

FIFTEENTH DAY

St. Paul, Minnesota, Thursday, February 17, 1977

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

CALL OF THE SENATE

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

Ashbach	Engler	Menning	Pillsbury	Stokowski
Bang	Gearty	Merriam	Purfeerst	Strand
Benedict	Gunderson	Moe	Schmitz	Stumpf
Borden	Hanson	Nelson	Sieloff	Tennessee
Brataas	Hughes	Nichols	Sikorski	Ueland, A.
Chmielewski	Humphrey	Olhoff	Sillers	Vega
Coleman	Johnson	Olson	Solon	Wegener
Dieterich	Lessard	Perpich	Spear	Willet
Dunn	Lewis	Peterson	Staples	

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

Prayer was offered by the Chaplain, Rev. Vernon D. Gunderman.

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

Anderson	Engler	Lessard	Perpich	Spear
Ashbach	Frederick	Lewis	Peterson	Staples
Bang	Gearty	Luther	Pillsbury	Stokowski
Benedict	Gunderson	McCutcheon	Purfeerst	Strand
Bernhagen	Hanson	Menning	Renneke	Stumpf
Borden	Hughes	Merriam	Schaaf	Tennessee
Brataas	Humphrey	Moe	Schmitz	Ueland, A.
Chenoweth	Jensen	Nelson	Schrom	Ulland, J.
Chmielewski	Johnson	Nichols	Setzepfandt	Vega
Coleman	Keefe, J.	Ogdahl	Sieloff	Wegener
Davies	Keefe, S.	Olhoff	Sikorski	Willet
Dieterich	Kleinbaum	Olson	Sillers	
Dunn	Laufenburger	Penny	Solon	

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. Kirchner, Knoll, Knutson and Milton were excused from the Session of today.

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Messrs. Keefe, S.; Spear; Vega and Merriam introduced—

S. F. No. 351: A bill for an act relating to labor relations; providing that a successor clause in a collective bargaining agreement is binding on a successor employer; providing that if the successor employer is not notified of the existence of a successor clause, the sale, lease or transfer is voidable; amending Minnesota Statutes 1976, Chapter 179, by adding a section.

Referred to the Committee on Employment.

Messrs. Nelson, Laufenburger, Kirchner and Gearty introduced—

S. F. No. 352: A bill for an act relating to highway safety; requiring loads on dump trucks to be covered; assigning responsibility for such covering to owners and contractors; providing a penalty; amending Minnesota Statutes 1976, Section 169.81, by adding a subdivision.

Referred to the Committee on Transportation.

Messrs. Knutson and Engler introduced—

S. F. No. 353: A bill for an act relating to financial institutions; power to make conventional loans and purchase of obligations representing such loans; amending Minnesota Statutes 1976, Section 47.20, Subdivision 3.

Referred to the Committee on Commerce.

Messrs. Merriam, Sikorski and Pillsbury introduced—

S. F. No. 354: A bill for an act relating to education; smoking by students; permitting certain students to smoke in areas designated by school boards.

Referred to the Committee on General Legislation and Veterans Affairs.

Mr. Solon introduced—

S. F. No. 355: A bill for an act relating to intoxicating liquor; authorizing towns or municipalities to extend on-sale liquor hours under certain circumstances; amending Minnesota Statutes 1976, Section 340.14, by adding a subdivision.

Referred to the Committee on Commerce.

Messrs. Solon, McCutcheon and Olson introduced—

S. F. No. 356: A bill for an act relating to veterans; authorizing a memorial plaque; providing a property tax exemption; amending Minnesota Statutes 1976, Section 273.13, Subdivision 15a, and by adding a subdivision; and Chapter 196, by adding a section.

Referred to the Committee on General Legislation and Veterans Affairs.

Mr. Spear, Mrs. Staples and Mr. Kirchner introduced—

S. F. No. 357: A bill for an act relating to public records; regulating the administration of the state archives and state and local public records; providing a penalty; amending Minnesota Statutes 1976, Sections 15.17, Subdivision 1; 138.161; 138.162; 138.17, Subdivisions 1, 6, and 7; 138.18; 138.19; 138.20; and 138.21; and Chapter 138, by adding sections; repealing Minnesota Statutes 1976, Section 16.66.

Referred to the Committee on Judiciary.

Messrs. Ogdahl, Anderson, Ashbach, Menning and Benedict introduced—

S. F. No. 358: A bill for an act relating to taxation; exempting from sales, use, and property tax certain property to be used to provide a solar energy heating or cooling system for buildings; amending Minnesota Statutes 1976, Sections 272.02, Subdivision 1; and 297A.25, Subdivision 1.

Referred to the Committee on Energy and Housing.

Messrs. Ueland, A.; Frederick; Willet; Renneke and Johnson introduced—

S. F. No. 359: A bill for an act relating to taxation; providing that gross receipts from the sale of secondary school yearbooks be exempt from sales tax; amending Minnesota Statutes 1976, Section 297A.25, Subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Merriam, Peterson, Sillers, Davies and McCutcheon introduced—

S. F. No. 360: A bill for an act proposing an amendment to add a section to the Minnesota Constitution, Article X; permitting state tax laws to adopt future federal tax law amendments by reference.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Merriam, Dunn and Anderson introduced—

S. F. No. 361: A bill for an act relating to education; handi-

capped pupils; providing instruction for certain nonresident pupils; requiring certain costs to be paid by district of residence; amending Minnesota Statutes 1976, Section 120.17, Subdivision 1a.

Referred to the Committee on Education.

Messrs. Stokowski, Peterson, Johnson, Ogdahl and Renneke introduced—

S. F. No. 362: A bill for an act relating to retirement; miscellaneous amendments to the teachers retirement law; amending Minnesota Statutes 1976, Sections 354.05, Subdivision 2; 354.10; 354.49, Subdivision 5; 354.50, Subdivision 2; 354.53, Subdivision 1; and 354.58.

Referred to the Committee on Governmental Operations.

Messrs. Stokowski, Kleinbaum, Willet, McCutcheon and Ueland, A. introduced—

S. F. No. 363: A bill for an act relating to taxation; increasing individual income tax credits; providing for a credit for the mentally or physically disabled; amending Minnesota Statutes 1976, Section 290.06, Subdivision 3c.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Solon; Johnson; Perpich; Ulland, J. and Chmielewski introduced—

S. F. No. 364: A bill for an act relating to counties; providing for appointment to county government study commissions by the chief judge of county court; amending Minnesota Statutes 1976, Section 375A.13, Subdivision 1.

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

Messrs. Solon; Willet; Stokowski; Keefe, S. and Johnson introduced—

S. F. No. 365: A bill for an act relating to telephone companies; prohibiting charges for directory assistance; amending Minnesota Statutes 1976, Chapter 237, by adding a section.

Referred to the Committee on Commerce.

Messrs. Luther, Olhoft, Spear, Penny and Keefe, J. introduced—

S. F. No. 366: A bill for an act relating to consumer protection; unlawful practices in general; amending Minnesota Statutes 1976, Section 325.79, Subdivision 1.

Referred to the Committee on Commerce.

Messrs. Knutson, Engler and Keefe, J. introduced—

S. F. No. 367: A bill for an act relating to taxation; exempting from property taxation the increased value of property when equipped with solar energy system; amending Minnesota Statutes 1976, Chapter 273, by adding a section; and Section 273.11, Subdivision 1.

Referred to the Committee on Energy and Housing.

Mr. Knutson, Mrs. Brataas and Mr. Keefe, J. introduced—

S. F. No. 368: A bill for an act relating to health care; providing conversion privileges under certain accident and health insurance policies, health service plan subscriber contracts and health maintenance contracts, for spouses whose marriage is dissolved; amending Minnesota Statutes 1976, Chapters 62A, by adding a section; 62C, by adding a section; and 62D, by adding a section.

Referred to the Committee on Commerce.

Mr. Knutson introduced—

S. F. No. 369: A bill for an act relating to motor vehicles; ownership and operation; requiring a valid drivers license to purchase a passenger automobile or station wagon; providing a mandatory one year drivers license revocation upon conviction of second or subsequent offense of driving under the influence of drugs or alcoholic beverages; prescribing penalties; amending Minnesota Statutes 1976, Chapter 168, by adding a section; and Section 169.121, Subdivision 4.

Referred to the Committee on Judiciary.

Messrs. Luther, Solon, Spear and Laufenburger introduced—

S. F. No. 370: A bill for an act relating to financial institutions; establishing procedures for issuance of orders and removal of officers or directors in the event of violations of law or unsafe practices; providing penalties.

Referred to the Committee on Commerce.

Messrs. Luther, Kleinbaum and Dieterich introduced—

S. F. No. 371: A bill for an act relating to securities; disciplinary action against a licensee; clarifying the time for initiating a proceeding; amending Minnesota Statutes 1976, Section 80A.07, Subdivision 2.

Referred to the Committee on Commerce.

Messrs. Menning, Schrom, Schmitz and Olhoff introduced—

S. F. No. 372: A bill for an act relating to health; providing

standards of consent for abortions; amending Minnesota Statutes 1976, Chapter 145, by adding a section.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Laufenburger, Pillsbury, Wegener, Mrs. Brataas and Mr. Schrom introduced—

S. F. No. 373: A bill for an act relating to the military; allowing the retention of certain rights of state and municipal officers and employees other than full pay while on military duty; requiring the payment of the difference between the military pay and the pay as an officer or employee; amending Minnesota Statutes 1976, Section 192.26, Subdivision 1.

Referred to the Committee on Employment.

Mr. Borden introduced—

S. F. No. 374: A bill for an act relating to the senate; providing for appointment of members of the senate to various commissions, committees, and other bodies; amending Minnesota Statutes 1976, Sections 1.22; 1.34, Subdivision 1; 3.85, Subdivision 3; 3.921, Subdivision 2; 3.922, Subdivision 1; 3.965, Subdivision 1; 84B.11, Subdivision 1; 86.07, Subdivision 1; 121.82, Subdivisions 1 and 2; 161.1419, Subdivision 2; 298.22, Subdivision 2; Extra Session Laws 1971, Chapter 31, Article XIII, Section 1, Subdivision 3, as amended; and Laws 1976, Chapter 337, Section 1, Subdivision 2.

Referred to the Committee on Rules and Administration.

Mr. Milton; Mrs. Staples; Messrs. Ulland, J.; Coleman and Borden introduced—

S. F. No. 375: A bill for an act relating to state employees; day care centers; establishing a state day care pilot project; appropriating money.

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

Messrs. Spear, Knoll and Keefe, S. introduced—

S. F. No. 376: A bill for an act relating to the city of Minneapolis; selection of supervisor of license inspection for the Minneapolis police department; providing for the establishment of qualifications by the Minneapolis city council; amending Laws 1961, Chapter 108, Section 2, as amended.

Referred to the Committee on Local Government.

Messrs. Laufenburger, Solon, Sikorski, Knutson and Borden introduced—

S. F. No. 377: A bill for an act relating to credit union mergers; amending Minnesota Statutes 1976, Section 52.203.

Referred to the Committee on Commerce.

Messrs. Sieloff, Frederick and Bernhagen introduced—

S. F. No. 378: A bill for an act relating to taxation; permitting filing of claim for income-adjusted homestead credit with income tax return; extending income tax return filing date; amending Minnesota Statutes 1976, Sections 290.42; 290A.06; and 290A.07, Subdivision 2.

Referred to the Committee on Taxes and Tax Laws.

Mr. Moe introduced—

S. F. No. 379: A bill for an act relating to retirement; police pensions in cities of the fourth class; amending Minnesota Statutes 1976, Sections 423.55 and 423.56.

Referred to the Committee on Governmental Operations.

Messrs. Davies, Knoll, Sieloff and Sikorski introduced—

S. F. No. 380: A bill for an act relating to courts; lapse of causes of action arising outside the state; amending Minnesota Statutes 1976, Section 541.14.

Referred to the Committee on Judiciary.

Messrs. Peterson, Nichols, Laufenburger, Luther and Bernhagen introduced—

S. F. No. 381: A bill for an act relating to game and fish; removal of beaver and destruction of dams; seasons for taking beaver, fox, and wild turkey; hours for taking trout; amending Minnesota Statutes 1976, Sections 97.56; 97.57; 100.26, Subdivision 1; 100.27, Subdivisions 1, 3, 4, 5, and 7; 100.28, Subdivision 1; and 101.42, Subdivision 8.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Vega, Moe, Kirchner, Stokowski and Schaaf introduced—

S. F. No. 382: A bill for an act relating to the operation of state government; requiring a reevaluation of state department budgets and programs every two years following zero-based budgeting; providing for investigation by legislative staff.

Referred to the Committee on Governmental Operations.

Messrs. Chmielewski and Olson introduced—

S. F. No. 383: A bill for an act relating to veterans; commissioner of veterans affairs; changing residency requirements for the commissioner and certain officers and employees of the department of veterans affairs; amending Minnesota Statutes 1976, Section 196.02, Subdivision 1.

Referred to the Committee on General Legislation and Veterans Affairs.

Messrs. Sieloff, Pillsbury and Stokowski introduced—

S. F. No. 384: A bill for an act proposing an amendment to the Minnesota Constitution, Article IV, Sections 2 and 3; setting the size of the legislature and providing for apportionments.

Referred to the Committee on Governmental Operations.

Messrs. Sieloff and Dieterich introduced—

S. F. No. 385: A bill for an act relating to taxation; eliminating city excise taxes on utility charges; providing for replacement of revenues lost by the cities due to elimination of that revenue; appropriating funds; amending Minnesota Statutes 1976, Section 477A.01, by adding a subdivision.

Referred to the Committee on Local Government.

Messrs. Hanson, Wegener, Moe, Strand and Nelson introduced—

S. F. No. 386: A bill for an act relating to redevelopment; providing for membership on regional development commissions; amending Minnesota Statutes 1976, Section 462.388, Subdivision 1.

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

Messrs. Kleinbaum and Keefe, J. introduced—

S. F. No. 387: A bill for an act relating to taxation; imposing a gross earnings tax on electric utilities; amending Minnesota Statutes 1976, Section 295.01, by adding a subdivision, and Chapter 295, by adding sections; and repealing Minnesota Statutes 1976, Sections 273.36 to 273.42.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Sieloff, Davies and Knutson introduced—

S. F. No. 388: A bill for an act relating to insurance; subrogation

of claims; requiring subrogated insurers to pay a proportionate share of certain attorney fees and costs; amending Minnesota Statutes 1976, Section 65B.53, Subdivision 5, and by adding a subdivision.

Referred to the Committee on Judiciary.

Messrs. Sikorski, Chmielewski, Strand, Peterson and Anderson introduced—

S. F. No. 389: A bill for an act relating to taxation; providing that reduced property tax classification for homesteads of disabled persons be continued for their surviving spouses; amending Minnesota Statutes 1976, Section 273.13, Subdivision 7.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Frederick, Ashbach, Knutson and Perpich introduced—

S. F. No. 390: A bill for an act relating to public welfare; medical assistance eligibility; amending Minnesota Statutes 1976, Section 256B.48, Subdivision 1.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Borden introduced—

S. F. No. 391: A bill for an act relating to taxation; providing for increase in levy of county where new construction has increased assessed valuation of the area; amending Minnesota Statutes 1976, Section 275.52, Subdivision 2.

Referred to the Committee on Taxes and Tax Laws.

Mr. Borden introduced—

S. F. No. 392: A bill for an act relating to real estate; prohibiting certain abstract entries; amending Minnesota Statutes 1976, Section 386.183.

Referred to the Committee on Judiciary.

Mr. Borden introduced—

S. F. No. 393: A bill for an act relating to interim claims against the state; appropriating moneys for the payment thereof.

Referred to the Committee on Finance.

Messrs. Spear; Vega; Keefe, S.; Luther and Mrs. Staples introduced—

S. F. No. 394: A bill for an act relating to employment agencies; relieving job applicants from the payment of reference or place-

ment fees; requiring employers to pay all employment agency service charges; amending Minnesota Statutes 1976, Sections 184.37; 184.38, Subdivisions 3, 4, 13, and by adding a subdivision; repealing Minnesota Statutes 1976, Section 184.38, Subdivision 11.

Referred to the Committee on Employment.

Messrs. Schmitz, Chmielewski, Dieterich, Bernhagen and Gunderson introduced—

S. F. No. 395: A bill for an act relating to sheriffs; fees and mileage allowance; amending Minnesota Statutes 1976, Section 357.09, Subdivisions 1, 2, and 4; repealing Minnesota Statutes 1976, Sections 357.09, Subdivision 5; and 357.10.

Referred to the Committee on Local Government.

Messrs. Nelson, Olhoft, Bernhagen, Johnson and Benedict introduced—

S. F. No. 396: A bill for an act relating to home rule charter and statutory cities; permitting the adoption by reference of model ordinances, ordinances of cities and counties, and ordinance codes; amending Minnesota Statutes 1976, Section 471.62.

Referred to the Committee on Local Government.

Messrs. Johnson, Willet, Engler, Solon and Setzepfandt introduced—

S. F. No. 397: A bill for an act relating to the department of natural resources; providing conservation officers with the powers of peace officers; amending Minnesota Statutes 1976, Section 84.028, Subdivision 3.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Johnson; Anderson; Willet; Ueland, A. and Solon introduced—

S. F. No. 398: A bill for an act relating to school districts; permitting an excess tax levy for tuition costs above the foundation formula amount; amending Minnesota Statutes 1976, Section 275.125, Subdivision 3, and by adding a subdivision.

Referred to the Committee on Education.

Messrs. Nelson, Schrom and Kleinbaum introduced—

S. F. No. 399: A bill for an act relating to gambling; authorizing certain activities by nonprofit organizations; amending Minne-

sota Statutes 1976, Sections 325.54, Subdivision 1; and 609.75, Subdivision 3, and by adding a subdivision.

Referred to the Committee on General Legislation and Veterans Affairs.

Messrs. Dieterich, Hughes and Moe introduced—

S. F. No. 400: A bill for an act relating to education; Minnesota higher education coordinating board; providing grants-in-aid for part time students.

Referred to the Committee on Education.

Mr. Ashbach introduced—

S. F. No. 401: A bill for an act relating to motor vehicles; regulation of certain motor vehicle dealers; place of doing business; amending Minnesota Statutes 1976, Section 168.27, Subdivision 10.

Referred to the Committee on Commerce.

Messrs. Ashbach, Frederick, Bang, Sillers and Bernhagen introduced—

S. F. No. 402: A bill for an act relating to taxation; excluding amounts paid as social security taxes from Minnesota gross income; amending Minnesota Statutes 1976, Section 290.01, Subdivision 20.

Referred to the Committee on Taxes and Tax Laws.

Mr. Luther introduced—

S. F. No. 403: A bill for an act relating to licensing boards; providing for reissuance of licenses from the board of architecture, engineering, land surveying and landscape architecture; amending Minnesota Statutes 1976, Section 326.11, Subdivision 5.

Referred to the Committee on Commerce.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted:

H. F. Nos. 42 and 6.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted February 15, 1977

FIRST READING OF HOUSE BILLS

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

H. F. No. 42: A bill for an act relating to firearms; clarifying the requirements for transportation of muzzle loading firearms; amending Minnesota Statutes 1976, Section 100.29, Subdivision 5.

Referred to the Committee on Agriculture and Natural Resources.

H. F. No. 6: A bill for an act relating to human rights; prohibiting employment and education discrimination based on age; amending Minnesota Statutes 1976, Sections 363.01, by adding a subdivision; 363.02 Subdivision 1, and by adding a subdivision; 363.03, Subdivisions 1 and 5, and by adding a subdivision; 363.05, Subdivision 1; 363.11; 363.115; and 363.12, Subdivision 1.

Referred to the Committee on Employment.

REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted, with the exception of reports pertaining to appointments. The motion prevailed.

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

S. F. No. 16: A bill for an act proposing an amendment to the Minnesota Constitution, Article VII, Section 6; providing that all eligible voters may hold most elective offices.

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

Mr. Purfeerst from the Committee on Transportation, to which was referred the following appointment as reported in the Journal for January 6, 1977:

STATE DEPARTMENT OF TRANSPORTATION COMMISSIONER

R. James Harrington

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

Mr. Coleman moved that the foregoing Committee Report be laid on the table. The motion prevailed.

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

H. F. No. 12: A bill for an act relating to Independent School District No. 15 and Independent School District No. 911; providing for a transfer of property between the districts.

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

Mr. Chenoweth from the Committee on Governmental Opera-

tions, to which was referred the following appointment as reported in the Journal for January 17, 1977:

METROPOLITAN COUNCIL

Joan Campbell

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

Mr. Coleman moved that the foregoing Committee Report be laid on the table. The motion prevailed.

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

S. F. No. 56: A bill for an act relating to housing; providing implied and express warranties on the sale of new housing upon the seller.

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

Strike everything after the enacting clause and insert:

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

Subd. 2. “Building standards” means the structural, mechanical, electrical, and quality standards of the home building industry for the geographic area in which the dwelling is situated.

Subd. 3. “Dwelling” means a new building, not previously occupied, constructed for the purpose of habitation; but does not include appurtenant recreational facilities, detached garages, driveways, walkways, patios, boundary walls, retaining walls not necessary for the structural stability of the dwelling, landscaping, fences, nonpermanent construction materials, off-site improvements, and all other similar items.

Subd. 4. “Initial vendee” means a person who first contracts to purchase a dwelling from a vendor for the purpose of habitation and not for resale in the ordinary course of trade.

Subd. 5. “Major construction defect” means actual damage to the load-bearing portion of the dwelling, including damage due to subsidence, expansion or lateral movement of the soil, which affects its load-bearing function and which vitally affects or is imminently likely to vitally affect use of the dwelling for residential purposes. “Major construction defect” does not include damage due to movement of the soil caused by flood, earthquake or other natural disaster.

Subd. 6. “Vendee” means any purchaser of a dwelling and includes the initial vendee and any subsequent purchasers.

Subd. 7. “Vendor” means any person, firm or corporation which constructs dwellings for the purpose of sale.

Subd. 8. "Warranty date" means the date from and after which the statutory warranties provided in section 2 of this act shall be effective, and is the earliest of

(a) the date of the initial vendee's first occupancy of the dwelling; or

(b) the date on which the initial vendee takes legal or equitable title in the dwelling.

Sec. 2. [STATUTORY WARRANTIES.] *Subdivision 1. In every sale of a completed dwelling, and in every contract for the sale of a dwelling to be completed, the vendor shall warrant to the vendee that:*

(a) During the one year period from and after the warranty date the dwelling shall be free from defects caused by faulty workmanship and defective materials due to noncompliance with building standards;

(b) During the two year period from and after the warranty date, the dwelling shall be free from defects caused by faulty installation of plumbing, electrical, heating, and cooling systems; and

(c) During the ten year period from and after the warranty date, the dwelling shall be free from major construction defects.

Subd. 2. The statutory warranties provided in section 2 of this act shall survive the passing of legal or equitable title in the dwelling to the vendee.

Sec. 3. [EXCLUSIONS.] *The liability of the vendor under this act is limited to the specific items set forth in this act and does not extend to the following:*

(a) Loss or damage not reported by the vendee to the vendor in writing within six months after the vendee discovers or should have discovered the loss or damage;

(b) Loss or damage caused by defects in design, installation, or materials which the vendee supplied, installed, or had installed under his direction;

(c) Secondary loss or damage such as personal injury or property damage;

(d) Loss or damage from normal wear and tear;

(e) Loss or damage from normal shrinkage caused by drying of the dwelling within tolerances of building standards;

(f) Loss or damage from dampness and condensation due to insufficient ventilation after occupancy;

(g) Loss or damage from negligence, improper maintenance or alteration of the dwelling by parties other than the vendor;

(h) Loss or damage from changes in grading of the ground around the dwelling by parties other than the vendor;

(i) Landscaping or insect loss or damage;

(j) Loss or damage from failure to maintain the dwelling in good repair;

(k) Loss or damage which the vendee, whenever feasible, has not taken timely action to minimize;

(l) Loss or damage which occurs after the dwelling is no longer used primarily as a residence;

(m) Accidental loss or damage usually described as acts of God, including, but not limited to: fire, explosion, smoke, water escape, windstorm, hail or lightning, falling trees, aircraft and vehicles, flood, and earthquake, except when the loss or damage is caused by failure to comply with building standards;

(n) Loss or damage from soil movement which is compensated by legislation or covered by insurance;

(o) Loss or damage due to soil conditions where construction is done upon lands owned by the vendee and obtained by him from a source independent of the vendor.

Sec. 4. [WAIVER AND MODIFICATION LIMITED.] *Subdivision 1. Except as provided in subdivision 2 of this section, the provisions of this act cannot be waived or modified by contract or otherwise. Any agreement which purports to waive or modify the provisions of this act, except as provided in subdivision 2 of this section, shall be void.*

Subd. 2. At any time after a contract for the sale of a dwelling is entered into by and between a vendor and a vendee, any of the statutory warranties provided for in this act may be excluded or modified only by a written instrument, printed in bold face type of a minimum size of ten points, which is signed by the vendee and which sets forth in detail the warranty involved, the consent of the vendee, and the terms of the new agreement contained in the writing. No exclusion or modification shall be effective unless the vendor provides substitute express warranties offering substantially the same protections to the vendee as the statutory warranties set forth in section 2 of this act. Any modification or exclusion agreed to by the vendee and the vendor pursuant to this subdivision shall not require the approval of the commissioner of administration pursuant to section 7 of this act.

Sec. 5. [REMEDIES.] *Upon breach of any warranty imposed by this act, the vendee shall have a cause of action against the vendor for damages arising out of the breach, or for specific performance. Damages shall be limited to:*

(a) *The amount necessary to remedy the defect or breach; or*

(b) *The difference between the value of the dwelling without the defect and the value of the dwelling with the defect.*

Sec. 6. [OTHER WARRANTIES.] *The statutory warranties provided for in this act shall be in addition to all other warranties imposed by law or agreement. The remedies provided in section 5 of this act shall not be construed as limiting the remedies in any action not predicated upon breach of the statutory warranties imposed by section 2 of this act.*

Sec. 7. [VARIATIONS.] *The commissioner of administration may approve, pursuant to Minnesota Statutes, Section 15.0412, variations from the provisions of sections 2 and 3 if the warranty program of the vendor requesting the variation offers at least substantially the same protections to the vendee as provided by the statutory warranties set forth in section 2 of this act.*

Sec. 8. Minnesota Statutes 1976, Section 541.051 is amended by adding a subdivision to read:

Subd. 4. This section shall not apply to actions based on breach of the statutory warranties set forth in section 2 of this act.

Sec. 9. [EFFECTIVE DATE.] *This act shall be effective January 1, 1978, and shall apply to all contracts for the sale of a dwelling signed on or after that date."*

Amend the title as follows:

Page 1, line 2, strike "implied and express" and insert "statutory"

Page 1, line 3, strike "upon the" and insert "; establishing a cause of action for breach of warranty; providing remedies; amending Minnesota Statutes 1976, Section 541.051 by adding a subdivision."

Page 1, strike line 4

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

Mr. Tennesen from the Committee on Commerce, to which was referred

S. F. No. 22: A bill for an act relating to Lake of the Woods county; authorizing issuance of one off-sale liquor license.

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

Mr. Tennesen from the Committee on Commerce, to which was referred

S. F. No. 76: A bill for an act relating to commerce; extending the effective date of certain provisions of law that require tents and sleeping bags to be flame resistant; amending Laws 1975, Chapter 341, Section 6.

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

Page 1, line 12, strike everything after "effective" and insert "October 1, 1977."

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

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

S. F. No. 193: A bill for an act relating to courts; juvenile courts in Ramsey and Hennepin counties; providing terms for district judges designated as juvenile judges; amending Minnesota Statutes 1976, Section 260.021, Subdivisions 2 and 3.

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

Page 1, line 17, after "as" insert "*the judge of*"

Page 1, line 17, strike "*judge*" and insert "*court*"

Page 2, line 19, strike "*but in*" and insert "*for a term of up to two years. In*"

Page 3, after line 7 insert

"Sec. 3. Minnesota Statutes 1976, Section 484.65, Subdivision 1, is amended to read:

484.65 [FAMILY COURT DIVISION; FOURTH JUDICIAL DISTRICT.] Subdivision 1. In the fourth judicial district, a family court division of the district court is hereby created to be presided over by a district court judge *appointed by the chief judge of the district court to serve for a term not exceeding two years. The judge appointed or elected to said this office shall be designated as the district court judge, family court division. No judge may be appointed to serve consecutive terms as the district court judge, family court division. Said district court judge shall be elected or appointed in the manner as provided for the election or appointment of other district court judges, except that he shall be designated district court judge, family court division, and at the primary or general election the office shall be so designated on the ballot.*

Sec. 4. Minnesota Statutes 1976, Section 484.65, Subdivision 6, is amended to read:

Subd. 6. Vacancies in the office of district court judge, family court division, shall be filled in the manner prescribed by law for the filling of vacancies in the office of other judges of the district court. *A person appointed to fill a vacancy in the office of district court judge, family court division shall serve in that office for the unexpired portion of the term during which the vacancy occurred, but may not be appointed to serve as district court judge, family division during the next consecutive term.*

Sec. 5. [EFFECTIVE DATE.] Subdivision 1. *This act shall be effective July 1, 1977.*

Subd. 2. *On the effective date of this act, a person elected to the office of district court judge, juvenile court division, pursuant to Minnesota Statutes 1976, Section 260.021, Subdivision 3, shall no longer be designated as the district court judge, juvenile court division; but he shall serve as a district court judge for the term of office for which he was elected, and shall be assigned the regular or ordinary duties of a judge of district court.*

Subd. 3. On the effective date of this act, a person elected to the office of district court judge, family court division, pursuant to Minnesota Statutes, Section 484.65, Subdivision 1, shall no longer be designated as the district court judge, family court division, but he shall serve as a district court judge for the term of office for which he was elected, and shall be assigned the regular or ordinary duties of a judge of district court."

Renumber the sections in sequence.

Amend the title as follows:

Page 1, line 2, strike "juvenile courts in Ramsey and"

Page 1, line 3, strike "Hennepin counties;"

Page 1, line 4, after "judges" and before the semicolon insert "in Hennepin and Ramsey counties"

Page 1, line 4, after the semicolon insert "providing terms for district judges designated as family court judges in Hennepin county;"

Page 1, line 5, strike "Section" and insert "Sections"

Page 1, line 6, after "3" and before the period insert "; and 484.65, subdivisions 1 and 6"

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

SECOND READING OF SENATE BILLS

S. F. Nos. 22, 76 and 193 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

SECOND READING OF HOUSE BILLS

H. F. No. 12 was read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

MOTIONS AND RESOLUTIONS

Mr. Laufenburger moved that S. F. No. 208 be withdrawn from the Committee on Employment and re-referred to the Committee on Commerce. The motion prevailed.

Mr. Laufenburger moved that the name of Mr. Peterson be added as co-author to S. F. No. 346. The motion prevailed.

Mr. Ueland, A., moved that the name of Mr. Knutson be added as co-author to S. F. No. 45. The motion prevailed.

Mr. Coleman introduced—

Senate Concurrent Resolution No. 6: A Senate concurrent resolution relating to adjournment.

BE IT RESOLVED, by the Senate, the House of Representatives concurring, that when either the Senate or the House of Representatives adjourns on February 17, 1977, it may adjourn to any date not later than February 22, 1977.

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

GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Gearty in the chair.

After some time spent therein, the committee arose, and Mr. Gearty reported that the committee had considered the following:

S. F. Nos. 43 and 21 which the committee recommends to pass.

Also S. F. No. 51 which the committee reports progress, after the following motion:

Mr. Menning moved to amend S. F. No. 51 as follows:

Page 5, line 28, strike "*candidate*" and insert "*candidates*"

Page 5, line 29, strike "*candidate*" and insert "*candidates*"

Page 5, line 29, strike "*his*" and insert "*their respective*"

Page 5, line 29, strike "*address*" and insert "*addresses*"

Page 7, line 13, strike "*candidate*" and insert "*candidates*"

Page 7, line 14, strike "*candidate*" and insert "*candidates*"

Page 7, line 14, strike "*his*" and insert "*their respective*"

Page 7, line 14, strike "*address*" and insert "*addresses*"

Page 8, line 17, strike "*candidate*" and insert "*candidates*"

Page 8, line 18, strike "*candidate*" and insert "*candidates*"

Page 8, line 18, strike "*his*" and insert "*their respective*"

Page 8, line 19, strike "*address*" and insert "*addresses*"

Page 9, line 21, strike "*candidate*" and insert "*candidates*"

Page 9, line 22, strike "*candidate*" and insert "*candidates*"

Page 9, line 22, strike "*his*" and insert "*their respective*"

Page 9, line 23, strike "*address*" and insert "*addresses*"

Page 10, after line 2, insert:

"Sec. 9. Minnesota Statutes 1976, Section 204A.54, Subdivision 1, is amended to read:

204A.54 [CERTIFICATES OF ELECTION; PREPARATION, DELIVERY.] Subdivision 1. [PREPARATION, DELIVERY.] The auditor of each county, and the secretary of state where the candidates for office are voted for in more than one county, shall

make for every person declared elected by the canvassing board of the county or the state canvassing board a certificate of his election and deliver the certificate to the person entitled thereto upon demand, and without fee. No certificate of election shall be made or delivered while a recount is being done by a canvassing board because the difference between votes is 100 or less pursuant to sections 204A.51 or 204A.53 . The auditor of any county also shall make for any candidate or voter of his county, a certified copy of any statement of votes made by the county canvassing board upon payment or tender of one dollar therefor. In case of a contest, the court may invalidate and revoke the certificate, pursuant to chapter 209.

Sec. 10. Minnesota Statutes 1976, Section 206.026, Subdivision 5, is amended to read:

Subd. 5. Except as otherwise provided in this chapter, the election judges shall conduct the election in the manner prescribed for precincts using paper ballots in chapter 204 204A .”

Renumber the sections in sequence.

Page 11, line 6, strike “regulations” and insert “rules”

Amend the title as follows:

Page 1, lines 2 and 3, strike “counts and recounts” and insert “procedures for counting ballots; recounts in legislative races on request”

Page 1, line 9, after “3;” and before “206.03;” insert “204A.54, Subdivision 1; 206.026, Subdivision 5;”

The motion prevailed. So the amendment was adopted.

S. F. No. 51 was then progressed.

On motion of Mr. Coleman, the report of the Committee of the Whole, as kept by the Secretary, was adopted.

Without objection, the Senate reverted to the Order of Business of Motions and Resolutions.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Frederick moved that the name of Mr. Bernhagen be added as co-author to S. F. No. 210. The motion prevailed.

Mr. Coleman moved that the Senate do now adjourn until 10:00 o'clock a.m., Tuesday, February 22, 1977. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate