

## ONE HUNDRED SIXTH DAY

St. Paul, Minnesota, Monday, April 5, 1976

The Senate met at 10:30 o'clock a.m. and was called to order by the President.

## CALL OF THE SENATE

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

Anderson	Conzemius	Keefe, J.	Olson, A. G.	Schrom
Arnold	Davies	Kirchner	Olson, J. L.	Solon
Ashbach	Dunn	Knutson	O'Neill	Stassen
Bang	Gearty	Kowalczyk	Patton	Stokowski
Berg	Hansen, Baldy	Laufenburger	Perpich, A. J.	Stumpf
Bernhagen	Hansen, Mel	Lewis	Pillsbury	Tennessen
Blatz	Hanson, R.	McCutcheon	Purfeerst	Ueland
Brown	Hughes	Merriam	Renneke	Willet
Chenoweth	Humphrey	Milton	Schaaf	
Coleman	Josefson	Moe	Schmitz	

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

Prayer was offered by the Chaplain, Rev. Dave Schneider.

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

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

## MEMBERS EXCUSED

Messrs. Doty, Jensen and Perpich, G., were excused from the Session of today.

Mr. Spear was excused from the Session of today until 1:30 o'clock p.m. Mr. Tennessen was excused from the Session of today at 3:00 o'clock p.m. Mr. Olson, A. G., was excused from the Session of today at 1:15 o'clock p.m.

# EXECUTIVE AND OFFICIAL COMMUNICATIONS

April 2, 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
	595	95	March 31	April 1
	1957	96	April 1	April 1
	1963	97	March 31	April 1
	1966	98	March 31	April 1
	2010	99	March 31	April 1
	2090	100	March 31	April 1
	2216	101	March 31	April 1
	2244	102	March 31	April 1
	2326	103	March 31	April 1
	2463	104	March 31	April 1
749		105	March 31	April 1
916		106	March 31	April 1
932		107	April 1	April 1
1273		108	April 1	April 1
1624		109	April 1	April 1
1627		110	April 1	April 1
1636		111	April 1	April 1
1825		112	March 31	April 1
1868		113	April 1	April 1
2030		114	April 1	April 1
2155		115	April 1	April 1
2161		116	March 31	April 1
2173		117	April 1	April 1
2174		118	March 31	April 1
2284		119	April 1	April 1

Sincerely,

Joan Anderson Growe,  
Secretary of State

**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. 2309: A bill for an act relating to retirement; distribution of state aid to policemen's relief associations; volunteer firemen's lump sum and monthly benefits; amending Minnesota Statutes 1974, Sections 69.011, Subdivisions 1, 2, and 4; 69.021, Subdivisions 5, 6, and 7; 69.031, Subdivision 5; and 69.06.

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

**Mr. President:**

I have the honor to announce that the House accedes to the request of the Senate for the return of House File No. 424 for further consideration.

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.

House File No. 424 is herewith returned to the Senate.

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

**SUSPENSION OF RULES**

Mr. O'Neill moved that the rules of the Senate be so far suspended as to reconsider H. F. No. 424. The motion prevailed.

**RECONSIDERATION**

Mr. O'Neill moved that the vote whereby H. F. No. 424 was passed by the Senate on March 30, 1976, be now reconsidered. The motion prevailed.

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.

Mr. Chenoweth moved to amend H. F. No. 424, as amended by the Senate March 30, 1976, as follows:

In the amendment adopted March 30, 1976, page 14, Sec. 12, line 2, strike "1976" and insert "1977"

The motion prevailed. So the amendment was adopted.

H. F. No. 424 was read the third time, as amended, and placed on its final passage.

The question being taken on the passage of the bill, as amended,  
And the roll being called, there were yeas 56 and nays 0, as follows:

Those who voted in the affirmative were:

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

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

#### MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 500, and repassed said bill in accordance with the report of the Committee, so adopted:

H. F. No. 500: A bill for an act relating to energy; energy commission, public members; providing for compensation and reimbursement of traveling and other expenses; amending Minnesota Statutes 1974, Section 116H.04, Subdivision 2.

House File No. 500 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 3, 1976

#### CONFERENCE COMMITTEE REPORT ON H. F. NO. 500

A bill for an act relating to energy; energy commission, public members; providing for compensation and reimbursement of traveling and other expenses; amending Minnesota Statutes 1974, Section 116H.04, Subdivision 2.

April 2, 1976

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

The Honorable Alec G. Olson  
President of the Senate

We, the undersigned conferees for H. F. No. 500 report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and H. F. No. 500 be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1974, Section 116H.02, is amended by adding a subdivision to read:

*Subd. 10. "Decorative gas lamp" means a device installed for the purpose of producing illumination by burning natural, mixed, or LP gas and utilizing either a mantle or an open flame, but does not include portable camp lanterns or gas lamps.*

Sec. 2. Minnesota Statutes 1974, Section 116H.02, is amended by adding a subdivision to read:

*Subd. 11. "Solar energy system" means a set of devices whose primary purpose is to collect solar energy and convert and store it for useful purposes including heating and cooling buildings or other energy-using processes, or to produce generated power by means of any combination of collecting, transferring, or converting solar-generated energy.*

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

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

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

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

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

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

Sec. 5. Minnesota Statutes 1974, Section 116H.12, is amended by adding a subdivision to read:

*Subd. 3a. Beginning 12 months after the effective date of this act, no person shall use a decorative gas lamp in Minnesota except as provided in section 6 of this act. All natural gas utilities and LP gas distributors doing business in Minnesota shall notify each of their customers of this prohibition, in writing, at least 120 days prior to the deadline including such information as the agency may require. The agency shall notify all natural gas utilities and LP gas distributors of this requirement and of the entire form and contents of such notice within 30 days of the effective date of this act, including the necessary technological information to adapt gas lights to electricity.*

Sec. 6. Minnesota Statutes 1974, Section 116H.12, is amended by adding a subdivision to read:

*Subd. 3b. The director may grant a variance where conversion is not possible with reasonable cost.*

Sec. 7. Minnesota Statutes 1974, Section 116H.12, is amended by adding a subdivision to read:

*Subd. 10. The director shall report to the legislature not later than March 1, 1977, on the economic and technological feasibility of implementing a program of energy conservation in Minnesota with respect to room air conditioners and standing pilot light equipment. The study shall include consideration of:*

*(1) The economic feasibility of the program and the impact on consumers, agriculture, business and interstate commerce;*

*(2) The technological feasibility of implementing the program including safety considerations;*

*(3) The potential reduction in energy consumed in Minnesota which would result from implementing the program;*

*(4) Substantial state need for the program in relation to the progress of similar energy conservation programs undertaken by the federal energy agency under the mandate of the federal energy policy and conservation act of 1975.*

*For the purposes of this subdivision "economic feasibility" means that the benefits from reduced energy consumption and the savings in operating costs throughout the estimated average life of the product outweigh:*

*(a) Any increase to purchasers in initial charges for, or, maintenance expenses of, the product which is likely to result from implementing the program;*

*(b) Any lessening of the utility, safety, dependability or performance of the product; and*

*(c) Any negative effects on competition.*

Sec. 8. Minnesota Statutes 1974, Chapter 116H, is amended by adding a section to read:

**[116H.121] [ENERGY CONSERVATION STANDARDS IN CERTAIN PUBLIC BUILDINGS.] Before February 1, 1977, the**

commissioner of administration in consultation with the director, shall amend the rules concerning heat loss, illumination, and climate control standards promulgated pursuant to Minnesota Statutes, 1975 Supplement, Section 116H.12, Subdivision 4, to include standards for all existing buildings heated by oil, coal, gas, or electric units which are owned by the state, the university of Minnesota, any city, any county, or any school district. Compliance with standards adopted pursuant to this section shall not be mandatory for buildings owned by any city, county or school district.

Sec. 9. Minnesota Statutes 1974, Chapter 116H, is amended by adding a section to read:

[116H.122] [ENERGY CONSERVATION IN STATE OWNED BUILDINGS.] Before January 1, 1980, the commissioner of administration, in cooperation with the director, shall survey all buildings which are heated by oil, coal, gas, or electric units and which are owned by the state of Minnesota, including buildings and associated facilities of the state university system, the state fairgrounds as defined in section 37.01, the Minnesota historical society building, and all buildings under the administration or supervision of the commissioners of natural resources, corrections, welfare, or transportation, to determine the energy savings that can be accomplished through insulation, climate control or illumination modifications. The survey shall determine, based upon a formula specified by the director, the estimated remaining useful life of each building, together with the present degree and estimated cost of compliance with the energy conservation standards promulgated pursuant to section 8 of this act. The survey shall include an estimate, based upon a formula specified by the director, of the annual potential savings in fuel procurement costs for existing heating and cooling systems which would be realized for each state-owned building if it were improved to comply with the energy conservation standards. Buildings heated by oil or interruptable gas shall be surveyed first. If the commissioner determines that a modification is economically feasible, in that savings in fuel procurement costs will exceed the cost of the modification amortized over the remaining useful life of the building he shall recommend implementation of the modification to the legislature. The commissioner shall submit to the legislature an interim progress report by January 1, 1977 and a final report by January 1, 1980.

Sec. 10. Minnesota Statutes 1974, Chapter 116H, is amended by adding a section to read:

[116H.123] [ENERGY CONSERVATION IN UNIVERSITY BUILDINGS.] Before January 1, 1980, the university of Minnesota, after consultation with the director, shall survey all buildings and associated facilities of the university of Minnesota which are heated by oil, coal, electric, or gas units to determine whether energy savings could be accomplished through insulation, climate control or illumination modifications. The survey shall determine, based upon a formula specified by the director, the estimated remaining useful life of each building, together with the present degree and estimated cost of compliance with the energy conser-

vation standards promulgated pursuant to section 8 of this act. The survey shall include an estimate, based upon a formula specified by the director, of the annual potential savings in fuel procurement costs for existing heating and cooling systems, which savings would be realized for each university-owned building if it were improved to comply with the energy conservation standards. Buildings heated by oil or interruptable gas shall be surveyed first. If the university determines, based upon a formula specified by the director, that a modification is economically feasible, in that estimated savings in fuel procurement costs will exceed the cost of the modification amortized over the remaining useful life of the building, it shall implement the modification in a manner designed to maximize the reduction in costs resulting from the modification. The university shall submit to the legislature an interim progress report before January 1, 1977 and a final report before January 1, 1980, indicating the number and percentage of university-owned buildings surveyed, the estimated costs of implementing the economically feasible modifications and its preliminary findings, recommendations, and priorities for implementing economically feasible modifications based upon the continuing survey.

Sec. 11. Minnesota Statutes 1974, Chapter 116H, is amended by adding a section to read:

[116H.124] [LOCAL GOVERNMENTAL SURVEYS AND FUEL COST ESTIMATES.] Before January 1, 1980, the governing body of each city and county shall complete a survey of all existing city-owned or county-owned buildings within their respective jurisdictions which buildings are heated by oil, coal, electric, or gas units. Buildings heated by oil or interruptable gas shall be surveyed first. The survey shall determine, based upon a formula specified by the director, the estimated remaining useful life of each building, together with the present degree and estimated cost of compliance with the energy conservation standards promulgated pursuant to section 8 of this act. The governing body of a city or county may contract with any municipal building official appointed pursuant to section 16.861, or with the state building inspector to perform the energy conservation survey. Each governing body shall estimate, based upon a formula specified by the director, the annual potential savings in fuel procurement costs for existing heating and cooling systems, which savings would be realized for each building within its jurisdiction if that building were improved to comply with the energy conservation standards. Each governing body shall file the energy conservation survey and estimated fuel procurement data for the buildings within its jurisdiction with the director before December 31, 1978, for his review and comment.

Sec. 12. Minnesota Statutes 1974, Chapter 116H, is amended by adding a section to read:

[116H.125] [ENERGY CONSERVATION IN PUBLIC SCHOOLS; LEGISLATIVE REPORT.] Before February 1, 1977, the commissioner of education after consultation with the director shall analyze the reports required under section 120.78, and report to the legislature on the energy efficiency of public school buildings including the recommendations of the commissioner of education and the director.



Sec. 13. Minnesota Statutes 1974, Chapter 116H, is amended by adding a section to read:

[116H.126] [PUBLIC SCHOOL SURVEYS.] *Before January 1, 1980, each school district shall complete a survey of all existing public school buildings which it owns or operates and which are heated by oil, gas, coal, or electric units in order to determine the estimated remaining useful life of each building, together with the present degree and estimated cost of compliance with the energy conservation standards promulgated pursuant to section 8 of this act. Buildings heated by oil or interruptable gas shall be surveyed first. The results of the energy conservation survey shall be recorded on a form furnished by the director. A school district may contract with any municipal building official appointed pursuant to section 16.861 or with the state building inspector to perform the energy conservation survey. Each school district shall estimate, based upon a formula specified by the director, the annual savings in fuel procurement costs for existing heating and cooling systems, which savings would be realized for each public school building within the district if it were improved to comply with the energy conservation standards.*

*Each school district shall file the energy conservation survey and estimated fuel procurement data for each public school building within the district with the director before December 31, 1978, for his review and comment.*

Sec. 14. Minnesota Statutes 1974, Chapter 116H, is amended by adding a section to read:

[116H.127] [SOLAR ENERGY SYSTEM STANDARDS OF PERFORMANCE.] *The building code division of the department of administration in consultation with the agency shall promulgate rules by December 31, 1976, concerning quality and performance standards which are in reasonable conformance with the Interim Performance Criteria for Solar Heating and Combined Heating/Cooling Systems and Dwellings, National Bureau of Standards, January 1, 1975; and the Interim Performance Criteria for Commercial Solar Heating and Combined Heating/Cooling Systems and Facilities, National Aeronautics and Space Administration, February 28, 1975, to insure that within the existing state of development, solar energy systems as defined in section 2 of this act, which are sold or installed within this state, are effective and represent a high standard of quality of material, workmanship, design, and performance. The department of administration in consultation with the energy agency shall modify existing standards and promulgate new standards subsequent to December 31, 1976, as new technology and materials become available, or as standards are revised by the federal government.*

*Manufacturers or retailers of solar energy systems shall disclose to each bona fide potential purchaser of a system the extent to which the system meets or exceeds each quality standard.*

Sec. 15. Minnesota Statutes 1974, Chapter 116H, is amended by adding a section to read:

[116H.128] [REVIEW OF ENERGY RESEARCH AND DEMONSTRATION PROJECTS.] *The director shall continu-*

ously identify, monitor, and evaluate in terms of potential direct benefit to, and possible implementation in Minnesota, research studies and demonstration projects of alternative energy systems and methodologies currently performed in Minnesota and other states and countries including:

- (a) Solar energy systems for heating and cooling;
- (b) Energy systems using wind, agricultural wastes, forestry products, peat, and other nonconventional energy resources;
- (c) Devices and technologies increasing the energy efficiency of energy consuming appliances, equipment, and systems;
- (d) Hydroelectric power; and
- (e) Such other projects as the director deems appropriate and of direct benefit to Minnesota and other states of the upper mid-west.

Sec. 16. Persons who served as public members of the legislative commission on energy, created pursuant to Laws 1974, Chapter 307, Section 4, shall be compensated the sum of \$25 per day for each day spent in the performance of their duties subsequent to April 1, 1974. They shall also be reimbursed for expenses incurred during that period in the same manner and amounts as provided for state employees during that period.

Sec. 17. [APPROPRIATIONS.] Subdivision 1. There is appropriated and added to the general contingent account for fiscal year 1977 the sum of \$200,000. This appropriation shall be available for making grants for demonstration projects of alternative energy systems and methodology particularly appropriate to Minnesota.

Subd. 2. The sum of \$195,400 is appropriated from the general fund to the commissioner of administration for the purposes of sections 8, 9 and 14. The sum of \$150,000 is appropriated from the general fund to the director of the Minnesota energy agency for purposes of sections 4, 7 and 15. The sum of \$50,000 is appropriated from the general fund to the director of the Minnesota energy agency to contract for infrared aerial photographs, at least 50 percent of which shall be conducted outside the metropolitan area as defined in Minnesota Statutes, Section 473.121, Subdivision 2. Notwithstanding Minnesota Statutes, Section 16A.28, the appropriations made by this subdivision shall not lapse but shall be available for the biennium ending June 30, 1977.

Sec. 18. [EFFECTIVE DATE.] This act takes effect on the day following its final enactment."

Further amend the title as follows:

Strike the title in its entirety and insert:

"A bill for an act relating to energy; authorizing the director of the Minnesota energy agency to appoint certain employees; establishing an energy conservation information center; prohibiting the use of certain gas lamps; requiring certain reports to the legislature; requiring promulgation of energy conservation

rules; requiring surveys of certain public buildings; providing for solar energy performance standards; providing for monitoring of energy research; providing compensation and expense reimbursement for public members of the energy commission; appropriating money; amending Minnesota Statutes 1974, Sections 116H.02, by adding subdivisions; 116H.03, Subdivision 3; 116H.12, by adding subdivisions; and Chapter 116H, by adding sections."

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Willard M. Munger, Gordon O. Voss, Walter R. Hanson, Bill Luther, John S. Biersdorf.

Senate Conferees: (Signed) Hubert H. Humphrey III, Bill McCutcheon, Winston W. Borden, John Bernhagen, Roger Hanson.

Mr. Humphrey moved that the foregoing recommendations and Conference Committee Report on H. F. No. 500 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

H. F. No. 500: A bill for an act relating to energy; authorizing the director of the Minnesota energy agency to appoint certain employees; establishing an energy conservation information center; prohibiting the use of certain gas lamps; requiring certain reports to the legislature; requiring promulgation of energy conservation rules; requiring surveys of certain public buildings; providing for solar energy performance standards; providing for monitoring of energy research; providing compensation and expense reimbursement for public members of the energy commission; appropriating money; amending Minnesota Statutes 1974, Sections 116H.02, by adding subdivisions; 116H.03, Subdivision 3; 116H.12, by adding subdivisions; and Chapter 116H, by adding sections.

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

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

And the roll being called, there were yeas 46 and nays 12, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Kowalczyk	Olson, A. G.	Stassen
Ashbach	Gearty	Laufenburger	Olson, H. D.	Stokowski
Bernhagen	Hansen, Mel	Lewis	O'Neill	Stumpf
Borden	Hanson, R.	McCutcheon	Patton	Tennessen
Brown	Hughes	Merriam	Perpich, A. J.	Wegner
Chenoweth	Humphrey	Milton	Renneke	Willet
Chmielewski	Keefe, J.	Moe	Schaaf	
Coleman	Keefe, S.	North	Schmitz	
Conzemius	Kirchner	Ogdahl	Sillers	
Davies	Kleinbaum	Olhoff	Solon	

Those who voted in the negative were:

Arnold	Blatz	Knutson	Olson, J. L.	Purfeerst
Bang	Frederick	Larson	Pillsbury	Schrom
Berg	Hansen, Baldy			

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

### MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

I have the honor to announce that the House wishes to recall for the purpose of further consideration House File Nos. 2677 and 2678.

H. F. No. 2677: A bill for an act relating to public improvements; authorizing alteration, repair, rehabilitation, equipping, and replacement of equipment of public buildings; appropriating money.

H. F. No. 2678: A bill for an act relating to public improvements; authorizing the acquisition and betterment of public land and buildings and other public improvements of a capital nature; authorizing issuance of state building bonds; appropriating money; amending Minnesota Statutes 1974, Sections 16.16, Subdivision 2; 16A.28; 137.02, Subdivision 3; repealing Laws 1973, Chapter 778, Section 20.

Edward A. Burdick, Chief Clerk, House of Representatives

April 5, 1976

Mr. Arnold moved that the message on H. F. Nos. 2677 and 2678 be laid on the table. The motion prevailed.

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 320, and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 320: A bill for an act relating to taxation; increasing the percentage of unrefunded gasoline excise taxes attributable to snowmobile operation; appropriating money; amending Minnesota Statutes 1974, Sections 296.16, Subdivision 1; and 296.421, Subdivisions 6 and 7.

Senate File No. 320 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 5, 1976

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 1959, and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 1959: A bill for an act relating to health facilities; establishing an office of health facility ombudsman; appropriating money.

Senate File No. 1959 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 5, 1976

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 2414, and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 2414: A bill for an act relating to motor vehicles; motor vehicle excise tax on vehicles purchased for resale; use of motor vehicles bearing motor vehicle dealer plates; amending Minnesota Statutes 1974, Sections 168.27, Subdivision 5; 297B.01, Subdivision 6; and Chapter 297B, by adding a section.

House File No. 2414 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 5, 1976

#### CONFERENCE COMMITTEE REPORT ON H. F. NO. 2414

A bill for an act relating to motor vehicles; motor vehicle excise tax on vehicles purchased for resale; use of motor vehicles bearing motor vehicle dealer plates; amending Minnesota Statutes 1974, Sections 168.27, Subdivision 5; 297B.01, Subdivision 6; and Chapter 297B, by adding a section.

April 3, 1976

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

The Honorable Alec G. Olson  
President of the Senate

We, the undersigned conferees for H. F. No. 2414 report that we have agreed upon the items in dispute and recommend as follows:

That the House concur in the Senate amendments and that H. F. No. 2414, the Senate amendment adopted March 31, 1976, be further amended as follows:

Page 6, subdivision 10, clause (1) (a), line 2, delete "*by the licensee or under lease*" and insert "*or under lease by the licensee. The lease shall be for a minimum term of one year. The building shall contain office space*"

Delete line 3

Line 4, delete "*building*"

Page 7, clause (2), line 3, delete "*by the licensee or under lease for not*" and insert "*or under lease by the licensee. The lease shall be for a minimum term of one year. The building shall contain office space*"

Delete line 4

Page 7, clause (3), line 3, delete "*by the licensee or under lease for not*" and insert "*or under lease by the licensee. The lease shall*"

*be for a minimum term of one year. The building shall contain office space"*

Line 4, delete "*less than one year, with office space in that building*"

Page 7, clause (6), line 2, after "*building*" insert "*, within or without the state,*"

Page 8, line 1, delete "*by the licensee or under lease for not*" and insert "*or under lease by the licensee. The lease shall be for a minimum term of one year. The building shall contain office space*"

Page 8, line 2, delete "*less than one year with office space in that building*"

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Robert E. Vanasek, Arthur M. Braun, John C. Lindstrom

Senate Conferees: (Signed) George R. Conzemius, Alec G. Olson, Arnulf Ueland, Jr.

Mr. Conzemius moved that the foregoing recommendations and Conference Committee Report on H. F. No. 2414 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

H. F. No. 2414: A bill for an act relating to motor vehicles; motor vehicle excise tax on vehicles purchased for resale; use of motor vehicles bearing motor vehicle dealer plates; amending Minnesota Statutes 1974, Sections 168.27, Subdivision 5; 297B.01, Subdivision 6; and Chapter 297B, by adding a section.

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

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

And the roll being called, there were yeas 50 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Kirchner	Olhoff	Schaaf
Arnold	Dunn	Kleinbaum	Olson, A. G.	Schmitz
Ashbach	Frederick	Kowalczyk	Olson, H. D.	Sillers
Bang	Gearty	Laufenburger	Olson, J. L.	Solon
Bernhagen	Hansen, Mel	Lewis	O'Neill	Stokowski
Blatz	Hughes	Merriam	Patton	Stumpf
Brown	Humphrey	Milton	Perpich, A. J.	Tennessen
Chmielewski	Josefson	Moe	Pillsbury	Ueland
Coleman	Keefe, J.	North	Purfeerst	Wegener
Conzemius	Keefe, S.	Ogdahl	Renneke	Willet

Mr. Hansen, Baldy voted in the negative.

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

**MOTIONS AND RESOLUTIONS**

Mr. Coleman for the Committee on Rules and Administration, introduced—

Senate Resolution No. 36: A Senate resolution relating to the use of Senate space during the interim between sessions.

**BE IT RESOLVED**, by the Senate:

That for the period between the close of the 1976 regular session and the convening of the 1977 regular session, the Senate Chamber, retiring room, committee rooms, all conference rooms, storage rooms, Secretary of the Senate's office, Rules and Administration office, and any and all other space assigned to the Senate, shall be reserved for use by the Senate and its standing committees only and shall not be released or used for any other purpose except upon authorization of the Secretary of the Senate with the approval of the Committee on Rules and Administration, or the Chairman thereof, except that the Senate Chamber, Senate retiring room and such committee rooms as are available may be released by the Secretary of the Senate and be available to the Hi-Y Model Legislature and to the Girls' State. Provided, however, that the Senate Chamber and Senate Retiring room shall not be let out for any purpose during the months of November and December prior to a session of the legislature except upon approval of the Committee on Rules and Administration.

The custodian of the State Capitol shall keep the corridors and rotunda, insofar as is possible, clear of all furniture and equipment. Senate furniture shall remain in the committee rooms and offices, except as otherwise directed by the Secretary of the Senate upon approval of the Committee on Rules and Administration.

The Commissioner of Administration is instructed to furnish permits through the Secretary of the Senate to members of the Minnesota State Senate and authorized staff for parking facilities on Aurora Avenue and other areas as may be required for the period between the close of the 1976 regular session and the convening of the 1977 regular session.

Mr. Coleman moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

Mr. Coleman, for the Committee on Rules and Administration, introduced—

Senate Resolution No. 37: A Senate resolution authorizing the Secretary of the Senate to draw warrants in payment of various expenses.

**BE IT RESOLVED**, by the Senate:

That the Secretary of the Senate, with the approval of the Committee on Rules and Administration, shall draw warrants from the legislative expense fund:

- 1) In behalf of Senate employees for regular and special services rendered prior to, during and following the 1976 legislative session;
- 2) For postage and other expenses of the Secretary of the Senate's office;

- 3) For roll call and public address system maintenance, improvement, repair or replacement;
- 4) For expenses of members in visiting state institutions;
- 5) For demoting, repairing or replacing the Senate Chamber carpeting;
- 6) For supplies and office equipment;
- 7) For maintaining and improving the acoustics and ventilation in Senate committee rooms and conference rooms;
- 8) For furniture and fixtures in committee rooms and conference rooms;
- 9) For such election and litigation costs as are authorized by the Committee on Rules and Administration.
- 10) For such other items necessary to the conduct of the Senate, subject to the approval of the Committee on Rules and Administration.

Mr. Coleman moved the adoption of the foregoing resolution.

The question being taken on the adoption of the resolution,

And the roll being called, there were yeas 55, and nays 0, as follows:

Those who voted in the affirmative were:

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

The motion prevailed. So the resolution was adopted.

Mr. Coleman, for the Committee on Rules and Administration, introduced—

Senate Resolution No. 38: A Senate resolution relating to standing committees.

**BE IT RESOLVED**, by the Senate:

The Committee on Rules and Administration may from time to time assign to the various committees of the Senate, in the interim, matters brought to its attention by any member of the Senate for study and investigation. The standing committees and subcommittees may study and investigate all subjects that come within their usual jurisdiction, as provided by Minnesota Statutes, Section 3.921. A committee shall carry on its work by subcommittee or by committee action as the committee from time to time determines. Any study undertaken by any of the standing committees, or any subcommittee thereof, shall be coordinated to the greatest extent possible with other standing committees or subcommittees



of the Senate and the House of Representatives, and may, if the committee or subcommittee so determines, be carried on jointly with another committee or subcommittee of the Senate or House of Representatives.

Pursuant to Minnesota Statutes, Section 3.921, Subdivision 2, the Committee on Committees may appoint members of the Senate to assist in the work of any committee.

All employees needed to carry out the functions of the Senate during the period between the adjournment sine die of the 69th legislature and the convening of the 70th legislature shall be employed by the Committee on Rules and Administration, or a subcommittee thereof, and be under its direction and control. Employees shall be paid upon the abstract of the Secretary of the Senate at the salary rates fixed by the Committee on Rules and Administration.

The Committee on Rules and Administration shall allocate the amount of expenses to each of the committees or subcommittees designated for the purpose stated herein. All monies so allocated shall be paid from the legislative expense fund and the monies appropriated therein for standing committees.

The Committee on Rules and Administration may authorize members of the Senate and personnel employed by the Senate to travel and to attend courses of instruction or conferences for the purpose of improving and making more efficient Senate operation and may reimburse such persons for the costs thereof out of monies appropriated to the Senate for the standing committees.

All members of activated standing committees or subcommittees of the Senate, and staff, shall be reimbursed for all expenses actually and necessarily incurred in the performance of their duties between the adjournment sine die of the 69th legislature and the convening of the 70th legislature in the manner provided by law. Payment shall be made by the Secretary of the Senate out of monies appropriated to the Senate for the standing committees. The Committee on Rules and Administration shall determine the amount and manner for reimbursement for living and other expenses of each member of the Senate incurred in the performance of his duties when the legislature is not in regular session.

The Special Committee on Ethical Conduct between the close of the 1976 session and the convening of the 1977 legislature shall continue to perform its duties and to exercise all the powers prescribed by Senate Rule 75, and for the purposes of Minnesota Statutes, Sections 3.153 and 3.921 the Special Committee on Ethical Conduct shall be considered a standing committee of the Senate, and shall conduct such hearings and investigations as the Committee on Rules and Administration may direct.

The Secretary of the Senate and other personnel employed by the Senate in an executive capacity shall report to the Committee on Rules and Administration at its regularly scheduled meetings regarding matters coming under their jurisdiction.

Mr. Coleman moved the adoption of the foregoing resolution.

The question being taken on the adoption of the resolution,

And the roll being called, there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

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

The motion prevailed. So the resolution was adopted.

Mr. Coleman, for the Committee on Rules and Administration, introduced—

Senate Resolution No. 39: A senate resolution relating to the Secretary of the Senate; providing for compensation, employees, journal, records, printing and binding contracts, office supplies and equipment, expenses and filling of a vacancy.

BE IT RESOLVED, by the Senate:

The Secretary of the Senate shall continue to perform his duties between the adjournment sine die of the 69th legislature and the convening of the 70th legislature. During the interim, but not including time which may be spent in any special session, the Secretary of the Senate shall be paid for services rendered the Senate at the rate established for that position for the 1976 regular session, unless otherwise directed by the Committee on Rules and Administration, plus travel and subsistence expense incurred incidental to his Senate duties, including salary and travel expense incurred in attending meetings of the American Society of Legislative Clerks and Secretaries sponsored by the National Conference of State Legislatures.

The Secretary of the Senate shall maintain the offices of the Secretary of the Senate and employ for the interval between the close of the 69th legislature and the convening of the 70th legislature, an office secretary and any other personnel required for Senate services as directed by the Committee on Rules and Administration. He is authorized to employ after the close of the session such employees as may be necessary to finish the business of the Senate at the salaries paid such employees under the rules of the Senate for the 1976 regular session.

The Secretary of the Senate shall implement Minnesota Statutes, Section 3.095. The term "permanent" shall mean all employees heretofore certified as permanent by the Committee on Rules and Administration and the Secretary of the Senate, and those hereinafter certified as permanent by the Committee on Rules and Administration and the Secretary of the Senate.

The Secretary of the Senate shall correct and approve the Journal

of the Senate for those days which have not been corrected and approved by the Senate, and shall correct printing errors found in the Journal of the Senate for the 69th legislature. He is authorized to include in the Senate Journal proceedings of the last day, appointments by the Committee on Committees to interim commissions created by legislative action, permanent commissions or committees established by statute, standing committees, official communications and such other matters of record received on or after the adjournment sine die of the 69th legislature.

All Senate records, including committee books, after the adjournment of the 69th legislature, and prior to the convening of the 70th legislature, shall be subject to the direction of the Committee on Rules and Administration.

The Secretary of the Senate, with the approval of the Committee on Rules and Administration, shall secure bids and enter into contracts for the printing of the daily Senate journals, bills, general orders, special orders, calendars, resolutions, printing and binding of the permanent Senate Journal, and other printing required by the Senate for the 70th legislature and any special session called prior to the 71st regular session of the legislature. Any contracts awarded shall be signed by the chairman of the Committee on Rules and Administration and such other member as the Committee on Rules and Administration shall designate.

The Secretary of the Senate, with the approval of the Committee on Rules and Administration, shall purchase office supplies and equipment required during the interim between the adjournment sine die of the 69th legislature and the convening of the 70th legislature and negotiate for essential office supplies and equipment which must be pre-ordered to insure delivery for the Senate at the next session of the legislature.

The Secretary of the Senate, as directed by the Committee on Rules and Administration, shall furnish each member of the Senate after the adjournment sine die of the 69th legislature and prior to the convening of the 70th legislature, with such postage and supplies as may be authorized by the Committee on Rules and Administration. The Secretary of the Senate, with the approval of the Committee on Rules and Administration, may reimburse members of the Senate, upon proper verification of the expenses incurred, for long distance telephone calls not to exceed \$35 per month after the adjournment sine die of the 69th legislature and prior to the convening of the 70th legislature.

Should a vacancy occur in the position of Secretary of the Senate, by resignation or other causes, the Committee on Rules and Administration shall appoint an acting Secretary of the Senate who shall serve in such capacity during the remainder of the interval between the adjournment sine die of the 69th legislature and the convening of the 70th legislature under the provisions herein specified.

The Secretary of the Senate shall draw warrants from the legislative expense fund in payment of the accounts herein referred to as they apply to such funds.

Mr. Coleman moved the adoption of the foregoing resolution.

The question being taken on the adoption of the resolution,

And the roll being called, there were yeas 57 and nays 0, as follows:

Those who voted in the affirmative were:

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

The motion prevailed. So the resolution adopted.

S. F. No. 2208 and the Conference Committee Report thereon were reported to the Senate.

#### CONFERENCE COMMITTEE REPORT ON S. F. NO. 2208

A bill for an act relating to courts; changing the status of the Hennepin county juvenile court judge; providing for continuous district court terms in all counties; providing that retired district court judges be reimbursed for expenses incurred while acting as district judges; authorizing additional power to judges of county court; requiring certain distributions of Minnesota Statutes and Session Laws; amending Minnesota Statutes 1974, Sections 260.021, Subdivision 2; 484.08; 484.09, as amended; 484.11; 484.13; 484.14; 484.15; 484.16; 484.17; 484.18; 484.62; 648.39, Subdivision 1; and Chapter 487, by adding a section; repealing Minnesota Statutes 1974, Sections 260.021, Subdivision 3; and 490.025, Subdivision 8.

April 2, 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. 2208 report that we have agreed upon the items in dispute and recommend as follows:

That S. F. No. 2208 be amended by striking everything after the enacting clause and inserting:

"Section 1. Minnesota Statutes 1974, Section 480.05, is amended to read:

480.05 [POWER; RULES; ASSIGNMENTS.] *Subdivision 1.* The supreme court shall have all the authority necessary for carrying into execution its judgments and determinations, and for the exercise of its jurisdiction as the supreme judicial tri-

bunal of the state, agreeable to the usages and principles of law. Such court shall prescribe, and from time to time may amend and modify, rules of practice therein and also rules governing the examination and admission to practice of attorneys at law and rules governing their conduct in the practice of their profession, and rules concerning the presentation, hearing, and determination of accusations against attorneys at law not inconsistent with law, and may provide for the publication thereof at the cost of the state.

*Subd. 2. The supreme court may, for good cause, temporarily assign any district court judge, county court judge or county municipal court judge, whose calendar in the judgment of the supreme court will permit, to hold court in any district where the need therefor exists. The supreme court may for good cause temporarily assign a judge of district court to sit on appeals panel appointed pursuant to section 484.63.*

Sec. 2. Minnesota Statutes 1974, Section 480.15, Subdivision 4, is amended to read:

*Subd. 4. The court administrator shall make recommendations to the chief justice supreme court relating to the assignment of judges where courts are in need of assistance and carry out the direction of the chief justice supreme court as to the assignments of judges to counties and districts where the courts are in need of assistance.*

Sec. 3. Minnesota Statutes 1974, Section 480.16, is amended to read:

**480.16 [DISTRIBUTION OF WORK OF COURTS.]** *Subdivision 1. The chief justice shall consider all recommendations of the court administrator for the assignment of judges, and, in his discretion, supreme court may for good cause temporarily direct any judge whose calendar, in the judgment of the chief justice court, will permit, to hold court in any county or district where need therefor exists, to the end that the courts of this state shall function with maximum efficiency, and that the work of other courts shall be equitably distributed. The supreme court may provide by rule for the enforcement of this section and section 480.17.*

*Subd. 2. The court shall have the following duties:*

*(a) To approve or reject the selection of the chief judge of each district court.*

*(b) To call meetings of the county court and of the district court judges, as it deems necessary.*

Sec. 4. Minnesota Statutes 1974, Section 484.08, is amended to read:

**484.08 [DISTRICT COURTS TO BE OPEN AT ALL TIMES.]** *The district courts court in each county of the state shall be deemed open at all times, except on legal holidays and Sundays, for the transaction of such all business as may be presented, including the issuance of writs and processes, the hearing of matters of law in*

pending actions and proceedings, and the entry of judgments and decrees therein; and, in addition to . The general terms appointed by law to be held, which may be adjourned from time to time, ~~the but a judge of the district court , or one thereof in districts of more than one judge, may by order filed with the clerk, convene the court in actual session during the vacation period on a at any date named in the order, for the trial of both civil actions involving public interest and criminal actions any matter , whenever in his judgment public interests will thereby be promoted. When so convened, convenience requires.~~ The court may, *at any time*, by order entered in the minutes by the clerk, *require the attendance of jurors and direct the issuance of special venues for grand and petit juries, returnable on a named date, for the performance of such duties as may be submitted by the court in the usual course of procedure. Civil actions involving public interests may be noticed for trial at an adjourned sitting of such term occurring more than tried after eight days after the date of calling same, and notice.* Informations by the county attorney charging the commission of crimes within the county may, as authorized by law, be presented at *such terms the times provided by order ,* and any such information then presented and filed and all indictments then returned by the *special* grand jury shall be proceeded with by the court in all respects in harmony with the law applicable to other cases and other terms of the court . The judge of the district court may also, by order filed with the clerk, appoint *special terms particular times in any county of the district for the hearing of matters of law or other classes of matters .*

Sec. 5. Minnesota Statutes 1974, Section 484.09, as amended by Laws 1975, Chapter 264, Section 1, is amended to read:

484.09 [FIRST JUDICIAL DISTRICT.] Subdivision 1. General terms of district court in the counties named in this section shall be held each year at the times herein specified.

Subd. 2. Carver county: On the last Monday in February and the second Monday in October .

Subd. 3. Dakota county: The first Monday in October.

Subd. 4. Goodhue county: The second Monday in February ; the second Monday in May; and the first Monday in October .

Subd. 5. Le Sueur county: On the first Monday in April and the first Tuesday in September .

Subd. 6. McLeod county: On the first Monday in November and the second Monday in May .

Subd. 7. Scott county: On the third Monday in September.

Subd. 8. Sibley county: On the third Monday in September.

Sec. 6. Minnesota Statutes 1974, Section 484.11, is amended to read:

484.11 [THIRD JUDICIAL DISTRICT.] Subdivision 1. General terms of district court in the counties named in this section shall be held each year at the times herein specified.

Subd. 2. Dodge county: The first Monday in April and the third Monday in September .

Where any general term in any of said counties has been or shall hereafter be adjourned for a period of more than 30 days, and issues of fact in any action are joined more than eight days before the first day of any such adjourned term, then, and in that case, such action may be brought on for trial at such adjourned term upon notice of trial served eight days or more before the beginning of said adjourned term.

Subd. 3. Fillmore county: On the second Monday in April and the second Monday in October .

When any general term in any of said counties shall be adjourned for a period of more than 30 days, and issues of fact in any action are joined more than eight days before the first day of any adjourned term, then, and in that case, such action may be brought on for trial at the beginning of said adjourned term; such notice of trial shall be filed with the clerk at least six days before the beginning of such adjourned term and shall serve as a note of issue.

Subd. 4. Freeborn county: On the fourth Monday in March , the second Monday in September and the first Monday in December .

When any general term in any of said counties shall be adjourned for a period of more than 30 days, and issues of fact in any action are joined more than eight days before the first day of any adjourned term, then, and in that case, such action may be brought on for trial at the beginning of said adjourned term; such notice of trial shall be filed with the clerk at least six days before the beginning of such adjourned term and shall serve as a note of issue.

Subd. 5. Houston county: On the third Monday in May and the second Monday in October .

When any general term in any of said counties except Olmsted county shall be adjourned for a period of more than 30 days, and issues of fact in any action are joined more than eight days before the first day of any such adjourned term, then, and in that case, such action may be brought on for trial at such adjourned term upon notice of trial served eight days or more before the beginning of said adjourned term; such notice of trial shall be filed with the clerk at least eight days before the beginning of such adjourned term and shall serve as a note of issue.

Subd. 6. Mower county: On the second Monday in February , the first Monday in June, and the second Monday in November .

When any general term in any of said counties shall be adjourned for a period of more than 30 days, and issues of fact in any action are joined more than eight days before the first day of any adjourned term, then, and in that case, such action may be brought on for trial at the beginning of said adjourned term; such notice of trial shall be filed with the clerk at least six days

before the beginning of such adjourned term and shall serve as a note of issue.

Subd. 7. Olmsted county: The first Tuesday after the first Monday in September.

When any general term in any of said counties except Olmsted county shall be adjourned for a period of more than 30 days, and issues of fact in any action are joined more than eight days before the first day of any such adjourned term, then, and in that case, such action may be brought on for trial at such adjourned term upon notice of trial served eight days or more before the beginning of said adjourned term; such notice of trial shall be filed with the clerk at least eight days before the beginning of such adjourned term and shall serve as a note of issue.

Subd. 8. Rice county: The first Monday in May and the first Wednesday after the first Monday in November.

Where any general term in any of said counties has been or shall hereafter be adjourned for a period of more than 30 days, and issues of fact in any action are joined more than eight days before the first day of any such adjourned term, then, and in that case, such action may be brought on for trial at such adjourned term upon notice of trial served eight days or more before the beginning of said adjourned term.

Subd. 9. Steele county: The first Monday in April and the third Monday in September.

Where any general term in any of said counties has been or shall hereafter be adjourned for a period of more than 30 days, and issues of fact in any action are joined more than eight days before the first day of any such adjourned term, then, and in that case, such action may be brought on for trial at such adjourned term upon notice of trial served eight days or more before the beginning of said adjourned term.

Subd. 10. Wabasha county: On the third Monday in March and the second Monday in September.

When any general term in any of said counties except Olmsted county shall be adjourned for a period of more than 30 days, and issues of fact in any action are joined more than eight days before the first day of any such adjourned term, then, and in that case, such action may be brought on for trial at such adjourned term upon notice of trial served eight days or more before the beginning of said adjourned term, such notice of trial shall be filed with the clerk at least eight days before the beginning of such adjourned term and shall serve as a note of issue.

Subd. 11. Waseca county: The first Monday in March and the second Monday in October.

Where any general term in any of said counties has been or shall hereafter be adjourned for a period of more than 30 days, and issues of fact in any action are joined more than eight days before the first day of any such adjourned term, then, and in that



case, such action may be brought on for trial at such adjourned term upon notice of trial served eight days or more before the beginning of said adjourned term.

Subd. 12. Winona county: On the second Monday in January ; the third Monday in April and the second Monday in November .

When any general term in any of said counties except Olmsted county shall be adjourned for a period of more than 30 days, and issues of fact in any action are joined more than eight days before the first day of any such adjourned term, then, and in that case, such action may be brought on for trial at such adjourned term upon notice of trial served eight days or more before the beginning of said adjourned term; such notice of trial shall be filed with the clerk at least eight days before the beginning of such adjourned term and shall serve as a note of issue.

Sec. 7. Minnesota Statutes 1974, Section 484.13, is amended to read:

484.13 [FIFTH JUDICIAL DISTRICT.] Subdivision 1. General terms of district court in the counties named is this section shall be held each year at the time herein specified.

Subd. 2. Blue Earth county: On the first Tuesday in October.

Subd. 3. Brown county: On the first Tuesday in March and the second Tuesday in September .

Subd. 4. Cottonwood county: On the first Tuesday in March and the second Tuesday in October .

Subd. 5. Faribault county: On the first Tuesday in May and the second Tuesday in November .

Subd. 6. Jackson county: On the first Tuesday in April and the second Tuesday in October .

Subd. 7. Lincoln county: On the first Tuesday in May and the second Tuesday in December .

Subd. 8. Lyon county: On the first Tuesday in February and the second Tuesday in September .

Subd. 9. Martin county: On the first Tuesday in March and the second Tuesday in September .

Subd. 10. Murray county: On the first Tuesday in May and the second Tuesday in December .

Subd. 11. Nicollet county: On the first Tuesday in April and the second Tuesday in October .

Subd. 12. Nobles county: On the first Tuesday in February and the second Tuesday in September .

Subd. 13. Pipestone county: On the first Tuesday in April and the second Tuesday in November .

Subd. 14. Redwood county: On the first Tuesday in March and the second Tuesday in October.

Subd. 15. Rock county: On the first Tuesday in April and the second Tuesday in November.

Subd. 16. Watonwan county: On the first Tuesday in May and the second Tuesday in November.

Sec. 8. Minnesota Statutes 1974, Section 484.14, is amended to read:

484.14 [SIXTH JUDICIAL DISTRICT.] Subdivision 1. General terms of district court in the counties named in this section shall be held each year at the times herein specified.

Subd. 2. Carlton county: On the second Tuesday in February, on the third Tuesday in May, and on the second Tuesday in October.

Subd. 3. Cook county: On the second Monday in March and on the third Monday in October.

Subd. 4. Lake county: On the third Monday in May and the second Monday in January.

Subd. 5. St. Louis county, at the county seat: On the first Monday after the first day in January, on the first Monday in April, on the first Tuesday after the first Monday in September and on the first Monday in November.

Subd. 6. In addition to the general terms term of the district court in St. Louis county to be held at the county seat, general terms of the court are hereby established to be held in the city of Virginia, in that county, on the first Tuesday in April, the first Wednesday after the first Monday in September, and the fourth Tuesday in November; in the city of Hibbing, in that county, the second Monday in February, the second Monday in May, and the second Monday in October, in each year; in the city of Ely, in that county, the third Monday in March and the third Monday in October, in each year, for the trial, hearing and determination of all actions, civil and criminal, and with the same force and effect as though held at the county seat of said county; and all proceedings of whatsoever kind that can be heard and determined in the district court of this state, may be tried, heard and determined at the said city of Virginia, the said city of Hibbing, or the said city of Ely with the same force and effect as though heard and determined at the county seat of said county, except that all proceedings for the registration of title to real estate shall be tried at the county seat of said county as now provided by law, and all other actions to determine title to real estate shall be tried at the county seat, except that by written consent of all parties thereto any such action may be tried at said city of Virginia, at the city of Hibbing, or the city of Ely in accordance with such written consent; but no officer having in his custody any of the public records of St. Louis county shall be required to produce such record at the trial of any action not on trial at the county seat, save upon the order of the court providing for the produc-

tion of such record and its immediate return to the officer producing it, upon its introduction as evidence in such cause. If the day specified for the commencement of any term herein falls on a legal holiday, said term shall commence on the first day following said holiday.

**Subd. 7. Special terms shall be held at such times and places within the district as are specified by rules of the district court for such district.**

**Subd. 8. The petit jury for each term of the district court shall be summoned for the date and time specified in the special district court rules of said district.**

**Sec. 9. Minnesota Statutes 1974, Section 484.15, is amended to read:**

**484.15 [SEVENTH JUDICIAL DISTRICT.] Subdivision 1. General terms of district court in the counties named in this section shall be held each year at the times herein specified.**

**Subd. 2. Becker county: On the first Monday in February and the first Tuesday in September .**

**Subd. 3. Benton county: On the first Monday in February and the first Tuesday in September .**

**Subd. 4. Clay county: On the second Monday in April and the second Monday in November .**

**Subd. 5. Douglas county: On the first Monday in March and the first Monday in October .**

**Subd. 6. Mille Lacs county: On the first Monday in February and the first Tuesday in September .**

**Subd. 7. Morrison county: On the second Monday in April and the second Monday in November .**

**Subd. 8. Otter Tail county: On the second Monday in April and the second Monday in November .**

**Subd. 9. Stearns county: On the first Monday in March and the first Monday in October .**

**Subd. 10. Todd county: On the first Monday in March and the first Monday in October .**

**Subd. 11. Wadena county: On the first Monday in February and the first Tuesday in September .**

**Sec. 10. Minnesota Statutes 1974, Section 484.16, is amended to read:**

**484.16 [EIGHTH JUDICIAL DISTRICT.] Subdivision 1. General terms of district court in the counties named in this section shall be held each year at the time herein specified.**

**Subd. 2. Big Stone county: On the third Monday in May and the first Monday in December .**

Subd. 3. Chippewa county: On the first Monday in June and the first Monday in December .

Subd. 4. Grant county: On the second Monday in March and the third Monday in October .

Subd. 5. Kandiyohi county: On the second Monday in March and the second Monday in September .

Subd. 6. Lac qui Parle county: On the second Monday in April and the second Monday in October .

Subd. 7. Meeker county: On the second Monday in April and the second Monday in October .

Subd. 8. Pope county: On the first Monday in June and the third Monday in November .

Subd. 9. Renville county: On the second Monday in May and the second Monday in November .

Subd. 10. Stevens county: On the second Monday in February and the second Monday in September .

Subd. 11. Swift county: On the second Monday in May and the second Monday in November .

Subd. 12. Traverse county: On the fourth Monday in February and the first Monday in October .

Subd. 13. Wilkin county: On the fourth Monday in March and the first Monday in November .

Subd. 14. Yellow Medicine county: On the second Monday in March and the second Monday in September .

Sec. 11. Minnesota Statutes 1974, Section 484.18, is amended to read:

484.18 [TENTH JUDICIAL DISTRICT.] Subdivision 1. General terms of district court in the counties named in this section shall be held each year at the time herein specified.

Subd. 2. Anoka county: On the first Tuesday in September.

Subd. 3. In Chisago county: On the first Tuesday in April and the first Tuesday in November .

Subd. 4. Isanti county: On the first Tuesday in February and the first Tuesday in October .

Subd. 5. In Kanabec county on the first Tuesday in May and the first Tuesday in December .

Subd. 6. In Pine county on the first Tuesday in January and the first Tuesday in September .

Subd. 7. Sherburne county: On the first Tuesday in January and the first Tuesday in September .

Subd. 8. In Washington county on the first Tuesday in September.

Subd. 9. Wright county: On the first Tuesday in March and the first Tuesday in November.

Sec. 12. Minnesota Statutes 1974, Section 484.34, is amended to read:

484.34 [CHIEF JUDGE; ASSIGNMENTS.] Subdivision 1. In all districts the judges shall meet annually and elect one of their number to be presiding judge, who shall be designated as the chief judge thereof and who shall preside at all meetings of the judges of such district. In the event of a tie vote the judge who is senior in service shall be the chief judge. He shall attend all meetings of the presiding judges of the state which may be called by the chief justice pursuant to section 2.724, subdivision 2, and generally shall be responsible for the coordinating of the business of the court in such district. The business of the court may be divided between the judges, and otherwise regulated as they by rule or order shall direct. Each may try court or jury causes separately during the same term and at the same time, or two or more of them may sit together in the trial of any cause or matter before the court. If there be a division of opinion that of the majority shall prevail. If the division be equal, that of the presiding judge, or, if he be not sitting, that of the judge senior in age, shall prevail. In districts composed of more than one county, the presiding judge, at least 30 days before the time appointed by law for holding of a general term of the court in each county, by order filed in the office of the clerk of the court in that county, shall designate and assign one or more of the judges of such district to preside at the term so appointed, and the clerk forthwith shall mail a copy of such order to each judge of the district. If any judge assigned to hold a term of court, as herein provided, is incapacitated by illness or otherwise to preside at such term, another judge shall be designated and assigned in like manner to take his place. The same judge shall not be designated or assigned to hold two consecutive general terms in the same county unless the presiding judge or the judges of the district by order or rule otherwise direct.

*In each district, the judges of the district court shall choose from their number a chief judge subject to approval by the supreme court who shall serve for a term of two years. He shall attend all meetings of the chief judges of the district courts of the state which may be called by the supreme court pursuant to section 480.16, subdivision 2. The chief judge shall be responsible for assigning the work of the district court and generally be responsible for coordinating the business of the district court.*

Subd. 2. For purposes of applying this section only, the judicial districts as established in section 2.722, shall be used from and after July 1, 1957.

*Subd. 3. A district court judge assigned to hear cases in another district shall be reimbursed for his necessary expenses after approval by the supreme court in the manner otherwise provided by law.*

*Subd. 4. Assignments by the supreme court shall extend for no*

*longer than two months within a 12 month period unless the district judge consents to a longer assignment, provided that the trials to which the district judge is assigned are not still in progress.*

*Subd. 5. Any judge aggrieved by an assignment by the supreme court may appeal in writing to the chief justice of the supreme court or another justice designated by him who within ten days after receipt of such appeal shall make such inquiry he deems appropriate and within 20 days after receipt of such appeal make a determination which shall be binding.*

*Subd. 6. The chief judges of the district court shall meet as necessary but at least annually for the consideration of problems relating to judicial business and administration. Every effort shall be made to coordinate programs of administration, scheduling, and training with the county judges of the state.*

Sec. 13. Minnesota Statutes 1974, Section 484.62, is amended to read:

484.62 [COMPENSATION AND REPORTER.] When such retired judge undertakes such service, he shall be provided at the expense of the county in which he is performing such service with a reporter, selected by such retired judge, clerk, bailiff, if the judge deems a bailiff necessary, and a courtroom or hearing room for the purpose of holding court or hearings, to be paid for by the county in which such service is rendered and shall be paid in addition to his retirement compensation and not affecting the amount thereof, the sum of \$50 per diem for such additional service, together with travel pay in the sum of nine cents per mile and his actual expenses incurred in such service at the rate state employees are reimbursed, said payment to be made in the same manner as the payment of salaries for district judges, on certification by the presiding or senior judge of the district or by the Chief Judge of the Supreme Court of the state of Minnesota. A deputy clerk may act as bailiff when called to do so for the purposes of this section.

Sec. 14. Minnesota Statutes 1974, Section 484.63, is amended to read:

484.63 [APPEAL.] *Subdivision 1. Any person convicted of a petty misdemeanor or a violation of a municipal ordinance punishable by a fine only may appeal from the conviction to the district court upon questions of law only. Any person convicted of a violation of a municipal ordinance for which a sentence of imprisonment is authorized may appeal to the district court in the same manner and with the same effect as provided by chapter 632, except that the appellant shall not have the rights to a jury trial unless he was convicted of the violation of a municipal ordinance-charter provision, rule or regulation for which a sentence to imprisonment is authorized and he was not tried by jury in the municipal court. An aggrieved party may appeal to the district court from a determination of a county court or a county municipal court as provided in section 487.39. The appeal shall be heard by a panel*

*of three judges of the district court in the district in which the action was first adjudicated. The judges shall be assigned by the chief judge of the district court. Upon request by the chief judge of a district the supreme court may temporarily assign a judge from another district to serve on an appellate panel.*

*Subd. 2. The chief judge of the district court may schedule appellate terms for the hearing of appeals from lower courts. He shall give three weeks' written notice of every appellate term to the clerks of the district court in the counties in which the appeals arose.*

*Subd. 3. Pleading, practice, procedure and forms in appellate actions shall be governed by rules of procedure adopted by the supreme court for appeal from county to district court. But on appeal to the district court briefs shall be acceptable if reproduced from a typewritten page by any means which produces a clear black on white copy.*

*Subd. 4. In any criminal case or violation of a municipal ordinance brought in a county court or a county municipal court in which conviction of the defendant for the offense charged could result in imprisonment, the defendant has the right to a jury trial.*

Sec. 15. Minnesota Statutes 1974, Section 487.01, Subdivision 1, is amended to read:

**487.01 [PROBATE AND COUNTY COURTS; PROVISIONS.]**  
Subdivision 1. A probate court, which shall be a court of record having a seal, and, except in the counties of Hennepin and Ramsey shall also be a county court, is established in each county. The court shall be open for the transaction of business at the county seat at all reasonable hours. Hearings may be had at such times and places in the county as the court may deem advisable. The necessary and reasonable traveling expenses of judges, judicial officers, referees, reporters, clerks, and employees in attending hearings in places other than the county seat incident to their duties shall be paid by the county. The county courts of the state shall be in continuous session and shall be deemed open at all times, except on legal holidays and Sundays, for the transaction of such business as may be presented, including the issuance of writs and process, the hearing of matters of law in pending actions and proceedings, and the entry of judgments and decrees. The clerk's office with the clerk or deputy in attendance shall be open during business hours on all days except Saturdays, Sundays, or legal holidays, for the purpose of filing any proper paper and the performance of such other duties as may be prescribed by law.

Sec. 16. Minnesota Statutes 1974, Section 487.03, Subdivision 5, is amended to read:

Subd. 5. [VACANCY.] Whenever there is a vacancy in the office of judge, the governor shall appoint a qualified person to fill the vacancy, to hold office until his successor is elected and qualified. The successor shall be elected for a six year term at the next general election occurring more than one year after such appointment. *This subdivision shall not apply if the number of county*

*judges of the district has been reduced according to section 487.01, subdivision 7.*

Sec. 17. Minnesota Statutes 1974, Section 487.39, is amended to read:

487.39 [APPEALS.] Subdivision 1. An aggrieved party may appeal to a *the* district court judge from a determination of a county court. The provisions of this section govern all appeals from the county court; appeal provisions of all other statutes are inapplicable except as stated in subdivision 3 , *and Minnesota Statutes, Section 484.63 .*

(a) Except as provided in clause (b), the appeal in a civil case shall be taken by filing written notice thereof with the clerk of court of the county in which the action was heard not more than 30 days after written notice of the court's determination has been served upon the aggrieved party or his attorney, or in any event within three months after the determination in a civil case.

(b) In the appeal of petty misdemeanor, ordinance or criminal cases the written notice of appeal shall be filed with the clerk of court of the county in which the action was heard within ten days of the conviction or other determination, and sentencing thereon, appealed from.

(c) A written notice of appeal shall be served by the appellant upon all parties to the original proceedings or their attorneys not more than five days after filing a written notice of appeal and proof of such service shall be filed with the clerk of county court in the county in which the action was heard not more than three days after the service of such notice on the opposite party or his attorney. The appeal shall be heard and determined by a district court judge *appellate panel* .

Subd. 2. The appeal shall be confined to the typewritten record. By stipulation of all parties, the record may be shortened. The district court judge shall, upon request, hear oral argument and receive written briefs. The district court judge may affirm, reverse or modify the judgment or order appealed from, or take any other action as the interests of justice may require. On appeal from an order, the district court judge may review any order affecting the order from which the appeal is taken and an appeal from a judgment may review any order involving the merits or affecting the judgment. The supreme court shall formulate rules of appellate procedure applicable to a district court judge *panel* hearing appeals from a county court or *county municipal court* . Until otherwise provided, the rules of appellate procedure applicable to appeals to the supreme court shall apply to a district court judge hearing appeals from a county court, except as provided in this section. An appeal may be taken from the determination of a district court judge to the supreme court with leave of the supreme court.

Subd. 3. ~~Notwithstanding the provisions of subdivisions 1 and 2, an appeal from a determination of the county court in a case in which the presiding judge or judicial officer was not learned in the law shall be to the district court under the provisions of law now~~



**governing appeals from probate court and the case shall be heard de novo.**

*Subd. 4. Any three judges of the district court may hear appeals from the county court. The chief judge of the district court shall assign the judges and may direct the holding of an appellate term when necessary.*

Sec. 18. Minnesota Statutes 1974, Section 488.20, is amended to read:

**488.20 [APPEALS TO DISTRICT COURT.] Appeals may be taken to the district court of the county from the judgments of municipal courts in the same cases, upon the same procedure, and with the same effect as provided by law respecting appeals from justice courts, and all laws relating to such last named appeals shall be adopted and applied to appeals from the municipal county courts. The time for appeal shall not start to run until the judgment has been perfected, the costs taxed, and notice of entry of judgment served upon the adverse party. On appeal to district court the appellant shall not be entitled to a trial by jury if trial by jury was held in municipal court but shall be confined to the type-written record. Appeals from a conviction of a petty misdemeanor or an ordinance violation punishable by a fine only shall be upon questions of law only.**

Sec. 19. Minnesota Statutes 1974, Section 488A.01, is amended by adding a subdivision to read:

*Subd. 14. [APPEALS.] Appeals from the county municipal court to the district court shall be subject to the provisions of Minnesota Statutes, Sections 484.63 and 487.39.*

Sec. 20. Minnesota Statutes 1974, Chapter 488A, is amended by adding a section to read:

**[488A.022] [CHIEF JUDGE; ASSIGNMENTS.] Subdivision 1. In each district, the judges of the county municipal court shall choose from their number a chief judge subject to approval by the supreme court and shall serve for a term of two years. He shall attend all meetings of the chief judges of the county courts of the state which may be called by the chief justice pursuant to section 480.16, subdivision 2. The chief judge shall be responsible for assigning the work of the county municipal court and generally be responsible for coordinating the business of the county municipal court.**

*Subd. 2. Upon request of the chief judge of the district court, the chief judge of the county municipal court may for good cause temporarily assign a judge of a county municipal court to hear cases in the district court. He may also for good cause temporarily assign a judge of the county municipal court to hear cases in the probate court. When assigned to district court cases, the county municipal court judge may exercise the powers of a district court judge.*

*Subd. 3. A county municipal court judge assigned to hear cases in another district shall be reimbursed for his necessary expenses*

*after approval by the chief justice in the manner otherwise provided by law.*

*Subd. 4. Assignments under subdivision 2 or by the supreme court shall extend for no longer than two months within a 12 month period unless the county municipal judge consents to a longer assignment, provided that a trial to which the county municipal judge is assigned is not still in progress.*

*Subd. 5. Any judge aggrieved by an assignment under subdivision 2, by the chief judge of any district or by the supreme court may appeal in writing to the chief justice of the supreme court or another justice designated by him who within ten days after receipt of such appeal shall make such inquiry he deems appropriate and within 20 days after receipt of such appeal make a determination which shall be binding.*

Sec. 21. Minnesota Statutes 1974, Section 488A.03, Subdivision 11a, is amended to read:

Subd. 11a. [GOVERNMENTAL UNITS; FEE EXCLUSIONS.] Any provision of law relating to the municipal court of Hennepin county to the contrary notwithstanding, no civil fees shall be charged by the clerk of said municipal court to any governmental unit of the state of Minnesota or any agency thereof, located in whole or in part within the county of Hennepin when said governmental unit or any agency thereof transacts any business in, or they are a party to any action or proceeding in, the Hennepin county municipal court.

Sec. 22. Minnesota Statutes 1974, Section 488A.10, Subdivision 1, is amended to read:

488A.10 [PLEADING, PRACTICE, PROCEDURE, AND FORMS IN CRIMINAL PROCEEDINGS.] Subdivision 1. [GENERAL.] Save as otherwise provided in this act, pleading, practice, procedure and forms in actions or proceedings charging violation of a criminal law or a municipal ordinance, charter provision, rule or regulation are governed by the statutes and common law rules which govern in a similar action or proceeding in the district court of Hennepin county (other than those applying peculiarly to felony or gross misdemeanor charges) or by statutes which govern in county courts of justices of the peace in chapter 487 in the absence of statutes or common law rules governing in said district court.

Sec. 23. Minnesota Statutes 1974, Section 488A.18, is amended by adding a subdivision to read:

*Subd. 14. [APPEALS.] Appeals from the county municipal court to the district court shall be subject to the provision of Minnesota Statutes, Sections 484.63 and 487.39.*

Sec. 24. Minnesota Statutes 1974, Chapter 488A, is amended by adding a section to read:

[488A.191] [CHIEF JUDGE; ASSIGNMENTS.] *Subdivision 1. In each district, the judges of the county municipal court shall*

choose from their number a chief judge subject to approval by the supreme court who shall serve for a term of two years. He shall attend all meetings of the chief justice pursuant to section 480.16, subdivision 2. The chief judge shall be responsible for assigning the work of the county municipal court and generally be responsible for coordinating the business of the county municipal court.

Subd. 2. Upon request of the chief judge of the district court, the chief judge of the county municipal court may for good cause temporarily assign a judge of a county municipal court to hear cases in the district court. He may also for good cause temporarily assign a judge of the county municipal court to hear cases in the probate court. When assigned to district court cases, the county municipal court judge may exercise the powers of a district court judge.

Subd. 3. A county municipal court judge assigned to hear cases in another district shall be reimbursed for his necessary expenses after approval by the chief justice in the manner otherwise provided by law.

Subd. 4. Assignments under subdivision 2 or by the supreme court shall extend for no longer than four months within a 12 month period unless the county municipal judge consents to a longer assignment, provided that a trial to which the county municipal judge is assigned is not still in progress.

Subd. 5. Any judge aggrieved by an assignment under subdivision 2, by the chief judge of any district or by the supreme court may appeal in writing to the chief justice of the supreme court or another justice designated by him who within ten days after receipt of such appeal shall make such inquiry he deems appropriate and within 20 days after receipt of such appeal make a determination which shall be binding.

Sec. 25. Minnesota Statutes 1974, Section 488A.27, Subdivision 1, is amended to read:

488A.27 [PLEADING, PRACTICE, PROCEDURE, AND FORMS IN CRIMINAL PROCEEDINGS.] Subdivision 1. [GENERAL.] Save as otherwise provided in this act, pleading, practice, procedure and forms in actions or proceedings charging violation of a statute, ordinance, charter provision, rule or regulation shall be governed by the statutes and common law rules which govern in a similar action or proceeding in the district court (other than those applying peculiarly to felony or gross misdemeanor charges) or by statutes which govern in county courts of justices of the peace in chapter 487 in the absence of statutes or common law rules governing in district court.

Sec. 26. Minnesota Statutes 1974, Section 648.39, Subdivision 1, is amended to read:

648.39 [MINNESOTA STATUTES AND SESSION LAWS; SALE AND DISTRIBUTION.] Subdivision 1. To the extent that appropriations are available therefor, the revisor of statutes shall distribute each edition of Minnesota Statutes and each edition of the session laws as follows:

30 40 copies to the supreme court;

1 copy to each judge of a district court;

1 copy to the clerk of each district court for use in each courtroom of the district court of his county;

100 copies to the state law library;

100 copies to the law school of the University of Minnesota;

35 copies to the office of the attorney general;

Such copies as may be necessary but not exceeding ten to the departments of administration, agriculture, commerce, corrections, education, health, highways, labor and industry, employment services, natural resources, public safety, public service, public welfare, and revenue, and ten copies also to the governor's office;

1 copy each to the state departments, agencies, boards, and commissions that may request a copy;

1 copy to each member of the legislature;

The necessary number of copies required for the use of the senate and the house of representatives;

4 copies to the secretary of the senate;

4 copies to the chief clerk of the house of representatives;

1 copy to each judge, district attorney, clerk of court of the United States and the deputy clerk of each division of the United States district court in this state, the secretary of state of the United States, the library of congress, and the Minnesota historical society.

Sec. 27. [REPEALER.] *Minnesota Statutes 1974, Sections 2.724, Subdivisions 1 and 3; 484.28; 484.29; 484.47; 485.02; 487.01, Subdivisions 8 and 9; 488.03; 488.06; 488.08; 488.09; 488.10; 488.11; 488.12; 488.13; 488.14; 488.15; 488.21; 488.22; 488.23; 488.24; 488.25; 488.26; 488.30; 488.31; 488.32; 488.33; 488.34; 488.35; 488.36; 488.37; 488A.01, Subdivision 11; 488A.18, Subdivision 12; and 490.025, Subdivision 8, are repealed.*

Sec. 28. [EFFECTIVE DATE.] *This act is effective the day following its final enactment. Any and all fees collected prior to the effective date of this act are declared to be in accordance with legislative intent. Section 21 is for clarification purposes."*

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

"A bill for an act relating to courts; allowing the supreme court to assign judges to districts temporarily; providing for the selection of chief judge among district court judges; allowing chief judges to make assignments; abolishing de novo jurisdiction of district courts when hearing appeals; providing for continuous district court terms in all counties; providing that retired district court judges be reimbursed for expenses incurred while acting as district judges; authorizing additional power to judges of county court; requiring certain distributions of Minnesota Statutes and Session Laws; amending Minnesota Statutes

1974, Sections 480.05; 480.15, Subdivision 4; 480.16; 484.08; 484.-09, as amended; 484.11; 484.13; 484.14; 484.15; 484.16; 484.18; 484.34; 484.62; 484.63; 487.01, Subdivision 1; 487.03, Subdivision 5; 487.39; 488.20; 488A.01, by adding a subdivision; 488A.03, Subdivision 11a; 488A.10, Subdivision 1; 488A.18; by adding a subdivision; 488A.27, Subdivision 1; 648.39, Subdivision 1; and Chapter 488A by adding sections; repealing Minnesota Statutes 1974, Sections 2.724, Subdivisions 1 and 3; 484.28; 484.29; 484.47; 485.02; 487.01, Subdivisions 8 and 9; 488.03; 488.06; 488.08; 488.09; 488.10; 488.11; 488.12; 488.13; 488.14; 488.15; 488.21; 488.22; 488.23; 488.24; 488.25; 488.26; 488.30; 488.31; 488.32; 488.33; 488.34; 488.35; 488.36; 488.37; 488A.01, Subdivision 11; 488A.18, Subdivision 12; and 490.025, Subdivision 8."

We request adoption of this report and repassage of the bill.

Senate Conferees: (Signed) Robert J. Tennessen, Ralph R. Doty, Douglas H. Sillers

House Conferees: (Signed) Ray W. Faricy, Tom K. Berg, Henry J. Savelkoul

Mr. Tennessen moved that the foregoing recommendations and Conference Committee Report on S. F. No. 2208 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S. F. No. 2208: A bill for an act relating to courts; changing the status of the Hennepin county juvenile court judge; providing for continuous district court terms in all counties; providing that retired district court judges be reimbursed for expenses incurred while acting as district judges; authorizing additional power to judges of county court; requiring certain distributions of Minnesota Statutes and Session Laws; amending Minnesota Statutes 1974, Sections 260.021, Subdivision 2; 484.08; 484.09, as amended; 484.11; 484.13; 484.14; 484.15; 484.16; 484.17; 484.18; 484.62; 648.39, Subdivision 1; and Chapter 487, by adding a section; repealing Minnesota Statutes 1974, Sections 260.021, Subdivision 3; and 490.025, Subdivision 8.

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

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

And the roll being called, there were yeas 28 and nays 26, as follows:

Those who voted in the affirmative were:

Borden	Humphrey	Merriam	Perpich, A. J.	Stokowski
Chenoweth	Keefe, S.	Milton	Renneke	Stumpf
Coleman	Kleinbaum	Moe	Schaaf	Wegener
Conzemius	Laufenburger	North	Schmitz	Willet
Davies	Lewis	Olhoft	Sillers	
Gearty	McCutcheon	Olson, H. D.	Solon	

Those who voted in the negative were:

Anderson	Blatz	Frederick	Kirchner	Purfeerst
Arnold	Brown	Hansen, Baldy	Knutson	Schrom
Ashbach	Chmielewski	Hansen, Mel	Olson, J. L.	Stassen
Bang	Dunn	Hanson, R.	O'Neill	Tennesen
Berg	Fitzsimons	Keefe, J.	Pillsbury	Ueland
Bernhagen				

So the bill, as amended by the Conference Committee, failed to pass.

### MOTIONS AND RESOLUTIONS—CONTINUED

S. F. No. 1788 and the Conference Committee Report thereon were reported to the Senate.

### CONFERENCE COMMITTEE REPORT ON S. F. NO. 1788

A bill for an act relating to banks and banking; authorizing consumer banking facilities and credit union facilities; providing penalties; amending Minnesota Statutes 1974, Chapter 52, by adding a section.

April 2, 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. 1788 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. 1788 be amended as follows:

Strike everything after the enacting clause and insert:

“Section 1. [DEFINITIONS.] Subdivision 1. For the purposes of sections 1 to 11, the following terms shall have the meanings given them.

Subd. 2 “Automated teller machine” means an unattended free standing information processing device, located separate and apart from a financial institution’s principal office, branch or detached facility, by which, through, or by means of electronic, automated, or mechanical signals or impulses generated through the use of electronic, automated, or mechanical equipment, a customer of a financial institution may complete banking transactions pursuant to an existing contractual agreement.

Subd. 3. “Commissioner” means the commissioner of banks.

Subd. 4. “Consumer banking facility” means either an automated teller machine or a point-of-sale terminal.

Subd. 5. “Financial institution” means a national banking association, savings and loan association or credit union having its main office in this state or a bank, savings bank, a savings and loan association, or a credit union established and operating under the laws of this state.

Subd. 6. "Municipality" means the geographical area within the legal boundaries of any city or organized town located in Minnesota.

Subd. 7. "Point-of-sale terminal" means a manned electronic information processing device other than a telephone capable of performing banking transactions; provided, a point-of-sale terminal shall include an electronic information processing device which can be physically attached to a standard telephone and which transfers funds in accordance with the foregoing.

Sec. 2. [AUTHORIZATION.] Subdivision 1. Any financial institution may establish and maintain at a specific location one or more consumer banking facilities for use by its customers. Any person may establish and maintain at a specific location one or more point-of-sale terminals. Any person may establish facilities used for transmitting information from a consumer banking facility to a financial institution. Any financial institution may provide for its customers the use of a consumer banking facility by entering into agreement with any person who has established and maintains one or more consumer banking facilities if that person authorizes use of the consumer banking facility to all financial institutions on a nondiscriminatory basis.

Subd. 2. No consumer banking facility shall be established or used by a person other than a federally chartered savings and loan association or credit union unless the commissioner has authorized the establishment and maintenance of the facility.

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

Subd. 3. Application for authorization shall be made in the manner prescribed by rule. The commissioner shall grant authorization for an automatic teller machine unless he finds that (a) there is reason to believe that the facility will not be properly and safely managed, (b) that the applicant is not financially sound, (c) that no reasonable public demand exists for the facility, or (d) that the applicant has not furnished all of the information required by rule. If the commissioner has not denied the application within 45 days of the submission of the application, the authorization shall be deemed to be granted.

The commissioner shall grant authorization for point-of-sale terminal unless he finds that (a) there is reason to believe that the facility will not be properly and safely managed, (b) that the applicant is not financially sound, or (c) that the applicant has not furnished all of the information required by rule. If the commissioner has not denied the application within 45 days of the submission of the application, the authorization shall be deemed to be granted.

Subd. 4. For each application, a \$100 fee shall be paid to the commissioner. If the \$100 fee is less than the costs actually incurred by the commissioner in approving or disapproving the application, the fee shall be equal to those costs. When more than one point-of-sale terminal is established at a single place of business and maintained by the same person a single application and fee shall be sufficient.

Subd. 5. Subject to the procedures in this section, a consumer banking facility may be established and maintained except within

a municipality in which only one financial institution is located, unless that financial institution makes use of one or more consumer banking facilities. The location and placement of consumer banking facilities shall not be designed to give or promote an unfair competitive advantage to any financial institution in Minnesota.

Sec. 3. [FUNCTIONS OF A CONSUMER BANKING FACILITY.] Subdivision 1. Pursuant to a preexisting contractual agreement, banking transactions which may be performed by a consumer banking facility shall be limited to the disbursement of funds under a pre-authorized credit agreement, the withdrawal of funds from a customer's account, the deposit of funds in a customer's account, the receiving of cash or checks, the disbursement of cash, the payment of loan payments and the transfer of funds to or from one or more accounts in financial institutions. Accounts may not be opened at such facilities. Any person may also operate a device which is capable of performing the functions of a consumer banking facility for any internal business activity of that person.

Subd. 2. The methods by which a consumer banking facility performs banking transactions shall be limited to the use of electronic based systems which utilize devices capable of processing electronic information through or by means of which information relating to financial services rendered to the public is stored and transmitted, whether instantaneously or otherwise, to a financial institution and which devices, for activation and account access, are dependent upon the use of a machine readable instrument in the possession and control of the holder of an account with a financial institution.

Subd. 3. A point-of-sale terminal shall be operated exclusively by a person who is not employed by any financial institution, any financial institution holding company, or subsidiary thereof. Persons assisting customers of financial institutions at the site of the point-of-sale terminal may be trained by employees of a financial institution, financial institution holding company, or subsidiary thereof. Nothing in this section shall be construed to prohibit periodic servicing of a consumer banking facility terminal by an employee of a financial institution, financial institution holding company, or subsidiary thereof.

Sec. 4. [ESTABLISHMENT, MAINTENANCE AND USE OF A CONSUMER BANKING FACILITY.] Subdivision 1. One or more consumer banking facilities may be established and maintained by a person; provided, the person or persons holding legal title to a consumer banking facility, exclusive of any supporting equipment, structure or system, limits its use in the performance of banking transactions to transactions for customers of Minnesota financial institutions. The authority of third parties referred to in this act is limited to ownership, operation and maintenance of consumer banking facilities and any supporting equipment, structures or systems, and nothing in this act shall be construed to authorize any person, other than a bank, to engage in the



business of banking. Provided, a person that affords to any financial institution the use of a consumer banking facility may be examined by the commissioner as to any banking transaction by, with or involving a financial institution solely for the purpose of reconciling accounts and verifying the security and accuracy of such consumer banking facility including any supporting equipment, structures or systems, and all facts and information obtained in the course of such examination shall not be disclosed except as otherwise provided by law. The person examined shall pay examination fees as determined by the commissioner.

Subd. 2. Any person establishing and maintaining a consumer banking facility shall, upon written request, make its services available to any requesting financial institution on a fair, equitable and nondiscriminatory basis approved by the commissioner which shall include a pricing structure limited to the owner's direct costs, including a reasonable return on the capital expenditures incurred by the owner in establishing and maintaining consumer banking facilities and which except for an initial fee, shall be based on a per transaction cost. The initial fee shall not be greater than the actual cost incurred in establishing the participation and the per transaction cost shall not exceed the actual average cost of all transactions. Subject to the provisions of this act, any person 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 financial institution may participate upon contractual agreement in the use of a device which is capable of performing the functions of a consumer banking facility 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 its use if the financial institution conforms to reasonable technical operation standards which have been established by the facility provider as approved by the commissioner; provided that the requesting party agrees to grant reciprocal use of all similar devices owned or maintained by it.

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.

Subd. 3. A person primarily engaged in the business of selling goods or services at retail who operates a consumer banking facility including any supporting equipment, structures or systems may limit his contractual agreement with any financial institution to only one or more types of banking transactions which, except in the case of any open-end type of consumer credit sales plan, agreement and arrangement such person shall make available upon request to any other financial institution on a nondiscriminatory basis.

Sec. 5. [ADVERTISING.] No advertisement by a person which relates to a consumer banking facility may be inaccurate or misleading with respect to such a facility. Except with respect to direct mailings by financial institutions to their customers, the advertising of rate of interest paid on accounts in connection with consumer banking facilities is prohibited. Any advertisement, either on or off the site of a consumer banking facility, promoting the use or identifying the location of a

consumer banking facility, which identifies any financial institution, group or combination of financial institutions, or third parties as owning or providing for the use of its services, is prohibited. The following shall be expressly permitted:

(1) A simple directory listing placed at the site of a consumer banking facility identifying the particular financial institution using its services;

(2) The use of a generic name, either on or off the site of a consumer banking facility, which does not promote or identify any particular financial institution, group or combination of financial institutions, or any third parties; and

(3) Media advertising or direct mailing of information by a financial institution identifying locations of consumer banking facilities and promoting their usage.

Sec. 6. [BANK SECURITY.] Every owner of a consumer banking facility and every financial institution using a consumer banking facility shall adopt and maintain safeguards to insure the safety of funds, items and other information, which safeguards shall include security devices consistent with the appropriate requirements specified under the federal bank protection act or such alternative security precautions as are approved by the commissioner.

Sec. 7. [CONSUMER PRIVACY ] Subdivision 1. To protect the privacy of customers using consumer banking facilities, including any supporting equipment, structures or systems, information received by or processed through such facilities supporting equipment, structures or systems shall be treated and used only in accordance with applicable law relating to the dissemination and disclosure of such information. Provided, further, that the person operating a consumer banking facility including any supporting equipment, structures or systems shall take such steps as are reasonably necessary to safeguard any information received or obtained about a customer or his account from misuse by any person manning a consumer banking facility including any supporting equipment, structures or systems.

Subd. 2. The commissioner shall have the authority by rule to require each financial institution operating pursuant to this act to supply information to customers using consumer banking facilities of the financial institutions' consumer protection policies including the rights and liabilities of the consumer and protection against wrongful or accidental disclosure of confidential information, including the rights and liabilities of the consumer and protection against wrongful or accidental disclosure of confidential information.

Subd. 3. Every financial institution using a consumer banking facility shall maintain reasonable procedures to minimize losses from unauthorized withdrawals from its customers' accounts by use of a consumer banking facility. A financial institution 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 financial institution 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 shall not be borne by the customer. For purposes of this subdivision, "unauthorized withdrawal" means a withdrawal by a person other than the customer who does not have actual, implied, or apparent authority for such withdrawal, and from which withdrawal the customer receives no benefit.

Subd. 4. No person's social security number shall be used as the personal identification number or as any code to activate any consumer banking facility.

Subd. 5. Any customer of a financial institution may bring a civil action against any person violating the provisions of this section in district court in the county in which the alleged violator resides or has his principal place of business or in the county wherein the alleged violation occurred. Upon adverse adjudication, the defendant shall be liable for actual damages, or \$500, whichever is greater, together with the court costs and reasonable attorneys' fees incurred by the plaintiff. The court may provide such equitable relief as it deems necessary or proper, including enjoining the defendant from further violations.

Sec. 8. [ANTI-TRUST.] No person engaged in consumer banking facility activities shall contract, combine, or conspire to restrain trade in the market for consumer banking facilities, or engage in anti-competitive practices to the detriment of the public interest. Notwithstanding Minnesota Statutes, Section 325.8017, Subdivision 2, the provisions of sections 325.8011 to 325.8028 shall apply to persons engaged in consumer banking facility activities. For the purposes of this section consumer banking facility shall include all facilities used for transmitting information from the consumer banking facility to a financial institution.

Sec. 9. [RULES AND REGULATIONS.] The commissioner may promulgate such rules and regulations as are reasonably necessary to carry out and make effective the provisions and purposes of this act pursuant to Minnesota Statutes, Chapter 15.

Sec. 10. [VIOLATIONS; PENALTIES; HEARINGS.] A violation of this act shall be subject to penalties applicable to violations of laws affecting financial institutions. In addition, violations of this act may be enjoined by civil action for an injunction by any aggrieved financial institution or by the commissioner. For the purposes of this section consumer banking facility shall include all facilities used for transmitting information from the consumer banking facility to a financial institution.

Sec. 11. [EFFECTIVE DATE.] Provisions authorizing the commissioner to promulgate rules and regulations are effective.

the day after final enactment. The remaining provisions are effective October 1, 1976."

Further strike the title and insert:

"A bill for an act relating to consumer banking facilities; providing penalties."

We request adoption of this report and repassage of the bill.

Senate Conferees: (Signed) Alec G. Olson, Al Kowalczyk, Jack I. Kleinbaum.

House Conferees: (Signed) Walter R. Hanson, John Corbid, Ted Suss.

Mr. Olson, A. G. moved that the foregoing recommendations and Conference Committee Report on S. F. No. 1788 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S. F. No. 1788: A bill for an act relating to banks and banking; authorizing consumer banking facilities and credit union facilities; providing penalties; amending Minnesota Statutes 1974, Chapter 52, by adding a section.

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

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

And the roll being called, there were yeas 50 and nays 5, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Hansen, Baldy	Josefson	Olson, J. L.	Wegener	Willet
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So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

## MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Renneke introduced—

Senate Concurrent Resolution No. 14: A senate concurrent resolution expressing support for the construction of new Locks and Dam 26 on the Mississippi River at Alton, Illinois.

Referred to the Committee on Rules and Administration.

### RECESS

Mr. Coleman moved that the Senate do now recess until 2:30 o'clock p.m. The motion prevailed.

The hour of 2:30 o'clock p.m. having arrived, the President called the Senate to order.

### 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. 2677, pursuant to the request of the House:

Messrs. Arnold, Willet, Renneke, Davies and Kirchner.

H. F. No. 2678, pursuant to the request of the House:

Messrs. Arnold, Willet, Renneke, Davies and Kirchner.

Mr. Davies moved that the foregoing appointments be approved. The motion prevailed.

### MEMBERS EXCUSED

Pursuant to Rule 21, Mr. Arnold moved that the following members be excused for a Conference Committee on H. F. Nos. 2677 and 2678:

Messrs. Arnold, Willet, Renneke, Davies and Kirchner. The motion prevailed.

### RECONSIDERATION

The question recurred on the motion of Mr. Conzemius that the vote whereby H. F. No. 2492 failed to pass the Senate on April 2, 1976, be now reconsidered.

The question being taken on the adoption of the motion,

And the roll being called, there were yeas 29 and nays 16, as follows:

Those who voted in the affirmative were:

Anderson	Conzemius	Keefe, S.	Olhoff	Spear
Borden	Davies	Laufenburger	Patton	Stassen
Brown	Gearty	McCutcheon	Perpich, A. J.	Stumpf
Chenoweth	Hansen, Mel	Merriam	Purfeerst	Tennessee
Chmielewski	Hughes	Milton	Schaaf	Willet
Coleman	Humphrey	Moe	Schmitz	

Those who voted in the negative were:

Ashbach	Fitzsimons	Hanson, R.	Olson, J. L.	Schrom
Bernhagen	Frederick	Knutson	O'Neill	Sillers
Blatz	Hansen, Baldy	Larson	Pillsbury	Wegener
Dunn				

The motion prevailed. So the vote was reconsidered.

H. F. No. 2492: A bill for an act relating to environmental protection; limiting the sale and use of organic compounds known as polychlorinated biphenyls; permitting exemptions; requiring labels; providing penalties; providing for the assessment of the cost of preparing an environmental impact statement; amending Minnesota Statutes 1974, Chapter 116D, by adding a section.

H. F. No. 2492 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 35 and nays 22, as follows:

Those who voted in the affirmative were:

Anderson	Conzemius	Keefe, S.	Moe	Schmitz
Arnold	Davies	Kleinbaum	North	Spear
Borden	Gearty	Laufenburger	Olhoff	Stassen
Brown	Hansen, Mel	Lewis	Patton	Stokowski
Chenoweth	Hughes	McCutcheon	Perpich, A. J.	Stumpf
Chmielewski	Humphrey	Merriam	Purfeerst	Tennessee
Coleman	Keefe, J.	Milton	Schaaf	Willet

Those who voted in the negative were:

Ashbach	Dunn	Josefson	Olson, J. L.	Ueland
Bang	Fitzsimons	Knutson	O'Neill	Wegener
Berg	Frederick	Larson	Pillsbury	
Bernhagen	Hansen, Baldy	Ogdahl	Renneke	
Blatz	Hanson, R.	Olson, H. D.	Sillers	

So the bill passed and its title was agreed to.

#### MOTIONS AND RESOLUTIONS—CONTINUED

S. F. No. 1764 and the Conference Committee Report thereon were reported to the Senate.

#### CONFERENCE COMMITTEE REPORT ON S. F. NO. 1764

A bill for an act relating to safe deposit companies; exempting savings associations from licensing and bonding requirements; deleting a limitation on examination fees; amending Minnesota Statutes 1974, Sections 55.06, Subdivision 1; and 55.095.

April 2, 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. 1764 report that we have agreed upon the items in dispute and recommend as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1974, Section 55.06, Subdivision 1, is amended to read:

55.06 [BUSINESS NOT TO BE CONDUCTED WITHOUT LICENSE.] Subdivision 1. No person except a bank, a savings bank, *a savings association*, or a trust company may let out or rent as lessor, for hire, safe deposit boxes or take or receive valuable personal property for safe-keeping and storage, as bailee, for hire, without procuring a license and giving a bond, as required by this chapter, except as otherwise authorized by law so to do.

Sec. 2. Minnesota Statutes 1974, Section 55.095, is amended to read:

55.095 [DUTIES OF COMMISSIONER OF BANKS.] Every safe deposit company shall be at all times under the supervision and subject to the control of the commissioner of banks. He shall, through his examiners, visit at least once each year safe deposit company licensed by him to ascertain whether such safe deposit company is complying with the provisions of this chapter and whether its methods and systems are in accordance with law and designed to protect the property of persons doing business with it. For each examination he shall charge the actual expenses of examination ~~not to exceed~~ \$25. If the commissioner of banks determines that the safe deposit company is violating the provisions of this chapter, or any law of the state, he may serve notice on the safe deposit company of his intention to revoke the license, stating in general the grounds therefor and giving reasonable opportunity to be heard. If for a period of 15 days after such notice, said violation continues, the commissioner of banks may revoke said license and take possession of the business and property of such safe deposit company and maintain possession until such time as he shall permit it to continue business, or its affairs are finally liquidated.

Sec. 3. [CITATION.] *Sections 3 to 18 shall be known and may be cited as the "Minnesota life and health insurance guaranty association act".*

Sec. 4. [SCOPE, PURPOSE AND CONSTRUCTION.] *Subdivision. 1. [SCOPE.] The Minnesota life and health insurance guaranty association act applies to direct life insurance policies, health insurance policies, annuity contracts, and contracts supplemental to life and health insurance policies and annuity contracts issued by persons authorized at any time to transact insurance in this state. The Minnesota life and health insurance guaranty association act shall not apply to.*

(a) Any policies or contracts or part thereof under which the risk is borne by the policyholder;

(b) Any policy or contract or part thereof assumed by an impaired insurer under a contract of reinsurance, other than reinsurance for which assumption certificates have been issued;

(c) Any policy or contract issued by an assessment benefit association operating under Minnesota Statutes, Chapter 63, or a fraternal beneficiary association operating under Minnesota Statutes, Chapter 64A;

(d) Any subscriber contract issued by a nonprofit health service plan corporation operating under chapter 62C.

Subd. 2. [PURPOSE.] The purpose of the Minnesota life and health insurance guaranty association act is to protect policyowners, death benefit certificate holders, insureds, beneficiaries, annuitants, payees, and assignees of life insurance policies, health insurance policies, annuity contracts, and supplemental contracts, subject to certain limitations against failure in the performance of contractual obligations due to the impairment of the insurer issuing such policies or contracts. To provide this protection, (a) an association of insurers is created to enable the guaranty of payment of benefits and of continuation of coverages, (b) members of the association are subject to assessment to provide funds to carry out the purpose of the Minnesota life and health insurance guaranty association act, and (c) the association is authorized to assist the commissioner, in the prescribed manner, in the detection and prevention of insurer impairments.

Subd. 3. [CONSTRUCTION.] The Minnesota life and health insurance guaranty association act shall be liberally construed to effect the purpose under subdivision 2, which shall constitute an aid and guide to interpretation.

Sec. 5. [DEFINITIONS.] Subdivision 1. For the purposes of the Minnesota life and health insurance guaranty association act, the following terms shall have the meanings given them in this section.

Subd. 2. "Account" means any of the three accounts created under section 6, subdivision 1.

Subd. 3. "Annuity contracts" means contracts subject to Minnesota Statutes, Chapter 61A or 64A wherein the policyowner agrees to make payments to the insurer at the beginning of the contract period and the insurer agrees to make payments thereafter to the insured for a specified period of time or until the insured's death.

Subd. 4. "Association" means the Minnesota life and health insurance guaranty association created under section 6. The association shall not be considered a state agency for purposes of chapters 16 and 43.

Subd. 5. "Contractual obligation" means any obligation under covered policies.



*Subd. 6. "Covered policy" means any policy or contract within the scope of the Minnesota life and health insurance guaranty association act under section 4, subdivision 1.*

*Subd. 7. "Direct life insurance" means life insurance generally, except annuity contracts, under Minnesota Statutes, Chapter 61A or 64A, credit life insurance under Chapter 62B, and death benefit certificates under Minnesota Statutes, Chapter 64A.*

*Subd. 8. "Health insurance" means accident and sickness insurance under Minnesota Statutes, Chapter 62A and credit accident and health insurance under Minnesota Statutes, Chapter 62B.*

*Subd. 9. "Impaired insurer" means (a) an insurer which, after the effective date of the Minnesota life and health insurance guaranty association act, becomes insolvent and is placed under an order of liquidation, rehabilitation, or conservation by a court of competent jurisdiction, or (b) an insurer determined by the commissioner, after the effective date, to have become unable or potentially unable to fulfill its contractual obligations.*

*Subd. 10. "Member insurer" means any person authorized to transact in this state any kind of insurance to which the Minnesota life and health insurance guaranty association act applies under section 4, subdivision 1.*

*Subd. 11. "Premiums" means direct gross insurance premiums and annuity considerations written on covered policies, less return premiums and considerations thereon and dividends paid or credited to policyholders on such direct business. Premiums do not include premiums and considerations on contracts between insurers and reinsurers. As used in section 9, premiums are those for the calendar year preceding the determination of impairment.*

*Subd. 12. "Person" means any individual, corporation, partnership, association or voluntary organization.*

*Subd. 13. "Resident" means any person who resides in this state at the time the impairment is determined and to whom contractual obligations are owed.*

**Sec. 6. [CREATION OF ASSOCIATION.] Subdivision 1. [NATURE OF ASSOCIATION.]** *There is created a nonprofit legal entity to be known as the Minnesota life and health insurance guaranty association. All member insurers shall be and remain members of the association as a condition of their authority to transact insurance in this state. The association shall perform its functions under the plan of operation established and approved under section 10, and shall exercise its powers through a board of directors established under section 7. For purposes of assessment, the association shall establish three accounts:*

- (a) The health insurance account;*
- (b) The life insurance account; and*
- (c) The annuity account.*

**Subd. 2. [SUPERVISION BY COMMISSIONER OF INSUR-**

ANCE.] *The association shall be under the immediate supervision of the commissioner of insurance and shall be subject to the insurance laws of this state.*

Sec. 7. [BOARD OF DIRECTORS.] Subdivision 1. [COMPOSITION OF BOARD.] *The board of directors of the association shall consist of nine members serving terms as established in the plan of operation under section 10. Two-thirds of the members of the board shall be selected by the member insurers subject to the approval of the commissioner, with the remaining one-third appointed by the commissioner from the public sector. Vacancies on the board shall be filled for the remaining period of the term in the manner described in the plan of operation. To select the initial board of directors, and initially organize the association, the commissioner shall give notice to all member insurers of the time and place of the organizational meeting. At the organizational meeting, each member insurer shall be entitled to one vote in person or by proxy. If the board of directors is not selected within 60 days after notice of the organizational meeting, the commissioner may appoint the initial members.*

Subd. 2. [REPRESENTATIVE SELECTION.] *In approving selections or in appointing members to the board, the commissioner shall consider, among other things, whether all member insurers are fairly represented.*

Subd. 3. [COMPENSATION.] *Members of the board may be reimbursed from the assets of the association for reasonable and necessary expenses incurred by them as members of the board, but shall not otherwise be compensated by the association for their services.*

Sec. 8. [POWERS AND DUTIES OF THE ASSOCIATION.] Subdivision 1. [IMPAIRED DOMESTIC INSURER.] *If a domestic insurer is an impaired insurer, the association*

(a) *may, prior to an order of liquidation or rehabilitation, and subject to any conditions imposed by the association other than those which impair the contractual obligations of the impaired insurer and approved by the impaired insurer and the commissioner, guarantee or reinsure, or cause to be guaranteed, assumed, or reinsured, the covered policies of the impaired insurer and shall make or cause to be made prompt payment of the contractual obligations of the impaired insurer which are due and owing;*

(b) *shall, after entry of an order of liquidation or rehabilitation, subject to any conditions imposed by the association and approved by the commissioner, guarantee, assume, or reinsure, or cause to be guaranteed, assumed, or reinsured, the covered policies of the impaired insurer, and shall make or cause to be made prompt payment of the contractual obligations of the impaired insurer which are due and owing.*

Subd. 2. [IMPAIRED FOREIGN OR ALIEN INSURER.] *If a foreign or alien insurer is an impaired insurer under an order of liquidation, rehabilitation, or conservation, the association shall, subject to any conditions imposed by the association and approved by the com-*

missioner, guarantee, assume, or reinsure or cause to be guaranteed, assumed, or reinsured, the covered policies of residents, and shall make or cause to be made prompt payment of the impaired insurer's contractual obligations which are due and owing to residents.

**Subd. 3. [LIENS.]** (a) In carrying out its duties under subdivisions 1, clause (b), and 2, the association may request that there be imposed policy liens, contract liens, moratoriums on payments, or other similar means and such liens, moratoriums, or similar means may be imposed if the commissioner

(1) finds that the amounts which can be assessed under the Minnesota life and health insurance guaranty association act are less than the amounts needed to assure full and prompt performance of the impaired insurer's contractual obligations, or that the economic or financial conditions as they affect member insurers are sufficiently adverse to render the imposition of policy or contract liens, moratoriums, or similar means to be in the public interest, and

(2) approves the specific policy liens, contract liens, moratoriums, or similar means to be used.

(b) Before being obligated under subdivisions 1, clause (b), and 2, the association may request that there be imposed temporary moratoriums or liens on payments of cash values and policy loans. The temporary moratoriums and liens may be imposed if approved by the commissioner.

**Subd. 4. [FOREIGN JURISDICTION COVERAGE.]** The association shall have only excess liability under this section for any covered policy of a foreign or alien insurer whose domiciliary jurisdiction or state of entry provides protection, by statute or regulation, for residents of this state which is substantially similar to that provided by the Minnesota life and health insurance guaranty association act for residents of other states.

**Subd. 5. [ADVISORY FUNCTION.]** The association may, upon the request of the commissioner, render assistance and advice to him concerning rehabilitation, payment of claims, continuations of coverage, or the performance of other contractual obligations of any impaired insurer.

**Subd. 6. [STANDING.]** The association shall have standing to appear before any court in this state with jurisdiction over an impaired insurer concerning which the association is or may become obligated under these provisions. The standing shall extend to all matters germane to the powers and duties of the association, including proposals for reinsuring or guaranteeing the covered policies of the impaired insurer and the determination of the covered policies and contractual obligations.

**Subd. 7. [ASSIGNMENT; SUBROGATION.]** (a) The association may require an assignment to it by any payee, policy or contract owner, beneficiary, insured, or annuitant to their rights under the covered policy to the extent of benefits received under the provisions of the Minnesota life and health insurance guaranty association act as a condition precedent to the receipt of any rights or benefits conferred by these provisions upon the person. The association shall be subrogated

to these rights against the assets of any impaired insurer.

(b) *The subrogation rights of the association under this subdivision shall have the same priority against the assets of the impaired insurer as that of the person entitled to receive benefits.*

**Subd. 8. [EXTENT OF LIABILITY.]** *The contractual obligations of the impaired insurer for which the association becomes liable shall be only as great as the contractual obligations of the impaired insurer would have been in the absence of an impairment, unless the obligations are reduced as permitted by subdivision 3; the association shall have no liability with respect to any portion of a covered policy or policies to the extent that the death benefit coverage on any one life exceeds an aggregate of \$300,000.*

**Subd. 9. [POWERS OF ASSOCIATION.]** *The association may:*

(a) *Enter into contracts necessary or proper to carry out these provisions and their purposes.*

(b) *Sue or be sued, including taking legal actions necessary or proper for recovery of unpaid assessments under section 9.*

(c) *Borrow money to effect the purposes of the Minnesota life and health insurance guaranty association act. Any notes or other evidence of indebtedness of the association not in default shall be legal investments for domestic insurers and may be carried as admitted assets.*

(d) *Employ or retain persons necessary to handle the financial transactions of the association, and perform other necessary or proper functions.*

(e) *Negotiate and contract with any liquidator, rehabilitator, conservator, or ancillary receiver to carry out the powers and duties of the association.*

(f) *Take legal action as may be necessary to avoid payment of improper claims.*

(g) *Exercise, for the purposes of the Minnesota life and health insurance guaranty association act and to the extent approved by the commissioner, the powers of a domestic life or health insurer, but in no case may the association issue insurance policies or annuity contracts other than those issued to perform the contractual obligations of the impaired insurer.*

**Sec. 9. [ASSESSMENTS.] Subdivision 1. [ASSESSMENT BY BOARD.]** *For the purpose of providing the funds necessary to carry out the powers and duties of the association, the board of directors shall assess the member insurers, separately for each account, at such times and for such amounts as the board finds necessary. The board shall collect the assessments after 30 days written notice to the member insurers before payment is due.*

**Subd. 2. [CLASSES OF ASSESSMENTS.]** *There shall be three classes of assessments, as follows:*

(a) *Class A assessments shall be made for the purpose of meeting administrative costs and other general expenses not related to a particular impaired insurer;*

(b) *Class B assessments shall be made to the extent necessary to carry out the powers and duties of the association under section 8 with regard to an impaired domestic insurer;*

(c) *Class C assessments shall be made to the extent necessary to carry out the powers and duties of the association under section 8 with regard to an impaired foreign or alien insurer.*

**Subd. 3. [FORMULA FOR DETERMINATION.]** *(a) The amount of any class A assessment for each account shall be determined by the board. The amount of any class B or C assessment shall be divided among the accounts in the proportion that the premiums received by the impaired insurer on the policies covered by each account bear to the premiums received by the insurer on all covered policies.*

*(b) Class A and class C assessments against member insurers for each account shall be in the proportion that the premiums received on business in this state by each assessed member insurer on policies covered by each account bear to premiums received on business in this state by all assessed member insurers.*

*(c) Class B assessments for each account shall be made separately for each state in which the impaired domestic insurer was authorized to transact insurance at any time, in the proportion that the premiums received on business in the state by the impaired insurer on policies covered by the account bear to premiums received in all states by the impaired insurer. The assessments against member insurers shall be in the proportion that the premiums received on business in each state by each assessed member insurer on policies covered by each account bears to premiums received on business in the state by all assessed member insurers.*

*(d) Assessments for funds to meet the requirements of the association with respect to an impaired insurer shall not be made until necessary to implement the Minnesota life and health insurance guaranty association act. Classification of assessments under subdivision 2, and computation of assessments under this subdivision shall be made with a reasonable degree of accuracy.*

**Subd. 4. [ABATEMENT OR DEFERMENT.]** *The association may abate or defer, in whole or in part, the assessment of a member insurer if, in the opinion of the board, payment of the assessment would endanger the ability of the member insurer to fulfill its contractual obligations. The total of all assessments upon a member insurer for each account shall not, in any one calendar year, exceed two percent of the insurer's premiums in this state on the policies covered by the account.*

**Subd. 5. [ADDITIONAL ASSESSMENT.]** *In the event that an assessment against a member insurer is abated, or deferred, in whole or in part, because of the limitations set forth in subdivision 4, the amount by which such assessment is abated or deferred may be assessed against other member insurers in a manner consistent with the basis for assessments set forth in this section. If the maximum assessment, together with the other assets of the association, does not provide in any one year an amount sufficient to carry out the responsibilities of the association, the necessary additional funds shall be assessed as soon thereafter as permitted by the Minnesota life and health insurance guaranty association act.*

*Subd. 6. [REFUND.] The board may, by an equitable method as established in the plan of operation under section 10, refund to member insurers, in proportion to their contributions to particular accounts, the amount by which the assets of the account exceed the amount the board finds necessary to carry out during the coming year the obligations of the association with regard to that account, including assets accruing from net realized gains and income from investments. A reasonable amount may be retained in any account to provide funds for the continuing expenses of the association and for future losses if refunds are impractical.*

*Subd. 7. [CERTIFICATE OF CONTRIBUTION.] The association shall issue to each insurer paying an assessment under the Minnesota life and health insurance guaranty association act a certificate of contribution, in a form prescribed by the commissioner, for the amount paid. All outstanding certificates shall be of equal dignity and priority. A certificate of contribution may be shown by the insurer in its financial statement as an admitted asset in the form and for the amount and period of time as the commissioner may approve.*

**Sec. 10. [PLAN OF OPERATION.] Subdivision 1. [ADOPTION AND AMENDMENT.]** *(a) The association shall submit to the commissioner a plan of operation and amendments thereto necessary or suitable to assure the fair, reasonable, and equitable administration of the association. The plan of operation and amendments thereto shall be effective upon approval in writing by the commissioner.*

*(b) If the association fails to submit a suitable plan of operation within 180 days after the effective date of the Minnesota life and health insurance guaranty association act or if at any time thereafter the association fails to submit suitable amendments to the plan, the commissioner shall, after notice and hearing, adopt and promulgate reasonable rules as necessary or advisable to effectuate the provisions of the Minnesota life and health insurance guaranty association act. The rules shall continue in force until modified by the commissioner or superseded by a plan submitted by the association and approved by the commissioner.*

*Subd. 2. [COMPLIANCE.] All member insurers shall comply with the plan of operation.*

*Subd. 3. [CONTENTS.] The plan of operation shall:*

- (a) Establish procedures for handling the assets of the association;*
- (b) Establish the amount and method of reimbursing members of the board of directors;*
- (c) Establish regular places and times for meetings of the board of directors;*
- (d) Establish procedures for maintaining records of all financial transactions of the association, its agents, and the board of directors;*
- (e) Establish the procedures for making selections for the board of directors and submitting them to the commissioner;*
- (f) Establish additional procedures for assessments under section 9;*
- (g) Establish procedures for employing or retaining persons neces-*

sary to handle the financial transactions and other necessary and proper functions of the association; and

(h) Contain additional provisions necessary or proper for the execution of the powers and duties of the association.

**Subd. 4. [DELEGATION OF POWERS AND DUTIES.]** *The plan of operation may provide that any or all powers and duties of the association, except those under section 8, subdivision 9, clause (c), and section 9, are delegated to another organization which performs or will perform functions similar to those of this association in two or more states. The organization shall be reimbursed for any payments made on behalf of the association and paid for its performance of any association function. A delegation shall take effect only with the approval of both the board of directors and the commissioner, and may be made only to an organization which extends protection substantially as favorable and effective as that provided by the Minnesota life and health insurance guaranty association act.*

**Sec. 11. [DUTIES AND POWERS OF THE COMMISSIONER.]**

(a) *The commissioner shall*

(1) *Notify the board of directors of the existence of an impaired insurer within three days after a determination of impairment is made or he receives notice of impairment.*

(2) *Upon request of the board of directors, provide the association with a statement of the premiums in the appropriate states for each member insurer.*

(3) *When an impairment is declared and the amount determined, serve a demand upon the impaired insurer to make good the impairment within a reasonable time. Notice to the impaired insurer shall constitute notice to its shareholders. The failure of the insurer to promptly comply with the demand shall not excuse the association from performance under the Minnesota life and health insurance guaranty association act.*

(b) *The commissioner may suspend or revoke, after notice and hearing, the certificate of authority to transact insurance in this state of any member insurer which fails to pay an assessment when due or to comply with the plan of operation. As an alternative, the commissioner may levy a forfeiture on any member insurer which fails to pay an assessment when due. Such forfeiture shall not exceed five percent of the unpaid assessment per month, but no forfeiture shall be less than \$100 per month.*

(c) *Any action of the board of directors or the association may be appealed to the commissioner by any member insurer within 30 days of the action being appealed. Any final action or order of the commissioner shall be subject to judicial review in a court of competent jurisdiction.*

(d) *The liquidator, rehabilitator, or conservator of any impaired insurer may notify all interested persons of the effect of the Minnesota life and health insurance guaranty association act.*

**Sec. 12. [PREVENTION OF IMPAIRMENTS.]** *To aid in the detection and prevention of insurer impairments,*

(a) *The board of directors may, upon majority vote, notify the commissioner of information indicating that a member insurer may be unable or potentially unable to fulfill its contractual obligations.*

(b) *The board of directors may, upon majority vote, request that the commissioner order an examination of any member insurer which the board believes may be unable or potentially unable to fulfill its contractual obligations. The commissioner may conduct the examination. The examination may be conducted as a national association of insurance commissioners examination or by persons the commissioner designates. The cost of the examination shall be paid by the association and the examination report treated as are other examination reports. In no event shall the examination report be released to the board of directors of the association prior to its release to the public, but this shall not excuse the commissioner from his obligation to comply with clause (c). The commissioner shall notify the board of directors when the examination is completed. The request for an examination shall be kept on file by the commissioner, but shall not be open to public inspection prior to the release of the examination report to the public and shall be released at that time only if the examination discloses that the examined insurer is unable or potentially unable to meet its contractual obligations.*

(c) *The commissioner shall report to the board of directors when he has reasonable cause to believe that any member insurer examined at the request of the board of directors may be unable or potentially unable to fulfill its contractual obligations.*

(d) *The board of directors may, upon majority vote, make reports and recommendations to the commissioner upon any matter germane to the solvency, liquidation, rehabilitation or conservation of any member insurer. The reports and recommendations shall not be considered public documents.*

(e) *The board of directors may, upon majority vote, make recommendations to the commissioner for the detection and prevention of insurer impairments.*

(f) *The board of directors may, at the conclusion of any insurer impairment in which the association carried out its duties or exercised powers under the Minnesota life and health insurance guaranty association act, prepare a report on the history and causes of the impairment, based on the information available to the association, and submit the report to the commissioner.*

**Sec. 13. [DELEGATION BY COMMISSIONER.]** *The commissioner may delegate powers conferred on him by law for the purposes of the Minnesota life and health insurance guaranty association act.*

**Sec. 14. [MISCELLANEOUS PROVISIONS.]** *Subdivision 1. [CONSTRUCTION.] Nothing in the Minnesota life and health insurance guaranty association act shall be construed to reduce the liability for unpaid assessments of the insureds of an impaired insurer operating under a plan with assessment liability.*



**Subd. 2. [RECORDS.]** *Records shall be kept of all negotiations and meetings in which the association or its representatives are involved to discuss the activities of the association in carrying out its powers and duties under section 8. Records of negotiations or meetings shall be made public only upon termination of a liquidation, rehabilitation, or conservation proceeding involving an impaired insurer, termination of the impairment of the insurer, or order of a court of competent jurisdiction. Nothing in this subdivision shall limit the duty of the association to render a report of its activities under section 15.*

**Subd. 3. [ASSOCIATION AS CREDITOR.]** *For the purpose of carrying out its obligations under the Minnesota life and health insurance guaranty association act, the association shall be deemed to be a creditor of the impaired insurer to the extent of assets attributable to covered policies reduced by any amounts to which the association is entitled as subrogee pursuant to section 8, subdivision 7. All assets of the impaired insurer attributable to covered policies shall be used to continue all covered policies and pay all contractual obligations of the impaired insurer as required by the Minnesota life and health insurance guaranty association act. Assets attributable to covered policies, as used in this subdivision, is that proportion of the assets which the reserves that should have been established for the policies bear to the reserve that should have been established for all policies of insurance written by the impaired insurer.*

**Subd. 4. [DISTRIBUTION TO STOCKHOLDERS.]** *No distribution to stockholders of an impaired insurer shall be made until the total amount of assessments levied by the association with respect to such insurer have been fully recovered by the association.*

**Subd. 5. [UNFAIR TRADE PRACTICE.]** *It shall be a prohibited unfair trade practice for any person to make use of the protection afforded by the Minnesota life and health insurance guaranty association act in the sale of insurance.*

**Sec. 15. [EXAMINATION OF THE ASSOCIATION; ANNUAL REPORT.]** *The association shall be subject to examination and regulation by the commissioner. The board of directors shall submit to the commissioner, before May 1 each year, a financial report for the preceding calendar year in a form approved by the commissioner and a report of its activities during the preceding calendar year.*

**Sec. 16. [TAX EXEMPTIONS.]** **Subdivision 1. [STATE FEES AND TAXES.]** *The association shall be exempt from payment of all fees and taxes levied by this state or its subdivisions, except taxes levied on real property.*

**Subd. 2. [FEDERAL AND FOREIGN STATE TAXES.]** *The association may seek exemption from payment of all fees and taxes levied by the federal or any other state government or any subdivisions thereof.*

**Sec. 17. [IMMUNITY.]** *There shall be no liability on the part of*

*and no cause of action shall arise against any member insurer or its agents or employees, the association or its agents or employees, members of the board of directors, or the commissioner or his representatives, for any action taken by them in the performance of their powers and duties under the Minnesota life and health insurance guaranty association act.*

**Sec. 18. [STAY OF PROCEEDINGS; REOPENING DEFAULT JUDGMENTS.]** *All proceedings in which the impaired insurer is a party in a court in this state shall be stayed 60 days from the date that an order of liquidation, rehabilitation or conservation is final to permit legal action by the association on any matters germane to its powers or duties. The association may apply to have a judgment under a decision, order, verdict, or finding based on default set aside by the court that made the judgment and shall be permitted to defend against the suit on the merits.*

**Sec. 19.** Minnesota Statutes 1974, Section 60B.17, is amended by adding a subdivision to read:

**Subd. 7. [COORDINATION OF ACTIVITIES WITH GUARANTY ASSOCIATIONS.]** *The rehabilitator shall coordinate his activities with those of each guaranty association having an interest in the rehabilitation and submit a report detailing how coordination will be achieved to the court for its approval within 30 days following his appointment, or within the time the court, in its discretion, may establish.*

**Sec. 20.** Minnesota Statutes 1974, Section 60B.25, is amended to read:

**60B.25 [POWERS OF LIQUIDATOR.]** *The liquidator shall report to the court monthly, or at other intervals specified by the court, on the progress of the liquidation in whatever detail the court orders. The liquidator shall coordinate his activities with those of each guaranty association having an interest in the liquidation and submit a report detailing how coordination will be achieved to the court for its approval within 30 days following his appointment, or within such other time period as the court, in its discretion, may establish. Subject to the court's control, he may:*

(1) Appoint a special deputy to act for him under sections 60B.01 to 60B.61 and determine his compensation. The special deputy shall have all powers of the liquidator granted by this section. The special deputy shall serve at the pleasure of the liquidator.

(2) Appoint or engage employees and agents, actuaries, accountants, appraisers, consultants, and other personnel he deems necessary to assist in the liquidation without regard to chapter 15.

(3) Fix the compensation of persons under clause (2), subject to the control of the court.

(4) Defray all expenses of taking possession of, conserving, conducting, liquidating, disposing of, or otherwise dealing with the business and property of the insurer. If the property of the insurer does not contain sufficient cash or liquid assets to defray the costs incurred, the liquidator may advance the costs so incurred out of

the appropriation made to the insurance division. Any amounts so paid shall be deemed expense of administration and shall be repaid for the credit of the insurance division out of the first available moneys of the insurer.

(5) Hold hearings, subpoena witnesses and compel their attendance, administer oaths, examine any person under oath and compel any person to subscribe to his testimony after it has been correctly reduced to writing, and in connection therewith require the production of any books, papers, records, or other documents which he deems relevant to the inquiry.

(6) Collect all debts and moneys due and claims belonging to the insurer, wherever located, and for this purpose institute timely action in other jurisdictions, in order to forestall garnishment and attachment proceedings against such debts; do such other acts as are necessary or expedient to collect, conserve, or protect its assets or property, including sell, compound, compromise, or assign for purposes of collection, upon such terms and conditions as he deems best, any bad or doubtful debts; and pursue any creditor's remedies available to enforce his claims.

(7) Conduct public and private sales of the property of the insurer in a manner prescribed by the court.

(8) Use assets of the estate to transfer coverage obligations to a solvent assuming insurer, if the transfer can be arranged without prejudice to applicable priorities under section 60B.44.

(9) Acquire, hypothecate, encumber, lease, improve, sell, transfer, abandon, or otherwise dispose of or deal with any property of the insurer at its market value or upon such terms and conditions as are fair and reasonable, except that no transaction involving property the market value of which exceeds \$10,000 shall be concluded without express permission of the court. He may also execute, acknowledge, and deliver any deeds, assignments, releases, and other instruments necessary or proper to effectuate any sale of property or other transaction in connection with the liquidation. In cases where real property sold by the liquidator is located other than in the county where the liquidation is pending, the liquidator shall cause to be filed with the register of deeds for the county in which the property is located a certified copy of the order appointing him.

(10) Borrow money on the security of the insurer's assets or without security and execute and deliver all documents necessary to that transaction for the purpose of facilitating the liquidation.

(11) Enter into such contracts as are necessary to carry out the order to liquidate, and affirm or disavow any contracts to which the insurer is a party.

(12) Continue to prosecute and institute in the name of the insurer or in his own name any suits and other legal proceedings, in this state or elsewhere, and abandon the prosecution of claims he deems unprofitable to pursue further. If the insurer is dissolved under section 60B.23, he may apply to any court in this state or elsewhere for leave to substitute himself for the insurer as plaintiff.

(13) Prosecute any action which may exist in behalf of the creditors, members, policyholders, or shareholders of the insurer against any officer of the insurer, or any other person.

(14) Remove any records and property of the insurer to the offices of the commissioner or to such other place as is convenient for the purposes of efficient and orderly execution of the liquidation.

(15) Deposit in one or more banks in this state such sums as are required for meeting current administration expenses and dividend distributions.

(16) Deposit with the state board of investment for investment pursuant to chapter 11, all sums not currently needed, unless the court orders otherwise.

(17) File any necessary documents for record in the office of any register of deeds or record office in this state or elsewhere where property of the insurer is located.

(18) Assert all defenses available to the insurer as against third persons, including statutes of limitations, statutes of frauds, and the defense of usury. A waiver of any defense by the insurer after a petition for liquidation has been filed shall not bind the liquidator.

(19) Exercise and enforce all the rights, remedies, and powers of any creditor, shareholder, policyholder, or member, including any power to avoid any transfer or lien that may be given by law and that is not included within sections 60B.30 and 60B.32.

(20) Intervene in any proceeding wherever instituted that might lead to the appointment of a receiver or trustee, and act as the receiver or trustee whenever the appointment is offered.

(21) Enter into agreements with any receiver or commissioner of any other state relating to the rehabilitation, liquidation, conservation, or dissolution of an insurer doing business in both states.

(22) Exercise all powers now held or hereafter conferred upon receivers by the laws of this state not inconsistent with sections 60B.01 to 60B.61.

(23) The enumeration in this section of the powers and authority of the liquidator is not a limitation upon him, nor does it exclude his right to do such other acts not herein specifically enumerated or otherwise provided for as are necessary or expedient for the accomplishment of or in aid of the purpose of liquidation.

Sec. 21. Minnesota Statutes 1974, Section 60B.30, is amended by adding a subdivision to read:

*Subd. 4. [FRAUDULENT TRANSFERS TO AFFILIATES.] Any distribution, other than stock dividends paid by the insurer on its capital stock, made by the insurer to an affiliate which controlled it during the five years preceding the filing of a successful petition for rehabilitation or liquidation under sections 60B.01 to 60B.61 shall be deemed fraudulent and may be avoided by the receiver; except that:*

(a) No distribution shall be recoverable if the insurer shows that when paid, it was lawful, reasonable, and that the insurer did not know, and could not reasonably have known, that the distribution might adversely affect the ability of the insurer to fulfill its contractual obligations;

(b) Any person who was an affiliate that controlled the insurer at the time the distributions were paid shall be liable only up to the amount of distributions he received. Any person who was an affiliate that controlled the insurer at the time the distributions were declared shall be liable up to the amount of distributions he would have received if they had been paid immediately. If two persons are liable with respect to the same distribution, they shall be jointly and severally liable;

(c) The maximum amount recoverable under this subdivision shall be the amount needed in addition to all other available assets of the insurer to pay its contractual obligations;

(d) If any person liable under clause (b) is insolvent, all its affiliates that controlled it at the time the dividend was paid shall be jointly and severally liable for any resulting deficiency in the amount recovered from the insolvent affiliate.

Sec. 22. Minnesota Statutes 1974, Section 60B.46, Subdivision 1, is amended to read:

60B.46 [DISTRIBUTION OF ASSETS.] Subdivision 1. Payments to creditors. Under the direction of the court, the liquidator shall pay dividends in a manner that will assure the proper recognition of priorities and reasonable balance between the expeditious completion of the liquidation and the protection of unliquidated and undetermined claims, including third party claims. Distribution of assets in kind may be made at valuations set by agreement between the liquidator and the creditor and approved by the court. *The court may take into consideration the contributions of the respective parties, including guaranty associations, shareholders, and policyholders, and any other party with a bona fide interest, in making an equitable distribution of the ownership rights of the insurer. No distribution to stockholders of the insurer shall be permitted by the court unless the total amount of assessments levied by guaranty associations with respect to such insurer have been repaid.*

Further strike the title and insert:

"A bill for an act relating to commerce; creating a life and health insurance guaranty association; prescribing powers and duties; amending Minnesota Statutes 1974, Sections 55.06, Subdivision 1; 55.095; 60B.17 by adding a subdivision; 60B.25; 60B.30 by adding a subdivision; and 60B.46, Subdivision 1."

We request adoption of this report and repassage of the bill.

Senate Conferees: (Signed) Allan H. Spear, Gene Merriam

House Conferees: (Signed) Ted Suss, James R. Casserly, Lyle G. Abeln

Mr. Spear moved that the foregoing recommendations and Conference Committee Report on S. F. No. 1764 be now adopted, and that the bill be repassed as amended by the Conference Committee.

Mr. Ashbach moved the Senate do now adjourn.

The question being taken on the adoption of the motion,

And the roll being called, there were yeas 20 and nays 25, as follows:

Those who voted in the affirmative were:

Ashbach	Fitzsimons	Josefson	Larson	Pillsbury
Bang	Frederick	Keefe, J.	Olson, J. L.	Schrom
Bernhagen	Hansen, Mel	Knutson	O'Neill	Sillers
Blatz	Hanson, R.	Kowalczyk	Patton	Stassen

Those who voted in the negative were:

Anderson	Conzemius	Laufenburger	North	Schmitz
Borden	Hughes	McCutcheon	Olhoft	Solon
Chenoweth	Humphrey	Merriam	Olson, H. D.	Spear
Chmielewski	Keefe, S.	Milton	Perpich, A. J.	Stokowski
Coleman	Kleinbaum	Moe	Purfeerst	Stumpf

The motion did not prevail.

### RECESS

Mr. Conzemius moved that the Senate do now recess until 4:15 o'clock p.m. The motion prevailed.

The hour of 4:15 o'clock p.m. having arrived, the President called the Senate to order.

The question recurred on the motion of Mr. Spear to adopt the recommendations and Conference Committee Report on S. F. No. 1764. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S. F. No. 1764: A bill for an act relating to safe deposit companies; exempting savings associations from licensing and bonding requirements; deleting a limitation on examination fees; amending Minnesota Statutes 1974, Sections 55.06, Subdivision 1; and 55.095.

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

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

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

And the roll being called, there were yeas 27 and nays 29, as follows:

Those who voted in the affirmative were:

Anderson	Conzemius	Laufenburger	Olhoft	Stokowski
Arnold	Davies	Lewis	Olson, H. D.	Stumpf
Borden	Gearty	Merriam	Perpich, A. J.	Willet
Chenoweth	Hughes	Milton	Purfeerst	
Chmielewski	Humphrey	Moe	Schaaf	
Coleman	Keefe, S.	North	Schmitz	

Those who voted in the negative were:

Ashbach	Fitzsimons	Keefe, J.	McCutcheon	Sillers
Bang	Frederick	Kirchner	Ogdahl	Solon
Berg	Hansen, Baldy	Kleinbaum	Olson, J. L.	Spear
Bernhagen	Hansen, Mel	Knutson	Patton	Stassen
Blatz	Hanson, R.	Kowalczyk	Pillsbury	Ueland
Dunn	Josefson	Larson	Schrom	

So the bill, as amended by the Conference Committee, failed to pass.

#### MEMBERS EXCUSED

Pursuant to Rule 21, Mr. Olhoft moved that the following members be excused for a Conference Committee on H. F. No. 2233:

Messrs. Olhoft, Chmielewski and Renneke. The motion prevailed.

#### MOTIONS AND RESOLUTIONS—CONTINUED

S. F. No. 2241 and the Conference Committee Report thereon were reported to the Senate.

#### CONFERENCE COMMITTEE REPORT ON S. F. NO. 2241

A bill for an act relating to game and fish; requiring a migratory waterfowl stamp; providing for disposition of proceeds of sale.

March 31, 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. 2241 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. 2241 be further amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. [MIGRATORY WATERFOWL STAMPS.] Subdivision 1. [DEFINITIONS.] As used in this section:

(1) "Migratory waterfowl" means any wild goose, brant, or wild duck.

(2) "Department" means department of natural resources.

(3) "Stamp" means the state migratory waterfowl stamp furnished by the department.

(4) "Development" includes, but is not limited to, the construction of dikes, water control structures and impoundments, nest cover, rough fish barriers, limited acquisition of sites necessary to allow development, and any and all facilities for the management of existing waterfowl habitat and the creation of waterfowl management lakes.

Subd. 2. [STAMP REQUIRED.] No person required to possess a Minnesota small game license shall hunt or take any migratory waterfowl within this state without first procuring a state migratory waterfowl stamp and having such stamp in his possession while hunting or taking any migratory waterfowl. Each stamp shall be validated by the signature of the licensee written across the face of such stamp. The department shall determine the form of the stamp and shall furnish the stamps to the county auditors and their designated agents for issuance or sale in the same manner as hunting licenses are issued or sold under Minnesota Statutes, Chapter 98; except that, county auditors or their designated agents shall not receive any fees pursuant to Minnesota Statutes, Section 98.50, Subdivision 5, for issuing a migratory waterfowl stamp pursuant to this act.

Subd. 3. [FEE.] The fee for a migratory waterfowl stamp shall be \$1.50.

Subd. 4. [USE OF REVENUE.] All revenue shall be used for projects approved by the department for the purpose of development of state wetland and designated waterfowl management lakes for maximum waterfowl production, protecting and propagating migratory waterfowl and for the development, restoration, maintenance or preservation of wetlands.

Sec. 2. [APPROPRIATION.] Subdivision 1. Of the amounts appropriated by Laws 1975, Chapter 204, Section 51, for wildlife management for fiscal year 1977 from the wildlife acquisition account, the sum of \$200,000 shall be used for the development of state wetland and designated waterfowl management lakes for maximum waterfowl production, protecting and propagating migratory waterfowl and for the development, restoration, maintenance or preservation of wetlands.

Subd. 2. There is hereby appropriated from the game and fish fund the sum of \$200,000 for the purpose of this act for fiscal year ending July 1, 1977, provided that the commissioner of finance shall not permit the allotment, encumbrance, or expenditure of any funds appropriated in this subdivision in excess of the anticipated annual revenue from the migratory waterfowl stamps."

Further, amend the title as follows:

Page 1, line 4, before the period insert "; appropriating money"

We request adoption of this report and repassage of the bill.

Senate Conferees: (Signed) Gene Merriam, Robert G. Dunn, Gerald L. Willet

House Conferees: (Signed) Henry J. Savelkoul, Willis R. Eken, Phyllis Kahn

Mr. Merriam moved that the foregoing recommendations and Conference Committee Report on S. F. No. 2241 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.



S. F. No. 2241: A bill for an act relating to game and fish; requiring a migratory waterfowl stamp; providing for disposition of proceeds of sale.

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

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

And the roll being called, there were yeas 39 and nays 12, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Keefe, S.	Merriam	Schmitz
Arnold	Fitzsimons	Kirchner	Milton	Spear
Bang	Frederick	Knutson	Moe	Stassen
Bernhagen	Gearty	Kowalczyk	Olson, H. D.	Stokowski
Chenoweth	Hansen, Mel	Larson	Patton	Stumpf
Coleman	Hughes	Laufenburger	Pillsbury	Ueland
Conzemius	Humphrey	Lewis	Purfeerst	Willet
Davies	Josefson	McCutcheon	Schaaf	

Those who voted in the negative were:

Ashbach	Hansen, Baldy	Kleinbaum	Olhoft	Solon
Blatz	Hanson, R.	Ogdahl	Sillers	Wegener
Borden	Keefe, J.			

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

#### MEMBERS EXCUSED

Pursuant to Rule 21, Mr. Wegener moved that the following members be excused for a Conference Committee on S. F. No. 1800:

Messrs. Wegener, Solon, Anderson, Hanson, R., and Mrs. Brataas. The motion prevailed.

#### MOTIONS AND RESOLUTIONS—CONTINUED

S. F. No. 2032 and the Conference Committee Report thereon were reported to the Senate.

#### CONFERENCE COMMITTEE REPORT ON S. F. NO. 2032

A bill for an act relating to public welfare; establishing pilot programs for community mental health treatment; appropriating money; amending Minnesota Statutes 1974, Chapter 245, by adding a section.

April 2, 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. 2032 report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment, and that S. F. No. 2032 be amended as follows:

Page 1, line 21, delete "\$615,000" and insert "\$350,000 solely"

Page 1, line 23, after the period insert "*The commissioner of public welfare shall monitor and evaluate each pilot program funded under this act and shall report his findings to the appropriate standing committees of both houses of the legislature by March 15, 1977.*"

Page 2, line 1, delete "April 1, 1976" and insert "*the day following final enactment*"

We request adoption of this report and repassage of the bill.

Senate Conferees: (Signed) Roger D. Moe, Howard A. Knutson, Jerome M. Hughes.

House Conferees: (Signed) Walter R. Hanson, Donald B. Samuelson, Paul McCarron.

Mr. Moe moved that the foregoing recommendations and Conference Committee Report on S. F. No. 2032 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

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

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

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

And the roll being called, there were yeas 47 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Fitzsimons	Kirchner	North	Solon
Ashbach	Frederick	Kleinbaum	Ogdahl	Spear
Bang	Gearty	Knutson	Olhoft	Stassen
Berg	Hansen, Baldy	Kowalczyk	Olson, J. L.	Stokowski
Bernhagen	Hansen, Mel	Laufenburger	Patton	Stumpf
Blatz	Hughes	Lewis	Pillsbury	Ueland
Borden	Humphrey	McCutcheon	Purfeerst	Willet
Conzemius	Josefson	Merriam	Schmitz	
Davies	Keefe, J.	Milton	Schrom	
Dunn	Keefe, S.	Moe	Sillers	

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

**MOTIONS AND RESOLUTIONS—CONTINUED**

S. F. No. 175 and the Conference Committee Report thereon were reported to the Senate.

**CONFERENCE COMMITTEE REPORT ON S. F. NO. 175**

A bill for an act relating to corrections; increasing the scope of the jurisdiction and power of the ombudsman; preserving the rights of complainants; providing a penalty for persons hindering the ombudsman; removing an expiration date; appropriating money; amending Minnesota Statutes 1974, Sections 241.42, Subdivision 2; 241.44, Subdivisions 1 and 3, and by adding a subdivision; and Chapter 241, by adding a section; repealing Minnesota Statutes 1974, Section 241.42, Subdivision 4; and Laws 1973, Chapter 553, Section 7.

April 3, 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. 175 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. 175 be further amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1974, Section 241.42, Subdivision 2, is amended to read:

Subd. 2. "Administrative agency" or "agency" means any division, official, or employee of the Minnesota department of corrections, the Minnesota corrections authority, and the board of pardons *and regional correction or detention facilities or agencies for correction or detention programs including those programs or facilities operating under chapter 401*, but does not include:

- (a) any court or judge;
- (b) any member of the senate or house of representatives of the state of Minnesota;
- (c) the governor or his personal staff;
- (d) any instrumentality of the federal government of the United States;
- (e) any political subdivision of the state of Minnesota;
- (f) any interstate compact.

Sec. 2. Minnesota Statutes 1974, Section 241.44, Subdivision 1, is amended to read:

241.44 [POWERS OF OMBUDSMAN; INVESTIGATIONS; ACTION ON COMPLAINTS; RECOMMENDATIONS.] Subdivision 1. [POWERS.] The ombudsman shall have the following powers:

(a) He may prescribe the methods by which complaints are to be made, reviewed, and acted upon; provided, however, that he may not levy a complaint fee;

(b) He may determine the scope and manner of investigations to be made;

(c) Except as otherwise provided, he may determine the form, frequency, and distribution of his conclusions, recommendations, and proposals; provided, however, that the governor or his representative may, at any time the governor deems it necessary, request and receive information from the ombudsman. *Neither the ombudsman nor any member of his staff shall be compelled to testify in any court with respect to any matter involving the exercise of his official duties except as may be necessary to enforce the provisions of sections 241.41 to 241.45 ;*

(d) He may investigate, upon a complaint in writing or upon his own initiative, any action of an administrative agency;

(e) He may request and shall be given access to information in the possession of an administrative agency which he deems necessary for the discharge of his responsibilities;

(f) He may examine the records and documents of an administrative agency;

(g) He may enter and inspect, at any time, premises within the control of an administrative agency;

(h) He may ~~order~~ *subpoena* any person to appear, give testimony, or produce documentary or other evidence which the ombudsman deems relevant to a matter under his inquiry, *and may petition the appropriate state court to seek enforcement with the subpoena* ; provided, however, that any witness at a hearing or before an investigation as herein provided, shall possess the same privileges reserved to such a witness in the courts or under the laws of this state;

(i) The ombudsman may bring an action in an appropriate state court to provide the operation of the powers provided in this subdivision. The ombudsman may use the services of legal assistance to Minnesota prisoners for legal counsel. The provisions of sections 241.41 to 241.45 are in addition to other provisions of law under which any remedy or right of appeal or objection is provided for any person, or any procedure for inquiry or investigation concerning any matter. Nothing in sections 241.41 to 241.45 shall be construed to limit or affect any other remedy or right of appeal or objection nor shall it be deemed part of an exclusionary process ; *and*

(j) *He may be present at Minnesota correction authority parole and parole revocation hearings and deliberations.*

Sec. 3. Minnesota Statutes 1974, Section 241.44, is amended by adding a subdivision to read:

*Subd. 1a. No proceeding or civil action except removal from office or a proceeding brought pursuant to sections 15.162 to 15.168 shall be commenced against the ombudsman for actions taken pur-*

*suant to the provisions of sections 241.41 to 241.45, unless the act or omission is actuated by malice or is grossly negligent.*

Sec. 4. Minnesota Statutes 1974, Section 241.44, Subdivision 3, is amended to read:

Subd. 3. [COMPLAINTS.] The ombudsman may receive a complaint from any source concerning an action of an administrative agency. He may, on his own motion or at the request of another, investigate any action of an administrative agency.

The ombudsman may exercise his powers without regard to the finality of any action of an administrative agency; however, he may require a complainant to pursue other remedies or channels of complaint open to the complainant before accepting or investigating the complaint.

After completing his investigation of a complaint, the ombudsman shall inform the complainant, the administrative agency, and the official or employee, of the action taken.

A letter to the ombudsman from a person in an institution under the control of an administrative agency shall be forwarded immediately and unopened to the ombudsman's office. *A reply from the ombudsman to the person shall be delivered unopened to the person, promptly after its receipt by the institution.*

*No complainant shall be punished nor shall the general condition of his confinement or treatment be unfavorably altered as a result of his having made a complaint to the ombudsman.*

Sec. 5. Minnesota Statutes 1974, Section 260.015, is amended by adding a subdivision to read:

Subd. 15. "*Detention facility*" means a facility used for the temporary care of a child in a shelter care or secure detention facility, pending court disposition.

Sec. 6. Minnesota Statutes 1974, Section 260.015, is amended by adding a subdivision to read:

Subd. 16. "*Secure detention facility*" means a physically restricting detention facility, including a detention home.

Sec. 7. Minnesota Statutes 1974, Section 260.015, is amended by adding a subdivision to read:

Subd. 17. "*Shelter care facility*" means a physically unrestricting detention facility, such as a group home or a licensed facility for foster care, excluding a detention home.

Sec. 8. Minnesota Statutes 1974, Section 260.101, is amended to read:

260.101 [DETENTION HOMES.] In any county or group of counties the county boards may purchase, lease, erect, equip, and maintain a detention home for boys and girls, or a separate detention home for boys and girls, or a separate detention home for boys or a separate detention home for girls. ~~Any child alleged to be delinquent may be detained in the detention home in the manner pro-~~

vided in section 260.171, subdivision 2. The detention home may, with the approval of the district court judges in counties now or hereafter having a population of more than 200,000 or of the juvenile court judges in all other counties be a separate institution, or it may be established and operated in connection with a county home school or any organized charitable or educational institution. However, the plans, location, equipment, and operation of the detention home shall in all cases have the approval of the judges. Necessary staff shall be appointed and removed by the judges. The salaries of the staff shall be fixed by the judges, subject to the approval of the county boards. The county board of each county to which this section applies shall provide the necessary funds to carry out the provisions of this section.

Sec. 9. Minnesota Statutes 1974, Section 260.171, Subdivision 1, is amended to read:

260.171 [RELEASE OR DETENTION.] Subdivision 1. *When If a child is taken into custody as provided in section 260.165, the parent, guardian, or custodian of the child shall be notified as soon as possible. Except where the immediate welfare of the child or the protection of the community require that the child be detained Unless there is reason to believe that the child would physically endanger himself or others, not return for a court hearing, not remain in the care or control of the person to whose lawful custody he is released, or that the child's health or welfare would be immediately endangered, the child shall be released to the custody of his parent, guardian, custodian, or other suitable person on the promise of. That such person shall promise to bring the child to the court, if necessary, at such the time as the court may direct. If the person taking the child into custody believes it desirable he may request the parent, guardian, custodian, or other person designated by the court to sign a written promise to bring the child to court as provided above. The intentional violation of such a promise, whether given orally or in writing, shall be punishable as contempt of court.*

*The court may require the parent, guardian, custodian or other person to whom the child is released, to post any reasonable bail or bond required by the court which shall be forfeited to the court if the child does not appear as directed. The court may also release the child on his own promise to appear in juvenile court.*

Sec. 10. Minnesota Statutes 1974, Section 260.171, Subdivision 2, is amended to read:

Subd. 2. If the child is not released as provided in subdivision 1, the person taking the child into custody shall notify the court as soon as possible of the detention of the child and the reasons for detention. ~~The No~~ child may be detained in a place of detention specified in section 260.175 ~~for not~~ facility longer than 24 hours, excluding Saturday, Sundays and holidays, after the taking into custody unless an order for detention, specifying the reason for detention, is signed by the judge or referee. No child may be held longer than 48 36 hours, excluding Saturdays, Sundays or holidays, after the taking into custody unless a petition has been filed

and the judge or referee determines *pursuant to section 14* that the child shall remain in *custody detention*.

Where *If a child described in section 15, subdivison 4*, is to be detained in a jail ~~beyond~~ *up to 48 hours*, the judge or referee, in accordance with rules and procedures established by the commissioner of corrections, shall notify the commissioner of the place of ~~such continued~~ *the* detention and the reasons therefor. The commissioner shall thereupon ~~offer the services of his department to~~ assist the court in the relocation of ~~such the~~ *the* child in *an* appropriate detention ~~facilities~~ *facility* within the county or elsewhere in the state, or in determining suitable alternatives. If approved regional juvenile detention facilities exist, the commissioner ~~shall have the power to may~~ direct that the child be detained in the nearest approved regional juvenile detention facility. If the court refers the matter to the prosecuting authority in accordance with the provisions of *pursuant to section 260.125*, notice to the commissioner shall not be required. The parent, guardian, or custodian of the child shall be notified of the place of detention as soon as possible.

Sec. 11. Minnesota Statutes 1974, Section 260.171, is amended by adding a subdivision to read:

*Subd. 4. If the person who has taken the child into custody determines that the child should be placed in a detention facility, he shall advise the child and as soon as is possible, the child's parent, guardian, or custodian:*

*(a) of the reasons why the child has been taken into custody and why he is being placed in a detention facility; and*

*(b) of the location of the detention facility; and*

*(c) that the child's parent, guardian, or custodian and attorney may make an initial visit to the detention facility at any time. Subsequent visits by a parent, guardian, or custodian may be made on a reasonable basis during visiting hours and by the child's attorney at reasonable hours; and*

*(d) that the child may telephone his parents and an attorney from the detention facility immediately after being admitted to the detention facility and thereafter on a reasonable basis to be determined by the director of the facility; and*

*(e) that the child may not be held at the detention facility longer than 36 hours, excluding Sundays and holidays, unless a petition has been filed within that time and the court orders the child's continued detention.*

Sec. 12. Minnesota Statutes 1974, Section 260.171, is amended by adding a subdivision to read:

*Subd. 5. If a child is to be detained, the detention facility where the child is to be placed shall promptly provide for transportation of the child to the facility or secure a written transportation order from the court authorizing transportation by the sheriff or other qualified person. The person who has determined that the child should be*

*detained shall deliver to the court and the supervisor of the detention facility where the child is placed, a signed report, setting forth:*

- (a) the time the child was taken into custody; and*
- (b) the time the child was delivered for transportation to the detention facility; and*
- (c) the reasons why the child was taken into custody; and*
- (d) the reasons why the child has been placed in detention; and*
- (e) a statement that the child and his parent have received the notification required by section 11 or the reasons why they have not been so notified.*

Sec. 13. Minnesota Statutes 1974, Section 260.171, is amended by adding a subdivision to read:

*Subd. 6. When a child has been delivered to a detention facility, the supervisor of the facility shall deliver to the court a signed report acknowledging receipt of the child stating the time of the child's arrival. The supervisor of the facility shall ascertain from the report of the person who has taken the child into custody whether the child and his parent, guardian, or custodian have the received notification required by section 11. If the child or his parent, guardian or custodian, or both, have not been so notified, the supervisor of the facility shall immediately make the notification, and shall include in his report to the court a statement that notification has been received or the reasons why it has not.*

Sec. 14. Minnesota Statutes 1974, Chapter 260, is amended by adding a section to read:

[260.172] [DETENTION HEARING.] *Subdivision 1. Within 36 hours of a child's being taken into custody, excluding Sundays and holidays, a hearing shall be held to determine whether the child should continue in detention. Unless there is reason to believe that the child would be dangerous to himself or others, not return for a court hearing, not remain in the care or control of the person to whose lawful custody he is released, or that the child's health or welfare would be immediately endangered, the child shall be released to the custody of his parent, guardian, custodian or other suitable person.*

*Subd. 2. If the court determines that the child should continue in detention, it may order detention continued for eight days, excluding Sundays and holidays, from and including the date of the order. The court shall include in its order the reasons for continued detention and the findings of fact which support these reasons.*

*Subd. 3. Copies of the court's order shall be served upon the parties, including the supervisor of the detention facility, who shall release the child or continue to hold him as the court orders.*

*Subd. 4. If a child held in detention under a court order issued under subdivision 2 has not been released prior to expiration of the order, an additional hearing to determine under the standards provided by subdivision 1, shall be held to determine whether detention should be continued. If detention is continued thereafter, hearings such as these*



*shall be held within every eight days, excluding Sundays and holidays, of the child's detention.*

Sec. 15. Minnesota Statutes 1974, Chapter 260, is amended by adding a section to read:

[260.173] [PLACE OF TEMPORARY CARE.] *Subdivision 1. If a child is taken into custody pursuant to section 260.165, subdivision 1, clause (a) or is found in surroundings or conditions reasonably believed to endanger his health or welfare and the child is not alleged to be delinquent, he may be detained only in a shelter care facility. These children may not be detained in a shelter care facility in which children described under subdivision 4 are detained.*

*Subd. 2. If a child is taken into custody as one who is:*

*(a) alleged to be uncontrolled by his parent, guardian, or other custodian by reason of being wayward or habitually disobedient; or*

*(b) alleged to have committed an offense which would not constitute a violation of state law or a local ordinance if he were an adult; or*

*(c) reasonably believed to have violated probation, parole, or other field supervision under which he has been placed as a result of behavior described under this subdivision; he may be placed in a shelter care facility.*

*Subd. 3. If a child described under subdivision 2 has previously escaped from a shelter care facility, or is from another state and absent from his home for more than 24 hours without the permission of his parent, guardian or other custodian, he may be placed in a secure detention facility.*

*Subd. 4. If a child is taken into custody as one who:*

*(a) has allegedly committed an act which would constitute a violation of a state law or a local ordinance if he were an adult; or*

*(b) is reasonably believed to have violated the terms of his probation, parole, or other field supervision under which he had been placed as a result of behavior described under clause (a); he may be detained in a shelter care or secure detention facility. If the child cannot be detained in another type of detention facility, a child described in this subdivision may be detained up to 48 hours in a jail, lock-up or other facility used for the confinement of adults who have been charged with or convicted of a crime, in quarters separate from any adult confined in the facility. No child under the age of 14 may be detained in a jail, lock-up or other facility used for the confinement of adults who have been charged with or convicted of a crime.*

*Subd. 5. In order for a child to be detained at a state correctional institution for juveniles, the commissioner of corrections must first consent thereto, and the county must agree to pay the costs of the child's detention.*

Sec. 16. Minnesota Statutes 1974, Section 641.14, is amended to read:

641.14 [JAILS, HOW KEPT.] The sheriff of each county, by himself or deputy, shall have charge of the jail, and be responsible for its condition. No female prisoner shall be kept in the same room with a male prisoner, and no minor under 18 years shall be kept in the same room with other adult prisoners. No insane prisoner shall be kept in the same room with any other prisoner unless such ~~that~~ person shall be is detailed as a nurse; and, so far as the construction of the jail will permit, strict separation of prisoners shall be maintained. No person awaiting trial shall be kept in a room with any other prisoner.

Sec. 17. [APPROPRIATIONS.] *The sum of \$10,000 is appropriated to the corrections ombudsman from the general fund for the purposes of this act.*

Sec. 18. [REPEALER.] *Minnesota Statutes 1974, Sections 241.42, Subdivision 4; 260.171, Subdivision 3; 260.175; and Laws 1973, Chapter 553, Section 7, are repealed."*

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

"A bill for an act relating to corrections and juveniles; increasing the scope of the jurisdiction and power of the ombudsman; preserving the rights of complainants; providing limitations on procedures for juvenile detention; providing definitions; setting standards; removing an expiration date; appropriating money; amending Minnesota Statutes 1974, Sections 241.42, Subdivision 2; 241.44, Subdivisions 1 and 3, and by adding a subdivision; 260.015, by adding subdivisions; 260.101; 260.171, Subdivisions 1, 2, and by adding subdivisions; 641.14; and Chapter 260, by adding sections; repealing Minnesota Statutes 1974, Sections 241.42, Subdivision 4; 260.171, Subdivision 3; 260.175; and Laws 1973, Chapter 553, Section 7."

We request adoption of this report and repassage of the bill.

Senate Conferees: (Signed) George R. Conzemius, Earl W. Renneke, B. Robert Lewis

House Conferees: (Signed) Janet H. Clark, Ken Nelson

Mr. Conzemius moved that the foregoing recommendations and Conference Committee Report on S. F. No. 175 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

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

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

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

And the roll being called, there were yeas 48 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Keefe, J.	Milton	Schrom
Ashbach	Dunn	Keefe, S.	Moe	Sillers
Bang	Fitzsimons	Kirchner	North	Spear
Berg	Frederick	Kleinbaum	Ogdahl	Stassen
Bernhagen	Gearty	Knutson	Olhoft	Stokowski
Blatz	Hansen, Baldy	Kowalczyk	Olson, J. L.	Stumpf
Borden	Hansen, Mel	Laufenburger	Patton	Ueland
Chenoweth	Hughes	Lewis	Pillsbury	Willet
Coleman	Humphrey	McCutcheon	Purfeerst	
Conzemius	Josefson	Merriam	Schmitz	

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

Without objection, the Senate reverted to the Order of Business of Messages from the House.

#### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 1909, and repassed said bill in accordance with the report of the Committee, so adopted:

H. F. No. 1909: A bill for an act relating to health; prohibiting sale and use of certain chemicals; providing penalties.

House File No. 1909 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 5, 1976

#### CONFERENCE COMMITTEE REPORT ON H. F. NO. 1909

A bill for an act relating to health; prohibiting sale and use of certain chemicals; providing penalties.

April 3, 1976

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

The Honorable Alec G. Olson  
President of the Senate

We, the undersigned conferees for H. F. No. 1909 report that we have agreed upon the items in dispute and recommend as follows:

Strike everything after the enacting clause and insert:

"Section 1. [SALE OR USE OF CERTAIN COMPOUND PRO-

HIBITED.] No person shall sell, offer for sale, or use any pesticide as defined by Laws 1976, Chapter 53, Section 1, Subdivision 25, containing in excess of 0.1 parts per million of 2,3,7, 8-tetrachlorodibenzo-para-dioxin (TCDD).

Sec. 2. The application of any pesticide containing TCDD shall be restricted to those licensed commercial applicators regulated by the commissioner of agriculture under the provisions of Laws 1976, Chapter 53, for any application to an area greater than 10 acres. An application to an area of less than 10 acres by a private applicator as defined in Laws 1976, Chapter 53, Section 1, Subdivision 27, shall be lawful.

Sec. 3. No aerial application of a pesticide containing TCDD shall be made by other than a licensed commercial applicator. Prior to any such aerial application the applicator must obtain a special permit from the commissioner of agriculture who, with the concurrence of the commissioner of the department of natural resources, shall certify the proposed use is safe and that there is no feasible alternative.

Sec. 4. A violation of this act is a misdemeanor. Each day of violation is a separate offense."

Strike the title in its entirety and insert:

"A bill for an act relating to health; prohibiting sale and use of certain chemicals; restricting the application of pesticides; providing penalties."

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Neil B. Dieterich, Douglas L. Johnson, Wendell O. Erickson, George L. Mann, Carl M. Johnson

Senate Conferees: (Signed) George R. Conzemius, Wayne Olhoft, Allan H. Spear, Robert G. Dunn, Douglas H. Sillers

Mr. Conzemius moved that the foregoing recommendations and Conference Committee Report on H. F. No. 1909 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

H. F. No. 1909: A bill for an act relating to health; prohibiting sale and use of certain chemicals; restricting the application of pesticides; providing penalties.

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

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

And the roll being called, there were yeas 47 and nays 2, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Kirchner	North	Sillers
Ashbach	Dunn	Kleinbaum	Ogdahl	Spear
Bang	Fitzsimons	Knutson	Olhoft	Stassen
Berg	Gearty	Kowalczyk	Olson, J. L.	Stokowski
Bernhagen	Hansen, Mel	Laufenburger	Patton	Stumpf
Blatz	Hughes	Lewis	Perpich, A. J.	Ueland
Borden	Humphrey	McCutcheon	Pillsbury	Willet
Brown	Josefson	Merriam	Purfeerst	
Chenoweth	Keefe, J.	Milton	Schaaf	
Conzemius	Keefe, S.	Moe	Schmitz	

Messrs. Hansen, Baldy and Schrom voted in the negative.

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

#### MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 1940, and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 1940: A bill for an act relating to the legislature; establishing a council on the economic status of women; appropriating money; repealing Minnesota Statutes 1974, Section 363.04, Subdivisions 7 and 8.

House File No. 1940 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 5, 1976

#### CONFERENCE COMMITTEE REPORT ON H. F. NO. 1940

A bill for an act relating to the legislature; establishing a council on the economic status of women; appropriating money; repealing Minnesota Statutes 1974, Section 363.04, Subdivisions 7 and 8.

April 3, 1976

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

The Honorable Alec G. Olson  
President of the Senate

We, the undersigned conferees for H. F. No. 1940 report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H. F. No. 1940 be further 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. At least 50 percent of those appointed by the governor and by the speaker of the house shall be women. 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. The persons appointed by the governor shall be representative of a range of economic interests and vocations and shall include persons who are not regularly employed on a full-time or part-time basis outside their homes.

Subd. 3. The council shall study all matters relating to the economic status of women in Minnesota, including 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. In addition, the council shall study the adequacy of programs, services and facilities relating to families in Minnesota, including single-parent families and members beyond the nuclear or immediate family.

Subd. 4. The council shall report its findings and recommendations to the governor and the legislature not later than December 15, 1977, and shall supplement its findings and recommendations not later than June 30, 1978. The report shall recommend any necessary changes in laws and programs designed to enable women to achieve full participation in the economy. The report shall also recommend methods to encourage the development of coordinated, interdepartmental goals and objectives and the coordination of programs, services and facilities among all state departments and public and private providers of services related to children, youth and families.

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 select a chairman and other officers from its membership as it deems necessary.

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

Subd. 7. When any person, corporation, the United States government, or any other entity offers funds to the council by way of gift, grant or loan, for the purpose of assisting the council to carry out its powers and duties, the council may accept the offer by majority vote and upon acceptance the chairman shall receive the funds subject to the terms of the offer, but no money shall

be accepted or received as a loan nor shall any indebtedness be incurred except in the manner and under the limitations otherwise provided by law.

Sec. 2. [APPROPRIATION.] There is appropriated from the general fund to the legislative coordinating commission the sum of \$95,000 for the period ending June 30, 1978, 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 June 30, 1978.

Sec. 3. [REPEALER.] Minnesota Statutes 1974, Section 363.04, Subdivisions 7 and 8 are repealed. This section does not abolish any positions in or affect the complement of the human rights department.

Sec. 4. [EFFECTIVE DATE.] Sections 1 and 2 of this act shall be effective May 1, 1976 and shall expire June 30, 1978. Section 3 of this act shall be effective July 1, 1976."

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Stanley A. Enebo, Phyllis Kahn, Mary M. Forsythe

Senate Conferees: (Signed) Steve Keefe, Jerome M. Hughes

Mr. Keefe, S. moved that the foregoing recommendations and Conference Committee Report on H. F. No. 1940 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

H. F. No. 1940: A bill for an act relating to the legislature; establishing a council on the economic status of women; appropriating money; repealing Minnesota Statutes 1974, Section 363.04, Subdivisions 7 and 8.

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

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

And the roll being called, there were yeas 50 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Keefe, S.	Moe	Renneke
Ashbach	Dunn	Kirchner	North	Schaaf
Bang	Fitzsimons	Kleinbaum	Ogdahl	Schmitz
Berg	Gearty	Knutson	Olhoff	Sillers
Bernhagen	Hansen, Baldy	Kowalczyk	Olson, H. D.	Spear
Blatz	Hansen, Mel	Laufenburger	Olson, J. L.	Stassen
Borden	Hughes	Lewis	Patton	Stokowski
Brown	Humphrey	McCutcheon	Perpich, A. J.	Stumpf
Chenoweth	Josefson	Merriam	Pillsbury	Ueland
Conzemius	Keefe, J.	Milton	Purfeerst	Willet

Mr. Schrom voted in the negative.

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

**MESSAGES FROM THE HOUSE—CONTINUED**

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 2043, and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 2043: A bill for an act relating to elections; providing for uniform reporting dates for campaign disclosure forms; providing for disclosure of campaign contributions and expenditures of political committees and candidates for local office; amending Minnesota Statutes 1974, Chapters 123, 373, and 471, by adding sections; and Minnesota Statutes, 1975 Supplement, Sections 210A.01, Subdivisions 1, 5, 6, 8, 9, and by adding subdivisions; 210A.05, Subdivision 1; 210A.16; 210A.23; 210A.24; 210A.25; 210A.26; 210A.27, Subdivision 1; 210A.29; 210A.32; 210A.33; Chapter 210A, by adding sections; repealing Minnesota Statutes, 1975 Supplement, Sections 123.015; 210A.01, Subdivisions 4 and 7; 210A.22; 210A.28; and 210A.31.

House File No. 2043 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 5, 1976

**CONFERENCE COMMITTEE REPORT ON H. F. NO. 2043**

A bill for an act relating to elections; providing for uniform reporting dates for campaign disclosure forms; providing for disclosure of campaign contributions and expenditures of political committees and candidates for local office; amending Minnesota Statutes 1974, Chapters 123, 373, and 471, by adding sections; and Minnesota Statutes, 1975 Supplement, Sections 210A.01, Subdivisions 1, 5, 6, 8, 9, and by adding subdivisions; 210A.05, Subdivision 1; 210A.16; 210A.23; 210A.24; 210A.25; 210A.26; 210A.27, Subdivision 1; 210A.29; 210A.32; 210A.33; Chapter 210A, by adding sections; repealing Minnesota Statutes, 1975 Supplement, Sections 123.015; 210A.01, Subdivisions 4 and 7; 210A.22; 210A.28; and 210A.31.

April 3, 1976

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

The Honorable Alec G. Olson  
President of the Senate

We, the undersigned conferees for H. F. No. 2043 report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H. F. No. 2043 be amended as follows:

Strike everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1974, Chapter 123, is amended by adding a section to read:



[123.016] [CODES OF ETHICS.] *The board of any school district however organized may adopt and enforce by resolution a code of ethics not inconsistent with state law for its elected and appointed officials and employees.*

Sec. 2. Minnesota Statutes, 1975 Supplement, Section 201.021, is amended to read:

201.021 [PERMANENT REGISTRATION SYSTEM.] A permanent system of voter registration by county is established. ~~Any county containing no city with a population of 10,000 or more may by resolution of the county board be exempted from the provisions of sections 201.021 to 201.221.~~ The county auditor shall be chief registrar of voters and the chief custodian of the official registration records in each county.

Sec. 3. Minnesota Statutes, 1975 Supplement, Chapter 204A, is amended by adding a section to read:

[204A.171] [ELECTION LAW CONFERENCES.] *The secretary of state shall conduct conferences for county auditors before each state primary election for the purpose of giving instructions on the administration of election laws.*

*The county auditor or his designee is authorized to conduct in-service training for municipal clerks and chairmen of election boards.*

Sec. 4. Minnesota Statutes, 1975 Supplement, Section 210A.01, Subdivision 1, is amended to read:

210A.01 [ELECTION; FAIR CAMPAIGN PRACTICES ACT; DEFINITIONS.] Subdivision 1. *Unless otherwise provided herein, the words used in sections 210A.01 to 210A.44 chapter 210A have the meanings prescribed to them in chapter 200; and the words defined in this section are applicable for the purpose of construing sections 210A.01 to 210A.44 this chapter.*

Sec. 5. Minnesota Statutes, 1975 Supplement, Section 210A.01, Subdivision 3, is amended to read:

Subd. 3. *Except as otherwise provided in this chapter, "candidate" means every person for whom it is contemplated or desired that votes may be cast at any election or primary, and who either tacitly or expressly consents to be so considered, except candidates for president and vice president of the United States. In sections 210A.22 to 210A.23, 210A.32 and 210A.33, "candidate" does not mean a person for whom it is contemplated or desired that votes may be cast at any election or primary, and who either tacitly or expressly consents to be so considered for governor, state officer, state senator or membership in the house of representatives.*

Sec. 6. Minnesota Statutes, 1975 Supplement, Section 210A.01, is amended by adding a subdivision to read:

Subd. 3a. *For the purposes of this chapter "election" includes any school district election unless the context clearly indicates otherwise.*

Sec. 7. Minnesota Statutes, 1975 Supplement, Section 210A.01, Subdivision 5, is amended to read:

Subd. 5. "Filing office", when used with reference to any candidate, shall be construed to mean *means* the officer who is authorized by law to issue a certificate of nomination or election to such candidate if he be successful. If there be no officer authorized to issue such certificate of nomination or election, then such term shall be construed to mean the clerk of the town or city in which such candidate resides with whom the candidate files his affidavit of candidacy.

Sec. 8. Minnesota Statutes, 1975 Supplement, Section 210A.01, Subdivision 6, is amended to read:

Subd. 6. "Personal Principal campaign committee" means *any the single political* committee appointed designated by a candidate for any election.

Sec. 9. Minnesota Statutes, 1975 Supplement, Section 210A.01, Subdivision 8, is amended to read:

Subd. 8. *Every two or more persons elected or appointed by any political party or association for the purpose, wholly or partly, of raising, collecting, or disbursing money, or directing the raising, collecting or disbursing thereof, for nomination or election purposes, and every two or more persons who shall cooperate in the raising, collecting, or disbursing of money used, or to be used for or against the election to public office of any person or any class or number of persons, or for or against the adoption of any law, ordinance, or constitutional amendment, shall be deemed a "political committee" within the meaning of sections 210A.01 to 210A.44. "Political committee" means any political party, association, or person other than an individual, which supports or opposes any question on the ballot or influences the nomination or election of a candidate.*

Sec. 10. Minnesota Statutes, 1975 Supplement, Section 210A.01, is amended by adding a subdivision to read:

Subd. 10. "Expenditure" means: (a) A purchase, payment, distribution, loan, advance, deposit or gift of money or anything of value, made for the purpose of influencing the nomination for election or election of any candidate to office; or

(b) A transfer of funds between political committees or political funds. "Expenditure" does not include services provided without compensation by individuals volunteering their time on behalf of a candidate, political committee, or political fund.

Sec. 11. Minnesota Statutes, 1975 Supplement, Section 210A.01, is amended by adding a subdivision to read:

Subd. 11. "Contribution" means: (a) A gift, subscription, loan, advance, the providing of supplies, materials or equipment, or deposit of money or anything else of value made to influence the nomination for election or election of a candidate to office;

(b) A transfer of funds between political committees; or

(c) *The payment of compensation for the personal services of another person which are rendered to a candidate or political committee to influence the nomination for election or election of a candidate to office by any person other than that candidate or political committee.*

*"Contribution" does not include services provided without compensation by individuals volunteering their time on behalf of a candidate or political committee, or coverage by news media, but only while acting in the ordinary course of business of publishing or broadcasting news items, editorials or other comments.*

Sec. 12. Minnesota Statutes, 1975 Supplement, Chapter 210A, is amended by adding a section to read:

[210A.025] [PAPER COLOR FOR SAMPLE BALLOTS.] *Except that sample ballots may be printed in newspapers as news matter, it is a misdemeanor to print sample ballots on paper of the same color as any official ballots.*

Sec. 13. Minnesota Statutes, 1975 Supplement, Section 210A.05, Subdivision 1, is amended to read:

210A.05 [PAID ADVERTISEMENTS IN NEWS.] Subdivision 1. No publisher of a newspaper, periodical, or magazine shall insert either in the advertising columns of such newspaper, magazine, or periodical, or elsewhere therein, any matter paid or to be paid for which is intended or tends to influence directly or indirectly any voting at any primary or ~~general~~ election unless at the head or the foot of the matter is printed in six point capital letters the words "Paid Advertisement," and unless there is a statement at the head or the foot of the matter of the amount paid or to be paid therefor, or a statement that the same is to be paid at regular advertising rates, the name of the candidate in whose behalf the matter is inserted and of any other person or the names of the officer and the committee authorizing the publication.

Sec. 14. Minnesota Statutes, 1975 Supplement, Section 210A.09, is amended to read:

210A.09 [SHALL NOT INDUCE PERSON TO BECOME A CANDIDATE OR REFRAIN THEREFROM.] *Subdivision 1.* No person shall pay, or promise to reward another in any manner or form for the purpose of inducing him to be or refrain from or cease being a candidate, and no person shall solicit or receive any payment, promise, or reward from another for such purpose.

*Subd. 2.* Any person elected to a public office shall be permitted time off from his regular employment to attend meetings of his public office. No retaliatory action may be taken by the employer for absences necessary for the employee to attend the meetings. Such time off may be without pay, with pay, or made up with other hours, as agreed between the employee and employer.

Sec. 15. Minnesota Statutes, 1975 Supplement, Section 210A.16, is amended to read:

210A.16 [LEGAL EXPENDITURES.] *Subdivision 1.* The expenditure of money or other thing of value by any candidate, ~~per-~~

sonal principal campaign committee, party committee, or other political committee for political purposes other than those provided in this section is prohibited. The following are permitted expenditures:

- (a) Salaries, wages, and fees;
- (b) Communications, mailing, transportation, and travel;
- (c) Campaign advertising;
- (d) Printing;
- (e) Office and other space and necessary equipment, furnishings, and supplies incidental thereto;
- (f) Other expenses, not included in the above, which are reasonably related to the conduct of election campaigns.

*Subd. 2. No funds contributed to a candidate, principal campaign committee or political committee shall be commingled with any personal funds of the candidate or officers or members of the principal campaign committee or the political committee.*

Sec. 16. Minnesota Statutes, 1975 Supplement, Section 210A.21, is amended to read:

**210A.21 [CERTAIN SOLICITATIONS PROHIBITED.]** No person shall solicit, receive, or accept any money, property, or other thing of value, or any promise or pledge thereof, constituting a disbursement an expenditure or contribution prohibited by sections 210A.01 to 210A.44.

Sec. 17. Minnesota Statutes, 1975 Supplement, Chapter 210A, is amended by adding a section to read:

**[210A.211] [EXPENDITURES OF CANDIDATE TAX DEDUCTIBLE.]** *Expenditures authorized by this chapter by a candidate in his own behalf may be deducted as expenses for production of income or a business expense under section 290.09, subdivision 2, in an amount not to exceed \$500.*

Sec. 18. Minnesota Statutes, 1975 Supplement, Chapter 210A, is amended by adding a section to read:

**[210A.215] [PRINTED MATERIALS.]** *No elected, administrative, or executive officer of any school district, city, county, town, or other political subdivision shall cause to be printed or authorize the printing of official reports and publications printed with public funds and intended for general public circulation, which contain pictures of elected officials or names of public officials or any other device which tends to attribute the publication to an individual or individuals instead of the governmental unit from which it emanates.*

Sec. 19. **[210A.220] [DEFINITIONS.]** *Subdivision 1. For the purposes of sections 19 to 31 of this act, the following terms have the meanings given them unless the context clearly indicates otherwise.*

Subd. 2. "Candidate" means every person who seeks nomination or election to any county office, any city office in a city with a population of 20,000 or more, and any school district office in any school district with a population of 20,000 or more as determined by, or estimated by the chief administrative officer of a school district from the last decennial census.

Subd. 3. "Business with which he is associated" means any association in connection with which the individual is compensated in excess of \$50 excluding reimbursement for actual expenses in any month as a director, officer, owner, member, partner, employer, or employee, or is a holder of securities worth \$2,500 or more at fair market value.

Sec. 20. [210A.221] [POLITICAL COMMITTEES.] Every political committee shall have a chairman and a treasurer. The treasurer of a political committee shall be responsible for filing the campaign statements required in this act.

Sec. 21. [210A.222] [PRINCIPAL CAMPAIGN COMMITTEES.] Subdivision 1. Each candidate shall designate a principal campaign committee which shall receive contributions and make expenditures on his behalf.

Subd. 2. Any candidate may serve as the chairman and treasurer of his principal campaign committee.

Subd. 3. A candidate shall file with his filing office a written statement designating his principal campaign committee no later than seven days after the committee has received any contributions or made any expenditures in excess of \$200. The statement shall include the name and address of the chairman and treasurer.

Subd. 4. In civil actions and proceedings brought under this chapter, the acts of every member of a principal campaign committee are presumed to be with the knowledge and approval of the candidate until it has been clearly proved that he did not know of and approve the act, and that, in the exercise of reasonable care and diligence, he could not have known of and had the opportunity to disapprove the act.

Sec. 22. [210A.223] [EXPENDITURES.] Subdivision 1. Any individual, who makes an expenditure in excess of \$200 on behalf of any candidate, including himself, other than by contribution to a political committee, shall file the campaign statements required in this act.

Subd. 2. Except as provided in subdivision 1, a candidate may make expenditures only through his principal campaign committee.

Sec. 23. [210A.224] [STATEMENTS OF POLITICAL COMMITTEES.] Subdivision 1. Campaign statements of any political committee shall be filed with the filing office:

(a) Ten days before any primary or election and 30 days after the election in which a candidate being supported stands for election or a question being supported or opposed appears on the ballot; and

(b) January 31 of each year until the committee has terminated. A committee may file a termination statement when the total of the committee's assets and obligations does not exceed \$100.

Subd. 2. The campaign statements shall cover the period from the last day covered by the previous statement to seven days prior to the filing date.

Subd. 3. The campaign statements shall be filed with the appropriate filing office, or for a committee which is organized to support or oppose a constitutional amendment, with the secretary of state.

Subd. 4. Each campaign statement shall itemize:

(a) The amount of cash on hand at the beginning of the reporting period.

(b) The name, address and employer or, if self-employed, occupation of each person or committee which made a contribution in an aggregate amount in excess of \$50 during the calendar year; and the date and amount of the contribution.

(c) The total amount of all contributions received by the committee.

(d) The name and address of each person to whom any expenditure was made in an aggregate amount in excess of \$100 during the calendar year; and the date and amount of the expenditure.

(e) The total amount of all expenditures made by the committee.

(f) The name, address and employer, or if self-employed, occupation of any person to whom the committee owes a debt or obligation in excess of \$100; and the date incurred and amount of the debt or obligation.

Subd. 5. The treasurer of each political committee shall keep records of the financial transactions of the committee in sufficient detail to insure that each contribution in an aggregate amount in excess of \$50 and each expenditure, debt or obligation in an aggregate amount in excess of \$100 shall be reported.

Sec. 24. [210A.231] [CHANGES AND CORRECTIONS.] Any material changes in information previously submitted or any substantial corrections to a statement required by this act shall be included in the next required statement or reported in writing within 30 days following the date of the event prompting the change. Any person who wilfully fails to report a material change or substantial correction is guilty of a misdemeanor.

Sec. 25. [210A.232] [CIRCUMVENTION PROHIBITED.] Any attempt by a person to circumvent the disclosure provisions of this act by redirecting funds through, or contributing funds on behalf of, another person, is guilty of a gross misdemeanor.

Sec. 26. Minnesota Statutes, 1975 Supplement, Section 210A.24, is amended to read:

210A.24 [BILLS, WHEN RENDERED AND PAID.] Every person who shall have any has a bill, charge, or claim upon or against any personal campaign or party political committee or any candidate, for any disbursement expenditure made, services, service rendered, or thing of value furnished, for political purposes, or incurred in any manner in relation to any primary or election, shall render in writing to such the candidate or treasurer of the political committee or candidate such the bill, charge, or claim within ten 60 days after the day of the primary or election in connection with which such bill, charge, or claim was incurred material or service is provided. No candidate and no personal campaign or party committee shall pay any Failure to timely render the bill, charge, or claim so incurred prior to any primary or election, which is not so presented within ten days after such primary or election is a misdemeanor.

Sec. 27. Minnesota Statutes, 1975 Supplement, Chapter 210A, is amended by adding a section to read:

[210A.255] [CERTAIN ASSOCIATIONS, INDIVIDUALS EXEMPTED.] Any association which or individual who has been granted exemption from the reporting requirements of section 10A.20 shall be exempted from the reporting requirements of this chapter.

Sec. 28. Minnesota Statutes, 1975 Supplement, Chapter 210A, is amended by adding a section to read:

[210A.261] [STATEMENTS OF ECONOMIC INTEREST.] Every candidate except a candidate for school district office in any school district with a population of less than 30,000 shall file a statement of economic interest with his respective filing office within 14 days after filing an affidavit of candidacy or petition to appear on the ballot. The statement of economic interest shall contain the following:

(a) his name, address, occupation and principal place of business;

(b) the name of each business with which he is associated, and the nature of the association; and

(c) a listing of all real property within the state, excluding homestead property, in which he has a fee simple interest, a contract for deed or an option to buy, whether direct or indirect, and which interest is valued in excess of \$2,500. The filing shall indicate the street address and the municipality, or if there is no street address, the section, township, range and approximate acreage, and the county wherein the property is located.

Each candidate specified in this section elected to office shall file a supplementary statement of economic interest on April 15 of each year he is in office.

Sec. 29. Minnesota Statutes, 1975 Supplement, Section 210A.27, Subdivision 1, is amended to read:

210A.27 [STATEMENT OF EXPENSE, BLANKS; DIGEST OF LAWS.] Subdivision 1. ~~Blanks~~ Forms for all statements re-

quired by sections 210A.01 to 210A.44 this chapter shall be prepared by the secretary of state and . Copies thereof of the forms shall be furnished through the county auditor or otherwise, as the secretary of state may deem expedient, to the secretary of every committee, and to every candidate upon filing of nomination papers, and to all other persons required by law to file such statements who may apply therefor to filing officers, candidates and treasurers. The secretary of state shall have emergency rule making authority as provided in chapter 15 for the purpose of providing forms for elections held in 1976 after the effective date of this act .

Sec. 30. Minnesota Statutes, 1975 Supplement, Section 210A.29, is amended to read:

210A.29 [FILING STATEMENTS; PENALTY.] Every treasurer or other person who receives any money to be applied to any of the election purposes for which expenditures are permitted by law, Any individual who knowingly fails to file any the statement and account respecting the same required by sections 210A.01 to 210A.44 this chapter within the time prescribed, seven days after receiving notice from the filing office shall be guilty of a misdemeanor.

Sec. 31. Minnesota Statutes, 1975 Supplement, Section 210A.32, is amended to read:

210A.32 [DUTIES OF FILING OFFICERS.] Subdivision 1. The officer with whom the expense account filing office where a statement of any candidate for public office or committee is required to be filed by the provisions of sections 210A.01 to 210A.44 this chapter , shall notify such candidate or committee the person responsible for filing the statement of the failure to comply with such the law , immediately upon the expiration of the time fixed by any law of this state for filing of the same, and shall notify the county attorney of the county where such candidate resides or in which the headquarters of the committee is located, of the fact of the failure to file such expense account and the county attorney shall thereupon notify such candidate or the secretary of the committee of such delinquency and date for such statement. If the person fails to comply with the provisions of sections 210A.01 to 210A.44 this chapter shall not be complied with within ten seven days after the mailing of such the notice, the filing office shall notify the county attorney of the county of residence of the person responsible for filing the statement . The county attorney shall thereupon prosecute such candidate or the officer of the committee person required by law to file such the statement.

Subd. 2. Notwithstanding the provisions of section 138.163, the filing office where statements are filed shall destroy all statements five years after the year in which they were filed. Failure to destroy such statements shall constitute misfeasance.

Sec. 32. Minnesota Statutes, 1975 Supplement, Chapter 210A, is amended by adding a section to read:

[210A.435] [LOCAL ELECTIONS.] Notwithstanding any provision of Minnesota Statutes, Section 410.21 or other law or ordi-



*nance, the provisions of this chapter apply to all municipal, county and school district elections, except where any provision of this chapter specifically exempts any municipality or school district election.*

Sec. 33. Minnesota Statutes, 1975 Supplement, Section 290.09, Subdivision 2, is amended to read:

Subd. 2. [TRADE OR BUSINESS EXPENSES; EXPENSES FOR PRODUCTION OF INCOME.] (a) In General. There shall be allowed as a deduction all the ordinary and necessary expenses paid or incurred during the taxable year in carrying on any trade or business, including

(1) A reasonable allowance for salaries or other compensation for personal services actually rendered;

(2) Traveling expenses (including the entire amount expended for meals and lodging) while away from home in the pursuit of a trade or business; and

(3) Rentals or other payments required to be made as a condition to the continued use or possession, for purposes of the trade or business, of property to which the taxpayer has not taken or is not taking title or in which he has no equity. For purposes of the preceding sentence, the place of residence of a member of congress within the state shall be considered his home, but amounts expended by such members within each taxable year for living expenses shall not be deductible for income tax purposes in excess of \$3,000.

(b) Expenses for Production of Income. In the case of an individual, there shall be allowed as a deduction all the ordinary and necessary expenses paid or incurred during the taxable year.

(1) For the production or collection of income;

(2) For the management, conservation, or maintenance of property held for the production of income; or

(3) In connection with the determination, collection, or refund of any tax.

(c) Campaign expenditures in an amount not to exceed the limits set out in section ~~210A.22~~ 17 of this act, not subsequently reimbursed, which have been personally paid by a candidate for public office if the candidate has complied with the expenditure limitations set out in section ~~210A.22~~ 17 of this act:

(No deduction shall be allowed under this clause for any contribution or gift which would be allowable as a credit under section 290.21 were it not for the percentage limitations set forth in such section);

(d) All expense money paid by the legislature to legislators.

Sec. 34. Minnesota Statutes 1974, Chapter 375, is amended by adding a section to read:

[375.191] [CODES OF ETHICS.] *Each organized county may adopt and enforce by ordinance or resolution a code of ethics, not inconsistent with any state law, for its elected officials and employees.*

Sec. 35. Minnesota Statutes 1974, Chapter 471, is amended by adding a section to read:

[471.625] [MUNICIPALITIES; ADOPT CODES OF ETHICS.] *Notwithstanding any law to the contrary, any city however organized may adopt and enforce by ordinance or resolution a code of ethics not inconsistent with state law for its employees and elected officials.*

Sec. 36. Laws 1976, Chapter 108, Section 1, Subdivision 8, is amended to read:

Subd. 8. The total amount of any expenditure or contribution or any one project permitted by subdivisions 5 and 7 which exceeds \$100, together with the date, purpose and the names and addresses of the persons receiving the ~~contribution~~ contributions or expenditures, shall be reported to the secretary of state. The reports shall be filed on a form provided by the secretary of state on the dates required for political committees under the provisions of section 210A.26, subdivision 1 October 1 of each year. Failure to comply shall be subject to the penalties related to campaign finance reporting under the provisions of this chapter.

Sec. 37. [REPEALER.] *Minnesota Statutes, 1975 Supplement, Sections 123.015; 210.22; 210A.01, Subdivisions 4, 7, 8, and 9; 210A.22; 210A.23; 210A.25; 210A.26; 210A.28; 210A.30; 210A.31; 210A.33; and 211.10 are repealed.*

Sec. 38. [EFFECTIVE DATE.] *This act is effective July 1, 1976."*

Further strike the title and insert:

"A bill for an act relating to elections; providing for uniform reporting dates for and disclosure of campaign contributions and expenditures of political committees and candidates; providing for statements of economic interest for candidates and persons elected to public office; providing for registration of voters for all counties; defining certain terms; providing uniform filing date for corporations spending money for certain election purposes; providing exemption from disclosure requirements for certain persons and political committees; providing restrictions on the use of names and pictures of public officials in government publications; prohibiting sample ballots of the same color as official ballots; giving the secretary of state and county auditors certain duties with respect to elections; permitting elected officials time off from their regular employment to attend meetings of their offices; permitting codes of ethics for counties, cities, and school districts; providing penalties; amending Minnesota Statutes 1974, Chapters 123, 375 and 471, by adding sections; Minnesota Statutes, 1975 Supplement, Chapters 204A and 210A, by adding sections; Sections 201.021; 210A.01, Subdivisions 1, 3, 5, 6, and

8, and by adding subdivisions; 210A.05, Subdivision 1; 210A.09; 210A.16; 210A.21; 210A.24; 210A.27, Subdivision 1; 210A.29; 210A.32; and 290.09, Subdivision 2; and Laws 1976, Chapter 108, Section 1, Subdivision 8; repealing Minnesota Statutes, 1975 Supplement, Sections 123.015; 210.22; 210A.01, Subdivisions 4, 7, 8, and 9; 210A.22; 210A.23; 210A.25; 210A.26; 210A.28; 210A.30; 210A.31; 210A.33; and 211.10."

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Bruce F. Vento, John J. Sarna, John S. Biersdorf

Senate Conferees: (Signed) Steve Keefe, Alec G. Olson

Mr. Keefe, S. moved that the foregoing recommendations and Conference Committee Report on H. F. No. 2043 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

H. F. No. 2043: A bill for an act relating to elections; providing for uniform reporting dates for and disclosure of campaign contributions and expenditures of political committees and candidates; providing for statements of economic interest for candidates and persons elected to public office; providing for registration of voters for all counties; defining certain terms; providing uniform filing date for corporations spending money for certain election purposes; providing exemption from disclosure requirements for certain persons and political committees; providing restrictions on the use of names and pictures of public officials in government publications; prohibiting sample ballots of the same color as official ballots; giving the secretary of state and county auditors certain duties with respect to elections; permitting elected officials time off from their regular employment to attend meetings of their offices; permitting codes of ethics for counties, cities, and school districts; providing penalties; amending Minnesota Statutes 1974, Chapters 123, 375 and 471, by adding sections; Minnesota Statutes, 1975 Supplement, Chapters 204A and 210A, by adding sections; Sections 201.021; 210A.01, Subdivisions 1, 3, 5, 6, and 8, and by adding subdivisions; 210A.05, Subdivision 1; 210A.09; 210A.16; 210A.21; 210A.24; 210A.27, Subdivision 1; 210A.29; 210A.32; and 290.09, Subdivision 2; and Laws 1976, Chapter 108, Section 1, Subdivision 8; repealing Minnesota Statutes, 1975 Supplement, Sections 123.015; 210.22; 210A.01, Subdivisions 4, 7, 8, and 9; 210A.22; 210A.23; 210A.25; 210A.26; 210A.28; 210A.30; 210A.31; 210A.33; and 211.10.

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

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

And the roll being called, there were yeas 28 and nays 27, as follows:

Those who voted in the affirmative were:

Arnold	Conzemius	Keefe, J.	Milton	Schaaf
Borden	Davies	Kowalczyk	Moe	Spear
Brown	Gearty	Laufenburger	North	Stokowski
Chenoweth	Hansen, Mel	Lewis	Olhoff	Stumpf
Chmielewski	Hughes	McCutcheon	O'Neill	
Coleman	Humphrey	Merriam	Perpich, A. J.	

Those who voted in the negative were:

Ashbach	Fitzsimons	Kleinbaum	Patton	Stassen
Bang	Frederick	Knutson	Pillsbury	Ueland
Berg	Hansen, Baldy	Larson	Purfeerst	Willet
Bernhagen	Josefson	Ogdahl	Renneke	
Blatz	Keefe, S.	Olson, H. D.	Schmitz	
Dunn	Kirchner	Olson, J. L.	Sillers	

So the bill, as amended by the Conference Committee, failed to pass.

### RECONSIDERATION

Mr. Keefe, S. moved that the vote whereby H. F. No. 2043 failed to pass the Senate on April 5, 1976, be now reconsidered. The motion prevailed.

### RECONSIDERATION

Mr. Keefe, S. moved that the vote whereby the Conference Committee Report on H. F. No. 2043 was adopted by the Senate on April 5, 1976, be now reconsidered. The motion prevailed.

Mr. Keefe, S. moved that the Conference Committee Report on H. F. No. 2043 be rejected and H. F. No. 2043 be returned to the Conference Committee as formerly constituted. The motion prevailed.

### RECONSIDERATION

Mr. Spear moved that the vote whereby S. F. No. 1764 failed to pass the Senate on April 5, 1976, be now reconsidered.

The question being taken on adoption of the motion,

And the roll being called, there were yeas 28 and nays 29, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Laufenburger	North	Spear
Arnold	Gearty	Lewis	Olson, H. D.	Stokowski
Chenoweth	Hughes	McCutcheon	Perpich, A. J.	Stumpf
Chmielewski	Humphrey	Merriam	Schaaf	Willet
Coleman	Keefe, S.	Milton	Schmitz	
Conzemius	Kleinbaum	Moe	Solon	

Those who voted in the negative were:

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

The motion did not prevail.

**MOTIONS AND RESOLUTIONS—CONTINUED**

Mr. Schaaf moved that H. F. No. 109 and the Conference Committee Report thereon be taken from the table. The motion prevailed.

**CONFERENCE COMMITTEE REPORT ON H. F. NO. 109**

A bill for an act relating to the organization of state government; providing that heads of certain departments and other governmental units of the state shall serve at the pleasure of the governor; eliminating obsolete language; amending Minnesota Statutes 1974, Sections 16.01; 16A.01, Subdivision 2; 17.01; 45.02; 45.15; 84.01, Subdivision 2; 116.03, Subdivision 1; 161.03, Subdivision 1; 175.001, Subdivision 1; 179.02; 196.02, Subdivision 1; 216A.06; 241.01, Subdivision 1; 245.03; 268.12, Subdivision 1; 270.02, Subdivision 2; 298.22, Subdivision 1; 299A.01, Subdivision 1; 360.014, Subdivision 2; 362.09, Subdivision 1; and 363.04, Subdivision 1.

March 29, 1976

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

The Honorable Alec G. Olson  
President of the Senate

We, the undersigned conferees for H. F. No. 109 report that we have agreed upon the items in dispute and recommend as follows:

That H. F. No. 109 be amended as follows:

Strike everything after the enacting clause and insert:

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

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

*Subd. 2. [ASSUMPTION OF OFFICE.] The appointing authority shall submit to the president of the senate the name of an appointee as commissioner within 90 days after the end of the term of a commissioner as defined in subdivision 3 and within 90 days*

*after the occurrence of a vacancy. The commissioner shall take office when the senate notifies the appointing authority that it has advised and consented to the appointment. Prior to the advice and consent of the senate, the appointing authority may designate the appointee as "acting commissioner", and upon this designation the appointee shall immediately have all the powers and emoluments and perform all the duties of the office. No person shall serve as acting commissioner after the senate has voted to refuse to advise and consent to his appointment.*

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

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

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

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

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

*(3) To appoint all subordinate officers and employees in his department or agency and to prescribe their duties and fix their compensation; provided, that all departments and agencies here-*

under shall be subject to the provisions of any civil service law now or hereafter enacted, so far as applicable chapter 43 ;

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

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

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

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

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.

Sec. 2. [4.035] [EXECUTIVE ORDERS.] Subdivision 1. [APPLICABILITY.] A written statement or order executed by the governor pursuant to his constitutional or statutory authority and denominated by him as an executive order, or a statement or order of the governor required by law to be in the form of an executive order, shall be uniform in format, shall be numbered consecutively, and shall be effective and expire as provided in this section. Executive orders creating agencies shall be consistent with the provisions of this section and section 5.

*Subd. 2. [EFFECTIVE DATE.] An executive order issued pursuant to sections 12.31 to 12.32 or any other emergency executive order issued to protect a person from an imminent threat to his health and safety shall be effective immediately and shall be filed with the secretary of state and published in the state register as soon as possible after its issuance. Emergency executive orders shall be identified as such in the order. Any other executive order shall be effective, and shall be filed with the secretary of state, 15 days after its publication in the state register. The governor shall submit a copy of the executive order to the commissioner of administration to facilitate publication in the state register.*

*Subd. 3. [EXPIRATION DATE.] Unless an earlier date is specified by statute or by executive order, an executive order shall expire 30 days after the date that the governor who issued the order vacates his office.*

Sec. 3. Minnesota Statutes, 1975 Supplement, Section 15.051, Subdivision 1, is amended to read:

15.051 [STATE REGISTER.] Subdivision 1. [PURPOSE.] The commissioner of administration shall publish a state register containing all notices for hearings concerning rules, giving time, place and purpose of the hearing and the full text of the action being proposed. Further, the register shall contain all rules, amendments, suspensions, or repeals thereof, pursuant to the provisions of this chapter. The commissioner shall further publish any executive order issued by the governor which shall become effective ~~upon such~~ 15 days after publication ~~except as provided in section 2, subdivision 2.~~ The commissioner shall further publish any official notices in the register which a state agency requests him to publish. Such notices shall include, but shall not be limited to, the date on which a new agency becomes operational, the assumption of a new function by an existing state agency, or the appointment of commissioners. The commissioner may prescribe the form and manner in which agencies submit any material for publication in the state register, and he may withhold publication of any material not submitted according to the form or procedures he has prescribed.

The commissioner of administration may organize and distribute the contents of the register according to such categories as will provide economic publication and distribution and will offer easy access to information by any interested party.

Sec. 4. Minnesota Statutes 1974, Section 15.051, Subdivision 3, is amended to read:

Subd. 3. [SUBMISSION OF ITEMS FOR PUBLICATION.] Any state agency which desires to publish a notice of hearing, rule or regulation or change thereof, ~~or an executive order,~~ shall submit a copy of the entire document, including dates when adopted, and filed with the secretary of state, to the commissioner of administration in addition to any other copies which may be required to be filed with the commissioner by other law.

Sec. 5. [15.0593] [AGENCIES CREATED BY EXECUTIVE ORDER.] *The governor may by executive order create in his office ad-*



*visory task forces, councils and committees to advise or assist him on matters relating to the laws of this state. A task force, council or committee so created shall have no more than 15 members, and vacancies may be filled by the governor. Members of a task force, council or committee shall receive no per diem but may be paid expenses in the same manner as state employees. A task force, council or committee shall expire two years after the date of order unless otherwise specified consistent with section 2, subdivision 3. The task force, council or committee shall be named beginning with the prefix "Governor's Task Force on", "Governor's Council on" or "Governor's Committee on". The governor shall not create a board, commission, authority or other similar multi-member agency except as provided in this section. A multi-member agency previously created by executive order shall be renamed and shall be consistent with the provisions of this section. Nothing in this section shall apply, to the extent inconsistent with statute or federal law, to any multi-member agency specifically authorized by statute or specifically authorized by federal law as a condition precedent to the receipt of federal moneys.*

Sec. 6. Minnesota Statutes 1974, Section 16.01, is amended to read:

**16.01 [COMMISSIONER OF ADMINISTRATION.]** The department of administration shall be under the supervision and control of a commissioner of administration, in sections 16.01 to 16.23 chapter 16 also referred to as the commissioner ; who shall be ~~ex-officio the state budget director and state purchasing agent .~~

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

Sec. 7. Minnesota Statutes 1974, Section 16A.01, Subdivision 2, is amended to read:

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

Sec. 8. Minnesota Statutes 1974, Section 16A.01, Subdivision 3, is amended to read:

Subd. 3. The commissioner may appoint two deputy commissioners, and a confidential secretary, each of whom shall serve at the pleasure of the commissioner in the unclassified service. ~~Except as may be otherwise provided for by law, the commissioner shall fix~~

the compensation of each deputy. A deputy may perform and exercise a power, duty, or responsibility imposed by law on the commissioner when authorized so to do by the commissioner.

Sec. 9. Minnesota Statutes 1974, Section 16.125, is amended to read:

16.125 [TRANSFER OF POWERS OR DUTIES.] *Subdivision 1. The authority of the commissioner of administration under sections 16.13 and 16.135, includes the authority to transfer functions, in order to improve efficiency or avoid duplication, may transfer powers or duties, and personnel necessary to perform the powers or duties, of a department to another with the approval of the governor or agency to another department or agency that has been in existence for at least one year prior to the date of transfer. A transfer must have received the prior approval of the governor.*

*Subd. 2. [FORM OF TRANSFER; EFFECTIVE DATE.] A transfer made pursuant to subdivision 1 shall be in the form of a reorganization order. A reorganization order shall be filed with the secretary of state, shall be uniform in format and shall be numbered consecutively. An order shall be effective upon filing with the secretary of state and shall remain in effect until amended or superseded. Copies of the filed order shall be delivered promptly by the commissioner to the secretary of the senate and the chief clerk of the house. A reorganization 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 concurrent resolution or enacted into law.*

*Subd. 3. In case of transfer of function The commissioner of finance shall determine the fractional part of the appropriation to the department or agency from which the function power or duty is transferred for the function represented by that transferred power or duty, and that part of the appropriation is hereby reapportioned to the transferee department assigned the function. The commissioner shall forthwith report the transfers to the committee on finance in the senate and the committee on appropriations in the house of representatives or agency.*

Sec. 10. Minnesota Statutes 1974, Section 17.01, is amended to read:

17.01 [CREATION OF DEPARTMENT; COMMISSIONER; DEPUTY.] There is hereby created a department of agriculture, which shall be in the charge of a commissioner, who shall be in unclassified service, to be known as the commissioner of agriculture, in chapter 17 called the commissioner, who. He shall be appointed by the governor, by and with the advice and consent of the senate for a four year term which shall coincide with the term of the governor and until his successor is duly appointed and has qualified. The governor may remove the commissioner at any time for cause after notice and hearing. On January 4, 1971, the term of the incumbent commissioner of agriculture shall expire. In case of a vacancy, the governor may appoint a commissioner who shall immediately take office and shall carry on all of the duties of the office until the next session of the legislature, when his appointment shall be submitted to the senate for approval under the provisions of

*section 1* . Before entering upon the duties of his office, he shall take and subscribe the oath required of state officials and give his bond to the state of Minnesota, to be approved by, and filed with, the secretary of state, for the sum of \$5,000, conditioned for the faithful performance of his duties . He may appoint a deputy who shall be in the unclassified service, commissioner and such other assistants, clerks, and employees as occasion may require .

Sec. 11. Minnesota Statutes 1974, Section 43.001, Subdivision 2, is amended to read:

Subd. 2. The commissioner of personnel is appointed by the governor by and with the advice and consent of the senate for a term which coincides with the term of the governor and until his successor is duly appointed and qualifies under the provisions of *section 1* . He shall have broad experience in a managerial position including about five years as an executive personnel manager in one or more organizations essentially similar in complexity to state government. The governor may remove the commissioner only for cause, and after a public hearing. A vacancy in the office of the commissioner shall be filled by the appointing authority for the unexpired term.

Sec. 12. Minnesota Statutes 1974, Section 43.001, Subdivision 3, is amended to read:

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

Sec. 13. Minnesota Statutes 1974, Section 45.02, is amended to read:

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

A majority of the commission shall constitute a quorum.

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

Sec. 14. Minnesota Statutes 1974, Section 45.15, is amended to read:

**45.15 [ESTABLISHMENT OF CONSUMER SERVICES SECTION.]** A section of consumer services is established in the department of commerce under the supervision and control of a director of consumer services. The director of consumer services is appointed by the governor ; by and with the advice and consent of the senate, for a four year term which shall coincide with the term of the governor and until a successor is duly appointed and qualifies. A vacancy in the office of the director shall be filled for the unexpired term under the provisions of section 1 .

Sec. 15. Minnesota Statutes 1974, Section 84.01, Subdivision 2, is amended to read:

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

Sec. 16. Minnesota Statutes 1974, Section 116.03, Subdivision 1, is amended to read:

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

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

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

Sec. 17. Minnesota Statutes 1974, Section 116H.03, Subdivision 2, is amended to read:

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

Sec. 18. Minnesota Statutes 1974, Section 116H.03, Subdivision 3, is amended to read:

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

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

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

Sec. 19. Minnesota Statutes 1974, Section 161.03, Subdivision 1, is amended to read:

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

shall be submitted to the senate for approval. The commissioner shall be in unclassified service. On January 4, 1971, the term of the incumbent commissioner of highways shall expire under the provisions of section 1.

Sec. 20. Minnesota Statutes 1974, Section 161.03, Subdivision 4, is amended to read:

Subd. 4. [DEPUTY COMMISSIONER.] The commissioner may appoint a deputy who shall serve in the classified service of the state commissioner. The deputy may perform and exercise every power, duty, and responsibility imposed by law upon the commissioner when so authorized by the commissioner.

Sec. 21. Minnesota Statutes 1974, Section 175.001, Subdivision 1, is amended to read:

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

Sec. 22. Minnesota Statutes 1974, Section 179.02, is amended to read:

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

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

a roster of persons qualified to act as such special mediators and keep the same revised at all times and available to the governor and the public.

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

Sec. 23. Minnesota Statutes 1974, Section 196.02, Subdivision 1, is amended to read:

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

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

(2) Citizenship in the United States;

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

Sec. 24. Minnesota Statutes 1974, Section 216A.06, Subdivision 1, is amended to read:

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

Sec. 25. Minnesota Statutes 1974, Section 241.01, Subdivision 1, is amended to read:

241.01 [CREATION OF DEPARTMENT.] Subdivision 1. [COMMISSIONER.] The department of corrections is hereby

created under the control and supervision of the commissioner of corrections which office is hereby established. The commissioner of corrections ; who shall be in unclassified service, shall be selected without regard to political affiliation and shall have wide and successful administrative experience in correctional programs embodying rehabilitative concepts. The commissioner shall be appointed by the governor ; by and with the advice and consent of the senate for a four year term which shall coincide with the term of the governor and until his successor is duly appointed and has qualified. The governor may remove the commissioner at any time for cause after notice and hearing. In case of a vacancy, the governor may appoint a commissioner, who shall immediately take office and shall carry on all of the duties of the office until the next session of the legislature, when his appointment shall be submitted to the senate for approval. On January 4, 1971, the term of the incumbent commissioner shall expire under the provisions of section 1 .

Sec. 26. Minnesota Statutes 1974, Section 241.01, Subdivision 2, is amended to read:

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

Sec. 27. Minnesota Statutes 1974, Section 245.03, is amended to read:

245.03 [DEPARTMENT OF PUBLIC WELFARE ESTABLISHED; COMMISSIONER.] There is hereby created and established a department of public welfare. A commissioner of public welfare shall be appointed by the governor with the advice and consent of the senate for a four year term which shall coincide with the term of the governor and until his successor is duly appointed and has qualified. The governor may remove the commissioner at any time for cause after notice and hearing. In case of a vacancy, the governor may appoint a commissioner, who shall immediately take office and shall carry on all of the duties of the office until the next session of the legislature, when his appointment shall be submitted to the senate for approval under the provisions of section 1 . The commissioner ; who shall be in unclassified service, shall be selected on the basis of ability and experience in welfare and without regard to political affiliations. Subject to the provisions of sections 245.03 to 245.12 and other applicable laws, now or hereinafter enacted, The commissioner shall have the power to organize his



department in such manner as he may deem necessary, and to appoint a deputy commissioner in unclassified service. He shall also appoint such other subordinate officers, employees and agents as he may deem necessary to discharge the functions of the department; and define the duties of such officers, employees and agents and to delegate to them any of his powers or duties subject to his control and under such conditions as he may prescribe. Appointments to exercise delegated powers shall be written orders filed with the secretary of state. The commissioner shall give bond in the sum of \$10,000. On January 4, 1971, the term of the incumbent commissioner shall expire.

Sec. 28. Minnesota Statutes 1974, Section 268.12, Subdivision 1, is amended to read:

268.12 [CREATION.] Subdivision 1. [DEPARTMENT OF EMPLOYMENT SERVICES; COMMISSIONER.] (1) There is hereby created and established a department of employment security which shall be the successor to the division of employment and security, which said division is hereby abolished as a division of the department of social security as established by Laws 1939, Article VII, Section 1. *services under the control of* (2) a commissioner of employment security who shall be appointed by the governor with the advice and consent of the senate for a four year term which shall coincide with the term of the governor and until his successor is duly appointed and has qualified, to administer this chapter as the same may hereafter from time to time be amended. The commissioner, who shall be in unclassified service, may be removed by the governor at any time for cause after notice and hearing *under the provisions of section 1*. The commissioner shall be selected on the basis of ability and experience and without regard to political affiliations. In case of a vacancy, the governor may appoint a commissioner, who shall immediately take office and shall carry on all of the duties of the office until the next session of the legislature, when his appointment shall be submitted to the senate for approval. On January 4, 1971, the term of the incumbent commissioner shall expire. Subject to the provisions of sections 268.03 to 268.24 and other applicable laws now or hereafter enacted, the commissioner shall have the power to organize his department in such manner as he may deem necessary. Appointments to exercise delegated powers shall be written orders filed with the secretary of state. The salary of the commissioner shall be prescribed by the legislature and he shall give bond in the sum of \$10,000.

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

ty are by this act assigned and transferred to the department of employment security.

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

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

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

(6) Laws 1953, Chapter 603, shall take effect and be in force from and after its passage; provided, that no transfer of functions, rights, powers, duties, or funds made thereby shall take effect until the commissioner of the department to whom the same are transferred shall have been appointed, taken his oath of office and filed oath and bond in the office of the secretary of state, and until then the former division or agency vested therewith shall continue to exercise and perform such functions, rights, powers, and duties, and to have charge of such funds.

Sec. 29. Minnesota Statutes 1974, Section 270.02, Subdivision 2, is amended to read:

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

Sec. 30. Minnesota Statutes 1974, Section 298.22, Subdivision 1, is amended to read:

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

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

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

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

Sec. 31. Minnesota Statutes 1974, Section 299A.01, Subdivision 1, is amended to read:

299A.01 [DEPARTMENT OF PUBLIC SAFETY; CREATION AND ORGANIZATION.] Subdivision 1. In order that the functions and services of the state of Minnesota relating to the safety and convenience of its citizens might be coordinated and directed in an accessible, identifiable manner, and to promote and insure the existing public safety operations of that government, The department of public safety is created under the supervision and control of the commissioner of public safety, which office is established. The commissioner of public safety is appointed by

the governor , by and with the advice and consent of the senate for four year term. The governor may remove the commissioner only for cause, after a public hearing. A vacancy in the office of the commissioner shall be filled for the unexpired portion of the term under the provisions of section 1 . The commissioner may appoint a deputy commissioner who shall serve at the pleasure of the commissioner in the unclassified service . The salary of such deputy is fixed by the commissioner except when otherwise expressly provided for by law. The deputy may perform and exercise every power, duty, and responsibility imposed by law upon the commissioner when authorized so to do by the commissioner.

Sec. 32. Minnesota Statutes 1974, Section 299A.01, Subdivision 2, is amended to read:

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

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

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

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

Sec. 33. Minnesota Statutes 1974, Section 360.014, Subdivision 2, is amended to read:

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

Sec. 34. Minnesota Statutes 1974, Section 362.09, Subdivision 1, is amended to read:

362.09 [COMMISSIONER; ADVISORY COMMISSION.] Subdivision 1. The department shall be under the supervision and control of a commissioner of economic development, in unclassified service, who shall be appointed by the governor ; by and with the advice and consent of the senate for a term of four years to coincide with that of the governor and until his successor is duly appointed and has qualified. The governor may remove the commissioner at any time for cause after notice and hearing *under the provisions of section 1* . He shall be chosen with regard to his knowledge, training, experience, and ability in administering the functions of the department. In case of a vacancy, the governor may appoint a commissioner who shall thereupon immediately take office and shall carry on all the duties of the office until the next session of the legislature, when his appointment shall be submitted to the senate for approval. The commissioner shall receive a salary as provided by law. He shall give a bond to the state in the sum of \$10,000. On January 4, 1971, the term of the incumbent commissioner shall expire.

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

Sec. 35. Minnesota Statutes 1974, Section 363.04, Subdivision 1, is amended to read:

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

Sec. 36. Minnesota Statutes, 1975 Supplement, Section 144.02, is amended to read:

144.02 [MEETINGS; OFFICERS; QUORUM.] The state board of health shall hold an annual meeting during the first quarter of every year at a time and place designated by the board at which time it shall *annually* elect from its members a president. Regular meetings, one of which shall include the annual meeting, shall be held not less than four times a year. At least one such regular meet-

ing shall be held each quarter. The time and place of all such regular meetings shall be determined by the board, and all board members shall be notified thereof by mail seven days in advance. Special meetings may be held at such times and places as on the request of the secretary commissioner or any two members of the board shall appoint upon three days' notice to the members by mail. The board shall elect a secretary, with the advice and consent of the senate, to serve during its pleasure, who may or may not be one of its members. A majority shall be a quorum and any meeting may be adjourned from time to time.

Sec. 37. Minnesota Statutes 1974, Chapter 144, is amended by adding a section to read:

[144.031] [COMMISSIONER.] *Subdivision 1. [APPOINTMENT.] The department of health shall be under the administrative control of the commissioner of health which office is established. He shall be appointed by the governor under the provisions of section 1. The commissioner so appointed shall have experience in public health administration. The board of health, and any professional health organization through the board of health, may recommend to the governor names of possible appointees.*

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

Sec. 38. Minnesota Statutes 1974, Section 144.04, is amended to read:

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

Sec. 39. Minnesota Statutes 1974, Section 121.09, is amended to read:

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

Sec. 40. Minnesota Statutes 1974, Section 121.16, is amended to read:

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

*He The commissioner shall be a person who possesses educational attainment and breadth of experience in the administration of public education and of the finances pertaining thereto commensurate with the spirit and intent of this code. The commissioner shall have authority to nominate, for approval by the state board, such officials and appoint employees as may be necessary to perfect and to maintain for the organization of the department as recommended by him and as adopted by the state board . He shall perform such duties as the law and the rules of the state board may provide and be held responsible for the efficient administration and discipline of the various offices and division in the organization of the department. He shall be required to make recommendations to the state board which shall facilitate all of the work of the state board , and he shall be charged with the execution of powers and duties which the state board may prescribe, from time to time, to promote public education in the state, to safeguard the finances pertaining thereto, and to enable the state board to carry out the provisions of this code its duties .*

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

Sec. 41. Minnesota Statutes 1974, Section 462A.04, Subdivision 3, is amended to read:

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

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

Sec. 42. [TEMPORARY PROVISIONS.] *The term of any department head or commissioner dealt with in this act shall expire the first Monday in January 1979, unless Minnesota Statutes provide for an earlier expiration date. In this event, the new ap-*

pointment shall be made so as to expire the first Monday of January 1979. Notwithstanding the foregoing, the term of the commissioner of health shall expire on the day following the effective date of this act.

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

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

**Sec. 43. [APPLICATION; INSTRUCTION TO REVISOR.]** If by any other law a department is created to be the successor to the department of highways and the department of aeronautics the commissioner of that successor department shall, notwithstanding any other law to the contrary, serve at the pleasure of the governor. In the law creating such a successor department any subdivision pertaining to the appointment of the commissioner of the successor department shall be of no effect and shall not be printed in the next edition of the statutes. In place of the subdivision the revisor shall insert the following: The department shall be supervised and controlled by the commissioner of transportation, who shall be appointed by the governor and serve under the provisions of section 1.

If a law is enacted in the same year as this act that creates such a successor department the revisor shall delete from section 1, subdivision 1, of this act the words "aeronautics" and "highway" and insert after "revenue" the word "transportation". In any conflict between the provisions of this act and the repealer section of any act creating such a successor department, the provisions of the repealer section of the act creating the successor department shall govern.

**Sec. 44. [INSTRUCTION TO REVISOR.]** The revisor of statutes shall eliminate from the statutes any reference to the "secretary" or "executive officer" of the board of health or any similar title with this meaning, and shall substitute "commissioner" or "commissioner of health" as appropriate.

**Sec. 45. [REPEALER.]** Minnesota Statutes 1974, Sections 16.13, 121.07, 121.08, 121.10, 175.003, Subdivision 4, 216A.06, Subdivision 2, and 144.03, are repealed.

**Sec. 46. [EFFECTIVE DATE.]** This act shall be effective the day following its final enactment."

Further strike the title and insert:

"A bill for an act relating to the organization of state government; providing that heads of certain departments and other governmental



units of the state shall be appointed by and shall serve at the pleasure of the appointing authority; providing for the succession of commissioners; defining position and duties of deputy department heads; standardizing the format and procedures relating to executive orders and reorganization orders; prescribing uses for executive orders; limiting the scope of reorganization orders; eliminating obsolete language; amending Minnesota Statutes 1974, Sections 15.051, Subdivision 3; 15.06; 16.01; 16.125; 16A.01, Subdivisions 2 and 3; 17.01; 43.001, Subdivisions 2 and 3; 45.02; 45.15; 84.01, Subdivision 2; 116.03, Subdivision 1; 116H.03, Subdivisions 2 and 3; 121.09; 121.16; 144.04; 161.03, Subdivisions 1 and 4; 175.001, Subdivision 1; 179.02; 196.02, Subdivision 1; 216A.06, Subdivision 1; 241.01, Subdivisions 1 and 2; 245.03; 268.12, Subdivision 1; 270.02, Subdivision 2; 298.22, Subdivision 1; 299A.01, Subdivisions 1 and 2; 360.014, Subdivision 2; 362.09, Subdivision 1; and 363.04, Subdivision 1; 462A.04, Subdivision 8; and Chapter 144, by adding a section; and Minnesota Statutes, 1975 Supplement, Sections 15.051, Subdivision 1; and 144.02; repealing Minnesota Statutes 1974, Sections 16.13; 121.07; 121.08; 121.10; 175.003, Subdivision 4; 216A.06, Subdivision 2; and 144.03."

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Harry A. Sieben, Jr., Tad Jude, Al Patton

Senate Conferees: (Signed) David D. Schaaf, Eugene E. Stokowski

Mr. Schaaf moved that the foregoing recommendations and Conference Committee Report on H. F. No. 109 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

H. F. No. 109: A bill for an act relating to the organization of state government; providing that heads of certain departments and other governmental units of the state shall be appointed by and shall serve at the pleasure of the appointing authority; providing for the succession of commissioners; defining position and duties of deputy department heads; standardizing the format and procedures relating to executive orders and reorganization orders; prescribing uses for executive orders; limiting the scope of reorganization orders; eliminating obsolete language; amending Minnesota Statutes 1974, Sections 15.051, Subdivision 3; 15.06; 16.01; 16.125; 16A.01, Subdivisions 2 and 3; 17.01; 43.001, Subdivisions 2 and 3; 45.02; 45.15; 84.01, Subdivision 2; 116.03, Subdivision 1; 116H.03, Subdivisions 2 and 3; 121.09; 121.16; 144.04; 161.03, Subdivisions 1 and 4; 175.001, Subdivision 1; 179.02; 196.02, Subdivision 1; 216A.06, Subdivision 1; 241.01, Subdivisions 1 and 2; 245.03; 268.12, Subdivision 1; 270.02, Subdivision 2; 298.22, Subdivision 1; 299A.01, Subdivisions 1 and 2; 360.014, Subdivision 2; 362.09, Subdivision 1; and 363.04, Subdivision 1; 462A.04, Subdivision 8; and Chapter 144, by adding a section; and Minnesota Statutes, 1975 Supplement, Sections 15.051, Subdivision 1; and 144.02; repealing Minnesota Statutes 1974, Sections 16.13; 121.07; 121.08; 121.10; 175.003, Subdivision 4; 216A.06, Subdivision 2; and 144.03.

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

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

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

And the roll being called, there were yeas 23 and nays 32, as follows:

Those who voted in the affirmative were:

Arnold	Gearty	Lewis	Olson, H. D.	Spear
Borden	Hughes	McCutcheon	Perpich, A. J.	Stokowski
Chenoweth	Humphrey	Merriam	Schaaf	Stumpf
Chmielewski	Keefe, S.	Milton	Schmitz	
Coleman	Laufenburger	North	Solon	

Those who voted in the negative were:

Ashbach	Davies	Josefson	Olhoff	Sillers
Bang	Dunn	Keefe, J.	Olson, J. L.	Stassen
Berg	Fitzsimons	Kirchner	O'Neill	Ueland
Bernhagen	Frederick	Knutson	Patton	Willet
Blatz	Hansen, Baldy	Kowalczyk	Pillsbury	
Brown	Hansen, Mel	Larson	Purfeerst	
Conzemius	Hanson, R.	Moe	Renneke	

So the bill, as amended by the Conference Committee, failed to pass.

Without objection, the Senate reverted to the Order of Business of Messages From the House.

#### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 1788, and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 1788: A bill for an act relating to banks and banking; authorizing consumer banking facilities and credit union facilities; providing penalties; amending Minnesota Statutes 1974, Chapter 52, by adding a section.

Senate File No. 1788 is herewith returned to the Senate.

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

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 2489:

H. F. No. 2489: A bill for an act relating to highway traffic regulations; special permits for oversize and overweight vehicles; authorizing an annual permit for refuse compactor vehicles and prescribing maximum loads thereon; providing a fee therefor; redefining farm trucks; amending Minnesota Statutes 1971, Section 168.011, Subdivision 17, as amended; and Minnesota Statutes 1974, Section 169.86, Subdivision 5; repealing Minnesota Statutes 1974, Section 169.831.

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

Schreiber, Voss and Sieben, H. have been appointed as such committee on the part of the House.

House File No. 2489 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 April 5, 1976

Mr. Chmielewski moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 2489, 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. 1397:

H. F. No. 1397: A bill for an act relating to the creation of a legislative advisory task force; appropriating money.

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

Fugina, Smith and Searle have been appointed as such committee on the part of the House.

House File No. 1397 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 April 5, 1976

Mr. Coleman moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 1397, 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.

#### RECESS

Mr. Coleman moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

**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. 1397, pursuant to the request of the House:

Messrs. Coleman, Anderson and Ogdahl.

H. F. No. 2489, pursuant to the request of the House:

Messrs. Chmielewski, Frederick and Anderson.

Mr. Davies moved that the foregoing appointments be approved. The motion prevailed.

**MOTIONS AND RESOLUTIONS—CONTINUED**

Mr. Coleman moved that the Senate do now adjourn until 9:00 o'clock a.m., Tuesday, April 6, 1976. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate