

SEVENTY-NINTH DAY

St. Paul, Minnesota, Monday, February 27, 1978

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:

Anderson	Dunn	Kleinbaum	Penny	Stumpf
Ashbach	Engler	Knaak	Pillsbury	Ueland, A.
Bang	Gearty	Luther	Purfeerst	Ulland, J.
Benedict	Hughes	Moe	Schmitz	Wegener
Borden	Humphrey	Nelson	Sillers	Willett
Brataas	Johnson	Ogdahl	Spear	
Chenoweth	Keefe, S.	Olhoff	Staples	
Coleman	Kirchner	Olson	Stokowski	

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

Prayer was offered by the Chaplain, Rev. James Bjorge.

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

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

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. Lewis, Menning, Perpich and Renneke were excused from the Session of today.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

February 23, 1978

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

I have the honor to inform you that I have received, approved, signed, and deposited in the Office of the Secretary of State, S. F. No. 417 and S. F. No. 975.

Sincerely,
Rudy Perpich, Governor

February 23, 1978

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

The Honorable Edward J. Gearty
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1978 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S. F. No.	H. F. No.	Session Laws Chapter No.	Date Approved 1978	Date Filed 1978
	1792	458	February 23	February 23
	1761	459	February 23	February 23
	145	460	February 23	February 23
417		461	February 23	February 23
975		462	February 23	February 23

Sincerely,

Joan Anderson Growe
Secretary of State

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Mr. Benedict introduced—

S. F. No. 2303: A bill for an act relating to public welfare; licensed residential treatment facilities for adult mentally ill persons; requiring the commissioner of public welfare to establish rate setting and reimbursement procedures; creating an advisory council.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Ashbach, Willet, Johnson, Benedict and Lessard introduced—

S. F. No. 2304: A bill for an act relating to aeronautics; setting forth the registration procedure for pioneer aircraft; amending Minnesota Statutes 1976, Section 360.55 by adding a subdivision.

Referred to the Committee on Transportation.

Messrs. Menning, Strand, Kirchner and Gunderson introduced—

S. F. No. 2305: A bill for an act relating to retirement; reduction in teacher's annuities for early retirement; amending Minnesota Statutes 1976, Section 354.44, Subdivision 6.

Referred to the Committee on Governmental Operations.

Messrs. Stokowski, Coleman, Stumpf and Hughes introduced—

S. F. No. 2306: A bill for an act relating to retirement; St. Paul teachers retirement fund association; post retirement adjustments for certain retirees and benefit recipients; retirement annuity computation for certain coordinated members; recomputation of disability benefits.

Referred to the Committee on Governmental Operations.

Mr. Wegener introduced—

S. F. No. 2307: A bill for an act relating to agriculture; dairy promotion; changing representation on the council; establishing maximum fees; eliminating block voting by cooperative associations of producers; requiring annual reporting to producers; amending Minnesota Statutes 1976, Section 32B.04, Subdivisions 1, 4, and 5.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Borden and Keefe, S. introduced—

S. F. No. 2308: A bill for an act relating to elections; providing that public facilities be available for precinct caucuses; fixing the charge for their use; amending Minnesota Statutes 1976, Section 202A.15, by adding a subdivision.

Referred to the Committee on Elections.

Mrs. Brataas, Messrs. Frederick and Laufenburger introduced—

S. F. No. 2309: A bill for an act relating to dairy products; delaying imposition of certain restrictions on dairy products packaging; requiring a study of the environmental and economic consequences of packaging restrictions; amending Minnesota Statutes,

1977 Supplement, Section 116F.22, Subdivision 1; repealing Laws 1977, Chapter 455, Section 96.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Strand, Olhoft, Penny, Luther and Willet introduced—

S. F. No. 2310: A bill for an act relating to eminent domain proceedings and the acquisition of property for public purposes; establishing a commission to study and report on eminent domain laws in the state of Minnesota; appropriating money.

Referred to the Committee on Judiciary.

Mr. Sikorski introduced—

S. F. No. 2311: A bill for an act relating to Washington county; providing for the appointment and compensation of probation officers and supporting staff.

Referred to the Committee on Local Government.

Mr. Olhoft introduced—

S. F. No. 2312: A bill for an act relating to Independent School District No. 206 (Alexandria); permitting the school district to transfer funds for the purpose of a vocational-technical building addition.

Referred to the Committee on Education.

Mr. Schaaf introduced—

S. F. No. 2313: A bill for an act relating to elections; providing for the filing of certain nominating petitions; amending Minnesota Statutes 1976, Section 202A.65, Subdivision 3.

Referred to the Committee on Elections.

Mrs. Knaak introduced—

S. F. No. 2314: A bill for an act relating to the town of White Bear; permitting the town of White Bear to exercise all the powers of a city conferred by Minnesota Statutes, Chapter 444.

Referred to the Committee on Local Government.

Mr. Solon introduced—

S. F. No. 2315: A bill for an act relating to financial institutions; providing for reimbursement to third party record keepers of costs incurred by complying with subpoenas; amending Minnesota Statutes 1976, Chapter 47, by adding a section.

Referred to the Committee on Commerce.

Messrs. Setzepfandt, Vega, Nelson, Wegener and Frederick introduced—

S. F. No. 2316: A bill for an act relating to public employees; political subdivisions; prohibiting denial or abridgement of the right to engage in political activities, except under certain circumstances.

Referred to the Committee on Governmental Operations.

Mr. Chmielewski introduced—

S. F. No. 2317: A bill for an act relating to motor vehicles; permitting half year registration for certain motor vehicles owned by senior or disabled citizens; amending Minnesota Statutes 1976, Chapter 168, by adding a section.

Referred to the Committee on General Legislation and Veterans Affairs.

Mr. Chmielewski introduced—

S. F. No. 2318: A bill for an act relating to highways; prohibiting white center line markings on highways, streets and roads; providing for uniform center line markings and markings prohibiting passing; amending Minnesota Statutes 1976, Chapter 169, by adding a section.

Referred to the Committee on Transportation.

Mr. Chmielewski introduced—

S. F. No. 2319: A bill for an act relating to transportation; permitting the vacating of town roads in certain situations; amending Minnesota Statutes 1976, Section 160.09, Subdivision 3.

Referred to the Committee on Transportation.

Mr. Chmielewski introduced—

S. F. No. 2320: A bill for an act relating to taxation; exempting residential utilities and heating products from the sales and use tax; amending Minnesota Statutes 1976, Section 297A.25, Subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. Benedict introduced—

S. F. No. 2321: A bill for an act relating to nursing homes; adding a member to the advisory council; amending Minnesota Statutes 1976, Section 144A.17.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Stokowski introduced—

S. F. No. 2322: A bill for an act relating to Hennepin county; authorizing the county board to self-insure against claims of liability.

Referred to the Committee on Commerce.

Mr. Purfeerst introduced—

S. F. No. 2323: A bill for an act relating to the county of LeSueur; allowing the LeSueur county court to appoint a judicial officer.

Referred to the Committee on Judiciary.

Mr. Sillers introduced—

S. F. No. 2324: A bill for an act relating to taxation; property tax; excluding improvements in existing buildings or structures from valuation by assessors; amending Minnesota Statutes 1976, Section 273.11, Subdivision 1 and by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Keefe, S.; Knoll; Olhoff; Borden and Sikorski introduced—

S. F. No. 2325: A bill for an act relating to public welfare; providing for assistance to adoptive parents; appropriating money; amending Minnesota Statutes 1976, Section 393.07, Subdivision 1a.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Nichols introduced—

S. F. No. 2326: A bill for an act relating to retirement; calculation of allowance of certain legislators; amending Minnesota Statutes, 1977 Supplement, Section 3A.02, Subdivision 1.

Referred to the Committee on Governmental Operations.

Messrs. Chenoweth, Perpich, Solon and Knutson introduced—

S. F. No. 2327: A bill for an act relating to public welfare; permitting execution on welfare checks for judgment debts for rent; amending Minnesota Statutes 1976, Section 550.37, Subdivision 14.

Referred to the Committee on Judiciary.

Messrs. Bang, Kirchner, Chmielewski, Frederick and Schrom introduced—

S. F. No. 2328: A bill for an act relating to public finance; changing procedures for audits by certain agencies; revising duties

of the state auditor; providing for audits by public accountants; changing requirements for a petition to audit; modifying authority of certain governing bodies to incur liabilities; amending Minnesota Statutes 1976, Sections 6.47; 6.48; 6.49; 6.54; 6.55; 6.58; 6.64; 40.06, Subdivision 4; 40.07, by adding a subdivision; 111.37; 112.73; 163.09, Subdivision 1; 366.01, by adding a subdivision; 367.36, Subdivision 1; 376.32; 412.222; 412.281; 412.591, Subdivision 2; 424.26; 458.58; 462.373, by adding a subdivision; 462.393; 462.396, Subdivision 4; 462.451, Subdivision 1; 472.15; 473.08, Subdivision 4; 473.413, Subdivision 11; 473.543, Subdivision 5; 473.606, Subdivision 3; 473.704, Subdivision 11; and Chapters 453, by adding a section; and 458, by adding a section; repealing Minnesota Statutes 1976, Sections 6.50; 6.51; 368.02; 368.03; 368.04; 368.05; 368.06; 368.09; 368.10; 368.11; and 412.891; Laws 1929, Chapter 208; Laws 1933, Chapter 211; Laws 1937, Chapter 356, as amended; Laws 1943, Chapter 526, as amended.

Referred to the Committee on Governmental Operations.

Mr. Frederick introduced—

S. F. No. 2329: A bill for an act relating to highways; allowing private landowners to install drainage tiles in highway right-of-way; amending Minnesota Statutes 1976, Section 160.20, by adding a subdivision.

Referred to the Committee on Transportation.

Mr. Purfeerst introduced—

S. F. No. 2330: A bill for an act relating to intoxicating liquor; limitations on license ownership; amending Minnesota Statutes 1976, Section 340.13, Subdivision 3.

Referred to the Committee on Commerce.

Messrs. Dunn, Anderson, Laufenburger and Renneke introduced—

S. F. No. 2331: A bill for an act relating to siting or construction of large electric power generating plants; prohibiting siting and construction of plants with generating capacity over 1,000 megawatts; amending Minnesota Statutes 1976, Section 116H.13, Subdivision 2.

Referred to the Committee on Energy and Housing.

Mr. Chmielewski introduced—

S. F. No. 2332: A bill for an act relating to game and fish; authorizing elderly, blind or disabled to hunt or fish without licenses;

amending Minnesota Statutes 1976, Section 98.47, Subdivision 1; repealing Minnesota Statutes 1976, Section 98.47, Subdivision 8.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Chmielewski introduced—

S. F. No. 2333: A bill for an act relating to trade regulation; prohibiting false price posting of motor fuel; amending Minnesota Statutes 1976, Section 325.77, Subdivision 4.

Referred to the Committee on Commerce.

Messrs. Sikorski, Vega and Engler introduced—

S. F. No. 2334: A bill for an act relating to the Minnesota-Wisconsin boundary area commission; providing that the terms of commissioners shall be staggered; amending Minnesota Statutes 1976, Section 1.33.

Referred to the Committee on Governmental Operations.

Messrs. Schaaf and Stokowski introduced—

S. F. No. 2335: A bill for an act relating to military affairs; prohibiting certain activities by the department of military affairs in Anoka county.

Referred to the Committee on General Legislation and Veterans Affairs.

Messrs. Schaaf and Stokowski introduced—

S. F. No. 2336: A bill for an act relating to the establishment of local airport zoning authorities; amending Minnesota Statutes 1976, Section 360.063, by adding a subdivision.

Referred to the Committee on Transportation.

Mr. Schaaf introduced—

S. F. No. 2337: A bill for an act relating to the metropolitan airports commission; prohibiting the expansion of Anoka county airport.

Referred to the Committee on Transportation.

Mr. Schaaf introduced—

S. F. No. 2338: A bill for an act relating to the metropolitan airports commission; providing compensation to property owners adversely affected by the expansion of certain minor use airports;

amending Minnesota Statutes 1976, Sections 473.121, by adding a subdivision; and 473.217, by adding a subdivision.

Referred to the Committee on Transportation.

Mr. Schaaf introduced—

S. F. No. 2339: A bill for an act relating to the department of transportation; establishing a transit vehicle replacement assistance fund program; appropriating money.

Referred to the Committee on Transportation.

Mr. Schaaf introduced—

S. F. No. 2340: A bill for an act relating to examining and licensing boards; creating the board of health facility administrators; transferring duties from the board of health to the board of health facility administrators; granting powers to the health facility's administrators board; amending Minnesota Statutes 1976, Sections 144.59; 144.60, Subdivisions 1 and 2; 144.62; 144.63, Subdivision 1; 144A.18; 144A.19, Subdivision 1; and 214.01, Subdivision 2.

Referred to the Committee on Governmental Operations.

Messrs. Setzepfandt and Strand introduced—

S. F. No. 2341: A bill for an act relating to the department of transportation; concerning the names and designations of certain highways; regarding the Glacial Ridge Trail; relating to directional markings; amending Minnesota Statutes 1976, Section 161.14, Subdivision 15.

Referred to the Committee on Transportation.

Mrs. Brataas and Mr. Frederick introduced—

S. F. No. 2342: A bill for an act relating to Olmsted county; authorizing the board of county commissioners to finance an addition to and to renovate the Olmsted county hospital.

Referred to the Committee on Local Government.

Mr. Willet introduced—

S. F. No. 2343: A bill for an act relating to public lands; authorizing the exchange of certain state-owned lands for the interests of a county or city in certain other lands; amending Minnesota Statutes 1976, Sections 94.343, Subdivision 1; and 94.344, Subdivision 1; and Chapter 94, by adding a section.

Referred to the Committee on Agriculture and Natural Resources.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 404 and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 404: A bill for an act relating to political activities; providing for their regulation; defining terms; revising certain filing and reporting requirements; clarifying language; imposing expenditure and contribution limits; revising distribution of moneys from the state elections campaign fund to legislative candidates; removing obsolete provisions; providing penalties; amending Minnesota Statutes 1976, Sections 10A.01, Subdivisions 2, 5, 7, 9, 10, 11, 13, 15, 16 and 18, and by adding subdivisions; 10A.02, Subdivisions 1, 2, 4, 8, 9, 11, 12 and 13, and by adding a subdivision; 10A.04, Subdivision 1; 10A.07; 10A.09, Subdivision 6; 10A.11, Subdivisions 1 and 6; 10A.12, Subdivisions 1, 4 and 5; 10A.13; 10A.14, Subdivisions 1 and 2; 10A.15; 10A.16; 10A.17; 10A.19, Subdivision 1; 10A.20, Subdivisions 3, 4, 5 and 6; 10A.22, Subdivisions 1, 3, 4, 5 and 7; 10A.24; 10A.25; 10A.27; 10A.28; 10A.29; 10A.31, Subdivisions 3a, 5, 6, 7, 10, and by adding a subdivision; 10A.32; 10A.33; and 210A.01, Subdivision 3; and Chapter 10A, by adding sections; repealing Minnesota Statutes 1976, Sections 10A.09, Subdivision 7; 10A.17, Subdivision 2; and 10A.26.

Senate File No. 404 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted February 24, 1978

Mr. Coleman moved that H. F. No. 404 and the Conference Committee Report thereon be laid on the table. The motion prevailed.

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

S. F. No. 2101: A bill for an act relating to towns; attorney's services; fee limitation abolished; amending Minnesota Statutes 1976, Section 368.121.

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

Page 1, line 10, reinstate the stricken language

Page 1, line 11, after the stricken language, insert "\$5,000 in attorney's fees annually"

Page 1, line 12, strike "such" and insert "the"

Further, amend the title as follows:

Page 1, line 2, strike "attorney's services; fee" and insert "changing certain limitations on payments for attorney's fees"

Page 1, line 3, strike "limitation abolished"

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. 954: A bill for an act relating to waters; permitting the establishment of water user districts.

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

Page 1, after line 14, insert:

"Sec. 2. [112A.02] [APPLICABILITY.] Sections 1 to 37 of this act shall not apply to land within Hennepin, Ramsey, Washington, Anoka, Dakota, Scott, and Carver counties."

Page 2, line 10, before "all" insert "and"

Page 2, line 12, after "distribution," insert "and" and at the end of the line, strike ", and"

Page 2, line 13, strike "drainage"

Page 2, line 14, strike "irrigation, drainage, flood control,"

Page 2, line 20, strike the comma and insert "or"

Page 2, line 21, strike "or other" and ", however organized"

Page 2, strike lines 22 and 23 and insert:

"Subd. 7. "Court" means the district court, or a judge thereof, of the judicial district which includes the largest area of land within the proposed water use district."

Page 2, strike lines 29 and 30

Page 3, line 1, strike "in the department of natural resources" and insert "with the court"

Page 3, lines 3 and 6, strike "department" and insert "court"

Page 4, line 3, after "may" insert "to the extent authorized by resolution of the governing body of the city"

Page 4, line 4, strike everything except the period and insert "the limits of a city and may consist of land within the limits of any town or county, located outside the metropolitan area, as defined by section 473.121, subdivision 2"

Page 5, line 5, strike "25" and insert "50"

Page 5, line 5, after "landowners" insert ", except the holders of easements for electric or telephone transmission and distribution lines,"

Page 5, line 6, after "area" insert "outside the limits of any city"

Page 5, strike lines 8 to 10 and line 11 before the period and insert "be accompanied by a resolution of the governing body of the city requesting a specific area within the city be included within the proposed district"

Page 6, lines 6, 17, 22, 24 and 27, strike "department" and insert "court"

Page 6, line 29, after "shall" insert "order the petitioners to hire an engineer, with the approval of the court, to"

Page 6, strike line 32

Page 7, strike lines 1 to 3

Page 7, line 5, strike "department" and insert "court"

Page 7, strike lines 6 to 17, and strike line 18 before the period and insert "receipt of the engineer's report, shall conduct a hearing to determine whether the proposed project is feasible, will be of public utility and benefit, and will promote public health. If the court determines that the project is not feasible, will not be of public utility and benefit, or will not promote public health, it shall issue an order dismissing the petition. If the court deems the project is feasible, will be of public utility and benefit, and will promote public health, it shall immediately issue an order setting forth a copy of the petition, declaring that the petition is approved, and establishing the district. The petitioners shall file the establishment order in the office of the county auditor of each county in which any of the lands in the district are located"

Page 8, line 3, strike "19" and insert "20"

Page 8, line 4, strike "22" and insert "23"

Page 8, line 7, strike "in the department" and insert "with the court"

Page 8, line 8, strike "addressed to the department," and strike "25" and insert "50"

Page 8, line 9, strike "in any area to be included, and"

Page 8, strike line 10

Page 8, line 11, strike "directors" and insert ", except the holders of easements for electric or telephone transmission and distribution lines, in any area outside the limits of a city to be included, a copy of a resolution of the governing body of a city requesting a specific area within the city be included within the expanded district, and a resolution of the board of directors of the district approving the expansion"

Page 8, lines 24, 28, and 30, strike "department" and insert "court"

Page 8, line 28, strike "14" and insert "15"

Page 8, line 32, strike "12" and insert "13"

Page 9, line 1, strike "17" and insert "18"

Page 9, line 2, after "the" and before "approval" insert "court's"

Page 9, line 3, strike everything after "issuance"

Page 9, strike lines 4 and 5 and strike line 6 through the comma and insert "of its order, the board shall file a copy in the office of the county auditor of each county in which any lands of the district are located and then"

Page 9, line 10, strike "4" and insert "5"

Page 9, line 11, strike "8" and insert "9"

Page 9, line 22, strike "24" and insert "25"

Page 9, line 27, strike "may" and insert "shall"

Page 9, line 30, strike everything after "2."

Page 10, line 2, strike everything after the period

Page 10, strike lines 3 and 4 and strike line 5 through the period

Page 10, line 24, strike the comma and line 25, strike "receive all proxies,"

Page 10, line 30, strike "All proxies shall be"

Page 10, line 31, strike everything before "All"

Page 11, line 8, strike "landowner" and insert "party to a contract with"

Page 11, line 9, strike "of"

Page 11, line 20, strike "shall" and insert "may"

Page 11, line 21, strike "\$25" and insert "\$35"

Page 12, line 3, strike "board" and insert "court"

Page 12, line 4, strike "secretary of state" and insert "court"

Page 13, lines 18 and 19, strike "for irrigation or flood control or"

Page 13, line 20, strike "or for the drainage of lands,"

Page 14, line 13, after "domain" insert "pursuant to chapter 117"

Page 16, line 10, strike "department of natural resources" and insert "board"

Page 19, line 4, strike "irrigation or other" and strike the comma

Page 19, line 5, strike "or drainage works,"

Page 19, line 23, strike "24" and insert "25"

Page 20, line 25, strike "24" and insert "25"

Page 20, lines 31 and 32, strike "in the office of the water resources commission" and insert "with the clerk of court"

Page 21, after line 5, insert:

"Sec. 37. [112A.37] [APPEALS.] Any party aggrieved by a final order issued pursuant to section 13 of this act which approves or dismisses a petition or which refuses or establishes a project or a district, may appeal therefrom to the supreme court in the manner provided in civil actions. The appeal shall be made and perfected within 30 days after the filing of the order. The notice of appeal shall be served on the clerk of district court and the members of the district's board of directors.

Sec. 38. This act is effective the day following final enactment."

Renumber the sections and the proposed coding in sequence

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

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

S. F. No. 1848: A bill for an act relating to labor; providing an exception of certain employees from the minimum wage requirement; amending Minnesota Statutes 1976, Section 177.23, Subdivision 7.

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

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 177.23, is amended by adding a subdivision to read:

Subd. 10. With respect to any caretaker, manager or other on-site employee of a residential building for whom all or a major portion of his housing is provided in return for services rendered, "hours worked" as contained in rules promulgated pursuant to section 177.28, subdivision 1, shall not mean time during which such person is required to be in the dwelling unit but is not otherwise performing any duties of employment. For the purposes of this subdivision, "dwelling unit" is the individual unit which is ordinarily and commonly considered to be the principal place of residence of the employee."

Amend the title as follows:

Page 1, line 2, strike "providing an exception of"

Page 1, strike lines 3 to 5 and insert "defining "hours worked"; providing that for certain employees the term shall not include certain periods and shall not be used in computing wages; amending Minnesota Statutes 1976, Section 177.23, by adding a subdivision."

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. 322: A bill for an act relating to natural resources; watershed districts; changing bonding provisions for managers; changing and clarifying administrative provisions; establishing a survey and data acquisition fund; creating fees for applications for permits and for field inspections; requiring a permit applicant to post a bond; providing penalties and enforcement provisions; amending Minnesota Statutes 1976, Sections 112.42, Subdivision 1; 112.43, Subdivision 1; 112.48, Subdivision 4; 112.49, by adding a subdivision; 112.50, Subdivision 1; 112.55; 112.61, by adding a subdivision; 112.62, by adding a subdivision; 112.69; 112.761, Subdivision 1; 112.801, Subdivision 8; 112.85, Subdivision 1; and Chapter 112, by adding sections.

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

Page 4, line 14, strike "\$20,000" and insert "*a total of \$50,000*"

Page 4, line 14, after "counties" insert "*and financial institutions*"

Page 4, after line 32, insert

"(17) Adopt rules and regulations to effectuate the purposes of the act and the powers of the managers. In the"

Page 5, after line 24, insert

"No resolution, ordinance, rule, or regulation approved by the managers after August 1, 1978, which affects land or water within the boundaries of a home rule charter or statutory city shall be effective within the city's boundaries prior to notifying the governing body of the city."

Page 5, line 31, strike "\$250,000" and insert "\$200,000"

Page 8, delete lines 31 and 32

Page 9, line 11, after "Sec." strike "6" and insert "7"

Page 9, line 17, strike "*two mills*" and insert "*one mill*"

Page 9, line 19, strike " , or \$50,000, whichever is the lesser"

Page 9, line 19, after the period insert

"At no time shall the balance of the survey and data acquisition fund exceed \$50,000."

Page 9, line 32, after the semicolon, insert

"PROCEDURE; CONVEYANCES TO FEDERAL GOVERNMENT.] Subdivision 1. Where an improvement is to be constructed within the district under a contract between the managers of said"

Page 12, line 21, after "property" insert "*pursuant to section 112.69*"

Page 14, strike section 10

Page 15, strike lines 21 to 26 and insert

"[112.87] [DAMAGES, PAYMENT.] *Section 117.115 shall not apply to any project to be financed by special assessment. When the damages for a project to be financed by special assessment are awarded and duly confirmed, the managers shall determine that the project's benefits exceed the total costs, including any damages awarded, and shall amend its statement filed with the county auditor pursuant to section 112.60, subdivision 1, to reflect the amount of damages awarded. Before entering upon any property for which damages were awarded in order to initiate the construction of the project, the managers shall pay the amount of damages awarded less any assessment against the property from the funds provided by the county board pursuant to section 112.60. In case of appeal of the amount of damages, no damages shall be paid until the final determination thereof.*"

Page 17, after line 2, insert "*Sec. 15. Laws 1969, Chapter 969, is repealed.*"

Renumber the sections in sequence

Amend the title as follows:

Line 7, strike "requiring" and insert "authorizing watershed districts to require"

Lines 15 and 16, strike "112.801, Subdivision 8;"

Line 17, after "sections" insert "; repealing Laws 1969, Chapter 969"

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. 526: A bill for an act relating to game and fish; permitting the use of tip-ups; amending Minnesota Statutes 1976, Section 101.42, Subdivision 20.

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 101.42, Subdivision 11, is amended to read:

Subd. 11. Except as otherwise specifically permitted, it shall be unlawful to take fish by means of *devices, chemicals, or substances such as, but not limited to, explosives, drugs, poisons, lime, medicated bait, fish berries, or other deleterious substances, which kill,*

stun, or narcotize fish; or by means of nets, traps, tip-ups, trot lines, wires, springs, ropes or eables, or snares; or any spring devices which impale, hook, or otherwise capture fish, except as expressly authorized. Possession of any such substances or contrivances by any persons on any waters of this state, their shores or islands, shall be presumptive evidence that the same are possessed in violation of this provision."

Page 1, line 13, strike the new language

Page 1, line 14, strike "*one on each of his lines, and the lines will*" and insert "*Lines to which tip-ups are attached shall*"

Page 1, line 15, strike "*each*" and insert "*the*"

Page 1, after line 15, insert:

"Sec. 3. This act is effective 30 days after its final enactment."

Renumber the sections in sequence

Amend the title as follows:

Line 2, after the semicolon, insert "prohibiting certain means of taking fish;"

Line 4, strike "Subdivision" and insert "Subdivisions 11 and"

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

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

S. F. No. 2078: A bill for an act relating to taxation; sales tax; changing definition of common carriers as retailers; amending Minnesota Statutes, 1977 Supplement, Section 297A.211, Subdivision 1.

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

Page 1, line 18, after "property" insert "*or passengers*"

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

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

S. F. No. 2062: A bill for an act relating to taxation; delaying the effective date of change in allocation of gross income of estates and trusts; amending Laws 1977, Chapter 423, Article I, Section 16.

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

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

S. F. No. 2111: A bill for an act relating to state government; directing the commissioner of administration to grant contract preference to American made products; amending Minnesota Statutes 1976, Section 16.07, by adding a subdivision.

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

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Chapter 16, is amended by adding a section to read:

[16.073] [PREFERENCE FOR AMERICAN-MADE MATERIALS.] *Subdivision 1. [DEFINITIONS.] As used in this section, the following terms shall have the meanings given them:*

(a) "State" means the state of Minnesota or any agency thereof, a contractor acting pursuant to a contract with the state, and any person acting on behalf of the state or any agency thereof;

(b) "Materials" means any goods, supplies, equipment or any other tangible products or materials;

(c) "Manufactured" means mined, produced, manufactured, fabricated or assembled;

(d) "Manufactured in the United States" means manufactured in whole or in substantial part within the United States or that the majority of the component parts thereof were manufactured in whole or in substantial part in the United States.

Subd. 2. [PURCHASE PREFERENCE.] Notwithstanding the provisions of any other law to the contrary, no materials shall be purchased by the state for use for governmental purposes which are not manufactured in the United States, except as may be provided in this section. To the extent possible, specifications shall be written so as to permit the state to purchase materials manufactured in the United States.

Subd. 3. [EXEMPTIONS.] Subdivision 2 shall not apply if the person having contracting authority in respect to the purchase determines that (1) the materials are not manufactured in the United States in sufficient and reasonably available quantities, (2) the price or bid of the materials unreasonably exceeds the price or bid of available and comparable materials manufactured outside of the United States, (3) the quality of the materials is substantially less than the quality of comparably priced available materials manufactured outside of the United States, or (4) the purchase of the materials manufactured in the United States is otherwise not in the public interest. Subdivision 2 also shall not apply if the materials are purchased with a view to commercial resale or with a view to use in the production of goods for commercial sale.

Sec. 2. [EFFECTIVE DATE.] *This act is effective in respect to all contracts executed by the state after July 1, 1978."*

Amend the title as follows:

Page 1, lines 5 to 6, strike "Section 16.07, by adding a subdivision" and insert "Chapter 16, by adding a section"

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

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

S. F. No. 2029: A bill for an act relating to taxation; property tax; requiring county to reimburse township for certain errors made by county auditor.

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

Page 1, line 13, before the period insert "within 30 days of notification of the error"

Page 1, after line 13, insert:

"Sec. 2. The difference between the correct levy and the erroneous levy shall be added to the township levy for the subsequent levy year; provided that if the amount of the difference exceeds five mills, the excess shall be added to the township levy for the second and later subsequent levy years, not to exceed an additional levy of five mills in any year, until the full amount of the difference has been levied. The funds collected from the corrected levies shall be used to reimburse the county for the payment required by section 1."

Renumber the following section

Amend the title as follows:

Page 1, line 2, strike "property tax;"

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

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

S. F. No. 1809: A bill for an act relating to retirement; providing for an exclusion from public pension coverage for those persons covered by certain federal public service employment programs in compliance with federal regulations; amending Minnesota Statutes 1976, Sections 69.29; 136.80, Subdivision 1; 352B.01, Subdivision 2; 353.64, by adding a subdivision; 354A.10; 423.23; 423.372; 423.43; 423.801, Subdivision 2; 424.03; Chapter 356, by adding a section; and Laws 1969, Chapter 950, Section 1; Minnesota Statutes, 1977 Supplement, Sections 352.01, Subdivision 28; 353.01, Subdivision 2b; 354.05, Subdivision 2; 422A.09, Subdivision 3.

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

Page 2, line 6, strike "Each" and insert "*The St. Paul and Duluth*"

Page 2, line 6, strike "association" and insert "associations"

Page 2, line 6, after "exclude" insert "and the Minneapolis fire-fighters relief association shall exclude or shall consider as a provisional member of the relief association pursuant to section 10, as specified by the city council of the city of Minneapolis,"

Page 15, line 32, after "act" strike the comma and insert "shall be included as a member of a public retirement fund, unless the person is employed by an employer where public retirement coverage is to be provided by a covered fund enumerated in section 10, subdivision 2, and the city council of the city of Minneapolis specifies that the person is to be considered as a provisional member of the relief association pursuant to section 10, or"

Page 17, after line 4, insert:

"Sec. 10. Minnesota Statutes 1976, Chapter 356, is amended by adding a section to read:

[356.451] [PROVISIONAL MEMBERSHIP FOR CERTAIN PERSONS IN VARIOUS RETIREMENT FUNDS OR PLANS.]
Subdivision 1. [RESERVE ACCOUNT FOR PROVISIONAL MEMBERS; AUTHORIZATION.] Notwithstanding any provisions to the contrary of the laws governing the funds enumerated in subdivision 2, any person who is employed in subsidized on-the-job training, work experience or public service employment as an enrollee under the federal comprehensive employment and training act, who does not have as of the later of the effective date of this act or the date of employment sufficient service credit in the retirement fund to meet the minimum vesting requirements for a deferred annuity, who otherwise meets all of the applicable eligibility requirements of the fund and who is designated as such by the city council of the city of Minneapolis shall be considered a provisional member of the fund. There shall be established a subsidiary reserve account for provisional members which shall be managed by the board of trustees of the fund as a separate account and which shall not be considered as an asset or a liability of the fund. To this account shall be credited all employee and required employer contributions made by or on account of provisional members. A separate record for each provisional member shall be maintained showing the length of service completed, the accrued employee and required employer contributions made by or on account of each provisional member, and the actual rate of interest earned on the assets of the account. The assets of the separate account shall be invested in the same manner as and subject to the same limitations which are applicable to the general assets of the retirement fund. The board of trustees shall remit back to the prime sponsor of the federal comprehensive employment and training act program quarterly an amount equal to the total required employer contributions made on account of provisional members who terminate or who are terminated from subsidized on-the-job training, work experience or public service employment without obtaining unsubsidized employment with an employer who employs members who regularly have retirement coverage provided by that retirement fund or without obtaining

sufficient service credit to become entitled to a deferred retirement annuity had they been regular members of that retirement fund during the period of their provisional membership, plus interest at the rate or rates actually earned and in addition any amounts which exceed the funds required to cover current provisional members as projected by the board of trustees. Any provisional member who terminates or is terminated from subsidized on-the-job training, work experience or public service employment without obtaining unsubsidized employment with an employer who employs members who regularly have retirement coverage provided by that retirement fund or without obtaining sufficient service to become entitled to a deferred retirement annuity had he been a regular member of the retirement fund during the period of his provisional membership shall be entitled upon making valid written application to a refund of all employee contributions credited to the member in the subsidiary reserve account for provisional members, plus interest at the average actual rate of interest earned on the assests of the account, but not to exceed the rate of three and one-half percent per annum compounded annually from the date of commencement of provisional membership, computed to the first day of the month in which the refund is processed, and based on fiscal year balances. If the provisional member obtains unsubsidized employment with an employer who employs members who regularly have retirement coverage provided by that retirement fund or obtains sufficient service to become entitled to a deferred retirement annuity had the period of provisional membership been as a regular member, the board of trustees shall transfer the total employee and required employer contributions and any interest attributable to those contributions to the regular retirement fund and shall credit the period of service as a provisional member as allowable or formula service. Unless the provisional member becomes a regular member of the same retirement fund prior to the quarterly reprogramming next following the person's termination of provisional status, no period of provisional membership shall be considered allowable service for purposes of the combined service annuity pursuant to section 356.30 or any service in more than one retirement fund provision. If any provisional member obtains service in an amount sufficient to entitle the provisional member to a disability benefit or the provisional member's survivor to a survivor's benefit had the provisional member been a regular member for that period of service, then the provisional member or the provisional member's survivor shall be entitled to a benefit when otherwise qualified notwithstanding the fact that the person was a provisional member. Upon the commencement of such benefit, an amount equal to the contributions and interest credited to the provisional member shall be transferred from the reserve account for provisional members to the regular fund. In any actuarial valuation made by the fund pursuant to chapter 356, the results of the subsidiary reserve account for provisional members shall be contained in a separate calculation or tabulation. The separate calculation or tabulation shall use the actuarial assumptions used by the fund which are appropriate to the experience of the subsidiary reserve account for provisional members, and shall

include the items contained in section 356.215, subdivision 4, clauses (1), (2), (6) (a), and (11).

Subd. 2. [COVERED FUNDS.] Subdivision 1 applies to the following funds:

(1) Minneapolis municipal employees retirement fund established pursuant to chapter 422A;

(2) Minneapolis firefighters relief association established pursuant to chapter 69;

(3) Minneapolis police relief association established pursuant to Laws 1949, Chapter 406, as amended;

(4) any plan covering employees of the housing and redevelopment agency of the city of Minneapolis as established by law, ordinance, or otherwise."

Renumber the sections in sequence

Page 19, line 25, after "act," insert "unless the city council of the city of Minneapolis specifies that the person is to be considered as a provisional member of the retirement fund pursuant to section 10 or"

Page 28, line 16, after "credit" insert "for the period of employment in subsidized on-the-job training, work experience or public service employment as an enrollee under the federal comprehensive employment and training act"

Page 29, line 17, after "made" insert "; provided, however, that the employer for the unsubsidized employment, the employer for the subsidized employment, or the applicable federal comprehensive employment and training act prime sponsor from funds provided under the federal comprehensive employment and training act, as funds permit, may pay the employer contribution and the employer additional contribution, if any, plus interest at the specified rate"

Page 30, line 14, after "act." insert "For any current employee to whom section 10 applies, that employee shall be considered a provisional member for any future service from and after the effective date of this act."

Further, amend the title as follows:

Page 1, line 6, after "regulations;" insert "establishment of reserve accounts for certain provisional members;"

Page 1, line 10, after "adding" strike "a"

Page 1, line 11, strike "section" and insert "sections"

Page 1, line 14, after "Subdivision 2;" insert "and"

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

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

S. F. No. 2080: A bill for an act relating to the division of highway patrol; severing the training funding of the departments of public safety and of transportation; appropriating moneys; amending Minnesota Statutes 1976, Section 299D.03, Subdivision 6.

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

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

S. F. No. 1882: A bill for an act relating to highway traffic regulations; prohibiting possession of certain traffic signs; granting immunity from prosecution to persons who voluntarily notify police of their possession of such signs; amending Minnesota Statutes 1976, Section 169.08.

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

Page 1, line 19, after "article" insert "*and who returns the article within ten days after gaining possession thereof,*"

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

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

S. F. No. 2106: A bill for an act relating to highway traffic regulation; concerning accident reports; making reports available for accident prevention purposes to additional agencies; concealing the identity of involved persons; amending Minnesota Statutes 1976, Section 169.09, Subdivision 13.

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

Page 1, line 17, after "transportation," insert "*and appropriate*"

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

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

S. F. No. 1775: A bill for an act relating to Independent School District No. 272 (Eden Prairie) and Independent School District No. 273 (Edina); providing for the transfer of territory from Independent School District No. 272 to Independent School District No. 273.

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

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

S. F. No. 2157: A bill for an act relating to Independent School District No. 272 (Eden Prairie) and Independent School District No. 271 (Bloomington); providing for the transfer of territory from Independent School District No. 272 to Independent School District No. 271.

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

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

S. F. No. 1547: A bill for an act relating to Independent School District No. 624 and Independent School District No. 12; providing for the exchange of territory between the districts.

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

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

S. F. No. 1748: A bill for an act relating to special school district No. 1 of the city of Minneapolis; establishing four year terms of office for directors of the board of education; amending Laws 1959, Chapter 462, Section 3, Subdivision 1, as amended and renumbered.

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

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

S. F. No. 1703: A bill for an act relating to education; school boards; planning task force; providing for removal of task force members; amending Minnesota Statutes, 1977 Supplement, Section 122.86, Subdivision 3.

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

Page 2, line 1, strike "*schools*" and insert "*school districts*"

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. 2143: A bill for an act relating to family planning services; providing for the establishment of a comprehensive state family planning services plan; appropriating funds.

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

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 145.922, is amended by adding a subdivision to read:

Subd. 3. The commissioner may make special grants to cities, counties, groups of cities or counties, or nonprofit corporations to provide pre-pregnancy family planning services. Applicants shall submit for approval a plan and budget for the use of funds in the form and detail as specified by the commissioner. The commissioner may adopt by emergency and permanent rules criteria for approval of plans and budgets. Grantees shall maintain records, including records of expenditures to be audited, and shall furnish reports as specified by the commissioner. The commissioner of health may not require that any city or county apply for or receive grants under this subdivision as a condition for the receipt of any state or federal funds unrelated to family planning services.

Sec. 2. Minnesota Statutes 1976, Chapter 145, is amended by adding a section to read:

[145.923] [INDIVIDUAL RIGHTS, MEDICAL PRIVILEGE.]
Subdivision 1. The request of any person for family planning services or his or her refusal to accept any service shall in no way affect the right of the person to receive public assistance, public health services, or any other public service. Nothing in section 1 shall abridge the right of the individual to make decisions concerning family planning, nor shall any individual be required to state his or her reason for refusing any offer of family planning services.

Subd. 2. Any employee of the agencies engaged in the administration of the provisions of section 1 may refuse to accept the duty of offering family planning services to the extent that the duty is contrary to his personal beliefs. A refusal shall not be grounds for dismissal, suspension, demotion, or any other discrimination in employment. The directors or supervisors of the agencies shall reassign the duties of employees in order to carry out the provisions of section 1.

Subd. 3. All information gathered by any agency, entity, or individual conducting programs in family planning, other than statistical information compiled without reference to the identity of any individual or other information which the individual allows to be released through his or her informed consent, shall be considered a confidential medical record.

Sec. 3. *The sum of \$1,400,000 is appropriated from the general fund to the commissioner of health for the purposes specified in section 1.*

Sec. 4. *This act is effective on the day following final enactment."*

Amend the title as follows:

Page 1, strike line 3 and insert "for special grants for"

Page 1, line 4, strike "plan"

Page 1, line 5, strike "funds" and insert "money; amending Minnesota Statutes 1976, Section 145.922, by adding a subdivision; and Chapter 145, by adding a section."

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

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

S. F. No. 372: A bill for an act relating to health; providing standards of consent for abortions; amending Minnesota Statutes 1976, Chapter 145, by adding a section.

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

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Chapter 145, is amended by adding a section to read:

[145.424] [CONSENT.] Subdivision 1. Except as provided in sections 144.341 and 144.342, a physician shall not perform an abortion for a minor female unless the physician has obtained the written consent of the minor and the written consent of either her parents or the juvenile court.

If one parent has died, has deserted the family, or cannot give consent because of medical incapacity, consent from the remaining parent is sufficient. If both parents have died or deserted the family, consent from the guardian of the minor, or from the person who has assumed the care and custody of the minor is sufficient. The decision whether to grant or withhold consent shall in each case be made in the best interests of the minor female.

Subd. 2. Consent obtained by an order of a juvenile judge shall be after a showing of good cause, and after such hearing as the court deems necessary. Petition for the order shall have priority over other matters of the juvenile court. The judge shall not deny the order on the basis of concerns exclusively of the parent, but shall make his decision based upon the child's best interests. Notification of the hearing, or of an adjourned hearing, and an opportunity to be heard may be given to the parents or guardian of the minor female, or notice may be withheld, as the judge of juvenile court may consider in the child's best interests."

And when so amended the bill be re-referred to the Committee on Judiciary without recommendation. Amendments adopted. Report adopted.

Mr. Anderson from the Committee on Energy and Housing, to which was referred

S. F. No. 1967: A bill for an act relating to housing; authorizing housing and redevelopment agencies to make rehabilitation loans and grants; amending Minnesota Statutes 1976, Section

462.445, Subdivision 9; repealing Laws 1976, Chapter 311, Section 1; Laws 1977, Chapters 262; and 344, Sections 2 and 3.

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

Page 2, line 16, strike "*provided that*" and insert a period

Page 2, line 17, strike "*grant must be recovered by the authority*" and insert "*rehabilitation grant made by an authority or by any city pursuant to any general or special law must provide for the recovery of the grant by the city or*"

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

Mr. Tennesen from the Committee on Commerce, to which were referred the following appointments as reported in the Journal for January 17, 1978:

CABLE COMMUNICATIONS BOARD

John Stone

Dr. Jennis Bapst

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

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

Mr. Tennesen from the Committee on Commerce, to which was referred the following appointment as reported in the Journal for May 17, 1977:

PUBLIC SERVICE COMMISSION

Juanita Satterlee

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. Tennesen from the Committee on Commerce, to which was referred the following appointment as reported in the Journal for February 13, 1978:

PUBLIC SERVICE COMMISSION

Arlen I. Erdahl

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. Tennesen from the Committee on Commerce, to which were referred the following appointments as reported in the Journal for January 19, 1978:

**DEPARTMENT OF COMMERCE
CONSUMER SERVICES DIVISION
DIRECTOR**

Tobey Lapakko

CABLE COMMUNICATIONS BOARD

Eugene Schroeder

PUBLIC SERVICE COMMISSION

Ruth Cain

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

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

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

S. F. No. 1908: A bill for an act relating to aeronautics; modifying airport zoning regulations to protect existing residential neighborhoods; amending Minnesota Statutes 1976, Sections 360.062; 360.066, Subdivision 1, and by adding a subdivision.

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

Page 1, line 15, strike "also if of the obstruction type, in effect"

Page 1, line 16, strike "reduces" and insert "*may reduce*"

Page 1, line 17, strike "thus tending to"

Page 1, line 18, strike "destroy or impair" and insert "*thereby impairing*"

Page 1, line 19, strike "*It is found also, however, that the*"

Page 1, strike lines 20 to 23

Page 2, strike line 1

Page 2, line 2, strike "*up urban areas.*"

Page 2, line 10, strike "*It is declared that*"

Page 2, strike lines 11 to 15

Page 2, line 16, strike "safety."

Page 2, line 16, strike "both"

Page 3, line 1, strike "each" and insert "any"

Page 3, line 1, strike "or county, or"

Page 3, line 2, after "board," insert "or joint airport operating board,"

Page 3, line 11, strike "In" and insert "No"

Page 3, strike lines 12 to 32

Page 4, strike lines 1 to 17 and insert the following:

"standards or regulations shall be adopted pursuant to sections 360.061 to 360.074 by the commissioner or by any joint airport zoning board or joint airport operating board that classify as a nonconforming use or require such classification with respect to any residential structure or undeveloped parcel of real property consisting of residential building lots existing on January 1, 1978 in an established residential neighborhood. Any such standards or regulations may permit or require the classification of any residential structure as an airport hazard and provide for the alteration or acquisition and removal of such a structure at public expense regardless of classification of that structure as a conforming use.

Sec. 4. Minnesota Statutes 1976, Section 360.066, is amended by adding a subdivision to read:

Subd. 1b. Within nine months after the effective date of this act the commissioner shall amend the minimum standards defining airport hazard areas and categories of uses permitted therein to conform with the requirements of section 3 of this act. If the commissioner fails to adopt amended standards as required by this section the unamended standards, insofar as they require classification of any residential property as a conforming use contrary to the provisions of section 3, shall be without force or effect until those amended standards are adopted.

Sec. 5. *Nothing in this act shall be construed to require the amendment of local zoning ordinances to give conforming use status to a use or structure which is currently nonconforming under an existing local zoning ordinance."*

Renumber the remaining section

Further, amend the title as follows:

Page 1, line 6, strike "a subdivision" and insert "subdivisions"

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. 1728, 1860 for comparison with companion Senate Files, reports the following House Files were found identical and recommends the House Files be given their second reading and substituted for their companion Senate Files as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
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H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
1728	1789			1860	1655

and that the above Senate Files 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. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which were referred H. F. Nos. 1103 and 1923 for comparison with companion Senate Files, reports the following House Files were found not identical with their companion Senate Files as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
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H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
1103	762				
1923	1766				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1103 be amended as follows:

Page 1, delete lines 14 to 21, and insert

"15.061 [CONSULTANT, PROFESSIONAL AND TECHNICAL SERVICES.] Notwithstanding the provisions of any other law Pursuant to the provisions of section 2, the head of a state department and agencies department or agency may, with the approval of the commissioner of administration, use salary appropriations to contract for consultant services and professional and technical services in connection with the operation of the department and agencies department or agency. Such contracts A contract negotiated under this section shall not be subject to the competitive bidding requirements of chapter 16."

Page 2, delete lines 8 to 15 and insert

"commission, authority, department or other agency of the executive branch of state government.

(4) "Consultant services" means services which are intellectual in character which do not involve the provision of supplies or materials; which include analysis, evaluation, prediction, planning or recommendation; and which result in the production of a report.

(5) "Professional and technical services" means services which are predominantly intellectual in character; which do not involve the provision of supplies or materials; and in which the final result is the completion of a task rather than analysis, evaluation, prediction, planning or recommendation."

Page 2, delete lines 30 to 32 and insert

"Subd. 3. [PROCEDURE FOR CONSULTANT AND PROFESSIONAL AND TECHNICAL SERVICES CONTRACTS.] Before approving a proposed state contract for consultant services

or professional and technical services the commissioner shall have at least determined that:"

Page 3, line 3, before the semicolon insert "*, and that there is statutory authority to enter into the contract*"

Page 3, after line 5 insert

"(3) the contract will not establish an employer/employee relationship between the state or the agency and any persons performing under the contract;

(4) the agency made reasonable efforts to publicize the availability of the contract;

(5) no current state employees will engage in the performance of the contract;

(6) no state agency has previously performed or contracted for the performance of tasks which would be substantially duplicated under the proposed contract;"

Renumber the remaining clauses in sequence

Page 3, line 14, delete "*such*" and insert "*the*"

Page 3, line 16, delete "*an*" and insert "*any*"

Page 3, delete line 20

Page 3, line 21, delete "*any state agency,*" and insert "*to the head of another agency*" and delete the comma before "*when*"

Delete page 3, line 31 to page 4, line 24 and insert

"the contract until it has first been executed by the head of the agency which is a party to the contract and has been approved in writing by the commissioner or his delegate pursuant to this section, by the attorney general or his delegate as to form and execution and by the commissioner of finance or his delegate for encumbrance or recordation purposes. The head of the agency may delegate the execution of specific contracts or specific types of contracts to a deputy or assistant head within his agency if the delegation has been approved by the commissioner of administration and filed with the secretary of state.

Subd. 8. [REPORTS.] *The commissioner shall monthly submit to the governor and the legislature a listing of all contracts for consultant services and for professional and technical services executed or disapproved in the preceding month. The report shall identify the parties and the contract amount, duration and tasks to be performed. The commissioner shall also issue quarterly reports summarizing the contract review activities of his department over the preceding quarter."*

Page 4, line 25, delete "*Section 16.10 is*" and insert "*Sections 16.10 and 161.35, are*"

Page 4, line 27, delete "*its*"

Further, amend the title as follows:

Line 7, delete "161.35;"

Line 9, delete "Section 16.10" and insert "Sections 16.10; and 161.35"

And when so amended H. F. No. 1103 will be identical to S. F. No. 762, and further recommends that H. F. No. 1103 be given its second reading and substituted for S. F. No. 762, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1923 be amended as follows:

Page 2, line 6, after "1978" delete the new comma

Page 2, line 7, after "1" delete the new comma

And when so amended H.F. No. 1923 will be identical to S. F. No. 1766, and further recommends that H. F. No. 1923 be given its second reading and substituted for S. F. No. 1766, and that the Senate File be indefinitely postponed.

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

Mr. Coleman from the Committee on Rules and Administration, to which was referred H. F. No. 1882 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
				1882	1647

and that the above 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. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which were referred H. F. Nos. 1520, 1857 and 1323 for comparison with 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.
1520	1886				
1857	1786				
1323	1573				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1520 be amended as follows:

Page 1, line 15, delete "A \$100"

Page 1, line 16, delete the underscored language

Page 2, lines 4 and 5, delete the underscored language

Page 2, delete lines 14 and 15

And when so amended H. F. No. 1520 will be identical to S. F. No. 1886, and further recommends that H. F. No. 1520 be given its second reading and substituted for S. F. No. 1886, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1857 be amended as follows:

Page 1, line 12, delete the underscored language

Page 1, line 21 to page 2, line 1, delete the underscored language

Further, amend the title

Line 2, after "requiring" insert "all"

And when so amended H. F. No. 1857 will be identical to S. F. No. 1786, and further recommends that H. F. No. 1857 be given its second reading and substituted for S. F. No. 1786, 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.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1323 be amended as follows:

Page 2, after line 25 insert

"Sec. 3. Minnesota Statutes 1976, Section 136A.63, is amended to read:

136A.63 [REGISTRATION.] All schools located within Minnesota and all schools located outside Minnesota which offer programs or courses within Minnesota shall register annually with the board. The board shall have the authority to require those schools located outside Minnesota which offer programs or courses within Minnesota to register annually.

Sec. 4. Minnesota Statutes 1976, Section 136A.64, is amended to read:

136A.64 [INFORMATION.] *Subdivision 1.* As a basis for registration, schools shall provide the board with such information as the board needs to determine the nature and activities of the school, including but not limited to, requirements for admission,

enrollments, tuition charge, refund policies, curriculum, degrees granted, and faculty employed. The board shall have the authority to verify the accuracy of the information submitted to it by inspection or any other means it deems necessary.

Subd. 2. The board shall not disclose financial records provided to it by a school pursuant to this section except for the purpose of defending, at hearings pursuant to Minnesota Statutes, Chapter 15, or other appeal proceedings, its decision to approve or not to approve the granting of degrees or the use of a name by the school. Minnesota Statutes, Section 15.17, Subdivision 4, shall not apply to such records.

Sec. 5. Minnesota Statutes 1976, Section 136A.65, is amended to read:

136A.65 [APPROVAL OF DEGREES AND NAME.] *Subdivision 1. No school subject to registration shall grant a degree unless such degree is approved by the board, nor shall any school subject to registration use the name "college", "academy", "institute" or "university" in its name without approval by the board.*

Subd. 2. The board shall establish procedures for approval, including notice and an opportunity for a hearing pursuant to chapter 15 if such approval is not granted. If a hearing is requested, no disapproval shall take effect until after such hearing.

Subd. 3. A school subject to registration shall be granted approval to use the term "college", "academy", "institute" or "university" in its name whether or not it offers a program leading to a degree, if it was organized, operating and using such term in its name on or before August 1, 1975, and if it meets the other policies and standards for approval established by the board."

Page 2, line 26, delete "3" and insert "6"

Page 3, line 6, after "organization" insert a comma and delete "and"

Page 3, line 9, after "organization," insert "and"

Page 3, delete lines 18 to 32

Page 4, line 1, delete "4" and insert "7"

Page 4, line 22, delete "Subd. 3."

Page 4, line 24, delete "major" and after "purpose" insert "or effect"

Page 5, line 1, delete "4" and insert "3"

Page 5, line 5, delete "5" and insert "8"

Further, amend the title as follows:

Page 1, delete lines 3 to 5 and insert

"coordinating board; making certain public post-secondary educational institutions located in another state or country subject to registration; providing certain restrictions on the use of records

provided in connection with registration; granting approval for the use of certain names by certain schools; providing exemption from registration by certain schools;"

Page 1, line 7, before "and" insert "136A.63; 136A.64; 136A.65;"

And when so amended H. F. No. 1323 will be identical to S. F. No. 1573, and further recommends that H. F. No. 1323 be given its second reading and substituted for S. F. No. 1573, 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. Borden from the Subcommittee on Bill Scheduling, to which were referred S. F. Nos. 1923, 1830, 1943, 2015, 1690, 1624, 1721, 2047, 2037, 1968, 1757, 1740, 1733, 1853, 1753, 1808, 1807, 1067, 1915, 1946, 1428 and H. F. No. 267 makes the following report:

That S. F. Nos. 1923, 1830, 1943, 2015, 1690, 1624, 2047, 2037, 1968, 1757, 1740, 1733, 1853, 1753, 1808, 1807, 1067, 1915, 1946, 1428 and H. F. No. 267 be placed on the General Orders Calendar in the order indicated.

That S. F. No. 1721 is being retained in the Subcommittee.

That there were no other bills before the Subcommittee on which floor action was requested. Report adopted.

SECOND READING OF SENATE BILLS

S. F. Nos. 1775, 2157 and 1547 were read the second time.

S. F. Nos. 2101, 954, 1848, 322, 526, 2078, 2062, 2029, 2111, 1809, 2080, 1882, 2106, 1748, 1703, 1967 and 1908 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. 1728, 1860, 1103, 1923, 1882, 1520, 1857 and 1323 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Lewis moved that the names of Messrs. Vega and Sikorski be added as co-authors to S. F. No. 1073. The motion prevailed.

Mr. Solon moved that the name of Mr. Jensen be added as co-author to S. F. No. 1877. The motion prevailed.

Mr. Kleinbaum moved that the names of Messrs. Schaaf and Sikorski be added as co-authors to S. F. No. 2004. The motion prevailed.

Mr. McCutcheon moved that the names of Messrs. Coleman and Ashbach be added as co-authors to S. F. No. 2031. The motion prevailed.

Mr. Schmitz moved that the name of Mr. Schaaf be added as co-author to S. F. No. 2230. The motion prevailed.

Mr. Stumpf moved that the names of Messrs. Coleman, McCutcheon, Chenoweth and Sieloff be added as co-authors to S. F. No. 2239. The motion prevailed.

Mr. Willet moved that the name of Mr. Lessard be added as co-author to S. F. No. 2242. The motion prevailed.

Mr. Willet moved that the name of Mr. Johnson be added as co-author to S. F. No. 2248. The motion prevailed.

Mr. Johnson moved that the name of Mr. Sikorski be added as co-author to S. F. No. 2263. The motion prevailed.

Mr. Tennessen moved that the names of Messrs. Merriam and Sikorski be added as co-authors to S. F. No. 2295. The motion prevailed.

Mr. Sikorski moved that S. F. No. 1966 be withdrawn from the Committee on Local Government and be returned to its author. The motion prevailed.

Mr. Sikorski moved that S. F. No. 424 be withdrawn from the Committee on Local Government and be returned to its author. The motion prevailed.

Mr. Anderson moved that S. F. No. 1653 be withdrawn from the Committee on Energy and Housing and re-referred to the Committee on Commerce. The motion prevailed.

Mr. Laufenburger moved that the report from the Committee on Employment, reported February 23, 1978, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Laufenburger moved that the foregoing report be now adopted. The motion prevailed.

CONFIRMATION

Mr. Laufenburger moved that in accordance with the report from the Committee on Employment, reported February 23, 1978, the Senate, having given its advice, do now consent to and confirm the appointment of:

WORKER'S COMPENSATION COURT OF APPEALS

Robert McCarthy, 2356 Swan Drive, Mendota Heights, Dakota County, effective September 2, 1977, for a term expiring the first Monday in September, 1983.

The motion prevailed. So the appointment was confirmed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman moved that H. F. No. 404 and the Conference Committee Report thereon be taken from the table. The motion prevailed.

CONFERENCE COMMITTEE REPORT ON H. F. NO. 404

A bill for an act relating to political activities; providing for their regulation; defining terms; revising certain filing and reporting requirements; clarifying language; imposing expenditure and contribution limits; revising distribution of moneys from the state elections campaign fund to legislative candidates; removing obsolete provisions; providing penalties; amending Minnesota Statutes 1976, Sections 10A.01, Subdivisions 2, 5, 7, 9, 10, 11, 13, 15, 16 and 18, and by adding subdivisions; 10A.02, Subdivisions 1, 2, 4, 8, 9, 11, 12 and 13, and by adding a subdivision; 10A.04, Subdivision 1; 10A.07; 10A.09, Subdivision 6; 10A.11, Subdivisions 1 and 6; 10A.12, Subdivisions 1, 4 and 5; 10A.13; 10A.14, Subdivisions 1 and 2; 10A.15; 10A.16; 10A.17; 10A.19, Subdivision 1; 10A.20, Subdivisions 3, 4, 5 and 6; 10A.22, Subdivisions 1, 3, 4, 5 and 7; 10A.24; 10A.25; 10A.27; 10A.28; 10A.29; 10A.31, Subdivisions 3a, 5, 6, 7, 10, and by adding a subdivision; 10A.32; 10A.33; and 210A.01, Subdivision 3; and Chapter 10A, by adding sections; repealing Minnesota Statutes 1976, Sections 10A.09, Subdivision 7; 10A.17, Subdivision 2; and 10A.26.

February 23, 1978

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

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 404, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and H. F. No. 404 be amended as follows:

Delete everything after the enacting clause and insert:

Section 1. Minnesota Statutes 1976, Section 10A.01, Subdivision 2, is amended to read:

Subd. 2. "Administrative action" means an action by any official, board, commission or agency of the executive branch to ~~make rules adopt, amend, or repeal a rule or to adjudicate a contested case pursuant to chapter 15~~. "Administrative action" does not include the application or administration of ~~these rules an adopted rule~~, except in cases of rate setting, power plant and powerline siting and ~~others specified by the commission granting of certificates of need under chapter 116H~~.

Sec. 2. Minnesota Statutes 1976, Section 10A.01, Subdivision 5, is amended to read:

Subd. 5. "Candidate" means an individual who seeks nomination ~~for election or election to any statewide office or legislative office~~; ~~other than a federal office for which candidates are reporting is not required to report under federal laws~~. The term candidate shall also include an individual who seeks nomination ~~for election~~

or election to supreme court and district court judgeships of the state. An individual shall be deemed to seek nomination for election or election if he has taken the action necessary under the law of the state of Minnesota to qualify himself for nomination for election or election to an office, has received contributions or made expenditures in excess of \$100, or has given his *implicit or explicit* consent, *implicit or explicit*, for any other person to receive contributions or make expenditures in excess of \$100 with a view to, for the purpose of bringing about his nomination for election or election to an office. A candidate remains a candidate until his principal campaign committee is dissolved as provided in section 10A.24.

Sec. 3. Minnesota Statutes 1976, Section 10A.01, Subdivision 7, is amended to read:

Subd. 7. "Contribution" means :

(a) A gift, subscription, loan, advance, the providing of supplies, materials or equipment, or deposit of money or anything else of value made to influence the nomination for election or election of a candidate to office;

(b) a transfer of funds between political committee or political funds; or a donation in kind.

(c) The payment of compensation for the personal services of another person which are rendered to a candidate, political committee or political fund to influence the nomination for election or election of a candidate to office by any person other than that candidate, political committee or political fund.

Contribution includes any loan or advance of credit to a political committee, political fund, or principal campaign committee, which loan or advance of credit is (a) forgiven, or (b) paid by an entity other than the political committee, political fund, or principal campaign committee to which the loan or advance of credit is made. If an advance of credit or a loan is forgiven or paid as provided in this subdivision, it is a contribution in the year in which the loan or advance of credit is made.

A contribution made for the purpose of defeating a candidate is considered made for the purpose of influencing the nomination or election of that candidate or any opponent of that candidate.

"Contribution" does not include services provided without compensation by individuals an individual volunteering their time on behalf of a candidate, political committee or political fund, or coverage by news media, but only while acting in the ordinary course of business of the publishing or broadcasting of news items, editorials or other editorial comments by the news media.

Sec. 4. Minnesota Statutes 1976, Section 10A.01, is amended by adding a subdivision to read:

Subd. 7a. "Transfer of funds" or "transfer" means money or negotiable instruments given by an individual or association to a

political committee, political fund, or principal campaign committee for the purpose of influencing the nomination or election of a candidate.

Sec. 5. Minnesota Statutes 1976, Section 10A.01, is amended by adding a subdivision to read:

Subd. 7b. "Donation in kind" means anything of value other than money or negotiable instruments given by an individual or association to a political committee, political fund, or principal campaign committee for the purpose of influencing the nomination or election of a candidate. Donation in kind includes an approved expenditure.

Sec. 6. Minnesota Statutes 1976, Section 10A.01, Subdivision 9, is amended to read:

Subd. 9. "Election" means a general, special, primary or special primary, general or special election; or a convention or caucus of a political party held to nominate or endorse a candidate.

Sec. 7. Minnesota Statutes 1976, Section 10A.01, Subdivision 10, is amended to read:

Subd. 10. "Campaign expenditure" or "expenditure" means :

(a) a purchase, payment, distribution, loan, advance, deposit or gift or payment of money or anything of value, or an advance of credit, made or incurred for the purpose of influencing the nomination for election or election of any a candidate to office; or

(b) A transfer of funds between political committees or political funds.

An expenditure is considered to be made in the year in which the goods or services for which it was made are used or consumed.

An expenditure made for the purpose of defeating a candidate is considered made for the purpose of influencing the nomination or election of that candidate or any opponent of that candidate.

Except as provided in clause (a), expenditure includes the dollar value of a donation in kind.

"Expenditure" does not include:

(a) Noncampaign disbursements as defined in section 10 of this act;

(b) Transfers as defined in section 4 of this act;

(c) Services provided without compensation by individuals an individual volunteering their his time on behalf of a candidate, political committee, or political funds; or (b) expenses incurred by a member of the legislature or a person holding constitutional office in the executive branch, in performing services for constituents. The board shall have the power to determine whether the expense was incurred primarily for the purpose of providing a constituent service or is an expenditure within the meaning of this subdivision

(d) *The publishing or broadcasting of news items or editorial comments by the news media.*

Sec. 8. Minnesota Statutes 1976, Section 10A.01, is amended by adding a subdivision to read:

Subd. 10a. "Approved expenditure" means an expenditure made on behalf of a candidate by an entity other than the principal campaign committee of that candidate, which expenditure is made with the authorization or expressed or implied consent of, or in cooperation or in concert with, or at the request or suggestion of that candidate, his principal campaign committee or his agent. An approved expenditure is a contribution to that candidate.

Sec. 9. Minnesota Statutes 1976, Section 10A.01, is amended by adding a subdivision to read:

Subd. 10b. "Independent expenditure" means an expenditure expressly advocating the election or defeat of a clearly identified candidate, which expenditure is made without the express or implied consent, authorization, or cooperation of any candidate, his principal campaign committee or his agent and is not made in concert with or at the request or suggestion of any candidate, his principal campaign committee or his agent. An independent expenditure is not a contribution.

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

Subd. 10c. "Noncampaign disbursement" means a purchase or payment of money or anything of value made, or an advance of credit incurred, by a political committee, political fund, or principal campaign committee for any purpose other than to influence the nomination or election of a candidate.

Noncampaign disbursement includes:

- (a) Payment for accounting and legal services;*
- (b) Return of a contribution to the source;*
- (c) Repayment of a loan made to the political committee, political fund, or principal campaign committee by that committee or fund;*
- (d) Return of moneys from the state elections campaign fund;*
- (e) Payment for food and beverages consumed at a fundraising event;*
- (f) Services for a constituent by a member of the legislature or a constitutional officer in the executive branch, performed from the beginning of the term of office to adjournment sine die of the legislature in the election year for the office held; and*
- (g) A donation in kind given to the political committee, political fund, or principal campaign committee for purposes listed in clauses (e) and (f). The board shall determine whether an activity involves a noncampaign disbursement within the meaning of this subdivision.*

Sec. 11. Minnesota Statutes 1976, Section 10A.01, Subdivision 11, is amended to read:

Subd. 11. "Lobbyist" means any individual:

(a) Engaged for pay or other consideration, or authorized by another individual or association to spend money, who spends more than five hours in any month or more than \$250, not including *his own* travel expenses and membership dues, in any year, for the purpose of attempting to influence legislative or administrative action by communicating or urging others to communicate with public officials; or

(b) Who spends more than \$250, not including *his own* traveling expenses and membership dues, in any year for the purpose of attempting to influence legislative or administrative action by communicating or urging others to communicate with public officials.

"Lobbyist" does not include any:

(a) Public official or employee of the state or any of its political subdivisions or public bodies acting in his official capacity;

(b) Party or his representative appearing in a proceeding before a state board, commission or agency of the executive branch unless the board, commission or agency is taking administrative action;

(c) Individual *while engaged* in the course of selling goods or services to be paid for by public funds;

(d) News media or their employees or agents ~~acting while engaged in the ordinary course of business of publishing or broadcasting of news items, editorials or other editorial comments or paid advertisements which directly or indirectly urge official action;~~

(e) Paid expert witness whose testimony is requested ~~either by the body before which he is appearing or one of the parties to a proceeding~~, but only to the extent of preparing or delivering testimony; or

(f) Stockholder of a family farm corporation as defined in section 500.24, subdivision 1, who does not spend over \$250, excluding *his own* travel expenses, in any year in communicating with public officials.

Sec. 12. Minnesota Statutes 1976, Section 10A.01, Subdivision 13, is amended to read:

Subd. 13. "Minor political party" means any party other than a major political party ~~which ran~~:

(a) *Under whose name in the last applicable general election a candidate on the filed for legislative office and received not less than 10 percent of the vote for that office, or filed for statewide or legislative ballot in the last general election office; or*

(b) *Which files a petition with the secretary of state containing the names of 2,000 persons individuals registered to vote in*

Minnesota and declaring that the ~~signators~~ *signers* desire to enable that the party be eligible to receive money from the state elections campaign fund in the same manner as a major political party.

For the purposes of ~~Laws 1974, Chapter 470~~ *prior to the general election in 1974 chapter 10A*, all ~~persons~~ *individuals* who are eligible to vote in areas where there is no permanent system of registration shall be considered registered voters.

Sec. 13. Minnesota Statutes 1976, Section 10A.01, Subdivision 15, is amended to read:

Subd. 15. "Political committee" means any ~~political party, association or person other than an individual which has as its as defined in subdivision 3 whose major purpose is to support or oppose any candidate or to influence the nomination for election or election of a candidate.~~

"Political committee" includes a major political party as defined in subdivision 12, a minor political party as defined in subdivision 13, and any principal campaign committee formed pursuant to section 10A.19.

Sec. 14. Minnesota Statutes 1976, Section 10A.01, Subdivision 16, is amended to read:

Subd. 16. "Political fund" means any accumulation of dues or voluntary ~~donations~~ *contributions* by an association other than a political committee, which accumulation is collected or expended for the purpose of influencing the nomination ~~for election or election of a candidate.~~

Sec. 15. Minnesota Statutes 1976, Section 10A.01, Subdivision 18, is amended to read:

Subd. 18. "Public official" means any:

- (a) Member of the legislature;
- (b) ~~Person holding a Constitutional office~~ *officer* in the executive branch and his chief administrative deputy;
- (c) Member, *chief administrative officer or deputy chief administrative officer of a state board or commission which has rule making authority, as "rule" is defined in section 15.0411, subdivision 3 at least one of the following powers: (i) the power to adopt, amend or repeal rules, or (ii) the power to adjudicate contested cases or appeals;*
- (d) *Commissioner, deputy commissioner or assistant commissioner of any state department as designated pursuant to section 15.01;*
- (e) *Individual employed in the executive branch who is authorized to adopt, amend or repeal rules or adjudicate contested cases;*
- (f) *Executive secretary of the state board of investment;*
- (g) *Executive director of the Indian affairs intertribal board;*

(h) *Commissioner of the iron range resources and rehabilitation board;*

(i) *Director of mediation services;*

(j) *Deputy of any official listed in clauses (e) to (i);*

(k) *Judge of workers' compensation;*

(l) *Hearing examiner in the state office of hearing examiners or department of economic security;*

(m) *Solicitor general or deputy, assistant or special assistant attorney general;*

~~(d) Person~~ (n) *Individual employed by the legislature as secretary of the senate, legislative auditor, chief clerk of the house, revisor of statutes, or researcher or attorney in the office of legislative senate research, senate counsel, or house research; or*

(e) *Person employed by the executive branch in any position specified in section 15A.801; and*

~~(f) (o) Member or chief administrative officer of the metropolitan council, metropolitan transit commission, metropolitan sewer board or waste control commission, metropolitan parks and open spaces commission, metropolitan airports commission or metropolitan sports facilities commission.~~

Sec. 16. Minnesota Statutes 1976, Section 10A.01, is amended by adding a subdivision to read:

Subd. 20. "Advance of credit" means any money owed for goods provided or services rendered. An advance of credit is an expenditure or a noncampaign disbursement in the year in which the goods or services are used or consumed. Advance of credit does not mean loan as defined in section 17 of this act.

Sec. 17. Minnesota Statutes 1976, Section 10A.01, is amended by adding a subdivision to read:

Subd. 21. "Loan" means an advance of money or anything of value made to a political committee, political fund, or principal campaign committee.

Sec. 18. Minnesota Statutes 1976, Section 10A.01, is amended by adding a subdivision to read:

Subd. 22. "Financial institution" means a lending institution chartered by an agency of the federal government or regulated by the commissioner of banks.

Sec. 19. Minnesota Statutes 1976, Section 10A.02, Subdivision 1, is amended to read:

10A.02 [BOARD OF ETHICAL PRACTICES.] Subdivision 1. There is hereby created a state ethical practices board composed of six members. The members shall be appointed by the governor with the advice and consent of three-fifths of both the senate and the house of representatives acting separately. ~~Failure by If~~

either house *fails* to confirm the appointment of a board member within 45 legislative days after his appointment ~~shall be deemed to be a refusal to advise and consent and his~~, the appointment shall terminate ~~immediately after 45 legislative days or non-confirmation, whichever is earlier on the day following the 45th legislative day~~. One member shall be a former state legislator member of the legislature from a major political party different from that of the governor; one member shall be a former state legislator member of the legislature from the same political party as the governor; two members shall be persons who have not been public officials, held *any political party* office in a political party other than precinct delegate, or been elected to public office for which party designation is required by statute in the three years prior to the time preceding the date of their appointment; and the other two members shall not support the same political party. No more than three of the members of the board shall support the same political party.

Sec. 20. Minnesota Statutes 1976, Section 10A.02, Subdivision 2, is amended to read:

Subd. 2. Any appointment to fill a vacancy in an original or subsequent term shall be made only for the unexpired term of a member who is being replaced and *the appointee shall retain* meet the same stated qualifications as the member being replaced. The membership terms, compensation, and removal of members on the board shall be as provided in section 15.0575, except that the extension of terms and the filling of vacancies shall be subject to the advice and consent of the legislature in the same manner as provided in subdivision 1.

Sec. 21. Minnesota Statutes 1976, Section 10A.02, Subdivision 4, is amended to read:

Subd. 4. The board shall hold an organizational meeting within 45 days after April 13, 1974 at which time the members of the board shall elect from among their *its* members a chairman, a vice-chairman and a secretary. The secretary shall keep a record of all proceedings and actions by the board. Meetings of the board shall be at the call of the chairman or at the call of any four members of the board acting together.

Sec. 22. Minnesota Statutes 1976, Section 10A.02, Subdivision 8, is amended to read:

Subd. 8. The board shall:

(a) Report at the close of each fiscal year to the legislature, the governor and the public concerning the action it has taken, the names, salaries, and duties of all individuals in its employ and the money it has disbursed. The board shall include and identify in its report any other reports it has made during the fiscal year. It may indicate apparent abuses and offer legislative recommendations;

(b) Prescribe forms for statements and reports required to be filed under sections 10A.01 to 10A.34 and make the forms available to persons individuals required to file them;

(c) Make available to the ~~persons~~ *individuals* required to file the reports and statements a manual setting forth the recommended uniform methods of bookkeeping and reporting;

(d) Develop a filing, coding and cross-indexing system consistent with the purposes of sections 10A.01 to 10A.34;

(e) Make the reports and statements filed with it available for public inspection and copying by the end of the second day following the day on which they were received. Any ~~person~~ *individual* may copy a report or statement by hand or by duplicating machine and the board shall provide duplicating services at cost for this purpose. No information copied from reports and statements shall be sold or utilized by any ~~person~~ *individual or association* for any commercial purpose;

(f) Notwithstanding the provisions of section 138.163, preserve reports and statements for a period of five years from the date of receipt;

(g) Compile and maintain a current list and summary of all statements or parts of statements pertaining to each candidate; and

(h) Prepare and publish reports as it may deem appropriate.

Sec. 23. Minnesota Statutes 1976, Section 10A.02, Subdivision 9, is amended to read:

Subd. 9. The executive director of the board or his staff shall inspect all material filed with the board as promptly as is necessary to comply with the provisions of sections 10A.01 to 10A.34. The executive director shall immediately notify the ~~person~~ *individual* required to file a document with the board if a written complaint is filed with the board by any registered voter alleging, or it otherwise appears, that a document filed with the board is inaccurate or does not comply with the provisions of sections 10A.01 to 10A.34, or that a ~~person~~ *the individual* has failed to file a document required by sections 10A.01 to 10A.34.

Sec. 24. Minnesota Statutes 1976, Section 10A.02, Subdivision 11, is amended to read:

Subd. 11. *The board may investigate any alleged violation of chapter 10A. The board shall investigate any violation which is alleged in a written complaint filed with the board and, except for alleged violations of section 10A.25 or 10A.27, shall within 30 days after the filing of the complaint make a public finding of whether or not there is probable cause to believe a violation has occurred. In the case of a written complaint alleging a violation of section 10A.25 or 10A.27, the board shall either enter a conciliation agreement or make a public finding of whether or not there is probable cause, within 60 days of the filing of the complaint. The deadline for action on any written complaint may be extended by majority vote of the board. Within a reasonable time after beginning an investigation of an individual or association, the board shall notify that individual or association of the fact of the investigation. The board shall make no finding of whether or not*

there is probable cause to believe a violation has occurred without notifying the individual or association of the nature of the allegations and affording an opportunity to answer those allegations. Any hearing or action of the board concerning any complaint or investigation other than a finding concerning probable cause or a conciliation agreement shall be confidential and all information obtained by the board shall be privileged. Until the board makes a public finding that the board believes there is or is not concerning probable cause to conclude that a violation of Laws 1974, Chapter 470 has occurred. Any person, including any member or employee of the board, violating the confidentiality or enters a conciliation agreement:

(a) No member, employee or agent of the board shall disclose to any individual any information obtained by that member, employee or agent concerning any complaint or investigation except as required to carry out the investigation or take action in the matter as authorized by chapter 10A;

(b) No individual who files or is the subject of any written complaint or supplies information to the board concerning a complaint or investigation shall disclose to any other individual any information supplied to or received from the board concerning the complaint or investigation; and

(c) Notwithstanding the provisions of clause (b), any individual subject to the provisions of that clause may reveal any information to his attorney or another individual from whom he seeks advice or guidance in the matter, or to any other individual who is subject to the provisions of clause (b) with respect to the same complaint or investigation; provided that any individual to whom information concerning a complaint or investigation is revealed as provided in this clause shall not disclose that information to any other individual. Any individual who discloses information contrary to the provisions of this subdivision shall be guilty of a gross misdemeanor. The board shall make a finding within 30 days of receipt of a written complaint unless a majority of the board agrees to extend the time limit. After determination of its findings Except as provided in section 10A.28, after the board makes a public finding of probable cause the board shall report any that finding of probable cause to the appropriate law enforcement authorities.

Sec. 25. Minnesota Statutes 1976, Section 10A.02, is amended by adding a subdivision to read:

Subd. 11a. If, after making a public finding concerning probable cause or entering a conciliation agreement, the board determines that the record of the investigation contains statements, documents or other matter which if disclosed would unfairly injure the reputation of an innocent individual, the board may:

(a) Retain any such statement, document or other matter as a private record, as "private" is defined in section 15.162, subdivision 5a, for a period of one year after which it shall be destroyed; or

(b) *Return any such statement, document or other matter to the individual who supplied it to the board.*

Sec. 26. Minnesota Statutes 1976, Section 10A.02, Subdivision 12, is amended to read:

Subd. 12. The board may issue and publish advisory opinions on the requirements of sections 10A.01 to 10A.34 based upon real or hypothetical situations. An application for an advisory opinion may be made only by ~~these~~ *an individual or association who wishes to use the opinion to guide their his or its own conduct.* The board shall issue written opinions on all such questions submitted to it within 30 days after receipt of written application, unless a majority of the board agrees to extend the time limit. *An advisory opinion shall lapse the day the regular session of the legislature adjourns in the second year following the date of the opinion.*

Sec. 27. Minnesota Statutes 1976, Section 10A.02, Subdivision 13, is amended to read:

Subd. 13. The provisions of chapter 15, ~~shall apply to the board including the power to prescribe.~~ *The board may promulgate rules and regulations to carry out the purposes of sections 10A.01 to 10A.34.*

Sec. 28. Minnesota Statutes 1976, Section 10A.03, Subdivision 1, is amended to read:

10A.03 [LOBBYIST REGISTRATION.] Subdivision 1. Each lobbyist shall file a registration form with the board within five days after he ~~commences lobbying~~ *becomes a lobbyist.*

Sec. 29. Minnesota Statutes 1976, Section 10A.03, is amended by adding a subdivision to read:

Subd. 3. The board shall notify by certified mail or personal service any lobbyist who fails to file a registration form within five days after he becomes a lobbyist. If a lobbyist fails to file a form within seven days after receiving this notice, the board may impose a late filing fee at \$5 per day, not to exceed \$100, commencing with the eighth day after receiving notice. The board shall further notify by certified mail or personal service any lobbyist who fails to file a form within 21 days of receiving a first notice that the lobbyist may be subject to a criminal penalty for failure to file the form. A lobbyist who knowingly fails to file a form within seven days after receiving a second notice from the board is guilty of a misdemeanor.

Sec. 30. Minnesota Statutes 1976, Section 10A.04, Subdivision 1, is amended to read:

10A.04 [LOBBYIST REPORTS.] Subdivision 1. Each lobbyist shall file reports of his activities with the board as long as he lobbies. *A lobbyist may file a termination statement at any time after he ceases lobbying.*

Sec. 31. Minnesota Statutes 1976, Section 10A.04, Subdivision 2, is amended to read:

Subd. 2. Each report shall cover the time from the last day of the period covered by the last report to 15 days prior to the current filing date. The reports shall be filed with the board by the following dates:

~~(a) February 15~~

~~(b) March 15~~

~~(c) April 15~~

~~(d) June 15~~

~~(e) October 15~~

(a) January 15;

(b) April 15;

(c) July 15; and

(d) October 15.

Sec. 32. Minnesota Statutes 1976, Section 10A.04, Subdivision 5, is amended to read:

Subd. 5. The board shall notify by ~~registered~~ *certified* mail or *personal service* any lobbyist who fails after *five seven* days after a filing date imposed by ~~section 10A.03~~ of this section to file a report or statement required by ~~section 10A.03~~ or this section. *If a lobbyist fails to file a report within seven days after receiving this notice, the board may impose a late filing fee of \$5 per day, not to exceed \$100, commencing with the eighth day after receiving notice. The board shall further notify by certified mail or personal service any lobbyist who fails to file a report within 21 days after receiving a first notice that the lobbyist may be subject to a criminal penalty for failure to file the report. A lobbyist who knowingly fails to file such a report or statement within seven days after receiving a second notice from the board is guilty of a misdemeanor.*

Sec. 33. Minnesota Statutes 1976, Section 10A.07, is amended to read:

10A.07 [CONFLICTS OF INTEREST.] Subdivision 1. Any public official who in the discharge of his official duties would be required to take an action or make a decision which would substantially affect his financial interests or those of a business with which he is associated, unless the effect on him is no greater than on other members of his business classification, profession or occupation, shall take the following actions:

(a) He shall prepare a written statement describing the matter requiring action or decision and the nature of his potential conflict of interest;

(b) He shall deliver copies of the statement to the board and to his immediate superior, if any;

(c) If he is a ~~legislator~~ *member of the legislature*, he shall deliver a copy of the statement to the presiding officer of the house in which he serves; and

(d) If a potential conflict of interest presents itself and there is insufficient time to comply with the provisions of clauses (a) to (c), the public official shall verbally inform his superior or the official body *in which he serves*, or committee thereof, *in which he serves* of the potential conflict. He shall file a written statement with the board within one week after the potential conflict presents itself.

Subd. 2. If the public official is not a ~~legislator member of the legislature~~, his superior shall assign the matter, if possible, to another employee who does not have a potential conflict of interest. If he has no immediate superior, the public official shall remove himself, if possible, in a manner prescribed by the board from influence over the action or decision in question. If the public official is a ~~legislator member of the legislature~~, the house of *in which he is a member serves* may, at his request, excuse him from taking part in the action or decision in question.

Sec. 34. Minnesota Statutes 1976, Section 10A.08, is amended to read:

10A.08 [REPRESENTATION DISCLOSURE.] Any public official who represents a client for a fee before any *individual, board or commission which or agency that has rule making authority in a hearing conducted under chapter 15*, shall disclose his participation in the action to the board within 14 days after his appearance. *The board shall notify by certified mail or personal service any public official who fails to disclose his participation within 14 days after his appearance. If the public official fails to disclose his participation within seven days of this notice, the board may impose a late filing fee of \$5 per day, not to exceed \$100, commencing on the eighth day after receiving notice.*

Sec. 35. Minnesota Statutes 1976, Section 10A.09, Subdivision 5, is amended to read:

Subd. 5. A statement of economic interest required by this section shall be on a form prescribed by the board. The individual filing shall provide the following information:

(a) His name, address, occupation and principal place of business;

(b) The name of each business with which he is associated and the nature of that association; and

(c) A listing of all real property within the state, excluding homestead property, in which he *has holds*: (i) a fee simple interest, a mortgage, a contract for deed as buyer or seller, or an option to buy, whether direct or indirect, and which interest is valued in excess of \$2,500; or (ii) an option to buy, which property has a fair market value of \$50,000 or more; and

(d) A listing of all real property within the state in which a partnership of which he is a member holds: (i) a fee simple interest, a mortgage, a contract for deed as buyer or seller, or an option to buy, whether direct or indirect, if his share of the partnership interest is valued in excess of \$2,500 or (ii) an option to buy,

which property has a fair market value of \$50,000 or more . The filing Any listing under clause (c) or (d) shall indicate the street address and the municipality or the section, township, range and approximate acreage, whichever applies, and the county wherein the property is located.

Sec. 36. Minnesota Statutes 1976, Section 10A.09, Subdivision 6, is amended to read:

Subd. 6. Each individual who is required to file a statement of economic interest shall file a supplementary statement on April 15 of each year that he remains in office . The statement shall include a space for each category of information in which the individual may indicate that no change in information has occurred since the previous statement. The supplementary statement shall include the amount of each honorarium in excess of \$50 received since the previous statement, together with the name and address of the source of the honorarium. A statement of economic interest submitted by an officeholder shall be filed with the statement he submitted as a candidate.

Sec. 37. Minnesota Statutes 1976, Section 10A.09, Subdivision 7, is amended to read:

Subd. 7. All public officials in office on April 13, 1974 shall file with the board a statement of economic interest within 60 days after the date the board issues statement of economic interest forms. The board shall notify by certified mail or personal service any individual who fails within the prescribed time to file a statement of economic interest required by section 10A.09. If an individual fails to file a statement within seven days after receiving this notice, the board may impose a late filing fee of \$5 per day, not to exceed \$100, commencing on the eighth day after receiving notice. The board shall further notify by certified mail or personal service any individual who fails to file a statement within 21 days after receiving a first notice that the individual may be subject to a criminal penalty for failure to file a statement. An individual who fails to file a statement within seven days after a second notice is guilty of a misdemeanor.

Sec. 38. Minnesota Statutes 1976, Section 10A.10, is amended to read:

10A.10 [PENALTY FOR FALSE STATEMENTS.] A report or statement required to be filed by sections 10A.02 to 10A.09 shall be signed and certified as true by the ~~person~~ individual required to file the report. Any ~~person~~ individual who signs and certifies to be true a report or statement which he knows contains false information or who knowingly omits required information is guilty of a felony gross misdemeanor . . .

Sec. 39. Minnesota Statutes 1976, Section 10A.11, Subdivision 1, is amended to read:

10A.11 [ORGANIZATION OF POLITICAL COMMITTEES.] Subdivision 1. Every political committee shall have a chairman and a treasurer. Nothing in Laws 1974, Chapter 478 chapter 10A shall prohibit them from being the same ~~person~~ individual .

Sec. 40. Minnesota Statutes 1976, Section 10A.12, Subdivision 1, is amended to read:

10A.12 [POLITICAL FUNDS.] Subdivision 1. No association other than a political committee shall make a transfer of funds more than \$100 in aggregate in any one year to a candidate candidates or political committee committees or make an any approved or independent expenditure which has as its purpose the influencing of the nomination for election or election or defeat of a candidate unless it is a political committee or unless the funds for the contribution transfer or expenditure come is made solely from a political fund.

Sec. 41. Minnesota Statutes 1976, Section 10A.12, Subdivision 4, is amended to read:

Subd. 4. No donations contributions to the political fund shall be accepted and no expenditures or transfers from the political fund shall be made while the office of treasurer of the political fund is vacant.

Sec. 42. Minnesota Statutes 1976, Section 10A.12, Subdivision 5, is amended to read:

Subd. 5. Notwithstanding subdivision 1, any association may, if not prohibited by other law, transfer to deposit in its political fund money derived from that part of its treasury financed by dues or membership fees. Pursuant to section 10A.20, the source of the dues or membership fees must be disclosed if an aggregate amount in excess of \$50 of any member's treasurer of the fund shall disclose the name of any member whose dues, membership fees and voluntary contributions are transferred to deposited in the political fund within together exceed \$50 in any one year.

Sec. 43. Minnesota Statutes 1976, Section 10A.13, is amended to read:

10A.13 [ACCOUNTS WHICH MUST BE KEPT.] Subdivision 1. It shall be the duty of The treasurer of a political committee or political fund to shall keep an account of:

(a) The sum of all contributions except any contribution donation in kind valued at less than \$20 or less, made to or for the political committee or political fund;

(b) The name and address, if any, of any person making each source of a contribution in excess transfer made to the political committee or political fund in excess of \$20, and together with the date and amount thereof of each; and

(c) All expenditures The name and address of each source of a donation in kind valued in excess of \$20, together with the date and amount;

(d) Each expenditure made by or on behalf of the committee or fund, together with the date and amount;

(e) Each approved expenditure made on behalf of the committee or fund, together with the date and amount; and

(f) *The name and address of each political committee or political fund to which transfers in excess of \$20 have been made, together with the date and amount.*

Any ~~person~~ individual who knowingly violates any provision of this subdivision is guilty of a misdemeanor.

Subd. 2. The treasurer shall obtain a receipted bill, stating the particulars, for every expenditure *in excess of \$100 made by , or approved expenditure in excess of \$100 made on behalf of , a political committee or political fund of over \$100 , and for any expenditure or approved expenditure in a lesser amount if the aggregate amount of lesser expenditures and approved expenditures made to the same person individual or association during a any year exceeds \$100.* The treasurer shall preserve all receipted bills and accounts required to be kept by this section for four years.

Sec. 44. Minnesota Statutes 1976, Section 10A.14, Subdivision 1, is amended to read:

10A.14 [REGISTRATION OF POLITICAL COMMITTEES AND POLITICAL FUNDS.] Subdivision 1. The treasurer of a political committee or political fund shall register with the board by filing a statement of organization no later than 14 days after the date upon which the committee or fund has received contributions or made expenditures in excess of \$100. However, in the first year of Laws 1974, Chapter 478, treasurers shall file within 30 days after the board issues political committee or political fund registration forms.

Sec. 45. Minnesota Statutes 1976, Section 10A.14, Subdivision 2, is amended to read:

Subd. 2. The statement of organization shall include:

(a) The name and address of the political committee or political fund;

(b) The ~~names name~~ and ~~addresses address~~ of the any supporting associations *association* of a political fund;

(c) The name and address of the chairman, the treasurer, and any deputy treasurers;

(d) A listing of all depositories or safety deposit boxes used; and

(e) A statement as to whether the committee is a principal campaign committee ; and

(f) *For political parties only, a list of categories of substate units as defined in section 10A.27, subdivision 4 .*

Sec. 46. Minnesota Statutes 1976, Section 10A.14, Subdivision 4, is amended to read:

Subd. 4. The board shall notify by *certified mail or personal service* any ~~person~~ individual who fails to file a statement required by this section. ~~A person~~ *If an individual fails to file a statement within seven days after receiving a notice, the board may impose*

a late filing fee of \$5 per day, not to exceed \$100, commencing with the eighth day after receiving notice. The board shall further notify by certified mail or personal service any individual who fails to file a statement within 21 days after receiving a first notice that such individual may be subject to a criminal penalty for failure to file the report. An individual who knowingly fails to file the statement within seven days after receiving a second notice from the board is guilty of a gross misdemeanor.

Sec. 47. Minnesota Statutes 1976, Section 10A.15, is amended to read:

10A.15 [CONTRIBUTIONS.] Subdivision 1. *Any No anonymous contribution in excess of \$20 shall not be retained by any political committee or political fund, but shall be forwarded to the board and deposited to in the general account of the state elections campaign fund.*

Subd. 2. *Every person individual who receives a contribution in excess of \$20 for a political committee or political fund shall, on demand of the treasurer, and in any event within 14 days after receipt of the contribution, inform the treasurer of the amount, the name and, if known, the address of the person making source of the contribution, together with the amount of the contribution and the date it was received.*

Subd. 3. *All monetary contributions transfers received by or on behalf of any candidate or , political committee or political fund shall within 14 days after the receipt thereof, Sundays and holidays excepted, be deposited in a designated depository in an account designated "Campaign Fund of (name of candidate, committee or fund)". All transfers shall be deposited promptly upon receipt and, except for transfers received during the last three days of any reporting period as described in section 10A.20, shall be deposited during the reporting period in which they were received. Any transfer received during the last three days of a reporting period shall be deposited within 72 hours of receipt and shall be reported as received during the reporting period whether or not deposited within that period. Any deposited transfer may be returned to the contributor within 60 days of deposit. A transfer deposited and not returned within 60 days of that deposit shall be deemed for the purposes of chapter 10A, to be accepted by the candidate, political committee or political fund.*

Subd. 3a. *No treasurer of a principal campaign committee of a candidate shall deposit any transfer which on its face exceeds the limit on contributions to that candidate prescribed by section 10A.27 unless, at the time of deposit, the treasurer issues a check to the source for the amount of the excess.*

Subd. 4. *Any person individual violating the provisions of this section is guilty of a misdemeanor.*

Sec. 48. Minnesota Statutes 1976, Section 10A.16, is amended to read:

10A.16 [EARMARKING.] *Any person individual , political committee or political fund which receives contributions or trans-*

fers of funds a contribution from any person or association source with the express or implied condition ; express or implied, that those funds the contribution or any part of them it be directed to a particular candidate shall disclose to the ultimate recipient of such funds , and in the reports required by section 10A.20, the original source of the funds contribution , the fact that the funds were contribution is earmarked and the candidate to whom they are it is directed. The ultimate recipient of any funds contribution so earmarked shall also disclose by report to the board the original source of the funds, and the person individual , political committee, or political fund through which they were it is directed. This section applies only to those contributions required to be disclosed by section 10A.20 , subdivision 3, clause (b) . Any person or association individual, political committee, or political fund who knowingly accepts any earmarked funds contribution and fails to make the required disclosures disclosure is guilty of a gross misdemeanor.

Sec. 49. Minnesota Statutes 1976, Section 10A.17, is amended to read:

10A.17 [EXPENDITURES.] Subdivision 1. All expenditures No expenditure shall be made by a political committee, political fund, or principal campaign committee unless it is authorized by the treasurer or deputy treasurer of the that committee or fund making that expenditure .

Subd. 2. No person or persons acting in concert other than the candidate and the treasurer of the candidate's principal campaign committee individual or association may make an approved expenditures expenditure of more than \$20 with the authorization or consent, express or implied, of a candidate or his agent, or under the control, direct or indirect, of a candidate or his agent on behalf of a candidate without receiving until he receives written authorization as to the amount that may be spent and the purpose of the expenditure from the treasurer of that candidate's the principal campaign committee (i) prior written authorization and (ii) certification that the expenditures will not exceed the limits on expenditures as set forth in sections 10A.25 and 10A.27. All such expenditures shall be counted against the spending limitations of the candidate who approved the expenditure .

Subd. 3. The treasurer or deputy treasurer of a political committee may make an authorization sign vouchers for petty cash in any reporting period of not more than \$100 per week for statewide elections and or \$20 per week in for legislative elections to be used for miscellaneous expenditures.

Subd. 4. Each authorization shall state the amount and purpose of the expenditure and shall be signed by the treasurer or deputy treasurer of the committee making the expenditure and by the individual making the expenditure.

Subd. 5. Any individual, political committee, or political fund or person who independently solicits or accepts contributions or make makes independent expenditures on behalf of any candidate without the written authorization of the candidate shall publicly disclose its lack of authorization that the candidate has not ap-

proved the expenditure . In All written communications with those from whom it solicits or accepts contributions are independently solicited or accepted or to whom it makes independent expenditures are made on behalf of a candidate , the committee, fund or person shall state in writing and contain a statement in conspicuous type that it the activity is not authorized approved by the candidate and that the candidate is not nor is he responsible for its activities it . A Similar oral statement language shall be included in all oral communications . A similar written statement shall be included , in conspicuous type on the front page of all literature and advertisements published or posted , and a similar oral statement included at the end of all broadcast advertisements by committee, fund or person in connection with made by that individual, political committee or political fund on the candidate's campaign behalf .

Subd. 6. Subd. 5. Any person who knowingly violates the provisions of subdivisions 1, 2, 3 or 5 subdivision 2 or 4, or who falsely claims the lack of authorization that the candidate has not approved the expenditure or activity is guilty of a misdemeanor.

Sec. 50. Minnesota Statutes 1976, Section 10A.19, Subdivision 1, is amended to read:

10A.19 [PRINCIPAL CAMPAIGN COMMITTEE.] Subdivision 1. Every No candidate shall designate and cause accept contributions from any source, other than himself, in aggregate in excess of \$100 or any moneys from the state elections campaign fund unless he designates and causes to be formed a single principal campaign committee which shall be responsible for reporting contributions and authorized expenditures on behalf of the candidate .

Sec. 51. Minnesota Statutes 1976, Section 10A.20, Subdivision 2, is amended to read:

Subd. 2. The reports shall be filed with the board on or before January 31 of each year , and . In each year in which the name of the candidate being supported is on the ballot, additional reports shall be filed ten days before the a primary or special primary and a general or special election , seven days before a special primary and a special election and 30 days after a special election .

If a scheduled filing date falls on a Saturday, Sunday or legal holiday, the filing date shall be the next regular business day.

Sec. 52. Minnesota Statutes 1976, Section 10A.20, Subdivision 3, is amended to read:

Subd. 3. Each report under this section shall disclose:

(a) The amount of liquid assets on hand at the beginning of the reporting period;

(b) The name, address and employer, or , occupation if self-employed, occupation of each person individual , political committee or political fund who within the year has made one or more contributions transfers or donations in kind to or for the political committee or political fund , including the purchase of tickets for

dinner, luncheon, rallies and similar all fund raising events efforts within the year, which in an aggregate amount or value in excess of exceed \$50 for legislative candidates and in excess of or \$100 for statewide candidates, together with the amount and date of the contributions each transfer or donation in kind, and the aggregate amount of contributions transfers and donations in kind within the year from each contributor source so disclosed. A donation in kind shall be disclosed at its fair market value. An approved expenditure is listed as a donation in kind. A donation in kind is considered consumed in the reporting period in which it is received. The lists names of contributors shall be listed in alphabetical order;

(c) The total sum of individual contributions made to or for the political committee or political fund during the reporting period and not reported under clause (b) ;

(d) Each loan to or from any person made or received by the political committee or political fund within the year in an aggregate amount or value in excess of \$100, continuously reported until repaid or forgiven, together with the name and, address, occupation and the principal place of business, if any, of the lender or and any endorser and the date and amount of the loan. If any loan made to the principal campaign committee of a candidate is forgiven at any time or repaid by any entity other than that principal campaign committee, it shall be reported as a contribution for the year in which the loan was made ;

(e) Each receipt in excess of \$100 not otherwise listed under clauses (b) to (d) ;

(f) The total sum of all receipts by or for of the political committee or political fund during the reporting period ;

(g) The name and address of each person individual or association to whom aggregate expenditures, including approved expenditures, have been made by or on behalf of the political committee or political fund or on its behalf within the year in an aggregate amount in excess of \$100, together with the amount, date and purpose of each expenditure and the name and address of, and office sought by, each candidate on whose behalf the expenditure was made and, in the case of independent expenditures made in opposition to a candidate, the name, address and office sought for each such candidate ;

(h) The sum of individual expenditures not otherwise reported under clause (g) ;

(i) The total sum of all expenditures made by or on behalf of the political committee or political fund during the reporting period ;

(j) (i) The amount and nature of any debt or obligation owed advance of credit incurred by or to the political committee or political fund, continuously reported until extinguished, and any written contract, promise or agreement to make a contribution or expenditure, and paid or forgiven. If any advance of credit incurred by the principal campaign committee of a candidate is

forgiven at any time by the creditor or paid by any entity other than that principal campaign committee, it shall be reported as a donation in kind for the year in which the advance of credit was incurred;

(k) For principal campaign committees only: The name of each person, committee or political fund, which has been authorized by the treasurer to make expenditures on behalf of the candidate and the nature and amount of each authorized expenditure.

(j) The name and address of each political committee, political fund, or principal campaign committee to which aggregate transfers in excess of \$100 have been made within the year, together with the amount and date of each transfer;

(k) The sum of all transfers made by the political committee, political fund, or principal campaign committee during the reporting period;

(l) The sum of noncampaign disbursements made in each category listed in section 10 of this act by the political committee, political fund, or principal campaign committee during the reporting period; and

(m) The sum of all noncampaign disbursements made by the political committee, political fund, or principal campaign committee during the reporting period.

Sec. 53. Minnesota Statutes 1976, Section 10A.20, Subdivision 4, is amended to read:

Subd. 4. ~~The reports~~ A report shall cover the ~~time period~~ from the last day of the ~~period~~ covered by the last previous report to seven days prior to the filing date, except that the report due on January 31 shall cover the period from the last day covered by the previous report to December 31.

Sec. 54. Minnesota Statutes 1976, Section 10A.20, Subdivision 5, is amended to read:

Subd. 5. In any statewide election any contribution or contributions from a person or association any one source totaling \$2,000 or more, or in any legislative election any contribution of totaling \$200 or more, received after between the period last day covered in the last report prior to an election and prior to the election shall be reported to the board in person or by telegram within 48 hours after its receipt and also in the next required report.

Sec. 55. Minnesota Statutes 1976, Section 10A.20, Subdivision 6, is amended to read:

Subd. 6. Every person, other than a political committee or political funds, candidate who does not designate and cause to be formed a principal campaign committee, and any individual who makes independent expenditures, other than by contribution to a political committee or political fund, in an aggregate amount

in excess of \$100 ~~within a~~ in any year, shall file with the board a ~~statement report~~ containing the information required of a ~~political committee, political fund or candidate by subdivision 3.~~ Statements Reports required by this subdivision shall be filed on the dates on which reports by committees and funds are filed.

Sec. 56. Minnesota Statutes 1976, Section 10A.20, is amended by adding a subdivision to read:

Subd. 6a. Any individual, political committee or political fund filing a report or statement disclosing any independent expenditure pursuant to subdivision 3 or 6 shall file with that report a sworn statement that the expenditures so disclosed were not made with the authorization or expressed or implied consent of, or in cooperation or in concert with, or at the request or suggestion of any candidate, his principal campaign committee or his agent.

Sec. 57. Minnesota Statutes 1976, Section 10A.20, Subdivision 8, is amended to read:

Subd. 8. The board shall exempt any association or any of its members of contributors member of or contributor to any association, political committee or political fund or any other individual from the provisions of this section if the member, contributor or other individual demonstrates by clear and convincing evidence that disclosure would expose any or all of them him to economic reprisals, loss of employment or threat of physical coercion.

An association, political committee or political fund may seek an exemption for all of its members or contributors only if it proves demonstrates by clear and convincing evidence that a substantial number of its members or contributors would suffer a restrictive effect on their freedom of association if members were required to seek exemptions individually.

Sec. 58. Minnesota Statutes, 1977 Supplement, Section 10A.20, Subdivision 10, is amended to read:

Subd. 10. A Any individual, association, political committee or a political fund or any of its members or contributors shall have standing to seek seeking an exemption pursuant to subdivision 8 shall submit a written application for exemption to the board. Upon receipt of an application for exemption The board, without hearing, shall grant or deny the exemption within 30 days after receiving an application, and shall issue a written order stating the reasons for its action. The board shall publish its order in the state register and give notice to all persons parties known to the board to have an interest in the application and publish notice of the filing of the application in the state register matter. The board may grant the exemption 30 days after notice of the filing has been fully made. If the board receives a written objection to the application its action from any person party within 20 days after the notice of filing has been fully made publication of its order and notification of interested parties, the exemption board shall be granted or denied only after hold a contested case hearing has been held on the application on the

matter . The board may elect to hold a contested case hearing if no objections to the application are received Upon the filing of a timely objection from the applicant, an order denying an exemption shall be suspended pending the outcome of the contested case . If a no timely objection is not received and the board denies the exemption without hearing the applicant may request, within 30 days of receiving a notice of denial, and shall be granted a contested case hearing on the application shall continue to be in effect until a written objection is filed with the board in a succeeding election year . The board by rule shall establish a procedure so that any individual seeking an exemption may proceed anonymously if he would be exposed to the reprisals listed in subdivision 9 8 were he to reveal his identity for the purposes of the a hearing.

Sec. 59. Minnesota Statutes 1976, Section 10A.20, Subdivision 12, is amended to read:

Subd. 12. The board shall notify by certified mail or personal service any person individual who fails to file a statement required by this section. If an individual fails to file a statement due January 31 within seven days after receiving a notice, the board may impose a late filing fee of \$5 per day, not to exceed \$100, commencing on the eighth day after receiving notice. If an individual fails to file a statement due before any primary or election within three days of the date due, regardless of whether the individual has received any notice, the board may impose a late filing fee of \$50 per day, not to exceed \$500, commencing on the fourth day after the date the statement was due. The board shall further notify by certified mail or personal service any individual who fails to file any statement within 14 days after receiving a first notice from the board that the individual may be subject to a criminal penalty for failure to file a statement. A person An individual who knowingly fails to file the statement within seven days after receiving a second notice from the board is guilty of a misdemeanor.

Sec. 60. Minnesota Statutes 1976, Section 10A.21, Subdivision 1, is amended to read:

10A.21 [REPORTS TO COUNTY AUDITOR.] Subdivision 1. All reports or statements that must be filed with the board by the principal campaign committee of legislative candidates and statements of economic interest filed by candidates for and members of the legislature shall be duplicated and filed by the board with the county auditor of each county in which the legislative district lies within 72 hours of the date the report or statement is required to be filed or, if the report or statement is delinquent, within 72 hours of the time the report is actually filed.

Sec. 61. Minnesota Statutes 1976, Section 10A.21, Subdivision 3, is amended to read:

Subd. 3. Statements and reports filed with county auditor shall be available to the public in the manner prescribed by section 10A.02, subdivision 8, clause (e) and . Statements and reports of principal campaign committees shall be retained until four years after the election to which they pertain. Economic interest state-

ments shall be retained until the subject of the statement is no longer a candidate or officeholder.

Sec. 62. Minnesota Statutes 1976, Section 10A.22, Subdivision 1, is amended to read:

10A.22 [REPORTS AND STATEMENTS.] Subdivision 1. A report or statement required by sections 10A.11 to 10A.34 to be filed by a treasurer of a political committee or political fund, or by any other person *individual* ; shall be signed and certified as true by the ~~person individual~~ required to file the report. Any ~~person individual~~ who signs and certifies to be true a report or statement which he knows contains false information or who knowingly omits required information is guilty of a ~~felony gross misdemeanor~~.

Sec. 63. Minnesota Statutes 1976, Section 10A.22, Subdivision 4, is amended to read:

Subd. 4. In determining the aggregate of a person's contributions. The treasurer shall list contributions from the same ~~donor~~ source under the same name. In each instance When a contribution received from a person *any source* in a reporting period is added to previously reported unitemized contributions from the same contributor source and the aggregate exceeds the disclosure threshold of section 10A.20, the name, address and employer, or ; occupation if self-employed, ~~occupation of that contributor source~~ shall then be listed on the prescribed reporting forms schedule . A candidate may refuse to accept any contribution.

Sec. 64. Minnesota Statutes 1976, Section 10A.22, Subdivision 5, is amended to read:

Subd. 5. A political committee or political fund making an expenditure ; ~~other than a transfer of funds, for or on behalf of~~ more than one candidate for state or legislative office shall allocate the expenditure among the candidates on a reasonable cost basis and report ~~this the~~ allocation for each candidate. The treasurer shall retain for audit any documents supporting the allocation.

Sec. 65. Minnesota Statutes 1976, Section 10A.22, Subdivision 7, is amended to read:

Subd. 7. The treasurer of a political committee or political fund shall not accept a contribution of more than \$100 from a political committee or political fund not registered in this state unless the contribution is accompanied by a written statement which meets the disclosure requirements imposed by section 10A.20. This statement shall be certified as true and correct by an officer of the contributing *political committee or political fund*. *The political committee or political fund which accepts the contribution shall include a copy of the statement with the report which discloses the contribution to the board.* The provisions of this subdivision shall not apply when ~~the a~~ national affiliate of any political party in this state transfers money to its state affiliate and that money is expended by the state political party on behalf of candidates of that party generally, without referring

to any of them specifically, in any advertisement published or posted, on any broadcast, or in any telephone conversation if that conversation mentions three or more candidates in this state.

Sec. 66. Minnesota Statutes 1976, Section 10A.24, is amended to read:

10A.24 [DISSOLUTION OR TERMINATION.] No political committee or political fund shall dissolve until it has settled all of its debts and disposed of all its assets in excess of \$100 and filed a termination report. The termination report may be made at any time and shall include all information required in periodic reports and a statement as to the disposition of any residual funds.

Sec. 67. Minnesota Statutes 1976, Section 10A.25, Subdivision 1, is amended to read:

10A.25 [LIMITS ON CAMPAIGN EXPENDITURES.] Subdivision 1. For the purposes of sections 10A.11 to 10A.34 a candidate for governor and a candidate for lieutenant governor, running together, shall be deemed to be a single candidate and. Except as provided in subdivision 3, all expenditures made by or and all approved expenditures made on behalf of the candidate for governor and all expenditures made by or on behalf of the candidate for lieutenant governor shall be considered to be expenditures by or and approved expenditures on behalf of the candidate for governor.

Sec. 68. Minnesota Statutes 1976, Section 10A.25, Subdivision 2, is amended to read:

Subd. 2. In a year in which an election is held for an office sought by a candidate stands for election, no expenditures shall be made and no obligations to make by the principal campaign committee of that candidate, nor any approved expenditures shall be incurred by made on behalf of a that candidate or by a political committee, political fund or individual which makes expenditures with the authorization, express or implied, and under the control, direct or indirect, of the candidate or his agents which expenditures and approved expenditures results result in the an aggregate expenditure on behalf of the candidate of an amount in excess of the following amounts:

(a) For governor and lieutenant governor, running jointly together, 12½ cents per capita or \$600,000, whichever is greater;

(b) For attorney general, 2½ cents per capita or \$100,000, whichever is greater;

(c) For secretary of state, state treasurer and state auditor, separately, 1¼ cents per capita or \$50,000, whichever is greater;

(d) For state senator, 20 cents per capita or \$15,000, whichever is greater;

(e) For state representative, 20 cents per capita or \$7,500, whichever is greater.

Sec. 69. Minnesota Statutes 1976, Section 10A.25, Subdivision 3, is amended to read:

Subd. 3. Notwithstanding subdivision 2, clause (a), a candidate for the endorsement for the office of lieutenant governor at the convention of a political party may spend *make expenditures and approved expenditures* of \$30,000 or five percent of the amount in subdivision 2, clause (a), *whichever is greater*, to seek endorsement. This amount shall be in addition to the amount which may be expended pursuant to subdivision 2, clause (a).

Sec. 70. Minnesota Statutes 1976, Section 10A.25, Subdivision 4, is amended to read:

Subd. 4. ~~Notwithstanding subdivision 2 with respect to the 1974 general election, expenses incurred prior to April 13, 1974 shall not be counted against the spending limitations imposed by subdivision 2. The limits prescribed in section 10A.25 shall not apply to any expenditure or approved expenditure made or advance of credit incurred before the effective date of this section unless the goods or services for which they were made or incurred are consumed or used after the effective date of this section.~~

Sec. 71. Minnesota Statutes 1976, Section 10A.25, Subdivision 5, is amended to read:

Subd. 5. ~~If~~ *Notwithstanding the limits imposed by subdivision 2, the winning candidate in a contested race in a primary election who receives less than twice as many votes as any one of his opponents in that election, he shall have added to the aggregate amount which may be expended by him or on his behalf an amount primary may make aggregate expenditures and approved expenditures equal to one fifth 120 percent of the applicable amount as set forth in subdivision 2 ; or the amount actually expended by him or on his behalf in the primary election, whichever is less.*

Sec. 72. Minnesota Statutes 1976, Section 10A.25, Subdivision 6, is amended to read:

Subd. 6. *In a any year in which following an election does not occur year for an the office held or sought, no expenditures shall be made and no obligations to make expenditures shall be incurred by a candidate or officeholder or by a political committee, political fund or individual which makes expenditures with the authorization, express or implied, and under the control, direct or indirect, of the candidate or officeholder or his agents which shall result in the aggregate expenditure amount of expenditures by and approved expenditures on behalf of the a candidate for or officeholder in that year of an amount in excess of holder of that office shall not exceed 20 percent of the amount of the aggregate expenditure permitted limit set by forth in subdivision 2. Expenditures permitted by this subdivision shall be in addition to expenditures permitted by subdivision 2.*

Sec. 73. Minnesota Statutes 1976, Section 10A.25, Subdivision 7, is amended to read:

Subd. 7. On or before January 15 December 1 of each year, the state demographer shall certify to the board the estimated population of the state of Minnesota for the last year ending before the date of certification. In determining the per capita amounts for each office in subdivision 2, the board shall use next calendar year. On or before December 31 of each year the board shall determine and publish in the state register the expenditure limits for each office for the next calendar year as prescribed by subdivision 2, using the following estimated population figures :

(a) In the case of the elections For the offices of governor and lieutenant governor, attorney general, secretary of state, state treasurer and state auditor, the total estimated population of the state;

(b) In the case of the elections For the office of state senator, 1/67 of the total estimated population of the state;

(c) In the case of elections For the office of state representative, 1/134 of the total estimated population of the state. The limits shall be rounded off to the nearest \$100.

Sec. 74. Minnesota Statutes 1976, Section 10A.25, is amended by adding a subdivision to read:

Subd. 10. The expenditure limits imposed by section 10A.25 apply only to candidates who agree to be bound by the limits as a condition of receiving a public subsidy for their campaigns in the form of:

(a) An allocation of money from the state elections campaign fund; or

(b) Credits against the tax due of individuals who contribute to that candidate.

Sec. 75. Minnesota Statutes 1976, Chapter 10A, is amended by adding a section to read:

[10A.265] [FREEDOM TO ASSOCIATE AND COMMUNICATE.] Nothing in chapter 10A shall be construed as abridging the right of an association to communicate with its members.

Sec. 76. Minnesota Statutes 1976, Section 10A.27, Subdivision 1, is amended to read:

10A.27 [ADDITIONAL LIMITATIONS.] Subdivision 1. No political committee, political fund, or individual, except a political party or the principal campaign committee of a candidate shall make expenditures on behalf or in opposition to the opponent of a candidate, or transfer funds to the principal campaign committee of a candidate, in an amount in excess of ten percent of the amount that may be spent by or on behalf of that candidate as set forth in section 10A.25. Except as provided in subdivisions 2 and 6, no candidate shall permit his principal campaign committee to accept contributions from any individual, political committee, or political fund in excess of the following:

(a) To candidates for governor and lieutenant governor running together, \$60,000 in an election year for the office sought and \$12,000 in other years;

(b) To a candidate for attorney general, \$10,000 in an election year for the office sought and \$2,000 in other years;

(c) To a candidate for the office of secretary of state, state treasurer or state auditor, \$5,000 in an election year for the office sought and \$1,000 in other years;

(d) To a candidate for state senator, \$1,500 in an election year for the office sought and \$300 in other years; and

(e) To a candidate for state representative, \$750 in an election year for the office sought and \$150 in the other year.

Sec. 77. Minnesota Statutes 1976, Section 10A.27, Subdivision 2, is amended to read:

Subd. 2. No political party candidate shall make expenditures on behalf of a candidate or transfer funds to the principal campaign committee of a candidate in an amount permit his principal campaign committee to accept contributions from any political party in excess of 50 percent of five times the amount that may be spent by or on behalf of contributed to that candidate by a political committee as set forth in section 10A.25 subdivision 1.

Sec. 78. Minnesota Statutes 1976, Section 10A.27, Subdivision 4, is amended to read:

Subd. 4. For the purposes of this section, a political party includes a political party's means the aggregate of the party organization within each house of the legislature and the party organization within congressional districts, counties, legislative districts, municipalities, wards, and precincts, and any legislative body.

Sec. 79. Minnesota Statutes 1976, Section 10A.27, is amended by adding a subdivision to read:

Subd. 5. Nothing in section 10A.27 shall be construed as limiting independent expenditures on behalf of a candidate.

Sec. 80. Minnesota Statutes 1976, Section 10A.27, is amended by adding a subdivision to read:

Subd. 6. Nothing in section 10A.27 shall be construed as limiting the amount which may be contributed by a candidate for the purpose of influencing his own nomination or election.

Sec. 81. Minnesota Statutes 1976, Section 10A.27, is amended by adding a subdivision to read:

Subd. 7. Contributions and approved expenditures made prior to the effective date of this section which are in excess of the limits imposed by section 10A.27 shall not be in violation of this section but shall be disclosed as required by chapter 10A.

Sec. 82. Minnesota Statutes 1976, Section 10A.27, is amended by adding a subdivision to read:

Subd. 8. No candidate shall permit his principal campaign committee to accept a loan from other than a financial institution for an amount in excess of the contribution limits imposed by this section. No candidate shall permit his principal campaign committee to accept any loan from a financial institution for which that financial institution may hold any endorser of that loan liable to pay any amount in excess of the amount that the endorser may contribute to that candidate.

Sec. 83. Minnesota Statutes 1976, Chapter 10A, is amended by adding a section to read:

[10A.275] [MULTI-CANDIDATE POLITICAL PARTY EXPENDITURES.] *Notwithstanding any other provisions of this chapter, the following expenditures by a state political party or a substate unit of a state political party as described in section 10A.27, subdivision 4, shall not be considered contributions to or expenditures on behalf of any candidate for the purposes of section 10A.25 or 10A.27, and shall not be allocated to any candidates pursuant to section 10A.22, subdivision 5:*

(a) Expenditures on behalf of candidates of that party generally without referring to any of them specifically in any advertisement published, posted or broadcast;

(b) Expenditures for the preparation, display, mailing or other distribution of an official party sample ballot listing the names of three or more individuals whose names are to appear on the ballot;

(c) Expenditures for any telephone conversation including the names of three or more individuals whose names are to appear on the ballot; or

(d) Expenditures for any political party fundraising effort on behalf of three or more candidates.

Sec. 84. Minnesota Statutes 1976, Section 10A.28, is amended to read:

10A.28 [PENALTY FOR EXCEEDING LIMITS.] *Any person or association that makes Subdivision 1. A candidate subject to the expenditure limits of section 10A.25 who permits his principal campaign committee to make expenditures or permits approved expenditures to be made on his behalf in excess of the limitations limits imposed by sections section 10A.25 and 10A.27 shall be subject to a civil fine equal to up to four times the amount by which its expenditure the expenditures exceeded the limit.*

Subd. 2. A candidate who permits his principal campaign committee to accept contributions in excess of the limits imposed by section 10A.27 shall be subject to a civil fine of up to four times the amount by which the contribution exceeded the limits.

Subd. 3. If the board or county attorney has finds that there is reason to believe that a person or association has made such

excess expenditures have been made or excess contributions accepted contrary to the provisions of subdivision 1 or 2 the board shall make every effort for a period of not less than 14 days after its finding to correct the matter by informal methods of conference and conciliation and to enter a conciliation agreement with the person involved. A conciliation agreement made pursuant to this subdivision shall be a matter of public record. Unless violated, a conciliation agreement shall be a bar to any civil proceeding under subdivision 4.

Subd. 4. If the board is unable after a reasonable time to correct by informal methods any matter which constitutes probable cause to believe that excess expenditures have been made or excess contributions accepted contrary to subdivision 1 or 2, the board or county attorney shall make a public finding of probable cause in the matter. After making a public finding, the board shall bring an action, or transmit the finding to a county attorney who shall bring an action, in the district court of Ramsey county or, in the case of a legislative candidate, the district court of a county within the legislative district, to impose this penalty a civil fine as prescribed by the board pursuant to subdivision 1 or 2. All moneys recovered pursuant to this section shall be deposited in the general account fund of the state elections campaign fund.

Sec. 85. Minnesota Statutes 1976, Section 10A.29, is amended to read:

10A.29 [CIRCUMVENTION PROHIBITED.] Any attempt by a person an individual or association to circumvent the provisions of Laws 1974, Chapter 470, Sections 11 to 41 chapter 10A by re-directing funds through, or contributing funds on behalf of, another person individual or association is a gross misdemeanor.

Sec. 86. Minnesota Statutes 1976, Section 10A.30, Subdivision 1, is amended to read:

10A.30 [STATE ELECTIONS CAMPAIGN FUND.] Subdivision 1. There is hereby established an account within the general special revenue fund of the state to be known as the "state elections campaign fund".

Sec. 87. Minnesota Statutes 1976, Section 10A.31, Subdivision 1, is amended to read:

10A.31 [DESIGNATION OF INCOME TAX PAYMENTS.] Subdivision 1. Effective with the taxable years beginning after December 31, 1973 1977, every individual whose income tax liability after personal credit for the taxable year is \$1 or more who files a tax return or a renter and homeowner property tax refund return with the commissioner of revenue may designate that \$1 shall be paid from the general fund of the state into the state elections campaign fund. In the case of If a husband and wife file a joint return of husband and wife having an income tax liability of \$2 or more, each spouse may designate that \$1 shall be paid. An individual who is 18 years of age or older, who is a resident of Minnesota, and who is a dependent of another individual who files a tax return or a renter and homeowner

property tax refund return, may designate that \$1 shall be paid from the general fund of the state into the state elections campaign fund. No individual shall be allowed to designate \$1 more than once in any year.

Sec. 88. Minnesota Statutes 1976, Section 10A.31, Subdivision 3, is amended to read:

Subd. 3. The commissioner of the department of revenue shall on the first page of the income tax form and the renter and homeowner property tax refund return notify the taxpayer filing individual and any adult dependent of that individual of his right to allocate \$1 of his taxes (\$2 if filing a joint return) from the general fund of the state to finance the election campaigns of state candidates. The form shall also contain language prepared by the commissioner which permits the taxpayer individual to direct the state to allocate the \$1 (or \$2 if filing a joint return) to: (i) one of the major political parties; (ii) any minor political party as defined in section 10A.01, subdivision 13, which qualifies under the provisions of subdivision 3a; or (iii) all qualifying candidates as provided by subdivision 7. The dependent on the tax return or the renter and homeowner property tax refund return shall sign a statement which authorizes the designation of \$1. The renter and homeowner property tax refund return shall include instructions that the individual filing the return may designate \$1 on the return only if he has not designated \$1 on the income tax return.

Sec. 89. Minnesota Statutes 1976, Section 10A.31, Subdivision 3a, is amended to read:

Subd. 3a. A minor political party as defined in section 10A.01, subdivision 13 qualifies for inclusion on the income tax form as provided in subdivision 3 if a candidate of that party filed for an office in the preceding general election, or if a petition on behalf of that party, provided that if a petition is filed, it is filed as provided in section 10A.01, subdivision 13, by June 1 of the taxable year.

Sec. 90. Minnesota Statutes 1976, Section 10A.31, Subdivision 4, is amended to read:

Subd. 4. All moneys The amounts designated by individual taxpayers individuals for the state elections campaign fund are appropriated from the general fund and shall be credited to the appropriate account in the general state elections campaign fund of the state and shall be annually appropriated for distribution as set forth in subdivisions 5, 6 and 7.

Sec. 91. Minnesota Statutes 1976, Section 10A.31, Subdivision 5, is amended to read:

Subd. 5. In each calendar year the moneys in each party account and the general account shall be allocated to candidates as follows:

(a) 16 21 percent for the offices of governor and lieutenant governor jointly together ;

(b) 9.6 3.6 percent for the office of attorney general;

(c) 4.8 1.8 percent each for the offices of secretary of state, state auditor and state treasurer;

(d) In each calendar year during the period in which state senators serve a four year term, 20 23 $\frac{1}{3}$ percent for the office of state senator and 40 46 $\frac{2}{3}$ percent for the office of state representative;

(e) In each calendar year during the period in which state senators serve a two year term, and in 1975 and 1976, 30 35 percent each for the offices of state senator and state representative;

(f) All candidates of one party for the state senate and state house of representatives whose names are to appear on the ballot in the general election shall share equally in the funds allocated to their respective offices from their party account. To assure that moneys will be returned to the counties from which they were collected, and to assure that the distribution of those moneys rationally relates to the support for particular parties or for particular candidates within legislative districts, moneys from the party accounts for legislative candidates shall be distributed as follows:

Each candidate for the state senate and state house of representatives whose name is to appear on the ballot in the general election shall receive moneys from his party account set aside for candidates of the state senate or state house of representatives, whichever applies, according to the following formula;

For each county within his district the candidate's share of the dollars allocated in that county to his party account and set aside for that office shall be:

(a) The sum of the votes cast in the last general election in that part of the county in his district for all candidates of his party (i) whose names appeared on the ballot in each voting precinct of the state and (ii) for the state senate and state house of representatives, divided by

(b) The sum of the votes cast in that county in the last general election for all candidates of his party (i) whose names appeared on the ballot in each voting precinct in the state and (ii) for the state senate and state house of representatives, multiplied by

(c) The amount in his party account allocated in that county and set aside for the candidates for the office for which he is a candidate.

The sum of all the county shares calculated in the formula above is the candidate's share of his party account.

In a year in which an election for the state senate occurs, with respect to votes for candidates for the state senate only, "last general election" means the last general election in which an election for the state senate occurred.

For any party under whose name no candidate's name appeared on the ballot in each voting precinct in the state in the last general

election, "last general election" means the last general election in which the name of a candidate of that party appeared on the ballot in each voting precinct in the state.

If in a district there was no candidate of a party for the state senate or state house of representatives in the last general election, or if a candidate for the state senate or state house of representatives was unopposed, the vote for that office for that party shall be the average vote of all the remaining candidates of that party in each county of that district whose votes are included in the sums in clauses (a) and (b). The average vote shall be added to the sums in clauses (a) and (b) before the calculation is made for all districts in the county.

Moneys from any party account refused by any candidate not distributed in any election year shall be distributed to all other candidates of that party in proportion to their shares as provided in this subdivision; returned to the general fund of the state. Moneys from the general account refused by any candidate shall be distributed to all other qualifying candidates in proportion to their shares as provided in this subdivision.

Beginning with calendar year 1977 and applying to taxable year 1976, the allocations from the state elections campaign fund shall be: 21 percent for the offices of governor and lieutenant governor filing jointly; 3.6 percent for the office of attorney general; 1.8 percent each for the offices of secretary of state, state auditor, and state treasurer; in each calendar year during the period in which state senators serve a four year term, 23 1/2 percent for the office of state senator and 46 7/8 percent for the office of state representative; and in each calendar year during the period in which state senators serve a two year term, 35 percent each for the offices of state senator and state representative.

Sec. 92. Minnesota Statutes 1976, Section 10A.31, Subdivision 6, is amended to read:

Subd. 6. Within two weeks after certification by the state canvassing board of the results of the primary, the state treasurer shall distribute the available funds in each party account, as certified by the commissioner of revenue on September 15, to the candidates of that party who have signed the agreement as provided in section 10A.32, subdivision 3, and whose names are to appear on the ballot in the general election, according to the allocations set forth in subdivision 5. If there is no candidate of a party for any one office designated in subdivision 5 in any year in which that office appears on the ballot, the allocation for that office shall be distributed to all other candidates of that party in proportion to their shares as set forth in subdivision 5.

Sec. 93. Minnesota Statutes 1976, Section 10A.31, Subdivision 7, is amended to read:

Subd. 7. Within two weeks after certification by the state canvassing board of the results of the general election, the state treasurer shall distribute the available funds in the general ac-

count, as certified by the commissioner of revenue on November 15 and according to allocations set forth in subdivision 5, in equal amounts to all candidates for each statewide office who received at least five percent of the votes cast in the general election for that office, and to all candidates for legislative office who received at least ten percent of the votes cast in the general election for the specific office for which they were candidates. *The board shall not use the information contained in the report of the principal campaign committee of any candidate due ten days before the general election for the purpose of reducing the amount due that candidate from the general account.*

Sec. 94. Minnesota Statutes 1976, Section 10A.31, Subdivision 10, is amended to read:

Subd. 10. In the event that on ~~November 15~~ *the date of either certification by the commissioner of revenue as provided in subdivisions 6 and 7*, less than 98 percent of the tax returns have been processed, the commissioner of revenue shall certify to the board on December 7 the amount accumulated in each account since the previous certification. Within one week thereafter, the board shall certify to the state treasurer the amount to be distributed to each candidate according to the allocations as provided in subdivision 5. As soon as practicable thereafter, the state treasurer shall distribute the amounts to the candidates. Any moneys accumulated after the final certification shall be maintained in the respective accounts for distribution in the next general election year.

Sec. 95. Minnesota Statutes 1976, Section 10A.31, is amended by adding a subdivision to read:

Subd. 11. For the purposes of section 10A.31, a write-in candidate is not a candidate unless he complies with the provisions of section 10A.32, subdivision 3.

Sec. 96. Minnesota Statutes 1976, Section 10A.32, Subdivision 1, is amended to read:

10A.32 [LIMITATIONS UPON THE STATE ELECTION CAMPAIGN FUND.] Subdivision 1. No candidate shall be entitled to receive from the state elections campaign fund and retain an amount greater than the ~~total aggregate~~ *total aggregate* amount of expenditures which may be made by him ~~or~~ *and approved expenditures made on his behalf under sections* ~~section 10A.25 and 10A.27, subdivision 2~~ *section 10A.25 and 10A.27, subdivision 2*. The amount by which the allocation exceeds the expenditure limit shall be ~~distributed to all other candidates of the same party whose shares do not exceed their expenditure limits in proportion to their shares as set forth in section 10A.31 returned to the general fund of the state.~~

Sec. 97. Minnesota Statutes 1976, Section 10A.32, Subdivision 2, is amended to read:

Subd. 2. No candidate shall be entitled to receive from the ~~state election elections~~ *state elections* campaign fund an amount greater than the ~~total aggregate amount actually expended of expenditures made by him~~

~~or~~ and approved expenditures made on his behalf in the year of the election. If the report required to be filed on or before January 31 in the year following the general election indicates that the amount received by the candidate from the state elections campaign fund is greater than the amount authorized to be expended on his behalf, the treasurer of his principal campaign committee shall refund return to the state treasurer an amount equal to the difference. The refund return in the form of a check or money order shall be submitted with such report and the board shall forward the refund return to the state treasurer for deposit in the general fund of the state.

Sec. 98. Minnesota Statutes 1976, Section 10A.32, Subdivision 3, is amended to read:

Subd. 3. As a condition of receiving any funds moneys from the state elections campaign fund, any a candidate, prior to receipt of the funds, shall agree by stating in writing to the board on or before September 1 that authorized (a) his expenditures on his behalf and approved expenditures shall not exceed the expenditure limits as set forth in section 10A.25 and that his principal campaign committee (b) he shall not accept contributions or allow approved expenditures to be made on his behalf for the period beginning with January 1 of the election year or with the registration of his principal campaign committee, whichever occurs later, and ending December 31 of the election year, which aggregate contributions and approved expenditures exceed 105 percent of the difference between the amount which may legally be expended by him or on his behalf, and the amount which he receives from the state elections campaign fund. The agreement, insofar as it relates to the expenditure limits set forth in section 10A.25, remains effective until the dissolution of the principal campaign committee of the candidate or the opening of filings for the next succeeding election to the office held or sought at the time of agreement, whichever occurs first. Beginning in 1980, money in the account of the principal campaign committee of a candidate on January 1 of the election year for the office held or sought shall be considered contributions accepted by that candidate in that year for the purposes of this subdivision. Notwithstanding the effective date of this section, for 1978, the period for determining the aggregate contribution and approved expenditure limit agreed to pursuant to this subdivision shall begin January 1, 1978. That amount of all contributions accepted by a candidate in an election year which equals the amount of noncampaign disbursements made by that candidate in that year shall not count toward the aggregate contributions and approved expenditure limit imposed by this subdivision. Any amount by which his total aggregate contributions and approved expenditures agreed to under clause (b) exceed 105 percent of the difference shall be refunded returned to the state treasurer. The refund in the form of a check or money order shall be submitted in the same manner as provided in subdivision 2. In no case shall the amount returned exceed the amount received from the state elections campaign fund.

The candidate may submit his signed agreement to the filing

officer on the day he files his affidavit of candidacy or petition to appear on the ballot, or he may submit the agreement to the board no later than September 1.

The board prior to the first day of filing for office shall forward forms for the agreement to all filing officers. The filing officer shall without delay forward signed agreements to the board. An agreement may not be rescinded after September 1.

For the purposes of this subdivision only, the total amount to be distributed to each candidate is calculated to be his share of the total estimated funds in his party account as provided in subdivision 3a, plus the total amount estimated as provided in subdivision 3a to be in the general account of the state elections campaign fund and set aside for that office divided by the number of candidates whose names are to appear on the general election ballot for that office. If for any reason the amount actually received by the candidate is greater by reason of a lesser number of qualifying candidates sharing in the funds in each account than his share of the estimate, and his contributions thereby exceed 105 percent of the difference, the agreement shall not be considered violated.

Sec. 99. Minnesota Statutes 1976, Section 10A.32, Subdivision 3a, is amended to read:

Subd. 3a. The commissioner of revenue shall, on the basis of vote totals provided by the secretary of state, calculate and certify to the board on or before the last first day for filing for office of July in an election year his estimate of the total to be accumulated in each account in the state elections campaign fund, after 100 percent of the tax returns have been processed, of the total amount in the general account, and the amount of moneys each candidate who qualifies as provided in section 10A.31, subdivision 6, may receive from his party account, based upon the formula set forth in section 10A.31, subdivision 3. Prior to the first day of filing for office, the board shall publish and forward to all filing officers these estimates. Within seven days after the last day for filing for office the secretary of state shall certify to the board the name, address, office sought, and party affiliation of each candidate who has filed with that office his affidavit of candidacy or petition to appear on the ballot. The auditor of each county shall certify to the board the same information for each candidate who has filed with that county his affidavit of candidacy or petition to appear on the ballot. Within seven days thereafter the board shall estimate the minimum amount to be received by each candidate who qualifies as provided in section 10A.31, subdivisions 6 and 7, and notify all candidates on or before August 15 of the applicable amount. The board shall include with the notice a form for the agreement provided in subdivision 3.

Sec. 100. Minnesota Statutes 1976, Section 10A.32, is amended by adding a subdivision to read:

Subd. 3b. As a condition of receiving a public subsidy for his election campaign in the form of tax credits against the tax due from individuals who contribute to his principal campaign committee a candidate shall agree by stating in writing to the board

at any time beginning with the registration of his principal campaign committee that his expenditures and approved expenditures shall not exceed the expenditure limits as set forth in section 10A.25. The agreement shall remain effective until the dissolution of the principal campaign committee of the candidate or the opening of filing for the next succeeding election for the office held or sought at the time of agreement, whichever occurs first. An agreement signed under this subdivision may not be rescinded. The commissioner of revenue shall not allow any individual or married couple filing jointly to take a credit against any tax due, pursuant to section 290.06, subdivision 11, for any contribution to a candidate for legislative or statewide office who has not signed the agreement provided in this subdivision. Nothing in this subdivision shall be construed to limit the campaign expenditure of any candidate who does not sign an agreement under this subdivision but accepts a contribution for which the contributor claims a credit against tax due. The board shall forward a copy of any agreement signed under this subdivision to the commissioner of revenue. The board shall make available to any candidate signing an agreement a supply of Official Tax Credit Receipt forms which state in bold face that (a) a contributor who is given a receipt form is eligible to receive a credit against his tax due in an amount equal to 50 percent of his contribution but not more than \$25 for an individual, or not more than \$50 for a married couple filing jointly, and (b) that the candidate to whom he has contributed has voluntarily agreed to abide by campaign expenditure limits. If a candidate does not sign an agreement under this subdivision he may not issue an Official Tax Credit Receipt form, or any facsimile thereof, to any of his contributors. Any candidate who does not voluntarily agree to abide by the expenditure limits imposed in sections 10A.25 and who willfully issues Official Tax Credit Receipt forms, or any facsimile thereof, to any contributor is guilty of a misdemeanor.

Sec. 101. Minnesota Statutes 1976, Section 10A.32, Subdivision 4, is amended to read:

Subd. 4. If a political party for whose candidates funds have been accumulated in the state elections campaign fund does not have a candidate for any office, the moneys set aside for that office shall be maintained in that account until the year of the next general election. If in two successive general election years that political party does not have a candidate for any office, the accumulated funds shall be transferred returned to the general fund of the state.

Sec. 102. Minnesota Statutes 1976, Section 10A.33, is amended to read:

10A.33 [APPLICATION.] The provisions of sections 10A.30 to 10A.32 shall apply only in general elections and ~~primary elections~~ primaries preceding general elections and shall not include apply to special elections, or special ~~primary elections, conventions and caucuses of a political party primaries~~.

Sec. 103. Minnesota Statutes 1976, Chapter 10A, is amended by adding a section to read:

[10A.335] *For the purpose of determining whether the distribution formula provided in section 10A.31, subdivision 5, (a) assures that moneys will be returned to the counties from which they were collected, and (b) continues to have a rational relation to the support for particular parties or particular candidates within legislative districts, it is the intention of this section that future legislatures monitor, using statistical data provided by the department of revenue, income tax returns and renter and homeowner property tax refund returns on which \$1, or in the case of a joint return, \$2, is designated for a political party.*

Sec. 104. Minnesota Statutes 1976, Section 10A.34, is amended by adding a subdivision to read:

Subd. 1a. The board may bring an action in the district court in Ramsey county to recover any late filing fee imposed pursuant to any provision of chapter 10A. All money recovered shall be deposited in the general fund of the state.

Sec. 105. Minnesota Statutes 1976, Section 210A.01, Subdivision 3, is amended to read:

Subd. 3. "Candidate" means ~~every person~~ *any individual* for whom it is contemplated or desired that votes may be cast at any *primary* or election ~~or primary~~, and who either tacitly or expressly consents to be so considered, except candidates for president and vice president of the United States. In sections 210A.22 to 210.28, 210A.32 and 210A.33, "candidate" does not mean a ~~person~~ *an individual* for whom it is contemplated or desired that votes may be cast at any *primary* or election ~~or primary~~, and who either tacitly or expressly consents to be so considered for ~~governor, state officer, state senator or membership in the house of representatives constitutional office, member of the legislature, justice of the supreme court, or district court judge.~~

Sec. 106. Minnesota Statutes 1976, Section 290.06, Subdivision 11, is amended to read:

Subd. 11. [CONTRIBUTIONS TO POLITICAL PARTIES AND CANDIDATES.] ~~Effective for taxable years commencing after December 31, 1973, In lieu of the credit against taxable net income provided by section 290.21, subdivision 3, clause (e), a taxpayer may take a credit against the tax due under this chapter of 50 percent but not more than \$12.50 \$25 of his contributions to a political party and candidate. A married couple, filing jointly, may take a similar credit of not more than \$25 \$50 . However, the taxpayer may take a credit for contributions of no more than \$5 in the case of an individual return or \$10 in the case of a joint return for contributions to a political party~~ *No credit shall be allowed under this subdivision for a contribution to any candidate, other than a candidate for elective judicial office, who has not signed an agreement to limit his campaign expenditures as provided in section 10A.32, subdivision 3b. The commissioner of revenue shall provide in the tax instruction booklet language understandable to a person of average intelligence which states that the taxpayer may only claim a credit against*

his tax due for contributions to candidates for (a) judicial office or (b) statewide or legislative office who have agreed to limit their expenditures. For purposes of this subdivision, "candidate" means a candidate as defined in section 10A.01, subdivision 5. The department of revenue shall provide on the first page of the Minnesota tax form an appropriate provision for the credit provided by Laws 1974, Chapter 470 this subdivision.

This credit shall be allowed only if the contribution is verified in the manner the commissioner of revenue shall prescribe.

Sec. 107. Minnesota Statutes 1976, Section 290.21, is amended by adding a subdivision to read:

Subd. 4. No credit shall be allowed under subdivision 3, clause (e), for any contribution to a candidate as defined in section 10A.01, except a candidate for elective judicial office.

Sec. 108. [ETHICAL PRACTICES BOARD; TEMPORARY RULEMAKING.] *The ethical practices board may exercise temporary rulemaking authority as provided in section 15.0412, subdivision 5, to implement the provisions of chapter 10A which are amended by this act. The board shall solicit information and opinions from outside the board as provided in section 15.0412, subdivision 6, before adopting these rules. Notwithstanding the provisions of section 15.0412, subdivision 5, any rules adopted pursuant to this section shall be effective until permanent rules are adopted pursuant to chapter 15 or until October 1, 1979, whichever occurs first. This section expires October 1, 1979.*

Sec. 109. [REPEALER.] *Minnesota Statutes 1976, Sections 10A.09, Subdivision 4; 10A.11, Subdivision 6; 10A.20, Subdivision 9; 10A.22, Subdivision 3; 10A.25, Subdivisions 8 and 9; 10A.26; and 10A.27, Subdivision 3, are repealed.*

Sec. 110. [APPROPRIATION.] *Subdivision 1. The sum of \$20,000 is appropriated from the general fund to the ethical practices board to implement the provisions of this act. This appropriation shall be available for expenditure until June 30, 1979.*

Subd. 2. *The sum of \$5,000 is appropriated from the general fund to the commissioner of revenue to implement the provisions of section 10A.32, subdivision 3. This appropriation shall be available for expenditure until June 30, 1979.*

Sec. 111. [EFFECTIVE DATE.] *Sections 106 and 107 are effective for taxable years commencing after December 31, 1977. The remaining sections of this act are effective the day following final enactment.*

Further, amend the title by deleting it and inserting:

"A bill for an act relating to elections; revising ethical practices board procedures regarding regulating lobbyist registration and activity, disclosure of economic interest, and campaign finance disclosure; revising certain reporting requirements; imposing limitations on political expenditures and contributions; distributing money from the state elections campaign fund to legislative can-

didates; defining terms; removing obsolete provisions; imposing late filing fees and penalties; increasing credits against tax due for contributions to candidates; providing credits against tax due for contributions to candidates who voluntarily abide by spending limits; appropriating money; amending Minnesota Statutes 1976, Sections 10A.01, Subdivisions 2, 5, 7, 9, 10, 11, 13, 15, 16, 18, and by adding subdivisions; 10A.02, Subdivisions 1, 2, 4, 8, 9, 11, 12, 13, and by adding a subdivision; 10A.03, Subdivision 1, and by adding a subdivision; 10A.04, Subdivisions 1, 2, and 5; 10A.07; 10A.08; 10A.09, Subdivisions 5, 6, and 7; and 10A.10; 10A.11, Subdivision 1; 10A.12, Subdivisions 1, 4 and 5; 10A.13; 10A.14, Subdivisions 1, 2, and 4; 10A.15; 10A.16; 10A.17; 10A.19, Subdivision 1; 10A.20, Subdivisions 2, 3, 4, 5, 6, 8, 12, and by adding a subdivision; 10A.21, Subdivisions 1 and 3; 10A.22, Subdivisions 1, 4, 5, and 7; 10A.24; 10A.25, Subdivisions 1, 2, 3, 4, 5, 6, 7 and by adding a subdivision; 10A.27, Subdivisions 1, 2, 4 and by adding subdivisions; 10A.28; 10A.29; 10A.30, Subdivision 1; 10A.31, Subdivisions 1, 3, 3a, 4, 5, 6, 7, 10, and by adding a subdivision; 10A.32, Subdivisions 1, 2, 3, 3a, 4, and by adding a subdivision; 10A.33; 10A.34, by adding a subdivision; 210A.01, Subdivision 3, 290.06, Subdivision 11; 290.21, by adding a subdivision; and Chapter 10A, by adding sections; and Minnesota Statutes, 1977 Supplement, Section 10A.20, Subdivision 10; repealing Minnesota Statutes 1976, Sections 10A.09, Subdivision 4; 10A.11, Subdivision 6; 10A.20, Subdivision 9; 10A.22, Subdivision 3; 10A.25, Subdivisions 8 and 9; 10A.26; and 10A.27, Subdivision 3."

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

House Conferees: (Signed) Michael George, James Rice, and Donald Samuelson.

Senate Conferees: (Signed) Steve Keefe, David Schaaf and Edward Gearty.

Mr. Keefe, S. moved that the foregoing recommendations and Conference Committee Report on H. F. No. 404 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

H. F. No. 404: A bill for an act relating to elections; revising ethical practices board procedures regarding regulating lobbyist registration and activity, disclosure of economic interest, and campaign finance disclosure; revising certain reporting requirements; imposing limitations on political expenditures and contributions; distributing money from the state elections campaign fund to legislative candidates; defining terms; removing obsolete provisions; imposing late filing fees and penalties; increasing credits against tax due for contributions to candidates; providing credits against tax due for contributions to candidates who voluntarily abide by spending limits; appropriating money; amending Minnesota Statutes 1976, Sections 10A.01, Subdivisions 2, 5, 7, 9, 10, 11, 13, 15, 16, 18, and by adding subdivisions; 10A.02, Subdivisions 1, 2, 4, 8, 9, 11, 12, 13, and by adding a subdivision; 10A.03, Subdivision 1, and by adding a subdivision; 10A.04, Subdivisions 1, 2, and 5;

10A.07; 10A.08; 10A.09, Subdivisions 5, 6, and 7; and 10A.10; 10A.11, Subdivision 1; 10A.12, Subdivisions 1, 4 and 5; 10A.13; 10A.14, Subdivisions 1, 2, and 4; 10A.15; 10A.16; 10A.17; 10A.19, Subdivision 1; 10A.20, Subdivisions 2, 3, 4, 5, 6, 8, 12, and by adding a subdivision; 10A.21, Subdivisions 1 and 3; 10A.22, Subdivisions 1, 4, 5, and 7; 10A.24; 10A.25, Subdivisions 1, 2, 3, 4, 5, 6, 7 and by adding a subdivision; 10A.27, Subdivisions 1, 2, 4 and by adding subdivisions; 10A.28; 10A.29; 10A.30, Subdivision 1; 10A.31, Subdivisions 1, 3, 3a, 4, 5, 6, 7, 10, and by adding a subdivision; 10A.32, Subdivisions 1, 2, 3, 3a, 4, and by adding a subdivision; 10A.33; 10A.34, by adding a subdivision; 210A.01, Subdivision 3, 290.06, Subdivision 11; 290.21, by adding a subdivision; and Chapter 10A, by adding sections; and Minnesota Statutes, 1977 Supplement, Section 10A.20, Subdivision 10; repealing Minnesota Statutes 1976, Sections 10A.09, Subdivision 4; 10A.11, Subdivision 6; 10A.20, Subdivision 9; 10A.22, Subdivision 3; 10A.25, Subdivisions 8 and 9; 10A.26; and 10A.27, Subdivision 3.

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

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

The roll was called, and there were yeas 41 and nays 19, as follows:

Those who voted in the affirmative were:

Anderson	Hanson	Luther	Schaaf	Strand
Benedict	Hughes	Merriam	Schmitz	Stumpf
Borden	Humphrey	Moe	Schrom	Vega
Chenoweth	Johnson	Nelson	Setzepfandt	Wegener
Chmielewski	Keefe, S.	Nichols	Sikorski	Willet
Coleman	Kleinbaum	Olhoft	Solon	
Davies	Knoll	Olson	Spear	
Gearty	Laufenburger	Peterson	Staples	
Gunderson	Lessard	Purfeerst	Stokowski	

Those who voted in the negative were:

Ashbach	Dieterich	Jensen	Ogdahl	Sillers
Bang	Dunn	Keefe, J.	Penny	Ueland, A.
Bernhagen	Engler	Kirchner	Pillsbury	Ulland, J.
Brataas	Frederick	Knaak	Sieloff	

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

Without objection, the Senate reverted to the Order of Business of Introduction and First Reading of Senate Bills.

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Mr. Lewis; Mrs. Staples; Messrs. Ulland, J. and Ogdahl introduced—

S. F. No. 2344: A bill for an act relating to medical assistance; modifying definition of medical care to provide payment of costs for abortions; appropriating money; amending Minnesota Statutes 1976, Section 256B.02, Subdivision 8.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Schaaf, Stokowski and Merriam introduced—

S. F. No. 2345: A bill for an act relating to counties; concerning Anoka county; providing for a seven member board of commissioners; amending Minnesota Statutes 1976, Section 375.01.

Referred to the Committee on Local Government.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Nichols moved that S. F. No. 2018 be withdrawn from the Committee on Local Government and re-referred to the Committee on Agriculture and Natural Resources. The motion prevailed.

MEMBERS EXCUSED

Messrs. Knutson and McCutcheon were excused from the Session of today.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman moved that the Senate do now adjourn until 11:00 o'clock a.m., Wednesday, March 1, 1978. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate