

THIRTY-SIXTH DAY

St. Paul, Minnesota, Monday, April 18, 1977

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

Prayer was offered by the Chaplain, Rev. David P. Rebeck.

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

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

Mr. Engler was excused from the Session of today.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

April 14, 1977

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

I have the honor to inform you that I have received, approved, signed and deposited in the Office of the Secretary of State, S. F. Nos. 43 and 104.

Sincerely,

Rudy Perpich, Governor

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Mr. Anderson introduced—

S. F. No. 1340: A bill for an act relating to natural resources; revising certain provisions relating to St. Croix Wild River state park.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Purfeerst, Hanson, Willet, McCutcheon and Peterson introduced—

S. F. No. 1341: A bill for an act relating to taxation; property; allowing certain land near lakeshores to qualify for assessment with reference to agricultural classification; amending Minnesota Statutes 1976, Section 273.111, Subdivision 4.

Referred to the Committee on Taxes and Tax Laws.

Mr. Laufenburger introduced—

S. F. No. 1342: A bill for an act relating to commitment of the mentally ill; evidentiary finding for commitment; amending Minnesota Statutes 1976, Section 253A.07, Subdivision 17.

Referred to the Committee on Judiciary.

Mr. Willet introduced—

S. F. No. 1343: A bill for an act relating to the Minnesota historical society; Fort Snelling Officers' Row; authorizing the sale of the homes along Officers' Row; appropriating money; repealing Minnesota Statutes 1976, Section 138.05, Subdivision 9.

Referred to the Committee on General Legislation and Veterans Affairs.

Messrs. Peterson, Willet, Lessard, Borden and Johnson introduced—

S. F. No. 1344: A bill for an act relating to natural resources; designating wild rice as the official state grain; amending Minnesota Statutes 1976, Chapter 1, by adding a section.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Schmitz, Schaaf, Johnson and Stokowski introduced—

S. F. No. 1345: A bill for an act relating to elections; recogniz-

ing the effect of election day registration on activities in the polling place; amending Minnesota Statutes 1976, Sections 200.02, Subdivision 16; 204A.11; 204A.12, Subdivision 3; 204A.34, by adding a subdivision; and 204A.37, Subdivision 1.

Referred to the Committee on Elections.

Messrs. Merriam; Keefe, S. and Jensen introduced—

S. F. No. 1346: A bill for an act relating to fire and casualty loss insurance companies; termination of agency contracts; requiring certain notice before termination; prescribing civil penalties.

Referred to the Committee on Commerce.

Messrs. Keefe, J. and Lewis introduced—

S. F. No. 1347: A bill for an act relating to education; school districts; authorizing districts to make additional levies for the installation of energy conserving devices; amending Minnesota Statutes 1976, Section 275.125, by adding a subdivision.

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

Mr. Solon introduced—

S. F. No. 1348: A bill for an act relating to intoxicating liquor; permitting licensing and sale on certain tour boats; amending Minnesota Statutes 1976, Section 340.11, by adding a subdivision.

Referred to the Committee on Commerce.

Messrs. Schaaf, Borden, Nichols and Sikorski introduced—

S. F. No. 1349: A bill for an act relating to the organization and operation of state government; regulating organization and procedures of various state departments and agencies; providing for appointment and compensation of the employees suggestion board; removing the minimum teachers' license fee; permitting the board of teaching to adopt rules; regulating state arts board grants and publicity; providing the status of part time executive secretaries; permitting joint rule making proceedings; changing the name and composition of the state board of human rights; making miscellaneous inconsequential clarifications and corrections; amending Minnesota Statutes 1976, Sections 15.01; 15.059, Subdivision 6; 16.71, Subdivisions 1 and 1a; 121.02, Subdivision 1; 125.08; 125.185, by adding a subdivision; 139.10, Subdivision 1, and by adding subdivisions; 144A.19, Subdivision 2; 144A.21, Subdivision 1; 144A.251; 214.04, Subdivision 3, and by adding a subdivision; 214.06, Subdivision 1; 363.04, Subdivisions 4, 4a and 5; and Laws 1976, Chapter 222, Section 207, Subdivision 2; repealing Minne-

sota Statutes 1976, Sections 144A.21, Subdivisions 3 and 4; 144A.25; and 214.05.

Referred to the Committee on Governmental Operations.

Mrs. Brataas, Messrs. Milton, Strand, Knutson and Lewis introduced—

S. F. No. 1350: A bill for an act relating to nursing assistant training; providing for a report to the legislature by the state board of health; delaying implementation of certain training requirements; amending Minnesota Statutes 1976, Section 144A.61, Subdivision 6.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Johnson and Perpich introduced—

S. F. No. 1351: A bill for an act relating to the city of Duluth; review of assessments by county assessor.

Referred to the Committee on Local Government.

Messrs. Renneke; Schmitz; Purfeerst; Ueland, A. and Stokowski introduced—

S. F. No. 1352: A bill for an act relating to elections; prohibiting telephone solicitation within 100 feet of a building where there is a polling place on election day; amending Minnesota Statutes 1976, Section 210A.10.

Referred to the Committee on Elections.

Messrs. Schrom, Frederick, McCutcheon, Chmielewski and Nelson introduced—

S. F. No. 1353: A bill for an act relating to taxation; permitting deduction of amount of prizes paid to be deducted from gross receipts of bingo occasions on which the sales tax is imposed; amending Minnesota Statutes 1976, Chapter 297A, by adding a section.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Olhoff, Benedict, Bernhagen, Mrs. Staples and Mr. McCutcheon introduced—

S. F. No. 1354: A bill for an act relating to obscenity; prohibiting the promotion or employment of minors as models alone or with others in sexual performances for purposes of preparing an obscene work; prescribing penalties; amending Minnesota Statutes 1976, Chapter 617, by adding a section.

Referred to the Committee on Judiciary.

Mr. Knoll introduced—

S. F. No. 1355: A bill for an act relating to taxation; income-adjusted homestead credit; redefining income to allow subtraction of net long term capital losses; amending Minnesota Statutes 1976, Section 290A.03, Subdivision 3.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Sieloff, Dieterich and Engler introduced—

S. F. No. 1356: A bill for an act relating to taxation; providing a deduction from income for a lessee's share of real property taxes paid on his rented residence less the amount of any rent credit; disallowing deductions in certain sham rental situations; amending Minnesota Statutes 1976, Section 290.09, Subdivision 4.

Referred to the Committee on Taxes and Tax Laws.

Mr. Chmielewski introduced—

S. F. No. 1357: A bill for an act relating to highway safety; providing state reimbursement for safety education and driver training courses; imposing a tax; appropriating money.

Referred to the Committee on Education.

Mr. Schaaf introduced—

S. F. No. 1358: A bill for an act relating to elections; providing for publication of dates for filing for municipal office; amending Minnesota Statutes 1976, Section 205.13.

Referred to the Committee on Elections.

Messrs. Hughes, Stumpf, Merriam, Anderson and Sillers introduced—

S. F. No. 1359: A bill for an act relating to part time employment of teachers; establishing a teachers benefit fund administered by the teachers retirement association board for the payment of retirement contributions, insurance and benefits, and severance pay to certain qualified teachers.

Referred to the Committee on Education.

Messrs. Anderson, Willet, Schaaf, Strand and Kirchner introduced—

S. F. No. 1360: A bill for an act relating to outdoor recreation; appropriating money for acquisition of parks, trails, wildlife lands and for other purposes; authorizing sale of bonds; amending Minnesota Statutes 1976, Section 473.315, Subdivision 1.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Milton, Coleman, Perpich, Lewis and Keefe, S. introduced—

S. F. No. 1361: A bill for an act relating to health; providing state grants to finance health related research activities; directing the state health coordinating council to establish a health research subcommittee; providing for its powers and duties; appropriating money.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Kleinbaum, Willet, Dunn and Wegener introduced—

S. F. No. 1362: A bill for an act relating to game and fish; exempting certain disabled residents from the requirements of obtaining a fishing license; amending Minnesota Statutes 1976, Section 98.47, by adding a subdivision.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Dunn, Anderson, Dieterich, Kleinbaum and Sillers introduced—

S. F. No. 1363: A bill for an act proposing an amendment to the Minnesota Constitution, Article XIII, Section 3; providing that the university of Minnesota regents be appointed by the governor from the several congressional districts.

Referred to the Committee on Education.

Messrs. Lewis, Sikorski and Spear introduced—

S. F. No. 1364: A bill for an act relating to civil service; providing an affirmative action program for the state work force; amending Minnesota Statutes 1976, Section 43.15.

Referred to the Committee on Governmental Operations.

Mr. Schaaf introduced—

S. F. No. 1365: A bill for an act relating to the state auditor; changing the required balances of the state auditor revolving fund; amending Minnesota Statutes 1976, Section 6.58.

Referred to the Committee on Governmental Operations.

Messrs. Setzepfandt, Lewis, Menning, Bernhagen and Gunder-son introduced—

S. F. No. 1366: A bill for an act relating to veterinarians; repealing requirement to file license with clerk of district court; repealing Minnesota Statutes 1976, Section 156.09.

Referred to the Committee on Governmental Operations.

Messrs. Dieterich, Hanson, Schmitz and Sillers introduced—

S. F. No. 1367: A bill for an act relating to public safety; requiring smoke detectors in hotels; amending Minnesota Statutes 1976, Chapter 16, by adding a section.

Referred to the Committee on General Legislation and Veterans Affairs.

Messrs. Chenoweth, McCutcheon, Coleman and Stumpf introduced—

S. F. No. 1368: A bill for an act relating to the city of St. Paul; allowing a tax to be imposed on utility companies in lieu of franchise fees.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Chenoweth, Ogdahl, McCutcheon, Stokowski and Ulland, J. introduced—

S. F. No. 1369: A bill for an act relating to the cities of St. Paul, Minneapolis, and Duluth; firemen's survivor benefits; amending Laws 1955, Chapter 375, Section 25, as amended; Laws 1965, Chapter 519, Section 1, as amended; and Laws 1975, Chapter 127, Section 2, as amended.

Referred to the Committee on Governmental Operations.

Messrs. Sillers and Knutson introduced—

S. F. No. 1370: A bill for an act relating to corrections and juveniles; authorizing juvenile detention up to 48 hours if regional or county detention facilities do not exist; amending Minnesota Statutes 1976, Section 260.171, Subdivision 2.

Referred to the Committee on Judiciary.

Messrs. Sillers and Moe introduced—

S. F. No. 1371: A bill for an act relating to corrections and juveniles; authorizing the director of the west central detention center at Moorhead to allow two children to be housed in a double unit.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Laufenburger introduced—

S. F. No. 1372: A bill for an act relating to mental commitments; permitting counties to seek reimbursement for costs of commitment proceedings; amending Minnesota Statutes 1976, Section 253A.07, Subdivision 15.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Knoll, Humphrey, Hanson, Merriam and Frederick introduced—

S. F. No. 1373: A bill for an act relating to professional corporations; including architects, professional engineers and land surveyors within the definition of professional service for the purposes of formation of professional corporations; amending Minnesota Statutes 1976, Section 319A.02, Subdivision 2.

Referred to the Committee on Judiciary.

Messrs. Keefe, S., Knoll; Lewis; Humphrey and Sillers introduced—

S. F. No. 1374: A bill for an act relating to public buildings; providing for the remodeling of the public class of state owned buildings to improve accessibility for disabled and elderly persons.

Referred to the Committee on Governmental Operations.

Messrs. Davies, Setzepfandt, Merriam and Sillers introduced—

S. F. No. 1375: A bill for an act relating to taxation; tax increment financing; limiting maturity of tax increment financing bonds to ten years from sale.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Davies, Merriam, Olhoft, Setzepfandt and Sillers introduced—

S. F. No. 1376: A bill for an act relating to taxation; tax increment financing; requiring approval of projects by governing body of municipality in which project is located.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Davies, Merriam, Olhoft, Setzepfandt and Sillers introduced—

S. F. No. 1377: A bill for an act relating to taxation; tax increment financing; requiring municipality to file plan with state planning agency.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Davies, Merriam and Tennesen introduced—

S. F. No. 1378: A bill for an act relating to taxation; tax increment financing; removing exemption of certain tax increment district property from fiscal disparities law; including assessed valuation contributed to area-wide tax base for fiscal disparities purposes in assessed value of certain tax increment districts; amending Minnesota Statutes 1976, Section 472A.08, Subdivisions 1 and 2; and 473F.02, Subdivision 3; and Laws 1973, Chapter 764, Section 7.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Sieloff, Davies, Peterson, Milton and Ashbach introduced—

S. F. No. 1379: A bill for an act relating to taxation; removing membership dues, fees and assessments received by certain homeowners associations from definition of gross income for corporate income tax purposes; amending Minnesota Statutes 1976, Section 290.01, Subdivision 20.

Referred to the Committee on Taxes and Tax Laws.

Mr. Benedict introduced—

S. F. No. 1380: A bill for an act relating to crimes; specifying the crime of assaulting a peace officer or fireman; providing penalties; amending Minnesota Statutes 1976, Section 609.225, by adding a subdivision.

Referred to the Committee on Judiciary.

Messrs. Stumpf, McCutcheon, Chenoweth, Dieterich and Sieloff introduced—

S. F. No. 1381: A bill for an act relating to the city of Saint Paul; authorizing the city council to adopt rules permitting payroll deductions for nonprofit entities.

Referred to the Committee on Local Government.

Messrs. Stumpf, McCutcheon, Chenoweth and Sieloff introduced—

S. F. No. 1382: A bill for an act relating to the city of St. Paul; providing that the employees of the housing and redevelopment authority of the city of St. Paul may remain employees of the authority or become employees of the city as the governing body of the city may determine; amending Laws 1976, Chapter 234, Section 4, Subdivision 4, and by adding a subdivision.

Referred to the Committee on Local Government.

Messrs. Deterich, Stumpf, McCutcheon, Sieloff and Chenoweth introduced—

S. F. No. 1383: A bill for an act relating to the city of St. Paul; providing for a procedure to declare property transfers in the city of St. Paul on a form approved by the city; providing a penalty.

Referred to the Committee on Judiciary.

Messrs. Chenoweth and Stumpf introduced—

S. F. No. 1384: A bill for an act relating to the city of Saint Paul; establishing a public housing agency; transferring functions from housing and redevelopment authority.

Referred to the Committee on Local Government.

Messrs. Stumpf and Coleman introduced—

S. F. No. 1385: A bill for an act relating to the city of Saint Paul and county of Ramsey; providing for a division of costs to maintain the joint court house and city hall.

Referred to the Committee on Local Government.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 82.

H. F. No. 82: A bill for an act relating to crimes; raising the amount of pecuniary gain which must be received by a person incident to a violation of law before the violation is categorized as a felony; increasing the penal fine of misdemeanors; directing a court to require as a condition of a stay of imposition or execution of sentence restitution for property damage or loss or compensation for personal injuries; amending Minnesota Statutes 1976, Sections 412.231; 609.02, Subdivision 3; 609.03; 609.031; 609.032; 609.135, Subdivision 1; 609.27, Subdivision 2; 609.551, Subdivision 1; 609.563, Subdivision 1; 609.576, Subdivision 1; 609.595, Subdivision 1; 609.615; and 609.785.

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

Stanton; Kempe, A. and Carlson, A. have been appointed as such committee on the part of the House.

House File No. 82 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 14, 1977

Mr. Nichols moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 82, and that a Conference Committee of 3 members be appointed by the Subcommittee 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 the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 203 and 218.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted April 14, 1977

FIRST READING OF HOUSE BILLS

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

H. F. No. 203: A bill for an act relating to public health; providing for a municipal referendum on the fluoridation of municipal water supplies; amending Minnesota Statutes 1976, Section 144.145.

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

H. F. No. 218: A bill for an act relating to the city of Minneapolis and Hennepin county; providing for representation for the board of county commissioners of Hennepin county and the Minneapolis city council on the municipal building commission; amending Laws 1903, Chapter 247, Section 1.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 246, now on General Orders.

REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk with the exception of the report on S. F. No. 753 be now adopted. The motion prevailed.

Mr. McCutcheon from the Committee on Taxes and Tax Laws, to which was referred

S. F. No. 1028: A bill for an act relating to taxation; exempting certain aids to handicapped persons from property tax assessments; amending Minnesota Statutes 1976, Section 272.02, Subdivision 1.

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

Page 4, line 25, strike "*specifically for the*" and insert "*which are made necessary by the nature of the physical disability*"

Page 4, line 26, strike "*benefit*"

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

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

S. F. No. 160: A bill for an act relating to the tax court; establishing the tax court as a full time court; creating a small claims division; providing penalties; appropriating money; amending Minnesota Statutes 1976, Sections 15A.083, Subdivision 4; 124.212, Subdivision 11; 271.01, Subdivisions 1 and 4a, and by adding a

subdivision; 271.02; 271.04; 271.06, Subdivisions 1, 2, 3, 4, 6, and by adding a subdivision; 271.07; 271.08; 271.09, Subdivisions 1, 2, and 3; 271.10, Subdivision 2; 271.12; 271.13; 271.15; 271.17; 271.18; 271.20; and 490.121, Subdivision 2; and Chapter 271, by adding sections; repealing Minnesota Statutes 1976, Sections 271.001; 271.01, Subdivisions 2, and 2a; 271.11; 271.14; and 271.16.

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

Mr. Laufenburger from the Committee on Employment, to which was referred

S. F. No. 943: A bill for an act relating to workers' compensation; authorizing coverage for owners of a business; including family farms and family farm corporations; amending Minnesota Statutes 1976, Sections 176.011, Subdivisions 9 and 11a; 176.012 and 176.051.

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

Page 2, line 10, strike the first "a" and insert "*an authorized*"

Page 2, line 10, after the first "*corporation*" insert "*, as defined in section 500.24, subdivision 1, clause (d),*"

Page 4, lines 10 to 14, strike the new language and insert "*spouse, parent, or child, regardless of age, of a farmer employed by the farmer, or any executive officer of a family farm corporation, as defined in section 500.24, subdivision 1, or any spouse, parent or child, regardless of age, of such an officer employed by that family farm corporation,*"

Page 4, line 26, after "*owner*" insert "*or farm owners*"

Page 5, after line 9, insert:

"Sec. 4. Minnesota Statutes 1976, Section 176.041, Subdivision 1, is amended to read:

176.041 [EXCLUDED EMPLOYMENTS; APPLICATION, EXCEPTIONS.] Subdivision 1. [EMPLOYMENTS EXCLUDED.] This chapter does not apply to persons employed by any common carrier by railroad engaged in interstate or foreign commerce, which persons are covered by the Federal Employers' Liability Act (45 U.S.C. 51-60) or other comparable Federal laws; persons employed by family farms, *as defined by section 176.011, subdivision 11a; spouses, parents and children, regardless of their age, of a farmer employer working for him or on a family farm corporation as defined in section 500.24, subdivision 1, clause (c) or otherwise;* ; partners engaged in any farm operation and the spouses, parents, and children, regardless of age, of any of the partners; any spouse, parent, or child, regardless of age, of an executive officer of a family farm corporation as defined in section 500.24, subdivision 1, employed by that family farm corporation; or other farmers or members of their families exchanging work with the

farmer employer or family farm corporation operator in the same community, or persons whose employment at the time of the injury is casual, and not in the usual course of the trade, business, profession, or occupation of his employer; nor does it apply to officers or members of veteran's organizations whose employment relationship arises solely by virtue of attending meetings or conventions of their organization, unless such veteran's organizations elect by resolution to provide coverage under this chapter for such officers or members. Professional athletes under contract for hire are not subject to this chapter if a written consent not to be bound thereby, signed by the professional athlete and the employer is filed with the board. Neither shall the chapter apply to any person employed as a household worker in, for, or about, a private home or household who earns less than \$500 in cash in any three month period from a single private home or household provided that any household or casual worker who has earned \$500 or more from his present employer in any three month period within the previous year shall be covered by Laws 1975, Chapter 359 regardless of whether or not he has in the present quarter earned \$500."

Page 5, line 27, strike "*domestic servants*" and insert "*household workers*"

Page 5, line 32, strike "*domestic servants*" and insert "*household workers*"

Page 6, line 6, strike "*domestic servant*" and insert "*household worker*"

Page 6, strike lines 10 to 15 and insert "*not include any spouse, parent or child, regardless of age, of any farmer or of any partner in a farm operation or of any officer of a family farm corporation as defined in section 500.24, subdivision 1, nor shall it include other farmers in the same community or members of their family exchanging work with the farmer employer or family farm corporation operator.*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon insert "excluding certain persons;"

Page 1, line 6, after "176.012" insert ";; 176.041, Subdivision 1;"

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. 781: A bill for an act relating to crimes; regulating the transfer of pistols; requiring a waiting period for pistol transfers; requiring police checks of pistol transferees; prohibiting transfers of pistols to certain persons; prescribing penalties; amending Minnesota Statutes 1976, Section 624.712, by adding a subdivision; and Chapter 624, by adding a section.

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

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 609.135, Subdivision 1, is amended to read:

609.135 [STAY OF IMPOSITION OR EXECUTION OF SENTENCE.] Subdivision 1. Except when a sentence of life imprisonment is required by law, *or when a person is convicted of one of the crimes specified under section 609.11, subdivision 1, and had in his possession a firearm or used another dangerous weapon*, any court, including a justice of the peace to the extent otherwise authorized by law, may stay imposition or execution of sentence and place the defendant on probation with or without supervision and on such terms as the court may prescribe. The court may order the supervision to be under the probation officer of the court, or, if there is none and the conviction is for a felony, by the commissioner of corrections, or in any case by some other suitable and consenting person.

Sec. 2. Minnesota Statutes 1976, Section 624.712, is amended by adding a subdivision to read:

Subd. 6. *"Transfer" means a sale, gift, loan, assignment or other delivery to another, whether or not for consideration, of a pistol or the frame or receiver of a pistol.*

Sec. 3. Minnesota Statutes 1976, Chapter 624, is amended by adding a section to read:

[624.7131] [REPORT OF TRANSFER.] Subdivision 1. *Except as provided in this section, every person who agrees to transfer a pistol shall report the following information in writing to the chief of police of the organized full-time police department of the municipality where the agreement is made or to the appropriate county sheriff if there is no such local chief of police:*

(a) *The name, residence, telephone number and driver's license number of the proposed transferee;*

(b) *The sex, date of birth, height, weight, color of eyes and hair and other distinguishing characteristics, if any, of the proposed transferee;*

(c) *A statement by the proposed transferee that he is not prohibited by section 624.713 from possessing a pistol; and*

(d) *The name, residence and telephone number of the transferor and the date of the agreement to transfer. If the transferor is a federally licensed firearms dealer, the address of his place of business shall be submitted in lieu of his residence.*

The report shall be signed by the transferor and the proposed transferee. The report shall be delivered by the transferor to the chief of police or sheriff no later than three days after the date of the agreement to transfer, excluding weekends and legal holidays.

Subd. 2. [INVESTIGATION.] Upon receipt of a transfer report, the chief of police or sheriff shall check criminal histories, records and warrant information relating to the proposed transferee through the Minnesota crime information system.

Subd. 3. [NOTIFICATION.] The chief of police or sheriff shall notify the transferor and proposed transferee in writing as soon as possible if the chief or sheriff determines that the proposed transferee is prohibited by section 624.713 from possessing a pistol. The notification to the transferee shall specify the grounds for the disqualification of the proposed transferee and shall set forth in detail his right of appeal under subdivision 12.

Subd. 4. [DELIVERY.] No person shall deliver a pistol to a proposed transferee until 14 days after the date of the agreement to transfer as stated on the report delivered to a chief of police or sheriff in accordance with subdivision 1 unless the chief of police or sheriff waives all or a portion of the 14 day waiting period.

No person shall deliver a pistol to a proposed transferee after receiving a written notification that the chief of police or sheriff has determined that the proposed transferee is prohibited by section 624.713 from possessing a pistol.

If the transferor makes a report of transfer and receives no written notification of disqualification of the proposed transferee within 14 days of the date of the agreement to transfer, the pistol may be delivered to the transferee.

Subd. 5. [GROUNDS FOR DISQUALIFICATION.] A determination by the chief of police or sheriff that the proposed transferee is prohibited by section 624.713 from possessing a pistol shall be the sole basis for a notification of disqualification under this section.

Subd. 6. [IMMEDIATE TRANSFERS.] The chief of police or sheriff may waive all or a portion of the 14 day waiting period for a transfer.

Subd. 7. [REPORT NOT REQUIRED.] If the transferor makes a report of transfer and receives no written notification of disqualification of the proposed transferee within 14 days of the date of the agreement to transfer, no report or investigation shall be required under this section for any additional transfers between that transferor and that transferee which are made within 30 days of the date on which delivery of the first pistol may be made under subdivision 4.

Subd. 8. [NUMBER OF PISTOLS.] Any number of pistols may be the subject of a single transfer agreement and report to the chief of police or sheriff. Nothing in this section shall be construed to limit or restrict the number of pistols a person may acquire.

Subd. 9. [RESTRICTION ON RECORDS.] If, after a determination that he is not a person prohibited by section 624.713 from possessing a pistol, a transferee requests that no record be maintained of the fact that he is the transferee of a pistol, the

chief of police or sheriff shall sign the transfer report and return it to the transferee as soon as possible. Thereafter, no government employee or agency shall maintain a record of the transfer that identifies the transferee, and the transferee shall retain the report of transfer.

Subd. 10. [FORMS; COST.] Chiefs of police and sheriffs shall make transfer report forms available throughout the community. There shall be no charge for forms, reports, investigations, notifications, waivers or any other act performed or materials provided by a government employee or agency in connection with a pistol transfer.

Subd. 11. [EXCLUSIONS.] This section shall not apply to transfers of antique firearms as curiosities or for their historical significance or value, transfers to or between federally licensed firearms dealers, transfers by order of court, involuntary transfers, transfers at death or the following transfers:

(a) A transfer by a person other than a federally licensed firearms dealer;

(b) A loan to a prospective transferee if the loan is intended for a period of no more than one day;

(c) The delivery of a pistol to a person for the purpose of repair, reconditioning or remodeling;

(d) A loan by a teacher to a student in a course designed to teach marksmanship or safety with a pistol and approved by the commissioner of natural resources;

(e) A loan between persons at a firearms collectors exhibition;

(f) A loan between persons lawfully engaged in hunting or target shooting if the loan is intended for a period of no more than 12 hours;

(g) A loan between law enforcement officers who have the power to make arrests other than citizen arrests; and

(h) A loan between employees or between the employer and an employee in a business if the employee is required to carry a pistol by reason of his employment and is the holder of a valid permit to carry a pistol.

Subd. 12. [APPEAL.] A person aggrieved by the determination of a chief of police or sheriff that the person is prohibited by section 624.713 from possessing a pistol may appeal the determination as provided in this subdivision. In Hennepin and Ramsey counties the municipal court shall have jurisdiction of proceedings under this subdivision. In the remaining counties of the state, the county court shall have jurisdiction of proceedings under this subdivision.

On review pursuant to this subdivision, the court shall be limited to a determination of whether the proposed transferee is a person prohibited from possessing a pistol by section 624.713. The matter shall be heard de novo without a jury.

Subd. 13. [TRANSFER TO UNKNOWN PARTY.]

(a) No person shall transfer a pistol to another who is not personally known to the transferor unless the proposed transferee presents evidence of his identity to the transferor. A person who transfers a pistol in violation of this clause is guilty of a misdemeanor.

(b) No person who is not personally known to the transferor shall become a transferee of a pistol unless he presents evidence of his identity to the transferor. A person who becomes a transferee of a pistol in violation of this clause is guilty of a misdemeanor.

Subd. 14. [PENALTIES.] A person who does any of the following is guilty of a gross misdemeanor:

(a) Transfers a pistol in violation of subdivisions 1 to 12 of this section;

(b) Transfers a pistol to person who has made a false statement in order to become a transferee, if the transferor knows or has reason to know the transferee has made the false statement;

(c) Knowingly becomes a transferee in violation of subdivisions 1 to 12 of this section; or

(d) Makes a false statement in order to become a transferee of a pistol knowing or having reason to know the statement is false.

Subd. 15. [LOCAL REGULATION.] This section shall be construed to supersede municipal or county regulation of the transfer of pistols except more restrictive regulation in cities of the first class."

Amend the title as follows:

Page 1, line 3, after "for" insert "certain"

Page 1, line 7, strike "Section" and insert "Sections 609.135, Subdivision 1;"

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

Mr. Olson from the Committee on General Legislation and Veterans Affairs, to which was referred

S. F. No. 922: A bill for an act relating to parking privileges for the physically handicapped; prohibiting nonhandicapped persons from parking in spaces designated for the handicapped; providing penalties.

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

Page 1, line 14, strike "and burdensome" and insert " , dangerous or impossible"

Page 1, line 16, after "a" insert "person who is"

Page 1, line 16, strike "person" and insert "in this manner"

Page 1, line 17, strike "bears or contains" and insert "displays"

Page 1, line 22, after "signs" insert "incorporating the international symbol of access in white on blue and indicating that the parking space is reserved for the handicapped with vehicles displaying the required certificate. The posting of signs shall be"

Page 2, line 11, strike everything after "1" and insert "shall be fined \$10.00. This subdivision shall be enforced in the same manner as parking ordinances or regulations are enforced in the governmental subdivision in which the violation occurs."

Page 2, strike lines 12 to 14

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

Mr. Olson from the Committee on General Legislation and Veterans Affairs, to which was re-referred

S. F. No. 39: A bill for an act relating to peace officer training courses; eligibility; amending Minnesota Statutes 1976, Section 626.851, Subdivision 2.

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

Page 1, line 15, strike "of the attorney general for the" and insert "*promulgated pursuant to this chapter*"

Page 1, line 16, strike everything before the comma

Page 1, line 18, after "conducted" insert "*by the school or institution.*"

Page 1, line 20, before the period insert "*, or conducted by the Minnesota bureau of criminal apprehension in facilities provided by the bureau*"

Page 1, line 22, before the period insert "*and he shall be credentialled in the manner provided in section 626.845, clause (d)*"

Amend the title as follows:

Page 1, line 3, strike "ELIGIBILITY" and insert "providing for conduct of minimum basic training at approved post-secondary institutions or accredited institutions of higher learning"

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

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

S. F. No. 1064: A bill for an act relating to the state board of investment; creating an advisory council; requiring annual reports; replacing existing agencies; amending Minnesota Statutes 1976, Chapter 11, by adding sections.

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

Page 1, line 13, strike "one"

Page 1, strike lines 14 to 18

Page 1, line 19, strike "retirement;"

Page 1, line 19, strike "commissioners" and insert "commissioner"

Page 1, line 19, strike "and revenue;"

Page 1, line 20, strike "governor" and insert "state board of investment"

Page 2, line 1, strike "governor" and insert "state board of investment"

Page 2, after line 23, insert:

"Subd. 3. [DUTIES; STANDARD OF CARE.] In giving advice or making recommendations to the board, the members of the council shall act in good faith in what they reasonably believe to be in the best interests of the state and shall exercise that degree of judgment and care under circumstances then prevailing which men of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

Renumber the subdivisions.

Page 2, line 32, strike "commissioners" and insert "commissioner" and after "finance" strike the rest of line 32

Page 3, line 5, strike "governor" and insert "state board of investment"

Page 3, line 5, after "15.059" insert "except that those members shall not receive a per diem"

Page 3, strike lines 6 and 7

Page 3, after line 7, insert:

"Subd. 6. [LIABILITY; INDEMNIFICATION.] A member of the council shall be indemnified and held harmless by the state for any reasonable costs or expenses incurred as a result of any actual or threatened litigation or administrative proceedings, other than an action brought by the state or any agency thereof, arising out of the performance of the member's duties if the duties were performed in a manner as prescribed by this section."

Subd. 7. [CONFLICT OF INTEREST; ECONOMIC INTEREST STATEMENT.] No member of the council may participate in deliberations or vote on any matter before the council which will or is likely to result in direct, measurable economic gain to the member or his private employer. A member of the council shall file with the board of ethical practices an economic

interest statement in a manner as prescribed by section 10A.09, subdivisions 5 and 6."

Page 3, line 21, strike everything after the period

Page 3, strike lines 22 to 25

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

Mr. Olson from the Committee on General Legislation and Veterans Affairs, to which was referred

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.

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

Page 1, line 20, strike "*Minnesota Statutes 1974, Section 197.45*" and insert "*section 197.447*"

Page 1, line 21, strike "*Subdivision 1,*"

Page 1, line 21, strike "*for at least*"

Page 1, line 22, strike "*six months*" and insert "*immediately*"

Page 2, line 3, strike "*or*" and insert a comma

Page 2, line 3, after "*3c*" insert "*or 3cc*"

Page 2, line 3, after "*property,*" insert "*as defined in section 273.13,*"

Amend the title as follows:

Page 1, line 3, strike "*exemption*" and insert "*credit for veterans awarded the congressional medal of honor*"

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

Mr. Olson from the Committee on General Legislation and Veterans Affairs, to which was referred

S. F. No. 932: A bill for an act relating to motor vehicles; registration and taxation; fees for filing applications; appointment and duties of deputy registrars; amending Minnesota Statutes 1976, Section 168.33, Subdivisions 2 and 7.

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

Page 1, line 16, strike "*As of April 14, 1976,*"

Page 2, line 3, strike "*Effective August 1, 1976,*"

Page 2, line 32, strike "*such*" and insert "*the*"

Page 3, line 18, reinstate the stricken "\$1" and delete "\$2"

Page 3, line 20, strike "such" and insert "the"

Page 3, line 28, strike "such" and insert "the"

Page 4, line 5, delete "\$2" and insert "\$1"

Page 4, line 7, delete "\$2" and insert "\$1"

Amend the title as follows:

Page 1, line 3, before "fees" insert "increasing"

Page 1, line 3, strike "; appointment"

Page 1, line 4, strike "and duties of deputy registrars"

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

Mr. Olson from the Committee on General Legislation and Veterans Affairs, to which was referred

S. F. No. 753: A bill for an act relating to motor vehicles; licensing and taxation; providing for biennial payment of the tax assessed on trailers; dimensional specifications for trailer number plates; amending Minnesota Statutes 1976, Sections 168.013, Subdivision 1d; and 168.12.

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

Page 1, line 15, after "\$2," insert "*provided, that the tax on trailers with a total gross weight of 3,000 pounds or less shall be*"

Page 1, line 21, strike "such" and insert "the"

Page 1, line 21, strike "issues" and insert "*shall issue*"

Page 2, line 6, strike "regulations" and insert "*rules*"

Page 2, line 16, strike "At the"

Page 2, strike line 17

Page 2, line 18, strike everything before "the"

Page 2, line 22, strike "5" and insert "16"

Page 2, line 22, strike "6" and insert "17"

Page 2, line 24, strike "Beginning with the year 1974,"

Page 3, line 2, strike "1978" and insert "1981"

Page 3, line 2, after "*trailers*" insert "*with a total gross weight of 3,000 pounds or less*"

Page 3, line 6, strike "annual"

Page 3, line 9, after "year" insert "*or years*"

Page 3, line 10, strike "year" and insert "*period*"

Page 3, line 14, strike "calendar" and insert "*period for*"

Page 3, line 15, strike "year in"

Page 3, line 15, after "which" insert "*it is*"

Page 3, line 24, strike "1977" and insert "1980"

Page 3, line 25, strike "1978" and insert "1981"

Amend the title as follows:

Page 1, line 4, after "on" insert "certain"

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

Mr. Purfeerst from the Committee on Transportation, to which was re-referred

H. F. No. 33: A bill for an act relating to motor vehicles; defining motorized bicycles; providing for the registration of motorized bicycles and the licensing of their operators; providing operating rules; amending Minnesota Statutes 1976, Chapter 169, by adding a section; and Sections 168.011, Subdivision 26, and by adding a subdivision; 168.013, by adding a subdivision; 168.27, Subdivision 20; 168A.01, Subdivision 24; 169.01, Subdivision 4, and by adding a subdivision; 169.305, Subdivision 1; 171.01, Subdivision 17, and by adding a subdivision; and 171.02, by adding a subdivision.

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

Page 3, strike line 18

Page 3, line 19, strike everything before "or"

Page 3, line 20, before the period insert "*, but including motorized bicycles as defined in section 168.011, subdivision 27*"

Page 4, line 10, strike "*otherwise*"

Page 4, line 10, strike "*all*" and insert "*in this section the*"

Page 4, line 10, after "*provisions*" insert "*of section 169.221*"

Page 4, line 11, strike "*shall be equally*" insert "*are*"

Page 6, strike lines 17 to 20 and insert:

"Sec. 13. [EFFECTIVE DATE.] *Sections 1, 2 and 3 are effective November 15, 1977, for the vehicle registration year 1978 and subsequent years. The remaining sections of this act are effective August 1, 1977.*"

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

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

S. F. No. 266: A bill for an act relating to elections; providing for training of all election officials; prescribing certain duties for the secretary of state; appropriating money.

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

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 204A.13, Subdivision 2, is amended to read:

Subd. 2. [ELECTION LAW; INSTRUCTIONAL MATERIALS, TESTS.] On or before July 1 of every even-numbered year the secretary of state shall furnish to the county auditors sufficient copies of the Minnesota election law. The secretary of state shall also may prepare and transmit to the county auditors guides for election officers in pamphlet form, for the conduct of their duties as prescribed by law detailed written instructions on election laws relating to the conduct of elections, conduct of voter registration and voting procedures.

Sec. 2. Minnesota Statutes 1976, Section 204A.13, is amended by adding a subdivision to read:

Subd. 5. [CONFERENCES FOR COUNTY AUDITORS.] *Before each statewide primary election the secretary of state shall conduct conferences for county auditors for the purpose of giving instructions on the administration of election laws and the training of local election officials and election judges.*

Sec. 3. Minnesota Statutes 1976, Section 204A.13, is amended by adding a subdivision to read:

Subd. 6. [ELECTION JUDGES TRAINING.] *The secretary of state shall formulate a training program for election judges throughout the state and for this purpose shall adopt rules in accordance with chapter 15.*

Sec. 4. Minnesota Statutes 1976, Section 204A.14, Subdivision 1, is amended to read:

204A.14 [CLERKS, ELECTION SUPPLIES, DUTIES.] Subdivision 1. [INSTRUCTION MEETINGS FOR ELECTION OFFICIALS.] Before each ~~state~~ statewide primary election, the auditor of each county shall conduct a program of in-service training for local election officials, and for this purpose may require the clerks of the municipalities and the chairmen of the several election boards within the county to meet with him at the time the clerks are required to secure the election supplies from him ; and . The auditor shall conduct the meeting in such manner as he deems proper to instruct the clerks and chairmen of the several election boards as to election procedures including, but not to be restricted to, duties of municipal clerks and election judges. The expenses incidental to attending the meeting an in-service training

program with the county auditor shall be borne by the municipalities.

Sec. 5. Minnesota Statutes 1976, Chapter 204A, is amended by adding a section to read:

[204A.175] [TRAINING FOR ELECTION JUDGES; DUTIES OF THE COUNTY AUDITOR.] *The county auditor of each county shall train all election judges who are appointed to serve at any election to be held in the county. Training shall be in accordance with the rules adopted by the secretary of state pursuant to section 3. The county auditor may delegate to a municipal election official the duties to train election judges for any municipality.*

Sec. 6. Minnesota Statutes 1976, Section 204A.18, is amended by adding a subdivision to read:

Subd. 5. Except as provided in section 204A.20, no person may be a judge unless he has received training as provided in section 5 prior to the election at which he is to serve.

Sec. 7. Minnesota Statutes 1976, Section 204A.20, is amended to read:

204A.20 [VACANCIES IN JUDGES.] *When any judge fails to attend at the time and place appointed for holding an election, within 30 minutes after the opening of the polls, or after entering upon the discharge of his duties, becomes unable, or for any reason fails or refuses, to complete the performance of his duties, the remaining judges of the precinct shall elect a qualified person from the precinct to fill the vacancy. A person need not have received training pursuant to section 5 to be qualified to serve as a judge pursuant to this section.*

Sec. 8. **[APPROPRIATION.]** *The following sums are appropriated from the general fund to the secretary of state for the biennium ending June 30, 1979:*

(a) For the purpose of formulating a training program for election judges pursuant to section 3 \$5,500.
(b) For the purpose of preparing written instructions for county auditors pursuant to section 1 \$2,500."

Amend the title as follows:

Page 1, line 3, after "officials;" insert "requiring training prior to service as an election judge;"

Page 1, line 3, strike "prescribing" and insert "imposing"

Page 1, line 4, strike "for" and insert "on"

Page 1, line 4, after "state" insert "and county auditors"

Page 1, line 4, after "money" insert "; amending Minnesota Statutes 1976, Sections 204A.13, Subdivision 2, and by adding subdivisions; 204A.14, Subdivision 1; 204A.18, by adding a subdivision; 204A.20; and Chapter 204A, by adding a section"

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

Mr. Purfeerst from the Committee on Transportation, to which was referred

S. F. No. 765: A bill for an act relating to motor vehicle and highway noise control; requiring the commissioner of transportation to implement noise abatement measures; prohibiting construction of acoustical barriers except where required on federal aid highways; requiring the commissioner of public safety to cooperate in noise abatement measures; requiring a study and report concerning motor vehicle source noise enforcement devices and methods; increasing the complement of the state patrol; appropriating money; amending Minnesota Statutes 1976, Chapter 161, by adding a section; repealing Minnesota Statutes 1976, Section 161.125.

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

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Chapter 161, is amended by adding a section to read:

[161.126] [NOISE ABATEMENT.] *Subdivision 1. [DUTIES OF THE COMMISSIONER.] Whenever the noise level attributable to vehicular traffic on any trunk highway in an incorporated area exceeds federal noise standards for existing land activities at a location along that highway, the commissioner shall implement noise abatement measures that reduce the noise at that location to a level equal to or below federal noise standards. Notwithstanding any other law to the contrary, the commissioner shall not be required to reduce the noise at any location along any trunk highway to a level which is lower than that required by federal noise standards. For the purpose of this subdivision "existing" means in existence or planned, designed and programmed at the time that the commissioner officially adopts the location of a proposed highway construction or reconstruction project.*

Subd. 2. [NOISE ABATEMENT MEASURES.] For the purpose of this section, noise abatement measures include the following:

(a) *traffic management measures, including reduced speed limits or exclusion and rerouting of excessively noisy vehicles;*

(b) *design and construction measures, including use of sound absorbing road surface materials, landscaping and planning, acquisition of buffer zones or noise insulation of buildings on abutting property;*

(c) *enforcement of the motor vehicle source noise limits of the pollution control agency and of the federal bureau of motor carrier safety; and*

(d) *other measures designed for the purpose of reducing motor vehicle source noise or reducing the effects of that noise. The commissioner of public safety shall cooperate with the commissioner of transportation in implementing any noise abatement measures that include law enforcement activities.*

Subd. 3. [ACOUSTICAL BARRIERS PROHIBITED; EXCEPTION.] *The commissioner shall endeavor as far as possible to comply with federal and state noise standards on trunk highway routes by noise abatement measures other than acoustical barriers. The commissioner shall construct no acoustical barriers, except barriers which are created as a result of landscaping and planting or integration of a roadway into the natural topography of an area, at any trunk highway location unless: (a) required by the federal highway administration as a condition of design approval for an interstate or other federal aid highway, or (b) the commissioner finds that no noise abatement measures other than acoustical barriers will be effective to meet the noise standards prescribed in subdivision 1 for that trunk highway location. Where acoustical barriers are constructed as provided in this subdivision, the barriers shall be designed in a manner consistent with the aesthetic values of the area in which they are constructed. The commissioner shall maintain all acoustical barriers along interstate and trunk highways in a safe and attractive condition.*

Subd. 4. [EXPENDITURES FOR NOISE ABATEMENT.] *The commissioner shall annually expend an amount equal to one percent of an amount equal to 62 percent of the revenues derived from the tax imposed on gasoline used in producing and generating power for propelling motor vehicles used on the public highways of this state, for the purpose of implementing noise abatement measures along interstate highways as provided in this section. In the event that funds derived from this one percent exceed the amount necessary to implement noise abatement measures on interstate highways, the commissioner shall use the excess funds to implement noise abatement measures along other trunk highways as provided in this section. The commissioner shall endeavor as far as possible to obtain federal money to match state expenditures pursuant to this subdivision. Between December 31, 1977 and December 31, 1979, no more than 50 percent of the funds required to be expended pursuant to this subdivision shall be used for the design and construction of acoustical barriers. The remaining 50 percent shall be used for experimental implementation of other noise abatement measures as defined in subdivision 2 of this section.*

Sec. 2. [NOISE ENFORCEMENT STUDY; REPORT.] *The commissioner of public safety with the cooperation of the pollution control agency shall endeavor, through appropriate research and experimentation, to develop a directional noise monitoring device which is effective in measuring the noise level of individual motor vehicles and can be operated from a stationary or moving patrol car by a single law enforcement officer for the purpose of enforcing motor vehicle source noise standards. The commissioner of public safety shall submit a report of the findings of this research and experimentation to the legislature no later than December 31, 1977. This report shall include:*

(a) an analysis of alternative types of noise monitoring devices and a description of the cost and capabilities of each type; and

(b) an analysis and estimate of the number and the cost of additional state patrol officers, or other enforcement officers, noise monitoring devices and other facilities necessary to achieve effective enforcement of state motor vehicle source noise limits within incorporated areas on interstate highways and on other trunk highways in the state.

Sec. 3. [COMPLETION OF ACOUSTICAL BARRIERS.] Notwithstanding any other provisions of this act, the commissioner of transportation may complete the construction of any acoustical barrier authorized by law prior to the effective date of this act for which construction began or a contract was let or federal design approval or a resolution of a city council requesting construction was received on or before June 30, 1977, and for that purpose may expend money authorized for expenditure for noise abatement measures pursuant to section 1, subdivision 4, of this act.

Sec. 4. [APPROPRIATION.] Subdivision 1. [NOISE MONITORING DEVICE STUDY.] The sum of \$33,000 is appropriated from the general fund to the department of public safety for expenditure for the purposes of section 2 of this act. This appropriation shall not lapse, but shall be available for expenditure until June 30, 1978.

Subd. 2. [STATE PATROL; INCREASED COMPLEMENT APPROPRIATION.] The approved complement of uniformed troopers of the state patrol is increased by 50 persons for the biennium ending June 30, 1979. The sum of \$1,900,000 is appropriated from the general fund to the department of public safety for the biennium ending June 30, 1979, for expenditure for the purpose of this subdivision.

Sec. 5. [REPEAL.] Minnesota Statutes 1976, Section 161.125, is repealed.

Sec. 6. [EFFECTIVE DATE.] Except for section 4, subdivision 2, which is effective July 1, 1977, this act is effective the day following final enactment."

Further amend the title as follows:

Page 1, line 5, before the semicolon insert "to meet federal noise standards"

Page 1, line 7, before the semicolon insert "or where all other measures will not be effective"

Page 1, line 7, after the semicolon insert "requiring expenditure on noise abatement other than acoustical barriers;"

Page 1, line 8, strike "measures" and insert "enforcement"

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

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

S. F. No. 572: A bill for an act relating to credit unions; au-

thority of state chartered credit unions; amending Minnesota Statutes 1976, Section 52.04.

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

Page 1, line 9, before "A" insert "*Subdivision 1.*"

Page 4, line 10, restore the stricken period and strike the semicolon

Page 4, line 11, strike "(15)" and insert "*Subd. 2.*" and strike "or"

Page 4, line 12, strike "*regulation*" and after "*authorize*" insert "*a*"

Page 4, line 12, strike "*unions*" and insert "*union*"

Page 4, line 13, strike "*such*" and insert "*the*" and strike "*unions*" and insert "*union*"

Page 4, line 14, strike "*they*" and insert "*it*"

Page 4, line 15, strike "*such*" and insert "*the*"

Amend the title as follows:

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

Page 1, line 3, before the semicolon insert "to permit same activities as federally-chartered credit unions where commissioner of banks authorizes by rule"

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

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

H. F. No. 720: A bill for an act relating to commerce; regulation of subdivision of lands by the commissioner of securities; extending time for filing reports of subdivided land; amending Minnesota Statutes 1976, Section 83.30, Subdivision 1.

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

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

S. F. No. 716: A bill for an act relating to credit unions; authorizing certain contracts between credit unions; amending Minnesota Statutes 1976, Section 52.04.

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

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

S. F. No. 1071: A bill for an act relating to appropriations; providing funds for the programs of the Minnesota International Center.

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

Page 1, line 8, after "fund" insert "for the biennium beginning July 1, 1977"

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

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

S. F. No. 589: A bill for an act relating to the secretary of state; authorizing distribution of free legislative manuals; amending Minnesota Statutes 1976, Section 5.08, Subdivision 2.

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

Page 2, lines 10 to 12, reinstate the stricken language

Page 2, line 12, after the period insert "*After July 1 of every even-numbered year, the secretary of state may distribute remaining copies of the manual without charge to schools throughout the state.*"

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

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

S. F. No. 1004: A bill for an act relating to metropolitan government; providing for the investment of metropolitan airports commission funds; amending Minnesota Statutes 1976, Section 473.606, Subdivision 3.

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

Page 3, line 12, after the period, insert "*The commission may purchase certificates of deposit from a depository bank in an amount exceeding that insured by federal depository insurance to the extent that those certificates are secured by collateral maintained by the bank in a manner as prescribed for investments of the state board of investment.*"

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

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

S. F. No. 964: A bill for an act relating to labor relations; providing for the exclusion of certain positions and classes of positions

in the classified and unclassified civil service of the executive branch from bargaining units; amending Minnesota Statutes 1976, Section 179.74, Subdivision 4.

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

Page 2, line 2, after the comma, insert "*all unclassified positions in the state university system and the community college system defined as managerial by their respective boards,*"

Page 2, line 4, strike "or" and insert "and"

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

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

S. F. No. 894: A bill for an act relating to state employees; permitting certain wage deductions; amending Minnesota Statutes 1976, Section 10.39, Subdivision 1.

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

Page 1, line 10, after "departments" insert "*and agencies*"

Page 1, line 11, strike "government of the"

Page 1, line 11, strike "of Minnesota" and insert "*government*"

Page 1, line 12, strike "by and"

Page 1, lines 12 and 13, strike "of any state department"

Page 1, line 13, strike the first "such" and insert "*the*"

Page 1, line 13, strike the second "such" and insert "*any*"

Page 1, line 14, strike "or sums"

Page 1, line 14, strike "such" and insert "*the*"

Page 1, line 15, strike the comma and insert a semicolon

Page 1, line 16, after the comma insert "*a non-profit corporation organized pursuant to Minnesota Statutes to provide benefits and services for public employees,*"

Page 1, lines 19 and 20, strike "such"

Page 2, line 2, strike "credit union or organization" and insert "*entity*"

Page 2, line 5, strike everything before the period and insert "*that entity*"

Page 2, line 9, strike "the effective date of this act" and insert "*June 5, 1971*"

Page 2, after line 9, insert:

"Sec. 2. This act is effective at the start of the first payroll period after July 1, 1978."

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

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

S. F. No. 881: A bill for an act relating to elections; permitting electronic voting systems for absentee voters; amending Minnesota Statutes 1976, Section 206.07, by adding a subdivision.

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

Strike everything after the enacting clause and insert:

"Section 1. [PUNCHCARD ABSENTEE BALLOT DEMONSTRATION PROJECTS.] The secretary of state may supervise and direct demonstration projects in one or more municipalities that use punchcard ballots and automatic tabulating equipment pursuant to Minnesota Statutes, Chapter 206, at an election held in 1977. A municipality participating in such a project is authorized to use punchcard ballots for persons voting by absentee ballot in the manner directed by the secretary of state. The secretary of state shall evaluate the results of each project and submit a report and recommendations concerning the future use of punchcard ballots for absentee voting to the legislature no later than January 15, 1978.

Sec. 2. [EFFECTIVE DATE.] This act is effective the day following final enactment and shall expire January 31, 1978."

Strike the title in its entirety and insert:

"A bill for an act relating to elections; directing the secretary of state to authorize and direct demonstration projects for the use of punchcard ballots for absent voters."

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

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

S. F. No. 1248: A bill for an act relating to elections; providing for an informational pamphlet on voting methods, voter registration and constitutional amendments at the general election; appropriating money.

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

Page 1, strike line 8 and insert:

"Section 1. Minnesota Statutes 1976, Section 204A.03 is amended to read:

204A.03 [NOTICE OF ELECTION; VOTERS PAMPHLET.]
Subdivision 1. [NOTICE.] Between June 1 and July 1 in each election year the secretary of state shall cause a notice to be delivered to the auditor of each county, specifying all the officers whose certificates of nomination are issued by the secretary to be voted for in the county at the next general election; and each auditor, within ten days after receipt thereof, shall cause a notice to be delivered to each town and city clerk in his county of all officers to be voted for in the county at the election."

Page 1, line 9, strike "1." and insert:

"*Subd. 2.*"

Page 2, line 6, after "fund" insert "*for the biennium ending June 30, 1979,*"

Renumber the subdivisions in sequence

Underline all new language in the bill

Amend the title as follows:

Page 1, line 5, before the period insert: "; amending Minnesota Statutes 1976, Section 204A.03"

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

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

S. F. No. 882: A bill for an act relating to elections; providing for the tabulation and announcement of votes cast on electronic voting systems; amending Minnesota Statutes 1976, Section 206.-185, Subdivision 5, and by adding a subdivision.

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

Strike everything after the enacting clause and insert:

"Section 1. [EXPERIMENTAL COUNTING PROCEDURE.]
Subdivision 1. Any municipality using ballot cards and automatic tabulating equipment pursuant to the provisions of Minnesota Statutes, Chapter 206, at any election held in 1977 may use the procedure for counting ballot cards provided by subdivision 2 when authorized to do so for experimental purposes by the secretary of state. The secretary of state may authorize one or more municipalities to use the modified procedure provided by subdivision 2 at municipal elections held in 1977 subject to conditions imposed by the secretary of state to assure a fair and accurate account and to prevent the destruction of any ballots. A municipality authorized to use the procedure provided in subdivision 2 shall comply with all provisions of Minnesota Statutes, Chapter 206, which are not inconsistent with that procedure.

Subd. 2. Upon the arrival of ballot cards at a counting center, the cards shall be directed to the judges assigned to inspection and verification for examination for physical defects and for replace-

ment according to Minnesota Statutes, Section 206.185, Subdivision 4, except that the ballot cards which at the precinct were determined not to be defective by reason of improper write-in votes may be counted immediately by the automatic tabulating equipment. The results of the preliminary tabulation may be made available to the public provided that the tabulation is clearly identified as unofficial.

After a preliminary tabulation has been made, the ballot cards shall be returned to the judges assigned to inspection and verification. The ballot cards shall then be examined for physical defects and replaced, if necessary, according to section 206.185, subdivision 4. A final tabulation of ballot cards shall be obtained from the automatic tabulating equipment after all defective cards have been replaced which, together with the returns of write-in and absentee votes, shall constitute the official return of each precinct. Upon completion of the official returns those returns shall be open to the public.

Subd. 3. The secretary of state shall monitor any ballot count conducted pursuant to this section, shall evaluate the effects of the use of the modified procedure and submit a report and recommendations concerning future use of the procedure to the legislature no later than January 15, 1977.

Sec. 2. [EFFECTIVE DATE.] This act is effective the day following final enactment and shall expire January 31, 1978."

Strike the title in its entirety and insert:

"A bill for an act relating to elections; directing the secretary of state to authorize a modified counting procedure for punchcard ballots; authorizing municipalities to use certain election procedures for experimental purposes; requiring reports."

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

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

S. F. No. 458: A bill for an act relating to welfare; increasing the personal allowance for persons in care facilities; amending Minnesota Statutes 1976, Section 256B.35, Subdivision 1.

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

Page 1, line 16, strike "\$50" and insert "\$35"

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

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

S. F. No. 1058: A bill for an act relating to human services; providing grants to plan and organize human services programs;

requiring notification of affected state agencies; requiring certain membership on advisory councils; promulgating rules; amending Minnesota Statutes 1976, Sections 402.01, by adding a subdivision; 402.02, Subdivisions 1 and 2; 402.03; 402.04, Subdivision 1; 402.05; and 402.06; repealing Minnesota Statutes 1976, Section 402.08 and 402.09.

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

Page 2, line 29, strike "Receive and expend for the purposes of sections"

Page 2, strike lines 30 to 32 and insert "*Perform all clerical and accounting functions for the receipt and expenditure of funds for the purposes of sections 402.01 to 402.10*"

Page 3, line 1, after "*Rent*" strike the comma and insert "*and*"

Page 3, line 1, after "*purchase*" strike "*, and own*"

Page 3, line 1, after "*equipment;*" strike "*and*"

Page 6, line 4, after "*grants*" insert "*not to exceed \$25,000,*"

Page 6, line 5, strike "*Planning grants shall be*"

Page 6, strike lines 6 and 7 and insert "*Applications for grants shall be made on forms approved by the state planning officer.*"

Page 7, line 8, before "*for*" insert "*, not to exceed \$75,000,*"

Page 7, line 8, strike "*not to exceed*" and insert "*of*"

Page 7, strike lines 9 to 11 and insert "*Applications for grants shall be made on forms approved by the state planning officer.*"

Page 7, after line 19, insert:

"Sec. 9. *On or before the first day of July each year the human services board shall submit to each county board of commissioners participating in the human services board an estimate of the amount needed by it to perform its duties, including expenses of administration, and, if approved, each county shall levy a tax as provided by law for these purposes. In the event the estimate is not approved, each county board of commissioners participating in the human services board shall confer with the human services board, develop a budget and levy a tax for the amount required. The state auditor shall audit the books and accounts of the human services board once each year. The human services board shall pay to the state the total cost and expenses of the examination, including the salaries paid to auditors while actually engaged in making the examination. The revolving fund of the state auditor shall be credited with all collections made for any examination.*

Sec. 10. *The state planning officer shall have authority for human services development. He may appoint professional and clerical staff as he deems necessary. The positions shall be established in the unclassified civil service pursuant to section 43.05, for a period not to exceed two years.*

Sec. 11. *The state planning officer shall be the repository for all files, reports, documents, information and property acquired by or otherwise considered the property of the office of human services created pursuant to Laws 1975, Chapter 434, Section 2, Subdivision 24, except property which was loaned by other state agencies. The state planning officer shall assume ongoing or continuing duties of the office of human services, including, but not limited to:*

(1) support for the development of human services boards created pursuant to Minnesota Statutes, Chapter 402; and ongoing technical assistance to the boards;

(2) disbursement and monitoring grants pursuant to section 402.01;

(3) receiving and coordinating the review of annual plans required by section 402.06; and

(4) cooperating with other state departments and agencies in assisting local human services integration projects. Any unexpended funds from the appropriation established pursuant to Laws 1975, Chapter 434, Section 2, Subdivision 24 shall not cancel and shall be reappropriated for the purposes of this section."

Renumber the subsequent section

Page 7, after line 21, insert:

"Sec. 13. This act shall be effective July 1, 1977."

Further amend the title as follows:

Page 1, line 6, after "rules;" insert "providing for auditing of funds; giving additional powers to the state planning officer; appropriating money;"

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

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

S. F. No. 707: A bill for an act relating to public welfare; establishing programs for displaced homemakers; establishing multipurpose service programs; defining terms; appropriating money.

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

Strike everything after the enacting clause and insert:

"Section 1. [CITATION.] Sections 1 to 5 may be cited as the "Equal Opportunity for Displaced Homemakers Act".

Sec. 2. [DEFINITIONS.] Subdivision 1. For the purposes of sections 1 to 5, the terms defined in this section have the meanings given them.

Subd. 2. "Displaced homemaker" means a person who (1) worked in the home for a substantial number of years providing unpaid household services for family members and was dependent upon another family member or federal assistance for support and (2) who is not gainfully employed and has difficulty in securing employment.

Subd. 3. "Director" means the executive director of the governor's manpower office.

Sec. 3. [DISPLACED WORKER PROGRAMS.] Subdivision 1. In order to enable the displaced homemaker to contribute to society and maintain independence and economic security, the director (1) shall allocate funds to two pilot programs, one in the metropolitan area and one in rural Minnesota and (2) may enter into contracts with existing private nonprofit organizations and agencies with experience in dealing with displaced homemakers to provide the counseling, training, and placement services authorized by sections 1 to 5. The governor's manpower office shall retain ultimate responsibility for administration of the counseling, training and placement programs.

Subd. 2. The director shall allocate funds to establish specific components within the pilot programs to more effectively serve the individual needs of the displaced homemakers. The programs shall assist the displaced homemaker in finding permanent employment and may work with the department of employment services and any other agency to secure employment for displaced homemakers. The programs shall provide the following services to facilitate job placement:

(a) Job counseling services which shall be designed specifically for displaced homemakers and include counseling with respect to appropriate job opportunities;

(b) Job training and job placement services which shall:

(1) Provide weekly training allowances based on need for a maximum period of three months to displaced homemakers who are economically disadvantaged or receiving public and private job training or education;

(2) Develop jobs by working with state and local government agencies and private nonprofit organizations;

(3) Develop individual employment plans to comprehensively provide or assist in obtaining specific services including health care, child support, financial counseling, education and training counseling, and legal counseling; and

(4) Take into account and build on the skills and experiences of the displaced homemakers.

Sec. 4. [ADMINISTRATION OF PROGRAMS.] Subdivision 1. The director shall cooperate with federal, state and local agencies and private employers to coordinate the service programs established pursuant to section 3. The director, with the advice of the

governor, shall promulgate emergency rules concerning the eligibility of persons for the job training and other programs provided for under sections 1 to 5, as well as the level of stipends for the job training programs. The director shall assist displaced homemakers in applying for appropriate welfare programs and shall take welfare allowances received into account in setting the stipend level. Income received as a stipend under this program shall be totally disregarded for purposes of determining eligibility for and the amount of a general assistance grant.

Subd. 2. The director shall evaluate the effectiveness of the job training, placement and service to displaced homemakers, including the number of persons applying for benefits, number of persons trained, the number of persons placed in employment, follow-up data on the persons, the number of persons served by the pilot programs, and cost effectiveness of the various components of the pilot programs. The director shall report to the legislature on the evaluation by March 15, 1979.

Subd. 3. The coordinator of each pilot program may accept, use and dispose of contributions of money, services and property from any source for the purposes of sections 1 to 5. Any funds accepted pursuant to this subdivision are hereby appropriated for the purposes for which they are received.

Sec. 5. [PILOT PROGRAM STAFFING.] To the extent possible, supervisory, technical, and administrative positions in the pilot programs established pursuant to sections 1 to 5 shall be filled by displaced homemakers.

Sec. 6. [APPROPRIATIONS.] There is appropriated from the general fund to the executive director of the governor's manpower office the sum of \$320,000 for the purposes of sections 1 to 5."

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

"A bill for an act relating to the governor's manpower office; providing for the employment and training of displaced homemakers; authorizing certain job training, counseling and placement activities; appropriating money."

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

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

S. F. No. 862: A bill for an act relating to education; encouraging school boards to issue competency certificates to certain students; removing the age limitations on the taking of G.E.D. tests by secondary school students and allowing the charging of fees therefor.

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

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

S. F. No. 233: A bill for an act relating to education; Montessori schools; providing licensing procedure and exempting Montessori schools from certain regulations; providing penalties; amending Minnesota Statutes 1976, Section 245.791.

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. For the purposes of sections 1 to 3 of this act, the following terms shall have the meanings given.

Subd. 2. "Child" means a person between the ages of one and one-half and six years.

Subd. 3. "Commissioner" means the commissioner of education and includes a representative designated by the commissioner.

Subd. 4. "Montessori school" means an institution meeting the requirements of sections 1 to 3 of this act with a primary function of educating children according to the Montessori method.

Subd. 5. "Montessori teacher" means a teacher certified by either the Montessori Foundation of Minnesota, Inc., Association Montessori Internationale or the American Montessori Society, or their successors, and may also include a person certified by the St. Nicholas Training Course of London who (a) has served an internship of one academic year under the supervision of a teacher certified by the Association of Montessori Internationale, the American Montessori Society or the Montessori Foundation of Minnesota, Inc., or their successors; or (b) is recognized as a Montessori teacher by the Montessori Foundation of Minnesota, Inc. on the effective date of this act.

Subd. 6. "Provisional accreditation" means an accreditation by the accrediting body issued to a school temporarily unable to comply with all of the requirements for accreditation.

Sec. 2. [ACCREDITATION REQUIRED; ACCREDITING AUTHORITY.] Subdivision 1. No Montessori school shall be operated in this state unless and until it has been accredited or provisionally accredited by an accrediting body approved by the commissioner. Upon such accreditation, a Montessori school may be operated without any other accreditation, license or approval from any department or agency of this state; provided, however, the school shall be subject to inspection by the state departments of health and public safety or by local agencies to determine compliance with state and local fire and health regulations, local zoning ordinances, and with applicable safety and building codes.

Subd. 2. Within 60 days of application, the commissioner shall, in accordance with the standards established in subdivision 3, approve or disapprove the application of an accrediting body to

allow it to accredit Montessori schools in Minnesota. This approval by the commissioner shall be for a four year period.

Subd. 3. To be an accrediting body the organization (a) must have a minimum of 15 Montessori schools which it will be or is accrediting, (b) must be a nonprofit entity with a governing body of at least seven persons, and (c) must not have a proprietary interest in, or voting control over, the schools it is or will be accrediting except for Montessori model classrooms, not exceeding five in number, of such accrediting body.

Sec. 3. [MINIMUM REQUIREMENTS.] The following minimal requirements shall be used by the accrediting body as a basis for accreditation:

(a) Admissions shall be open to children of all races, creeds or color;

(b) The physical plant shall comply with state and local fire and health regulations, local zoning ordinances and with applicable safety and building codes;

(c) The facility shall be attractive, cheerful, orderly, clean and in good repair;

(d) The facility shall provide no less than 35 square feet of useable working space per child and provide each child space for his personal belongings and schoolwork;

(e) Flooring shall be of a type that can be kept clean and safe;

(f) Rooms shall be adequately lit; painted in suitable colors; provided with low accessible shelving in suitable colors with adequate space for storage; and furnished with lightweight, movable, child-sized furniture, tables and chairs;

(g) Suitable rugs and mats shall be available and accessible to the children and orderly storage space for mats shall be provided;

(h) Toilet facilities shall be accessible and adequate for the number of children enrolled, shall be clean and have adequate hand washing facilities;

(i) Outdoor space shall be easily accessible, safe, and protected; outdoor equipment shall be safe and provide adequate opportunity for a variety of large muscle activities;

(j) A full range of Montessori equipment to permit independent work by the child with full consideration for others shall be provided;

(k) Learning activities shall include: (1) care for the self and the environment; (2) activation of the senses in preparation for accurate, conscious observation of the physical world; (3) development of ability in the use of English, reading, writing, mathematics and music. Geography, history, life science, art, dance, dramatics, and a second language may be included;

(l) The classroom shall have a mixed age group after the first year of operation;

(m) Children from two and one-half to six years of age shall have the minimum number of hours in the classroom and the minimum school days per week established by rule of the accrediting body;

(n) Parents shall be allowed to observe children at work; and

(o) Each classroom shall have at least one Montessori teacher.

Sec. 4. [EFFECTIVE DATE.] This act is effective the day following final enactment."

Amend the title as follows:

Page 1, line 2, before "Montessori" insert "requiring the accreditation of"

Page 1, line 2, after "schools;" insert "providing for the approval of accrediting authorities by the commissioner of education."

Page 1, strike lines 3 to 6

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

Mr. Laufenburger from the Committee on Employment, to which was re-referred

S. F. No. 731: A bill for an act relating to state finance; authorizing payments pursuant to grievance resolutions; amending Minnesota Statutes 1976, Section 16A.17, Subdivision 7.

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

Page 1, line 16, after "or" insert "*with the approval of the commissioner of personnel, pursuant to the resolution of a grievance through the formal steps of a grievance procedure established by law or collective bargaining agreement,*"

Page 1, lines 17 to 19, strike the new language

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

Mr. Laufenburger from the Committee on Employment, to which was re-referred

S. F. No. 675: A bill for an act relating to economic development; providing grants to community development corporations; setting out criteria for making such grants; appropriating funds; amending Minnesota Statutes 1976, Chapter 362, by adding a section.

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

Page 1, line 19, strike "1060.2-4" and insert "1060.2-2"

Page 1, line 22, strike "*commissioner of economic development is*" and insert "*director of the state planning agency shall*"

Page 1, line 23, strike *"responsible to"*

Page 1, line 23, strike *"may make"*

Page 2, strike lines 1 and 2 and insert *"shall enforce the rules related to the community development corporations promulgated by the department of economic development. The director may amend, suspend, repeal or otherwise modify these rules as provided for in chapter 15."*

Page 2, line 3, strike *"commissioner"* and insert *"director"*

Page 2, line 14, strike *"when"*

Page 2, line 15, strike *"authorized by the metropolitan council"* and insert *"or cities, townships, unincorporated areas or combinations thereof"*

Page 2, line 21, strike *"commissioner"* and insert *"director"*

Page 3, line 2, strike *"commissioner"* and insert *"director"*

Page 3, line 8, strike *"commissioner"* and insert *"director"*

Page 3, line 18, strike *"commissioner"* and insert *"director"*

Page 3, line 31, strike *"commissioner of economic development"* and insert *"director of the state planning agency"*

Page 3, line 32, strike *"\$1,500,000"* and insert *"\$1,574,000"*

Page 4, line 1, strike *"equitably"* and insert *"equally"*

Page 4, line 2, strike *"outstate"* and insert *"nonmetropolitan"*

Page 4, line 2, strike *"\$89,579"* and insert *"\$74,200"*

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

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

S. F. No. 472: A bill for an act relating to retirement; additional employer contributions to amortize the deficit in the teachers' retirement fund; amending Minnesota Statutes 1976, Section 354.42, Subdivision 5.

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

Page 1, line 10, after *"Subd. 5."* strike the balance of the line

Page 1, strike lines 11, 12 and 13

Page 1, line 14, strike *"July 1,"* and strike *"1977"*

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

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

S. F. No. 66: A bill for an act relating to the operation of state government; providing for the expiration or periodic revaluation of various regulatory programs; requiring program and fiscal review of regulatory programs; providing for performance audits by the legislative auditor; establishing a pilot program; appropriating money.

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

Strike everything after the enacting clause and insert:

"ARTICLE I

Section 1. [15.062] [PERIODIC EXPIRATION OF STATE REGULATORY PROGRAMS.] Subdivision 1. [POLICY.] The legislature finds that the regulation of activities of citizens and business associations by state agencies has substantially expanded without adequate provision for legislative oversight. The legislature further finds that regulation of citizen and business activity should only continue if that regulation is required for the safety or welfare of the citizens of the state and if the regulation will not have an unreasonably adverse effect on the competitive market. A regulatory program shall not be presumed to be desirable or necessary simply because it has existed for a period of time; a regulatory program shall expire unless the need for its continued existence can be affirmatively demonstrated. To monitor the continued necessity of existing state regulatory programs the legislature hereby adopts a schedule mandating the periodic expiration of those programs unless subsequent legislation is enacted continuing the programs in their current or amended forms.

Subd. 2. [LEGISLATIVE REVIEW PROCESS.] The legislature further finds that an effective and efficient program review mechanism requires the careful balancing of many functions. These include the legislative appropriations process, regular program review by standing committees of the legislature, administrative rule review by executive and legislative branch agencies, fiscal audits and performance evaluations by the legislative audit commission, and financial and management analysis by executive branch agencies. To insure that the program review mechanism provided in article I properly recognizes and interrelates these various functions, the legislature intends to terminate this mechanism one year after its first full year of operation in order to assess the results and implement, where appropriate, necessary improvements.

Subd. 3. [EXPIRATION OF REGULATORY PROGRAMS.] Unless otherwise provided by subsequent legislation which specifically references this act, regulatory programs of state agencies shall expire pursuant to the schedule published as provided in article II, section 9.

Sec. 2. [15.0621] [LEGISLATIVE AUDITOR REVIEW.] Subdivision 1. No later than April 1 of the year prior to the scheduled expiration of a program, the legislative audit commission

shall have advised the legislative auditor to undertake program evaluations of one or more of the regulatory programs scheduled for expiration in the following year. A standing committee of the legislature shall submit any recommendations for program evaluations to the commission no later than March 1 of each year if one or more regulatory programs within that committee's jurisdiction are scheduled to expire in the following year. The form of the program evaluations shall be as prescribed by the commission. The evaluations shall be submitted to the commission and the appropriate standing committees of the legislature no later than December 1 of the year preceding the scheduled expiration of the program. The legislative auditor shall schedule fiscal audits of the regulatory programs to be completed wherever practicable in the year preceding the scheduled expiration of a program.

Subd. 2. A program evaluation shall measure and evaluate at least the following:

a. the extent to which the program has been implemented in accordance with legislative intent;

b. the degree to which the program has protected the safety or welfare of citizens of the state;

c. the efficiency by which the program is administered by a state agency;

d. the benefit to citizens of the state from the program as compared to costs incurred by the state and by persons who are regulated pursuant to the program;

e. the benefit to citizens of the state from the program as compared to restraints imposed by the program on a free competitive market;

f. the ease with which citizens and business associations are permitted to engage in activities regulated by the agency;

g. the responsiveness of the agency to citizen complaints;

h. alternative means by which the safety or welfare of citizens can be adequately protected assuming the regulatory program were to expire; and

i. the desirability of continuing the program in its current or amended form.

Sec. 3. [15.0622] [INTERNAL AGENCY REVIEW.] No later than February 1 of the year preceding the scheduled expiration of a program, the agency which administers the program shall provide the legislative audit commission, the commissioner of finance, and the appropriate standing committees of the legislature with information on the fiscal and program activities covering the preceding seven years. The information shall be provided in a manner as prescribed in section 4 and shall include at least the following:

a. a summary of program activities including the granting.

denial, suspension and revocation of agency permission to engage in regulated activities;

b. a statement of receipts and expenditures which shall include the cost to the state and to regulated persons and business associations of the administration of the regulatory program over each of the preceding seven years;

c. the agency's proposed budget for the upcoming year, including a detailed itemization of costs;

d. alterations which the agency would make in its administration of the program assuming its budget for the upcoming year were 80 percent of its expenditures anticipated for the current year;

e. a concise statement of the benefits, supported where possible by objectively verifiable statistics, which the agency believes result to citizens of the state from the regulatory program;

f. a concise statement of the detriment which the agency believes may result to citizens of the state from the regulatory program;

g. a description of the criteria and methodology used by the agency in arriving at conclusions contained in the statements required in clauses e and f;

h. the agency's opinion and rationale as to whether the regulatory program should be continued, and if continued, whether statutory amendments or other program changes are desirable;

i. the agency's opinion and rationale as to what, if any, protective legislation should be enacted to protect the health and welfare of the citizens of the state if the regulatory program were to expire; and

j. the agency's opinion and rationale as to which other governmental agencies could perform the regulatory activity assuming the program were to be transferred to the jurisdiction of another agency.

Sec. 4. [15.0623] [DUTIES OF COMMISSIONER OF FINANCE.] The provisions of sections 1 to 7 of this article shall not be interpreted to impede or supersede executive branch program review of regulatory activities. Legislative oversight and executive review are complimentary functions and each shall recognize and accommodate the efforts of the other. The commissioner of finance shall consult with the legislative auditor on methods to avoid unnecessary duplication and enhance the utility of each branch's evaluation efforts. The commissioner shall, after review and comment by the legislative auditor, prescribe standard forms and procedures to be used by administering agencies in the provision of information required to be submitted by the agencies pursuant to section 3. Where the commissioner deems appropriate, he may monitor, comment upon or verify the information to be submitted pursuant to section 3. The legislative

auditor is authorized to audit the information and data systems used by an agency to perform its duties under section 3; provided that this authority shall not include access to data on individuals in a manner which is prohibited or limited by other law.

Sec. 5. [15.0624] [LEGISLATIVE REVIEW.] Subdivision 1. Prior to March 15 of each year, the appropriate standing committees of each house of the legislature shall have completed a review of one or more of those regulatory programs scheduled to expire in that year. In performing its review, a committee shall consider the reports and information required by sections 2 to 4 and the opinions of interested parties. Advance notice of committee intent to review a regulatory program shall be published, when possible, in the state register. After completion of its review, a committee shall cause to be introduced legislation to extend the life of a regulatory program which the committee has determined should be extended in its current or amended form.

Subd. 2. If a regulatory program is permitted to expire, legislation enacted during that legislative session and amending the expired sections shall be of no effect, and shall not be deemed reenactments of the expired sections.

Sec. 6. [15.0625] [TRANSITION PERIOD.] Subdivision 1. If all or part of a regulatory program is permitted to expire pursuant to section 1, subdivision 3, the program and all laws and rules in respect to that part of the program permitted to expire shall nonetheless remain in full force and effect until June 30 of the following year in order to permit the administering agency to wind up or provide for the reduction of the program. During this wind up period the agency may not begin to regulate the activities of any person or business association (1) not theretofore regulated by the agency and (2) not within the regulatory jurisdiction of the agency after the following June 30. Upon the termination of the wind up period the agency shall cease all activities in respect to that part of the program which is terminated.

Subd. 2. Sections 1 to 6 shall not result in the termination or dismissal of any claim or right of a citizen against any agency or any claim or right of an agency which is the subject of pending litigation. If an agency is terminated in its entirety as a result of sections 1 to 6, any claims and rights shall be pursued or defended by the commissioner of finance or attorney general as appropriate.

Sec. 7. [PERSONNEL IN AFFECTED AGENCIES.] If the administration of a regulatory program is transferred pursuant to sections 1 to 6 to another agency in substantially its current form, all classified employees who the commissioner of administration determines to be primarily employed in the administration of the program shall be transferred to the new agency without loss of compensation, seniority or other benefits. If the program is permitted to expire, or if the program is reduced so that the commissioner of administration determines that fewer

employees are needed to administer the program, the rights and privileges of classified employees who will not be required for the future administration of the program shall be as provided in existing law or agreements entered into pursuant to Minnesota Statutes, Section 179.74. During the wind up period provided in section 6 the commissioner of personnel, after consultation with the commissioner of administration, shall assist in providing job placement services or retraining programs for any classified employees who will be terminated from state employment as the result of the expiration or reduction of a regulatory program under sections 1 to 6.

Sec. 8. [PILOT PROGRAM.] By July 1, 1977, the legislative audit commission shall designate two of the regulatory programs identified in article II for a pilot study of the procedures specified in sections 3 to 5. By April 1, 1978 the legislative audit commission shall designate one of those programs for a pilot study of the procedures specified in section 2. The procedures prescribed in sections 2 to 5 shall be performed in respect to the pilot regulatory programs as if they were scheduled to expire on June 30, 1979 but the programs shall in fact expire only as provided in article II. The legislative audit commission shall report to the legislature no later than March 1, 1979, on the results of the program and whether amendments to this act are necessary. The legislature shall evaluate the pilot program and determine whether the program review mechanism provided in this article meets the policies and purposes prescribed in article I, section 1.

Sec. 9. [APPROPRIATION.] There is appropriated to the legislative audit commission from the general fund the sum of \$....., and to the commissioner of finance the sum of \$....., for the biennium ending June 30, 1979 in order to implement section 8. The commissioner of finance may transfer to an administering agency of a program selected for review pursuant to section 8, such portions of his appropriation as he has determined are required by the agency to perform its duties under section 3.

ARTICLE II

Section 1. [EXPIRATION SCHEDULE.] The following regulatory programs and statutory sections shall expire according to the schedule provided in sections 2 to 8.

Sec. 2. [GROUP I.] Subdivision 1. On June 30, 1980:

Subd. 2. The authority of the capitol area architectural and planning board to plan, zone and approve construction activities pursuant to section 15.50;

Subd. 3. The authority of the commissioner of administration to regulate collection and maintenance of public records, and to enforce state building codes and mobile home regulations pursuant to sections 15.171, 15.172, 16.853 to 16.867, 327.14 to 327.29 and 327.31 to 327.34;

Subd. 4. The authority of the historical society to protect historic sites, and, with the attorney general, to destroy public records, pursuant to sections 138.17 and 138.60;

Subd. 5. The authority of the commissioner of health to license recreational and camping areas, pursuant to sections 327.14 to 327.29;

Subd. 6. The authority of the Minnesota municipal board to control consolidation, annexation and detachment of cities, pursuant to sections 414.01 to 414.09;

Subd. 7. The authority of the levy limitation board and the commissioner of revenue to grant exemptions from levy limitations, pursuant to sections 275.50 to 275.56;

Subd. 8. The authority of the ethical practices board to promulgate rules relating to campaigns, elections, lobbyists and public officials; to grant exemptions from reporting requirements and to suspend officials for failure to comply, pursuant to sections 10A.01 to 10A.34;

Subd. 9. The authority of the state canvassing board to certify election results, pursuant to section 204A.53;

Subd. 10. The authority of the secretary of state to approve specific types of voting machines, pursuant to section 206.08;

Subd. 11. The authority of the energy agency to prepare and enforce the state energy code, to approve certain energy systems; to grant certificates of need for construction of energy facilities, and to permit gas lights, pursuant to sections 116H.085, 116H.12 to 116H.124 and 116H.127;

Subd. 12. The authority of the commissioner of administration to promulgate and enforce energy standards for public buildings, and to permit utility companies to cross state lands, pursuant to sections 16.88 and 116H.121 to 116H.126.

Sec. 3. [GROUP II.] Subdivision 1. On June 30, 1981:

Subd. 2. The authority of the commissioner of vocational rehabilitation to approve programming and budgets for sheltered workshops, pursuant to sections 129A.06 and 129A.08, subdivision 4;

Subd. 3. The authority of the commissioner of education to approve certain contracts and budgets for computers in school districts, to approve plans for school construction, to license business, trade and correspondence schools, and to permit attendance at a school outside a student's district, pursuant to sections 16.93, 120.065, 120.07, subdivision 2, 121.15, 123.37, subdivisions 3, 4 and 5 and 141.21 to 141.36;

Subd. 4. The authority of the higher education coordinating board to control post-secondary education programs, pursuant to sections 136A.63, 136A.64 and 136A.65;

Subd. 5. The authority of the state board of education to approve budgets, fees, school programs and attendance require-

ments, and to review and control special education, secondary vocational centers, and certain contracts, pursuant to sections 120.10, subdivision 1, 120.17, subdivisions 3, 7, and 10, 120.61, 120.65, 120.67, 120.75, subdivision 2, 123.351, subdivision 6, 123.37, subdivisions 7 to 14 and 124.561, subdivision 3;

Subd. 6. The authority of the cable communications board to issue certificates of confirmation and to establish standards for franchises and equipment pursuant to sections 238.01 to 238.16;

Subd. 7. The authority of the public service commission to approve acquisition, transfer, construction, contracts, rates, accounting methods, or consolidation of public utility plants or companies, pursuant to sections 216B.11, 216B.16, 216B.23, 216B.24, 216B.48, 216B.50, 216B.51, 237.06 to 237.08, 237.16, 237.23 and 237.39;

Subd. 8. The authority of the public service commission to determine standards relating to utility practices and testing, to determine compensation due to a utility after municipal acquisition, to assign service areas and assure adequate utility service, and to approve the capital structure of a utility prior to a sale of securities, pursuant to sections 216B.09, 216B.39, 216B.40, 216B.42 to 216B.49, 237.081, 237.12, 237.20 and 237.21.

Sec. 4. [GROUP III.] Subdivision 1. On June 30, 1982:

Subd. 2. The authority of the board of pharmacy to regulate the manufacture, storage and distribution of controlled substances, pursuant to chapter 152;

Subd. 3. The authority of the commissioner of corrections to approve plans and condemn unfit jails and lockups, and to inspect community corrections facilities, pursuant to sections 241.021, 641.26, 641.261 and 642.02;

Subd. 4. The authority of the state fire marshal to grant variances from fire safety requirements and to revoke hotel licenses for violations, pursuant to sections 299F.39, subdivision 2, 299F.46 and 299F.57, subdivision 5;

Subd. 5. The authority of the commissioner of public welfare to license or control day care and residential facilities and facilities for foster child or adoption placement, and to supervise paroled patients from certain state hospitals, pursuant to sections 245.781 to 245.813, 256.05 and 257.03 to 257.07;

Subd. 6. The authority of the board of health to license nursing homes, hospitals and other health related facilities, health maintenance organizations, hotels, resorts, restaurants, children's camps, and ambulance services, pursuant to sections 62D.04, 62D.08, 62D.15, 62D.17, 144.50 to 144.56, 144.653, 144.71 to 144.76, 144.801 to 144.807 and chapters 144A and 157;

Subd. 7. The authority of the board of health to grant certificates of need for construction, to control smoking in public facilities, and to inspect x-ray machines, pursuant to sections 144.121, 144.411 to 144.417 and 145.71 to 145.83;

Subd. 8. The authority of the board of health to collect and maintain vital statistics, to control the handling of dead bodies, to inspect and control sanitary conditons of public buildings, to license boarding residences and the sale of certain organically derived products, and to treat communicable disease, pursuant to section 144.12;

Subd. 9. The authority of the commissioner of public safety to prescribe standards of security for insureds under the no-fault law, pursuant to section 65B.68;

Subd. 10. The authority of the commissioner of insurance to license and regulate insurance companies, surplus line insurers, sales through vending machines, nonprofit health service plan corporations, assessment benefit associations, and insurance rating services, pursuant to sections 60A.031, 60A.05, 60A.051, 60A.07, subdivisions 4, 6, 7, 8, and 10, 60A.13, subdivision 5, 60A.18, 60A.19, subdivision 6, 60A.20, 62B.14, 62C.04, subdivisions 2 and 4, 62C.06, 62C.08, 62C.09, 62C.11, 62C.12, 62C.14, subdivision 9, 62C.15, 62C.19, 63.02, 63.03, 63.04, 63.05, 63.08, 63.16, 63.21, 63.235, subdivision 7, 63.24, 63.26, 63.30, 63.36, 70A.13, 70A.14, 70A.15, subdivision 3, 70A.17 and 70A.18;

Subd. 11. The authority of the commissioner of insurance to require and approve certain reports and forms, and to permit certain policies and rates, pursuant to sections 60A.06, subdivision 2, 60A.09, subdivision 4, 60A.12, subdivision 8, 60A.13, subdivision 1, 60A.15, subdivisions 2, 8, 9 and 12, 61A.02, subdivision 2, 62A.02, 62A.025, 62A.03, subdivision 2, 62A.04, subdivision 2, 62A.10, subdivision 2, 62A.11, subdivision 3, 62B.07, 62B.08, 62E.04, subdivision 4, 62F.05, subdivision 2, 62F.06, subdivisions 1, 4 and 5, 65A.01, subdivisions 1, 3 and 4, 65A.36, subdivisions 4 and 5, 65B.21, 65B.70, subdivision 5, 69.051, subdivision 4, 70A.02, subdivision 3, 70A.04, subdivision 2, 70A.09, 70A.10, 70A.11, 70A.12, 72A.06, 79.07 and 79.09;

Subd. 12. The authority of the commissioner of insurance to approve the structure of its licensees, to set standards for operations and conducting business, and to order reorganizations, pursuant to sections 60A.076, 60A.12, subdivisions 5 and 7, 60A.16, subdivisions 2 and 3, 60A.22, subdivision 2, 60A.23, subdivision 7, 60C.06, subdivision 3, 60C.07, 60C.08, 60C.14, 60C.16, 60D.02, 60D.03, 60D.04, subdivision 3, 60D.10, 60D.11, 61A.14, subdivisions 7 and 8, 61A.18, 61A.20, 61A.24, 61A.25, 61A.28, subdivision 3, 61A.281, 61A.31, 61A.37, 61A.38, 61A.47, 61A.48, 62D.18, 62D.19, 63.09, 63.235, subdivisions 1 and 8, 64A.10, subdivisions 2 and 4, 64A.14, 64A.15, 64A.21, 64A.29, 64A.32, 64A.33, 64A.34, 65A.17, 65A.19, 65A.24, 65A.35, subdivisions 3 and 4, 65B.03, subdivision 1, 65B.04, subdivisions 1, 2 and 3, 65B.06, 65B.08, 65B.11, 65B.12, 66A.15, 66A.21, subdivisions 2 and 3, 67A.02, subdivision 2, 67A.21, 67A.24, 67A.40, subdivisions 2 and 6, 71A.02, subdivision 1, 79.12, 79.13, 79.15, 79.26, 79.32 and chapter 60B generally;

Subd. 13. The authority of the commissioner of insurance to determine "qualified plans" and false advertising, to monitor and

approve the Minnesota comprehensive health association, and to approve agreements establishing mutual insurance associations, pursuant to sections 62E.05, 62E.09, clauses (b), (c) and (e), 62E.10, subdivision 3, 62E.13, subdivisions 1 to 3, 62E.15, subdivision 1, 62F.04, 66A.08, subdivisions 3 and 4, 72A.35 and 72A.36.

Sec. 5. [GROUP IV.] Subdivision 1. On June 30, 1983:

Subd. 2. The authority of the environmental quality board to require environmental impact statements, to designate areas of environmental concern, and to designate power and transmission line corridors, pursuant to sections 116C.51 to 116C.69, 116D.04 and chapter 116G;

Subd. 3. The authority of the pollution control agency to control activities affecting air and water purity, noise, packaging materials, storage of wastes and to grant waivers for use of certain chemicals, pursuant to sections 115.03, subdivision 1, 115.07, 116.07, 116.081, 116.11, 116.37 and 116F.06, subdivision 2;

Subd. 4. The authority of the commissioner of natural resources to issue licenses or permits for access within, over or above state lands and public waters, for controlling hunting, trapping, mining, fishing, and tree harvesting, for storing liquids and gases, and for alteration, drainage or taking of waters for nonpublic purposes, pursuant to sections 84.415, 84.43 to 84.521, 84.57 to 84.621, 88.22, 89.01, subdivisions 4 to 6, 89.17 to 89.21, 90.151, 93.08 to 93.43, 93.51, 97.48, subdivisions 1, 2, 3, 5, 6, 11, 17, 18, 21, 22, 24, 25, and 26, 97.611, 99.27, 99.28, 100.32 to 100.37, 101.42, subdivision 21, 105.41, 105.42, 105.43, 105.64 and 116.07, subdivision 7;

Subd. 5. The authority of the commerce commission to approve state bank charters, pursuant to sections 45.04 to 45.07;

Subd. 6. The authority of the commissioner of banks to approve conversion of one type of bank to another, to certify or permit certain banking activities, and to license certain banking institutions, pursuant to sections 47.16, 47.28, 47.29, 47.30, 47.31, 47.51 to 47.57, 48.15, 48.152, 48.159, 48.25, 48.36, 48.605, 48.62, 48.67, 48.70 to 48.73, 48.76, 48.77, 55.04, 55.05, 55.06, 55.07, 55.095, 56.04, 56.07, 56.09, 56.11, 56.12, 56.14 and 59A.03 to 59A.05;

Subd. 7. The authority of the commissioner to banks to approve or order structural and organizational changes in banking institutions, pursuant to sections 48.28, 48.31, 48.34, 48.58, 48.60, 49.02, 49.04, 49.05, 49.06, 49.07, 49.17, 49.215, 49.24, 49.33, 49.36, 50.03, 50.06, 50.13, 50.145, 50.20, 51A.03, subdivisions 2 and 3, 51A.04, subdivisions 1, 2 and 5, 51A.05, subdivisions 3, 4 and 5, 51A.07, 51A.08, 51A.11, subdivision 2, 51A.13, 51A.14, 51A.15, subdivision 1, 51A.17, 51A.18, 51A.19, subdivisions 5, 8 and 9, 51A.20, 51A.21, subdivisions 5 and 16, 51A.32, 51A.33, 51A.37, subdivisions 7 and 8, 51A.38, subdivision 1, 51A.42, 51A.43, 51A.44, subdivision 6, 51A.45, subdivisions 1 and 2, 51A.46, 51A.53, 52.01, 52.02, 52.062 to 52.064, 52.135, 52.141, 52.20, subdivisions 1, 2 and 3, 52.201, 52.203, 52.21, 52.24, 53.03, subdivisions 2 and 2A, 53.04, subdivision 5, 53.09, 54.27, 54.294 and 54.297;

Subd. 8. The authority of the commissioner of banks to authorize emergency bank closings, to approve names, locations, record-keeping, funding structures, and bonding requirements of banking institutions, and to permit the employment of clerical service corporations, pursuant to sections 47.0151 to 47.0155, 47.10, 47.11, 48.02, 48.04, 48.055, 48.09, 48.12, 48.14, 48.21, 48.22, 48.49 and 48.89.

Sec. 6. [GROUP V.] Subdivision 1. On June 30, 1984:

Subd. 2. The authority of the state agricultural society to license and control activities at the state fair grounds, pursuant to section 37.17;

Subd. 3. The authority of the livestock sanitary board to inspect and control activities relating to care and disposal of livestock, pursuant to chapter 35;

Subd. 4. The authority of the commissioner of agriculture to approve or license dairy plants, frozen food processing plants, livestock marketing agencies and dealers, agricultural product bargaining associations, packing plants and slaughterhouses, to enforce the dairy unfair trade practices act, and to permit the sale or application of certain chemicals pursuant to sections 17.691 to 17.701, 17A.01 to 17A.15, 18A.21 to 18A.48, 31.185, 31.495 to 31.58, 32.56 to 32.64, 32.392 and chapter 32A;

Subd. 5. The authority of the commissioner of public safety to regulate alcoholic beverages, to license wholesalers, manufacturers, importers, and brewers, to control advertising of liquor and sales for medicinal purposes, and to approve brand labels, pursuant to sections 340.02, subdivision 5, 340.11, subdivision 2, 340.113, 340.15, 340.18, subdivision 4, 340.402 to 340.404, 340.493 and 340.62;

Subd. 6. The authority of the commissioner of securities to require, determine standards, and grant permits for registration, filing or distribution of securities, a public offering, or a prospectus, to approve the conditions of take over offers, escrows and subdivided land sales, and to approve offers to purchase illegally issued securities to avoid civil litigation, pursuant to sections 80A.10, subdivisions 2 and 3, 80A.11, subdivisions 2, 3 and 4, 80A.12, subdivisions 4, 5, 6, 8 and 9, 80A.13, 80A.15, subdivisions 1, clauses (h) (i) (k) (l) and (o), and 3, 80A.16, 80A.23, subdivision 8, 80B.03, subdivisions 4 and 5, 80B.04, 80B.07, subdivision 3, 80C.05, subdivisions 2 and 3, 80C.06, 80C.12, 83.26, subdivision 3 and 83.29, subdivision 2.

Sec. 7. [GROUP VI.] Subdivision 1. On June 30, 1985:

Subd. 2. The authority of the public employment relations board to determine the scope and applicability of employee classifications and bargaining unit appeals, pursuant to section 179.72, subdivision 3;

Subd. 3. The authority of the director of mediation services to certify collective bargaining groups, and matters for binding arbitration, and to determine the existence of a labor dispute affecting public health or welfare, pursuant to sections 179.07, 179.16, subdivision 2, 179.67, subdivisions 2, 3, 4, 7, 10, 11, 12, 13 and 14, 179.69, subdivisions 3, 5 and 6 and 179.71, subdivision 3;

Subd. 4. The authority of the occupational safety and health review board to review decisions of the commissioner of labor and industry, pursuant to section 182.664, subdivision 2;

Subd. 5. The authority of the commissioner of labor and industry to approve apprenticeship agreements, grant waivers from child labor laws, determine employments particularly hazardous for child employees, determine industry wage rates for state projects and mediate state minimum wage claims, pursuant to sections 177.27, subdivision 4, 177.28, subdivisions 3 and 5, 177.43, subdivision 6, 177.44, subdivisions 4 and 5, 178.08, 178.09, 181A.07, subdivision 5 and 181A.09, subdivision 2;

Subd. 6. The authority of the commissioner of labor and industry to approve and enforce certain occupational safety and health standards, to determine the amount of nonvested invested benefits in private pension funds, and specify actuarial assumptions, pursuant to sections 181B.10, 181B.11, 181B.15, 182.665, subdivisions 1 to 4, 8, 9 and 11 to 14, 182.659, 182.66 and 182.662, subdivisions 1, 5 and 6;

Subd. 7. The authority of the board of health to license hospital administrators, embalmers, water well contractors, plumbers, and water conditioning contractors and installers, pursuant to sections 144.59 to 144.65, 326.37 to 326.45, 326.57 to 326.66 and chapters 149 and 156A;

Subd. 8. The authority of the board of medical examiners to license physicians, osteopaths, midwives, and physical therapists, pursuant to sections 147.03 to 147.23, 148.30 to 148.32 and 148.65 to 148.78;

Subd. 9. The authority of the board of nursing home administrators to license nursing home administrators pursuant to sections 144A.18 to 144A.28;

Subd. 10. The licensing authority of the board of chiropractic examiners, pursuant to sections 148.01 to 148.101;

Subd. 11. The authority of the board of nursing to license registered nurses and licensed practical nurses, and approved schools of nursing, pursuant to sections 148.171 to 148.285 and 148.29 to 148.297;

Subd. 12. The licensing authority of the board of optometrists, pursuant to sections 148.52 to 148.62;

Subd. 13. The authority of the board of dentistry to license dentists and dentist auxiliaries, pursuant to chapter 150A;

Subd. 14. The authority of the board of pharmacy to license pharmacists and assistants, pursuant to sections 151.01 to 151.32;

Subd. 15. The licensing authority of the board of podiatry, pursuant to chapter 153;

Subd. 16. The licensing authority of the board of veterinary medicine, pursuant to chapter 156;

Subd. 17. The authority of the pollution control agency to license wastewater treatment facility operators, pursuant to sections 115.71 to 115.82;

Subd. 18. The licensing authority of the board of psychology pursuant to sections 148.87 to 148.99.

Sec. 8. [GROUP VII.] Subdivision 1. On June 30, 1986:

Subd. 2. The authority of the commissioner of agriculture to license wholesale produce dealers, wholesale food handlers, and milk and cream buyers and testers, pursuant to sections 27.001 to 27.19, 28A.01 to 28A.16 and 32.071 to 32.078;

Subd. 3. The authority of the director of the public service department to license grain merchants, certain warehousemen, and grain bank operators, pursuant to sections 231.16 to 231.39, 232.02 to 232.04, 232.09 to 232.13 and chapters 223 and 236;

Subd. 4. The authority of the state fire marshal to license manufacturers and handlers of explosives, motion picture exhibitors, and drycleaning operators and facilities, pursuant to sections 299F.73 to 299F.83, 299H.22 to 299H.28 and chapter 299I;

Subd. 5. The authority of the commissioner of public safety to license drivers training schools and instructors, sellers of motor vehicles, and renters of motor bicycles, pursuant to sections 168.27, 168.831 to 168.834 and 171.33 to 171.41;

Subd. 6. The authority of the historical society to license field archaeologists, pursuant to sections 138.32 to 138.33 and 138.36;

Subd. 7. The licensing authority of the board of barber examiners, pursuant to chapter 155;

Subd. 8. The licensing authority of the board of cosmetology, pursuant to chapter 156;

Subd. 9. The authority of the governor to approve rates and terms of employment for barbers and cosmetologists, pursuant to chapter 186;

Subd. 10. The authority of the commissioner of securities to license securities brokers, dealers and agents, real estate brokers and salesmen, and charitable fund-raisers, pursuant to sections 80A.04 to 80A.07, 309.531 to 309.532 and chapter 82;

Subd. 11. The authority of the board of electricity to license electricians, pursuant to sections 326.01, subdivisions 2 to 6b and 326.241 to 326.248;

Subd. 12. The authority of the commissioner of labor and industry to license steamfitters and boiler inspectors, operators and engineers, pursuant to sections 183.38 to 183.44, 183.505 to 183.61, 326.01, subdivisions 10 to 13, 326.46 and 326.48 to 326.52;

Subd. 13. The licensing authority of the board of watchmaking, pursuant to sections 326.01, subdivisions 20 and 21 and 326.54 to 326.546;

Subd. 14. The licensing authority of the board of accountancy, pursuant to sections 326.17 to 326.23;

Subd. 15. The licensing authority of the board of architects, engineers, surveyors, and landscape architects, pursuant to sections 326.02 to 326.15;

Subd. 16. The licensing authority of the board of private detective and protective agent services, pursuant to sections 326.32 to 326.339;

Subd. 17. The licensing authority of the peace officer training board, pursuant to sections 626.841 to 626.854;

Subd. 18. The licensing authority of the board of abstractors, pursuant to sections 386.61 to 386.76;

Subd. 19. The licensing authority of the board of assessors, pursuant to sections 270.41 to 270.53;

Subd. 20. The authority of the commissioner of transportation to license aeronautics instructors and airplane dealers, pursuant to sections 360.018, subdivision 5 and 360.63;

Subd. 21. The authority of the commissioner of banks to license debt proraters, pursuant to sections 332.12 to 332.29;

Subd. 22. The authority of the commissioner of administration to license mobile home dealers and manufacturers, pursuant to section 327.55;

Subd. 23. The authority of the director of consumer services to license collection agencies and employees, pursuant to sections 332.31 to 332.45;

Subd. 24. The authority of the board of boxing to license boxers, boxing matches, promoters and managers, pursuant to sections 341.01 to 341.15;

Subd. 25. The authority of the commissioner of insurance to license insurance agents, pursuant to sections 60A.17 to 60A.20, 62B.09, 62C.17 and chapter 728;

Subd. 26. The authority of the director of the public service department to approve warehouse rates, and to control activities of warehousemen, and hay and straw weighers and inspectors, pursuant to sections 231.02 to 231.07, 231.10, 231.11 to 231.15 and chapter 229;

Subd. 27. The authority of the commissioner of public safety to issue permits for oversized motor vehicles, pursuant to section 169.86;

Subd. 28. The authority of the public service commission to approve rates, accounting systems, and to issue franchises to warehousemen, pursuant to section 216A.05, subdivision 2;

Subd. 29. The authority of the public service commission to approve rates, schedules and accounting systems, to issue franchises and permits, and to approve service modification and facilities for

rail carriers, motor carriers, and local cartage carriers, pursuant to sections 218.021, subdivision 1, 218.025, 218.031, subdivision 1, 218.041, subdivisions 1 and 2, 221.021, 221.041, 221.051, 221.061, 221.071, 221.081, 221.111, 221.121, 221.131 to 221.151, 221.161, 221.181 and 221.296;

Subd. 30. The authority of the public service commission to grant certificates of convenience for pipelines, and authorize petroleum service to additional original points, pursuant to sections 221.101, 221.54 and 221.55;

Subd. 31. The authority of the commissioner of transportation to license commercial aircraft operations and airports, to approve airport sites and landing on private properties, and to grant permits for tall structures near airports, pursuant to sections 84.46, 84.47, 360.018 and 360.81 to 360.91;

Subd. 32. The authority of the commissioner of transportation to control construction, access and rights of way near trunk highways, and to grant variances for mineral lands, pursuant to sections 160.08, subdivision 3, 160.10, subdivision 5, 160.18, subdivision 3, 160.20, subdivision 1, 160.22, subdivision 9, 160.24, 160.25, 160.26, 160.27, 160.283 to 160.285, 161.242, 161.433, 161.434, 161.45 and chapter 173;

Subd. 33. The authority of the commissioner of transportation to control construction and operations, grant variances, approve services and facilities of rail common carriers, pursuant to sections 165.05, 218.041, subdivisions 3 and 6, 219.03, 219.04, 219.14, 219.19, 219.20, 219.23 to 219.28, 219.39 to 219.43, 219.46, subdivisions 1, 4 and 7, 219.47, 219.54 to 219.55, 219.562, subdivision 3, 219.681, 219.70, 219.71, 219.741, 219.742, 219.751, 219.85, 219.86, 219.87, 219.92, 221.031, 222.40, 222.41, 222.44 and 222.45;

Subd. 34. The authority of the commissioner of transportation to grant Sunday and holiday exceptions for motor carriers, and to permit acquisition of air rights over rail and utility property, pursuant to sections 221.191, 221.201 and 222.01.

Sec. 9. [15.0626] [DIRECTIONS TO REVISOR.] In the next and all subsequent editions of Minnesota Statutes, the revisor of statutes shall insert in respect to each statutory section identified in article II and subsequent related legislation, a cross-reference to the termination schedule in article II, to insure notice of the expiration dates of regulatory programs. The cross-reference shall be to a table in Minnesota Statutes which lists in a convenient manner the respective expiration dates of all of the statutory sections scheduled for expiration in article II or which are added by subsequent legislation. If a section is continued in force in its current or amended form pursuant to article I, the revisor shall revise the expiration date to read the June 30 of the seventh year after the previously identified expiration date.

Sec. 10. [EFFECTIVE DATE.] This act is effective the day following final enactment and shall expire June 30, 1981. No programs scheduled for expiration on June 30, 1981, shall in fact expire on that date unless provided by other law."

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

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

S. F. No. 793: A bill for an act relating to public waters; establishing a lake restoration and protection program; making grants-in-aid available for improving water quality in public lakes; prescribing certain powers and duties for the pollution control agency; appropriating money.

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

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 105.484, is amended to read:

105.484 [LAKE IMPROVEMENTS; GRANTS-IN-AID; PRIORITIES.] ~~The commissioner of natural resources~~ *pollution control agency* with the assistance of the ~~pollution control agency department of natural resources~~ and the state planning agency shall make an assessment of the need for particular kinds of lake improvements including improvements related to pollution problems, ~~high or low water levels,~~ and any other resource management considerations and to develop by ~~January 1, 1976~~ *July 1, 1978*, criteria for allocating state aid funds among proposed projects. Where these relate to control of or studies of sources and effects of wastes per se, any grant funds for such work shall be under the pollution control agency directly or subject to the pollution control agency priority system. Provisions shall be included to insure that any federal program of aid to local lake improvement projects serves to reduce the local share of project costs rather than reducing only the state's share.

Sec. 2. Minnesota Statutes 1976, Section 378.41, Subdivision 1, is amended to read:

378.41 [ESTABLISHMENT OF LAKE IMPROVEMENT DISTRICTS.] Subdivision 1. In furtherance of the policy declared in section 378.31, the ~~commissioner of natural resources~~ *pollution control agency* shall coordinate and supervise a local-state program for the establishment of lake improvement districts by counties and cities for lakes located within their boundaries based on state guidelines and regulations and compatible with all state, regional, and local plans where such plans exist.

In administration of this program the ~~commissioner of natural resources~~ *pollution control agency* shall consult with and obtain advice from other state agencies on those aspects of the program for which the agencies have specific legislative authority including but not limited to the department of health and the ~~pollution control agency department of natural resources~~.

Sec. 3. Minnesota Statutes 1976, Section 378.41, Subdivision 2, is amended to read:

Subd. 2. The ~~commissioner of natural resources~~ *Minnesota pollution control agency*, ~~on or before July 1, 1974~~ 1978, shall promulgate ~~in the manner provided by~~ pursuant to chapter 15, rules and regulations which provide guidelines, criteria and standards for establishment of lake improvement districts by counties and cities.

Sec. 4. Minnesota Statutes 1976, Section 378.45, is amended to read:

378.45 [CREATION BY THE POLLUTION CONTROL AGENCY.] Subdivision 1. Where the county board of one or more of the counties affected has disapproved a petition for creation of a lake improvement district for the area, a petition for creation of a lake improvement district containing information of the kind required by section 378.43 may be submitted to the ~~commissioner of natural resources~~ *pollution control agency*.

Subd. 2. Upon receipt of the petition by the ~~commissioner~~ *agency* and verification of the signatures thereon by the county, the ~~commissioner~~ *agency* may, within 30 days following verification, hold a public hearing at the expense of the county board on the question of whether or not the requested lake improvement district shall be established. The ~~commissioner~~ *agency*, in determining whether or not to hold a public hearing, shall examine all facts relating to the petition, including the reasons why the petition was disapproved by the county.

Subd. 3. Within 30 days following the receipt of verification by the county if no hearing is to be held or within 30 days following the holding of a public hearing the ~~commissioner~~ *agency* by order shall approve or disapprove the establishment of the requested lake improvement district. If the ~~commissioner~~ *agency* determines that the establishment of the lake improvement district as requested in the petition would be for the public welfare and public interest, and that the purposes of section 378.41 would be served by the establishment of a lake improvement district, the ~~commissioner~~ *agency* shall by order approve the creation of the lake improvement district; otherwise, ~~he~~ *it* shall by order disapprove the creation. An order approving creation may contain modifications of the area's boundaries, functions, financing, or organization from what was set forth in the petition.

Sec. 5. Minnesota Statutes 1976, Section 378.46, is amended to read:

378.46 [PUBLICATION AND EFFECTIVE DATE.] Upon passage of a county board resolution or ~~commissioner's~~ *the agency's* order authorizing the creation of a lake improvement district, the county board or boards shall cause the resolution or order to be published once in the official newspapers. The lake improvement district shall be deemed established 30 days after publication or at such later date as may be specified in the resolution or order.

Sec. 6. Minnesota Statutes 1976, Section 378.53, is amended to read:

378.53 [VOTING.] Where a lake improvement district has been established by order of the ~~commissioner of natural resources~~ *pollution control agency* under section 378.45, voting by county boards on joint actions of the lake improvement district shall be based on proportional representation for each county according to the proportion of the population of the lake improvement district residing within each county, and not on the basis of one vote per county or one vote per county board member unless each county or each board member represents substantially the same number of persons residing within the lake improvement district.

Sec. 7. Minnesota Statutes 1976, Section 378.54, is amended to read:

378.54 [ENFORCEMENT OF ORDINANCES.] Where a lake improvement district has been established by order of the ~~commissioner of natural resources~~ *pollution control agency* under section 378.45, ordinances and regulations adopted by joint action of the affected county boards may be enforced in any part of the lake improvement district by personnel of any of the affected counties.

Sec. 8. Minnesota Statutes 1976, Section 459.20, is amended to read:

459.20 [AUTHORITY OVER PUBLIC WATERS.] The governing body of any *home rule charter or statutory city or town* in the state has the following powers: (a) *In*, with respect to any body of water situated wholly within the ~~municipal~~ *its* boundaries, all the powers to improve and regulate the use of such body of water as are conferred on county boards by sections 378.31 and 378.32, and to establish and administer lake improvement districts under sections 378.41 to 378.56 ; and (b) *In*. With respect to any body of water situated ~~partly~~ *wholly* within the ~~municipal contiguous~~ boundaries ; the powers conferred on county boards by section 378.31, but only to the extent such powers are necessary for the purpose of preventing or controlling floods within the boundaries of the municipality and only in conjunction with projects undertaken pursuant to or in anticipation of an agreement with the government of the United States or any agency thereof of a group of home rule charter or statutory cities or towns or any combination thereof, the city councils and town boards may, under the provisions of section 471.59, jointly exercise such powers to improve and regulate the use of the body of water as are conferred on county boards by sections 378.31 and 378.32, and to establish and administer lake improvement districts as provided under sections 378.41 to 378.56, provided that, no home rule charter or statutory city or town may establish and administer a lake improvement district or exercise any of the powers granted in this section if a lake improvement district covering the same territory has been created by a county board under sections 378.41 to 378.56 . References in sections 378.31 to 378.35 and 378.41 to 378.56 to the county board shall mean also be construed to refer to the appropriate governing body of a home rule charter or statutory city or the board of supervisors of a town .

Sec. 9. [116.51] [DEFINITIONS.] *Subdivision 1. For the purposes of sections 9 to 16, the terms defined in this section have the meanings given them.*

Subd. 2. "Agency" means the Minnesota pollution control agency.

Subd. 3. "Applicant" means a municipality as defined in Minnesota Statutes, Section 116.16, Subdivision 2, Clause (2) or any other governmental subdivision of the state that is responsible by law for the supervision, management or control of a public lake, including but not limited to a watershed district, lake conservation district, soil and water conservation district, lake improvement district, or park district. If the rules of the agency provide, "applicant" may include a lake improvement association, sportsmen's club or association or other voluntary association meeting the eligibility requirements established by rule of the agency.

Subd. 4. "Department" means the Minnesota department of natural resources.

Subd. 5. "Discharge" means the addition of any pollutant to the waters of this state.

Subd. 6. "Point source" has the meaning given it in Minnesota Statutes, Section 115.01, Subdivision 15.

Subd. 7. "Non-point source" means any discharge other than from a point source and includes but is not limited to any diffuse discharge which is man-induced through agriculture, mining, urban and rural construction, urban storm runoff, nonurban based recreational activity, or silviculture.

Subd. 8. "Pollutant" means any sewage, industrial waste, or other waste, as those terms are defined in Minnesota Statutes, Chapter 115.

Subd. 9. "Trophic state" means the condition of a body of water described with regard to nutrient levels.

Subd. 10. "Nutrient" has the meaning given it in Minnesota Statutes, Section 116.22, Subdivision 3.

Subd. 11. "Public lake" means a public lake or reservoir which has shoreline within the boundaries of the state and which is further defined, for purposes of this act, by rule of the agency.

Sec. 10. [116.52] [LAKE RESTORATION AND PROTECTION PROGRAM; GENERALLY.] *The agency shall establish a lake restoration and protection program whose primary goal shall be to restore or protect the water quality of public lakes. Compilation of scientific data on lakes of this state and the encouragement of innovative techniques of lake restoration and protection shall also be goals of the program. Projects may be undertaken with the United States environmental protection agency, the agency, the department, and other governmental agencies or public and private organizations. Projects shall be divided into feasibility and implementation phases.*

Sec. 11. [116.53] [AGENCY; POWERS AND DUTIES.] *Subdivision 1. The agency shall promulgate rules as necessary to implement sections 9 to 16, including rules on administration of financial aid to local and regional units of government. The rules shall prescribe data to be secured, methods of analysis and evaluation, duration of data gathering and other technical specifications necessary for the efficient administration of the program and efficient interdepartmental cooperation and organization.*

Subd. 2. The agency shall administer a program of financial assistance to approved applicants, using funds appropriated by the legislature or made available from other sources.

Subd. 3. The agency shall establish and maintain a repository for scientific data on the water quality of lakes and information on accepted and experimental lake restoration and protection techniques.

Subd. 4. The agency shall recommend research programs and projects on lake degradation, restoration or protection.

Sec. 12. [116.54] [LETTER OF INTENT.] *Subdivision 1. Prior to making an application for a feasibility study grant, an applicant shall submit to the agency a letter of intent which shall include the following information:*

- (a) A statement of the nature of the lake's problem;*
- (b) The amount and type of public access together with present and anticipated public use;*
- (c) The preliminary design of a feasibility study complying with agency rules;*
- (d) The existing or anticipated source of local funding; and*
- (e) Any other information which the agency by rule may require.*

The agency with the assistance of the department shall review the letter of intent and determine its adequacy with respect to the application for a feasibility study grant.

The agency shall within a period specified by rule of the agency, determine whether the applicant can proceed to application for a feasibility study grant.

Sec. 13. [116.55] [FEASIBILITY STUDIES.] *Subdivision 1. Feasibility studies undertaken by applicants pursuant to sections 9 to 16, and the rules of the agency, shall include the gathering of data on the lake, drainage basin, sources of pollution or nutrients or any other information which is necessary to determine the trophic state, the cause of degradation and recommended remedial courses of action to prevent continued degradation or to determine potential causes of degradation and preventive courses of action. The agency by rule shall prescribe the information to be secured, methods of analysis and evaluation, and duration of data gathering.*

Subd. 2. Feasibility studies shall be eligible for financial assis-

tance, subject to the rules of the agency establishing guidelines for funding of feasibility studies.

Subd. 3. The feasibility study upon completion shall be submitted to the agency which shall analyze it on an interdisciplinary basis.

Subd. 4. The agency with the assistance of the department shall conduct a technical review of the feasibility study and in the course of review shall consider, without limitation because of enumeration, the following factors if appropriate:

(a) Whether the citizens of the state will significantly benefit from the improvements suggested or information obtained, and the degree of benefit;

(b) Whether sufficient long and short term benefits will be derived from the project, in relation to the estimated cost;

(c) Whether the project is financially viable, given the resources of the applicant and the possibility of financial and nonmonetary aid;

(d) Whether adequate steps have been or will be taken to ensure that the improved conditions resulting from the project will be sustained by sufficient controls over existing or potential sources of lake degradation including, if appropriate, control of sediments as suggested by affected soil and water conservation districts;

(e) Whether significant change will be anticipated in the current fish and wildlife management of a public lake and if the action proposed will be compatible with the department's management criteria; and

(f) Whether experimental techniques involving a high risk of failure are being proposed.

Subd. 5. The agency shall also consider the following in their final review process:

(a) Comments made by the reviewing soil and water conservation district and appropriate regional planning commission; and

(b) Any other subject which the agency by rule deems necessary for making the order required by subdivision 6.

Subd. 6. Within a period specified by rule of the agency, the agency shall by order approve, approve with modifications or disapprove the feasibility study. The agency shall concurrently rule on the applicant's request for financial aid.

Sec. 14. [116.56] [IMPLEMENTATION GRANTS; FEDERAL PROGRAMS.] Subdivision 1. Funds appropriated to the lake restoration and protection program may be granted under this section to be used in conjunction with federal grant moneys made available to qualified recipients.

Subd. 2. The agency shall make grant moneys available under this section in an amount not exceeding 25 percent of the total

project cost. Funding distribution shall follow the priority assigned by the agency to a given project in accordance with the rules of the agency.

Subd. 3. Any grant made by the agency pursuant to this section shall not exceed 25 percent of state grant funds available for distribution under this section in any one year.

Sec. 15. [116.57] [IMPLEMENTATION GRANTS; STATE PROGRAM.] Subdivision 1. The feasibility study for a project shall be the basis for determining the awarding of an implementation grant to that project. No implementation project may be formally approved by the agency for initiation by the applicant until the agency has approved the project or whatever modifications it believes appropriate.

Subd. 2. The implementation phase shall include but not be limited to the following:

(a) Preconstruction engineering work involved in the planning, design, and specification for the project;

(b) Actual costs of implementing nonstructural measures or the construction of permanent treatment structures to restore or protect the lake; and

(c) Actual costs incurred as part of the post-operation of treatment measures and evaluation of the lake's water quality condition.

Subd. 3. Implementation measures may include but need not be limited to the following:

(a) Aeration;

(b) Nutrient control or diversion;

(c) Nutrient inactivation;

(d) Dilution or displacement; and

(e) Temporary drawdown.

Subd. 4. The agency shall by rule provide guidelines related to the adequacy of lake restoration and protection procedures, processes, and methods.

Subd. 5. No aids shall be granted under this section to an applicant whose share of the cost will be less than ten percent, except that up to 100 percent funding may be allowed on projects deemed by the agency to be high risk and experimental in nature where eventual results are highly uncertain. No grant shall exceed ten percent of the state funds available under this section in any one year.

Subd. 6. The agency shall approve, approve with modifications or disapprove each application for financial assistance within the period specified by the rules of the agency, following the receipt of the implementation plans and specifications. It shall determine whether the data and engineering presented shows

that, if applicable to the situation under review, degradation from non-point source pollution and any other sources responsible for lake degradation, are or will be substantially eliminated as a source, in order that any lake restored or protected under sections 9 to 16, may be maintained in its restored or protected state. If the agency determines that the application meets its requirements, it shall approve the application, certify to the applicant the amount of funds, if any, awarded to it, and set forth modifications, if any, that may be necessary. If the agency does not find in the affirmative and deems the application deficient, it shall deny the application in writing, clearly setting forth its reasons for doing so.

Subd. 7. Financial aid applications approved but unfunded because of a lack of funds shall remain eligible for future funding, subject to any updating which the agency by rule may require. A lack of funding under sections 9 to 16 shall not preclude applicants from proceeding with the implementation of all or part of an approved plan with funding from any other source.

Sec. 16. [APPROPRIATIONS.] Subdivision 1. There is appropriated from the general fund to the Minnesota pollution control agency the amounts specified in this section for the fiscal years ending June 30 of the years indicated.

Subd. 2. For lake restoration and protection grants, there is appropriated:

\$1,117,500 1978,

\$1,117,500 1979.

Subd. 3. For providing an updated inventory of public lakes, there is appropriated:

\$75,000 1978.

Subd. 4. For monitoring public lakes, there is appropriated:

\$20,000 1978,

\$20,000 1979.

Subd. 5. For expenses of administering the lake restoration and protection program, there is appropriated:

\$75,000 1978,

\$75,000 1979.

Subd. 6. Any unexpended balance remaining after the first year shall not cancel but shall be available for the second year of the biennium."

Amend the title as follows:

Line 2, after the semicolon insert "transferring certain authority concerning lake improvement districts to the pollution control agency; clarifying local government authority over public waters;"

Line 7, after "money" insert " ; amending Minnesota Statutes

1976, Sections 105.484; 378.41, Subdivisions 1 and 2; 378.45; 378.-46; 378.53; 378.54; and 459.20"

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

Mr. Coleman from the Committee on Rules and Administration, to which was referred under Rule 35, together with the committee report thereon,

S. F. No. 176: A bill for an act allowing money in the state treasury not currently needed to be invested in the local government pooled investment fund; establishing and setting forth procedures for a state investment pool for local government funds; amending Minnesota Statutes 1976, Section 11.10, Subdivision 1; and Chapter 11, by adding sections.

Reports the same back with the recommendation that the report from the Committee on Governmental Operations shown in the Journal for April 6, 1977, that "when so amended the bill do pass" be adopted. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred under Rule 35, together with the committee report thereon,

S. F. No. 324: A bill for an act relating to drivers licenses; increasing the fee for driver's licenses, and establishing a fee for non-qualification certificates; providing for uniform application fees; amending Minnesota Statutes 1976, Section 171.06, Subdivisions 1, 2, and 4.

Reports the same back with the recommendation that the report from the Committee on General Legislation and Veterans Affairs shown in the Journal for April 7, 1977, that "when so amended the bill do pass" be adopted and the bill re-referred to the Committee on Transportation. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred under Rule 35, together with the committee report thereon,

S. F. No. 830: A bill for an act relating to the city of Duluth; authorizing the imposition of an additional tax on certain sales of food and drink; amending Laws 1973, Chapter 461, Section 1.

Reports the same back with the recommendation that the report from the Committee on Local Government shown in the Journal for April 11, 1977, that the bill "do pass" be adopted and the bill re-referred to the Committee on Taxes and Tax Laws. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred under Rule 35, together with the committee report thereon,

S. F. No. 442: A bill for an act relating to county planning and zoning; providing for enforcement of certain subdivision regulations by providing for approval of conveyancing instruments by a county planning and zoning officer prior to recording; amending Minnesota Statutes 1976, Section 394.37, Subdivision 1.

Reports the same back with the recommendation that the report from the Committee on Local Government shown in the Journal for April 6, 1977, that "when so amended the bill do pass" be adopted and the bill re-referred to the Committee on Judiciary. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred under Rule 35, together with the committee report thereon,

S. F. No. 743: A bill for an act relating to health; establishing a health program for pre-school children; providing for reimbursement to school districts; appropriating money.

Reports the same back with the recommendation that the report from the Committee on Health, Welfare and Corrections shown in the Journal for April 4, 1977, be amended to read "And when so amended the bill do pass and be re-referred to the Committee on Education." Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred for proper reference under Rule 35:

S. F. No. 1203 reports the same back with the recommendation that the bill be re-referred as follows:

S. F. No. 1203 to the Committee on General Legislation and Veterans Affairs.

Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which were referred

H. F. Nos. 76 and 308 for comparison to companion Senate Files, reports the following House Files were found not identical with their companion Senate Files as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
76	443				
308	177				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 76 be amended as follows:

Page 1, line 15, delete "*If the*" and insert "*Upon written notice of a*" and also delete "*is*"

Page 1, line 17, delete everything after "*proceed*"

Page 1, delete the new language in line 18 and insert "to cut and remove the same."

Page 1, line 19, strike "thereof" and delete the two commas

Page 2, delete lines 4 to 17 and insert:

"Sec. 2. Minnesota Statutes 1976, Section 160.22, is amended by adding a subdivision to read:

Subd. 10. [EXCEPTION; TOWN ROADS.] Trees, hedges and other shrubs or plants within the limits of any town road and not acquired by the town as provided in subdivision 3, may be cut and removed without regard to the provisions of subdivisions 5 and 6 when they interfere with the maintenance or reconstruction of the road or with the safety and convenience of the public; provided that the town gives written notice to the abutting owner of its intention to cut and remove 14 days before taking such action and the abutting owner does not request a hearing during that period. The notice shall plainly advise the abutting owner of his right to a hearing. If the abutting owner requests a hearing within the time required the town shall proceed in accordance with subdivisions 5 and 6, and this subdivision shall not apply. The timber and wood cut pursuant to this subdivision shall be disposed of in accordance with subdivision 8."

Page 2, delete lines 20 and 21

Further, delete the title and insert

"A bill for an act relating to highways; providing a simplified procedure for the removal of trees, shrubs and other obstructions within the limits of town roads; removing provision for an appeal by abutting owners; amending Minnesota Statutes 1976, Section 160.22, Subdivision 8, and by adding a subdivision; repealing Minnesota Statutes 1976, Section 160.22, Subdivision 7."

And when so amended, H. F. No. 76 will be identical to S. F. No. 443 and further recommends that H. F. No. 76 be given its second reading and substituted for S. F. No. 443 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 308 be amended as follows:

Page 8, line 26, after "Statutes" insert "1976"

And when so amended, H. F. No. 308 will be identical to S. F. No. 177 and further recommends that H. F. No. 308 be given its second reading and substituted for S. F. No. 177 and that the Senate File be indefinitely postponed.

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

Mr. Coleman from the Committee on Rules and Administration to which was referred

H. F. No. 148 for comparison to its companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
				148	376

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 148 be amended as follows:

Amend the title, page 1, line 2, after the semicolon insert "providing for the"

Page 1, lines 4 and 5, delete "establishing minimum qualifications;"

And when so amended, H. F. No. 148 will be identical to S. F. No. 376 and further recommends that H. F. No. 148 be given its second reading and substituted for S. F. No. 376 and that the Senate File be indefinitely postponed.

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

Mr. Coleman from the Subcommittee on Bill Scheduling, to which were referred

S. F. Nos. 766, 19, 582, 131, 96, 411, 682, 600, 543, 972 and 558 makes the following report:

That S. F. Nos. 766, 19, 582, 131, 96, 411, 682, 600, 543, 972 and 558 be placed on the General Orders Calendar in the order indicated.

That there were no other bills before the subcommittee on which floor action was requested.

Report adopted.

APPOINTMENTS

Mr. Coleman, from the Subcommittee on Committees, recommends that the following named Senators be and they hereby are appointed as a Conference Committee on:

S. F. No. 226, pursuant to the request of the Senate:

Messrs. Milton, Keefe, S. and Ogdahl.

H. F. No. 301, pursuant to the request of the House:

Messrs. Laufenburger, Frederick and Peterson.

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

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

S. F. No. 1027: A bill for an act relating to the organization and operation of state government; education; changing the membership of the higher education coordinating board; prescribing additional duties for the board; appropriating money; amending Minnesota Statutes 1976, Sections 136A.02, Subdivisions 1, 1a, and 2; 136A.04; 136A.05; and 136A.07.

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

Page 1, after line 10, insert:

"Section 1. Minnesota Statutes 1976, Section 136A.01, is amended to read:

136A.01 [CREATION.] A coordinating board for higher education in the state of Minnesota, to be known as the Minnesota ~~higher education coordinating board~~ *of governors for post-secondary and higher education*, is hereby created."

Page 1, line 14, strike "higher education coordinating" and after "board" insert "*of governors for post-secondary and higher education*"

Page 1, lines 15 and 16, reinstate the stricken language and strike the new language

Page 1, line 17, reinstate ", and" and after the stricken "three" insert "*four*"

Page 1, lines 18 to 20, reinstate the stricken language

Page 1, lines 20 to 24, strike the new language

Page 2, lines 1 and 2, strike the new language

Page 2, line 4, after "secondary" insert "*and higher*"

Page 2, line 4, strike "and at least one"

Page 2, lines 4 and 5, strike the new language

Page 2, line 5, strike "shall be selected specifically for"

Page 2, line 6, strike everything before the period

Page 2, line 24, strike "*in the*"

Page 2, line 25, strike "*following manner*"

Page 2, line 26, strike "*three members*" and insert "*two members representing congressional districts and one at-large member;*"

Page 2, strike line 27

Page 2, line 28, strike "*three members*" and insert "*two members representing congressional districts and one at-large member;*"

Page 2, strike lines 29 and 30

Page 2, line 31, strike "*three members*" and insert "*two members representing congressional districts and one at-large member; and*"

Page 2, strike line 32

Page 3, strike line 1

Page 3, line 2, strike "*three members*" and insert "*two members representing congressional districts and one at-large member.*"

Page 3, strike lines 3 and 4

Page 3, after line 4, insert:

"Sec. 5. Minnesota Statutes 1976, Section 136A.03, is amended to read:

136A.03 [EXECUTIVE OFFICERS; EMPLOYERS.] The higher education coordinating board may governor shall appoint an executive secretary or director a chancellor as its the principal executive officer of the board ; and . The board may appoint such other officers and employees as it may deem necessary to carry out its duties. The executive secretary or director chancellor shall possess such powers and perform such duties as are delegated to him and shall serve in the unclassified service of the state civil service. He shall be a person qualified by training and ability in the field of *post-secondary* or higher education or in educational administration. The board may also appoint other officers and professional employees who shall serve in the unclassified service of the state civil service and fix the salaries thereof which shall be commensurate with salaries in the classified service, and shall also fix the salary of its principal executive officer. All other employees shall be in the classified civil service.

An officer or professional employee in the unclassified service as provided in this section is a person who has studied *post-secondary* or higher education or a related field at the graduate level or has similar experience and who is qualified for a career in some aspect of *post-secondary* or higher education and for activities in keeping with the planning and administrative responsibilities of the board and who is appointed to assume responsibility for administration of educational programs or research in matters of *post-secondary* or higher education."

Page 3, line 7, strike "higher education coordinating"

Page 3, line 8, after "board" insert "*of governors for post-secondary and higher education*"

Page 3, line 10, after "of" insert "*post-secondary and*"

Page 3, line 13, after "in" insert "*short and*"

Page 3, line 14, after "of" insert "*post-secondary and*"

Page 4, line 4, after "*post-secondary*" insert "*or higher*"

Page 4, line 15, after "public" insert "*post-secondary*"

Page 4, line 20, after "public" insert "*post-secondary*"

Page 4, line 22, strike "higher educational" and insert "*post-secondary vocational-technical*"

Page 4, line 25, after "*post-secondary*" insert "*and higher education*"

Page 4, line 32, after "*and*" insert "*post-secondary or*"

Page 5, line 1, after "needs" insert "*, provided that the board shall base its actions with respect to budget requests pursuant to this clause on current levels of wages and economic fringe benefits rather than on any estimates of future levels of wages and economic fringe benefits*"

Page 5, line 4, strike "and"

Page 5, line 5, after "colleges" insert "*, and the post-secondary vocational-technical schools, provided that nothing in this clause shall be construed to prevent any system or institution from presenting to a legislative committee any aspect of its budget request*"

Page 5, line 5, strike "and"

Page 5, line 8, strike the period and insert "*; and*"

Page 5, after line 8, insert:

"(1) All review of budget requests by the board shall be conducted in cooperation with the department of finance."

Page 5, line 11, after "OF" and before "HIGHER" insert "**"POST-SECONDARY OR"**

Page 5, line 12, after "of" insert "*post-secondary or*"

Page 5, line 14, after "of" insert "*post-secondary or*"

Page 5, line 16, strike "higher education coordinating"

Page 5, line 16, after "board" insert "*of governors for post-secondary and higher education*"

Page 5, line 20, strike "higher education"

Page 5, line 21, strike "coordinating"

Page 5, line 21, after "board" insert "*of governors for post-secondary and higher education*"

Page 5, line 24, after "of" insert "*post-secondary or*"

Page 6, line 1, strike "higher education coordinating"

Page 6, line 1, after "board" insert "*of governors for post-secondary and higher education*"

Page 6, line 2, after "study" insert "*post-secondary and*"

Page 6, line 13, after "post-secondary" insert "*or higher*"

Page 6, line 25, strike "higher education"

Page 6, line 26, strike "coordinating"

Page 6, line 26, after "board" insert "*of governors for post-secondary and higher education*"

Page 6, line 27, after "the" and before "board" insert "*higher education coordinating*"

Page 6, after line 28, insert:

"Sec. 10. In the next and subsequent editions of Minnesota Statutes, the revisor of statutes shall change the name of the "higher education coordinating board" where it appears in Minnesota Statutes to the "board of governors for post-secondary and higher education", and change the name of and references to that board's "executive secretary" or "director" to "chancellor"."

Page 6, line 29, strike "\$90,000" and insert "\$125,000"

Page 6, line 30, strike "higher education coordinating"

Page 6, line 30, after "board" insert "of governors for post-secondary and higher education"

Renumber the sections in sequence

Further, amend the title as follows:

Page 1, line 3, after "the" insert "name and"

Page 1, line 7, after "Sections" insert "136A.01;"

Page 1, line 8, after "2;" insert "136A.03;"

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

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

S. F. No. 1201: A bill for an act relating to water resources; creating a water planning board; prescribing its duties; regulating the appropriation and use of water; establishing emergency restrictions on the use of state waters for irrigation and other purposes; establishing procedures for the processing of irrigation permits; requiring municipal water supply authorities to conserve water during shortages; appropriating money; amending Minnesota Statutes 1976, Sections 105.41, Subdivision 1a; 105.415; 105.44, Subdivisions 1, 2, 3, 6, 9 and 10; 105.462; 105.482, Subdivisions 3 and 5; and Chapter 105, by adding a section; repealing Minnesota Statutes 1976, Section 105.41, Subdivision 1b.

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

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Chapter 105, is amended by adding a section to read:

[105.401] [WATER PLANNING BOARD.] *Subdivision 1. [MEMBERSHIP, OFFICERS, STAFF.] There is created in the executive branch of the state government a water planning board. The members of the board are: (1) the commissioner of natural resources; (2) the commissioner of health; (3) the director of the pollution control agency; (4) the commissioner of agriculture; (5) the director of the energy agency; and (6) the chairman of the state soil and water conservation board, or their designees.*

The governor shall designate the chairperson of the board, who shall not be a representative of the state agencies listed, but shall be the seventh member of the board and also shall represent the governor on the federal-state river basin commissions.

Subd. 2. [DUTIES.] The board shall perform the following duties:

(1) Direct the preparation of the framework water and related land resources plan proposed to the legislative commission on Minnesota resources in October, 1976;

(2) Assure the participation of the public and of all units of government in the preparation and implementation of all state water resource planning activities;

(3) Direct all state involvement in activities undertaken pursuant to the federal Water Resource Planning Act (PL89-80), including but not limited to administration of Title III funding, and

(4) Evaluate state participation in the federal-state river basin commissions and make recommendations to the governor and the legislature concerning continued state involvement.

The chairperson of the board may seek the assistance of any public agency and may appoint subcommittees he deems necessary to properly discharge the duties of the board. The board shall meet quarterly, and at the request of three of its members or at the discretion of the chairperson. The final report of the board shall be delivered to the governor and the legislature before July 1, 1979. The board ceases to exist June 30, 1979.

Sec. 2. Minnesota Statutes 1976, Section 105.41, Subdivision 1a, is amended to read:

Subd. 1a. The commissioner shall submit to the legislature by January 1, 1975, for its approval, proposed rules governing the allocation of waters among potential water users. These rules shall be based on the following priorities for appropriation and use of water:

First priority. Domestic water supply, excluding industrial and commercial uses of municipal water supply. Agricultural irrigation, involving consumption in excess of 10,000 gallons per day.

Second priority. Any use of water that involves consumption of less than 10,000 gallons of water per day. For purposes of this section "consumption" shall mean water withdrawn from a supply which is lost for immediate further use in the area.

Third priority. Agricultural irrigation, involving consumption in excess of 10,000 gallons per day.

Fourth priority. Power production, involving consumption in excess of 10,000 gallons per day.

Fourth priority. Industrial and commercial uses, involving consumption in excess of 10,000 gallons per day.

Fifth priority. Other uses, involving consumption in excess of 10,000 gallons per day.

Appropriation and use of surface water from streams during periods of flood flows and high water levels shall be encouraged subject to consideration of the purposes for use, quantities to be used, and the number of persons appropriating water.

Appropriation and use of surface water from lakes of less than 500 acres in surface area shall be discouraged.

Diversions of water from the state for use in other states or regions of the United States or Canada shall be discouraged, subject to the jurisdiction of the United States government.

No permit shall be issued under this section unless it is consistent with state, regional, and local water and related land resources management plans, provided that regional and local plans are consistent with statewide plans. *The commissioner shall not modify or restrict the amount of appropriation from a groundwater source authorized in a permit issued pursuant to section 105.44, subdivision 8, between May 1 and October 1 of any year, unless the commissioner determines the authorized amount of appropriation endangers any domestic water supply.*

Sec. 3. Minnesota Statutes 1976, Section 105.41, Subdivision 1, is amended to read:

105.41 [APPROPRIATION AND USE OF WATERS.] Subdivision 1. It shall be unlawful for the state, any person, partnership, or association, private or public corporation, county, municipality, or other political subdivision of the state to appropriate or use any waters of the state, surface or underground, without the written permit of the commissioner ; ~~previously obtained upon written application therefor to the commissioner~~ . Nothing in this section shall be construed to apply to the use of water for domestic purposes serving less than 25 persons , *provided that when a well is constructed to appropriate groundwater for domestic purposes to serve less than 25 persons by a water well contractor licensed pursuant to chapter 156A, he shall submit the report required by section 156A.07, subdivision 4 with the local soil and water conservation district for the area in which the well is located within 30 days after completion of the well. The commissioner shall establish a statewide training program to provide training in the conduct of pumping tests and data acquisition programs.*

Sec. 4. Minnesota Statutes 1976, Section 105.41, is amended by adding a subdivision to read:

Subd. 6. Any appropriation or use permit may be transferred if the permittee conveys the real property where the source of water is located to the subsequent owner of the real property. The subsequent owner shall notify the commissioner of natural resources immediately after an appropriation or use permit is transferred pursuant to this section.

Sec. 5. Minnesota Statutes 1976, Section 105.415, is amended to read:

105.415 [RULES GOVERNING PERMITS.] Notwithstanding the provision in section 105.41, subdivision 1a, stating that the commissioner of natural resources shall submit to the legislature by January 1, 1975, for its approval proposed rules governing the allocation of waters among potential water users, and notwithstanding the provision in section 105.42, subdivision 1a, stating that the commissioner shall recommend by January 15, 1975, to the legislature a comprehensive law containing standards and criteria governing the issuance and denial of permits under the section, the commissioner shall prior to January 30, 1977 1978 , adopt rules containing standards and criteria for the issuance and denial of the permits required by sections 105.41 and 105.42.

Sec. 6. Minnesota Statutes 1976, Section 105.44, Subdivision 1, is amended to read:

105.44 [PROCEDURE UPON APPLICATION.] Subdivision 1. [PERMIT.] Each application for a permit required by sections 105.37 to 105.55 shall be accompanied by maps, plans, and specifications describing the proposed appropriation and use of waters, or the changes, additions, repairs or abandonment proposed to be made, or the public water affected, and such other data as the commissioner may require. This data may include but not be limited to a statement of the effect the actions proposed in the permit application will have on the environment, such as: (a) changes in water and related land resources which are anticipated; (b) unavoidable but anticipated detrimental effects; (c) alternatives to the actions proposed in the permit. If the proposed activity, for which the permit is requested, is within a city, ~~or town~~, or is within or affects a ~~watershed district~~ *a soil and water conservation district* , a copy of the application together with maps, plans and specifications shall be served on the ~~secretary of the board of managers of the district~~ *the secretary of the board of supervisors of the soil and water conservation district* and on the ~~chief executive officer mayor of the city or town~~ . Proof of such service shall be included with the application and filed with the commissioner.

Sec. 7. Minnesota Statutes 1976, Section 105.44, Subdivision 2, is amended to read:

Subd. 2. [AUTHORITY.] The commissioner is authorized to receive applications for permits and to grant the same, with or without conditions, or refuse the same as hereinafter set forth. Provided, that if the proposed activity for which the permit is requested is within a city ~~or town~~, or is within or affects a ~~watershed district~~ *a soil and water conservation district* the commissioner may secure the written recommendation of ~~the managers of said district~~ *the board of supervisors of the soil and water conservation district* or the ~~chief executive officer mayor of the city or town~~, before granting or refusing the permit. ~~Said managers~~ *The supervisors or chief executive officers mayors* shall file their recommendation within a ~~reasonable time~~ *30 days* after receipt of a copy of the application for permit.

Sec. 8. Minnesota Statutes 1976, Section 105.44, Subdivision 3, is amended to read:

Subd. 3. [WAIVER OF HEARING.] The commissioner in his discretion may waive hearing on any application and make his order granting or refusing such application. In such case, if any application be *is* granted, with or without conditions, or be *is* refused, the applicant, the ~~managers~~ of the watershed district the board of supervisors of the soil and water conservation district, or the chief executive officer mayor of the city or town may within 30 days after mailed notice thereof file with the commissioner a demand for hearing on the application *together with the bond required by subdivision 6*. The application shall thereupon be fully heard on notice as hereinafter provided, and determined the same as though no previous order had been made. If no demand for hearing be made, *or if a hearing is demanded but no bond is filed as required by subdivision 6*, the order shall become final at the expiration of 30 days after mailed notice thereof to the applicant, ~~managers of the watershed district the board of supervisors of the soil and water conservation district~~, or the chief executive officer mayor of the city or town, and no appeal of the order may be taken to the district court.

Sec. 9. Minnesota Statutes 1976, Section 105.44, Subdivision 4, is amended to read:

Subd. 4. [TIME.] The commissioner shall act upon all applications, *except for appropriations for irrigation, pursuant to section 105.44, subdivision 8*, within 20 30 days after the application and all required data is filed in his office; either waiving hearing and making an order thereon or directing hearing thereon.

Sec. 10. Minnesota Statutes 1976, Section 105.44, Subdivision 5, is amended to read:

Subd. 5. [NOTICE.] The notice of hearing on any application shall recite the date, place and time fixed by the commissioner for the public hearing thereon and shall show the waters affected, the levels sought to be established or any control structures proposed. The notice shall be published by the commissioner at the expense of the applicant or, if the proceeding is initiated by the commissioner in the absence of an applicant, at the expense of the commissioner, once each week for two successive weeks prior to the day of hearing in a legal newspaper published in the county in which a part or all of the affected waters are located. Notice shall also be mailed by the commissioner to the county auditor and the chief executive official mayor of any municipality or watershed soil and water conservation district affected.

Sec. 11. Minnesota Statutes 1976, Section 105.44, Subdivision 6, is amended to read:

Subd. 6. [HEARING.] The hearings shall be public and shall be conducted by the commissioner or a referee appointed by him. All affected persons shall have an opportunity to be heard. All testimony shall be taken under oath and the right of cross-examination shall be accorded. The commissioner shall provide a stenographer to take testimony and a record of the testimony and all proceedings at the hearing shall be taken and preserved. The commissioner shall not be bound by judicial rules of evidence

or of pleading and procedure. Except where a public hearing is demanded by a public authority which is not the applicant, the applicant shall pay the following *if the commissioner's action is affirmed without substantial modification* : (1) Costs of the stenographic record and transcript, (2) Rental expenses, if any, of the place of hearing, (3) Costs of publication of orders made by the commissioner.

Where the public hearing is demanded by a public authority which is not the applicant, the public authority making the demand shall pay the costs and expenses listed above *if the commissioner's action is affirmed without substantial modification* . An applicant filing a demand for a public hearing shall execute and file a corporate surety bond or equivalent security to the state of Minnesota, to be approved by the commissioner, and in an amount and form fixed by the commissioner. The bond or security shall be conditioned for the payment of all costs and expenses of the public hearing if the commissioner's action taken pursuant to subdivision 2 is affirmed without *substantial modification*. No bond or security is required of a public authority which demands a public hearing. The commissioner, in his discretion, may waive the requirement for a bond or other security.

Sec. 12. Minnesota Statutes 1976, Section 105.44, Subdivision 8, is amended to read:

Subd. 8. [PERMIT TO IRRIGATE AGRICULTURAL LAND.] When an application for permit to irrigate agricultural land from public waters is made, a general statement in the application of the purpose of the proposed use of public waters and the acreage to be irrigated shall be sufficient compliance with the requirements of subdivision 1 with respect to maps, plans and specifications, unless the commissioner reasonably may require additional specified information within ten days of the filing of the application. In any such case the commissioner shall make his order granting the application unless he finds after hearing that granting thereof would be against the public interest or would deprive another than the applicant of the share of public water which such other has requested and to which he is entitled. Upon receipt the commissioner shall send a copy of the permit application to the local soil and water conservation district in which the proposed appropriation is located. The soil and water conservation district may make recommendations to the commissioner regarding the disposition of the application and its compatibility to a comprehensive soil and water conservation plan approved pursuant to section 40.07, subdivision 9, within 30 days of the receipt of the application. Within 30 days of the date of the application the commissioner may require additional specific information from the applicant. Upon receipt of all additional specific information required of the applicant, the commissioner shall have an additional 60 days to review that information, consider the soil and water conservation recommendations and decide whether to grant or deny the permit; provided that if the commissioner orders a hearing, then the time within which he must grant or deny the application shall be ten days after receipt of the report of the

hearing officer. In the case of an application for permit to irrigate agricultural land, failure of the commissioner to act thereon by granting or denial or other hearing thereon within 30 days after filing of the application, or in case the commissioner has reasonably required additional specified information than that given in the application within 20 days after the filing of such additional information the specified time period, shall be deemed an order granting the application. This order shall be deemed granted ten days after the applicant has given written notice to the commissioner stating his intention to proceed with the appropriation.

Sec. 13. Minnesota Statutes 1976, Section 105.44, Subdivision 10, is amended to read:

Subd. 10. [PERMIT FEES.] Each application for a permit authorized by sections 105.37 to 105.64, shall be accompanied by a permit application fee in the amount of \$15 to defray the costs of receiving, recording, and processing the application. The commissioner may charge an additional permit application fee in excess of the fee specified above, in accordance with a schedule of fees adopted by rules promulgated in the manner provided by chapter 15, which fee schedule shall be based upon the projects costs and the complexity of the permit applied for.

For projects requiring a mandatory environmental assessment pursuant to chapter 116D the commissioner may charge an additional field inspection fee of not less than \$25 for each permit applied for under sections 105.37 to 105.64. The commissioner shall establish pursuant to rules and regulations adopted in the manner provided by chapter 15, a schedule for field inspection fees which shall include actual costs related to field inspection such as investigations of the area affected by the proposed activity, analysis of the proposed activity, consultant services, and subsequent monitoring, if any, of the activity authorized by the permit.

Except as provided below, the commissioner may not issue a permit until all fees required by this section relating to the issuance of a permit have been paid. The time limits prescribed by subdivision 4, do not apply to an application for which the appropriate fee has not been paid. Field inspection fees relating to monitoring of an activity authorized by a permit may be charged and collected as necessary at any time after the issuance of the permit. No permit application or field inspection fee may be refunded for any reason, even if the application is denied or withdrawn. No permit application or field inspection fee may be imposed on any state agency, as defined in section 16.011, or federal governmental agency applying for a permit.

Sec. 14. Minnesota Statutes 1976, Section 105.462, is amended to read:

105.462 [INVESTIGATIONS; ORDERS WITHOUT A PERMIT APPLICATION.] When the commissioner determines that the public interest so requires, he may investigate on his own motion any activities being conducted in relation to public waters without a permit as required by sections 105.37 to 105.55. With or without a public hearing the commissioner may make find-

ings and issue orders as otherwise may be issued pursuant to sections 105.37 to 105.55. A copy of his findings and order shall be served upon the person to whom the order is issued. *If the commissioner issues his findings and order without a hearing, the person to whom the order is issued may file with the commissioner a demand for a hearing, together with the bond required by section 105.44, subdivision 6, within 30 days after being served with a copy of the commissioner's order. Thereafter the matter shall be heard in the same manner and pursuant to the same laws as an application is heard following a demand made under section 105.44, subdivision 3, insofar as applicable. However, if no demand for hearing is made by the person to whom the order is issued under this section, or if that person demands a hearing but fails to file the required bond, the commissioner's order becomes final at the expiration of 30 days after the person is served with the order and no appeal of the order may be taken to the district court.*

Sec. 15. Minnesota Statutes 1976, Section 105.482, Subdivision 3, is amended to read:

Subd. 3. [COMMISSIONER'S DUTIES.] From money appropriated for the following purposes from time to time, the commissioner of natural resources may repair or reconstruct state owned dams and may grant aid to local governmental units to repair or reconstruct dams owned by local governmental units *and to make necessary engineering evaluations related to the repair or reconstruction*. No grant to a local governmental unit shall exceed the amount contributed to the project by the local governmental unit from funds raised locally exclusive of federal grants.

Sec. 16. Minnesota Statutes 1976, Section 105.482, Subdivision 5, is amended to read:

Subd. 5. [LIMITATIONS.] If the cost of repair or reconstruction of a state owned dam or a grant to a local governmental unit is less than ~~\$25,000~~ *\$50,000*, the commissioner may direct that the state owned dam be repaired or reconstructed or that a grant be made to repair or reconstruct a dam owned by a local governmental unit without the approval of the state executive council. If the cost of repair or reconstruction of a state owned dam, or a grant to a local governmental unit is ~~\$25,000~~ *\$50,000* or more but less than ~~\$50,000~~ *\$100,000*, the expenditure shall be made only with the approval of the state executive council. If the cost of repair or reconstruction of a state owned dam or a grant to a local governmental unit is ~~\$50,000~~ *\$100,000* or more, the commissioner may recommend the project to the legislature for its consideration and action, except in the following emergency situations. With the approval of the executive council, the commissioner may direct that a state owned dam be repaired or reconstructed or a grant be made to a local governmental unit where he determines that an emergency condition exists and that there is danger that life will be lost or that substantial property losses will be suffered if such action is not promptly taken.

Sec. 17. [IRRIGATION FROM GROUNDWATER.] Subdivision 1. [PERMIT CLASSES ESTABLISHED.] Permit applications required by Minnesota Statutes, Section 105.41, for appropriation of groundwater for purposes of agricultural irrigation shall be processed as either class A or class B applications. Class A applications are for wells located in areas for which the commissioner of natural resources has adequate groundwater availability data. Class B are those for all other areas. The commissioner shall evaluate available groundwater data, determine its adequacy, and designate areas A and B, statewide. The commissioner shall solicit, receive, and evaluate groundwater data from soil and water conservation districts, and where appropriate revise his area A and B designations. The commissioner of natural resources shall file with the secretary of state a commissioner's order defining these areas by county and township. Additional areas may be added by a subsequent order of the commissioner.

Subd. 2. [PERMIT APPLICATION; ORDER OF PROCESSING.] Class A applications shall be processed in the order received. Class B applications pending on or received prior to March 1, 1977, will be processed in the order of their receipt after additional information deemed necessary by the commissioner has been received.

Subd. 3. [CLASS B PERMITS; INFORMATION REQUIREMENTS.] Class B applications are not complete until the applicant has supplied the following data:

(a) A summary of the anticipated well depth and subsurface geologic formation expected to be penetrated by the well. For glacial drift aquifers, this data shall include the logs of test holes drilled in each 40 acre tract proposed for irrigation;

(b) The formation and aquifer expected to serve as the groundwater source;

(c) The maximum daily, seasonal and annual pumpage expected;

(d) The anticipated groundwater quality in terms of the measures of quality commonly specified for the proposed water use;

(e) The results of a pumping test conducted at a rate not to exceed the proposed pumping rate for a period not to exceed 72 hours for wells under water table conditions and not to exceed 24 hours for wells under artesian conditions. Before, during and after the pumping test the commissioner shall require monitoring of water levels in one observation well located at such distance from the pumping well which he has reason to believe may be affected by the new appropriation. The permit applicant shall be responsible for all costs of the pumping tests and monitoring in the one observation well. He shall be responsible for the construction of this one observation well if suitable existing wells cannot be located for this purpose. If the commissioner believes that more than one observation well is needed he shall instruct the applicant to install and monitor additional observation wells. The commissioner shall reimburse the applicant for these added costs; and

(f) Upon determination of the area of influence of the proposed well, the location of existing wells within the area of influence, together with available facts on depths, geologic formations, pumping and nonpumping water levels and details of well construction as related to the board of health "water well Construction Code."

The commissioner may in any specific application waive any of the requirements of clauses (d) to (f) when the necessary data is already available.

Subd. 4. [ISSUANCE OF NEW PERMITS; CONDITIONS.] The commissioner shall issue permits for irrigation appropriation from groundwater only where he determines that proposed soil and water conservation measures are adequate based on recommendations of the soil and water conservation districts and that water supply is available for the proposed use without reducing water levels beyond the reach of vicinity wells constructed in accordance with the water well construction code, contained in the rules of the Minnesota state board of health, MHD 217 to 222.

Sec. 18. [WATER APPROPRIATIONS FROM SURFACE SOURCES.] **Subdivision 1. [WAIVER.]** The commissioner may waive any limitation or requirement in subdivisions 2 through 5 for just cause.

Subd. 2. [NATURAL AND ALTERED NATURAL WATERCOURSES.] Where data are available permits to appropriate water from natural and altered natural watercourses shall be limited so that consumptive appropriations are not made from the watercourses during periods of specified low flows in order to safeguard water availability for instream uses and for downstream higher priority users located in reasonable proximity to the site of appropriation.

Subd. 3. [WATER BASINS.] (a) Permits to appropriate water for any purpose from waterbasins shall be limited so that the collective annual withdrawals do not exceed a total volume of water amounting to one-half acre-foot per acre of waterbasin based on Minnesota department of conservation bulletin No. 25, "An Inventory of Minnesota Lakes."

(b) As a condition to any surface water appropriation permit, the commissioner of natural resources shall establish an elevation for the subject waterbasin, below which no appropriation shall be allowed. During the determination of the elevation, which for the purposes of this section shall be known as the "protection elevation," the commissioner shall take into account the elevation of important aquatic vegetation characteristics related to fish and wildlife habitat, existing uses of the waterbasin by the public and riparian land owners, the total volume within the waterbasin and the slope of the littoral zone.

(c) As part of any application for appropriation of water for any purpose from a waterbasin of less than 500 acres in surface area, the applicant shall obtain a signed statement from as many landowners with land riparian to the subject waterbasin stating

their support to the proposed appropriation as he is able to obtain and it shall indicate the number whose signature he is unable to obtain.

Subd. 3. [TROUT STREAMS.] Permits issued after the effective date of this act to appropriate water for any purpose from streams designated trout streams by the commissioner's orders pursuant to section 101.42, shall be limited to temporary appropriations.

Subd. 4. [CONTINGENCY PLANNING.] No application for use of surface waters of the state for any purpose is complete until the applicant submits, as part of the application, a contingency plan which describes the alternatives he will utilize if further appropriation is restricted due to the flow of the stream or the level of a water basin. No surface water appropriation for any purpose shall be allowed unless the contingency plan is feasible or the permittee agrees to withstand the results of no appropriation.

Sec. 19. [CONSERVATION OF PUBLIC WATER SUPPLIES.] During periods of critical water deficiency as determined by the commissioner and declared by commissioner's order, public water supply authorities appropriating water shall adopt and enforce restrictions within their areas of jurisdiction to restrict lawn sprinkling, car washing, golf course and park irrigation, and other non-essential uses, together with appropriate penalties for failure to comply with the restrictions. Disregard of critical water deficiency orders, even though total appropriation remains less than that permitted, shall be adequate grounds for immediate modification of any public water supply authority's appropriator's permit.

Sec. 20. [EXPIRATION OF EMERGENCY MEASURES.] Sections 16 to 19 of this act expire when rules governing water appropriation are adopted by the commissioner of natural resources, but not later than February 1, 1978. While in effect, sections 16 to 19 supersede all conflicting laws and rules.

Sec. 21. [APPROPRIATIONS.] Subdivision 1. The sums set forth in this section are appropriated from the general fund to the agencies and for the purposes indicated, to be available until June 30, 1979:

Subd. 2. Water planning board \$132,000

To implement section 1.

Subd. 3. Commissioner of natural resources

(a) For administration of sections 2 through 19, development of groundwater data systems, groundwater data acquisition, groundwater management, groundwater investigations, and groundwater reports and publications \$500,000

(b) For implementation of the training program authorized in section 2. \$100,000

The commissioner of natural resources may increase the authorized personnel complement of the department of natural resources by not more than nine positions to accomplish the purposes of sections 2 to 19.

Subd. 4. Minnesota geological survey **\$270,000**

For the purpose of completing a statewide data bank of waterwell logs and compilation of data obtained from current drilling activities.

Subd. 5. State soil and water conservation board **\$184,000**

For the purpose of groundwater data collection and management as authorized in sections 3 and 6 through 11.

The state soil and water conservation board shall allocate the sum of \$2,000 to each soil and water conservation district which has participated in the training specified in section 3.

Subd. 6. Department of health **\$155,000**

For the purpose of administration of chapter 156A.

Sec. 22. This act is effective the day following final enactment. "

Further, strike the title and insert:

"A bill for an act relating to water resources; creating a water planning board; prescribing its duties; regulating the appropriation and use of water; establishing emergency restrictions on the use of state waters for irrigation and other purposes; establishing procedures for the processing of irrigation permits; requiring municipal water supply authorities to conserve water during shortages; appropriating money; amending Minnesota Statutes 1976, Sections 105.41, Subdivisions 1, 1a and by adding a subdivision; 105.415; 105.44, Subdivisions 1, 2, 3, 4, 5, 6, 8, and 10; 105.462; 105.482, Subdivisions 3 and 5; and Chapter 105, by adding a section."

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

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

S. F. No. 896: A bill for an act relating to the establishment of a power plant site and transmission line route selection authority in the environmental quality board; providing penalties; amending Minnesota Statutes 1976, Sections 116C.52, Subdivision 3, and by adding subdivisions; 116C.53; 116C.54; 116C.55, Subdivisions 2 and 3; 116C.57; 116C.58; 116C.59, Subdivision 1; 116C.61, Subdivisions 2 and 3; 116C.64; 116C.69; and Chapter 116C, by adding a section; repealing Minnesota Statutes 1976, Sections 116C.55, Subdivision 1; and 116C.56.

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

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 116C.52, Subdivision 3, is amended to read:

Subd. 3. "High voltage transmission line" shall mean a conductor of electric energy and associated facilities designed for and capable of operation at a nominal voltage of 200 kilovolts or more, except that the board, by regulation, may exempt lines under one mile in length pursuant to section 116C.57, subdivision 5.

Sec. 2. Minnesota Statutes 1976, Section 116C.52, Subdivision 7, is amended to read:

Subd. 7. Construction shall be deemed to have started or commenced as a result of significant physical alteration of a site or route but not including activities incident to preliminary engineering or environmental studies mean any clearing of land, excavation, or other action that would adversely affect the natural environment of the site or route but does not include changes needed for temporary use of sites or routes for nonutility purposes, or uses in securing survey or geological data, including necessary borings to ascertain foundation conditions.

Sec. 3. Minnesota Statutes 1976, Section 116C.52, is amended by adding a subdivision to read:

Subd. 8. "Route" shall mean the location of a high voltage transmission line between two end points. The route may have a variable width of up to two kilometers.

Sec. 4. Minnesota Statutes 1976, Section 116C.52, is amended by adding a subdivision to read:

Subd. 9. "Site" shall mean the location of a large electric power generating plant.

Sec. 5. Minnesota Statutes 1976, Section 116C.52, is amended by adding a subdivision to read:

Subd. 10. "Large electric power facilities" shall mean high voltage transmission lines and large electric power generating plants.

Sec. 6. Minnesota Statutes 1976, Section 116C.53, is amended to read:

116C.53 [SITING AUTHORITY.] Subdivision 1. [POLICY.] The legislature hereby declares it to be the policy of the state to locate large electric power facilities in an orderly manner compatible with environmental preservation and the efficient use of resources. In accordance with this policy the board shall choose locations that minimize adverse human and environmental impact while insuring continuing electric power system reliability and integrity and insuring that electric energy needs are met and fulfilled in an orderly and timely fashion.

Subd. 2. [JURISDICTION.] The Minnesota environmental quality board is hereby given the authority to provide for power plant site and transmission line corridor and route selection.

Subd. 3. The board, in discharge of its duties pursuant to sections 116C.51 to 116C.69 may make joint investigations, hold

joint hearings within or without the state, and issue joint or concurrent orders in conjunction or concurrence with any official or agency of any state or of the United States, whether in holding such investigations or hearings, or in the making of such orders, the board is functioning under agreements or compacts between states or under the concurrent power of states to regulate interstate commerce, or as an agency of the United States. The board may negotiate and enter into any agreements or compacts with agencies of other states, pursuant to any consent of congress, for cooperative efforts in certifying the construction, operation, and maintenance of large electric power facilities in accord with the purposes of sections 116C.51 to 116C.69 and for the enforcement of the respective state laws regarding such facilities. If a route is proposed in two or more states, the board shall attempt to reach agreement with affected states on the entry and exit points prior to authorizing the construction of the route.

Sec. 7. Minnesota Statutes 1976, Section 116C.54, is amended to read:

116C.54 [ADVANCE FORECASTING.] Every utility which owns or operates, or plans within the next 15 years to own or operate large electric power generating plants or high voltage transmission lines shall develop forecasts as specified in this section. On or before July 1 of each even-numbered year, every such utility shall submit a report of its forecast to the board. ~~Such~~ The report may be appropriate portions of a single regional forecast or may be jointly prepared and submitted by two or more utilities and shall contain the following information:

(1) Description of the tentative regional location and general size and type of all large electric power generating plants and high voltage transmission lines to be owned or operated by ~~such the~~ utility during the ensuing 15 years or ~~such any~~ longer period as the board deems necessary;

(2) Identification of all existing generating plants and transmission lines projected to be removed from service during ~~such any~~ 15 year period or upon completion of construction of ~~such any~~ large electric power generating plants and high voltage transmission lines;

(3) Statement of the projected demand for electric energy for the ensuing 15 years and the underlying assumptions for this forecast, such information to be as geographically specific as possible where this demand will occur;

(4) Description of the capacity of the electric power system to meet ~~such projected~~ demands during the ensuing 15 years;

(5) Description of the utility's relationship to other utilities and regional associations, power pools or networks; and

(6) Other relevant information as may be requested by the board.

On or before July 1 of each odd-numbered year, a utility shall verify or submit revisions to items (1) and (2).

Sec. 8. Minnesota Statutes 1976, Section 116C.55, Subdivision 2, is amended to read:

Subd. 2. [INVENTORY CRITERIA; PUBLIC HEARINGS.] The board shall promptly initiate a public planning process where all interested persons can participate in developing the criteria and standards to be used by the board in preparing an inventory of potential large electric power generating plant sites and high voltage transmission line corridors study areas and to guide the site and route suitability evaluation and selection process. The participatory process shall include, but should not be limited to public hearings. Before substantial modifications of the initial criteria and standards are adopted, additional public hearings shall be held. Such criteria and standards shall be promulgated on or before July 1, 1974.

Sec. 9. Minnesota Statutes 1976, Section 116C.55, Subdivision 3, is amended to read:

Subd. 3. [INVENTORY OF LARGE ELECTRIC POWER GENERATING PLANT STUDY AREAS.] On or before July 1, 1975 January 1, 1979, the board shall assemble and publish adopt an inventory of potential large electric power generating plant sites and high voltage transmission line corridors study areas and publish an inventory report. The inventory report of potential large electric power generating plant sites and high voltage transmission line corridors shall set forth specify the planning policies, criteria and standards used in developing the potential site and corridor inventory. After completion of its initial inventory of potential sites and corridors, the board shall have a continuing responsibility to evaluate, update and publish its inventory and if, due to changed circumstances or information, a site or corridor is inconsistent with prescribed criteria or does not meet prescribed standards, such site or corridor shall be removed from the inventory of potential sites and corridors.

Sec. 10. Minnesota Statutes 1976, Section 116C.57, is amended to read:

116C.57 [DESIGNATION OF SITES; APPROVAL OF TRANSMISSION LINE ROUTES AND FACILITY CONSTRUCTION; EMERGENCY CERTIFICATION; RESPONSIBILITIES.] Subdivision 1. [DESIGNATION OF SITES SUITABLE FOR SPECIFIC FACILITIES; REPORTS.] Following publication of the inventory of potential sites for large electric power generating plants or corridors for high voltage transmission lines and the submission of the five year development plans of the utilities, A utility must apply to the board in a form and manner prescribed by the board for designation of a specific site or corridor for a specific size and type of facility. No large electric power generating plant or high voltage transmission line shall be constructed except on a site or route designated by the board pursuant to sections 116C.51 to 116C.60. Following the study, evaluation, and hearings, as provided in this section and sections 116C.58 to 116C.60, on The application shall contain at least two proposed sites. In the event a utility proposes a site not included in the

board's inventory of study areas, the utility shall specify the reasons for the proposal and shall make an evaluation of the proposed site based upon the planning policies, criteria and standards specified in the inventory. Pursuant to sections 116C.57 to 116C.60, the board shall study and evaluate any site or corridor proposed by the utilities a utility and such any other sites site and corridors as the board deems necessary from the inventory the board shall designate a suitable site or corridor for a specific size and type of facility. This designation by the board shall be made in accordance with the site selection criteria and standards established in section 116C.55 and shall be made in a timely manner in a finding with reasons for such choice, and published no later than one year after the request for designation of a site by the utility or no later than 180 days after the request for designation of a corridor by the utility. The time for designation of a site may be extended for six months by the board for just cause which was proposed in a manner consistent with rules adopted by the board concerning the form, content, and timeliness of proposed alternative sites . No site or corridor designation shall be made in violation of the site selection standards established in section 116C.55 and the considerations specified in section 116D.02, subdivision 2 . The board shall indicate the reasons for any refusal and indicate changes in size or type of facility necessary to allow siting in compliance with the standards site designation . Upon designation of the Within a year after the board's acceptance of a utility's application, the board shall decide in accordance with the criteria specified in section 116C.57, subdivision 4, which proposed site is to be designated. The board may extend for just cause the time limitation for its decision for a period not to exceed six months. When the board designates a site or corridor , the board it shall issue to the utility a certificate of site compatibility to the utility with any appropriate conditions. The board shall publish a notice of its decision in the state register within 30 days of site designation. No large electric power generating plant shall be constructed except on a site designated by the board .

Subd. 2. [APPROVAL OF ROUTES AND FACILITY CONSTRUCTION; PROCEDURE; EXEMPTION.] No later than two years after the issuance of a certificate of site compatibility the A utility shall apply to the board in a form and manner prescribed by the board for a permit for the construction of a high voltage transmission line within the approved corridor . Following The application shall contain at least two proposed routes. Pursuant to sections 116C.57 to 116C.60, the board shall study, evaluation and hearings on evaluate the type, design, routing, right-of-way preparation and facility construction as identified of any route proposed in the a utility's application and any other alternatives to the utility's corridor development proposal as provided in subdivision 4; route the board deems necessary which was proposed in a manner consistent with rules adopted by the board concerning the form, content, and timeliness of proposed alternative routes provided, however, that the board shall identify any such alternative routes prior to the commencement of public hearings thereon pursuant to section 116C.58. Within one year after the

board's acceptance of a utility's application, the board shall decide in accordance with the criteria and standards specified in section 116C.55, subdivision 2, and the considerations specified in section 116C.57, subdivision 4, which proposed route is to be designated. The board shall designate routes along survey, natural division and field boundary lines to the maximum extent practicable and reasonable, unless otherwise permitted by the landowner. The board may extend for just cause the time limitation for its decision for a period not to exceed 90 days. When the board designates a route, it shall issue a permit for the construction of a high voltage transmission lines within the designated corridor. This permit issuance by the board shall be made in a timely manner and published no later than 180 days after the application for a permit by the utility line specifying the type, design, routing, right-of-way preparation and facility construction it deems necessary and with any other appropriate conditions. The board may order the construction of high voltage transmission line facilities which are capable of expansion in transmission capacity through multiple circuiting or design modifications. The board shall publish a notice of its decision in the state register within 30 days of issuance of the permit. No high voltage transmission line shall be constructed except on a route designated by the board, unless it was exempted pursuant to subdivision 5.

Subd. 3. [EMERGENCY CERTIFICATION.] Any utility whose electric power system requires the immediate construction of a large electric power generating plant or high voltage transmission line may make application to the board for an emergency certificate of site compatibility or permit for the construction of high voltage transmission lines, which certificate or permit shall be issued in a timely manner and published no later than 180 195 days after the board's acceptance of the application and upon a finding by the board that a demonstrable emergency exists which requires such immediate construction, and that adherence to the procedures and time schedules set forth specified in sections 116C.54 to , 116C.56 and 116C.57 would jeopardize such the utility's electric power system or would jeopardize the utility's ability to insure the electric needs of its customers in an orderly and timely manner . A public hearing to determine if an emergency exists shall be held within 90 days of the application. The board shall, after notice and hearing, promulgate regulations setting forth rules specifying the criteria for emergency certification.

Subd. 4. [CONSIDERATIONS IN DESIGNATING SITES AND ROUTES.] To facilitate the study, research, evaluation and designation of sites and corridors for large electric power generating plants and high voltage transmission lines and the approval of specific transmission line facilities and their routes , the board shall be guided by, but not limited to, the following responsibilities, procedures, and considerations:

(1) Evaluation of research and investigations relating to the effects on land, water and air resources of large electric power generating plants and high voltage transmission line corridors and

routes and the effects of water and air discharges and *electric fields resulting from such plants facilities* on public health and welfare, vegetation, animals, materials and aesthetic values, including base line studies, predictive modeling, and monitoring of the water and air mass at proposed and operating sites and sites of operating large electric power generating plants routes, evaluation of new or improved methods for minimizing adverse impacts of water and air discharges and other matters pertaining to the effects of power plants on the water and air environment;

(2) Environmental evaluation of large electric power generating plant sites and high voltage transmission line corridors and routes proposed for future development and expansion and their relationship to the land, water, air and human resources of the state;

(3) Evaluation of the effects of new electric power generation and transmission technologies and systems related to power plants designed to minimize adverse environmental effects;

(4) Evaluation of the potential for beneficial uses of waste energy from proposed large electric power generating plants;

(5) Analysis of the direct and indirect economic impact of proposed large electric power generating plants and high voltage transmission lines including, but not limited to, productive agricultural land lost or impaired ;

(6) Evaluation of adverse direct and indirect environmental effects which cannot be avoided should the proposed site and transmission line corridor or route be accepted;

(7) Evaluation of alternatives to the proposed site and transmission line corridors and routes applicant's proposed site or route proposed pursuant to section 116C.57, subdivisions 1 and 2, including potential routes which would maximize the use of, or parallel, existing railroad and highway rights-of-way ;

(8) Evaluation of the future needs for additional high voltage transmission lines in the same general area as any proposed route, and the advisability of ordering the construction of structures capable of expansion in transmission capacity through multiple circuiting or design modifications;

(8) (9) Evaluation of irreversible and irretrievable commitments of resources should the proposed site and transmission line corridor or route be approved;

(9) (10) Where appropriate, consideration of problems raised by other state and federal agencies and local entities;

(10) (11) Where the board's rules and regulations of the board as set forth in sections 116C.51 to 116C.60 are substantially similar to existing rules and regulations of a federal agency to which the utility in the state is subject, the federal rules and regulations shall be applied by the board ;

(12) No site or route shall be designated which violates state agency rules.

Subd. 5. [EXEMPTION OF CERTAIN ROUTES.] A utility may apply to the board in a form and manner prescribed by the board to exempt the construction of any proposed high voltage transmission line from sections 116C.51 to 116C.69. Within 15 days of the board's receipt of the exemption application, the utility shall publish a notice and description of the exemption application in a legal newspaper of general circulation in each county in which the route is proposed and send a copy of the exemption application by certified mail to the chief executive of any regional development commission, county, incorporated municipality and organized town in which the route is proposed. If any person who owns real property crossed by the proposed route files an objection with the board within 60 days after the board's receipt of the exemption application, the board shall either deny the exemption application or conduct a public hearing. If the board determines that the proposed high voltage transmission line will not create significant human or environmental impact, it may exempt the proposed transmission line with any appropriate conditions, but the utility shall comply with any applicable state rule and any applicable zoning, building and land use rules, regulations and ordinances of any regional, county, local and special purpose government in which the route is proposed. The board may require a fee to pay expenses incurred in processing exemptions.

Subd. 6. [RECORDING OF SURVEY POINTS.] The location of monuments or markers found or placed by a utility in a survey of right of way for a high voltage transmission line shall be placed on record in the office of the county recorder or registrar of titles. No fee shall be charged to the utility for recording this information.

Sec. 11. Minnesota Statutes 1976, Section 116C.58, is amended to read:

116C.58 [PUBLIC HEARINGS; NOTICE.] The board shall hold an annual public hearing at a time and place prescribed by regulation rule in order to afford interested persons an opportunity to be heard regarding its inventory of potential sites and corridors study areas and any other aspects of the board's activities and duties or the policies set forth specified in sections 116C.51 to 116C.69. The board shall hold at least one public hearing in each county where a site or route is being considered for designation pursuant to section 116C.57 as suitable for construction of a large electric power generating plant or a high voltage transmission line. Notice of public hearings shall be given by the board at least ten days in advance but no earlier than 45 days prior to such hearings. Notice shall be by publication in a legal newspaper of general circulation in the county in which the public hearing is to be held and by certified mailed notice to chief executives of the regional councils, county development commissions, counties, organized towns and the incorporated municipalities therein in which a site or route is proposed. All hearings held for designating a site or route or for exempting a route shall be conducted by a hearing examiner from the office of hearing examiners pursuant to the contested case procedures of chapter 15. Provided, however, that any person may appear at the hearings and present testimony

and exhibits and may question witnesses without the necessity of intervening as a formal party to the proceedings .

Sec. 12. Minnesota Statutes 1976, Section 116C.59, Subdivision 1, is amended to read:

116C.59 [PUBLIC PARTICIPATION.] Subdivision 1. [ADVISORY COMMITTEE.] The board shall appoint one or more advisory committees to assist it in carrying out its duties. Committees appointed to evaluate ~~plant sites or transmission line corridors~~ routes considered for designation shall be comprised of as many persons as may be designated by the board, but shall include a majority of public representatives; at least one representative from each of the following: A public or municipally owned utility; a private investor owned utility and a cooperatively owned utility; one representative from the Regional council and one from each county development councils, counties and municipal corporation corporations and one town board member from each county in which a large electric power generating plant site and high voltage transmission line corridor are or route is proposed to be located. No person shall serve on an advisory committee if during the past two years he received any substantial portion of his income from any electric utility. Reimbursement for expenses incurred shall be made pursuant to the rules governing state employees.

Sec. 13. Minnesota Statutes 1976, Section 116C.59, is amended by adding subdivisions to read:

Subd. 3. [PUBLIC ADVISOR.] *The board shall designate one staff person for each application to attend all information meetings and hearings for the sole purpose of assisting and advising those affected and interested citizens on how to effectively participate in the procedure.*

Subd. 4. [SCIENTIFIC ADVISORY COMMITTEE.] *The board may appoint an advisory committee composed of technical and scientific experts to conduct research and make recommendations concerning specific generic issues such as health and safety, underground routes, double circuiting and long range route and site planning. Reimbursement for expenses incurred shall be made pursuant to the rules governing state employees.*

Sec. 14. Minnesota Statutes 1976, Section 116C.61, Subdivision 2, is amended to read:

Subd. 2. [FACILITY LICENSING.] Notwithstanding anything herein to the contrary, utilities shall obtain state permits that may be required to construct and operate large electric power generating plants and high voltage transmission lines. A state agency in processing a utility's facility permit application shall be bound to the decisions of the board, with respect to the site designation for the large electric power generating plant or the corridor or route designation for the high voltage transmission line , and with respect to other matters for which authority has been granted to the board by sections 116C.51 to 116C.69.

Sec. 15. Minnesota Statutes 1976, Section 116C.61, Subdivision 3, is amended to read:

Subd. 3. [STATE AGENCY PARTICIPATION.] State agencies authorized to issue permits required for construction or operation of large electric power generating plants or high voltage transmission lines shall participate in and present the position of the agency at public hearings and all other activities of the board on specific site ; ~~corridor~~ or route designations of the board, which position shall clearly state whether the site ; ~~corridor~~, or route being considered for designation or permit approval for a certain size and type of facility will be in compliance with state agency standards, regulations or policies. ~~No site or route shall be designated which violates state agency regulations.~~

Sec. 16. Minnesota Statutes 1976, Section 116C.62, is amended to read:

116C.62 [IMPROVEMENT OF SITES AND ROUTES.] Utilities which have acquired a power plant site or transmission line route in accordance with sections 116C.51 to 116C.69 may proceed to construct or improve ~~such the~~ site or route for the intended purposes at any time, subject to section 116C.61, subdivision 2, provided that if ~~such the~~ construction and improvement commences more than four years after a certificate or permit for the site or route has been issued then the utility must certify to the board that ~~such the~~ site or route continues to meet the conditions upon which the certificate of site compatibility or transmission line construction permit was issued.

Sec. 17. Minnesota Statutes 1976, Section 116C.63, is amended to read:

116C.63 [EMINENT DOMAIN POWERS; RIGHT OF CONDEMNATION.] *Subdivision 1.* Nothing ~~herein in this section~~ shall abrogate or invalidate the right of eminent domain vested in utilities by statute or common law existing as of May 24, 1973 , *except to the extent modified herein* . *Such Their* right of eminent domain shall continue to exist for utilities and may be used according to law to accomplish any of the purposes and objectives of sections 116C.51 to 116C.69.

Subd. 2. In eminent domain proceedings by a utility for the acquisition of real property proposed for construction of a route or a site, the proceedings shall be conducted in the manner prescribed in chapter 117, except as otherwise specifically provided in this section.

Subd. 3. Whenever private property is proposed to be acquired for the construction of a site or route by eminent domain proceedings, the property owner shall have the option to require the utility to condemn a fee interest in any amount of contiguous land which he owns and elects in writing to dispose of.

Subd. 4. When such property is acquired by eminent domain proceedings and the amount the owner shall receive for the property is finally determined, the owner who is entitled to payment may

elect to have the amount paid in not more than ten annual installments, with interest on the deferred installments, at the rate of eight percent per annum on the unpaid balance, by submitting a written request to the petitioner before any payment has been made. After the first installment is paid the petitioner may make its final certificate, as provided by law, in the same manner as though the entire amount had been paid.

Subd. 5. The court may allow reasonable legal fees incurred by the owner in the proceedings.

Sec. 18. Minnesota Statutes 1976, Section 116C.64, is amended to read:

116C.64 [FAILURE TO ACT.] ~~In the event~~ *If* the board fails to designate in a timely manner large electric power generating plant sites and high voltage transmission line corridors or routes as provided for herein *act within the times specified in section 116C.57*, any affected utility may seek an order of the district court requiring the board to designate a site, ~~corridor,~~ or route.

Sec. 19. Minnesota Statutes 1976, Chapter 116C, is amended by adding a section to read:

[116C.645] [REVOCATION OR SUSPENSION.] *A site certificate or construction permit may be revoked or suspended by the board after adequate notice of the alleged grounds for revocation or suspension and a full and fair hearing in which the affected utility has an opportunity to confront any witness and respond to any evidence against it and to present rebuttal or mitigating evidence upon a finding by the board of:*

(1) Any false statement knowingly made in the application or in accompanying statements or studies required of the applicant, if a true statement would have warranted a change in the board's findings;

(2) Willful failure to comply with material conditions of the site certificate or construction permit, or willful failure to maintain safety standards contained in the National Electric Safety Code; or

(3) Any material violation of the provisions of sections 116C.51 to 116C.69, any rule promulgated pursuant thereto, or any order of the board.

Sec. 20. Minnesota Statutes 1976, Section 116C.65, is amended to read:

116C.65 [JUDICIAL REVIEW.] Any utility, party or person aggrieved by the issuance of a certificate or emergency certificate of site compatibility or transmission line construction permit from the board or a certification of continuing suitability filed by a utility with the board or by a final order in accordance with any rules and regulations promulgated by the board, may appeal therefrom to any district court where such large electric power generating plant a site or high voltage transmission line route is to be located. ~~Such~~ *The* appeal shall be made and perfected ~~filed~~ within

60 days after the publication in the state register of notice of the issuance of the certificate or permit by the board or certification filed with the council or the filing of any final order by the board. The notice of appeal to the district court shall be filed with the clerk of the district court and a copy thereof mailed to the board and affected utility. Any utility, party or person aggrieved by a final order or judgment rendered on appeal to the district court may appeal therefrom to the supreme court in the manner provided in civil actions. *The scope of judicial review shall be as prescribed in section 15.024.*

Sec. 21. Minnesota Statutes 1976, Section 116C.66, is amended to read:

116C.66 [RULES.] The board, in order to give effect to the purposes of sections 116C.51 to 116C.69, shall prior to January 1, 1978, adopt rules and regulations consistent with sections 116C.51 to 116C.69, including promulgation of plant siting and transmission line routing site and route designation criteria, the description of the information to be furnished by the utilities, establishment of minimum guidelines for public participation in the development, revision, and enforcement of any regulation rule, plan or program established by the board, procedures for the revocation or suspension of a construction permit or a certificate of site compatibility, the procedure and timeliness for proposing alternative routes and sites, and route exemption criteria and procedures. The office of hearing examiners shall prior to January 1, 1978, adopt rules concerning the conduct of public hearings relating to the site and route designation process and to the route exemption process which attempt to maximize citizen participation in these processes. No rule adopted by the board shall grant priority to state owned wildlife management areas over agricultural lands in the designation of route avoidance areas. Chapter 15, shall apply to the appeal of rules and regulations adopted by the board to the same extent as it applies to review of rules and regulations adopted by any other agency of state government.

Sec. 22. Minnesota Statutes 1976, Section 116C.67, is amended to read:

116C.67 [SAVINGS CLAUSE.] The provision of sections 116C.51 to 116C.69 shall not apply to the any site for the large electric power generating plant evaluated and recommended by the governor's environmental quality council prior to the date of enactment, and also to any high voltage transmission lines, the construction of which will commence prior to July 1, 1974; provided, however, that within 90 days following the date of enactment, the affected utility shall file with the council a written statement identifying such transmission lines, their planned location, and the estimated date for commencement of construction.

Sec. 23. Minnesota Statutes 1976, Section 116C.68, is amended to read:

116C.68 [ENFORCEMENT, PENALTIES.] Subdivision 1. Any person who violates sections 116C.51 to 116C.69 or any rule or regulation promulgated hereunder, or knowingly submits false in-

formation in any report required by sections 116C.51 to 116C.69 shall be guilty of a misdemeanor for the first offense and a gross misdemeanor for the second and each subsequent offense. Each day of violation shall constitute a separate offense.

Subd. 2. The provisions of sections 116C.51 to 116C.69 or any rules or regulations promulgated hereunder may be enforced by injunction, action to compel performance or other appropriate action in the district court of the county wherein the violation takes place. The attorney general shall bring any action under this subdivision upon the request of the board.

Subd. 3. When the court finds that any person has violated sections 116C.51 to 116C.69, any rule or regulation hereunder, knowingly submitted false information in any report required by sections 116C.51 to 116C.69 or has violated any court order issued under this chapter sections 116C.51 to 116C.69, the court may impose a civil penalty of not more than \$10,000 for each violation. These penalties shall be paid to the general fund in the state treasury.

Sec. 24. Minnesota Statutes 1976, Section 116C.69, is amended to read:

116C.69 [BIENNIAL REPORT; APPLICATION FEES; APPROPRIATION; FUNDING.] Subdivision 1. [BIENNIAL REPORT.] *Before November 15 of each even-numbered year the board shall prepare and submit to the legislature biennially a report of its power plant and transmission siting operations, activities, findings, and recommendations, and undertakings concerning sections 116C.51 to 116C.69. The report shall also contain information on the board's biennial expenditures, its proposed budget for the following biennium, and the amounts paid in certificate and permit application fees pursuant to subdivision subdivisions 2 and 3 and in assessments pursuant to subdivision 3 4. The proposed budget for the following biennium shall be subject to legislative review.*

Subd. 2. [SITE APPLICATION FEE.] Every applicant for a site certificate or transmission line construction permit shall pay to the board a fee in an amount equal to \$500 for each \$1,000,000 of production or transmission line plant investment in the proposed installation as defined in the Federal Power Commission Uniform System of Accounts. The board shall specify the time and manner of payment of the fee. If any single payment requested by the board is in excess of 25 percent of the total estimated fee, the board shall show that such the excess is reasonably necessary. The applicant shall pay within 30 days of notification such any additional fees as are reasonably necessary for completion of the plant site, transmission line corridor or route evaluation and selection designation process by the board. In no event shall the total fees required of the applicant under this subdivision exceed an amount equal to 0.001 of said production or transmission line plant investment (\$1,000 for each \$1,000,000) except that the minimum application fee shall not be less than \$5,000. All money received pursuant to this subdivision shall be deposited in the

general fund. So much money as is necessary is annually appropriated from the general fund to pay expenses incurred in processing applications for certificates ~~or permits~~ in accordance with the provisions of sections 116C.51 to 116C.69 and in the event such expenses are less than the fee paid, to refund the excess to the applicant. This annual appropriation shall not exceed the fees to be paid during ~~such~~ *each* period.

Subd. 2a. [ROUTE APPLICATION FEE.] Every applicant for a transmission line construction permit shall pay to the board a base fee of \$35,000 plus a fee in an amount equal to \$1,000 per mile length of the longest proposed route. The board shall specify the time and manner of payment of the fee. If any single payment requested by the board is in excess of 25 percent of the total estimated fee, the board shall show that the excess is reasonably necessary. In the event the actual cost of processing an application up to the board's final decision to designate a route exceeds the above fee schedule, the board may assess the applicant any additional fees necessary to cover the actual costs, not to exceed an amount equal to \$500 per mile length of the longest proposed route. All money received pursuant to this subdivision shall be deposited in the general fund. So much money as is necessary is annually appropriated from the general fund to pay expenses incurred in processing applications for construction permits in accordance with sections 116C.51 to 116C.69 and in the event the expenses are less than the fee paid, to refund the excess to the applicant. This annual appropriation shall not exceed the fees to be paid during each period.

*Subd. 3. [FUNDING; ASSESSMENT.] The board shall finance its base line studies, general environmental studies, development of criteria, inventory preparation, *monitoring of conditions placed on site certificates and construction permits*, and all other work, other than specific site, ~~corridor~~, and route selection, designation from an assessment made annually by the board against all utilities. Each share shall be determined as follows: (1) the ratio that the annual retail kilowatt-hour sales in the state of each utility bears to the annual total retail kilowatt-hour sales in the state of all such utilities, multiplied by 0.667, plus (2) the ratio that the annual gross revenue from retail kilowatt-hour sales in the state of each utility bears to the annual total gross revenues from retail kilowatt-hour sales in the state of all such utilities, multiplied by 0.333, as determined by the board. ~~Such~~ *The* assessment shall be credited to the general fund and shall be paid to the state treasury within 30 days after receipt of the bill, which shall constitute notice of said assessment and demand of payment thereof. The total amount which may be assessed to the several utilities under authority of this subdivision shall not exceed the annual budget of the board for carrying out the purposes of this subdivision.*

Sec. 25. Minnesota Statutes 1976, Chapter 273, is amended by adding a section to read:

[273.139] [TAX CREDIT FOR LAND CROSSED BY HIGH VOLTAGE TRANSMISSION LINES.] *Subdivision 1. [CRED-*

IT.] *The property tax to be paid on land over which runs a high voltage transmission line as defined in section 116C.52, subdivision 3, shall be reduced by an amount equal to the credit for which it is eligible pursuant to subdivision 2.*

Subd. 2. [COMPUTATION.] The credit due against the property tax on each parcel shall be determined by multiplying a fraction, the numerator of which is the length of transmission line with a design of 200 kilovolts or more which run over that parcel and the denominator of which is the total length of such lines running over all property within the county, by that portion of the transmission and distribution line tax which is provided in section 26 for that purpose. If the amount of the credit for which the property would qualify pursuant to this subdivision exceeds the tax liability of the property, the excess amount shall not be refundable.

Sec. 26. Minnesota Statutes 1976, Section 273.42, is amended to read:

273.42 [RATE OF TAX; ENTRY AND CERTIFICATION; CREDIT ON PAYMENT.] *The property set forth in section 273.37, subdivision 2, consisting of transmission lines, and distribution lines not taxed as provided in sections 273.38, 273.40 and 273.41 shall be taxed at the average rate of taxes levied for all purposes throughout the county and shall be entered on the tax lists by the county auditor against the owner thereof and certified to the county treasurer at the same time and in the same manner that other taxes are certified, and, when paid, shall be credited, one-half to the general revenue fund of the county, and one-half to the general school fund of the county. Of the amount credited to the general school fund of the county, 30 percent of the revenue which is derived from the taxation of transmission lines with a design of 200 kilovolts or more which cross land subject to property tax in the county shall be used to provide a credit against the tax on property which qualifies pursuant to section 1.*

Sec. 27. Minnesota Statutes 1976, Section 276.04, is amended to read:

276.04 [NOTICE OF RATES; PROPERTY TAX STATEMENTS.] *On receiving the tax lists from the county auditor, the county treasurer shall, if directed by the county board, give three weeks' published notice in a newspaper specifying the rates of taxation for all general purposes and the amounts raised for each specific purpose. He shall, whether or not directed by the county board, cause to be printed on all tax statements, or on an attachment, a tabulated statement of the dollar amount due to each taxing authority and the amount to be paid to the state of Minnesota from the parcel of real property for which a particular tax statement is prepared. The dollar amounts due the state, county, township or municipality and school district shall be separately stated but the amounts due other taxing districts, if any, may be aggregated. The property tax statements for class 2a property shall contain the same information that is required on the tax statements for real property. The county treasurer shall mail to*

taxpayers statements of their personal property taxes due, such statements to be mailed not later than February 15 (except in the case of Class 2a property), statements of the real property taxes due shall be mailed not later than May 15; provided, that the validity of the tax shall not be affected by failure of the treasurer to mail such statement. Such real and personal property tax statements shall contain the market value, as defined in section 272.03, subdivision 8, used in determining the tax. The statement shall also include the base tax as defined in section 273.011, subdivision 4, for qualified property as defined in section 273.011 for which the credit provided for in section 273.012 is claimed. The statement shall show the amount attributable to section 273.132 as "state paid agricultural credit" and the amount attributable to section 273.13, subdivisions 6 and 7 as "state paid homestead credit." *The statement for property receiving a credit pursuant to section 1 shall show the amount of the credit, to be designated as "high voltage transmission line credit".* The commissioner of revenue shall provide each county auditor with the names of those persons in the assessor's district who have filed and qualified for the property tax credit pursuant to sections 273.011 and 273.012 and shall inform the assessor of the base tax of those persons. If so directed by the county board, the treasurer shall visit places in the county as he deems expedient for the purpose of receiving taxes and the county board is authorized to pay the expenses of such visits and of preparing duplicate tax lists.

Sec. 28. [EMERGENCY RULES.] *The board is authorized and directed to promulgate emergency rules pursuant to section 15.0412, subdivision 5, within 30 days of the effective date of this act, concerning the procedures for the revocation or suspension of a construction permit or a certificate of site compatibility and the procedure for designation of a route, including the manner and timeliness of proposing alternative routes, route designation considerations and route exemption criteria and procedures.*

The office of hearing examiners is authorized and directed to promulgate emergency rules pursuant to section 15.0412, subdivision 5, within 30 days of the effective date of this act, concerning the conduct of public hearings relating to the designation and exemption of routes. The rules shall attempt to maximize citizen participation in the route designation and exemption process.

Any emergency rules authorized by this section shall be effective until either January 1, 1978, or until the board and the office of hearing examiners adopt permanent rules pursuant to chapter 15, whichever occurs first.

Sec. 29. Minnesota Statutes 1976, Sections 116C.55, Subdivision 1; and 116C.56, are repealed.

Sec. 30. *Except as herein provided, this act is effective the day following its final enactment. It shall apply to all eminent domain proceedings in which the commissioners have not filed their report pursuant to section 117.105. Any corridor, route or site application filed or any public hearing or other proceeding pursuant to*

sections 116C.51 to 116C.69 initiated prior to the effective date of this act shall be considered, conducted and acted upon in accordance with the law and rules in effect prior to the effective date of this act. Any route or site application filed or any public hearing or other proceeding pursuant to sections 116C.51 to 116C.69 initiated subsequent to the effective date of this act shall be postponed until the completion of the emergency rules authorized in section 28, at which time it shall be considered, conducted and acted upon in accordance with sections 116C.51 to 116C.69, as amended by this act, and the emergency or permanent rules adopted pursuant to section 24 of this act. Section 25, 26 and 27 are effective for taxes levied in 1977 and thereafter and payable in 1978 and thereafter."

Amend the title as follows:

Line 4, after the semicolon insert "eliminating the corridor designation process; clarifying certain procedures; authorizing certain options concerning the amount of land to be condemned, annual payments, and attorneys fees for owners of land condemned for routes or sites; requiring the board and the office of hearing examiners to adopt emergency and permanent rules; authorizing the board to revoke or suspend permits; specifying amounts for route application fees; prescribing a property tax credit for land crossed by high voltage transmission lines;"

Line 6, strike "Subdivision" and insert "Subdivisions" and after "3" insert "and 7"

Line 9, after "Subdivision 1" insert ", and by adding subdivisions"

Line 9, after "3;" insert "116C.62; 116C.63;"

Line 10, after "116C.64;" insert "116C.65; 116C.66; 116C.67; 116C.68;"

Line 10, after "116C.69;" insert "273.42; 276.04;"

Line 10, strike "Chapter" and insert "Chapters"

Line 11, after "section;" insert "and 273, by adding a section;"

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

SECOND READING OF SENATE BILLS

S. F. No. 716 was read the second time.

S. F. Nos. 1028, 943, 781, 922, 39, 1064, 356, 932, 572, 589, 1004, 964, 881, 882, 233 and 176 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. Nos. 720, 76, 308 and 148 were read the second time.

H. F. No. 33 was read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

MOTIONS AND RESOLUTIONS

Mr. Wegener moved that the name of Mr. Lessard be added as co-author to S. F. No. 20. The motion prevailed.

Mr. Knutson moved that the name of Mr. Sikorski be added as co-author to S. F. No. 368. The motion prevailed.

Mr. Merriam moved that the name of Mr. Dunn be added as co-author to S. F. No. 896. The motion prevailed.

Mr. Willet moved that the name of Mr. Menning be added as co-author to S. F. No. 1201. The motion prevailed.

Mr. Spear moved that the name of Mr. Keefe, S. be added as co-author to S. F. No. 1265. The motion prevailed.

Mr. Spear moved that the name of Mr. Keefe, S. be added as co-author to S. F. No. 1266. The motion prevailed.

Mr. Johnson moved that H. F. No. 1003 be withdrawn from the Committee on General Legislation and Veterans Affairs and re-referred to the Committee on Rules and Administration for comparison with S. F. No. 753. The motion prevailed.

Without objection, the Senate reverted to the Order of Business of Introduction and First Reading of Senate Bills.

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Messrs. Moe, Hanson and Sillers introduced—

S. F. No. 1386: A bill for an act relating to flood control and water management problems in the watershed of the Red River of the North; providing for water retention projects; appropriating money to the lower Red River watershed management board.

Referred to the Committee on Local Government.

Mr. Frederick introduced—

S. F. No. 1387: A bill for an act relating to state lands; authorizing the conveyance by the state of certain lands in Steele county.

Referred to the Committee on Local Government.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Laufenburger moved that the name of Mr. Renneke be added as co-author to S. F. No. 921. The motion prevailed.

THIRD READING OF SENATE BILLS

S. F. No. 57: A bill for an act relating to local control of campus liquor policy; amending Minnesota Statutes 1976, Section 624.701, Subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 26 and nays 37, as follows:

Those who voted in the affirmative were:

Anderson	Keefe, J.	Merriam	Sikorski	Ulland, J.
Brataas	Keefe, S.	Milton	Spear	Vega
Davies	Knoll	Ogdahl	Staples	
Dieterich	Knutson	Pillsbury	Stokowski	
Hanson	Lewis	Purfeerst	Stumpf	
Hughes	Luther	Schaaf	Ueland, A.	

Those who voted in the negative were:

Bang	Gearty	McCutcheon	Perpich	Solon
Benedict	Gunderson	Menning	Peterson	Strand
Bernhagen	Humphrey	Moe	Renneke	Tennesen
Borden	Jensen	Nelson	Schmitz	Wegener
Chmielewski	Johnson	Nichols	Schrom	Willet
Coleman	Kleinbaum	Olhoft	Setzepfandt	
Dunn	Laufenburger	Olson	Sieloff	
Frederick	Lessard	Penny	Sillers	

So the bill failed to pass.

NOTICE OF RECONSIDERATION

Mr. Kleinbaum gave notice of intention to move for reconsideration of S. F. No. 57.

THIRD READING OF SENATE BILLS—CONTINUED

S. F. No. 651: A bill for an act relating to health; developing standards for safe drinking water; providing penalties; defining terms; amending Minnesota Statutes 1976, Section 115.71, Subdivision 7; and 144.12, Subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 50 and nays 13, as follows:

Those who voted in the affirmative were:

Anderson	Hughes	Lewis	Olson	Solon
Bang	Humphrey	Luther	Penny	Spear
Benedict	Jensen	McCutcheon	Perpich	Staples
Borden	Johnson	Menning	Pillsbury	Stokowski
Chmielewski	Keefe, J.	Milton	Purfeerst	Stumpf
Coleman	Keefe, S.	Moe	Renneke	Ueland, A.
Dieterich	Kleinbaum	Nelson	Schaaf	Ulland, J.
Dunn	Knoll	Nichols	Schmitz	Vega
Gearty	Laufenburger	Ogdahl	Sikorski	Wegener
Gunderson	Lessard	Olhoft	Sillers	Willet

Those who voted in the negative were:

Bernhagen	Frederick	Merriam	Setzepfandt	Tennessen
Brataas	Hanson	Peterson	Sieloff	
Davies	Knutson	Schrom	Strand	

So the bill passed and its title was agreed to.

THIRD READING OF HOUSE BILLS

H. F. No. 283: A bill for an act relating to securities; disciplinary action against a licensee; clarifying the time for initiating a proceeding; amending Minnesota Statutes 1976, Sections 80A.07, Subdivision 2, and 80A.21, Subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

CONSENT CALENDAR

S. F. No. 826: A bill for an act relating to seaway port authorities; personnel; contracts; authorizing port authorities to employ a certified public accountant to audit the books of the authority and authorizing the state auditor to accept such audits in lieu of his audit; amending Minnesota Statutes 1976, Section 458.18.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 58 and nays 3, as follows:

Those who voted in the affirmative were:

Anderson	Chmielewski	Humphrey	Knutson	Moe
Bang	Davies	Jensen	Laufenburger	Nelson
Benedict	Dunn	Johnson	Lessard	Nichols
Bernhagen	Frederick	Keefe, J.	Luther	Ogdahl
Borden	Gearty	Keefe, S.	McCutcheon	Olhoff
Brataas	Hanson	Kleinbaum	Menning	Olson
Chenoweth	Hughes	Knoll	Merriam	Penny

Perpich	Schaaf	Sillers	Strand	Vega
Peterson	Schmitz	Solon	Stumpf	Wegener
Pillsbury	Setzepfandt	Spear	Tennessee	Willet
Purfeerst	Sieloff	Staples	Ueland, A.	
Renneke	Sikorski	Stokowski	Ulland, J.	

Messrs. Dieterich, Gunderson and Schrom voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 847: A bill for an act relating to statutory publications; providing for the distribution of Minnesota Statutes and session laws; amending Minnesota Statutes 1976, Section 648.39, Subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 2, as follows:

Those who voted in the affirmative were:

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

Messrs. Dieterich and Knoll voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 919: A bill for an act relating to highway traffic regulations; prescribing the width of vehicles; amending Minnesota Statutes 1976, Section 169.80, Subdivision 2.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

Without objection, the Senate reverted to the Order of Business of Third Reading of Senate Bills.

THIRD READING OF SENATE BILLS

S. F. No. 478: A bill for act relating to cities; amending the definition of first class cities; amending Minnesota Statutes 1976, Section 410.01.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 2, as follows:

Those who voted in the affirmative were:

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

Messrs. Gunderson and Schrom voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 757: A bill for act relating to transportation; repealing the "Sunday holiday law"; allowing commercial vehicles to operate within 35 miles of cities of the first class on Sundays and legal holidays; amending Minnesota Statutes 1976, Section 221.221; repealing Minnesota Statutes 1976, Sections 221.191, 221.201 and 221.211.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 44 and nays 18, as follows:

Those who voted in the affirmative were:

Bernhagen	Gunderson	Lessard	Olson	Setzepfandt
Borden	Hanson	Lewis	Penny	Sikorski
Brataas	Humphrey	Luther	Peterson	Solon
Chmielewski	Jensen	Merriam	Pillsbury	Staples
Coleman	Johnson	Milton	Purfeerst	Stokowski
Davies	Kleinbaum	Moe	Renneke	Vega
Dunn	Knoll	Nelson	Schaaf	Wegener
Frederick	Knutson	Nichols	Schmitz	Willet
Gearty	Laufenburger	Ogdahl	Schrom	

Those who voted in the negative were:

Bang	Keefe, J.	Olhoft	Spear	Ueland, A.
Benedict	Keefe, S.	Perpich	Strand	Ulland, J.
Chenoweth	McCutcheon	Sieloff	Stumpf	
Dieterich	Menning	Sillers	Tennessee	

So the bill passed and its title was agreed to.

S. F. No. 450: A bill for act relating to banks and banking; authorizing certain branch banks; permitting consolidation of banks in regions; amending Minnesota Statutes 1976, Sections 48.34 and 49.34.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 38 and nays 25, as follows:

Those who voted in the affirmative were:

Bang	Humphrey	Lewis	Perpich	Spear
Borden	Johnson	Luther	Pillsbury	Staples
Brataas	Keefe, J.	McCutcheon	Purfeerst	Stumpf
Chenoweth	Keefe, S.	Merriam	Schaaf	Tennessee
Coleman	Kleinbaum	Milton	Sieloff	Ueland, A.
Davies	Knoll	Nelson	Sikorski	Ulland, J.
Gearty	Knutson	Nichols	Sillers	
Gunderson	Lessard	Ogdahl	Solon	

Those who voted in the negative were:

Anderson	Dunn	Laufenburger	Penny	Stokowski
Benedict	Frederick	Menning	Peterson	Strand
Bernhagen	Hanson	Moe	Renneke	Vega
Chmielewski	Hughes	Olhoft	Schmitz	Wegener
Dieterich	Jensen	Olson	Schrom	Willet

So the bill passed and its title was agreed to.

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. 105, 430, 20, 466 and H. F. Nos. 681 and 705, which the committee recommends to pass.

S. F. No. 530, which the committee recommends to pass with the following amendment offered by Mr. Davies:

Page 2, line 14, strike "not" and insert "be guilty of a petty misdemeanor."

Page 2, strike line 15

Amend the title as follows:

Page 1, line 4, before the period insert “; providing a penalty”

H. F. No. 339, which the committee recommends to pass with the following amendments offered by Messrs. Milton, Merriam and Knoll:

Mr. Milton moved to amend H. F. No. 339, as amended pursuant to Rule 49, adopted by the Senate April 13, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 238.)

Page 3, after line 26, insert:

“Sec. 2. Minnesota Statutes 1976, Chapter 161, is amended by adding a section to read:

[161.3211] [REPORTS.] *Subdivision 1. [COMMISSIONER OF TRANSPORTATION.] The commissioner of transportation shall submit an annual report pursuant to section 3.195 to the governor and the legislature with a copy to the commissioner of economic development indicating the progress being made toward the objectives and goals of section 1 of this act during the preceding fiscal year. This report shall include the following information:*

(a) *The total dollar value and number of potential set-aside awards identified during this period and the percentage of total construction work this figure reflects;*

(b) *The number of small businesses identified by and responding to the set-aside program, the total dollar value and number of set-aside contracts actually awarded to small businesses with appropriate designation as to the total number and value of set-aside contracts awarded to each small business, and the total number of small businesses that were awarded set-aside contracts;*

(c) *The total dollar value and number of set-aside contracts awarded to small businesses owned and operated by economically or socially disadvantaged persons with appropriate designation as to the total number and value of set-aside contracts awarded to each small business, and the percentages of the total construction work the figures of total dollar value and the number of set-asides reflect;*

(d) *The number of contracts which were designated and set-aside pursuant to section 1 of this act, but which were not awarded to a small business, the estimated total dollar value of these awards, the lowest bid on each of these awards made by the small business and the price at which these contracts were awarded pursuant to the normal procedures.*

Subd. 2. [COMMISSIONER OF ECONOMIC DEVELOPMENT.] The commissioner of economic development shall submit an annual report to the governor and the legislature pursuant to section 3.195 with a copy to the commissioner of transportation. This report shall include the following information:

(a) *The efforts undertaken to publicize the provisions of the set-aside program during the preceding fiscal year;*

(b) The efforts undertaken to identify small businesses including those owned and operated by socially or economically disadvantaged persons, and the efforts undertaken to encourage participation in the set-aside program;

(c) The efforts undertaken by the commissioner to remedy the inability of small businesses to perform on potential set-aside awards; and

(d) The commissioner's recommendations for strengthening the set-aside program and delivery of services to small businesses."

Amend the title as follows:

Page 1, line 3, after the semicolon insert "requiring reports;"

Page 1, line 4, strike "a"

Page 1, line 5, strike "section" and insert "sections"

Mr. Merriam moved to amend H. F. No. 339, as amended pursuant to Rule 49, adopted by the Senate April 13, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 238.)

Page 2, after line 9, insert:

"(c) "Physically handicapped person" means a person who has suffered a substantial physical disability or dysfunction."

Reletter the clauses accordingly

Page 2, line 24, strike the first "and" and insert a comma

Page 2, line 25, after "persons" insert "and small businesses owned and operated by physically handicapped persons"

Mr. Knoll moved to amend H. F. No. 339, as amended pursuant to Rule 49, adopted by the Senate April 13, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 238.)

Page 3, line 3, strike "deprived" and insert "disadvantaged"

Page 3, line 12, after the period insert "Contracts awarded pursuant to this section shall be subject to all applicable limitations contained in section 16.083, subdivisions 2, 3 and 6."

S. F. No. 381, which the committee recommends to pass with the following amendment offered by Mr. Willet:

Page 5, line 15, strike "November" and insert "December"

Page 5, line 16, strike "30th" and insert "15th"

Page 5, line 22, strike "November" and insert "December"

Page 5, line 22, strike "30th" and insert "15th"

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 Introduction and First Reading of Senate Bills.

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Mr. Olson introduced—

S. F. No. 1388: A bill for an act relating to agriculture; seeds; changing the basis for listing restricted noxious weed seeds on labels; prohibiting certain acts; increasing fees; amending Minnesota Statutes 1976, Sections 21.48, Subdivision 3; 21.49, Subdivision 1; 21.53, Subdivision 3; and 21.54, Subdivision 2.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Johnson, Perpich, Lessard, Borden and McCutcheon introduced—

S. F. No. 1389: A bill for an act relating to taxation; increasing the tax on taconite production and providing for the distribution of its proceeds; establishing a taconite environmental and economic protection fund; imposing a tax on residual materials attributable to the production of concentrates from taconite; appropriating money; amending Minnesota Statutes 1976, Sections 273.134; 273.135, Subdivision 2; 298.03; 298.22, by adding a subdivision; 298.24, Subdivision 1; 298.244, Subdivision 2; 298.25; 298.26; 298.27; 298.28, Subdivision 1, and by adding subdivisions; 298.282, Subdivisions 1 and 2; and Chapter 298, by adding sections; repealing Minnesota Statutes 1976, Sections 298.24, Subdivision 2; 298.241; 298.243; 298.244, Subdivision 1; 298.28, Subdivision 1a; and 298.281.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Moe and Perpich introduced—

S. F. No. 1390: A bill for an act relating to public welfare; local mental health programs; authorizing counties bordering on economic development regions to obtain mental health services from adjacent regions; amending Minnesota Statutes 1976, Chapter 245, by adding a section.

Referred to the Committee on Health, Welfare and Corrections.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman moved that the Senate do now adjourn until 10:00 o'clock a.m., Thursday, April 21, 1977. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate