

# FORTY-EIGHTH DAY

St. Paul, Minnesota, Thursday, May 5, 1977

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

## CALL OF THE SENATE

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

Bang	Hanson	Lessard	Pillsbury	Stumpf
Benedict	Hughes	Lewis	Purfeerst	Tennessen
Bernhagen	Humphrey	Luther	Renneke	Ueland, A.
Chmielewski	Jensen	McCutcheon	Schmitz	Ulland, J.
Coleman	Johnson	Menning	Schrom	Vega
Davies	Keefe, S.	Merriam	Setzepfandt	Wegener
Dunn	Kirchner	Nelson	Sikorski	Willet
Engler	Kleinbaum	Nichols	Spear	
Gearty	Knutson	Olhoff	Stokowski	
Gunderson	Laufenburger	Penny	Strand	

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

Prayer was offered by the Chaplain, Rev. John G. Donahue.

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

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

of today from 11:30 o'clock a.m. until 1:30 o'clock p.m. Mr. McCutcheon was excused from the Session of today at 12:30 o'clock p.m. Mr. Ulland, J. was excused from the Session of today from 1:30 o'clock p.m. until 2:30 o'clock p.m. Mr. Ueland, A. was excused from the Session of today from 12:30 o'clock p.m. until 3:30 o'clock p.m. Mr. Sillers was excused from the Session of today at 1:30 o'clock p.m.

### INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Messrs. Milton, Nelson, Vega and Mrs. Staples introduced—

S. F. No. 1505: A bill for an act relating to precinct caucuses; providing for access by elderly and handicapped persons; providing for use of polling place for precinct caucuses; amending Minnesota Statutes 1976, Section 202A.15, Subdivision 2.

Referred to the Committee on Elections.

Mr. Johnson introduced—

S. F. No. 1506: A bill for an act relating to pollution control; providing for a tax on certain discharges.

Referred to the Committee on Taxes and Tax Laws.

Mr. McCutcheon introduced—

S. F. No. 1507: A bill for an act relating to taxation; abolishing the property tax on homestead and multiple dwelling residential property; imposing the property tax on other real property as a state tax and removing the local property tax; providing for a local income tax to be imposed by municipalities, counties and special taxing districts; restructuring the distribution of local aids; transferring welfare authority and duties from the counties to the state; providing for complete funding of education by the state and abolishing school district levies; transferring public hospitals and parks from the jurisdiction of the counties to the cities; providing penalties; appropriating money; amending Minnesota Statutes 1976, Sections 270.06; 270.07, Subdivisions 1 and 2; 270.10, Subdivision 2; 270.11, Subdivisions 2, 3, 4 and 7; 270.12, Subdivision 2; 270.13; 270.16; 270.17; 272.02, Subdivisions 1 and 2; 272.12; 272.14; 272.161; 272.20; 272.21; 272.23; 272.38; 272.39; 272.41; 272.435; 272.45; 272.46; 272.47; 272.59, Subdivision 1; 272.68, Subdivisions 1, 3 and 4; 273.01; 273.015, Subdivision 1; 273.02, Subdivisions 1, 2, 3 and 6; 273.03; 273.11, Subdivisions 2 and 5; 273.111, Subdivision 10; 273.112, Subdivision 8; 273.121; 273.13, Subdivision 4; 273.17, Subdivision 1; 273.18; 273.21; 273.38; 273.42; 274.01; 274.03; 274.04; 274.08; 274.09; 274.10, Subdivisions 1 and 3; 274.11; 274.12; 275.02; 275.28, Subdivision 1; 276.04; 276.05;

276.07; 277.01, Subdivision 1; 278.01; 278.03; 278.04; 278.05; 278.09; 278.10; 278.12; 279.01; 279.02; 279.05; 279.06; 279.07; 279.09; 279.10; 279.11; 279.12; 279.17; 279.22; 279.23; 279.25; 279.34; 279.37, Subdivisions 2, 3, 4, 6, 7 and 8; 280.02; 280.07; 280.10; 280.11; 280.27; 280.28; 280.29; 280.33; 280.36; 280.37; 280.38; 280.385; 280.40; 281.01; 281.02; 281.03; 281.05; 281.10; 281.11; 281.12; 281.13; 281.14; 281.15; 281.21; 281.22; 281.23; 281.24; 281.28; 281.29; 281.324; 281.325; 281.326; 281.327; 281.33; 281.37; 281.38; 281.40; 282.01, Subdivisions 1, 2, 3, 4, 5, 6, 7 and 8; 282.011, Subdivision 1; 282.012; 282.013; 282.016; 282.017; 282.02; 282.03; 282.031; 282.032; 282.033; 282.034; 282.035; 282.037; 282.04; 282.05; 282.07; 282.08; 282.14; 282.15; 282.151; 282.16; 282.17; 282.171; 282.18; 282.19; 282.221; 282.222, Subdivisions 1, 2 and 4; 282.223; 282.224; 282.226; 282.241; 282.251; 282.271; 282.281; 282.291; 282.301; 282.311; 282.321; 282.323, Subdivision 2; 282.324; 282.341; 282.36; 282.37; 283.02; 283.03; 283.05; 283.06; 283.07; 283.11; 284.01; 284.03; 284.05; 284.06; 284.07; 284.08; 284.09; 284.11; 284.12; 284.25, Subdivisions 5, 6 and 7; 284.251, Subdivisions 4 and 5; 284.28, Subdivisions 1, 2, 3, 6 and 7; 298.28, Subdivision 1; 298.244, Subdivision 1; 298.25; 298.281, Subdivisions 1, 2 and 5; 298.36; 298.37; 298.39; 298.396; 298.405, Subdivision 4; 298.46, Subdivisions 2, 3, 4 and 5; 298.64; 365.09; 365.18, Subdivision 2; 365.47; 365.48; 366.015, Subdivision 2; 366.27; 368.05; 368.85, Subdivisions 1, 2 and 6; 368.86, Subdivision 9; 370.19; 370.20; 371.11; 373.01, Subdivision 1; 373.053, Subdivision 5; 373.27, Subdivision 2; 373.31, Subdivision 2; 374.29; 375.167, Subdivision 1; 375.18, Subdivision 6; 375.23; 375.33, Subdivision 1; 376.19; 376.28; 376.31; 376.58, Subdivisions 1 and 2; 377.01; 377.02; 377.03; 377.04; 377.05; 378.52, Subdivisions 1 and 2; 379.06; 383.06; 397.08; 397.10; 397.101; 398.16; 398.33, Subdivision 1; 400.11; 401.10; 412.081; 412.091; 412.093, Subdivisions 5 and 6; 412.251; 414.021, Subdivision 3; 414.031, Subdivision 4; 414.032, Subdivision 4; 414.041, Subdivisions 3 and 4a; 414.067, Subdivisions 1 and 2; 422A.081; 423.27; 423.376, Subdivisions 1 and 3; 423.47; 423.807, Subdivisions 1, 2 and 3; 424.12, Subdivisions 1, 2 and 3; 424.30, Subdivision 1; 425.06; 426.055; 429.051; 429.061, Subdivisions 1, 2 and 3; 430.06; 435.17, Subdivision 2; 443.29; 444.075, Subdivisions 2 and 4; 444.20; 447.42, Subdivision 1; 447.45; 447.46; 447.47; 448.48; 447.49; 447.50; 448.03; 448.21; 448.22; 448.23; 448.24; 448.25; 448.54; 448.55; 448.56; 449.06; 449.08; 449.09; 449.10; 450.19; 450.23; 450.24; 458.14; 458.192, Subdivision 2; 458.193, Subdivision 5; 458.199; 459.06, Subdivision 1; 459.14, Subdivision 2; 462.15; 462.396, Subdivisions 1 and 2; 462.397, Subdivisions 1, 2 and 5; 462.445, Subdivision 4; 462.695, Subdivision 2; 463.06; 465.036; 465.46; 465.55; 466.09; 471.191, Subdivision 2; 471.24; 471.61, Subdivisions 1 and 2a; 471.67; 471.69; 471.90; 471.95; 472A.06; 473.08, Subdivisions 1 and 2; 473.249; 473.325, Subdivision 2; 473.425; 473.438, Subdivision 3; 473.443; 473.446, Subdivisions 1, 1a, 2a and 3; 473.447; 473.521, Subdivision 4; 473.541, Subdivisions 1 and 2; 473.547; 473.621, Subdivision 5; 473.626; 473.627; 473.661, Subdivisions 2 and 3; 473.665, Subdivision 5; 473.667, Subdivisions 3, 4, 6 and 9; 474.10, Subdivisions 1 and 4; 475.53, Subdivisions 1, 3, 4 and 5; 475.58, Subdivision 1; 475.61, Subdivisions 1, 2, 3 and 4; 475.62; 475.63;

475.64; 475A.03, Subdivision 4; 475A.04, Subdivision 1; and 475A.06, Subdivision 6; and Chapters 276, by adding a section; 393, by adding a section; and 477A, by adding sections; repealing Minnesota Statutes 1976, Sections 256.879; 270.12, Subdivision 3; 270.18; 270.19; 270.20; 270.21; 270.22; 270.23; 270.24; 270.25; 270.26; 270.41; 270.42; 270.43; 270.44; 270.45; 270.46; 270.47; 270.48; 270.49; 270.50; 270.51; 270.52; 270.53; 272.011; 272.11; 272.28; 272.29; 272.30; 272.67; 273.011; 273.012; 273.04; 273.05; 273.051; 273.052; 273.053; 273.054; 273.055; 273.056; 273.06; 273.061; 273.063; 273.064; 273.065; 273.072; 273.075; 273.1102; 273.1103; 273.122; 273.13, Subdivisions 3, 6, 6a, 7, 7a, 7b, 7c, 10, 11, 12, 14a, 15a, 16, 17, 17a, 17b, 18, 19, and 20; 273.132; 273.133; 273.134; 273.135; 273.136; 273.137; 273.138; 273.17, Subdivision 2; 274.05; 274.10, Subdivision 3; 274.13; 274.14; 274.16; 274.17; 274.18; 274.19; 275.01; 275.03; 275.07; 275.075; 275.08; 275.09; 275.091; 275.092; 275.10; 275.11; 275.124; 275.125; 275.14; 275.15; 275.16; 275.161; 275.23; 275.26; 275.27; 275.28, Subdivisions 2 and 4; 275.29; 275.31; 275.32; 275.33; 275.34; 275.35; 275.44; 275.45; 275.46; 275.47; 275.48; 275.49; 275.50; 275.51; 275.52; 275.53; 275.54; 275.55; 275.551; 275.552; 275.56; 275.561; 275.57; 275.58; 275.59; 276.01; 276.02; 276.03; 276.06; 276.08; 276.09; 276.10; 276.11; 276.12; 276.13; 276.14; 279.04; 280.001; 280.01; 280.03; 280.04; 280.05; 280.06; 280.08; 280.09; 280.12; 280.13; 280.25; 280.26; 281.25; 281.273; 281.274; 281.275; 281.276; 281.277; 282.08; 282.09; 282.10; 282.11; 282.13; 282.322; 282.35; 282.38, Subdivision 2; 284.02; 284.04; 284.27; 290.0601; 290.0602; 290.0603; 290.0604; 290.0605; 290.0606; 290.0608; 290.0609; 290.061; 290.0611; 290.0612; 290.0614; 290.0615; 290.0616; 290.0618; 290.066; 290.981; 290.982; 290.983; 290.984; 290.985; 290.986; 290.987; 290.988; 290.989; 290.99; 290.991; 290.992; 290A.01; 290A.02; 290A.03; 290A.04; 290A.05; 290A.06; 290A.07; 290A.08; 290A.09; 290A.10; 290A.11; 290A.12; 290A.13; 290A.14; 290A.15; 290A.16; 290A.17; 290A.18; 290A.19; 290A.20; 290A.21; 290A.22; 298.28, Subdivisions 1a and 2; 298.281, Subdivisions 3 and 4; 298.282; 298.46, Subdivision 6; 298.283; 298.47; 298.65; 365.105; 367.05, Subdivision 1; 368.86; 375.192; 376.49; 376.58, Subdivision 5; 378.52, Subdivision 2; 382.20; 384.06; 385.40; 393.01; 393.02; 393.03; 393.04; 393.05; 393.06; 393.07; 393.08; 393.09; 393.10; 393.11; 393.12; 412.131; 412.531; 326.04; 447.05; 447.06; 447.07; 447.10; 447.11; 447.12; 447.13; 447.14; 447.15; 447.16; 447.31; 447.32; 447.33; 447.331; 447.34; 447.345; 447.35; 447.36; 447.37; 447.41; 458.192, Subdivision 11; 459.06, Subdivisions 2 and 3; 462.545, Subdivisions 5, 6, and 7; 462.575, Subdivision 3; 462.585; 462.651, Subdivisions 1 and 4; 462.655; 462.691; 462.695, Subdivision 1; 471.1921; 471.475; 471.71; 471.72; 471.73; 471.74; 471.75; 471.76; 471.77; 471.78; 471.79; 471.80; 471.81; 471.82; 471.83; 472A.07; 472A.08; 473.219; 473.341; 473.629; 473.633; 473.635; 473F.01; 473F.02; 473F.03; 473F.04; 473F.05; 473F.06; 473F.07; 473F.08; 473F.09; 473F.10; 473F.11; 473F.12; 473F.13; 474.10, Subdivisions 2 and 3; 475.53, Subdivision 2; 477A.01; 477A.02; and 477A.03.

Referred to the Committee on Taxes and Tax Laws.

**MESSAGES FROM THE HOUSE**

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, herewith returned: S. F. No. 1208.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 4, 1977

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 515, 577, 1030, 451, 460, 787 and 1201.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 4, 1977

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 17, 611, 980, 1054, 314, 1310, 968, 536, 952, 1040, 1364, 782, 848, 856, 789, 954 and 1226.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 4, 1977

Mr. President:

I have the honor to announce that the House wishes to recall for the purpose of further consideration Senate File No. 919.

S. F. No. 919: A bill for an act relating to highway traffic regulations; prescribing the width of vehicles; amending Minnesota Statutes 1976, Section 169.80, Subdivision 2.

Edward A. Burdick, Chief Clerk, House of Representatives

May 4, 1977

Mr. Schmitz moved that the Senate accede to the request of the House for the recall of S. F. No. 919 for further consideration. The motion prevailed.

**FIRST READING OF HOUSE BILLS**

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

H. F. No. 515: A bill for an act relating to telephone companies; prohibiting charges for directory assistance; amending Minnesota Statutes 1976, Chapter 237, by adding a section.

Referred to the Committee on Commerce.

H. F. No. 577: A bill for an act relating to the city of St. Paul; authorizing an on-sale liquor license for the St. Paul Labor Centre, Inc.

Referred to the Committee on Commerce.

H. F. No. 1030: A bill for an act relating to health care plans; requiring minimum anticipated loss ratios for certain insurance plans; eliminating certain open enrollment requirements for non-profit health service plans; revising the Minnesota comprehensive health insurance act of 1976; revising the Minnesota catastrophic health expense protection act of 1976; making necessary improvements and corrections; further prescribing the powers and duties of the commissioner of insurance; further prescribing the powers and duties of the commissioner of public welfare; amending Minnesota Statutes 1976, Chapter 62E, by adding a section; and Sections 62A.02, Subdivision 3; 62A.17, Subdivision 6; 62D.10, Subdivision 1; 62E.02, Subdivisions 2, 8, 11 and 21; 62E.03, Subdivision 2; 62E.04, Subdivision 4, and by adding a subdivision; 62E.06; 62E.08; 62E.09; 62E.10, Subdivisions 1, 3, and 7; 62E.11, Subdivision 5; 62E.13, Subdivisions 2 and 4; 62E.14, Subdivision 1; 62E.53; and 62E.54, Subdivision 1; repealing Minnesota Statutes 1976, Section 62E.16.

Referred to the Committee on Finance.

H. F. No. 451: A bill for an act relating to banks; authorizing a bank to establish two detached banking facilities; providing for notice and approval procedures; amending Minnesota Statutes 1976, Sections 47.51; 47.52; 47.53; 47.54; and 47.55.

Referred to the Committee on Commerce.

H. F. No. 460: A bill for an act relating to retirement; adjustment in annuities through the adjustable fixed benefit fund; amending Minnesota Statutes 1976, Section 11.25, Subdivisions 3, 12 and 13.

Referred to the Committee on Governmental Operations.

H. F. No. 787: A bill for an act relating to savings banks; allowing savings banks to establish negotiable order of withdrawal accounts; imposing reserve requirements; amending Minnesota Statutes 1976, Chapter 50, by adding a section.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 678, now on the Calendar.

H. F. No. 1201: A bill for an act relating to insurance; requiring insurers to supply cover sheets for insurance policies; requiring insurers to issue readable insurance policies; establishing testing procedures for readability.

Referred to the Committee on Rules and Administration.

H. F. No. 17: A bill for an act relating to elections; providing

for special elections to the Minnesota legislature and the United States house of representatives; amending Minnesota Statutes 1976, Sections 202A.62, Subdivisions 1, 2 and 3; 202A.63; 202A.65, Subdivision 3; 202A.66, Subdivision 3; and 202A.67, Subdivision 2 and 3.

Referred to the Committee on Elections.

H. F. No. 611: A bill for an act relating to retirement; date for payment of monthly annuities and benefits; additional lump sum payments to certain retirees, disabilitants and surviving spouses; amending Minnesota Statutes 1976, Chapter 356, by adding a section; Sections 352.01, Subdivision 21; and 354.46, Subdivision 3.

Referred to the Committee on Governmental Operations.

H. F. No. 980: A bill for an act relating to public health; regulations for the preservation of public health; authorizing the state board of health to regulate the establishment, operation and maintenance of certain non-hospital clinical laboratories; amending Minnesota Statutes 1976, Section 144.12, Subdivision 1.

Referred to the Committee on Health, Welfare and Corrections.

H. F. No. 1054: A bill for an act relating to welfare; aid to families with dependent children; changing certain eligibility qualifications; amending Minnesota Statutes 1976, Sections 256.73, Subdivisions 1, 2, 4 and by adding subdivisions; and 256.79.

Referred to the Committee on Health, Welfare and Corrections.

H. F. No. 314: A bill for an act relating to Olmsted county; authorizing electronic recording of trial proceedings; providing for costs and payment.

Referred to the Committee on Judiciary.

H. F. No. 1310: A bill for an act relating to unemployment compensation; providing for conformity with federal requirements; providing for agricultural and domestic service employees; altering covered employment; regulating employer's contributions; providing for the noncharging of certain benefits; providing for extended benefits; providing for certain public employees; allowing certain political activities; changing total disqualification based on receipt of social security benefits; amending Minnesota Statutes 1976, Sections 268.04, Subdivisions 10, 12, 22, and 23, and by adding a subdivision; 268.06, Subdivisions 1, 5, 25 and 28, and by adding subdivisions; 268.07, by adding a subdivision; 268.071, Subdivisions 1 and 6; 268.08, Subdivisions 3, 4, and 5, and by adding subdivisions; 268.09, Subdivision 3, as amended; and 268.12, Subdivision 5; repealing Minnesota Statutes 1976, Section 268.08, Subdivision 5; and a portion of Laws 1975, Chapter 433, Section 11, Subdivision 4.

Referred to the Committee on Employment.

H. F. No. 968: A bill for an act relating to the pollution control agency; its powers and duties; prescribing additional enforcement powers with respect to air, land, noise and hazardous waste pollution control; amending Minnesota Statutes 1976, Section 116.07, by adding a subdivision.

Referred to the Committee on Agriculture and Natural Resources.

H. F. No. 536: A bill for an act relating to civil service; providing that promotion and place of service are separate considerations; amending Minnesota Statutes 1976, Section 43.19, by adding a subdivision.

Referred to the Committee on Governmental Operations.

H. F. No. 952: A bill for an act relating to courts; sixth judicial district; authorizing the position of domestic relations referee in St. Louis county; amending Minnesota Statutes 1976, Chapter 484, by adding a section.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 850 now in the Subcommittee on Bill Scheduling.

H. F. No. 1040: A bill for an act relating to finance; deleting obsolete provisions; changing and clarifying cross-references; authorizing commissioner of finance to transfer money to revolving funds in certain cases; transferring air travel account from commissioner of administration to commissioner of finance; codifying certain provisions formerly in session laws; appropriating money; amending Minnesota Statutes 1976, Sections 12.24, Subdivision 2; 15.50, Subdivision 5; 16.172; 16.80, Subdivision 1; 16A.126; 16A.17, Subdivision 9; 18.69; 43.43, Subdivision 2; 121.48, Subdivision 2; 124.212, Subdivision 19; 136.11, Subdivision 5; 136.144; 136.37; 136.55, Subdivision 2; and Chapters 16A, by adding a section; and 243, by adding a section; repealing Minnesota Statutes 1976, Sections 16.02, Subdivision 21; 16.026, Subdivision 5; and 16A.05; and Laws 1945, Chapter 575, Sections 19 and 21.

Referred to the Committee on Finance.

H. F. No. 1364: A bill for an act relating to the attorney general; changing appointments; removing restrictions on assignment of deputy and assistant attorneys general; amending Minnesota Statutes 1976, Sections 8.02 and 268.12, Subdivision 5; repealing Minnesota Statutes 1976, Sections 8.023; 8.024; 8.026; and 84.025, Subdivision 6.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1410 now on the Calendar.

H. F. No. 782: A bill for an act relating to education; school district organization; authorizing school districts to discontinue certain grades and provide instruction by contract with other districts; providing for aids, levies, and the contractual rights of teachers in



participating districts; amending Minnesota Statutes 1976, Sections 122.41; 122.43, Subdivision 1; and 122.44, Subdivision 1; and Chapter 122, by adding sections.

Referred to the Committee on Education.

H. F. No. 848: A bill for an act relating to retirement; Minneapolis municipal employees retirement fund; 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, and by adding a subdivision; and Chapters 355, by adding sections; and 422A, by adding sections.

Referred to the Committee on Rules and Administration.

H. F. No. 856: A bill for an act relating to welfare; authorizing the establishment of a centralized disbursement system for payments and for food stamp benefit documents; amending Minnesota Statutes 1976, Section 256.01, by adding a subdivision.

Referred to the Committee on Health, Welfare and Corrections.

H. F. No. 789: A bill for an act relating to elections; establishing voter registration in all counties; changing required voter registration information; providing for reports of changes; amending Minnesota Statutes 1976, Sections 201.061, Subdivisions 3 and 6; 201.071; 201.091, by adding a subdivision; 201.14; 201.15; 201.27; 204A.37, Subdivision 1; 204A.46, Subdivision 2; and Chapter 201, by adding a section; repealing Minnesota Statutes 1976, Section 201.061, Subdivision 2.

Referred to the Committee on Finance.

H. F. No. 954: A bill for an act relating to juries; enacting the uniform juror selection and service act; providing for the selection and service of grand and petit jurors; providing penalties; repealing Minnesota Statutes 1976, Sections 3.081; 192.24; 357.26; 488A.07; 546.09; 593.03; 593.04; 593.05; 593.06; 593.07; 593.09; 593.10; 593.11; 593.12; 593.13; 593.14; 593.20; 628.42; 628.43; 628.44; 628.45; 628.46; 628.47; 628.49; 628.50; 628.51; 628.52; 628.53; 631.33; and Laws 1959, Chapter 219; and Extra Session Laws 1959, Chapter 19, Section 2.

Referred to the Committee on Judiciary.

H. F. No. 1226: A bill for an act relating to metropolitan airports; authorizing reimbursement to commission members; clarifying its organization and authority; granting emergency authority to expend funds; amending Minnesota Statutes 1976, Sections 473.605, Subdivisions 1 and 2; 473.606, Subdivisions 1 and 4; 473.608, Subdivisions 1, 15 and 17; 473.611, Subdivision 5; 473.621, Subdivisions 2 and 4; 473.641, Subdivision 2; 473.652; repealing

Minnesota Statutes 1976, Sections 473.611, Subdivisions 1, 2, 3 and 4; and 473.621, Subdivision 1.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1131 now in the Subcommittee on Bill Scheduling.

#### REPORTS OF COMMITTEES

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

Mr. Willet from the Committee on Agriculture and Natural Resources, to which was referred the following appointment as reported in the Journal for April 13, 1977:

#### STATE SOIL AND WATER CONSERVATION BOARD

Thomas R. Schulz

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

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

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

H. F. No. 261: A bill for an act relating to veterans; permitting the commissioner of veterans affairs to act as guardian for minors or incompetents without posting bond; amending Minnesota Statutes 1976, Chapter 196, by adding a section.

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. 398: A bill for an act relating to protection of the environment; prohibiting sale of pressurized containers using certain chlorofluorocarbon propellants; prescribing penalties.

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

Page 1, line 15, strike "3" and insert "4"

Page 1, after line 22, insert

"Subd. 3. Commencing January 1, 1978, no person shall sell or offer for sale at wholesale in this state a pressurized container using chlorofluorocarbon propellants unless the container has prominently displayed on the front panel this statement: "Warning: Contains a chlorofluorocarbon that may harm the public health and environment by reducing ozone in the upper atmosphere.""

Page 2, line 5, strike "by"

Page 2, strike lines 6, 7 and 8 and insert "to the sale of such compounds for use in the cleaning, maintenance, testing and repair of electronic equipment."

Page 2, after line 8, insert

"Subd. 5. The provisions of subdivision 2 shall be superseded upon the enactment or adoption of any federal law or final regulation prohibiting the manufacture or sale of any aerosol product utilizing saturated chlorofluorocarbons not containing hydrogen."

Renumber the subdivisions in sequence

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

S. F. No. 1406: A bill for an act relating to agriculture; clarifying certain terms; eliminating six months license provision; permitting license suspension; permitting waiver of the right to a hearing; clarifying weighing locations and weighing fees; amending Minnesota Statutes 1976, Sections 17A.03, Subdivisions 6 and 7; 17A.04, Subdivision 1, and by adding a subdivision; 17A.05, Subdivision 2; 17A.06, Subdivisions 2 and 3; 17A.10; and 17A.11

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

Page 3, line 21, strike " , which"

Page 3, strike the new language in lines 22, 23 and 24

Page 3, line 26, after the period insert "*If the bond is executed on a form furnished by the commissioner, the bond shall be limited to the protection of claimants whose residence or principal place of livestock business is in the state of Minnesota at the time of the transaction. If the bond is filed on a form in accordance with the Packers and Stockyards Act, the bond shall cover claimants regardless of place of residence.*"

Page 4, line 23, reinstate the stricken language after "notify"

Page 5, line 2, strike "alleged breach" and insert "transaction"

Page 6, line 20, strike "markets at which the"

Page 6, strike line 21

Page 6, line 22, strike "250 or more; and" and insert "facilities,"

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

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

H. F. No. 16: A bill for an act relating to insurance; providing

for interest on unpaid benefits; amending Minnesota Statutes 1976, Chapter 61A, by adding a section.

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

Page 1, line 18, after "*policy*" strike "*or*" and insert "*insuring the life of a person resident in this state at the time of death*"

Page 1, line 19, strike "*certificates issued in this state*"

Page 2, line 13, after "*policy*" strike "*or*" and insert "*insuring the life of a person resident in this state at the time of death*"

Page 2, line 14, strike "*certificate issued in this state*"

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

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

H. F. No. 675: A bill for an act relating to insurance; changing the filing date for annual statements of township mutual companies; changing limitations on property insurable by township mutual companies; changing limitations on investments by township mutual companies; amending Minnesota Statutes 1976, Sections 67A.11, Subdivision 3; 67A.14, Subdivisions 1 and 5; and 67A.23.

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

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

H. F. No. 947: A bill for an act relating to railroads; allowing reduced rates for transportation of waste material for reprocessing; amending Minnesota Statutes 1976, Section 218.021, Subdivision 2.

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

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

H. F. No. 672: A bill for an act relating to insurance; providing for determination of the participation ratio; providing for higher limits of liability coverage and uninsured motorist coverage; amending Minnesota Statutes 1976, Sections 65B.02, Subdivision 7; 65B.06, Subdivision 2; and 65B.49, Subdivision 6.

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

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

H. F. No. 319: A bill for an act relating to daytime activity cen-

ters; renaming them developmental achievement centers; making the necessary revisions in Minnesota Statutes; amending Minnesota Statutes 1976, Sections 123.39, Subdivision 13; 252.21; 252.22; 252.23; 252.24; 252.25; and 252.26.

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

Page 8, line 3, strike "*this act*" and insert "*sections 1 to 7*"

Page 8, line 5, strike "*of this act*"

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

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

S. F. No. 1335: A bill for an act relating to welfare; authorizing the establishment of a centralized disbursement system for payments and for food stamp benefit documents; amending Minnesota Statutes 1976, Section 256.01, by adding a subdivision.

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

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

H. F. No. 296: A bill for an act relating to insurance; providing for the establishment and operation of a Minnesota life and health insurance guaranty association; providing protection for policyowners, insureds, beneficiaries, and others against the failure of an insurer doing business in Minnesota; amending Minnesota Statutes 1976, Sections 60B.17, by adding a subdivision; 60B.25; 60B.26, Subdivision 2; 60B.30, by adding a subdivision; and 60B.46, Subdivision 1.

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

Page 4, after line 22, insert:

*"Subd. 14. "Commissioner" means the commissioner of insurance of the state of Minnesota and, in his absence or disability, his deputy or other person duly designated to act in his place."*

Page 5, line 7, strike "*of insurance*"

Page 6, after line 1, insert "*association for their services.*"

Sec. 6. [61B.06] [POWERS AND DUTIES OF THE ASSOCIATION.] *Subdivision 1. [IMPAIRED DOMESTIC INSURER.]*"

Page 6, lines 6 and 16, after "*liquidation*" insert "*, conservation*"

Page 7, line 3, strike "*association*" and insert "*association*"

Page 9, line 4, strike "*The association*" and insert "*, but the*"

*aggregate liability of the association shall not exceed \$100,000 in cash values, or \$300,000 for all benefits, including cash values, with respect to any one life."*

Page 9, strike lines 5 to 8

Page 18, after line 18, insert:

*"Subd. 5. [PROHIBITED SALES PRACTICE.] No person shall make use of the protection afforded by sections 1 to 16 in the sale of insurance. Any person violating this section shall be guilty of a misdemeanor."*

Page 18, line 26, strike " ; FEDERAL AND FOREIGN "

Page 18, line 27, strike "STATE TAXES"

Page 18, line 27, before "The" insert "Subdivision 1. [STATE FEES AND TAXES.] *The association shall be exempt from payment of all fees and all taxes levied by this state or any of its subdivisions, except taxes levied on real property.*

*Subd. 2. [FEDERAL AND FOREIGN STATE TAXES.]"*

Page 19, line 8, before the comma insert "*as to the impaired insurer*"

Page 19, line 10, after "may" insert "*at any time when an insurer is an impaired insurer*"

Page 19, line 12, after "default" insert "*of the impaired insurer*"

Page 23, line 31, strike "*which controlled it*" and insert "*owning more than 50 percent of the voting stock of the insurer*"

Page 24, line 9, strike "*that controlled*" and insert "*owning more than 50 percent of the voting stock of*"

Page 24, line 13, strike "*delcared*" and insert "*declared*"

Page 24, line 24, strike "*dividend*" and insert "*distribution*"

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

Mr. Wegener from the Committee on Local Government, to which was referred

H. F. No. 937: A bill for an act relating to Ramsey county; deleting obsolete provisions in the Ramsey county code relating to parks and recreation; amending Laws 1974, Chapter 435, Section 1.0205.

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

Mr. Wegener from the Committee on Local Government, to which was referred

H. F. No. 1129: A bill for an act relating to Ramsey county; codifying existing laws relating to the composition, terms, selection and redistricting of the board of commissioners; providing for the time and place of certain board meetings; authorizing rules of procedure and the keeping and publication of a board journal; amending Laws 1974, Chapter 435, Section 2.05, and by adding sections; repealing Laws 1974, Chapters 435, Sections 2.01, 2.02 and 2.06; and 576, Section 2, Subdivisions 1, 2, 3 and 5.

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

Mr. Wegener from the Committee on Local Government, to which was referred

H. F. No. 323: A bill for an act relating to Dakota county; providing that the office of administrative assistant to the sheriff shall be unclassified.

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

Page 1, line 16, strike "said" and insert "the"

Page 1, line 18, strike "said" and insert "the"

Page 1, line 21, after the period insert "It shall be the responsibility of the Dakota county board of commissioners to determine whether a conflict or lack of impartiality exists."

Amend the title as follows:

Page 1, line 4, before the period insert "; authorizing sheriff's civil service commissioners to hold other public office or employment; providing for a per diem".

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

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

S. F. No. 1444: A bill for an act relating to the Minnesota state water pollution control fund; clarifying eligibility for 15 percent matching grants financed by the fund; eliminating certain matching grants; authorizing the issuance of Minnesota state water pollution control bonds; appropriating money; amending Minnesota Statutes 1976, Sections 116.16, Subdivision 6; and 116.18, Subdivisions 1 and 4.

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

Page 2, line 7, after "municipality" insert "*except the metropolitan waste control commission created by section 473.503*"

Page 2, line 10, after "fund" insert "*unless other facilities are needed to abate an immediate health hazard*"

Page 2, line 15, strike "\$133,000,000" and insert "\$135,000,000"

Page 3, lines 17 to 22, restore the stricken language

Page 3, line 20, strike "25" and insert "15"

Page 3, line 23, restore "grant" and restore the period on line 24

Page 3, line 24, restore "The agency may limit the scope and eligible"

Page 3, line 25, restore the stricken language

Page 4, line 6, strike "\$122,000,000" and insert "\$124,000,000"

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

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

H. F. No. 823: A bill for an act relating to public health; permitting plastic well casings; amending Minnesota Statutes 1976, Chapter 156A, by adding a section.

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

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

S. F. No. 1465: A bill for an act relating to public welfare; mandating the working of certain general assistance recipients; allowing the use of general assistance funds for the work equity program; empowering the commissioner of public welfare to contract for recipient services and grant distribution; amending Minnesota Statutes 1976, Sections 256D.02, by adding subdivisions; 256D.04; 256D.06, by adding a subdivision; and 256D.11, Subdivisions 1 and 4, and by adding subdivisions.

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

Page 4, line 16, strike "work" and insert "program"

Page 4, line 17, after "such" insert "community project"

Page 4, line 24, after "Subd. 3a." insert "Participants in the work equity program shall be paid at the same wage rates as public employees doing similar work, however,"

Page 5, line 13, strike "may" and insert "shall"

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

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

S. F. No. 629: A bill for an act relating to public welfare; estab-



lishing home care programs for the needy; appropriating money; amending Minnesota Statutes 1976, Section 256B.51.

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

Page 1, after line 6, insert:

"Section 1. Minnesota Statutes 1976, Section 256B.02, Subdivision 8, is amended to read:

Subd. 8. "Medical assistance" or "medical care" means payment of part or all of the cost of the following care and services for eligible individuals whose income and resources are insufficient to meet all of such cost:

- (1) Inpatient hospital services.
- (2) Skilled nursing home services.
- (3) Physicians' services.
- (4) Outpatient hospital or clinic services.
- (5) Home health care services.
- (6) Private duty nursing services.
- (7) Physical therapy and related services.
- (8) Dental services.
- (9) Laboratory and x-ray services.
- (10) The following if prescribed by a licensed practitioner: drugs, eyeglasses, dentures, and prosthetic devices.
- (11) Diagnostic, screening, and preventive services.
- (12) Health care pre-payment plan premiums and insurance premiums if paid directly to a vendor and supplementary medical insurance benefits under Title XVIII of the Social Security Act.
- (13) Transportation costs incurred solely for obtaining medical care when paid directly to an ambulance company, common carrier, or other recognized providers of transportation services.
- (14) Any other medical or remedial care licensed and recognized under state law.
- (15) *Personal care services in a recipient's home rendered by an individual, not a member of the family, who is qualified to provide the services, when the services are prescribed by a physician in accordance with a plan of treatment and are supervised by a registered nurse.*

Page 2, line 9, reinstate the stricken language

Page 2, line 10, reinstate "the cost of"

Page 2, line 10, reinstate "homemaker services," and after "services," insert "home health services, nutritional services."

Page 2, line 12, reinstate "social services,"

Page 2, line 12, reinstate "and"

Page 2, line 13, reinstate "related transportation expenses"

Page 2, line 15, strike "The"

Page 2, strike lines 16 to 18, except the period on line 18

Page 2, line 19, strike "*for the payment of*" and insert "*In determining the grants, the commissioner may also consider*"

Page 3, line 9, strike "\$250,000" and insert "\$1,988,000"

Further, amend the title as follows:

Page 1, line 2, after "welfare;" insert "providing coverage for personal care services under medical assistance;"

Page 1, line 4, strike "Section" and insert "Sections 256B.02, Subdivision 8; and"

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

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

H. F. No. 139: A bill for an act relating to natural resources; revising certain provisions relating to St. Croix Wild River state park.

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

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

H. F. No. 1421: A bill for an act relating to natural resources; designating wild rice as the official state grain; amending Minnesota Statutes 1976, Chapter 1, by adding a section.

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

Page 1, line 13, strike "*and a typical specimen*"

Page 1, line 15, strike "*shall*" and insert "*may*"

Page 1, line 15, strike "*preserved*" and insert "*displayed*"

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. 1275: A bill for an act relating to agriculture; grain inspection and weighing; fees; providing a basis for establishing and adjusting fees; amending Minnesota Statutes 1976, Section 17B.15, Subdivision 2.

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

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

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

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

H. F. No. 313: A bill for an act relating to unemployment compensation; providing eligibility for benefits for certain retired workers; amending Minnesota Statutes 1976, Section 268.09, Subdivision 1, as amended by Laws 1977, Chapter 4.

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

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

S. F. No. 1426: A bill for an act relating to economic development; industrial development bonds; removing requirement of approval by commissioner of economic development; amending Minnesota Statutes 1976, Section 474.01, Subdivision 7.

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

Page 2, after line 3, insert:

"Sec. 2. Minnesota Statutes 1976, Section 474.01, is amended by adding a subdivision to read:

*Subd. 7a. No municipality shall undertake any project authorized by this chapter until the commissioner of securities has approved the project, on the basis of preliminary information which the commissioner may require, as tending to further the purposes and policies of this chapter. Approval shall not be deemed to be an approval by the commissioner of securities or the state of the feasibility of the project or the terms of the revenue agreement to be executed or the bonds to be issued therefor, and the commissioner shall state this in communicating approval."*

Amend the title as follows:

Line 6, before the period, insert ", and by adding a subdivision"

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

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

H. F. Nos. 461, 921, 635, 808, 791 for comparison to companion Senate Files, reports the following House Files were found not identical with their companion Senate Files as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
635	784			461	101
808	832			921	962
791	559				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 635 be amended as follows:

Page 2, line 11, after "*engaged*" insert "*or is about to engage*"

And when so amended, H. F. No. 635 will be identical to S. F. No. 784 and further recommends that H. F. No. 635 be given its second reading and substituted for S. F. No. 784 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 808 be amended as follows:

In the title, line 2, after "*improvement*" insert a semicolon

And when so amended, H. F. No. 808 will be identical to S. F. No. 832 and further recommends that H. F. No. 808 be given its second reading and substituted for S. F. No. 832 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 791 be amended as follows:

Page 4, line 31, after "*fulfilled*" insert "*to the satisfaction of the Minnesota historical society and upon the recommendation of its executive committee*"

And when so amended, H. F. No. 791 will be identical to S. F. No. 559 and further recommends that H. F. No. 791 be given its second reading and substituted for S. F. No. 559 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 461 be amended as follows:

Page 1, lines 14 and 15, restore the stricken "*he*" and delete "*a recipient or applicant*"

Page 1, line 16, restore the stricken "*he*" and delete "*a recipient or applicant*"

Page 2, lines 8 and 9, delete "*by a court*"

Page 3, line 18, before "*The*" insert

*"The amount of food stamps incorrectly issued shall be the difference between the amount of food stamps actually received and the amount to which the recipient would have been entitled under state and federal law had the welfare agency been informed of all material facts."*

Page 3, line 18, delete "*by a court*"

And when so amended, H. F. No. 461 will be identical to S. F.

No. 101 and further recommends that H. F. No. 461 be given its second reading and substituted for S. F. No. 101 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 921 be amended as follows:

Pages 2, lines 8 to 12, restore the stricken language

Page 2, line 11, strike "\$100" and insert "\$160"

Page 2, line 14, after the period insert *"In those cases where a single arbitrator is hearing a dispute, the fees, expenses and costs of the arbitrator shall be shared and assessed equally by the parties to the dispute."*

And when so amended, H. F. No. 921 will be identical to S. F. No. 962 and further recommends that H. F. No. 921 be given its second reading and substituted for S. F. No. 962 and that the Senate File be indefinitely postponed.

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

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

H. F. Nos. 801 and 1130 for comparison to companion Senate Files, reports the following House Files were found not identical with their companion Senate Files as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
				801	797
				1130	1135

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 801 be amended as follows:

Page 5, line 7, after *"unauthorized connection"* insert a comma and after *"whether"* insert *"by"*

Page 5, line 8, delete the comma after *"connection"* and insert a semicolon

Page 5, line 10, after *"microwave"* insert *"equipment"*

Page 5, line 11, after *"238"* insert *"or to a television set"* and delete *"Nothing"*

Page 5, delete lines 12 to 17

Page 5, line 22, delete everything after *"misdemeanor."*

Page 5, delete lines 23 to 28 and insert

*"(1) intentionally and with the purpose of making or aiding in an unauthorized connection to a licensed cable communica-*

tions system as defined in chapter 238 sells, rents, lends, offers or advertises for sale, rental or use, any instrument, apparatus, equipment, device or plan, specification or instruction for making an unauthorized connection; or

(2) intentionally tampers with, removes or injures any cable, wire, or other component of a licensed cable communications system as defined in chapter 238; or

(3) intentionally and without claim of right interrupts a service of a licensed cable communications system as defined in chapter 238."

And when so amended, H.F. No. 801 will be identical to S. F. No. 797 and further recommends that H. F. No. 801 be given its second reading and substituted for S. F. No. 797 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 1130 be amended as follows:

Page 2, line 14, before "Failure" insert "The"

Page 2, lines 14 and 15, delete "on file" and insert "filed"

Page 2, line 16, after "void" insert " , two days after dispatch by the commissioner by certified or registered mail of notice of such suspension, addressed to the last known address of the motor carrier,"

Page 2, line 18, delete "The"

Page 2, delete lines 19 to 22

Further amend the title in lines 7 and 8 by deleting "registration fee exemptions;" and inserting "permitting lesser registration fees for certain interstate motor carriers;"

And when so amended, H. F. No. 1130 will be identical to S. F. No. 1135 and further recommends that H. F. No. 1130 be given its second reading and substituted for S. F. No. 1135 and that the Senate File be indefinitely postponed.

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

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

H. F. Nos. 405 and 343 for comparison to companion Senate Files, reports the following House Files were found not identical with their companion Senate Files as follows:

H. F. No. 343 was compared with S. F. No. 1354, now in the Committee on Rules and Administration.

#### GENERAL ORDERS      CONSENT CALENDAR      CALENDAR

H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
405	399				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 405 be amended as follows:

Page 1, line 18, after "*that*" insert "*possession of*"

Page 1, line 20, delete "*shall*"

Page 1, lines 21 to 23, delete the underscored language and insert "*on the premises of a nonprofit organization and operated by organizations licensed for such operation pursuant to section 3 of this act shall not be cause for revocation of a license*"

Page 2, line 13, after "*be*" insert "*kept or*"

Page 2, line 16, delete "*349.26*" and insert "*3 of this act*"

Page 2, line 27, delete "*shall mean*" and insert "*means*"

Page 2, line 31, delete "*is*" and insert "*means*"

Page 3, line 2, delete "*is*" and insert "*means*"

Page 3, line 7, delete "*is a lottery*" and insert "*means a game*"

Page 3, line 8, after "*which*" insert "*a*"

Page 3, line 13, delete the comma

Page 3, line 19, delete the comma and insert a semicolon

Page 3, line 24, delete "*and such*" and insert "*, and the*"

Page 4, line 1, delete "*regulations*" and insert "*rules or ordinances*"

Page 4, line 3, delete "*regulations,*" and insert "*laws,*" and delete "*regulations*" and insert "*rules or ordinances*"

Page 4, line 5, delete "*License*" and insert "*Licenses*"

Page 4, line 6, after "*organization*" insert "*covered by section 290.05, subdivision 1, clauses (i) and (k)*"

Page 4, line 15, after "*and*" insert "*the*"

Page 6, line 6, delete "*unless*" and insert "*upon*"

Page 6, delete lines 7 and 8 and insert "*premises which it owns or leases except that tickets for raffles conducted in accordance with this section may be sold off such premises. Leases unless authorized at another location by the local unit of government shall be for a period of not less than one year, and shall be in writing. No such lease shall provide that rental payments be based on a percentage of receipts or profits from gambling devices or raffles. Copies of all such leases shall be provided to the licensing local unit of government.*"

Page 6, line 23, before "*is*" insert "*Subdivision 3,*"

Delete page 6, line 25 to page 7, line 6

Page 7, line 24, delete "*349.26, subdivision 1*" and insert "*3, subdivision 1a*"

Delete page 7, line 27 to page 9, line 6

Page 9, line 13, delete "349.26, subdivision 1" and insert "3, subdivision 1a"

Page 9, line 14, delete "349.26" and insert "3 of this act"

Renumber the sections in sequence

Further, amend the title

Line 6, after "609.75" insert ", Subdivision 3"

Line 7, delete "609.76; Chapters" and insert "Chapter"

And when so amended, H. F. No. 405 will be identical to S. F. No. 399 and further recommends that H. F. No. 405 be given its second reading and substituted for S. F. No. 399 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 343 be amended as follows: (including amendments from the Senate Committee on Judiciary reported May 3, 1977.)

Strike everything after the enacting clause and insert

"Section 1. Minnesota Statutes 1976, Chapter 617, is amended by adding a section to read:

[617.246] [PROHIBITING PROMOTION OF MINORS TO ENGAGE IN OBSCENE WORKS.] *Subdivision 1. [DEFINITIONS.] (a) For the purpose of this section, the terms defined in this subdivision shall have the meanings given them.*

*(b) "Minor" means any person who has not attained his or her 18th birthday.*

*(c) "Promote" means to produce, direct, publish, manufacture, issue, or advertise.*

*(d) "Sexual performance" means any play, dance or other exhibition presented before an audience or for purposes of visual or mechanical reproduction which depicts patently offensive sexual conduct as defined by clause (f).*

*(e) "An obscene work" is a picture, a film, photograph, negative, slide, drawing or similar visual representation depicting a minor, which taken as a whole appeals to pedophiles or to the prurient interest in sex of the average person, which portrays patently offensive sexual conduct and which, taken as a whole, does not have serious literary, artistic, political or scientific value. In determining whether or not a work is an obscene work the trier of the fact must find: (i) that the average person, applying contemporary community standards would find that the work, taken as a whole appeals to pedophiles or to the prurient interest in sex of the average person; and (ii) that the work depicts patently offensive sexual conduct specifically defined by clause (f); and (iii) that the work, taken as a whole, lacks serious literary, artistic, political or scientific value.*



(f) "Patently offensive sexual conduct" includes any of the following depicted sexual conduct if the depiction involves a minor:

(i) An act of sexual intercourse, normal or perverted, actual or simulated, including genital-genital, anal-genital, or oral-genital intercourse, whether between human beings or between a human being and an animal.

(ii) Sadomasochistic abuse, meaning flagellation or torture by or upon a person who is nude or clad in undergarments or in a revealing costume or the condition of being fettered, bound or otherwise physically restrained on the part of one so clothed.

(iii) Masturbation or lewd exhibitions of the genitals including any explicit, close up representation of a human genital organ.

(iv) Physical contact or simulated physical contact with the clothed or unclothed pubic areas or buttocks of a human male or female, or the breasts of the female, whether alone or between members of the same or opposite sex or between humans and animals in an act of apparent sexual stimulation or gratification.

**Subd. 2. [USE OF MINOR.]** It is unlawful for a person to knowingly promote, employ, use or permit a minor to engage in or assist others to engage in posing or modeling alone or with others in any sexual performance for purposes of preparing an obscene work.

A violation of this subdivision is a felony.

**Subd. 3. [OPERATION OR OWNERSHIP OF BUSINESS.]** A person who owns or operates a business knowing an obscene work, as defined in this section, is disseminated therein, is guilty of a felony.

**Subd. 4. [DISSEMINATION.]** A person who, knowing its content and character, disseminates for profit an obscene work, as defined in this section, is guilty of a misdemeanor."

Further, strike the title and insert

"A bill for an act relating to obscenity; prohibiting the promotion or employment of minors as models alone or with others in sexual performances for purposes of preparing an obscene work; prohibiting the ownership or operation of a business which disseminates certain obscene works; prohibiting the dissemination of certain obscene works; prescribing penalties; amending Minnesota Statutes 1976, Chapter 617, by adding a section."

And when so amended, H. F. No. 343 will be identical to S. F. No. 1354 and further recommends that H. F. 343 be given its second reading and substituted for S. F. 1354 and that the Senate File be indefinitely postponed.

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

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

S. F. No. 1457: A bill for an act relating to taxation; changing definitions of gross income for income tax purposes and income for low income credit purposes; increasing certain individual credits; including amounts of certain pensions and benefits above employee contributions in gross income; broadening income tax credit to include all individual income subject to tax in another state; changing certain income tax deductions; changing provisions of allocation of gross income to this state; providing for withholding of tax from military pay; providing minimum tax on preference items; removing non-school district debt limitation from property classifications; changing certain tax levy administration procedures; changing definition of income, dependent and household income and changing amount of income-adjusted homestead credit; increasing local government aids and changing distribution and appeal procedures; providing a dependent care income tax credit; changing property tax levy limits for local governmental subdivisions; increasing school aids; decreasing assessed values of certain kinds of property; increasing state paid agricultural credit; providing school district levy procedures for 1977 and 1978; decreasing employer's tax; providing employer's tax credit to railroad companies; exempting newsprint from sales tax; providing an alternative sales tax procedure for railroad rolling stock; establishing a tax study commission; establishing procedures for estimated occupation tax; changing taconite tax provisions; establishing taconite environmental and economic protection fund; appropriating money; amending Minnesota Statutes 1976, Sections 124.212, Subdivision 7b; 256.82; 273.13, Subdivisions 4, 6 and 7; 273.132; 273.134; 273.135, Subdivision 2; 275.07; 275.50, Subdivision 5; 275.51, by adding subdivisions; 275.52, Subdivision 2; 276.01; 276.04; 290.01, Subdivision 20; 290.012, Subdivision 4; 290.031, Subdivisions 3, 4 and 6; 290.06, Subdivision 3c; 290.08, Subdivision 6; 290.081; 290.09, Subdivisions 4 and 5; 290.17; 290.92, Subdivisions 1 and 16; 290A.03, Subdivisions 3 and 7; 290A.04, Subdivisions 1 and 2; 290A.05; 295.02; 297A.14; 297A.211, by adding a subdivision; 297A.25, Subdivision 1; 298.03; 298.22, Subdivision 1 and by adding a subdivision; 298.24, Subdivision 1; 298.244, Subdivision 2; 298.25; 298.27; 298.28, Subdivision 1; 298.282, Subdivisions 1 and 2; 477A.01, Subdivisions 1, 2, 3, and 4 and by adding subdivisions; Chapter 3, by adding a section; Chapter 290, by adding sections; and Chapter 298, by adding sections; repealing Minnesota Statutes 1976, Sections 273.011; 273.012; 290.09, Subdivisions 24 and 26; 290.65, Subdivision 1; and 290.066; 294.27; 294.28; 298.24, Subdivision 2; 298.241; 298.243; 298.244, Subdivision 1; 298.28, Subdivision 1a; and 298.281.

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

Page 4, strike lines 22 to 28

Renumber the clauses

Page 6, strike lines 22 to 24

Renumber the clauses

Page 6, line 31, after "income," insert: "*the amount of any credit received, whether received as a refund or credit to another taxable year's income tax liability, pursuant to chapter 290A, and*"

Page 7, line 3, strike "; and"

Page 7, strike lines 4 to 6

Pages 12 and 13, strike section 4 and insert:

"Sec. 4. Minnesota Statutes 1976, Section 290.06, Subdivision 3d, is amended to read:

Subd. 3d. [CREDITS AGAINST TAX.] *In the case of a claimant and his spouse whose combined taxable net income as defined in section 290.18, is less than \$12,000, the taxes due as computed in accordance with section 290.06, subdivisions 2c and 3c shall be credited with the following amounts:*

(1) A credit equal to his tax liability in the case of

(a) An unmarried claimant with an income of \$4,400 or less;

(b) A claimant with one dependent, with an income of \$5,200 or less;

(c) A claimant with two dependents, with an income of \$6,000 or less;

(d) A claimant with three dependents, with an income of \$6,700 or less;

(e) A claimant with four dependents, with an income of \$7,300 or less; and

(f) A claimant with five or more dependents, with an income of \$7,800 or less.

(2) In the case of a claimant with an income in excess of that set forth in the appropriate category of clause (1), he may pay a tax equal to 15 percent of that portion of his income that is in excess of the amount set forth in the appropriate category of clause (1), or his tax obligation as it would have been in the absence of section 290.012 and this subdivision, whichever is less.

(3) The total income of the claimant and his spouse, if any, shall be the figure employed for the purposes of this subdivision. No individual dependent upon and receiving his chief support from any other individual may be a claimant under section 290.012 and this subdivision. The commissioner of revenue shall prescribe the additional forms or alterations in existing forms as this subdivision. All claimants shall submit their returns on these necessary to comply with the provisions of section 290.012 and forms."

Page 20, line 32, strike the comma and insert a period

Page 21, strike lines 1 to 3

Page 27, line 25, strike "or" and insert a comma

Page 27, line 25, strike "*of a resident decedent*" and insert "*or trust*"

Page 28, line 5, after "*Sections*" insert "*290.08, Subdivision 6;*"

Page 28, line 28, strike "\$325" and insert "*\$350 for taxes payable in 1978 and \$375 for taxes payable in 1979 and thereafter*"

Page 30, line 1, strike "\$325" and insert "*\$350 for taxes payable in 1978 and \$375 for taxes payable in 1979 and thereafter*"

Page 31, line 14, strike "\$325" and insert "*\$350 for taxes payable in 1978 and \$375 for taxes payable in 1979 and thereafter*"

Page 31, after line 19, insert:

"Sec. 3. Minnesota Statutes 1976, Section 273.13, Subdivision 14a, is amended to read:

Subd. 14a. [BUILDINGS AND APPURTENANCES ON LAND NOT OWNED BY OCCUPANT.] The property tax to be paid in respect of the value of all buildings and appurtenances thereto owned and used by the occupant as a permanent residence, which are located upon land subject to property taxes and the title to which is vested in a person or entity other than the occupant, for all purposes except the payment of principal and interest on bonded indebtedness, shall be reduced by 45 percent of the amount of the tax in respect of said value as otherwise determined by law, but by more than ~~\$325~~ *\$350 for taxes payable in 1978 and \$375 for taxes payable in 1979.*"

Page 34, line 31, before the stricken period, insert "1976" and restore the period

Page 34, line 32, restore the stricken language

Page 35, lines 1 and 2, restore the stricken language

Page 35, line 3, restore all the stricken language except "Income"

Page 35, line 7, strike "1976"

Page 35, after line 7, insert:

"Sec. 8. Minnesota Statutes 1976, Section 290A.03, Subdivision 5, is amended to read:

Subd. 5. [HOUSEHOLD INCOME.] "Household income" means all income received by all persons of a household in a calendar year while members of the household, *other than income of a dependent.*"

Page 35, line 10, strike "person" and insert "*member of the claimant's household*"

Page 35, strike line 11

Page 35, line 13, strike the language after "claimant,"

Page 35, strike line 14

Page 35, line 15, strike "support from the claimant"

Page 35, after line 16, insert:

"Sec. 10. Minnesota Statutes 1976, Section 290A.03, Subdivision 8, is amended to read:

Subd. 8. [CLAIMANT.] "Claimant" means a person *other than a dependent* who filed a claim authorized by sections 290A.01 to 290A.21 and who was domiciled in this state during the calendar year for which the claim for relief was filed. In the case of a claim relating to rent constituting property taxes, the claimant shall have resided in a rented or leased unit on which ad valorem taxes are payable for not less than six months of the calendar year covered by the claim, except that a claimant who is disabled or who has attained the age of 65 on the date specified in section 290A.04, subdivision 1, may file a claim based on residence in a unit on which ad valorem taxes were not payable. In the case of a part year resident, the income and rental reflected in this computation shall be for the period of Minnesota residency only. Any rental expenses paid which may be reflected in arriving at federal adjusted gross income cannot be utilized for this computation. Maximum credit allowed under this computation would be at a rate of one-twelfth of the maximum credit allowed pursuant to section 290A.04 per month of residency computed to the nearest full month. When two individuals of a household are able to meet the qualifications for a claimant, they may determine among them as to who the claimant shall be. If they are unable to agree, the matter shall be referred to the commissioner of revenue and his decision shall be final.

If a homestead is occupied by two or more unrelated renters, the rent shall be deemed to be paid equally by each, and separate claims shall be filed by each. The income of each shall be his household income for purposes of computing the amount of credit to be allowed.

Sec. 11. Minnesota Statutes 1976, Section 290A.03, Subdivision 13, is amended to read:

Subd. 13. [PROPERTY TAXES PAYABLE.] (a) "Property taxes payable" means the property tax exclusive of special assessments, penalties, and interest payable on a claimant's homestead before reductions made pursuant to section 273.13, subdivisions 6 and 7, but after deductions made pursuant to sections 273.132 and 273.135, in 1976 or any calendar year thereafter. For homesteads which are mobile homes as defined in section 168.011, subdivision 8, "property taxes payable" shall also include 20 percent of gross rent paid in the preceding year for the site on which the homestead is located, exclusive of charges for utilities or services. When a homestead is owned by two or more persons as joint tenants or tenants in common, "property taxes payable" is that part of the property taxes payable on the homestead as reflects the percentage of ownership of the claimant and, *his spouse or dependent*. Property taxes are considered payable in the year prescribed by law for payment of the taxes.

(b) In the case of a claim relating to "property taxes payable", the claimant must have owned and occupied the homestead on January 2 of the year in which the tax is payable homestead owned during part of a year by a person and during the rest of the year by one or more other persons, "property taxes payable" means for each such person the product of multiplying "property taxes payable" on the homestead for the year by a fraction the numerator of which is the number of days the person owned the homestead and the denominator of which is 365. "Property taxes payable" shall not include any property taxes attributable to a period during which the property was not a homestead. In computing the credit allowable under section 290A.04, each person shall be deemed to have received the homestead credit authorized by section 273.13, subdivisions 6 and 7, in the same proportion as "property taxes payable" are allocated to him pursuant to this clause."

Page 35, line 32, strike "\$65" and insert "\$60"

Page 36, line 7, after the period insert "Except as provided in subdivisions 2a and 2b,"

Page 37, after line 7, insert:

"Sec. 14. Minnesota Statutes 1976, Section 290A.04, is amended by adding a subdivision to read:

*Subd. 2a. For claimants who are homeowners, the maximum credit amounts provided in subdivision 2 shall be increased by \$25 for claims based on taxes payable in 1978, and by an additional \$25 for claims based on taxes payable in 1979.*

Sec. 15. Minnesota Statutes 1976, Section 290A.04, is amended by adding a subdivision to read:

*Subd. 2b. An additional credit shall be allowed each claimant whose claim is based on taxes paid on the home he owns in an amount equal to 30 percent of the amount by which property taxes payable exceed the sum of (a) the credit calculated pursuant to subdivisions 2 and 2a and (b) the percentage of the claimant's household income specified in subdivision 2. The sum of the credits provided in subdivisions 2, 2a and this subdivision shall not exceed the maximum amounts provided below.*

*For claimants earning:*

*\$ 0 to 19,999, up to \$800;*

*20,000 to 25,999, up to \$800;*

*26,000 to 35,999, up to \$650;*

*36,000 and over, up to \$350, for taxes payable in 1978, and \$375 for taxes payable in 1979; provided that maximum credits for incomes above \$20,000 decline according to the following schedule:*

*between \$20,000 and \$26,000 decline \$25 per \$1,000; between \$26,000 and \$36,000 decline \$30 per \$1,000 for taxes payable in 1978, and \$25 per \$1,000 for taxes payable in 1979."*

Page 37, line 11, strike "another" and insert "a"

Page 37, line 12, strike "and" and insert "or" and strike "excluding"

Page 37, strike line 13

Page 37, line 14, strike "contract,"

Page 37, line 15, strike "or claimants"

Page 37, line 17, strike "the other" and insert "all"

Page 37, line 18, after "homestead" insert "*other than his dependents, renters, lessees or sublessees*" and strike "If a person occupies a"

Page 37, strike lines 19 to 22

Page 37, line 23, strike the language after "If"

Page 37, line 24, strike "homestead under rental or lease agreement" and insert "*a person rents, leases or subleases a part of his homestead to a person other than his dependent*"

Page 37, line 26, after "be" insert "only" and strike "not covered by the rental agreement" and insert "*attributable to the part of the homestead not rented, leased or subleased for the duration of the rental agreement or lease*"

Page 37, after line 26, insert:

"Sec. 17. Minnesota Statutes 1976, Section 290A.10, is amended to read:

290A.10 [PROOF OF TAXES PAID.] Every claimant who files a claim for relief for property taxes payable shall include with his claim a property tax statement or a reproduction thereof in a form deemed satisfactory by rule of the commissioner of revenue indicating that there are no delinquent property taxes on the homestead. Indication on the property tax statement from the county treasurer that there are no delinquent taxes on the homestead shall be sufficient proof.

Sec. 18. Laws 1976, Chapter 334, Section 21, is amended to read:

Sec. 21. [EFFECTIVE DATE.] Sections 5, 6, 8, 10, 11, 13, 17 and 19 are effective the day following final enactment. Sections 12 and 15 are effective for taxable years beginning after December 31, 1975. Sections 7, 9 and 20 are effective for taxes payable in 1977 and subsequent years. Section 16 shall be effective for claims filed in 1977 and subsequent years. Section 14 is a declaration of law existing prior to enactment of Laws 1975, Chapter 349, Section 17, and is not a change in such preexisting law. Sections 1, 15 and 18 are effective for taxable years beginning after December 31, 1974. Sections 2, 3 and 4 are effective for taxable years beginning after December 31, 1976.

Sec. 19. *Claims filed for income-adjusted homestead credit pursuant to section 11 shall not be subject to the penalties for late filing provided in Minnesota Statutes, Section 290A.06.*

Page 37, line 29, strike "1, 2, 6, 7, 8, 9" and insert "4, 5, and 6"

Page 37, strike lines 30 to 32

Page 38, line 1, strike "and 5"

Page 38, line 2, after the period insert "*Section 18 is effective the day following final enactment. The remainder of this article is effective for claims based on rent paid in 1977 and subsequent years and property taxes payable in 1978 and subsequent years.*"

Renumber the sections in sequence

Page 40, line 30, strike "7" and insert "6"

Page 41, strike lines 10 to 32 and insert:

"[AMOUNT OF CREDIT.] A taxpayer may take as a credit against the tax due from him and his spouse, if any, under chapter 290 an amount equal to 50 percent of the dependent care credit for which he is eligible pursuant to the provisions of section 44A of the Internal Revenue Code of 1954, as amended through December 31, 1976, subject to the limitations provided in subdivision 2.

Subd. 2. [LIMITATIONS.] The credit for expenses incurred for the care of each dependent shall not exceed \$150 in any taxable year, and the total credit for all dependents of a claimant shall not exceed \$300 in a taxable year. The total credit shall be reduced by five percent of the amount by which the combined federal adjusted gross income of the claimant and his spouse, if any, exceeds \$15,000 which is used for purposes of computing the credit under section 44A of the Internal Revenue Code of 1954, as amended through December 31, 1976. A married claimant shall file his income tax return for the year for which he claims the credit either jointly or separately on one form with his spouse. In the case of a married claimant only one spouse may claim the credit. No expense for which a medical expense deduction is claimed pursuant to section 290.09, subdivision 10, shall be claimed as a dependent care expense."

Renumber the subdivisions in sequence

Page 42, strike lines 1 to 32

Page 43, strike lines 1 to 15

Page 43, line 25, strike "Subd. 6." and insert "Sec. 2."

Page 43, line 26, strike "this section" and insert "section 1"

Renumber the sections in sequence

Page 44, after line 2, insert:

"Section 1. Minnesota Statutes 1976, Section 275.09, Subdivision 3, is amended to read:

Subd. 3. [TOWN PURPOSES.] There shall be levied annually on each dollar of taxable property, except such as is by law otherwise taxable, as assessed and entered on the tax lists for town purposes in towns having a population of more than 3,500, such



amount as is voted at any legal town meeting, the rate of which tax shall not exceed, exclusive of such sums as are voted at the annual town meeting for road and bridge purposes,  $3\frac{1}{4}$  mills in any town having a population of more than 7,000, excluding the population of any cities therein,  $1.6\frac{2}{3}$  mills in any town having a taxable valuation of \$100,000 or more, and the amount of which shall not exceed \$350 in any town having a taxable valuation of less than \$100,000, and the rate of which shall not exceed one percent in any town. The rate of tax for road and bridge purposes in any town shall not exceed the rate provided by section 164.04. In any town in which the amount levied within the above limitations is not sufficient to enable the town to carry on its necessary governmental functions, the electors, during the business hours, after disposing of the annual report, may make an additional levy of not to exceed  $1.6\frac{2}{3}$  mills to enable the town to carry on such necessary governmental functions.

Sec. 2. Minnesota Statutes 1976, Section 275.10, Subdivision 1, is amended to read:

275.10 [TAX LEVY IN TOWNS.] Subdivision 1. [RATE.] The total amount of taxes, exclusive of money and credits taxes, levied in each calendar year by or for any town *having a population in excess of 3,500*, through the vote of the town meeting or the electors of such town or otherwise, and by or for any board or commission thereof, for any and all general or special purposes whatsoever, including payment of indebtedness and bonds, shall not exceed  $5\frac{1}{2}$  mills on the dollar of the assessed taxable valuation of the property in the town, exclusive of money and credits, whenever such levy of  $5\frac{1}{2}$  mills upon the dollar of such assessed taxable valuation will produce a total levy of town taxes as great as or greater than an average of \$1,000 per government section of the entire area of such town, according to government survey of the property therein in any one calendar year, and no such town, by vote of the electors or otherwise, shall contract debts or make expenditures in any calendar year in excess of the amount of taxes assessed for that year, plus any available unexpended balance in prior years against which obligations have not been incurred. *For any town having a population of less than 3,500 the mill rate shall be that mill rate fixed by a vote of the electors of the town at their annual meeting or a special meeting called for that purpose.*

Sec. 3. Minnesota Statutes 1976, Section 275.31, is amended to read:

275.31 [LIMITATION OF SECTIONS 275.31 TO 275.35.] Sections 275.31 to 275.35 apply to all towns in the state having a population of more than ~~3,000~~ *3,500*, exclusive of incorporated cities therein, and an assessed valuation of taxable property, exclusive of money and credits, of more than \$10,000,000."

Page 53, after line 7, insert:

"Sec. 8. Minnesota Statutes 1976, Section 275.59, is amended to read:

275.59 [CITIES UNDER 2,500; TOWNS UNDER 3,500 POPULATION; EXEMPTION FROM LEVY LIMITS.] Commencing with levy year 1975 1977 and thereafter, taxes payable in 1976 1978 and thereafter, the provisions of sections 275.50 to 275.56 shall not apply to any ~~city, home rule charter or statutory city or town with statutory city powers~~ whose population according to the latest state or federal census is under 2,500 or to ~~any town with statutory city powers whose population according to the latest state or federal census is under 3,500 .~~

Page 53 line 8, strike "Section 4" and insert "Sections 1 to 3 and 7 and 8 are"

Page 53, line 9, after "thereafter" insert ", provided the increases of the levy limit base made pursuant to section 1 shall not be subject to the limitation provided in section 275.52, subdivision 4 for levy year 1977"

Renumber the sections in sequence

Page 57, line 17, after "1979" insert "and thereafter"

Page 59, line 18, strike "All" and insert "Class 3cc property shall include only"

Page 59, line 19, after "by" insert ": (a)"

Page 59, line 21, strike "by" and insert "(b)"

Page 59, line 22, after "who" insert ": (1)"

Page 59, line 24, strike "who" and insert "(2)"

Page 59, line 30, strike "who" and insert "(3)"

Page 60, line 2, after "or" insert "(c)" and after "who" insert "(1)"

Page 60, line 3, strike "who" and insert "(2)"

Page 60, line 3, after "receiving" insert "(i)"

Page 60, line 4, strike "who is receiving"

Page 60, line 5, before "supplemental" insert "(ii)" and strike "who is"

Page 60, line 6, strike "receiving" and insert "(iii)"

Page 60, line 7, strike "who is receiving" and insert "(iv)"

Page 60, line 8, strike "who is receiving" and insert "(v)"

Page 60, line 12, strike ", shall constitute" and insert a period and after "class 3cc" strike "and" and insert "property"

Page 98, line 18, after "county" insert "in this state"

Page 109, after line 25, insert:

## "ARTICLE XI

Section 1. [PAYMENTS IN LIEU OF TAXES ON CERTAIN TAX EXEMPT LANDS.] *Subdivision 1. As used in this section*

*"tax exempt land" means tax-forfeited land within the state which is owned by the state and administered by the county in which located.*

*Subd. 2. There is annually appropriated from the general fund to the commissioner of revenue for payment to the several counties within the state an amount equal to 75 cents per acre multiplied by the number of acres of tax exempt land situated in each county as of July 1 of each year. Each county auditor shall certify to the department of revenue during July in 1977 and each subsequent year the number of acres of tax exempt land within his county. The commissioner of revenue may, in addition to the certification of acreage, require descriptive lists of land so certified.*

*Subd. 3. Payments to the counties shall be made during the month of January of the year next following certification.*

*Subd. 4. Of the amount paid to any county, 7.5 cents shall be paid to each organized township within the county for each acre of tax exempt land in the township; 50 percent of the amount paid to the county shall be apportioned to the tax forfeited land fund of the county for use in resource development, forest management, game and fish habitat improvement, and recreational development and maintenance. The balance of funds received shall remain in the county general revenue fund to be used to provide property tax levy reduction.*

*Sec. 2. Minnesota Statutes 1976, Chapter 273, is amended by adding a section to read:*

**[273.139] [REDUCED ASSESSMENT PROPERTY AID.]**  
*Subdivision 1. Each county government, city, township, special taxing district, and each school district which levied ad valorem taxes payable in 1978 shall receive reimbursement in 1978 and subsequent years for the difference between the tax determined pursuant to subdivision 2, clause (a) and that payable on the value assessed pursuant to Minnesota Statutes, Section 273.13, Subdivision 17 or 17b, on structures used as housing for the elderly or for low and moderate income families and on structures financed by farmers home administration loans and that payable on the value assessed on class 3cc property pursuant to section 273.13, subdivision 7.*

*Subd. 2. (a) The county auditor shall calculate the tax on the property described in subdivision 1 in the same manner as the property would be assessed if it did not qualify for the reduced valuation provided for in Minnesota Statutes, Section 273.13, Subdivisions 7, 17 or 17b.*

*(b) The difference between the amount calculated pursuant to clause (a) and the amount of tax actually payable by the owner on such property pursuant to Minnesota Statutes, Section 273.13, Subdivisions 7, 17 or 17b shall be distributed to the taxing districts by the commissioner of revenue in the same proportion that the ad valorem tax on the property is distributed. He shall make payment directly to the affected taxing districts on July 15 of each year, commencing in 1978.*

*Subd. 3. The county auditor shall enter on the abstract of assessment of real property the assessed value of the affected property computed pursuant to subdivision 2, clause (a), which value shall be the basis of computing the distribution of school aids.*

Sec. 3. Minnesota Statutes 1976, Section 273.13, Subdivision 17b, is amended to read:

**Subd. 17b. [VALUATION OF FARMERS HOME ADMINISTRATION PROPERTY IN MUNICIPALITIES OF UNDER 10,000.]** Notwithstanding any other provision of law, any structure

(a) situated on real property that is used for housing for the elderly or for low and moderate income families as defined by the farmers home administration,

(b) located in a municipality of less than 10,000 population,

(c) financed by a direct loan or insured loan from the farmers home administration, and

(d) which qualifies under subdivision 17a, shall, for 15 years from the date of the completion of the original construction or for the original term of the loan, be assessed at five percent of the adjusted market value thereof, provided that the fair market value as determined by the assessor is based on the normal approach to value using normal unrestricted rents. *The five percent assessment rate shall apply only to structures which qualify for that rate and pay taxes accordingly in 1978 or previous years. Structures which initially qualify for assessment and pay taxes under this subdivision in years subsequent to 1978 shall be assessed at 20 percent of their adjusted market value.*

Sec. 4. Minnesota Statutes 1976, Section 275.51, is amended by adding a subdivision to read:

*Subd. 3d. The property tax levy limitation for governmental subdivisions in 1977 payable in 1978 shall be calculated as follows:*

(a) *In cities and townships, the sum of the levy limit base computed pursuant to subdivision 3c, plus any increases authorized by section 275.52, subdivision 4, shall be determined. This sum shall be divided by the population of the city or township as determined in accordance with section 275.53 for calendar year 1976. The resultant quotient shall be increased pursuant to section 275.52, subdivision 2 to derive the levy limit base per capita for the city or town for taxes levied in 1977 payable in 1978.*

(b) *In the case of counties, the levy limit base computed pursuant to subdivision 3c, plus any increases authorized by section 275.52, subdivision 4, shall be divided by the population of the county for calendar year 1977 as determined pursuant to section 275.53. The resultant quotient shall be increased pursuant to section 275.52, subdivision 2 to derive the levy limit base per capita for the county for taxes levied in 1977 payable in 1978.*

*(c) In all governmental subdivisions the levy limit base per capita for 1977 payable 1978 shall be multiplied by the population of the governmental subdivision as determined pursuant to section 275.53 for calendar year 1977. This is the levy limit base for 1977 taxes payable in 1978.*

*The levy limit base shall be reduced by the full amount of: state formula aids to be paid in 1978 pursuant to section 477A.01; taconite aids to be paid in 1978 pursuant to sections 294.26, 298.26, 298.28, subdivisions 1 and 1a, 298.281, subdivision 1, 298.282, and 298.32 and Laws 1975, Chapter 437, Article 11; payments in lieu of taxes on tax exempt land made to townships and to the county general fund pursuant to section 1; and payments made pursuant to section 2 as compensation to taxing districts for reduced assessment property. The resulting figure is the amount of property taxes which a governmental subdivision may levy in 1977 payable in 1978 for all purposes other than those for which special levies and special assessments are made.*

Sec. 5. Minnesota Statutes 1976, Section 276.04, is amended to read:

276.04 [NOTICE OF RATES; PROPERTY TAX STATEMENTS.] On receiving the tax lists from the county auditor, the county treasurer shall, if directed by the county board, give three weeks' published notice in a newspaper specifying the rates of taxation for all general purposes and the amounts raised for each specific purpose. He shall, whether or not directed by the county board, cause to be printed on all tax statements, or on an attachment, a tabulated statement of the dollar amount due to each taxing authority and the amount to be paid to the state of Minnesota from the parcel of real property for which a particular tax statement is prepared. The dollar amounts due the state, county, township or municipality and school district shall be separately stated but the amounts due other taxing districts, if any, may be aggregated. The property tax statements for class 2a property shall contain the same information that is required on the tax statements for real property. The county treasurer shall mail to taxpayers statements of their personal property taxes due, such statements to be mailed not later than February 15 (except in the case of Class 2a property), statements of the real property taxes due shall be mailed not later than May 15; provided, that the validity of the tax shall not be affected by failure of the treasurer to mail such statement. Such real and personal property tax statements shall contain the market value, as defined in section 272.03, subdivision 8, used in determining the tax. *The statement shall also contain the reductions attributable to the aids given pursuant to sections 1 and 2. The statement shall also include the base tax as defined in section 273.011, subdivision 4, for qualified property as defined in section 273.011 for which the credit provided for in section 273.012 is claimed. The statement shall show the amount attributable to section 273.132 as "state paid agricultural credit" and the amount attributable to section 273.13, subdivisions 6 and 7 as "state paid homestead credit" and shall indicate that the reduc-*

tion attributable to aids given pursuant to sections 1 and 2 is given by the state of Minnesota. The commissioner of revenue shall provide each county auditor with the names of those persons in the assessor's district who have filed and qualified for the property tax credit pursuant to sections 273.011 and 273.012 and shall inform the assessor of the base tax of those persons. If so directed by the county board, the treasurer shall visit places in the county as he deems expedient for the purpose of receiving taxes and the county board is authorized to pay the expenses of such visits and of preparing duplicate tax lists.

Sec. 6. [APPROPRIATION.] *A sum sufficient to make the distributions provided in section 2 shall be annually appropriated from the general fund to the commissioner of revenue.*"

Amend the title as follows:

Page 1, line 13, after "items;" insert "increasing the homestead credit maximum; increasing the income-adjusted credit for homeowners;"

Page 1, line 35, after "fund;" insert "providing for payment to counties containing tax-forfeited lands and Title II and class 3cc property;"

Page 1, line 37, after "6" insert a comma

Page 1, line 38, strike "and" and after "7" insert ", 14a, and 17b"

Page 1, line 39, after "275.07;" insert "275.09, Subdivision 3; 275.10, Subdivision 1; 275.31;"

Page 1, line 40, after "2;" insert "275.59;"

Page 2, line 3, after "290.06," strike "Subdivision" and insert "Subdivisions" and after "3c" insert "and 3d" and strike "290.08, Subdivision 6;"

Page 2, line 6, after "3" strike "and" and insert ", 5," and after "7" insert ", 8 and 13"

Page 2, line 7, after "2" insert ", and by adding subdivisions"

Page 2, line 7, after "290A.05;" insert "290A.10;"

Page 2, line 14, after "section;" insert "Chapter 273, by adding a section;"

Page 2, line 15, after "sections;" insert "and Laws 1976, Chapter 334, Section 21;"

Page 2, line 18, after "290.066;" insert "290.08, Subdivision 6;"

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

## SECOND READING OF SENATE BILLS

S. F. Nos. 1406, 1335, 1465, 1426 and 1457 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

**SECOND READING OF HOUSE BILLS**

H. F. Nos. 139, 937, 323, 635, 808, 791, 461, 921, 801, 1130, 343 and 405 were read the second time.

H. F. Nos. 261, 398, 16, 675, 947, 672, 319, 823, 1421, 1275, 313, 296 and 1129 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

**MOTIONS AND RESOLUTIONS**

Mr. Lewis moved that his name be stricken as co-author to S. F. No. 859. The motion prevailed.

Pursuant to Rule 21, Mr. Lewis moved that the following members be excused for a Conference Committee on S. F. No. 1416:

Messrs. Kirchner, Lewis, Milton, Moe and Perpich. The motion prevailed.

Pursuant to Rule 21, Mr. Solon moved that the following members be excused for a Conference Committee on S. F. No. 1034:

Messrs. Dunn, Setzepfandt and Solon. The motion prevailed.

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

**THIRD READING OF SENATE BILLS**

S. F. No. 497: A bill for an act relating to human rights; prohibiting certain discrimination; amending Minnesota Statutes 1976, Sections 363.01, by adding a subdivision; 363.02, Subdivision 2; and 363.03, Subdivisions 1, 2, 5 and 8.

Mr. Spear moved that S. F. No. 497 be returned to the Committee on Judiciary. The motion prevailed.

S. F. No. 1086: A bill for an act relating to license fees; permitting municipalities to set maximum fees for off-sale intoxicating liquor licenses with a maximum annual increase in fees; and for licenses for the sale of cigarettes; amending Minnesota Statutes 1976, Sections 340.11, Subdivision 14 and 461.12.

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 55 and nays 1, as follows:

Those who voted in the affirmative were:

Ashbach	Gunderson	Knutson	Olson	Sillers
Bang	Hanson	Laufenburger	Penny	Staples
Benedict	Hughes	Lessard	Perpich	Stokowski
Bernhagen	Humphrey	Lewis	Peterson	Strand
Brataas	Jensen	Luther	Pillsbury	Stumpf
Chmielewski	Johnson	Menning	Purfeerst	Tennessee
Coleman	Keefe, J.	Moe	Renneke	Ueland, A.
Davies	Keefe, S.	Nelson	Schaaf	Ulland, J.
Dieterich	Kirchner	Nichols	Schmitz	Vega
Dunn	Kleinbaum	Ogdahl	Schrom	Wegener
Engler	Knoll	Olhoff	Setzepfandt	Willett

Mr. Merriam voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 1070: A bill for an act relating to franchises; concerning franchise fees; amending Minnesota Statutes 1976, Sections 80C.01, Subdivisions 4 and 9; 80C.08, Subdivision 1; and 80C.09, Subdivision 1.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 1, as follows:

Those who voted in the affirmative were:

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

Mr. Kleinbaum voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 157: A bill for an act relating to elections; providing for payment of costs of certain special elections; imposing duties on the secretary of state; appropriating money; amending Minnesota Statutes 1976, Section 204A.24.

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:

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

So the bill passed and its title was agreed to.



S. F. No. 158: A bill for an act relating to taxation; payments in lieu of taxes on certain tax exempt land; providing for state reimbursement of taxing districts for tax reductions on Title II, farmers home administration, and class 3cc property; appropriating funds; amending Minnesota Statutes 1976, Sections 273.13, Subdivision 17b; 275.51, by adding a subdivision; 276.04; and Chapter 273, 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 59 and nays 3, as follows:

Those who voted in the affirmative were:

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

Mrs. Brataas, Messrs. Merriam and Schrom voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 1106: A bill for an act relating to solid waste disposal; authorizing counties to prohibit transportation of solid waste to other counties for disposal; authorizing counties to designate disposal sites for solid waste generated within their boundaries; amending Minnesota Statutes 1976, Section 400.04, by adding a subdivision.

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 43 and nays 20, as follows:

Those who voted in the affirmative were:

Benedict	Humphrey	Lewis	Penny	Staples
Chmielewski	Jensen	Luther	Perpich	Stokowski
Coleman	Johnson	Merriam	Peterson	Strand
Davies	Keefe, J.	Milton	Purfeerst	Stumpf
Dieterich	Kirchner	Moe	Schaaf	Vega
Gearty	Kleinbaum	Nelson	Schmitz	Wegener
Gunderson	Knoll	Nichols	Setzepfandt	Willet
Hanson	Laufenburger	Olhoft	Solon	
Hughes	Lessard	Olson	Spear	

Those who voted in the negative were:

Anderson	Brataas	Knutson	Renneke	Sillers
Ashbach	Dunn	Menning	Schrom	Tennessen
Bang	Engler	Ogdahl	Sieloff	Ueland, A.
Bernhagen	Keefe, S.	Pillsbury	Sikorski	Ulland, J.

So the bill passed and its title was agreed to.

### THIRD READING OF HOUSE BILLS

H. F. No. 320: A bill for an act relating to labor; providing for a change in the application of the tip credit in computing minimum wage; amending Minnesota Statutes 1976, Sections 177.23, Subdivision 9; 177.24; and 177.28, Subdivision 4.

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 48 and nays 14, as follows:

Those who voted in the affirmative were:

Anderson	Gunderson	Lewis	Peterson	Strand
Benedict	Hanson	Luther	Pillsbury	Stumpf
Bernhagen	Hughes	Merriam	Schaaf	Tennessen
Chmielewski	Humphrey	Milton	Schmitz	Ueland, A.
Coleman	Johnson	Nelson	Sikorski	Ulland, J.
Davies	Keefe, S.	Nichols	Sillers	Vega
Dieterich	Kirchner	Ogdahl	Solon	Wegener
Dunn	Kleinbaum	Olhoff	Spear	Willet
Engler	Knoll	Penny	Staples	
Gearty	Laufenburger	Perpich	Stokowski	

Those who voted in the negative were:

Ashbach	Jensen	Lessard	Purfeerst	Setzepfandt
Bang	Keefe, J.	Menning	Renneke	Sieloff
Brataas	Knutson	Moe	Schrom	

So the bill passed and its title was agreed to.

Pursuant to Rule 21, Mr. Moe moved that the following members be excused for a Conference Committee on H. F. No. 1510:

Messrs. Tennessen, Stumpf, Ogdahl, Moe and Keefe, J. The motion prevailed.

### CONSENT CALENDAR

S. F. No. 1418: A bill for an act relating to bodies of water; allowing counties to exercise certain functions with approval of district; amending Minnesota Statutes 1976, Section 378.32, Subdivision 1.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 52 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gearly	Knutson	Peterson	Staples
Bang	Gunderson	Laufenburger	Pillsbury	Stokowski
Benedict	Hanson	Lessard	Purfeerst	Strand
Bernhagen	Hughes	Luther	Renneke	Ueland, A.
Brataas	Humphrey	Menning	Schmitz	Ulland, J.
Chmielewski	Jensen	Merriam	Setzepfandt	Vega
Coleman	Johnson	Milton	Sieloff	Wegener
Davies	Keefe, S.	Nelson	Sikorski	Willet
Dieterich	Kirchner	Olhoff	Sillers	
Dunn	Kleinbaum	Olson	Solon	
Engler	Knoll	Penny	Spear	

So the bill passed and its title was agreed to.

H. F. No. 1003: A bill for an act relating to motor vehicles; licensing and taxation; providing for biennial payment of the tax assessed on certain trailers; dimensional specifications for trailer number plates; amending Minnesota Statutes 1976, Sections 168.013, Subdivision 1d; and 168.12.

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 51 and nays 1, as follows:

Those who voted in the affirmative were:

Ashbach	Gunderson	Laufenburger	Peterson	Stokowski
Bang	Hanson	Lessard	Pillsbury	Strand
Benedict	Hughes	Luther	Purfeerst	Ueland, A.
Bernhagen	Humphrey	Menning	Renneke	Ulland, J.
Brataas	Jensen	Merriam	Schmitz	Vega
Chmielewski	Johnson	Milton	Sieloff	Wegener
Davies	Keefe, S.	Nelson	Sikorski	Willet
Dieterich	Kirchner	Nichols	Sillers	
Dunn	Kleinbaum	Olhoff	Solon	
Engler	Knoll	Olson	Spear	
Gearly	Knutson	Penny	Staples	

Mr. Setzepfandt 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 S. F. No. 1065, a Special Order to be heard immediately.

S. F. No. 1065: A bill for an act relating to the 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.

Mr. Davies moved that S. F. No. 1065 on Special Orders, be stricken and re-referred to the Committee on Finance.

## CALL OF THE SENATE

Mr. Stokowski imposed a call of the Senate for the proceedings on S. F. No. 1065. The following Senators answered to their names:

Anderson	Gearty	Knutson	Olthoff	Sieloff
Aashbach	Gunderson	Laufenburger	Penny	Sikorski
Bang	Hanson	Lessard	Perpich	Spear
Benedict	Humphrey	Lewis	Peterson	Staples
Bernhagen	Jensen	Luther	Pillsbury	Strand
Coleman	Johnson	Menning	Renneke	Ueland, A.
Davies	Keefe, S.	Merriam	Schaaf	Vega
Dieterich	Kirchner	Nelson	Schmitz	Willet
Dunn	Knoll	Nichols	Setzepfandt	

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

The question was taken on the adoption of the Davies motion.

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

The roll was called, and there were yeas 29 and nays 24, as follows:

Those who voted in the affirmative were:

Aashbach	Dunn	Lewis	Pillsbury	Spear
Bang	Engler	Luther	Renneke	Staples
Bernhagen	Gunderson	Merriam	Schrom	Ueland, A.
Brataas	Jensen	Nichols	Setzepfandt	Ulland, J.
Davies	Kirchner	Olthoff	Sieloff	Willet
Dieterich	Knutson	Penny	Sillers	

Those who voted in the negative were:

Anderson	Hanson	Kleinbaum	Nelson	Sikorski
Benedict	Hughes	Knoll	Perpich	Stokowski
Chmielewski	Humphrey	Laufenburger	Peterson	Strand
Coleman	Johnson	Lessard	Schaaf	Vega
Gearty	Keefe, S.	Menning	Schmitz	

The motion prevailed. So S. F. No. 1065 was re-referred to the Committee on Finance.

## SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated S. F. No. 896 a Special Order to be heard immediately.

S. F. No. 896: A bill for act relating to the establishment of a power plant site and transmission line route selection authority in the environmental quality board; providing penalties; amending Minnesota Statutes 1976, Sections 116C.52, Subdivision 3, and by adding subdivisions; 116C.53; 116C.54; 116C.55, Subdivisions 2 and 3; 116C.57; 116C.58; 116C.59, Subdivision 1; 116C.61, Subdivisions 2 and 3; 116C.64; 116C.69; and Chapter 116C, by adding a section; repealing Minnesota Statutes 1976, Sections 116C.55, Subdivision 1; and 116C.56.

## CALL OF THE SENATE

Mr. Merriam imposed a call of the Senate for the proceedings on S. F. No. 896. The following Senators answered to their names:

Anderson	Gearty	Knoll	Olhoft	Sieloff
Bang	Gunderson	Laufenburger	Penny	Sikorski
Benedict	Hanson	Lessard	Perpich	Sillers
Bernhagen	Hughes	Lewis	Peterson	Solon
Chmielewski	Humphrey	Luther	Pillsbury	Spear
Coleman	Johnson	Menning	Renneke	Staples
Davies	Keefe, S.	Merriam	Schaaf	Vega
Dieterich	Kirchner	Nelson	Schmitz	Wegener
Dunn	Kleinbaum	Nichols	Setzepfandt	

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

Mr. Merriam moved to amend S. F. No. 896 as follows:

Page 25, line 10, after "tax" insert "*revenue derived from the tax on that line*"

The motion prevailed. So the amendment was adopted.

Mr. Merriam then moved to amend S. F. No. 896 as follows:

Page 17, line 24, strike "*private*"

Page 17, line 24, strike "*, except property owned*" and insert "*defined as class 3, 3b, 3c, 3cc, 3d, or 3f pursuant to section 273.13*"

Page 17, line 25, strike "*by a railroad or mining company,*"

Page 17, line 30, after "*utility*" insert "*within 60 days after his receipt of the petition filed pursuant to section 117.055*"

Page 17, line 30, after the period insert "*The required acquisition of land contiguous to, but outside the designated right-of-way of a route or the boundary of a site, shall be considered an acquisition for a public purpose and for use in the utility's business, for purposes of chapter 117D and section 500.24, respectively; provided that a utility shall divest itself completely of all such lands used for farming or capable of being used for farming within five years within the date of acquisition, or such land shall be sold at a public sale in the manner prescribed by law for the foreclosure of a mortgage by action.*"

Page 24, line 30, strike "*subject to property taxation*" and insert "*defined as class 3, 3b, 3c, 3cc, 3d, or 3f pursuant to section 273.13*"

Page 25, line 4, after "*parcel*" insert "*defined as class 3, 3b, 3c, 3cc, 3d, or 3f pursuant to section 273.13*"

The motion prevailed. So the amendment was adopted.

Mr. Merriam then moved to amend S. F. No. 896 as follows:

Page 25, line 11, strike "*2*" and insert "*26*"

The motion prevailed. So the amendment was adopted.

S. F. No. 896 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 56 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Gerty	Laufenburger	Perpich	Staples
Ashbach	Gunderson	Lessard	Peterson	Stokowski
Bang	Hanson	Luther	Pillsbury	Strand
Benedict	Hughes	Menning	Renneke	Stumpf
Bernhagen	Humphrey	Merriam	Schaaf	Ueland, A.
Brataas	Jensen	Moe	Schmitz	Vega
Chmielewski	Johnson	Nelson	Schrom	Wegener
Coleman	Keefe, J.	Nichols	Setzepfandt	Willet
Davies	Keefe, S.	Ogdahl	Sikorski	
Dieterich	Kirchner	Olhoff	Sillers	
Dunn	Knoll	Olson	Solon	
Engler	Knutson	Penny	Spear	

Mr. Sieloff voted in the negative.

So the bill, as amended, 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. 341 a Special Order to be heard immediately.

S. F. No. 341: A bill for act relating to taxation; providing for a credit against income tax for the cost of care for certain dependents; appropriating money; amending Minnesota Statutes 1976, Chapter 290, by adding a section; repealing Minnesota Statutes 1976, Section 290.09, Subdivision 26.

Mr. Dieterich moved to amend S. F. No. 341 as follows:

Page 2, line 4, strike the language after "\$15,000"

Page 2, strike line 5

Page 2, line 6, strike "*amended through December 31, 1976*"

The motion prevailed. So the amendment was adopted.

S. F. No. 341 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 52 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Knoll	Penny	Spear
Ashbach	Gerty	Knutson	Peterson	Staples
Bang	Gunderson	Laufenburger	Pillsbury	Stokowski
Benedict	Hanson	Lessard	Renneke	Strand
Bernhagen	Hughes	Luther	Schaaf	Stumpf
Brataas	Humphrey	Menning	Schmitz	Ulland, J.
Chmielewski	Jensen	Merriam	Setzepfandt	Vega
Coleman	Johnson	Nelson	Sieloff	Willet
Davies	Keefe, S.	Nichols	Sikorski	
Dieterich	Kirchner	Olhoff	Sillers	
Dunn	Kleinbaum	Olson	Solon	

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

**MOTIONS AND RESOLUTIONS—CONTINUED**

Mr. Dieterich moved that the names of Messrs. Lessard and Sieloff be added as co-authors to S. F. No. 341. The motion prevailed.

**SPECIAL ORDER**

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated H. F. No. 531 a Special Order to be heard immediately.

H. F. No. 531: A bill for act relating to banks; permitting banks to take second mortgages in federal disaster areas; amending Minnesota Statutes 1976, Section 48.19, Subdivision 1.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 49 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Kleinbaum	Penny	Solon
Ashbach	Gearty	Knoll	Peterson	Spear
Bang	Gunderson	Knutson	Pillsbury	Staples
Benedict	Hanson	Laufenburger	Renneke	Stokowski
Bernhagen	Hughes	Lessard	Schaaf	Strand
Brataas	Humphrey	Luther	Schmitz	Stumpf
Chmielewski	Jensen	Menning	Setzepfandt	Ulland, J.
Coleman	Johnson	Nichols	Sieloff	Vega
Dieterich	Keefe, J.	Olhoff	Sikorski	Willet
Dunn	Kirchner	Olson	Sillers	

So the bill passed and its title was agreed to.

**MOTIONS AND RESOLUTIONS—CONTINUED**

Mr. Ashbach moved that the Committee on Elections be directed to meet at its regularly scheduled time, 3:00 p.m., on Thursday, May 5, 1977, for the purpose of considering H. F. No. 1500, the bill providing for the popular election of a United States Senator in the event of a vacancy.

**CALL OF THE SENATE**

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

Anderson	Gunderson	Knutson	Peterson	Staples
Bang	Hanson	Laufenburger	Pillsbury	Stokowski
Benedict	Hughes	Lessard	Renneke	Strand
Bernhagen	Humphrey	Luther	Schaaf	Stumpf
Brataas	Jensen	Merriam	Schmitz	Tennessee
Chmielewski	Johnson	Nelson	Sieloff	Ulland, J.
Coleman	Keefe, S.	Nichols	Sikorski	Vega
Dieterich	Kirchner	Olhoff	Sillers	Willet
Dunn	Kleinbaum	Olson	Solon	
Engler	Knoll	Penny	Spear	

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

The question was taken on the adoption of the Ashbach motion.

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

The roll was called, and there were yeas 17 and nays 36, as follows:

Those who voted in the affirmative were:

Ashbach	Dunn	Kirchner	Pillsbury	Ulland, J.
Bang	Engler	Knutson	Renneke	
Bernhagen	Jensen	Ogdahl	Sieloff	
Brataas	Keefe, J.	Penny	Sillers	

Those who voted in the negative were:

Anderson	Hanson	Lessard	Schmitz	Tennesen
Benedict	Hughes	Luther	Sikorski	Vega
Chmielewski	Humphrey	Merriam	Solon	Wegener
Coleman	Johnson	Nichols	Spear	Willet
Davies	Keefe, S.	Olhoff	Staples	
Dieterich	Kleinbaum	Olson	Stokowaki	
Gearty	Knoll	Peterson	Strand	
Gunderson	Laufenburger	Schaaf	Stumpf	

The motion did not prevail.

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman 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. 698, 1029, 544, 556 and H. F. Nos. 166, 524, 307, 930, 563, 521, 334, 308, 621, 114, 42, 75, 33, 970, 685, 1248, 1099, 103, 598, 414, 525, 229, 1005, 888, 1038, 1172, 326, 1469, 439, 293, 920, 1006, 691, 337, 140, 777, 882, 188 and 212 which the committee recommends to pass.

S. F. No. 57 which the committee recommends be re-referred to the Committee on Education.

H. F. No. 324 which the committee recommends to pass, subject to the following motions:

Mr. Schmitz moved that the amendment made to H. F. No. 324 by the Committee on Rules and Administration in the report adopted April 23, 1977, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

Mr. Schmitz moved to amend H. F. No. 324 as follows:

Page 5, after line 3, insert:

*"Sec. 5. Section 357.09 shall not relate to or affect the fees of the sheriff of Ramsey county."*



The motion prevailed. So the amendment was adopted.

H. F. No. 40 which the committee recommends to pass, subject to the following motions:

Mr. Spear moved that the amendment made to H. F. No. 40 by the Committee on Rules and Administration in the report adopted April 14, 1977, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

Mr. Dieterich moved to amend H. F. No. 40 as follows:

Page 2, line 7, strike "*and before July 1, 1978*"

Page 2, strike lines 12 to 21

Page 2, line 22, strike "(c)" and reinstate the stricken "(b)"

The motion prevailed. So the amendment was adopted.

H. F. No. 300 which the committee recommends to pass, after the following motion:

Mr. Jensen moved to amend H. F. No. 300 as follows:

Page 1, after line 7, insert:

"Section 1. Minnesota Statutes 1976, Section 201.061, Subdivision 3, is amended to read:

Subd. 3. A person who on election day presents himself at the polling place for the precinct in which he resides and who is not registered but is otherwise eligible to vote may nevertheless vote upon registering. A person may register at this time by completing a registration card, making an oath in the form prescribed by the commissioner and providing proof of his residence. An individual may prove his residence by (1) the showing of his drivers license or *a receipt showing his driver's license has been surrendered for change of address or other reason or a nonqualification certificate issued pursuant to section 171.07, or (2) providing any document approved by the commissioner as proper identification, or (3) having an individual who is registered to vote in the precinct sign signing an oath in the presence of the election judge that he personally knows that the applicant is a resident of the precinct and that he has not been issued a driver's license, nonqualification certificate, or a receipt thereof.* Forms for the card and oath shall be available at each polling place. Forms used pursuant to this section shall be forwarded to the auditor who shall, unless the information forwarded is substantially deficient, add the name of the voter to the registration system. If the auditor finds a registration pursuant to this subdivision substantially deficient he shall give written notice to the person whose registration is found deficient.

Sec. 2. Minnesota Statutes 1976, Section 201.061, is amended by adding a subdivision to read:

Subd. 3a. *No later than 60 days after every election the auditor shall send a statement to the secretary of state listing the name and address of each person who registered to vote at that*

*election and who proved his residence pursuant to subdivision 3, clause (3). Within seven days of receipt, the secretary of state shall furnish a copy of this list to the department of public safety with a request that the department determine whether or not the persons named on the list had been issued a driver's license, nonqualification certificate or a receipt thereof prior to the date of the election. The department shall make the requested determination and report the results to the secretary of state not later than 60 days after receipt of the request. If it appears from the report of the department that any person named on the list has sworn falsely concerning proof of residency under subdivision 3, clause (3), the secretary of state shall so inform the county attorney of the county in which the person registered. Any county attorney so informed shall diligently inquire into the facts, and if there be reasonable ground for instituting a prosecution, shall present the charge and the evidence to the grand jury of the county."*

Page 1, line 8, strike "Section 1" and insert "Sec. 3"

Amend the title as follows:

Page 1, line 5, strike "Section" and insert "Sections 201.061, Subdivision 3, and by adding a subdivision; and"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 14 and nays 31, as follows:

Those who voted in the affirmative were:

Ashbach	Brataas	Engler	Knoll	Renneke
Bang	Chmielewski	Jensen	Ogdahl	Sieloff
Bernhagen	Dunn	Keefe, J.	Pillsbury	

Those who voted in the negative were:

Anderson	Hanson	Luther	Setzepfandt	Vega
Benedict	Hughes	Menning	Spear	Wegener
Coleman	Humphrey	Nelson	Staples	Willet
Davies	Johnson	Olhoft	Stokowski	
Dieterich	Keefe, S.	Penny	Strand	
Gearty	Kleinbaum	Schaaf	Stumpf	
Gunderson	Lessard	Schmitz	Tennessee	

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

H. F. No. 76, which the committee recommends to pass with the following amendment offered by Mr. Bernhagen:

Amend H. F. No. 76, as amended pursuant to Rule 49, adopted by the Senate April 18, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 443.)

Page 2, strike lines 23 and 24

Amend the title as follows:

Page 1, line 8, strike everything after "subdivision" and insert a period

Page 1, strike line 9

H. F. No. 176, which the committee recommends to pass with the following amendment offered by Mr. Anderson:

Page 1, line 13, strike “, the age of” and strike “14”

Page 1, line 14, strike “years or over,”

H. F. No. 707 which the committee recommends to pass, subject to the following motion:

Mr. Schmitz moved that the amendment made to H. F. No. 707 by the Committee on Rules and Administration in the report adopted April 28, 1977, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H. F. No. 805 which the committee recommends to pass, subject to the following motion:

Mr. Keefe, S. moved that the amendment made to H. F. No. 805 by the Committee on Rules and Administration in the report adopted April 28, 1977, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H. F. No. 445, which the committee recommends to pass with the following amendment offered by Mr. Bernhagen:

Page 2, line 5, strike “maintain” and insert “be responsible for the maintenance of”

Page 2, line 6, strike “such” and insert “the”

Mr. Coleman moved to adopt the report of the Committee of the Whole, as kept by the Secretary.

Mr. Laufenburger requested that the report on H. F. No. 40 be divided from the report of the Committee.

Mr. Coleman moved to adopt the report of the Committee of the Whole as to H. F. No. 40. The motion did not prevail.

Mr. Coleman moved to adopt the balance of the report of the Committee of the Whole. The motion prevailed.

#### MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Willet moved that the name of Mr. Lessard be added as co-author to S. F. No. 534. The motion prevailed.

Mr. Perpich moved that H. F. No. 856 be withdrawn from the Committee on Health, Welfare and Corrections and re-referred to the Committee on Rules and Administration. The motion prevailed.

#### RECESS

Mr. Coleman moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

Mr. Coleman moved to revert to Reports of Committees. The motion prevailed.

**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. 550, pursuant to the request of the House:

Messrs. Merriam, Anderson, Sillers, Hughes, and Dieterich.

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. 1078, 738, 978, 1131, 1174, 1133, 1037, 850, 625, 1260, 1262 and H. F. Nos. 728, 79, 129, 256, 1518 and 56, makes the following report:

That S. F. Nos. 1078, 738, 978, 1131, 1174, 1133, 1037, 850, 625, 1260, 1262 and H. F. Nos. 728, 79, 129, 256, 1518 and 56 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. Coleman moved that the Senate do now adjourn until 10:00 o'clock a.m., Monday, May 9, 1977. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate