetland and public body of water affected; (7) such other physical characteristics of the watershed as may appear necessary for the understanding thereof.

(b) A profile of all lines of ditch proposed showing graphically, the elevation of the ground and gradient at each 100-foot station, the station number at each section line and at each property line, whether open or tiled, the size of tile and the bottom width and side slope of open ditch sections, and such other information as may appear necessary for the understanding thereof.

(c) Plans for all private bridges and culverts proposed to be constructed by and as a part of the ditch system, together with plans for all other works and items of construction necessary for the completion of the drainage system or improvement. A list showing the required minimum hydraulic capacity of all bridges and culverts at all railway and highway open ditch crossings and at other prospective open ditch crossings where bridges and culverts are not specified to be constructed as a part of the ditch, together with plans and estimates of the cost of highway bridges and culverts required for the information of the viewers in determining benefits and damages.

(d) A tabular statement showing the number of cubic yards of *excavation and linear feet* tile on each tile line with the average depth thereof, and all bridges, culverts, works and other construction items required by the plans for the completion of the system, together with the estimated unit cost of each of said items and a summary of the total cost thereof. Such summary shall include an estimate of the cost of fully completing the system, including supervision and other costs thereof.

(e) The acreage which will be required and taken as right of way upon each government lot and 40-acre tract or fraction thereof under separate ownership required for right of way for any open ditch.

(f) Specifications for drain tile shall require that all drain tile used shall comply with the requirements of the American society for Testing Materials standard specifications for drain tile, except where the depths to which the drains are to be laid or the conditions of the soil, in the opinion of the engineer, require tile of a special and higher quality.

(g) When more economical construction will result, the engineer may recommend that the work be divided into sections and let separately, and that open and tile work or tile and labor thereon be let separately, and the time and manner so far as practicable in which the whole work or any section thereof shall be done.

(h) Such other detail and information as shall appear requisite to fully inform the board or court of the practicability and necessity of the proposed improvements shall be made available including a

comprehensive examination of all ~~requirements~~ *the criteria* of section 106.021, *subdivision 6*, together with his recommendations thereon.

Sec. 24. Minnesota Statutes 1974, Section 106.131, is amended to read:

106.131 [COMMISSIONER'S FINAL ADVISORY REPORT.] Upon the filing of the engineer's report, a complete copy thereof shall be transmitted to the commissioner by the auditor or clerk.

The commissioner shall examine the same and within 30 days make his *advisory* report thereon to the board or court. If he finds the report incomplete and not in accordance with the provisions of this chapter, he shall so report *specifying the incomplete or nonconforming provisions of the engineer's report*. If he approves the same as being an acceptable plan for the drainage of the lands affected, he shall so state. If he does not approve the plan, he shall file his recommendations for changes deemed advisable ; ~~or~~ . If in his opinion, the proposed system or improvement is not of public benefit or utility based upon the ~~requirements or~~ criteria required to be considered by section 106.021, *subdivision 6*, he shall ~~so~~ report *specifically what facts or evidence support his advisory opinion*. If a soil survey appears advisable, he shall so advise, and in such event the engineer shall make the soil survey and report thereon before the final hearing. The commissioner's report shall be directed to the board or court and shall be filed with the auditor or clerk.

No notice shall issue for the final hearing until the commissioner's report shall be filed.

Sec. 25. Minnesota Statutes 1974, Section 106.201, Subdivision 1, is amended to read:

106.201 [ORDER ESTABLISHING.] Subdivision 1. [DISMISSAL.] If it shall appear that the benefits are not more than the total cost, including damages awarded, or that the proposed system will not be of public benefit and utility, or ~~that the same is not practicable ; or that the system does not comply with requirements based upon the criteria~~ of section 106.021, *subdivision 6*, the board or court shall so find and the petition shall be dismissed.

Sec. 26. Minnesota Statutes 1974, Section 106.201, Subdivision 2, is amended to read:

Subd. 2. [ESTABLISHMENT.] If the board or court shall find that the engineer's and viewers' reports have been made and all other proceedings in the matter had in accordance with law, that the estimated benefits are greater than the total estimated cost, including damages, that the damages and benefits have been duly determined, that the proposed drainage system will be of public utility and benefit, and will promote the public health, that the proposed system is practicable, and that such reports as made or amended are complete, just and correct, ~~and comply with requirements of section 106.021~~, then the board or court shall by order containing such findings, establish the drainage improvement as reported or amended, and adopt and confirm the viewers' report as made or amended.

**Sec. 27. [APPROPRIATION.]** *The sum of \$1,040,000 is appropriated from the general fund to the commissioner of natural resources for the purposes of this act. This appropriation shall be available immediately upon the effective date of this act and shall not cancel but shall be available until expended. Of this amount, \$240,000 is appropriated to carry out the purposes of section 8, \$200,000 is appropriated for the purposes of grants to counties pursuant to section 8, subdivision 6, and \$600,000 is appropriated for the water bank program pursuant to section 9. The unobligated balance of the \$750,000 appropriated by Laws 1975, Chapter 415, Section 1, Subdivision 7, is cancelled and reappropriated for the purposes of the waterbank program pursuant to section 9 of this act and for fee acquisition pursuant to section 97.481 of wetlands eligible for inclusion in the waterbank program as specified in section 9 of this act.*

**Sec. 28. [EFFECTIVE DATE.]** *This act is effective the day following its final enactment."*

Further, strike the title and insert:

"A bill for an act relating to natural resources; clarifying procedures for acquisition of wildlife lands; modifying the definition of beneficial public purpose; requiring a material beneficial public purpose to be served in order to classify waters as public; establishing an accelerated program of inventorying, classifying, and designating state waters; prescribing the powers and duties of the commissioner of natural resources and counties in connection therewith; prescribing interim rules and regulations; specifying certain restrictions on drainage; eliminating the duty of the commissioner of natural resources to promulgate certain criteria relating to drainage systems; clarifying the criteria which county boards or district courts must consider concerning drainage systems; establishing a state water bank program for public waters; appropriating money; amending Minnesota Statutes 1974, Sections 105.37, Subdivision 6, and by adding subdivisions; 105.38; 105.42, Subdivision 1a; 106.021, Subdivisions 2 and 6; 106.031, Subdivision 1; 106.081, Subdivisions 1, 3 and 4; 106.091, Subdivisions 1 and 2; 106.101, Subdivisions 4 and 5; 106.111, Subdivision 1; 106.121, Subdivisions 1 and 4; 106.131; 106.201, Subdivisions 1 and 2; and Chapter 105, by adding sections; and Minnesota Statutes, 1975 Supplement, Section 97.481."

We request adoption of this report and repassage of the bill.

Senate Conferees: (Signed) Howard D. Olson, Roger D. Moe and Myrton O. Wegener.

House Conferees: (Signed) Glen A. Sherwood, Willis R. Eken, Rodney N. Searle, Henry J. Savelkoul and Walter R. Hanson.

#### **MOTIONS AND RESOLUTIONS—CONTINUED**

Mr. Chenoweth moved that the name of Mr. Schaaf be added as co-author to S. F. No. 1729. The motion prevailed.

Remaining on the Order of Business of Motions and Resolu-



tions, Mr. Coleman moved to take up the Senate Calendar and the Calendar of Ordinary Matters. The motion prevailed.

### THIRD READING OF SENATE BILLS

S. F. No. 2108: A bill for an act relating to commerce; interest rates on money; exempting agricultural credit corporations from interest rate limitations; amending Minnesota Statutes 1974, Section 334.06.

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

The question being taken on the passage of the bill,

And the roll being called, there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S. F. No. 354: A bill for an act relating to drivers' licenses; providing a new category of alcohol-related offenses; aggravated violations for driving after cancellation, suspension or revocation; providing a penalty; amending Minnesota Statutes 1974, Chapter 171, by adding a section.

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

The question being taken on the passage of the bill,

And the roll being called, there were yeas 57 and nays 6, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Blatz	Knutson	O'Neill	Schrom	Ueland
Hansen, Baldy				

So the bill passed and its title was agreed to.

S. F. No. 634: A bill for an act relating to corrections; sentencing and post conviction disposition of criminal offenders; transferring the powers and duties of the Minnesota corrections authority to the commissioner of corrections; abolishing the Minnesota corrections authority; providing for determinate sentencing; providing for a mutual agreement program; amending Minnesota Statutes 1974, Sections 152.15; 609.03; 609.10; 609.135, Subdivision 1; 609.145, Subdivision 1; 609.165, Subdivision 2; 609.17, Subdivision 4; 609.175, Subdivision 2; 609.19; 609.195; 609.20; 609.205; 609.21; 609.215; 609.225; 609.235; 609.24; 609.245; 609.25, Subdivision 2; 609.255; 609.26; 609.27, Subdivision 2; 609.293, Subdivisions 2, 3 and 4; 609.31; 609.32; 609.355, Subdivision 2; 609.365; 609.375, Subdivision 2; 609.39; 609.395; 609.405, Subdivision 2; 609.42, Subdivision 1; 609.425; 609.445; 609.455; 609.465; 609.48, Subdivisions 1 and 4; 609.485, Subdivision 4; 609.495, Subdivision 1; 609.52, Subdivision 3; 609.525, Subdivision 1; 609.53, Subdivisions 1 and 3; 609.54; 609.55, Subdivision 2; 609.56; 609.565; 609.58, Subdivision 2; 609.59; 609.595, Subdivision 1; 609.60; 609.61; 609.615; 609.62, Subdivision 2; 609.625; 609.63; 609.635; 609.64; 609.645; 609.65; 609.67, Subdivision 2; 609.71; 609.713; 609.785; 609.82; 609.825, Subdivision 2; 609.83; Minnesota Statutes, 1975 Supplement, Sections 609.185; 609.342; 609.343; 609.344; 609.345; 609.52, Subdivision 2; 609.521; and 609.551, Subdivision 1; repealing Minnesota Statutes 1974, Sections 241.045, as amended; 242.24; 246.43; 609.11, as amended; 609.13, Subdivision 1; 609.155; and 609.16.

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 54 and nays 11, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Blatz	Hansen, Baldy	Kleinbaum	Olson, H. D.	Patton
Dunn	Jensen	Knutson	Olson, J. L.	Renneke
Frederick				

So the bill passed and its title was agreed to.

**THIRD READING OF HOUSE BILLS**

H. F. No. 1099: A bill for an act relating to Hennepin county; hospital and medical care for poor persons funding; amending Laws 1963, Chapter 738, Section 3, Subdivision 3; repealing Laws 1963, Chapter 738, Section 7.

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

The question being taken on the passage of the bill,

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

Those who voted in the affirmative were:

Arnold	Gearty	North	Purfeerst	Stumpf
Borden	Hansen, Mel	Ogdahl	Renneke	Tennessen
Brataas	Keefe, S.	Olhoft	Schaaf	Wegener
Chenoweth	Kleinbaum	Olson, A. G.	Schmitz	Willet
Coleman	Laufenburger	Olson, H. D.	Sillers	
Conzemius	McCutcheon	O'Neill	Solon	
Davies	Milton	Perpich, A. J.	Spear	
Doty	Moe	Perpich, G.	Stokowski	

Those who voted in the negative were:

Anderson	Brown	Hansen, Baldy	Kirchner	Olson, J. L.
Bang	Chmielewski	Hanson, R.	Knutson	Patton
Berg	Dunn	Humphrey	Kowalczyk	Pillsbury
Bernhagen	Fitzsimons	Josefson	Lewis	Schrom
Blatz	Frederick	Keefe, J.	Nelson	Ueland

So the bill passed and its title was agreed to.

**CALENDAR OF ORDINARY MATTERS**

S. F. No. 2344: A bill for an act relating to motor vehicles; authorizing the issuance of temporary vehicle permits for certain specified purposes; amending Minnesota Statutes 1974, Sections 168.091, Subdivision 1; and 168.092, Subdivision 1.

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

The question being taken on the passage of the bill,

And the roll being called, there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved that the Senate take up the General Orders Calendar. The motion prevailed.

### GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Jensen in the chair.

After some time spent therein, the committee arose, and the President having resumed the chair, Mr. Jensen reported that the committee had considered the following:

S. F. Nos. 1570, 1858 and 1050 which the committee recommends to pass.

S. F. No. 1051, which the committee recommends to pass with the following amendment offered by Mr. Coleman:

Page 1, line 15, after "*he*" insert "*is*"

And then, on motion of Mr. Jensen, the report of the Committee of the Whole, as kept by the Secretary, was adopted.

### RECESS

Mr. Coleman moved that the Senate do now recess until 1:45 o'clock p.m. The motion prevailed.

The hour of 1:45 o'clock p.m. having arrived, the President called the Senate to order.

### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman moved that S. F. No. 250 be taken from the table. The motion prevailed.

Mr. Coleman moved that a new Conference Committee of 5 members be appointed by the Committee on Committees on the part of the Senate on S. F. No. 250 to act with a like Conference Committee to be appointed on the part of the House to replace the Conference Committee discharged pursuant to Joint Rule 23a. The motion prevailed.

Mr. Laufenburger moved that S. F. No. 499 be taken from the table. The motion prevailed.

Mr. Laufenburger moved that a new Conference Committee of 3 members be appointed by the Committee on Committees on the part of the Senate on S. F. No. 499 to act with a like Conference Committee to be appointed on the part of the House to replace the Conference Committee discharged pursuant to Joint Rule 23a. The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved that the Senate take up the General Orders Calendar. The motion prevailed.

## GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Jensen in the chair.

After some time spent therein, the committee arose, and the President having resumed the chair, Mr. Jensen reported that the committee had considered the following:

S. F. No. 2147 and H. F. No. 2244 which the committee recommends to pass.

S. F. No. 1956, which the committee recommends to pass with the following amendments offered by Messrs. Milton, Knutson and Doty:

Mr. Milton moved to amend S. F. No. 1956 as follows:

Page 5, line 32, after "*under*" insert "*section 6;*"

Page 6, line 6, after "*section*" insert "*6; section*"

Page 6, line 7, after "*4*" insert "*, 5*"

Page 6, line 7, after the first "*and*" strike "*5*" and insert "*7*"

Page 7, line 24, strike "*6*" and insert "*5*"

Page 8, line 16, strike "*7*" and insert "*6*"

Page 9, line 14, after "*expenses*" insert a comma

Page 9, line 17, after "*412.222*" insert a comma

Page 14, line 26, strike "*inspected*" and insert "*reinspected*"

Page 14, line 28, strike "*inspection*" and insert "*reinspection*"

Page 15, line 9, after "*of*" insert "*receipt of*"

Page 15, line 9, after the second "*the*" insert "*notice of*"

Page 16, line 12, strike "*12*" and insert "*13*"

Page 18, line 31, strike "*their*" and insert "*its*"

Page 18, line 31, strike "*within a*"

Page 18, line 32, strike "*reasonable time after he receives it*"

Page 26, line 29, strike "*6*" and insert "*5*"

Mr. Knutson moved to amend S. F. No. 1956 as follows:

Page 2, line 3, after "*any*" insert "*public body, governmental agency,*"

Mr. Knutson then moved to amend S. F. No. 1956 as follows:

Page 12, line 30, strike "*To the extent feasible,*"

Mr. Knutson then moved to amend S. F. No. 1956 as follows:

Page 13, line 18, after the period insert "*No correction order or notice of non-compliance must be posted until any appeal, if one is requested by the facility pursuant to subdivision 8, has been completed. All correction orders and notices of non-compliance issued to a nursing home*"

*owned and operated by the state or by a political subdivision of the state shall be circulated and posted at the first public meeting of the governing body after the order or notice is issued."*

Mr. Knutson then moved to amend S. F. No. 1956 as follows:

Page 13, after line 3, insert:

*"Subd. 2a. To avoid any conflict of interest, nursing homes owned and operated by the state or by a political subdivision of the state shall be inspected by the advisory council created by section 17 of this act."*

Mr. Knutson then moved to amend S. F. No. 1956 as follows:

Page 25, line 25, after *"the"* insert *"second"*

Mr. Knutson then moved to amend S. F. No. 1956 as follows:

Page 33, after line 3, insert:

*"Subd. 4. Each rule promulgated by the board of health pursuant to sections 1 to 17 of this act shall contain a short statement of the anticipated costs and benefits to be derived from the provisions of the rule."*

Mr. Doty moved to amend S. F. No. 1956 as follows:

Page 11, line 23, after *"[FACILITIES EXCLUDED.]"* insert *"Subdivision 1."*

Page 11, after line 29, insert

*"Subd. 2. Sections 1 to 28 of this act shall not apply to a facility operated by a religious society or order solely to provide nursing care to twenty or fewer non-lay members of the order or society."*

S. F. No. 2252, which the committee recommends to pass with the following amendment offered by Mr. Chmielewski:

Amend the title as follows:

Page 1, line 6, strike *"election"* and insert *"appointment"*

S. F. No. 1821, which the committee recommends to pass with the following amendments offered by Messrs. Ashbach and McCutcheon:

Mr. Ashbach moved to amend S. F. No. 1821 as follows:

Page 2, line 5, strike *"30"* and insert *"120"*

Page 2, line 7, after *"comparable to"* insert *"the position that was declassified, or if such a position is unavailable, to a position comparable to"*

Page 2, lines 9 and 10, strike the commas

Page 2, line 14, strike *"four"* and insert *"two"*

Mr. McCutcheon moved to amend S. F. No. 1821 as follows:

Page 3, line 8, after *"declassified"* insert *"during his incumbency and"*

H. F. No. 109 which the committee reports progress, subject to the following motions:

Mr. Schaaf moved to amend the amendment placed on H. F. No. 109 by the Committee on Governmental Operations, adopted by the Senate February 9, 1976, as follows:

Section 1, Subdivision 7, line 2, after the comma insert "*or unless a deputy commissioner position has been authorized and approved pursuant to section 43.09, subdivision 2a, prior to the effective date of this act,*"

Section 35, line 15, reinsert the stricken "code" and strike "chapter"

Amend the title amendment as follows:

Line 4, strike "governor" and insert "appointing authority"

The motion prevailed. So the amendment was adopted.

Mr. Ashbach moved to amend the North amendment adopted by the Senate March 4, 1976, to the February 9, 1976 Governmental Operations Committee amendment to H. F. No. 109, as follows:

Section 8, Subdivision 2, line 8, after the period insert "*A re-organization order which transfers all or substantially all of the powers or duties or personnel of a department, the energy agency, the housing finance or the pollution control agency shall not be effective until ratified by statute.*"

Section 8, strike subdivision 3

Renumber the remaining subdivision

The motion prevailed. So the amendment was adopted.

Mr. Brown moved to amend the amendment placed on H. F. No. 109 by the Committee on Governmental Operations, adopted by the Senate February 9, 1976, as follows:

Section 1, after Subdivision 7, insert:

"*Subd. 8. [PRIVATE EMPLOYMENT.] No commissioner or deputy commissioner shall, within one year after leaving his position as commissioner or deputy commissioner, accept private employment in a matter in which he had substantial responsibility during his preceding two years as a state employee.*"

The motion prevailed. So the amendment was adopted.

And then, on motion of Mr. Jensen, the report of the Committee of the Whole, as kept by the Secretary, was adopted.

### APPOINTMENTS

Mr. Davies, from the Committee on Committees, recommends that the following named Senators be and they hereby are appointed as a Conference Committee on:

H. F. No. 404, pursuant to the request of the House:

Messrs. Borden; Hansen, Baldy; and Bang.

H. F. No. 1751, pursuant to the request of the House:

Messrs. Bernhagen, Larson and Schrom.

H. F. No. 1530, pursuant to the request of the House:

Messrs. Chenoweth, Humphrey, Doty, Nelson and Keefe, J.

Mr. Davies moved that the foregoing appointments be approved. The motion prevailed.

### RECESS

Mr. Coleman moved that the Senate do now recess until 6:45 o'clock p.m. The motion prevailed.

The hour of 6:45 o'clock p.m. having arrived, the President called the Senate to order.

Remaining on the Order of Business of Motions and Resolutions, Mr. Conzemius moved that the Senate revert to the Order of Business of Messages from the House and First Reading of House Bills. The motion prevailed.

### MESSAGES FROM THE HOUSE

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. 53: A bill for an act relating to peace officer training courses; eligibility; amending Minnesota Statutes 1974, Section 626.851, Subdivision 2.

Senate File No. 53 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives  
Returned March 11, 1976

Mr. Conzemius moved that S. F. No. 53 be laid on the table. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 1883, 2107, 2172, 1056, 1699, 2066, 1993 and 2239.

Edward A. Burdick, Chief Clerk, House of Representatives  
Transmitted March 10, 1976

Mr. President:

I have the honor to announce the passage by the House of the



following House Files, herewith transmitted: H. F. Nos. 1440, 2217, 2298, 2520, 2534, 930, 1143, 1471 and 2600.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 11, 1976

### FIRST READING OF HOUSE BILLS

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

H. F. No. 1883: A bill for an act relating to telephone companies; requiring telephone companies engaged in certain operations to receive a permit from the public service commission; requiring the companies to notify the public service commission before terminating or suspending operation; providing for a hearing; permitting the public service commission to issue orders and rules.

Referred to the Committee on Labor and Commerce.

H. F. No. 2107: A bill for an act relating to public employees; providing for payment of attorney's fees necessary to obtain benefits for survivors of peace officers killed in line of duty; amending Minnesota Statutes 1974, Chapter 352E, by adding a section.

Referred to the Committee on Judiciary.

H. F. No. 2172: A bill for an act relating to municipalities within Dakota county; providing for financing of the Dakota County League of Municipalities; amending Laws 1967, Chapter 112, Section 1.

Referred to the Committee on Metropolitan and Urban Affairs.

H. F. No. 1056: A bill for an act relating to crimes; prohibiting occupying or entering buildings without a claim of right or the owner's consent except in the case of an emergency; amending Minnesota Statutes 1974, Section 609.605.

Referred to the Committee Judiciary.

H. F. No. 1699: A bill for an act relating to public utilities furnishing at retail electric service; providing that a customer may elect to purchase electric service from either electric utility providing him with service when he has buildings on land constituting his homestead located within more than one assigned service area; amending Minnesota Statutes 1974, Section 216B.40; and Chapter 216B, by adding a section.

Referred to the Committee on Labor and Commerce.

H. F. No. 2066: A bill for an act relating to the city of Minneapolis; authorizing a commercial and industrial lease and revenue bond guarantee program; providing for the issuance of limited general obligation bonds, and limited revenue bonds or obligations.

Referred to the Committee on Metropolitan and Urban Affairs.

**H. F. No. 1993:** A bill for an act relating to education; providing standards for the education of handicapped children; requiring a hearing and appeals process; limiting expenditures to meet federal requirements; amending Minnesota Statutes 1974, Section 120.17, Subdivisions 3 and 4, and by adding subdivisions; and Minnesota Statutes, 1975 Supplement, Section 120.17, Subdivision 1.

Referred to the Committee on Education.

**H. F. No. 2239:** A bill for an act relating to unemployment compensation; providing for the use of certain information in fraud investigations; amending Minnesota Statutes 1974, Section 268.12, Subdivision 12.

Referred to the Committee on Rules and Administration.

**H. F. No. 1440:** A bill for an act relating to private cemeteries; recovery of abandoned lots; amending Minnesota Statutes 1974, Chapter 307, by adding a section.

Referred to the Committee on Rules and Administration.

**H. F. No. 2217:** A bill for an act relating to veterinary medicine; proscribing certain practices by unlicensed persons; authorizing practice by students in certain circumstances; changing the licensing fee; setting licensing standards; defining terms; amending Minnesota Statutes 1974, Sections 156.001, by adding a subdivision; 156.02, Subdivisions 1 and 2; 156.03; 156.04; 156.07; 156.072, Subdivision 1, and by adding subdivisions; and 156.12.

Referred to the Committee on Rules and Administration.

**H. F. No. 2298:** A bill for an act relating to eminent domain; time of title and possession; providing that certain payments deposited with the court shall draw interest; amending Minnesota Statutes, 1975 Supplement, Section 117.042.

Referred to the Committee on Rules and Administration.

**H. F. No. 2520:** A bill for an act relating to education; requiring school districts to provide instructional materials for certain nonpublic school children.

Referred to the Committee on Rules and Administration.

**H. F. No. 2534:** A bill for an act relating to Chisago, Isanti, and Pine counties; providing retirement benefits for certain judges.

Referred to the Committee on Governmental Operations.

**H. F. No. 930:** A bill for an act relating to insurance; regulating the use of credit life and credit health and accident insurance; amending Minnesota Statutes 1974, Sections 62B.01; 62B.04, Subdivision 1; 62B.05; 62B.06, by adding subdivisions; 62B.07, Subdivision 2, and by adding a subdivision; 62B.08, Subdivision 2, and by adding subdivisions; 62B.11; and 61A.12, by adding subdivisions.

Referred to the Committee on Labor and Commerce.

H. F. No. 1143: 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, Sections 145.14 and 525.923.

Referred to the Committee on Health, Welfare and Corrections.

H. F. No. 1471: A bill for an act relating to public improvements; allowing certain fees to discharge cancelled special assessments.

Referred to the Committee on Local Government.

H. F. No. 2600: A bill for an act relating to highway traffic regulations; license requirements for operating motorcycles; requiring enrollment in two-wheeled vehicle safety course prior to issuance of instruction permit; amending Minnesota Statutes, 1975 Supplement, Section 169.974, Subdivision 2.

Referred to the Committee on Rules and Administration.

### APPOINTMENTS

Mr. Davies, from the Committee on Committees, recommends that the following named Senators be and they hereby are appointed as a Conference Committee on:

S. F. No. 250, pursuant to the request of the Senate:

Messrs. Coleman, Conzemius, Davies, Ashbach and Dunn.

Mr. Davies moved that the foregoing appointments be approved. The motion prevailed.

### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Pillsbury moved that the names of Messrs. Perpich, A. J. and Borden be added as co-authors to S. F. No. 2136. The motion prevailed.

Mr. McCutcheon moved that the name of Mr. Kowalczyk be added as co-author to S. F. No. 2303. The motion prevailed.

Mr. Davies moved that the name of Mr. Hansen, Mel be added as co-author to S. F. No. 1932. The motion prevailed.

Mr. Keefe, S. moved that the name of Mr. Kirchner be added as co-author to S. F. No. 2377. The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, Mr. Conzemius moved that the Senate take up the General Orders Calendar. The motion prevailed.

### GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Gearty in the chair.

After some time spent therein, the committee arose, and the President having resumed the chair, Mr. Gearty reported that the committee had considered the following:

S. F. Nos. 1776, 2037, 100, 1587, 1097, 612, 2251, 1927, 2232, 2056, 2078, 1932, 2152, 1957 and H. F. Nos. 1912 and 2216 which the committee recommends to pass.

S. F. No. 2262 which the committee recommends be re-referred to the Committee on Taxes and Tax Laws.

S. F. No. 1753, which the committee recommends to pass with the following amendment offered by Mr. Keefe, S.:

Page 2, line 23, strike "1978" and insert "1979"

H. F. No. 527, which the committee recommends to pass with the following amendment offered by Mr. Purfeerst:

Amend the amendment placed on H. F. No. 527 by the Committee on Governmental Operations, adopted by the Senate March 4, 1976, as follows:

Section 1, after the last sentence, insert:

*"Nothing in this section shall prohibit an employee of the state or a political subdivision from selling or having in his possession for sale public property if the sale or possession for sale is in the normal course of the employee's duties."*

H. F. No. 525 which the committee reports progress, subject to the following motions:

Mr. Stassen moved to amend H. F. No. 525, the unofficial engrossment, as follows:

Page 113, after line 18, insert a new section to read:

"Sec. 119, Minnesota Statutes, 1975 Supplement, Section 161.12, is amended to read:

161.12 [ADDITIONAL ROUTES ADDED TO TRUNK HIGHWAY SYSTEM.] To take advantage of federal aid made available by the United States to the state of Minnesota for highway purposes, the following trunk highway routes are added to the trunk highway system which routes form a part of the national system of interstate and defense highways and may be referred to as the interstate system:

Route No. 390. Beginning at a point on the boundary between the states of Minnesota and Iowa, southerly of Albert Lea; thence extending in a general northerly direction to a point on Route No. 111 in the city of St. Paul; and then beginning again at a point on Route No. 392 in through the city of St. Paul; thence extending in a general northeasterly direction to a point in Duluth on the boundary between the states of Minnesota and Wisconsin.

Route No. 391. Beginning at a point on the boundary between the states of Minnesota and South Dakota, westerly of Luverne; thence extending in a general easterly direction to a point on the

boundary between the states of Minnesota and Wisconsin, near La Crescent.

Route No. 392. Beginning at a point on the boundary between the states of Minnesota and North Dakota in or near Moorhead; thence extending in a general southeasterly direction through the city of Minneapolis; thence in a general easterly direction through the city of St. Paul to a point on the boundary between the states of Minnesota and Wisconsin in or near Lakeland.

Route No. 393. Beginning at a point on Route No. 392, easterly of the city of St. Paul; thence in a general southerly and westerly direction through the city of South St Paul; thence in a general westerly direction to a point in Eden Prairie Township, Hennepin County; thence in a general northerly direction to a point in the city of Maple Grove, Hennepin County; thence in a general easterly direction to a point on Route 390; thence in a general easterly, southeasterly and southerly direction to the point of beginning on Route No. 392, easterly of St. Paul.

Route No. 394. Beginning at a point on Route No. 390, southerly of the Minnesota River; thence extending in a general northerly and northeasterly direction through the city of Minneapolis; thence continuing in a northeasterly direction to a point on Route No. 390, near Forest Lake and there terminating.

Route No. 395. Beginning at a point on Route No. 390 at or near the intersection of Superior Street and Nineteenth Avenue West in the city of Duluth, thence extending in a northeasterly direction to a point on Route No. 103 at or near the intersection of Superior Street and Tenth Avenue East in the city of Duluth."

Renumber the remaining sections

Page 113, line 20, strike "and"

Page 113, line 21, strike the comma and insert "; and Minnesota Statutes, 1975 Supplement, Sections 161.117 and 161.123"

Amend the title as follows:

Page 1, after line 7, insert:

"amending a trunk highway route; removing restrictions on construction of certain trunk highways; removing certain routes from the trunk highway system;"

Page 1, line 29, after "2a," insert "161.12;"

Page 1, line 35, strike "and"

Page 1, line 35, after "360.014" insert "; and Minnesota Statutes, 1975 Supplement, Sections 161.117 and 161.123"

The question being taken on the adoption of the amendment,

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

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Arnold	Doty	McCutcheon	Perpich, A. J.	Spear
Borden	Hughes	Milton	Perpich, G.	Stumpf
Chenoweth	Humphrey	Moe	Purfeerst	Tennessee
Coleman	Keefe, S.	Olhoft	Schaaf	Wegener
Conzemius	Kleinbaum	Olson, A. G.	Schmitz	Willet
Davies	Laufenburger	Olson, H. D.	Solon	

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

Mr. Ueland moved to amend H. F. No. 525, the unofficial engrossment, as follows:

Page 113, after line 18, insert the following:

*"Sec. 119. The commissioner of public safety is hereby authorized to retain, acquire, maintain and operate two fixed wing aircraft for the purposes of highway patrol officer pilots as required. The provisions of the fourth paragraph of Laws 1975, Chapter 204, Section 31, Subdivision 2, insofar as they refer to fixed wing aircraft are superseded by this act."*

Renumber the remaining sections

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 31 and nays 26, as follows:

Those who voted in the affirmative were:

Ashbach	Dunn	Kleinbaum	Olson, J. L.	Stassen
Berg	Frederick	Knutson	O'Neill	Stokowski
Bernhagen	Hansen, Baldy	Kowalczyk	Patton	Ueland
Blatz	Hanson, R.	Larson	Pillsbury	
Brataas	Humphrey	Nelson	Renneke	
Brown	Josefson	Olhoft	Schrom	
Chmielewski	Kirchner	Olson, H. D.	Sillers	

Those who voted in the negative were:

Arnold	Doty	Moe	Schaaf	Wegener
Borden	Hughes	North	Schmitz	Willet
Chenoweth	Keefe, S.	Ogdahl	Solon	
Coleman	Laufenburger	Olson, A. G.	Spear	
Conzemius	McCutcheon	Perpich, G.	Stumpf	
Davies	Milton	Purfeerst	Tennessee	

The motion prevailed. So the amendment was adopted.

The question being taken on the committee recommendation to pass H. F. No. 525, as amended,

And the roll being called, there were yeas 27 and nays 29, as follows:

Those who voted in the affirmative were:

Ashbach	Conzemius	McCutcheon	Perpich, G.	Tennessen
Borden	Hughes	Milton	Pillsbury	Wegener
Brown	Humphrey	Moe	Purfeerst	Willet
Chenoweth	Keefe, S.	Ogdahl	Schaaf	
Chmielewski	Kleinbaum	Olson, A. G.	Schmitz	
Coleman	Laufenburger	Perpich, A. J.	Solon	

Those who voted in the negative were:

Arnold	Doty	Kirchner	Olhoft	Schrom
Berg	Dunn	Knutson	Olson, H. D.	Sillers
Bernhagen	Frederick	Kowalczyk	Olson, J. L.	Spear
Blatz	Hansen, Baldy	Larson	O'Neill	Stassen
Brataas	Hanson, R.	Nelson	Patton	Stumpf
Davies	Josefson	North	Renneke	

The motion did not prevail. The committee then progressed H. F. No. 525, as amended.

H. F. No. 109, which the committee recommends to pass with the following amendments offered by Messrs. Ashbach, Conzemius and Arnold.

Mr. Ashbach moved to amend the amendment placed on H. F. No. 109 by the Committee on Governmental Operations, adopted by the Senate February 9, 1976, as follows:

Section 1, Subdivision 3, lines 2 to 3, strike *"other than the commissioner of personnel shall serve at the pleasure of"* and insert *"may be removed by"*

Section 1, Subdivision 3, line 4, after *"authority"* insert *"for cause after notice and hearing"*

Amend the title amendment as follows:

Lines 3 to 4 strike *"serve at the pleasure of the governor"* and insert *"be removable by the appointing authority for cause after notice and hearing"*

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 39 and nays 16, as follows:

Those who voted in the affirmative were:

Arnold	Davies	Kirchner	Olson, J. L.	Sillers
Ashbach	Doty	Knutson	O'Neill	Solon
Bernhagen	Dunn	Kowalczyk	Patton	Stassen
Blatz	Frederick	Larson	Perpich, A. J.	Stokowski
Brataas	Hansen, Baldy	McCutcheon	Pillsbury	Stumpf
Brown	Hanson, R.	Moe	Purfeerst	Tennessen
Coleman	Jensen	Nelson	Renneke	Ueland
Conzemius	Josefson	Olhoft	Schrom	

Those who voted in the negative were:

Borden	Humphrey	Milton	Olson, H. D.	Spear
Chenoweth	Keefe, S.	North	Schaaf	Wegener
Chmielewski	Kleinbaum	Olson, A. G.	Schmitz	Willet
Hughes				

The motion prevailed. So the amendment was adopted.

Mr. Conzemius moved to amend the amendment placed on H. F. No. 109 by the Committee on Governmental Operations, adopted by the Senate February 9, 1976, as follows:

Section 121.16, lines 6 to 7, strike *"with the approval of the governor"*

Section 121.16, line 15, after *"appoint"* insert *"with the approval of the board"*

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 30 and nays 24, as follows:

Those who voted in the affirmative were:

Ashbach	Doty	Jensen	Nelson	Purfeerst
Bernhagen	Dunn	Kirchner	Olson, J. L.	Renneke
Blatz	Frederick	Knutson	O'Neill	Schrom
Brataas	Hansen, Baldy	Kowalczyk	Patton	Sillers
Brown	Hanson, R.	Larson	Perpich, A. J.	Stassen
Conzemius	Hughes	Moe	Pillsbury	Ueland

Those who voted in the negative were:

Arnold	Josefson	North	Schaaf	Stumpf
Chenoweth	Keefe, S.	Ogdahl	Schmitz	Tennessen
Chmielewski	Kleinbaum	Olhoft	Solon	Wegener
Davies	McCutcheon	Olson, A. G.	Spear	Willet
Humphrey	Milton	Olson, H. D.	Stokowski	

The motion prevailed. So the amendment was adopted.

Mr. Arnold moved to amend the amendment placed on H. F. No. 109 by the Committee on Governmental Operations, adopted by the Senate February 9, 1976, as follows:

After section 27, insert a new section to read:

**"Sec. 28. [351.025] [VACANCIES IN CERTAIN OFFICES APPOINTED BY THE GOVERNOR.]** *When a vacancy occurs in the office of governor, the offices of all those persons appointed by the governor to serve for a term which shall coincide with the term of the governor shall also become vacant. The incumbent may continue to serve unless and until a successor is duly appointed and qualifies."*

Renumber the remaining sections

The motion prevailed. So the amendment was adopted.

Mr. Milton moved to amend the amendment placed on H. F. No. 109 by the Committee on Governmental Operations, adopted by the Senate February 9, 1976, as follows:

Section 31, line 4, strike *"board of"*

Section 31, line 4, after *"health"* insert *"advisory council"*

Section 31, lines 10, 11 and 13, strike *"board"* and insert *"council"*

Section 144.031, subdivision 1, lines 2 to 3, strike *"administrative"*

Section 144.031, subdivision 1, line 6, strike *"board on health,"* and insert *"health advisory council"*



Section 144.031, subdivision 1, line 7, strike *"through the board of health,"*

Section 144.031, subdivision 2, lines 1 to 2, strike *"administrative"* and insert *"executive"*

Section 144.031, subdivision 2, line 3, after *"laws,"* insert *"promulgation and enforcement of"*

Section 144.031, subdivision 2, line 3, strike *"board"* and insert *"department"*

Section 144.031, subdivision 2, line 6, strike everything after *"rule"*

Section 144.031, subdivision 2, strike line 7 and insert *"The commissioner shall have all the powers and duties held by the board of health prior to the effective date of this section."*

*Subd. 3. [ADVISORY COUNCIL.] There is created a health advisory council to advise the commissioner on matters relating to his powers and duties. The council shall be constituted as provided in section 144.01 except that advice and consent of the senate shall not be required. The council shall expire and the terms, compensation and removal of members shall be as provided in section 15.059."*

Section 144.04, lines 1 and 2, strike *"board"* and insert *"health advisory council"*

Section 37, line 6, after the period insert *"Notwithstanding the foregoing, the term of the commissioner of health shall expire on the day following the effective date of this act."*

Section 38, line 5, after the period insert *"The revisor shall eliminate the term "board of health" and shall substitute in statutes the term "health advisory council" or "council" as appropriate, except in respect to powers and duties of the board of health, in which case the terms "commissioner of health" or "commissioner" as appropriate shall be substituted."*

Amend the title as follows:

In the title amendment, line 5, after the semicolon insert *"transferring powers of the board of health to the commissioner of health; creating a health advisory council;"*

The question being taken on the adoption of the amendment,

And the roll being called, there were yeas 26 and nays 27, as follows:

Those who voted in the affirmative were:

Arnold	Humphrey	North	Schrom	Wegener
Borden	Keefe, S.	Olson, A. G.	Solon	Willet
Chenoweth	Kirchner	Olson, H. D.	Spear	
Chmielewski	Kleinbaum	Perpich, A. J.	Stokowski	
Davies	Kowalczyk	Schaaf	Stumpf	
Hughes	Milton	Schmitz	Tennessen	

Those who voted in the negative were:

Ashbach	Conzemius	Josefson	Olson, J. L.	Sillers
Bernhagen	Doty	Larson	O'Neill	Stassen
Blatz	Dunn	Laufenburger	Patton	Ueland
Brataas	Frederick	Moe	Pillsbury	
Brown	Hansen, Baldy	Nelson	Purfeerst	
Coleman	Hanson, R.	Ogdahl	Renneke	

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

S. F. No. 175, which the committee recommends to pass with the following amendments offered by Messrs. Conzemius and Tennesen:

Mr. Conzemius moved to amend S. F. No. 175 as follows:

Page 5, after line 1, insert:

*"Sec. 6. [APPROPRIATIONS.] The sum of \$10,000 is appropriated from the general fund for the purposes of this act."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, after the semicolon insert "appropriating money;"

Mr. Tennesen moved to amend S. F. No. 175 as follows:

Page 3, line 8, strike "*compliance*" and insert "*enforcement*"

Page 4, line 30, strike "*wilfully*" and insert "*intentionally*"

Page 4, line 32, strike "*wilfully*" and insert "*intentionally*"

S. F. No. 2175, which the committee recommends to pass with the following amendment offered by Mr. Olson, A. G.:

Page 2, line 10, strike "*selected*" and insert "*a limited number of eligible agencies or*"

Page 2, line 11, after "*of*" insert "*in-home*"

Page 2, line 12, after the period insert "*The household or agency to provide the services shall be selected by the person who will receive the services.*"

Page 2, line 13, after "*to*" insert "*agencies or*"

Page 2, line 17, after "*to*" insert "*eligible agencies or*"

Page 2, line 27, after "*person*" insert "*or agency*"

Page 2, line 28, after "*person*" insert "*or agency*"

Page 2, line 28, after the second comma insert "*the person receiving the care,*"

S. F. No. 2151, which the committee recommends to pass with the following amendment offered by Mr. Patton:

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

*"Sec. 2. This act is effective November 15, 1976, for the vehicle registration year 1977 and subsequent years."*

S. F. No. 1624, which the committee recommends to pass with the following amendment offered by Mr. Stokowski:

Pages 2 to 6, strike section 2 and insert:

"Sec. 2. Minnesota Statutes 1974, Section 462.475, Subdivision 1, is amended to read:

462.475 [RENTALS, TENANT ADMISSIONS.] Subdivision 1. [AUTHORITY, POWERS, DUTIES.] In the operation or management of housing projects an authority shall at all times observe the following duties with respect to rentals and tenant admissions.

(1) It may rent or lease the dwelling accommodations therein only to persons of low income and at rentals within the financial reach of such persons of low income;

(2) It may rent or lease to a tenant dwelling accommodations consisting of the number of rooms (but no greater number) which it deems necessary to provide safe and sanitary accommodations to the proposed occupants thereof, without overcrowding; and

(3) *An authority in its operations within a municipality shall accept any families as tenants in any housing project if the families who occupy the dwelling accommodations have an aggregate annual net income at the time of admission from all sources of each member of the family residing in the household who is at least 18 years of age, excepting nonrecurring income, as determined by the authority, and the income of full-time students, and less an exemption equal to the sum of (i) \$300 for each dependent, (ii) \$300 for each secondary wage earner, (iii) 5 percent of the family's gross income (10 percent in the case of elderly individuals or families), and (iv) extraordinary medical expenses or other expense resulting from unusual circumstances as determined by the authority, in excess of five times the annual rental of the quarters to be furnished such family, and, not approve a family as tenant in a housing project if the family has an aggregate annual net income at the time of admission from all sources which is in excess of five times the annual rental for the accommodations to be provided the family. As used in this section, aggregate annual net income shall not include:*

*(a) the income of a family member, other than the head of the household or his spouse, who is under 18 years of age or who is a full-time student;*

*(b) the first \$300 of the income of a secondary wage earner who is the spouse of the head of the household;*

*(c) \$300 for each member of the family residing in the household, other than the head of the household or his spouse, who is under 18 years of age or who is 18 years of age or older and is disabled, handicapped or a full-time student;*

*(d) non-recurring income as defined by the authority;*

*(e) five percent of the family's gross income from all sources or, in the case of an elderly family, ten percent of the family's gross income;*

*(f) extraordinary medical expenses or other expenses resulting from unusual circumstances as determined by the authority; and*

*(g) an amount equal to the moneys received by the head of the household or his spouse from or under the direction of any public or private nonprofit child placing agency for the care and maintenance of one or more persons who are under 18 years of age and were placed in the family by that agency.*

*(4) In computing the rental for the purpose of this section, there shall be included in the rental the average annual cost (as determined by the authority) to occupants of heat, water, electricity, gas, cooking fuel, and other necessary services or facilities, whether or not the charge for such services and facilities is included in the rental, provided, that an authority may adopt as its maximum net income for admission of families any maximum which is either: (a) the maximum net family income computed under this subdivision; (b) the maximum net family income determined pursuant to section 462.491; or (c) the maximum net family income determined pursuant to the housing and community development act of 1974."*

Amend the title as follows:

Line 10, strike "462.445, Subdivision 4" and insert "462.475, Subdivision 1"

And then, on motion of Mr. Gearty, the report of the Committee of the Whole, as kept by the Secretary, was adopted.

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved that the Senate revert to the Order of Business of Reports of Committees and Second Reading of Senate Bills.

#### REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

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

S. F. No. 2247: A bill for an act abolishing the Clearwater River Watershed district in the counties of Meeker, Stearns and Wright.

Reports the same back with the recommendation that the report from the Committee on Natural Resources and Agriculture shown in the Journal for March 11, 1976 that the bill "do pass" be adopted. Report adopted.

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

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 report from the Committee on Judiciary shown in the Journal for March 4, 1976 that "when so amended the bill do pass" be adopted. Amendments adopted. Report adopted.

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

S. F. No. 1950: A bill for an act relating to the practice of chiropractic; prohibiting the state and its political subdivisions from discriminating against licensed chiropractors in any manner which would tend to impede their performance and receiving compensation for authorized services; amending Minnesota Statutes 1974, Sections 148.03; and 148.08, Subdivision 2.

Reports the same back with the recommendation that the report from the Committee on Health, Welfare and Corrections shown in the Journal for March 11, 1976 that "when so amended the bill do pass" be adopted. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was re-referred

S. F. No. 1849: A bill for an act relating to the legislature; creating a legislative commission on housing and community development; prescribing its powers and duties; requiring a report and budget estimate.

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

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

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 report of the Committee on Metropolitan and Urban Affairs shown in the Journal for March 4, 1976 that "when so amended the bill do pass" be adopted and the bill re-referred to the Committee on Governmental Operations. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred under Rule 35,

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.

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

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

S. F. No. 2096: A bill for an act relating to metropolitan government; changing the metropolitan parks and open space commission to the metropolitan parks, arts and recreation commission and prescribing its powers and duties; authorizing the metropolitan council to issue bonds and levy taxes therefor; authorizing the commission to impose an admissions tax; imposing a transient lodging tax in the metropolitan area; requiring the completion of an environmental impact statement prior to construction of a new sports facility; requiring a certificate of need for regional recreational facilities; amending Minnesota Statutes 1974, Chapter 473, by adding sections; Minnesota Statutes, 1975 Supplement, Sections 473.121, Subdivisions 7 and 14; 473.146, by adding a subdivision; 473.147; 473.301; 473.302; and 473.303, Subdivision 1; repealing Minnesota Statutes 1974, Section 340.11, Subdivision 11a.

Reports the same back with the recommendation that the report of the Committee on Metropolitan and Urban Affairs shown in the Journal for March 11, 1976 that "when so amended the bill do pass" be adopted and the bill re-referred to the Committee on Taxes and Tax Laws. Amendments adopted. Report adopted.

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

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; amending Minnesota Statutes 1974, Section 48.-24, Subdivision 5; and Minnesota Statutes, 1975 Supplement, Sections 290.01, Subdivision 20; and 290.09, Subdivision 4.

Reports the same back with the recommendation that the report from the Committee on Governmental Operations shown in the Journal for March 11, 1976 that "when so amended the bill do pass and be re-referred to the Committee on Taxes and Tax Laws" be adopted. Amendments adopted. Report adopted.

## **SECOND READING OF SENATE BILLS**

S. F. Nos. 2247, 2227, 1950 and 1849 were read the second time.

## **MOTIONS AND RESOLUTIONS—CONTINUED**

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

Patrick E. Flahaven, Secretary of the Senate