

FORTY-SECOND DAY

St. Paul, Minnesota, Wednesday, April 27, 1977

The Senate met at 7:30 o'clock p.m. and was called to order by the President.

CALL OF THE SENATE

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

Anderson	Gunderson	Lewis	Peterson	Stumpf
Benedict	Hanson	McCutcheon	Purfeerst	Tennessen
Chmielewski	Humphrey	Menning	Schmitz	Vega
Coleman	Johnson	Merriam	Setzepfandt	Willett
Davies	Kleinbaum	Milton	Sikorski	
Dieterich	Knoll	Nelson	Spear	
Engler	Laufenburger	Nichols	Staples	
Gearty	Lessard	Ogdahl	Strand	

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

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

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

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

The President declared a quorum present.

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

MEMBERS EXCUSED

Messrs. Chenoweth and Perpich were excused from this evening's Session. Mr. Peterson was excused from this evening's Session at 9:15 o'clock p.m.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

April 27, 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. No. 1072.

Sincerely,

Rudy Perpich, Governor

April 27, 1977

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

The Honorable Edward J. Gearty
President of the Senate

I have the honor to inform you that the following enrolled Act of the 1977 Session of the State Legislature has been received from the Office of the Governor and is deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S. F. No.	H. F. No.	Section Laws Chapter No.	Date Approved 1977	Date Filed 1977
1072		36	April 27	April 27

Sincerely,

Joan Anderson Growe,
Secretary of State

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Messrs. Purfeerst, Bernhagen, Nichols, Hanson and Wegener introduced—

S. F. No. 1472: A bill for an act relating to agriculture; requiring annual inspection of grain moisture measuring devices; providing for the certification of operators of grain moisture measuring devices; authorizing collection of fees; amending Minnesota Statutes 1976, Chapter 17B, by adding a section.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Schaaf, Peterson and Benedict introduced—

S. F. No. 1473: A bill for an act relating to the public safety; requiring the commissioner of public safety to promulgate a blood alcohol content chart; requiring the blood alcohol chart be reproduced on the Minnesota drivers license certificate, affixed to motor vehicles, and displayed in all on-sale and off-sale liquor establishments; amending Minnesota Statutes 1976, Chapters 169, 299A and 340, by adding sections; and Section 171.07, by adding a subdivision.

Referred to the Committee on General Legislation and Veterans Affairs.

Mr. Renneke introduced—

S. F. No. 1474: A bill for an act relating to agriculture; allowing sale of foliar fertilizers for noncommercial, research and experimental purposes; amending Minnesota Statutes 1976, Section 17.713, Subdivision 20, and by adding a subdivision.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Stokowski and Schaaf introduced—

S. F. No. 1475: A bill for an act relating to the city of Columbia Heights fire department relief association; establishment of paid and volunteer divisions and administration of each division; benefits and contributions; membership of certain fire personnel in the public employees' police and fire fund; amending Laws 1975, Chapter 424, Section 9; repealing Laws 1965, Chapter 605, Section 6; and Laws 1975, Chapter 424, Section 3.

Referred to the Committee on Governmental Operations.

Messrs. Knoll; Keefe, S.; Luther; Humphrey and Ogdahl introduced—

S. F. No. 1476: A bill for an act relating to natural resources; providing for shade tree disease control; providing guidelines for funding; establishing priority areas; providing for neighborhood participation; requiring technical assistance; providing for removal of diseased trees; providing a penalty; amending Minnesota Statutes 1976, Section 18.023, Subdivision 3a, and by adding subdivisions.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Luther, Willet, Dunn, Peterson and Hanson introduced—

S. F. No. 1477: A bill for an act relating to natural resources; acquisition, development, and maintenance of recreational sites

along designated canoe and boating routes; amending Minnesota Statutes 1976, Section 85.32, Subdivision 2.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Borden and Schaaf introduced—

S. F. No. 1478: A bill for an act relating to the Administrative Procedures Act; removing the exemptions from the rulemaking provisions for the corrections board and pardon board, the department of employment services, the director of mediation services, the workers compensation division in the department of labor and industry, the workers compensation court of appeals and the board of pardons; amending Minnesota Statutes 1976, Section 15.0411, Subdivision 2.

Referred to the Committee on Governmental Operations.

Messrs. Gearty, Coleman, Schaaf and Ashbach introduced—

S. F. No. 1479: A bill for an act relating to the operation of state government; providing for compensation of certain judges of the supreme and district court; amending Laws 1977, Chapter 35, Section 18.

Referred to the Committee on Governmental Operations.

REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

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

S. F. No. 1129: A bill for an act relating to state agencies; purchasing and furnishing goods and services; amending Minnesota Statutes 1976, Sections 16.02, Subdivisions 2, 13, 16, 19, and by adding a subdivision; 16.07, Subdivision 8, and by adding a subdivision; 16.72, Subdivision 2; 16.75, Subdivision 7; 16.80, Subdivision 1; and 327.51, Subdivisions 1 and 3, and by adding a subdivision.

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

Pages 2 and 3, strike Section 4

Pages 3 and 4, strike Sections 6 and 7

Page 5, line 15, after the stricken language insert "*color or*"

Page 5, line 16, strike "*division*" and insert "*bureau*"

Pages 5 to 8, strike Section 10

Page 8, after line 25, insert:

"Sec. 10. *This act is effective July 1, 1977.*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon insert "procedures used in"

Page 1, line 5, strike "16,"

Page 1, lines 5 and 6, strike "16.07, Subdivision 8, and by adding a subdivision;"

Page 1, lines 7 and 8, strike "16.80, Subdivision 1;"

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

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

S. F. No. 347: A bill for an act relating to interest; authorizing charges for open end credit sales; amending Minnesota Statutes 1976, Section 334.16, Subdivision 1.

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

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

Page 2, after line 12, insert:

"Subd. 1a. [COMPUTATION OF AVERAGE DAILY BALANCE.] If a plan, agreement or arrangement provides that if full payment is made within a certain time a finance charge will not be imposed, and if full payment is not made within that time, then the calculation of the average daily balance for the purpose of the limitation on rates imposed by subdivision 1, clause (b) shall be made by excluding from the daily balances the amount of each sale from the date of the sale until the last day of the regular billing cycle during which the sale was made. The portion of any balance arising from the sale of goods which are returned shall be excluded from the unpaid balance as of the date the goods are returned.

Subd. 2. [DEFINITIONS AND COMPUTATIONS.] The definitions and the provisions on computation of percentage rates in the Truth-In-Lending Act, Title I of the Consumer Credit Protection Act, P.L. 90-321, and in Regulation Z of the Board of Governors of the Federal Reserve System adopted pursuant thereto, 12 CFR 226, as in effect on ~~June 5, 1971~~ April 1, 1977, shall apply to the terms used in sections 334.16 to 334.18, and computations thereunder.

Sec. 2. Minnesota Statutes 1976, Chapter 334, is amended by adding a section to read:

[334.20] [DEFINITIONS.] *The definitions and provisions on computation of percentage rates in the Truth-In-Lending Act, Title I of the Consumer Credit Protection Act, P.L. 90-321, and*

in Regulation Z of the Board of Governors of the Federal Reserve System adopted pursuant thereto, 12 CFR 226, as in effect on April 1, 1977, shall apply to the terms used in sections 2 to 9 of this act.

Sec. 3. Minnesota Statutes 1976, Chapter 334, is amended by adding a section to read:

[334.21] [FINANCE CHARGES FOR OTHER THAN OPEN END CREDIT.] *Subdivision 1. The parties to a consumer credit sale other than a sale pursuant to an open end credit plan may lawfully agree to payment by the consumer of a maximum finance charge which may not exceed one and one-half percent per month on the unpaid balance of the amount financed.*

Subd. 2. For the purposes of this section:

(a) The finance charge may be calculated on the assumption that all scheduled payments will be made when due;

(b) The effect of prepayment is governed by the provisions on rebate upon prepayment under section 5 of this act; and

(c) The term of a consumer credit sale other than one pursuant to an open end credit plan commenced with the date the credit is granted or, if goods are delivered, services performed or proceeds of a loan paid ten days or more after that date, with the date of commencement of delivery or performance, differences in lengths of months are disregarded and a day may be counted as 1/30 of a month.

Subd. 3. Notwithstanding the provisions of subdivisions 1 and 2 of this section, a seller may contract for and receive a minimum finance charge of not more than \$10 with respect to a sale other than one pursuant to an open end credit plan.

Sec. 4. Minnesota Statutes 1976, Chapter 334, is amended by adding a section to read:

[334.22] [PREPAYMENT PENALTIES PROHIBITED.] *Subject to section 5 of this act, a buyer may prepay in full, or in any part, the unpaid balance of a consumer credit sale at any time without penalty.*

Sec. 5. Minnesota Statutes 1976, Chapter 334, is amended by adding a section to read:

[334.23] [REBATE ON PREPAYMENT.] *Subdivision 1. Unless otherwise authorized by statute, and upon prepayment in full of the unpaid balance of a precomputed consumer credit sale, refinancing or consolidation, an amount not less than the unearned portion of the finance charge calculated according to this section shall be rebated to the buyer; provided, however, that the seller may collect or retain a minimum charge of \$10, but in no event more than the finance charge contracted for. If the total of all rebates, refunds and credits to be paid to the buyer is less than \$1, no rebate need be made.*

Subd. 2. The unearned portion of the precomputed finance charge on consumer credit sales shall be at least as great a proportion of the time price differential as the sum of the periodic time balances after the month in which prepayment is made bears to the sum of all the periodic time balances under the schedule of payments in the original contract, which method of calculating rebates is commonly known as the "rule of 78" or "sum of the digits" method. When a rebate computed by this method results in a buyer having been charged an effective rate of interest in excess of that allowable under section 3 of this act, it shall not be a violation of law.

Subd. 3. Unless otherwise authorized by statute, the parties to a consumer credit sale other than one pursuant to an open end credit plan, may agree in writing at any time subsequent to the transaction to a deferral of all or part of any installments and an appropriate deferral charge which may not exceed one percent per month on the amount deferred. If prepayment in full is made on a transaction for which there was a prior agreement for a deferral and a deferral charge, the unearned portion of the finance charge shall be computed without regard to the deferral. The amount of deferral charge accumulated at the date of prepayment shall also be calculated. If the deferral charge accumulated is less than the deferral charge actually paid by the buyer, the difference shall be added to the unearned portion of the finance charge to be rebated to the buyer. If any part of a deferral charge has been accumulated but has not been paid, that part shall be subtracted from the unearned portion of the finance charge to be rebated to the buyer.

Subd. 4. In the absence of an agreement for deferral of any installment, as provided in subdivision 3, and if the contract between the seller and the buyer so provides, the seller may collect, or retain, in the event of prepayment, a delinquency charge with respect to any installment not paid in full within ten days after its due date, as originally scheduled or as deferred by agreement, up to a maximum amount which is five percent of the unpaid amount of the delinquent installments or \$5, whichever is less. A delinquency charge with respect to any single delinquent installment may be collected only once, however long the installment remains in default. A separate delinquency charge, as computed above, may be imposed with respect to each separate installment that is delinquent. A delinquency charge may not be collected on an installment paid in full within ten days after its scheduled or deferred installment due date even though an earlier maturing installment or a delinquency or deferral charge on an earlier installment has not been paid in full. For purposes of this subdivision, and in the absence of specific direction by the buyer to the contrary, a payment is applied first to any installment due and not delinquent at the time in which it is received and then to delinquent installments and charges. A delinquency charge may be collected at the time it accrues or at any time thereafter.

Subd. 5. Unless otherwise authorized by statute, if the maturity of the obligation is accelerated for any reason and judgment is obtained, the buyer is entitled to the same rebate as if payment

in full had been made on the date judgment is entered against the buyer excluding delinquency charges previously collected by the creditor.

Sec. 6. Minnesota Statutes 1976, Chapter 334, is amended by adding a section to read:

[334.24] [ASSIGNEES AND PURCHASERS.] *Any conditional sales contract, personal note or other instrument arising out of or given in connection with a consumer credit sale which reflects or bears a finance charge higher than allowed under sections 2 to 9 of this act, or higher than otherwise authorized by statute, may not be held in good faith by an assignee or purchaser of commercial or negotiable paper, and any assignee who acquires the instrument shall be liable for the penalties provided in section 8 of this act.*

Sec. 7. Minnesota Statutes 1976, Chapter 334, is amended by adding a section to read:

[334.25] [EFFECTIVE DATE AND PRIOR AGREEMENT.] *Sections 2 to 9 of this act are effective January 1, 1978, and anything herein contained shall not affect, invalidate or make unlawful consumer credit sales, transactions and contracts contracted for and entered into prior to January 1, 1978.*

Sec. 8. Minnesota Statutes 1976, Chapter 334, is amended by adding a section to read:

[334.26] [PENALTY.] *Any seller who violates any of the provisions of sections 2 to 7 of this act except as a bona fide error, shall forfeit to the buyer an amount which is equal to three times any finance charge imposed, charged or collected, in connection with a consumer credit sale, with a minimum forfeiture of \$100 plus reasonable attorneys' fees and court costs.*

Sec. 9. Minnesota Statutes 1976, Chapter 334, is amended by adding a section to read:

[334.27] [MOTOR VEHICLE RETAIL INSTALLMENT SALES ACT.] *Sections 2 to 8 of this act shall not apply to sales covered by sections 168.66 to 168.77, known as the motor vehicle retail installment sales act.*

Amend the title as follows:

Page 1, line 2, strike "authorizing" and insert "increasing permissible finance"

Page 1, line 3, after the semicolon insert "providing for maximum finance charges for closed end credit; providing a penalty,"

Page 1, line 4, strike "Subdivision 1" and insert "and Chapter 334, by adding sections"

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. 441: A bill for an act relating to the city of Minneapolis; benefits and administration of the municipal employees retirement fund; amending Minnesota Statutes 1976, Sections 422A.02; 422A.03, Subdivision 1; 422A.06, Subdivision 6; 422A.08, Subdivision 5; 422A.16, Subdivision 10, and by adding a subdivision; 422A.18, Subdivision 2; and 422A.23, Subdivision 7, 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. Minnesota Statutes 1976, Chapter 355, is amended by adding a section to read:

[355.302] [DEFINITIONS.] *Subdivision 1. For the purposes of sections 1 to 8 of this act, the terms defined in this section shall have the meanings ascribed to them.*

Subd. 2. "Enabling act" means sections 355.01 to 355.07.

Subd. 3. The terms "social security act", "state agency", "employment", "wages", "contribution fund", "Federal Insurance Contributions Act", and "political subdivision" mean as defined in the enabling act.

Subd. 4. "Municipal employee" means all officers and employees of political subdivisions who hold positions covered by the Minneapolis municipal employees retirement fund established under the provisions of Chapter 422A.

Sec. 2. Minnesota Statutes 1976, Chapter 355, is amended by adding a section to read:

[355.303] [REFERENDUM.] *Pursuant to the provisions of the enabling act the governor shall designate an agency or an individual to supervise a referendum to be held after May 1, 1979, in accordance with the provisions of section 218 (d) (6) (C) of the social security act, for municipal employees.*

Sec. 3. Minnesota Statutes 1976, Chapter 355, is amended by adding a section to read:

[355.304] [NOTICE OF REFERENDUM.] *The notice of referendum required by section 218 (d) of the social security act which is to be given to the municipal employees shall contain a statement in such form as the agency or individual designated to supervise the referendum shall deem necessary and sufficient to inform the municipal employees of the rights which accrue to them under the social security act. The statement shall also inform the municipal employees of the effect that coverage under the social security act will have on their public retirement program.*

Sec. 4. Minnesota Statutes 1976, Chapter 355, is amended by adding a section to read:

[355.305] [DIVISION OF THE MINNEAPOLIS MUNICIPAL EMPLOYEES RETIREMENT FUND.] *In accordance with*

section 218 (d) (6) (C) of the social security act, the state agency shall divide into two divisions or parts the Minneapolis municipal employees retirement fund established under the provisions of Minnesota Statutes, Chapter 422A. One division or part of the retirement fund shall be composed of positions of municipal employees who desire coverage under an agreement under section 218 (d) of the social security act. The other division or part of the retirement fund shall be composed of positions of municipal employees who do not desire coverage under such an agreement. Each division or part shall be deemed to be a separate retirement system for the purposes of section 218 (d) of the social security act. There shall be included in the division or part composed of members desiring such coverage the positions of municipal employees who become members of the Minneapolis municipal employees retirement fund after such coverage is extended; provided, a municipal employee whose service in a position covered by the retirement fund commences after the date on which such social security coverage is extended shall be deemed to become a member of the retirement fund upon the commencement of such service for purposes of this section, notwithstanding the date of any employment contract.

Sec. 5. Minnesota Statutes 1976, Chapter 355, is amended by adding a section to read:

[355.306] [TRANSFER OF MEMBERS.] *In accordance with section 218 (d) (6) (F) of the social security act, and when the Minneapolis municipal employees retirement fund is divided into two divisions or parts, the position of any member of the division or part composed of positions of municipal employees who do not desire coverage under an agreement under section 218 (d) of the social security act may be transferred to the separate retirement system composed of municipal employees who desire such coverage; and a modification of agreement between the state and the secretary of health, education, and welfare may so provide, but only if prior to such modification the individual occupying such position files with the state agency a written request for such transfer.*

Sec. 6. Minnesota Statutes 1976, Chapter 355, is amended by adding a section to read:

[355.307] [CERTIFICATION BY GOVERNOR.] *If the governor receives satisfactory evidence that the conditions specified in section 218 (d) (7) of the social security act have been met with respect to the Minneapolis municipal employees retirement fund, he shall so certify to the secretary of health, education, and welfare.*

Sec. 7. Minnesota Statutes 1976, Chapter 355, is amended by adding a section to read:

[355.308] [AGREEMENTS WITH FEDERAL AGENCY.] *Upon the governor's certification pursuant to section 6 of this act, the state agency, with the approval of the governor, shall be authorized after June 30, 1979, to enter into an agreement with the secretary of health, education, and welfare, or modify*

any such agreement previously made with respect to municipal employees. The agreement or modification shall contain such terms and provisions authorized by the social security act and the enabling act as the state agency finds proper.

Sec. 8. Minnesota Statutes 1976, Chapter 355, is amended by adding a section to read:

[355.309] [CONTRIBUTIONS.] *Subdivision 1. [EMPLOYER CONTRIBUTIONS.] Contributions required under the agreement or modification entered into pursuant to section 7 of this act to be made by political subdivisions employing municipal employees, and payments required by Minnesota Statutes, Section 355.49, which shall apply to political subdivisions employing municipal employees, shall be paid by the applicable political subdivision.*

Subd. 2. [EMPLOYEE CONTRIBUTIONS; DEDUCTION FROM WAGES.] After the date the agreement or modification is entered into pursuant to section 7 of this act, there shall be paid as a deduction from wages an employee contribution in an amount equal to the tax that would be imposed by the Federal Insurance Contribution Act if such service constituted employment within the meaning of that act. Contributions so made shall be paid into the contribution fund in partial discharge of the liability of the state and each political subdivision in respect thereto. Failure to deduct such contribution shall not relieve the employee or the state or the political subdivision of liability therefor.

Sec. 9. Minnesota Statutes 1976, Section 422A.01, is amended by adding a subdivision to read:

Subd. 14. "Service" for purposes of sections 20 to 27 of this act shall mean all service credited by the retirement board, irrespective of whether the employee was covered by the basic program or the coordinated program.

Sec. 10. Minnesota Statutes 1976, Section 422A.01, is amended by adding a subdivision to read:

Subd. 15. "Coordinated service" for purposes of sections 20 to 27 of this act shall mean service credited by the retirement board for which the employee was covered by the coordinated program.

Sec. 11. Minnesota Statutes 1976, Section 422A.01, is amended by adding a subdivision to read:

Subd. 16. "Coordinated employee" for purposes of sections 20 to 27 of this act shall mean any employee of the contributing class who is covered by any agreement or modification made between the state and the secretary of the federal department of health, education and welfare, making the provisions of the federal old age, survivors and disability insurance act applicable to such employees.

Sec. 12. Minnesota Statutes 1976, Section 422A.06, Subdivision 6, is amended to read:

Subd. 6. [SURVIVOR'S BENEFIT FUND.] The survivor's benefit fund shall consist of the amount held for survivor benefits, increased by contributions for survivor benefits made by and for employees, including contributions made by the employer, by any municipal activity supported in whole or in part by revenue other than taxes or by any public corporation, and by income on investments of such fund at the greatest multiple of one-tenth of one percent up to and including a maximum of the interest assumption rate provided for in subdivision 5. A proportionate share of income from investments shall be allocated to this fund. There shall be paid from such fund the survivor benefits specified in section 422A.23 except that the refund of net accumulated deductions from the salary of a contributing member shall upon his death in service be paid from the deposit accumulation fund.

Sec. 13. Minnesota Statutes 1976, Section 422A.08, Subdivision 2, is amended to read:

Subd. 2. Prior to August 31 of each year the retirement board shall prepare an itemized statement of its financial requirements from tax revenue for the succeeding fiscal year. A copy of the statement shall be submitted to the board of estimate and taxation and to the city council prior to September 15 of each year. This statement shall include:

(1) An estimate of the administrative expense of the board less:

(a) Such amount as the board may charge against the interest income account of the fund as cost of handling the investment securities of the fund.

(b) The cost of handling the retirement benefits of any city-owned public utility, improvement project, or other municipal activities supported in whole or in part by revenues other than taxes.

(c) The cost of handling the retirement benefits of any public corporation and its employees who have availed themselves of the provisions of sections 422A.01 to 422A.25.

(2) An estimated amount not to exceed $7\frac{1}{4}$ percent of the salaries and wages of all employees covered by the retirement fund less any amounts contributed for current cost of future retirement benefits by any city-owned public utility, improvement project, other municipal activities supported in whole or in part by revenues other than taxes, or any public corporation.

(3) The estimated amount to meet the requirements of section 422A.06, subdivision 3, less any amounts contributed for this purpose by any city-owned public utility, improvement project, other municipal activities supported in whole or in part by revenues other than taxes, or any public corporation.

(4) The cost of all monthly survivor's benefits provided in section 422A.23 as an obligation of the city and any of its boards, departments, commission or public corporations as therein pro-

vided, less any amounts contributed for this purpose by any city-owned public utility, improvement project, other municipal activities supported in whole or in part by revenues other than taxes, or any public corporation.

(5) Such other levies and financing as are required by law.

(6) The total of items 1, 2, and 3 above shall be increased or decreased as the case may be by any deficiency or excess of the amount of tax revenue actually collected within the preceding fiscal year under or over the amount actually determined to meet the financial requirements of the fund for such year. In no event shall the amount requested for levy exceed the total of entry age normal cost, less the amounts contributed by the employees, plus administrative expense, interest on the actuarial deficit at the rate of five percent per annum, an amount necessary to reduce the principal amount of the actuarial deficit in equal installments by the year ~~1997~~ 2017, plus interest upon any deficiency from the previous year's levy at the rate of four percent per annum. This limit does not apply to the requirements for survivors benefits provided in section 422A.23 nor to any levy which is administered by the retirement board pursuant to special act.

Sec 14. Minnesota Statutes 1976, Section 422A.08, Subdivision 5, is amended to read:

Subd. 5. Any contributor or retired employee who prior to entering the service of the city was an employee of a public corporation, shall be allowed credit in the retirement fund for employment by such public corporation in the same manner as though the service had been rendered to the city. Before receiving credit for service rendered to a public corporation as herein set forth, the contributing or retired employee shall make application therefor in writing to the retirement board, and shall contribute to the retirement fund the amount which would have been contributed had the employee been a contributing member of the fund during the time such service was rendered to the public corporation, plus ~~four~~ six percent compound interest to date of payment or date of retirement, such amount to be determined by the retirement board.

Sec. 15. Minnesota Statutes 1976, Section 422A.09, Subdivision 3, is amended to read:

Subd. 3. The exempt class shall consist of:

(1) Employees who are members of any other organization or association of the city on behalf of which a tax is levied by the city for the purpose of paying retirement allowances to disabled or superannuated employees.

(2) Persons filling elective position. Provided that any elective officer holding an elective city office, excepting judges of a municipal court, shall, upon written application to the retirement board, be entitled to become a member of the contributing class of the fund, and after becoming a contributor to the fund be entitled to all benefits conferred upon employees of the contribut-

ing class except retirement on a service allowance, which shall be granted only upon completion of ten or more years of service.

All retirement allowances shall be computed and determined as provided herein, except that in determining the number of years of service, credit shall be given for time served as an elective officer or employee, or member of an executive board or commission or any combination thereof. Persons who have served in elective positions which qualified them for membership in the fund prior to July 1, 1967, and who immediately thereafter hold elective office, first being appointed to that elective office in Hennepin county in which they served as an elected official, may retain or resume membership in the fund as an elective officer of the county. The county shall collect and pay to the retirement fund the employee contribution. The employer cost of allowances and benefits credited to an elected officer as set forth above shall be paid from the county revenue fund by the proper county officials upon certification of such costs by the retirement board in the same manner as prescribed in section 422A.08 for the payment of costs by public corporations. A tax shall be levied by Hennepin county to defray the cost of such retirement allowances which may be in addition to all other taxes levied by the county. Before receiving a retirement allowance, or any other benefit, any person who claims credit for service under this section shall contribute to the fund an amount equal to the amount of contributions to the fund which such person would have made had he been a contributor to the fund since the date he first became eligible for membership in the fund, in accordance with the method of contribution herein provided for, plus four percent compound interest.

(3) Persons serving without pay.

(4) Persons employed on a temporary basis, as laborers, door-keepers, ticket takers, and attendants at the municipal auditorium, park recreation facilities, or like activities, employed less than 1000 hours, or its equivalent if employed on any other basis than an hourly basis, in any calendar year from January 1 to December 31, inclusive, provided that employees who are contributing members of the fund on July 1, 1959 shall not be affected by the exclusions contained in this section.

(5) A person who is exempted from the contributing class by Minnesota Statutes 1974, Section 422A.09, Subdivision 3, Clauses (4) and (5), but who is employed by and paid, in whole or in part, by the city or any of its boards, departments, or commissions, operated as a department of the city government or independently, if financed in whole or in part by city funds, including any person employed by a public corporation as herein defined, and including any person employed by the Minneapolis school district, each of whom are not a member of any other retirement system, who later becomes a contributing member of the fund may elect to qualify such time for credit by paying into the fund an amount equal to the amount of contributions to the fund which such person would have made had he been a

contributor to the fund since the date he first qualified as an exempt member of the contributing class, in accordance with the method of contribution herein provided, plus four percent compound interest.

(6) Any person who is employed by the city or any of its boards, departments, commissions or a public corporation, as herein outlined, and is excluded from participation in the fund by paragraph (4) shall be separated from the service upon reaching the age of 65 regardless of the provisions of the veterans preference act.

Sec. 16. Minnesota Statutes 1976, Section 422A.16, is amended by adding a subdivision to read:

Subd. 3a. If a contributing member who has become permanently separated from the service of the city after 20 or more years of service as a contributing member, has at the time of separation allowed his or her contributions to the fund to remain on deposit, and has filed a written request with the board on prescribed forms, dies prior to the effective date of retirement as determined by the board, the board shall pay a monthly allowance for life to the surviving spouse of the employee, in lieu of the city credit referred to in section 422A.23. The monthly allowance herein provided for shall be the actuarial equivalent of a single life service allowance specified in section 422A.15, which would have been payable to the employee on the date of death, notwithstanding the age requirement stated therein. For purposes of this subdivision, the amount of excess contributions by the member shall not be included in determining the monthly allowance.

Sec. 17. Minnesota Statutes 1976, Section 422A.18, Subdivision 2, is amended to read:

Subd. 2. The amount of disability allowance under this section shall be the amount of service allowance to which the employee would be entitled under section 422A.15, notwithstanding the age requirements expressed therein; or the lesser of the following amounts: 50 percent of the final average compensation, or an amount equal to two percent of final average compensation for each year of allowable service for the first ten years, and thereafter 2.5 percent of final average compensation per year of allowable service, including in the latter assumed service between the date the disability occurred and the 60th birthday of the employee.

If, at the end of any fiscal year, interest is allocated to the disability benefit fund, at a rate greater than the rate specified in section 422A.06, subdivision 5, clause (a), the amount of any benefits payable from such fund that were in effect at the end of the previous fiscal year, shall be increased by the difference between the two rates of interest. If the amount of annuity payable from the Minnesota adjustable fixed benefit fund to any class of annuitants is adjusted pursuant to section 11.25, subdivision 12, the amount of benefits payable from the disability benefit fund for that class of annuitants shall also be adjusted at the same time and rate.

Sec. 18. Minnesota Statutes 1976, Section 422A.23, Subdivision 7, is amended to read:

Subd. 7. If the contributing member dies after having been in the service of the city 20 or more years, and before the effective date of retirement, as determined by the retirement board, such board shall pay a monthly allowance for life to the designated beneficiary of such employee ; providing such employee prior to the date of his death filed a written request therein with the board on forms provided by such board . The monthly allowance herein provided for shall be the actuarial equivalent of a single life service allowance specified in section 422A.15, which would have been payable to the employee on the date of his death, notwithstanding the age requirement stated therein. For purposes of this section, the amount of excess contributions by the member shall not be included in the calculations in determining the monthly allowance. Persons receiving survivor benefits pursuant to the provisions of this subdivision on the effective date of this act, shall receive an increase of 35 percent of the monthly benefits they are then receiving.

Sec. 19. Minnesota Statutes 1976, Section 422A.23, is amended by adding a subdivision to read:

Subd. 10. *If the amount of annuity payable from the Minnesota adjustable fixed benefit fund to any class of annuitants is adjusted pursuant to section 11.25, subdivision 12, the amount of benefits payable from the survivor's benefit fund pursuant to subdivisions 7 or 8 for that class of annuitants shall also be adjusted at the same time and rate.*

Sec. 20. Minnesota Statutes 1976, Chapter 422A, is amended by adding a section to read:

[422A.30] [MINNEAPOLIS MUNICIPAL EMPLOYEES RETIREMENT FUND COORDINATED PROGRAM.] *There shall be established effective July 1, 1979, a coordinated retirement program within the Minneapolis municipal employees retirement fund for employees of the contributing class who are covered by any agreement or modification made between the state and the secretary of health, education and welfare, making the provisions of the federal old age, survivors and disability insurance act applicable to such employees.*

Sec. 21. Minnesota Statutes 1976, Chapter 422A, is amended by adding a section to read:

[422A.31] [COORDINATED PROGRAM CONTRIBUTIONS.] *Subdivision 1. [EMPLOYEE CONTRIBUTIONS.] The employee contribution for a coordinated employee shall be an amount equal to four percent of total salary. These contributions shall be made by deduction from salary in the manner provided in section 422A.12, subdivision 1. Where any portion of a member's salary is paid from other than public funds, such member's employee contributions shall be based on the total salary received from all sources.*

Subd. 2. [EMPLOYER CONTRIBUTION.] The employer contribution shall be an amount equal to the employee contribution under subdivision 1. The contribution shall be made from funds available to the employer from the collection of taxes or other revenue.

Subd. 3. [EMPLOYER ADDITIONAL CONTRIBUTION.] An additional employer contribution shall be made in an amount equal to one and one-half percent of the total salary of each coordinated employer. The contribution shall be made from funds available to the employer from the collection of taxes or other revenue.

Subd. 4. [EMPLOYER FINANCING.] The estimated amount of the employer contributions required under subdivisions 2 and 3 shall be added to the itemized statement of the financial requirements of the retirement fund prepared pursuant to section 422A.-08, subdivision 2.

Sec. 22. Minnesota Statutes 1976, Chapter 422A, is amended by adding a section to read:

[422A.32] [COORDINATED RETIREMENT ANNUITY.] *Subdivision 1. [UNREDUCED RETIREMENT ANNUITY.] Upon separation from service, any coordinated employee who has attained the age of at least 65 years and who has received credit for not less than ten years of service is entitled upon application to a retirement annuity, which shall be known as the normal coordinated retirement annuity. Upon separation from service, any coordinated employee who has attained the age of at least 62 years and who has received credit for not less than 30 years of service is entitled upon application to a retirement annuity equal to the normal coordinated retirement annuity without any reduction in annuity by reason of early retirement.*

Subd. 2. [REDUCED RETIREMENT ANNUITY.] Upon separation from service, any coordinated employee who has attained the age of at least 55 years and who has received credit for not less than 10 years of service, or who has received credit for not less than 30 years of service regardless of age, is entitled upon application to a retirement annuity in an amount equal to the normal coordinated retirement annuity reduced by one-half of one percent for each month that a coordinated employee is under age 65 to and including age 60 and reduced by one fourth of one percent for each month under age 60 at the time of retirement; provided however that for any coordinated employee who has received credit for 30 or more years of service who applies for a retirement annuity, such reduction shall be applied for each month that the coordinated employee is under age 62 at the time of retirement.

Subd. 3. [AVERAGE SALARY.] Average salary for purposes of calculating the normal coordinated retirement annuity pursuant to subdivision 4 shall mean the arithmetic average annual salary, wages or compensation upon which contributions have been made for any five calendar years out of the last ten calendar years of

service, which may include the year in which the coordinated employee retires, as selected by the coordinated employee.

Subd. 4. [COORDINATED RETIREMENT ANNUITY FORMULA.] The average salary multiplied by one percent for each year of coordinated service for the first ten years and thereafter by 1.5 percent per year of coordinated service and completed months less than a full year shall determine the amount of the normal coordinated retirement annuity.

Subd. 5. [RETIREMENT BEFORE ELIGIBILITY FOR SOCIAL SECURITY BENEFITS.] Any coordinated employee who retires before becoming eligible for social security benefits may elect to receive a retirement annuity from the fund in an amount greater than the annuity computed on the basis of age at retirement provided in subdivision 4. This option shall be exercised by making application to the board of trustees. This greater amount shall be the actuarial equivalent of the normal coordinated retirement annuity computed on the basis of age at retirement. This greater amount shall be paid until the annuitant reaches the age of 62, at which time the payment from the association shall be reduced. The method of computing an annuity under this subdivision shall be determined by an approved actuary.

Sec. 23. Minnesota Statutes 1976, Chapter 422A, is amended by adding a section to read:

[422A.33] [REFUNDS AFTER DEATH OF ACTIVE OR FORMER EMPLOYEE.] Subdivision 1. **[SURVIVOR BENEFITS.]** Except as provided in subdivisions 2, 3, 4 and 5, and section 25, subdivision 3 of this act, there shall be no survivor benefits payable to the surviving spouse or dependent child or children of any deceased coordinated employee from the fund.

Subd. 2. [DEATH BEFORE RETIREMENT; REFUND.] If a coordinated employee or former coordinated employee dies prior to retirement or prior to receipt of any retirement annuity or other payment which is or may be payable, a refund shall be paid to his designated beneficiary, or if there is none, to his surviving spouse, or, if none, to the legal representative of his estate. The refund shall be in an amount equal to the coordinated employees' accumulated contributions plus interest as provided in section 422A.12, less the sum of any benefits that may have been paid by the fund.

Subd. 3. [SURVIVOR SPOUSE OPTIONAL ANNUITY.] If a coordinated employee who has attained the age of at least 55 years and has credit for not less than 20 years of service dies before service has terminated, or if a coordinated employee who has filed a valid application for an annuity or disability benefit prior to termination of public service dies before the annuity or benefit has become payable, notwithstanding any designation of beneficiary to the contrary, the surviving spouse may elect to receive, in lieu of a refund with interest provided in subdivision 2, an annuity equal to an option III annuity pursuant to section 422A.17 which the member could have qualified for on the date of death

computed pursuant to section 22 of this act. The annuity shall cease with the last payment received by the surviving spouse in his or her lifetime. An amount equal to the excess, if any, of the accumulated contributions which were credited to the account of the deceased coordinated employee over and above the total of the annuities paid or payable to the surviving spouse shall be paid to the deceased coordinated employee's last designated beneficiary or, if none, to the legal representative of the estate of the deceased employee. Any coordinated employee may request in writing that this subdivision not apply and that payment be made only to the designated beneficiary as otherwise provided in this chapter.

Subd. 4. [DEATH AFTER RETIREMENT; REFUND.] If a former coordinated employee dies after retirement and no payment of any kind is or may become payable to any person, including any deferred benefit or annuity, there shall be paid to the same succession of payees set forth in subdivision 2, a refund of his accumulated deductions, less the total payments of all kinds made by the fund to the former coordinated employee during his lifetime or to any authorized person after his death, without interest.

Subd. 5. [OPTIONAL SURVIVOR ANNUITY CASES; DESIGNATED BENEFICIARY.] If a former coordinated employee selected an optional annuity by the terms of which an optional survivor's annuity was paid to a survivor after his death, upon the death of the survivor there shall be paid to the former coordinated employee's designated beneficiary a refund of his accumulated deductions less the total payments of all kinds made by the fund to the former coordinated employee during his lifetime or to any authorized person after his death. If said beneficiary should die before making application for such refund, the same shall be paid to the legal representative of the estate of the former coordinated employee.

Sec. 24. Minnesota Statutes 1976, Chapter 422A, is amended by adding a section to read:

[422A.34] [TOTAL AND PERMANENT DISABILITY BENEFITS.] **Subdivision 1. [AGE, SERVICE AND SALARY REQUIREMENTS.]** Any coordinated employee who becomes totally and permanently disabled with ten years of service before age 50 or with five years of service after age 50, but before age 65, shall be entitled to a disability benefit in an amount provided in subdivision 3. If such disabled coordinated employee's service has terminated at any time, at least five years of service are required to have been rendered since last becoming an employee of the contributing class. A coordinated employee whose average salary is less than \$75 per month shall not be entitled to a disability benefit.

Subd. 2. [APPLICATIONS AND DETERMINATION OF DISABILITY.] The application for disability benefits by a coordinated employee under this section shall be made in accordance with the provisions of section 422A.14. The determination of disability shall be made pursuant to section 422A.18.

Subd. 3. [COMPUTATION OF BENEFITS.] A coordinated employee's total and permanent disability benefit shall be an amount equal to the normal retirement annuity payable to the coordinated employee pursuant to section 22 of this act based on service credited to the date of disability notwithstanding the age and service requirements specified in that section.

Sec. 25. Minnesota Statutes 1976, Chapter 422A, is amended by adding a section to read:

[422A.35] [COMPUTATION OF BENEFITS WITH PARTIAL SERVICE AS COORDINATED EMPLOYEE.] *Subdivision 1. [RETIREMENT BENEFITS.] Any coordinated employee who has credited service prior to July 1, 1979 shall be entitled to receive a retirement allowance when otherwise qualified, the calculation of which shall utilize the formula specified in section 422A.15 for that portion of credited service which was served prior to July 1, 1979 and the formula specified in section 22 of this act for the remainder of credited service, both applied to the average salary as specified in section 22, subdivision 3, of this act. The formula percentages to be used in calculating the coordinated portion of a retirement allowance on coordinated service under this section shall recognize the coordinated service as a continuation of any service prior to July 1, 1979.*

Subd. 2. [DISABILITY BENEFITS.] Any coordinated employee who has service prior to July 1, 1979, and who has or would otherwise have sufficient credited service prior to January 1, 1984, to meet the minimum service requirements for a disability benefit under section 422A.18 shall retain eligibility to apply when otherwise qualified for that disability benefit in lieu of the disability benefit provided by section 24 of this act until July 1, 1983, notwithstanding coverage by the coordinated program.

Subd. 3. [SURVIVOR BENEFITS.] The surviving spouse, or if there is no surviving spouse, the guardian of any surviving children of any coordinated employee who had credited service prior to July 1, 1979 and who has or would otherwise have sufficient credited service prior to December 31, 1980, to meet the minimum service requirements for survivor benefits under section 422A.23 shall retain eligibility to apply when otherwise qualified for those survivor benefits in lieu of the survivor benefits provided by section 23 of this act until January 1, 1981, notwithstanding coverage by the coordinated program.

Sec. 26. Minnesota Statutes 1976, Chapter 422A, is amended by adding a section to read:

[422A.39] [ADMINISTRATION OF COORDINATED PROGRAM.] *Subdivision 1. [ADMINISTRATIVE PROVISIONS.] The provisions of section 422A.01 to 422A.25 relating to the administration of the fund shall govern the administration of the coordinated program in all instances where not inconsistent with the provisions of sections 20 to 27 of this act, including but not limited to, provisions relating to deferred annuities and refunds*

of employee contributions to members upon termination of active service. The employee contributions, employer contributions and other amounts authorized by law attributable to the coordinated program including all employee and employer contributions of members transferred to the coordinated program shall be deposited in the deposit accumulation fund, and no portion shall be deposited in the survivor benefit fund or disability benefit fund.

Subd. 2. [ACTUARIAL VALUATIONS.] Whenever the Minneapolis municipal employees retirement fund shall make an actuarial valuation after July 1, 1979 as required by section 356.215, it shall include a finding of the condition of the fund showing separately the basic and coordinated programs and indicating the level normal cost, accrued liability, assets, unfunded accrued liability, contribution required to meet the interest at the assumed rate on the unfunded accrued liability, and the contribution required to amortize the unfunded accrued liability by the date specified in section 356.215, subdivision 4, clause (7), and by the year 2017 for each program.

Sec. 27. [EFFECTIVE DATE.] This act is effective July 1, 1977."

Further, amend the title as follows:

Page 1, line 2, strike "benefits and" and insert "miscellaneous amendments; establishment of a coordinated program; amending Minnesota Statutes 1976, Sections 422A.01, by adding subdivisions; 422A.06, Subdivision 6; 422A.08, Subdivisions 2 and 5; 422A.09, Subdivision 3; 422A.16, by adding a subdivision; 422A.18, Subdivision 2; 422A.23, Subdivision 7; 422A.23, by adding a subdivision; Chapter 355, by adding sections; and Chapter 422A, by adding sections."

Page 1, strike lines 3 through 9

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. 1065: A bill for an act relating to public employees retirement association; authorizing the acquisition of real estate and the construction of a building thereon; authorizing a lease with the state and specifying minimum rents; appropriating money.

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

Page 2, line 26, after "state" insert "no later than June 30, 1978,"

Page 2, line 28, strike "the executive secretary of"

Page 2, line 30, after "equal to" insert "the greater of (1) the mean average annual rate of return earned by moneys invested by the board of investment on behalf of the public employees retirement association over the five years ending June 30, 1976, or (2)"

Page 3, line 9, strike "city"

Page 3, line 10, strike "of St. Paul" and insert "metropolitan area"

Page 3, strike line 20 and insert "at the end of which time the state may purchase the building for a nominal charge of one dollar or negotiate a new lease for a term not to exceed 50 years"

Page 3, line 21, strike "commissioner"

Page 3, line 28, strike "The lease may allow the"

Page 3, strike line 29 and insert "The state may purchase the building at any time during a lease period"

Page 4, line 2, strike "executive"

Page 4, line 3, strike "secretary of the"

Page 4, line 3, strike "determined" and insert "determines"

Page 4, line 5, after "than" insert "the greater of (1) the mean average annual rate of return earned by moneys invested by the board of investment on behalf of the public employees retirement association over the five years ending June 30 of the year preceding the July 1 modification date, or (2)"

Page 4, line 24, strike "city of St." and insert "metropolitan area"

Page 4, line 25, strike "Paul"

Page 5, line 13, strike "invested in the building" and insert "used"

Page 5, line 14, after "association" insert "for all costs to be incurred in connection with the acquisition of real estate and the design and construction of the building and related facilities as provided for in this act"

Page 5, line 14, after the period insert:

"A building to be constructed pursuant to this act may not be located in the area bounded by Aurora Avenue, Cedar Street, 12th Street, and John Ireland Boulevard."

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

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

H. F. No. 439: A bill for an act relating to agriculture; regulating the use of the name "Minnesota Farmstead Cheese"; amending Minnesota Statutes 1976, Section 28A.08.

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

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

H. F. No. 107: A bill for an act relating to state property; authorizing the conveyance of certain state property in Sherburne county to the city of St. Cloud, Minnesota.

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

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

H. F. No. 140: A bill for an act relating to natural resources; imposing limits on the issuance of licenses for commercial fishing on Lake Superior; providing maximum amounts of gill net to be licensed in Lake Superior; amending Minnesota Statutes 1976, Sections 98.46, Subdivision 12; and 102.28, Subdivision 4.

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

Page 2, line 3, after *"who"* insert *" , except as herein provided"*

Page 2, line 21, strike *"over"* and insert *"at least ten of"*

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

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

H. F. No. 105: A bill for an act relating to the eastern timber wolf; urging the Secretary of the Interior to return management control of the eastern timber wolf to the state of Minnesota.

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

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

S. F. No. 1095: A bill for an act relating to the organization of state government; creating a fire service education and research advisory council in the department of public safety; superseding an executive order agency.

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

Page 1, line 9, strike *"EDUCATION AND RESEARCH"* and insert *"PREVENTION AND CONTROL"*

Page 1, line 10, strike *"education and research"* and insert *"prevention and control"*

Page 1, line 17, strike "education and research" and insert "prevention and control. Up to six employees of state agencies interested in this subject area may be appointed by the commissioner to serve as ex-officio, non-voting members"

Page 1, line 21, strike "on matters relating to fire"

Page 1, strike line 22

Page 2, line 1, strike "commissioner, the council shall advise" and insert "and"

Page 2, line 3, strike "service" and insert "protection"

Page 2, line 3, after the comma insert "fire prevention and control,"

Page 2, line 5, after "service" insert "and the general public"

Page 2, lines 6 and 7, strike ", upon request of the commissioner,"

Page 2, line 9, after the period insert "The council shall serve as liaison between the state and the national fire prevention and control administration."

Page 2, after line 20, insert:

"Sec. 3. There is appropriated from the general fund to the commissioner of public safety for purposes of this act the sum of \$25,000 for the year beginning July 1, 1977, and \$25,000 for the year beginning July 1, 1978."

Renumber the remaining section

Amend the title as follows:

Line 3, strike "education and research" and insert "prevention and control"

Line 5, after "agency" insert "; appropriating money"

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

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

H. F. No. 1510 for comparison to companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
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H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
1510	1452				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 1510 be amended as follows:

Delete page 2, line 4 to page 25, line 6 and insert

"Sec. 2. DEPARTMENT OF EDUCATION

Approved Complement—475.6

Subdivision 1. General Academic and Related Services

1,563,570 1,580,197

(a) Salaries, Supplies, and Expenses

1978 1979

\$1,463,570 \$1,480,197

(b) Microfilming of teacher certification files

\$100,000 \$100,000

Any unexpended balance remaining in (b) in the first year shall not cancel, but shall be available for the second year of the biennium.

Of the amount provided by this subdivision, \$15,676 in 1978 and \$15,739 in 1979 is appropriated from the trunk highway fund.

Subd. 2. Vocational Technical Instruction and Related Services

667,522 649,545

(a) Salaries, Supplies, and Expenses

\$647,522 \$649,545

(b) Revolving fund for on-the-job training program

\$20,000

For the purpose of acting as the state approving agency, as authorized by 38 U.S.C. Chapter 36. All funds received from the federal government for this purpose shall be deposited in the fund and are hereby reappropriated for that purpose.

Subd. 3. Special and Compensatory Instruction and Related Services

4,856,147 4,825,102

(a) Salaries, Supplies and Expenses

\$4,356,147 \$4,325,102

Of the amount provided, \$97,540 in 1978 and \$20,720 in 1979 is for repairs and equipment for Faribault Deaf and Braille Schools and the Regional Library for the Blind. Any unexpended balance remaining for this purpose in the first year shall not cancel, but shall be available for the second year of the biennium.

(b) Claims, Grants, and Shared Revenue
Indian Scholarships

\$500,000 \$500,000

Any unexpended balance remaining in (b) in the first year shall not cancel but shall be available for the second year of the biennium.

Subd. 4. Education Planning and Development

Salaries, Supplies, and Expenses	556,855	558,527
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Subd. 5. School Management and Services

6,235,913	4,949,104
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(a) Salaries, Supplies, and Expenses

\$1,685,913 \$1,359,175

\$331,926 in 1978 and \$9,125 in 1979 is for conversion of the Department's Management Information System. Any unexpended balance remaining for this purpose in the first year shall not cancel but shall be available for the second year of the biennium.

(b) Claims, Grants, and Shared Revenue

\$4,550,000 \$3,589,929

\$175,000 in 1978 is for Uniform Financing Accounting Reporting System (UFARS) regional staff.

\$1,683,000 in 1978 and \$729,000 in 1979 is for support of regional management information centers.

\$2,692,000 in 1978 and \$2,860,929 in 1979 is for salaries and expenses of the Minnesota education computing consortium.

The department shall charge MECC users for on-line computer time actually used, such receipts shall be deposited in the Minnesota educational computing consortium account, and are reappropriated to the Minnesota educational computing consortium.

The department of education in consultation with MECC shall submit to the chairman of house appropriations and the chairman of senate finance no later than July 15 and December 31 of each

year a progress report, proposed plans, and expenditures.

Any unexpended balance remaining in (b) in the first year shall not cancel but shall be available for the second year of the biennium.

Subd. 6. Auxiliary and General Support Services

Salaries, Supplies, and Expenses	1,644,350	1,681,354
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Subd. 7. Public Library Services and Inter-Library Cooperation	2,397,518	2,466,509
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(a) Salaries, Supplies, and Expenses

\$357,775	\$357,152
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(b) Claims, Grants, and Shared Revenue

\$2,039,743	\$2,109,357
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Any unexpended balance remaining in (b) in the first year shall not cancel but shall be available for the second year of the biennium.

To qualify for the state library grant herein authorized, local levies for libraries shall not be less than the library levies in effect January 1, 1977.

This appropriation is limited to operating purposes only.

Sec. 3. HIGHER EDUCATION COORDINATING BOARD

Subdivision 1. Salaries and Expenses . .	837,487	846,441
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This appropriation includes money for the administration of the state scholarship, state grant-in-aid, student loan, budget review program review, and private college contracts.

Subd. 2. MOIS Revolving Fund	50,000
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There is established in the state treasury a Minnesota occupational information system revolving fund. The board shall charge MOIS users for services provided them. Receipts shall be deposited in the MOIS revolving fund, and are appropriated to the board for the purposes of the Minnesota occupational information system.

Subd. 3. State Scholarship Program .	7,589,033	9,163,951
Subd. 4. State Grant-In-Aid Program.	12,604,969	15,665,971
Subd. 5. Work Study Program	1,250,000	1,250,000
Subd. 6. Foreign Student Loans	80,000	80,000
Subd. 7. Minitex Library Program ...	400,000	425,000
Subd. 8. Private College Contracts ..	4,194,950	4,562,450
Subd. 9. Regional Coordination and Service	189,071	197,148

Subd. 10. Any unexpended balance remaining the first year in subdivisions 1, 3, 4, 5, 7, 8, and 9 shall not cancel but shall be available for the second year of the biennium.

Subd. 11. Medical Student Loan Reserve	30,000	30,000
Subd. 12. Education of Dependents ..	10,000	10,000

Sec. 4. STATE UNIVERSITY BOARD

Subdivision 1. Maintenance and Equipment	61,258,374	60,971,544
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The amounts appropriated in subdivisions 1 and 2 include a sum in each year for recruitment of unclassified staff.

Subd. 2. State University Board Contingent	750,000	
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Any unexpended balance remaining in the first year shall not cancel but shall be available for the second year of the biennium.

This appropriation shall be expended with the approval of the governor after consultation with the legislative advisory commission as provided by Minnesota Statutes, Section 3.30.

Subd. 3. Student Loans—State Matching	175,000	175,000
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This appropriation shall be used as the state's matching share for any federal student aid or loan program.

Any unexpended balance remaining in the first year shall not cancel but shall be available for the second year of the biennium. No portion of the appropria-

tion shall be used to defray obligations incurred prior to July 1, 1977.

Subd. 4. Repairs and Betterments. . . . 808,868 864,666

Any unexpended balance remaining in the first year shall not cancel but shall be available for the second year of the biennium.

Subd. 5. The board shall submit a report to the 71st session of the legislature as to the use of all money exempt from budgetary control by the commissioner of finance pursuant to Minnesota Statutes, Sections 136.11, Subdivision 5; 136.144; and 136.37.

Subd. 6. Notwithstanding the provisions of any law to the contrary, the state university board may provide for the orderly replacement of aircraft. An equipment suspense account shall be established by the commissioner of finance within the general fund. All receipts that are attributable to the operation or use of aircraft are reappropriated to the state university board. These receipts, or a portion thereof as may be designated by the board, shall be credited to the equipment suspense account. Any balance in this account shall not cancel at the end of a fiscal year but shall remain available for transfer at the request of the board to its maintenance and equipment account.

Sec. 5. STATE COMMUNITY COLLEGE BOARD

Subdivision 1. 27,688,878 27,657,367

This appropriation is for maintenance and equipment of the state community college board and the state community colleges. The state community colleges are encouraged to use off-campus courses to extend the benefits of this appropriation to as many Minnesota residents as possible.

Subd. 2. Occupational Program Development 300,000

Prior to use of this appropriation the chancellor of the community college system shall submit the proposed program and expenditures for review by the chair-

men of the house appropriations and senate finance committees.

Any unexpended balance remaining in the first year shall not cancel but shall be available for the second year of the biennium.

Subd. 3. St. Paul Learning Center	50,000	50,000
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Any unexpended balance remaining in the first year shall not cancel but shall be available for the second year of the biennium.

The board shall report to the committee on finance of the senate and the committee on appropriations of the house of representatives by March 1, 1978 for the first year and January 1, 1979 for the second year on the use of the money in this appropriation.

Subd. 4. Student Loan Program—

State Matching	85,000	90,000
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This appropriation shall be used as the state's matching share for any federal student aid or loan programs.

Any unexpended balance remaining in the first year shall not cancel but shall be available for the second year of the biennium.

Subd. 5. State Community College Board Contingent	300,000	
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Any unexpended balances remaining in the first year shall not cancel but shall be available for the second year of the biennium.

This appropriation shall be expended with the approval of the governor after consultation with the legislative advisory commission, as provided by Minnesota Statutes, Section 3.30.

Subd. 6. Repairs and Betterments	363,431	374,760
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Any unexpended balance remaining in the first year shall not cancel but shall be available for the second year of the biennium.

Subd. 7. Special Assessments	235,215	
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Sec. 6. UNIVERSITY OF MINNESOTA

Subdivision 1. Operations and Maintenance	149,621,674	154,803,574
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These appropriations are made from:

(a) Income derived from investment of the permanent university fund, which is appropriated to the university as provided in Minnesota Statutes, Section 137.022. It is estimated that this income will not exceed \$2,500,000 for the first year and \$2,500,000 for the second year; and

(b) The general fund. It is estimated that the amount required from the general fund will be at least \$147,121,674 for the first year and \$152,303,574 for the second year.

On October 1, 1978 and 1979 the president of the university of Minnesota shall furnish the house appropriations and senate finance committees and the commissioner of finance the following information:

(1) The total amount of receipts during the fiscal year 1978 from all sources in excess of \$68,873,103 and during the fiscal year 1979 from all sources in excess of \$72,718,695;

(2) The sources of these receipts; and

(3) The purposes for which any excess receipts were expended and accounts to which transferred.

The board of regents shall certify to the commissioner of finance at the end of each quarter the amount of earnings derived from the investment of the permanent university fund.

If this income during any fiscal year exceeds the amounts stated in (a) above, the amount payable from the general fund shall be reduced accordingly.

In preparing the university's legislative budget request for the 1979-1981 biennium, all projected income from student tuition shall be based on a charge per credit hour schedule.

Subd. 2. Equipment Replacement ..	500,000	500,000
Subd. 3. Student Loans—State Matching	250,000	250,000

This appropriation shall be used as the state's matching share for any federal student aid or loan program. Any unexpended balance remaining in the first year shall not cancel but shall be available for the second year of the biennium.

Subd. 4. Library Supplement	1,186,300	1,477,600
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Subd. 5. Intercollegiate Athletics	594,400	660,200
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This appropriation shall be used only for the support of a women's intercollegiate athletic program.

Subd. 6. Summer School Tuition and Continuing Education Supplement	772,521	772,521
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The board of regents shall expend this money to equalize tuition rates among undergraduate students for regular session, summer session and extension programs in order to facilitate to the maximum the use of campus units, buildings and staff.

Subd. 7. Graduate Residency Program	2,967,128	2,967,128
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All hospitals receiving any portion of this appropriation shall furnish the house appropriations and senate finance committees with a full report no later than March 1, 1978, of all actual and reasonable costs resulting from graduate family practice residency education, and all fees and income to the hospital generated by the graduate residents in family practice and the purposes for which this money was expended. Expenditures from this appropriation shall be made only for activities directly related to the training of doctors in family practice.

Subd. 8. Medical Services and Instruction	1,126,802	1,126,802
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This appropriation includes money for the rural health physicians' associate program, drug abuse information and education, and allied health-nurse-clinician generalist program.

Subd. 9. Health Sciences Contingent .	3,563,126	
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Portions of all of the above appropriation shall become available upon submission of required documentation that federal

health sciences capitation funds have been reduced or phased out. All requests shall be reviewed by the chairman of the house appropriations and senate finance committees whose recommendations shall be advisory only. Failure to make a recommendation promptly shall be deemed a negative recommendation.

Subd. 10. Duluth Campus

(a) Basic Sciences Program for Medical Training	1,681,166	1,895,433
(b) Dental Hygiene Program	199,156	199,156
(c) Graduate School of Social Work ...	378,594	378,594

Subd. 11. Special—Academic, Civil Service Salary and Fringe adjustments...	2,050,893	2,765,534
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Sec. 7. UNIVERSITY OF MINNESOTA; RESEARCH

Subdivision 1. General Research	1,443,840	1,503,040
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This appropriation is, as the board of regents may direct, for general research, business and economic research including Duluth, training for careers in fire prevention and protection, center for urban and regional affairs, museum of natural history, and juvenile justice seminar.

Subd. 2. General Agricultural Research	6,027,964	6,027,964
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This appropriation includes money for research on aquatic plants (including wild rice), soybeans, avian disease, corn improvement and irrigation.

Subd. 3. Hormel Institute—Austin...	110,000	110,000
To support the operation of the institute and to promote research by the institute.		

Subd. 4. Medical Research	1,203,524	1,233,524
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Subd. 5. Veterinary Diagnostic Laboratory and Teaching Hospital	636,203	636,203
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Subd. 6. Geological Survey	427,514	427,514
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Subd. 7. Lake Superior Basin Studies.	56,136	56,136
The university shall submit a progress report to the 1979 legislature.		

Subd. 8. Freshwater Biological Research Institute	154,209	154,209
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Sec. 8. UNIVERSITY OF MINNESOTA; COMMUNITY SERVICES

Subdivision 1. Agricultural Extension Service

5,450,000 5,450,000

This appropriation includes money for agriculture extension work, county agricultural agents, home demonstration and 4-H club work, and soil conservation. Any salary increases granted by the university to personnel paid from this appropriation shall not result in a reduction of the county portion of the salary payments.

This appropriation includes money each year for the potato and sugar beet extension program in the Red River Valley, contingent on an equal amount being provided by the state of North Dakota.

Subd. 2. For State's Share of Expenses of County Indigent Patients

2,110,000 2,110,000

Subd. 3. Special Hospitals, Community Service, and Educational Offset

5,205,846 5,205,846

Fees for service furnished to counties and individuals under this program shall be sought to augment the money appropriated; the fees are appropriated to the university hospitals.

Subd. 4. Industrial Relations Education Program

343,698 343,698

This appropriation includes money for short courses, programs, and seminars for labor and management.

Sec. 9. MAYO MEDICAL SCHOOL ..

1,184,000 1,208,000

The state of Minnesota shall pay a capitation of \$8,000 for each student who is a resident of Minnesota for a maximum of 40 such students in each class.

Sec. 10. WORKERS' COMPENSATION

For 1977—\$108,971

To be transferred by the commissioner of finance to the department of labor and industry compensation revolving fund, in payment of obligations incurred by the following agencies in the amounts as indicated:

Community College Board 10,716

State University Board 98,255

Sec. 11. UNEMPLOYMENT COMPENSATION

For 1977—\$350,306

To the commissioner of finance for transfer to the unemployment compensation fund in reimbursement for unemployment compensation benefits paid to former employees of the following agencies in the amounts as indicated:

Community College System	63,007
State University Board	285,955
Higher Education Coordinating Board	1,344"

Further, amend the title as follows:

Line 8, delete the semicolon and insert a period

Delete lines 9 to 14

And when so amended, H. F. No. 1510 will be identical to S. F. No. 1452 and further recommends that H. F. No. 1510 be given its second reading and substituted for S. F. No. 1452 and that the Senate File be indefinitely postponed.

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

SECOND READING OF SENATE BILLS

S. F. Nos. 1129, 347, 441 and 1065 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

SECOND READING OF HOUSE BILLS

H. F. No. 1510 was read the second time.

H. F. Nos. 439, 107, 140 and 105 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

MOTIONS AND RESOLUTIONS

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved to take up the Senate Calendar. The motion prevailed.

THIRD READING OF SENATE BILLS

S. F. No. 664: A bill for an act relating to state government; changing the duties of the legislative commission on Minnesota resources; eliminating certain conservation work projects and land acquisition programs; amending Minnesota Statutes 1976, Sec-

tions 86.06; 86.08, Subdivision 2; 86.10, Subdivision 1; and 86.53; repealing Minnesota Statutes 1976, Sections 86.07, Subdivision 2; 86.11, Subdivisions 1, 2, 4, 7, 8 and 9; 86.31; 86.32; 86.33; 86.34; 86.35; 86.41; 86.42; and 86.51.

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 39 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gunderson	Lessard	Penny	Staples
Benedict	Hanson	Lewis	Peterson	Strand
Chmielewski	Hughes	Menning	Purfeerst	Stumpf
Coleman	Humphrey	Merriam	Schaaf	Tennessen
Davies	Johnson	Milton	Schmitz	Vega
Dieterich	Kleinbaum	Nelson	Setzepfandt	Wegener
Engler	Knoll	Nichols	Sikorski	Willet
Gearty	Laufenburger	Ogdahl	Spear	

So the bill passed and its title was agreed to.

S. F. No. 233: A bill for an act relating to education; requiring the accreditation of Montessori schools; providing for the approval of accrediting authorities by the commissioner of education.

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 37 and nays 4, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Laufenburger	Nichols	Stumpf
Benedict	Gunderson	Lessard	Ogdahl	Tennessen
Borden	Hanson	Lewis	Peterson	Vega
Chmielewski	Hughes	Luther	Purfeerst	Wegener
Coleman	Humphrey	McCutcheon	Schaaf	Willet
Davies	Johnson	Menning	Schmitz	
Dieterich	Kleinbaum	Merriam	Spear	
Engler	Knoll	Nelson	Staples	

Messrs. Milton, Penny, Setzepfandt and Strand voted in the negative.

So the bill passed and its title was agreed to.

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved to take up the Consent Calendar. The motion prevailed.

CONSENT CALENDAR

S. F. No. 288: A bill for act relating to state parks; providing for cooperative agricultural leases of property acquired by the state within state parks; amending Minnesota Statutes 1976, Chapter 85, by adding a section.

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 42 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Hanson	Lewis	Penny	Strand
Benedict	Hughes	Luther	Peterson	Stumpf
Borden	Humphrey	McCutcheon	Purfeerst	Tennessen
Chmielewski	Johnson	Menning	Schaaf	Vega
Davies	Keefe, S.	Merriam	Schmitz	Wegener
Dieterich	Kleinbaum	Moe	Setzepfandt	Willet
Engler	Knoll	Nelson	Sikorski	
Gearty	Laufenburger	Nichols	Spear	
Gunderson	Lessard	Ogdahl	Staples	

So the bill passed and its title was agreed to.

H. F. No. 61: A bill for act relating to the city of Cottage Grove; authorizing the rendering of emergency service by a physician's trained mobile intensive care paramedic; authorizing reasonable charges for the services; granting limited immunity from civil liability for paramedics and physicians advising or instructing paramedics.

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 45 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gunderson	Lessard	Ogdahl	Spear
Ashbach	Hanson	Lewis	Penny	Staples
Benedict	Hughes	Luther	Peterson	Stokowski
Borden	Humphrey	McCutcheon	Purfeerst	Strand
Chmielewski	Johnson	Menning	Schaaf	Stumpf
Davies	Keefe, S.	Merriam	Schmitz	Tennessen
Dieterich	Kleinbaum	Moe	Setzepfandt	Vega
Engler	Knoll	Nelson	Sikorski	Wegener
Gearty	Laufenburger	Nichols	Solon	Willet

So the bill passed and its title was agreed to.

H. F. No. 809: A bill for an act relating to Lac qui Parle and Big Stone counties; changing the boundary lines between the counties; amending Laws 1937, Chapter 423, Section 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 45 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Hanson	Kleinbaum	Luther
Ashbach	Dieterich	Hughes	Knoll	McCutcheon
Benedict	Engler	Humphrey	Laufenburger	Menning
Borden	Gearty	Johnson	Lessard	Merriam
Chmielewski	Gunderson	Keefe, S.	Lewis	Moe

Nelson	Penny	Schmitz	Spear	Stumpf
Nichols	Peterson	Setzepfandt	Staples	Vega
Ogdahl	Purfeerst	Sikorski	Stokowski	Wegener
Olson	Schaaf	Solon	Strand	Willet

So the bill passed and its title was agreed to.

Remaining on the Order of Business of Motions and Resolutions, Mr. Borden moved to take up the General Orders Calendar. The motion prevailed.

GENERAL ORDERS

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

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

S. F. Nos. 964, 1023 and 1127, which the committee recommends to pass.

S. F. No. 975 which the committee recommends to pass after the following motions:

The question was taken on the recommendation to pass S. F. No. 975.

The roll was called, and there were yeas 34 and nays 7, as follows:

Those who voted in the affirmative were:

Anderson	Hanson	Milton	Peterson	Spear
Ashbach	Hughes	Moe	Purfeerst	Staples
Chmielewski	Humphrey	Nelson	Schaaf	Stokowski
Davies	Keefe, S.	Nichols	Schmitz	Strand
Engler	Laufenburger	Olhoft	Setzepfandt	Vega
Gearty	McCutcheon	Olson	Sikorski	Wegener
Gunderson	Menning	Penny	Solon	

Those who voted in the negative were:

Benedict	Johnson	Luther	Tennessen	Willet
Dieterich	Lessard			

The motion prevailed. So S. F. No. 975 was recommended to pass.

S. F. No. 131, which the committee recommends be re-referred to the Committee on Judiciary, after the following motions:

Mr. Olhoft moved to amend S. F. No. 131 as follows:

Page 3, line 5, after "lobbyist" insert "*for an amount exceeding \$100 per year*"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 40 and nays 13, as follows:

Those who voted in the affirmative were:

Benedict	Borden	Dieterich	Gearty	Hanson
Bernhagen	Davies	Dunn	Gunderson	Hughes

Humphrey	Menning	Olson	Schrom	Staples
Jensen	Merriam	Penny	Setzepfandt	Stokowski
Johnson	Milton	Purfeerst	Sieloff	Strand
Keefe, S.	Moe	Renneke	Sikorski	Tennessee
Knoll	Nelson	Schaaf	Solon	Ulland, J.
Luther	Olhoft	Schmitz	Spear	Vega

Those who voted in the negative were:

Ashbach	Keefe, J.	Lessard	Sillers	Wegener
Brataas	Knutson	Lewis	Ueland, A.	Willet
Frederick	Laufenburger	Peterson		

The motion prevailed. So the amendment was adopted.

The question was taken on the adoption of the motion to re-refer S. F. No. 131 to the Committee on Judiciary.

The roll was called, and there were yeas 36 and nays 24, as follows:

Those who voted in the affirmative were:

Ashbach	Frederick	Lewis	Purfeerst	Stokowski
Bang	Gunderson	Menning	Renneke	Tennessee
Bernhagen	Hanson	Merriam	Schmitz	Ueland, A.
Borden	Jensen	Moe	Schrom	Wegener
Brataas	Kleinbaum	Nelson	Setzepfandt	
Davies	Knutson	Olson	Sieloff	
Dunn	Laufenburger	Peterson	Sillers	
Engler	Lessard	Pillsbury	Solon	

Those who voted in the negative were:

Anderson	Humphrey	Luther	Penny	Strand
Benedict	Johnson	McCutcheon	Schaaf	Ulland, J.
Dieterich	Keefe, J.	Milton	Sikorski	Vega
Gearty	Keefe, S.	Nichols	Spear	Willet
Hughes	Knoll	Olhoft	Staples	

The motion prevailed.

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

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved to revert to the Senate Calendar. The motion prevailed.

Mr. Merriam moved that S. F. No. 109, No. 3 on the Calendar, be stricken and placed at the top of General Orders.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 29 and nays 28, as follows:

Those who voted in the affirmative were:

Ashbach	Dunn	Keefe, J.	Pillsbury	Solon
Bang	Engler	Knutson	Renneke	Staples
Bernhagen	Frederick	Merriam	Setzepfandt	Strand
Brataas	Gunderson	Olhoft	Sieloff	Ueland, A.
Chmielewski	Hughes	Olson	Sikorski	Ulland, J.
Davies	Jensen	Penny	Sillers	

Those who voted in the negative were:

Anderson	Johnson	McCutcheon	Peterson	Tennessen
Benedict	Keefe, S.	Menning	Purfeerst	Vega
Borden	Kleinbaum	Milton	Schaaf	Wegener
Dieterich	Lessard	Moe	Schmitz	Willet
Gearty	Lewis	Nelson	Spear	
Hanson	Luther	Nichols	Stokowski	

The motion prevailed.

THIRD READING OF HOUSE BILLS

H. F. No. 763: A bill for an act relating to labor; prohibiting certain terms in employment agreements relating to inventions by employees.

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 59 and nays 1, as follows:

Those who voted in the affirmative were:

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

Mr. Pillsbury voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 1208: A bill for an act relating to mobile homes; regulating mobile home lot payments; prohibiting entrance fees; providing for termination of land leases; amending Minnesota Statutes 1976, Sections 327.43, Subdivision 1; and 327.44.

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 59 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Chmielewski	Gearty	Kleinbaum	McCutcheon
Ashbach	Coleman	Hanson	Knoll	Menning
Bang	Davies	Hughes	Knutson	Merriam
Benedict	Dieterich	Jensen	Laufenburger	Milton
Bernhagen	Dunn	Johnson	Lessard	Moe
Borden	Engler	Keefe, J.	Lewis	Nelson
Brataas	Frederick	Keefe, S.	Luther	Nichols

Ogdahl	Purfeerst	Sieloff	Staples	Ulland, J.
Olhoft	Renneke	Sikorski	Stokowski	Vega
Penny	Schmitz	Sillers	Strand	Wegener
Peterson	Schrom	Solon	Tennessen	Willet
Pillsbury	Setzepfandt	Spear	Ueland, A.	

Mr. Gunderson voted in the negative.

So the bill passed and its title was agreed to.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated H. F. No. 1510 a Special Order to be heard immediately.

H. F. No. 1510: A bill for act relating to the organization and operation of state government; appropriating money for education and related purposes with certain conditions, including the department of education, aids to libraries, higher education coordinating board, state universities, community colleges, and the university of Minnesota and its hospitals.

Mr. Ulland, J. moved to amend H. F. No. 1510, as amended pursuant to Rule 49, adopted by the Senate April 27, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 1452.)

Page 9, after line 5, insert:

"The university is directed to take the necessary steps to insure faculty salary equalization among the Twin Cities and coordinate campuses and submit a progress report to the legislature by January 15, 1979."

The motion did not prevail. So the amendment was not adopted.

CALL OF THE SENATE

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

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

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

SUSPENSION OF RULES

Mr. Moe moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with

respect to H. F. No. 1510 and that the rules of the Senate be so far suspended as to give H. F. No. 1510, now on Special Orders, its third reading and place it on its final passage. The motion prevailed.

H. F. No. 1510 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 61 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated S. F. No. 311 a Special Order to be heard immediately.

S. F. No. 311: A bill for an act relating to courts; providing for the selection of chief judges; permitting the assignment of judges to serve in other judicial districts; prescribing duties of the chief justice; providing for the rotation of the duties of family court in Hennepin county; providing for the rotation of the duties of juvenile court in Hennepin and Ramsey counties; prescribing duties of the supreme court administrator; providing continuous terms of court; providing for the payment of judges' salaries and expenses; abolishing de novo jurisdiction of district courts when hearing appeals; creating the office of district administrator; abolishing the office of justice of the peace; providing for appellate panels in district court; amending Minnesota Statutes 1976, Sections 2.724; 260.021, Subdivisions 2 and 3; 480.15, by adding subdivisions; 480.17; 480.18; 484.08; 484.34; 484.54; 484.63; 484.65, Subdivisions 1 and 6; 484.66; 485.01; 485.018, by adding a subdivision; 487.01, Subdivisions 1, 3, 5 and 6; 487.02, Subdivision 1; 487.08; 487.25, Subdivision 6; 487.35, Subdivision 1; 487.39; 488.20; 488A.01, Subdivision 10 and by adding a subdivision; 488A.021, Subdivisions 8; 488A.10, Subdivisions 1 and 6; 488A.111; 488A.12, Subdivision 5; 488A.18, Subdivision 11 and by adding a subdivision; 488A.19, Subdivision 10; 488A.27, Subdivisions 1 and 6; 488A.281; 488A.29, Subdivision 5; and 525.081, Subdivision 7; Chapters 480, by adding a section; 484, by adding a section; and

487, by adding a section; repealing Minnesota Statutes 1976, Sections 484.05; 484.09; 484.10; 484.11; 484.12; 484.13; 484.14; 484.15; 484.16; 484.17; 484.18; 484.28; 484.29; 484.47; 485.02; 487.03, Subdivision 4; 487.10, Subdivision 6; 487.35, Subdivisions 2, 3, 4, 5 and 6; 487.39, Subdivision 3; 487.41; 488A.01, Subdivision 11; 488A.021, Subdivision 7; 488A.18, Subdivision 12; 488A.19, Subdivisions 8 and 9; and Chapters 530; 531; 532; and 633.

Mr. Tennesen moved to amend S. F. No. 311 as follows:

Page 4, line 18, strike "*Supervising*" and insert "*Supervision of*"

Page 28, line 25, strike "court,"

Page 29, line 17, strike "*provision*" and insert "*provisions*"

Page 31, line 7, strike "court,"

Page 31, after line 29, insert:

"Sec. 44. Laws 1977, Chapter 35, Section 18, is amended to read:

Sec. 18. [TEMPORARY PROVISION.] Notwithstanding any other provision of this act *Laws 1977, Chapter 35* to the contrary, an increase in compensation provided a district or supreme court judge herein shall not take effect *until every as to any judge of the district court and or any justice of the supreme court who served in the district or supreme court prior to July 1, 1967, until he* submits an executed agreement to the executive director of the Minnesota state retirement system in accord with section 490.106."

Renumber the sections in sequence

Page 32, line 7, after the second semicolon insert "490.124, subdivision 7;"

Amend the title as follows:

Page 1, line 17, after the semicolon, insert "providing for the compensation of certain judges upon compliance with certain provisions of the law;"

Page 1, line 33, strike "and"

Page 1, line 33, after the second semicolon insert "and Laws 1977, Chapter 35, Section 18;"

Page 2, line 1, after the semicolon insert "490.124, subdivision 7;"

The motion prevailed. So the amendment was adopted.

Mr. Sieloff moved to amend S. F. No. 311 as follows:

Pages 4 and 5, strike section 2

Page 5, lines 16 to 19, reinstate the stricken language

Page 5, lines 20 to 26, strike the new language

Page 32, strike subdivision 2

Renumber the remaining subdivision

Amend the title as follows:

Page 1, line 8, strike "and Ramsey counties" and insert "county"

Page 1, line 18, strike "Subdivisions 2 and" and insert "Sub-division"

The motion did not prevail. So the amendment was not adopted.

Mr. Strand moved to amend S. F. No. 311 as follows:

Page 12, after line 16, insert:

"Sec. 11. Minnesota Statutes 1976, Section 484.62, is amended to read:

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

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 20, after "484.54;" insert "484.62;"

The motion prevailed. So the amendment was adopted.

Mr. Dieterich moved to amend S. F. No. 311 as follows:

Page 10, line 29, strike everything after the period

Page 10, strike line 30

Page 10, line 31, strike "to the assignment." and insert "A judge of the district court may be assigned by the chief judge of the district court or by the supreme court to hear county court matters within his district without his consent."

Page 23, line 3, after "assignment" insert "pursuant to this section"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 16 and nays 38, as follows:

Those who voted in the affirmative were:

Anderson	Hughes	Knoll	Renneke
Brataas	Jensen	Lewis	Schmitz
Coleman	Johnson	Luther	Spear
Dieterich	Keefe, S.	Merriam	Stumpf

Those who voted in the negative were:

Bang	Gunderson	McCutcheon	Purfeerst	Strand
Bernhagen	Hanson	Menning	Schrom	Tennessen
Borden	Humphrey	Moe	Setzepfandt	Ueland, A.
Chmielewski	Keefe, J.	Nelson	Sieloff	Ulland, J.
Davies	Kleinbaum	Olhoft	Sillers	Wegener
Dunn	Knutson	Olson	Solon	Willet
Engler	Laufenburger	Penny	Staples	
Gearty	Lessard	Pillsbury	Stokowski	

The motion did not prevail. So the amendment was not adopted.

Mr. Knoll moved to amend S. F. No. 311 as follows:

Page 4, line 26, after "one" insert "*or more*"

Page 4, line 30, strike "*the*" and insert "*a*"

Page 4, line 32, strike "*the*" and insert "*any*"

Page 5, line 1, strike "*The*" and insert "*Any*"

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

Page 5, line 15, after the comma strike "*the*" and insert "*a*"

Page 5, line 20, after "*One*" insert "*or more*"

Page 5, line 26, before "*judge*" strike "*The*" and insert "*A*"

Page 5, line 29, strike "*the*" and insert "*a*"

Page 5, line 32, strike "*the*" and insert "*a*"

The motion prevailed. So the amendment was adopted.

Mr. Merriam moved to amend S. F. No. 311 as follows:

Page 5, line 21, after the second "*the*" insert "*judicial*"

Page 5, line 21, strike "*court of*"

Page 5, line 22, strike "*Hennepin county*"

Page 5, line 22, after "*the*" insert "*judges of the*"

Page 5, line 23, strike "*judges*" and insert "*court*"

Page 10, line 4, after "*court*" insert "*, the county court, the county municipal court, and the probate court*"

Page 10, strike line 6

Page 10, line 8, strike "*or by the judges of the district court in the judicial*"

Page 10, line 9, strike "*district in which he serves*"

Page 10, line 11, strike "*district*"

Page 10, line 13, after "*of*" insert "*the judicial*"

Page 10, line 13, strike "*court*"

Page 10, line 14, strike "*of*"

Page 10, line 15, strike "*the district court*"

Page 10, line 17, strike "*district court*" and insert "*courts of the judicial district*"

Page 10, line 18, strike "*district court*" and insert "*the courts*"

Page 10, strike lines 21 to 32

Page 11, strike lines 1 to 5

Page 11, line 6, strike "*4*" and insert "*3*"

Page 11, line 6, strike "*judges*" and insert "*judge*"

Page 13, lines 5 and 6, after the first "*the*" insert "*judicial*"

Page 13, lines 5 and 6, strike "*court*"

Page 13, line 9, after "*the*" and before "*district*" insert "*judicial*"

Page 13, line 9, strike "*court*"

Page 13, line 26, after the second "*the*" insert "*judicial*"

Page 13, line 26, strike "*court*"

Page 15, line 14, strike the second "*the*"

Page 15, strike line 15

Page 15, line 16, strike "*county municipal court in*"

Page 15, line 18, strike "*district court, and a*" and insert "*courts of the judicial district. The district administrator shall serve at the pleasure of the judges of the judicial district.*"

Page 15, strike lines 19 to 27

Page 16, lines 1 and 17, strike "*judges*" and insert "*judge*"

Page 16, line 1, strike "*their*" and insert "*his*"

Pages 22 and 23, strike section 23

Page 23, line 14, strike "*county*" and insert "*judicial district*"

Page 23, line 15, strike "*court*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after "*of*" insert "*a*"

Page 1, line 3, strike "*judges*" and insert "*judge in each judicial district*"

Page 1, line 33, strike "*and 487, by adding a section;*"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 22 and nays 28, as follows:

Those who voted in the affirmative were:

Anderson	Hughes	Knutson	Spear	Wegener
Brataas	Johnson	Luther	Stokowski	Willet
Coleman	Keefe, S.	Merriam	Stumpf	
Dieterich	Kleinbaum	Schmitz	Ulland, J.	
Gunderson	Knoll	Solon	Vega	

Those who voted in the negative were:

Bang	Engler	Laufenburger	Penny	Staples
Bernhagen	Gearity	Lessard	Purfeerst	Strand
Borden	Hanson	McCutcheon	Renneke	Tennessen
Chmielewski	Humphrey	Menning	Setzepfandt	Ueland, A.
Davies	Jensen	Nelson	Sieloff	
Dunn	Keefe, J.	Olhoft	Sillers	

The motion did not prevail. So the amendment was not adopted.

Mr. Jensen moved to amend S. F. No. 311 as follows:

Page 11, lines 19 to 21, reinstate the stricken language

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 9 and nays 34, as follows:

Those who voted in the affirmative were:

Anderson	Brataas	Keefe, J.	Renneke	Ueland, A.
Bernhagen	Jensen	Knutson	Sieloff	

Those who voted in the negative were:

Borden	Hughes	Lessard	Penny	Strand
Chmielewski	Humphrey	Luther	Purfeerst	Stumpf
Davies	Johnson	McCutcheon	Schmitz	Tennessen
Engler	Keefe, S.	Menning	Setzepfandt	Vega
Gearity	Kleinbaum	Milton	Spear	Wegener
Gunderson	Knoll	Nelson	Staples	Willet
Hanson	Laufenburger	Olhoft	Stokowski	

The motion did not prevail. So the amendment was not adopted.

S. F. No. 311: A bill for an act relating to courts; providing for the selection of chief judges; permitting the assignment of judges to serve in other judicial districts; prescribing duties of the chief justice; providing for the rotation of the duties of family court in Hennepin county; providing for the rotation of the duties of juvenile court in Hennepin and Ramsey counties; prescribing duties of the supreme court administrator; providing continuous terms of court; providing for the payment of judges' salaries and expenses; abolishing de novo jurisdiction of district courts when hearing appeals; creating the office of district administrator; abolishing the office of justice of the peace; providing for appellate panels in district court; providing for the compensation of certain judges upon compliance with certain provisions of the law; amending Minnesota Statutes 1976, Sections 2.724; 260.021, Subdivisions 2 and 3; 480.15, by adding subdivisions; 480.17; 480.18; 484.08; 484.34;

484.54; 484.62; 484.63; 484.65, Subdivisions 1 and 6; 484.66; 485.01; 485.018, by adding a subdivision; 487.01, Subdivisions 1, 3, 5 and 6; 487.02, Subdivision 1; 487.08; 487.25, Subdivision 6; 487.35, Subdivision 1; 487.39; 488.20; 488A.01, Subdivision 10 and by adding a subdivision; 488A.021, Subdivision 8; 488A.10, Subdivisions 1 and 6; 488A.111; 488A.12, Subdivision 5; 488A.18, Subdivision 11 and by adding a subdivision; 488A.19, Subdivision 10; 488A.27, Subdivisions 1 and 6; 488A.281; 488A.29, Subdivision 5; and Laws 1977, Chapter 35, Section 18; 525.081, Subdivision 7; Chapters 480, by adding a section; 484, by adding a section; and 487, by adding a section; repealing Minnesota Statutes 1976, Sections 484.05; 484.09; 484.10; 484.11; 484.12; 484.13; 484.14; 484.15; 484.16; 484.17; 484.18; 484.28; 484.29; 484.47; 485.02; 487.03, Subdivision 4; 487.10, Subdivision 6; 487.35, Subdivisions 2, 3, 4, 5 and 6; 490.124, Subdivision 7; 487.39, Subdivision 3; 487.41; 488A.01, Subdivision 11; 488A.021, Subdivision 7; 488A.18, Subdivision 12; 488A.19, Subdivisions 8 and 9; and Chapters 530; 531; 532; and 633.

Was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 40 and nays 14, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Keefe, S.	Milton	Staples
Bang	Gearty	Kleinbaum	Nelson	Stokowski
Borden	Hanson	Knoll	Renneke	Stumpf
Brataas	Hughes	Knutson	Schrom	Tennesen
Chmielewski	Humphrey	Laufenburger	Sieloff	Ueland, A.
Coleman	Jensen	Lewis	Sillers	Ulland, J.
Davies	Johnson	Luther	Solon	Vega
Dieterich	Keefe, J.	McCutcheon	Spear	Wegener

Those who voted in the negative were:

Bernhagen	Lessard	Olhoft	Purfeerst	Strand
Engler	Menning	Olson	Schmitz	Willet
Gunderson	Merriam	Penny	Setzepfandt	

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

MOTIONS AND RESOLUTIONS—CONTINUED

Mrs. Staples moved that S. F. No. 749, No. 43 on General Orders, be stricken and re-referred to the Committee on Taxes and Tax Laws. The motion prevailed.

Without objection, the Senate reverted to the Order of Business of Reports of Committees.

REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

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:

H. F. No. 437, pursuant to the request of the House:
Messrs. Olhoff, Sillers and Peterson.

H. F. No. 339, pursuant to the request of the House:
Messrs. Knoll, Lewis and Kirchner.

H. F. No. 586, pursuant to the request of the House:
Messrs. McCutcheon, Merriam and Bernhagen.

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

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

S. F. Nos. 581, 683 and 1467 makes the following report:

That S. F. Nos. 581, 683 and 1467 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.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Chmielewski moved that S. F. No. 1093, No. 1 on the Consent Calendar, be stricken and placed at the top of General Orders. The motion prevailed.

Mr. Lessard moved that H. F. No. 293 be withdrawn from the Committees on Local Government and re-referred to the Committee on Rules and Administration for comparison with S. F. No. 494 now on General Orders. The motion prevailed.

Mr. Coleman moved that the Senate do now adjourn until 10:00 o'clock a.m., Thursday, April 28, 1977. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate