

NINETY-SECOND DAY

St. Paul, Minnesota, Wednesday, March 15, 1978

The Senate met at 12:30 o'clock p.m. and was called to order by the President.

CALL OF THE SENATE

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

Benedict	Gearty	Luther	Perpich	Staples
Borden	Hanson	Menning	Peterson	Strand
Brataas	Hughes	Merriam	Pillsbury	Stumpf
Chmielewski	Jensen	Nelson	Renneke	Ueland, A.
Coleman	Johnson	Nichols	Schmitz	Vega
Davies	Keefe, S.	Ogdahl	Setzepfandt	Willet
Dunn	Kirchner	Olhoff	Sieloff	
Engler	Kleinbaum	Olson	Sikorski	
Frederick	Laufenburger	Penny	Spear	

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

Prayer was offered by the Chaplain, Rabbi Harold Schecter.

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

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

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. Bang; Keefe, J. and Tennesen were excused from the Session of today. Mr. Schaaf was excused from the Session of today until 1:30 o'clock p.m.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 336: A bill for an act relating to Spanish-speaking people; creating a state board on affairs of the Spanish-speaking people; appropriating money.

Senate File No. 336 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned March 14, 1978

Mr. Coleman moved that S. F. No. 336 be laid on the table. The motion prevailed.

Mr. President:

I have the honor to announce the adoption by the House of the following House Concurrent Resolution, herewith transmitted:

House Concurrent Resolution No. 10: A house concurrent resolution relating to the delivery of bills to the governor after final adjournment.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted March 14, 1978

Mr. Coleman moved that House Concurrent Resolution No. 10 be laid on the table. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 1699, 1803, 1806, 2327, 1713, 2015, 2044, 2201, 960, 961, 1805, 2137, 2261, 2292 and 2027.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted March 14, 1978

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, herewith returned: S. F. No. 1684.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned March 14, 1978

FIRST READING OF HOUSE BILLS

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

H. F. No. 1699: A bill for an act relating to taxation; providing that compensation for service in the Minnesota national guard or the reserve armed forces of the United States be exempt from the income tax; directing the adjutant general to study enlistment and reenlistment incentives; amending Minnesota Statutes, 1977 Supplement, Section 290.01, Subdivision 20.

Referred to the Committee on Taxes and Tax Laws.

H. F. No. 1803: A bill for an act relating to taxation; property tax; providing for delay in increased valuation on certain rehabilitation projects.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1628.

H. F. No. 1806: A bill for an act relating to taxation; tax returns; excepting certain tax information about liquor license applicants from confidentiality requirements; amending Minnesota Statutes 1976, Section 297A.43; Chapters 290, by adding a section; and 297A, by adding a section; and Minnesota Statutes, 1977 Supplement, Section 290.61.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 2294.

H. F. No. 2327: A bill for an act relating to unemployment compensation; limiting the coverage of agricultural employers of certain children; amending Minnesota Statutes, 1977 Supplement, Section 268.04, Subdivision 12.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 2136 now on General Orders.

H. F. No. 1713: A bill for an act relating to the department of veterans affairs; establishing a nursing home for veterans in Hastings; appropriating money; amending Minnesota Statutes, 1977 Supplement, Section 246.02, Subdivision 2.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1577 now on General Orders.

H. F. No. 2015: A bill for an act relating to state government; providing for classifying certain CETA employees as state employees.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1876 now on General Orders.

H. F. No. 2044: A bill for an act relating to shade tree disease control; extending the special levy authority for sanitation and reforestation; clarifying utilization of appropriations; authorizing extension of temporary rules; amending Minnesota Statutes, 1977 Supplement, Section 275.50, Subdivision 6.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 1755.

H. F. No. 2201: A bill for an act relating to housing; providing funds for housing programs for native Americans; appropriating money; amending Minnesota Statutes 1976, Sections 462A.07, by adding a subdivision; 462A.21, by adding a subdivision.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1806 now in Bill Scheduling.

H. F. No. 960: A bill for an act relating to data processing; by certain public bodies; its regulation and control; establishing the Minnesota advisory council for information systems; prescribing its powers and duties; appropriating money; amending Minnesota Statutes 1976, Sections 3.976; 16.80, by adding a subdivision; 16.90, Subdivision 4; 16.94; and 16.95; repealing Minnesota Statutes 1976, Sections 16.91 and 16.911.

Referred to the Committee on Finance.

H. F. No. 961: A bill for an act relating to education; data processing; establishing the Minnesota educational computing consortium as a state agency; prescribing powers and duties therefor; repealing Minnesota Statutes 1976, Section 16.93.

Referred to the Committee on Education.

H. F. No. 1805: A bill for an act relating to taxation; clarifying tax status of certain leased United States property; limiting the assessment and taxation of certain leased property; clarifying status of certain taconite taxes; amending Minnesota Statutes 1976, Section 273.19, Subdivision 1, and by adding a subdivision; and Chapter 275, by adding a section.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 2217 now in Bill Scheduling.

H. F. No. 2137: A bill for an act relating to natural resources; concerning water resources; revising certain provisions concerning dams, reservoirs, control structures, and waterway obstructions; prescribing certain fees to finance safety examinations relating to such projects; appropriating money; amending Minnesota Statutes 1976, Sections 105.42, Subdivision 2; 105.482, Subdivision 2, and by adding a subdivision; 105.52; 105.53; Chapter 105, by adding a section; and Minnesota Statutes, 1977 Supplement, Sections 105.44, Subdivision 10; and 105.482, Subdivision 5.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 2156.

H. F. No. 2261: A bill for an act relating to energy; changing the powers of the Minnesota energy agency; implementing certain residential energy efficiency standards; establishing insulation product and application standards; prescribing penalties; appro-

priating money; amending Minnesota Statutes 1976, Section 116H.08; and Minnesota Statutes, 1977 Supplement, Section 116H.129, Subdivision 1, and by adding subdivisions.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1706 now on General Orders.

H. F. No. 2292: A bill for an act relating to cities; establishing requirements for financial statements, reports and audits; providing a time limit for submissions of certain reports to the state auditor; providing for enforcement of reporting requirements; appropriating money; amending Minnesota Statutes 1976, Chapter 471, by adding sections; repealing Minnesota Statutes 1976, Sections 412.281 and 412.291.

Referred to the Committee on Finance.

H. F. No. 2027: A bill for an act relating to marriage and divorce; revising provisions allowing minors to marry; modifying prohibitions of marriage between certain parties; modifying requirements to receive a marriage license; modifying penalties for certain offenses; providing that children born of a prohibited marriage are legitimate; revising procedures and grounds for annulment actions; declaring the legal rights of putative spouses; providing new procedures for actions of dissolution and legal separation; limiting grounds for a dissolution to a finding that the marriage is irretrievably broken; modifying procedures for custody proceedings; declaring the right of a custodial parent to determine a child's upbringing; defining marital property; defining provisions for an award of maintenance to a spouse; amending Minnesota Statutes 1976, Sections 517.02; 517.03; 517.04; 517.05; 517.06; 517.07; 517.09; 517.13; 517.14; 517.15; 517.16; 517.19; 518.01; 518.02; 518.03; 518.05; 518.06, Subdivision 1, and by adding a subdivision; 518.07; 518.09; 518.10; 518.11; 518.13; 518.14; 518.16; 518.165; 518.17; 518.175, Subdivisions 1 and 3, and by adding a subdivision; 518.18; 518.24; 518.27; 518.54; 518.55; 518.57; 518.58; 518.61; 518.62; 518.63; 518.64; 518.65; Chapter 517, by adding a section; and Chapter 518, by adding sections; and Minnesota Statutes, 1977 Supplement, Sections 517.01; 517.08, Subdivisions 1 and 3; 518.155; and 518.551; repealing Minnesota Statutes 1976, Sections 517.17; 518.06, Subdivision 2; 518.15; 518.29; 518.59; and 518.67.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 1826.

REPORTS OF COMMITTEES

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

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

H. F. Nos. 2047, 2451, 2374 for comparison with companion Senate Files, reports the following House Files were found identi-

cal and recommends the House Files be given their second reading and substituted for 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.
2047	1901				
2451	2308				
2374	2372				

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 was referred

H. F. No. 2010 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.
2010	2139				

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. 2248 and 1995 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	
H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
1995	1861			2248	1949

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. 2291 and 2307 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.
2291	1848				
2307	2204				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 2291 be amended as follows:

Page 1, delete lines 12 to 23 and insert

"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 available on the premises but is not otherwise performing any duties of employment."

And when so amended H. F. No. 2291 will be identical to S. F. No. 1848, and further recommends that H. F. No. 2291 be given its second reading and substituted for S. F. No. 1848, 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. 2307 be amended as follows:

Page 1, line 21, delete the new language

Page 1, line 22, restore the stricken language and delete the new language

Page 1, line 23, delete the new language

Page 2, delete lines 16 to 32

Page 3, delete lines 1 to 21

Further, amend the title as follows:

Page 1, line 3, delete "requiring wholesalers to maintain a"

Page 1, delete line 4

Page 1, line 5, delete "the city of St. Paul;"

Page 1, line 6, delete "Sections 340.07, Subdivision 8;" and insert "Section"

Page 1, line 7, delete "; and Chapter 340, by adding a" and insert a period

Page 1, delete line 8

And when so amended H. F. No. 2307 will be identical to S. F.

No. 2204, and further recommends that H. F. No. 2307 be given its second reading and substituted for S. F. No. 2204, and that the Senate File be indefinitely postponed.

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

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

H. F. Nos. 2075, 2270, 2461, 449, 1476, 2146, 2041, 2516, 1317, 1246, 1091, 1819 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.
2075	2075			1091	954
2270	2248			1819	1753
2461	2081				
449	526				
1476	1839				
2146	1983				
2041	2000				
2516	2048				
1317	1013				
1246	1464				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 2075 be amended as follows:

Page 1, line 25, delete the new language

Page 2, delete lines 1 to 3 and insert *"All the documents shall meet and be in full compliance with all applicable building codes and ordinances."*

And when so amended H. F. No. 2075 will be identical to S. F. No. 2075, and further recommends that H. F. No. 2075 be given its second reading and substituted for S. F. No. 2075, 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. 2270 be amended as follows:

Page 2, delete line 12 and insert *"officials. The"*

Page 6, line 19, restore the stricken language and delete the new language

Page 6, line 21, delete *" , one of whom may be a constable"* and strike the comma

Page 6, line 22, delete *"other"*

Page 8, line 8, delete the new language

Page 8, line 9, restore the stricken language and delete the new language

And when so amended H. F. No. 2270 will be identical to S. F. No. 2248, and further recommends that H. F. No. 2270 be given its second reading and substituted for S. F. No. 2248, 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. 2461 be amended as follows:

Page 1, after line 8 insert

"Section 1. Minnesota Statutes, 1977 Supplement, Section 216B.16, Subdivision 2, is amended to read:

Subd. 2. Whenever there is filed with the commission any schedule modifying or resulting in a change in any rates then in force, together with the filed statements of facts, expert opinions, substantiating documents, and exhibits, supporting the changes requested, the commission shall upon complaint or may upon its own motion, upon reasonable notice to the governing bodies of municipalities affected, conduct a hearing to determine whether the rates are unjust or unreasonable. Pending the hearing and the decision thereon as provided in subdivision 1, the commission may suspend the operation of the schedule by filing with the schedule of rates and delivering to the affected utility a statement in writing of its reasons for the suspension, at any time before the rates become effective. The suspension shall not be for a longer period than 90 days beyond the time when the schedule of rates would otherwise go into effect unless the commission finds that a longer time will be required. If a longer time is required During the suspension the commission shall determine whether all questions of the reasonableness of the rates requested raised by persons deemed interested or by the administrative division of the department of public service can be resolved to the satisfaction of the commission. If the commission finds that all significant issues raised cannot be resolved to its satisfaction, or upon petition by ten percent of the affected customers or 100 affected customers, whichever is less, it shall refer the matter to the office of hearing examiners with instructions for a public hearing as a contested case pursuant to chapter 15, and may further extend the period of suspension for a period not to exceed a total of nine months. If the commission does not make a final determination concerning any schedule of rates within a period of nine months beyond the time when the schedule of rates would otherwise go into effect, under subdivision 1, the schedule shall be deemed to have been approved by the commission. For the purposes of this subdivision, "final determination" means the initial decision of the commission and not any order which may be entered by the commission in response to a petition for rehearing or other further

relief. The commission may further suspend rates until it determines all such petitions.

Sec. 2. Minnesota Statutes, 1977 Supplement, Section 237.075, Subdivision 2, is amended to read:

Subd. 2. When there is filed with the commission *as provided in subdivision 1* a schedule modifying or resulting in a change in any rate then in force, ~~together with the filed statements of fact, expert opinions, substantiating documents, and exhibits, supporting the changes requested, the commission shall upon complaint or may upon its own motion, upon reasonable notice to the governing bodies of municipalities and counties affected, conduct a hearing to determine whether the rates are unjust or unreasonable. Pending the hearing and the decision thereon, the commission may suspend the operation of the schedule by filing of the schedule of rates and delivering to the affected telephone company a statement in writing of its reasons for the suspension at any time before the rates become effective. The suspension shall not be for a longer period than 90 days beyond the time when the schedule of rates would otherwise go into effect unless the commission finds that a longer time will be required. If a longer time is required the commission~~ *During the suspension the commission shall determine whether all questions of the reasonableness of the rates requested raised by persons deemed interested or by the administrative division of the department of public service can be resolved to the satisfaction of the commission. If the commission finds that all significant issues raised cannot be resolved to its satisfaction, or upon petition by ten percent of the affected customers or 100 affected customers, whichever is less, it shall refer the matter to the office of hearing examiners with instructions for a public hearing as a contested case pursuant to chapter 15, and may further extend the period of suspension, but in no event shall the period of suspension be more than nine months from the date when the schedule of rates would otherwise go into effect. If the commission does not make a final determination on or before the expiration of 12 months from the date the rates were initially filed, the schedule of rates shall be deemed to have been approved by the commission. The overcharge resulting from implementation of the schedule prior to the final determination of the commission shall be refunded to the customers of the telephone company in a manner prescribed by rules of the commission. For the purposes of this subdivision "final determination" means the initial decision of the commission and not any order which may be entered by the commission in response to a petition for rehearing or other further relief. The commission may further suspend rates until it determines all such petitions.*

Page 3, delete line 22

Renumber the sections in order

Strike the title and insert:

"A bill for an act relating to public utilities; providing for rate case settlement without a hearing; providing for the assessment

of all costs of regulating telephone companies; amending Minnesota Statutes 1976, Chapter 237, by adding a section; and Minnesota Statutes, 1977 Supplement, Sections 216B.16, Subdivision 2; and 237.075, Subdivision 2; repealing Minnesota Statutes 1976, Section 237.29, as amended."

And when so amended H. F. No. 2461 will be identical to S. F. No. 2081, and further recommends that H. F. No. 2461 be given its second reading and substituted for S. F. No. 2081, 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. 449 be amended as follows:

Delete page 1, line 12 to page 6, line 7

Strike the title and insert:

"A bill for an act relating to game and fish; prohibiting certain means of taking fish; permitting the use of tip-ups; amending Minnesota Statutes 1976, Section 101.42, Subdivisions 11 and 20."

And when so amended H. F. No. 449 will be identical to S. F. No. 526, and further recommends that H. F. No. 449 be given its second reading and substituted for S. F. No. 526, 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. 1476 be amended as follows:

Page 5, line 11 delete "*provision of necessary*" and insert "*active promotion, encouragement, and development of adequate*"

Page 5, line 12, after "*services*" insert "*might*" and after "*to*" insert "*all*"

Page 6, line 23, delete the period after "*1c*" and insert a semi-colon

Page 6, delete lines 24 to 32

And when so amended H. F. No. 1476 will be identical to S. F. No. 1839, and further recommends that H. F. No. 1476 be given its second reading and substituted for S. F. No. 1839, 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. 2146 be amended as follows:

Page 1, line 22, delete "*of this act*"

Page 2, line 10, delete "*of this act*"

Page 3, line 12, delete "*the effective date of this act*" and insert "*August 1, 1978*"

Page 3, line 14, delete "*the*"

Page 3, line 15, delete "*effective date of this act*" and insert "*August 1, 1978*"

Page 3, line 20, restore the stricken language and delete the new language

Page 3, line 21, restore the stricken "*more*" and delete "*less*" and also delete "*five nor more than seven*" and insert "*six*"

Page 4, line 15, delete "*the effective date of this act*" and insert "*August 1, 1978*"

Page 4, line 18, delete "*the effective date of this act*" and insert "*August 1, 1978*"

Page 5, line 31, delete "*such*" and insert "*the*"

Page 5, line 32, delete "*as is*"

Page 6, line 5, delete "*such*" and insert "*the*" and delete "*as*"

Page 6, line 6, delete "*is*"

Page 6, line 14, delete "*such*" and insert "*the*"

Page 6, line 19, delete "*such*" and insert "*the*"

Page 6, line 29, delete "*such*" and insert "*the*"

Page 6, line 32, delete "*such*" and insert "*the*"

Page 7, line 3, delete "*such*" and insert "*the*"

Page 7, line 14, delete "*such*" and insert "*that*"

Page 7, line 17, delete "*such*" and insert "*that*"

Page 9, line 18, delete "*such*" and insert "*the*"

Page 9, line 24, delete "*such*" and insert "*the*"

Page 10, line 2, delete "*such*" and insert "*the*"

Page 10, line 5, delete "*such*" and insert "*the*"

Page 10, line 9, delete "*such*" and insert "*the*"

Page 10, line 10, delete "*such*" and insert "*the*"

Page 10, line 29, delete "*such*" and insert "*the*"

Page 11, line 22, delete "*such*" and insert "*the*"

Page 11, line 25, delete "*such*" and insert "*the*"

Page 11, line 27, delete "*such*" and insert "*the*"

Page 11, line 30, delete "*the effective date of this act*" and insert "*August 1, 1978*"

Page 12, line 1, delete the second "*the*"

Page 12, line 2, delete "*effective date of this act*" and insert "*August 1, 1978*"

Page 12, line 8, delete "*the second anniversary of*"

Page 12, line 9, delete everything before the period and insert "*August 1, 1980*"

Page 12, line 22, delete "*of this*"

Page 12, line 23, delete "*act*"

Page 12, line 26, delete "*such*"

Page 12, line 27, delete "*the effective date of this act*" and insert "*August 1, 1978*"

Page 12, line 30, delete "*the effective*"

Page 12, line 31, delete "*date of this act*" and insert "*August 1, 1978*"

Page 13, line 10, restore the stricken language and delete the new language

Page 13, line 11, restore the stricken "*more*" and delete "*less*" and also delete "*five nor more than seven*" and insert "*six*"

Page 15, line 8, delete "*of this act*"

Page 15, line 11, delete "*the effective date of this*" and insert "*August 1, 1978*"

Page 15, line 12, delete "*act*"

Page 15, line 25, delete "*the effective date of this act*" and insert "*August 1, 1978*"

Page 15, line 27, delete "*such*" and insert "*the*"

Page 15, line 31, delete "*the effective date of this act*" and insert "*August 1, 1978*"

Page 16, line 1, delete "*such*" and insert "*the*"

Page 16, line 6, delete "*such*"

Page 16, line 9, delete the new language and insert "*August 1, 1978*"

Page 16, line 10, delete the new language

Page 16, line 16, delete the new language and insert "*August 1, 1978*"

Page 16, line 17, delete the new language

Page 17, line 5, delete "*of this act*"

Page 19, line 1, delete "*such*" and insert "*the*"

Page 19, line 4, delete "*such*" and insert "*the*"

Page 19, line 8, delete "*such*" and insert "*the*"

Page 19, line 9, delete "*such*" and insert "*the*"

Page 19, line 12, delete "*such*" and insert "*the*"

Page 19, line 15, delete "*such*" and insert "*the*"

Page 19, line 25, delete "*of this act*"

Page 21, line 18, delete "*such*" and insert "*the*"

Page 21, line 21, delete "*such*" and insert "*the*"

Page 21, line 23, delete "*such*" and insert "*the*"

And when so amended H. F. No. 2146 will be identical to S. F. No. 1983, and further recommends that H. F. No. 2146 be given its second reading and substituted for S. F. No. 1983, 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. 2041 be amended as follows:

Page 1, after line 17 insert

"Section 1. Minnesota Statutes, 1977 Supplement, Section 43.051, Subdivision 1, is amended to read:

43.051 [AGE FOR RETIREMENT.] Subdivision 1. Notwithstanding the provisions of sections 197.45, 197.46, 197.47, 43.30, effective July 1, 1974, an officer or employee of the state of Minnesota in the classified or unclassified service of the state civil service and who is subject to the provisions of the Minnesota state retirement system must retire from his employment by the state if such officer or employee has reached the age of 68 prior to July 1, 1974, or upon reaching the age of 68. Effective July 1, 1975, an officer or employee of the state of Minnesota in the classified or unclassified service of the state civil service and who is subject to the provisions of the Minnesota state retirement system must retire from his employment by the state if such officer or employee has reached the age of 65 prior to July 1, 1975, or upon reaching the age of 65 70 . The mandatory retirement age for all other classified officers and employees of the state, except as provided in section 354.44, subdivision 1a, or if not otherwise provided for by law, shall be 70. Nothing in this subdivision shall apply to persons in the legislative branch or judicial branch."

Page 1, line 24, delete "*mandatorily*"

Page 2, line 7, after "*statutes*" insert "*or rules*"

Page 2, line 8, before the period insert:

"*provided that nothing in this section shall prohibit compulsory*

retirement of employees who have attained 70 years of age and provided further that nothing in this section shall prohibit compulsory retirement of professional, executive, or administrative employees, as defined in rules promulgated pursuant to chapter 177, who have attained 65 years of age but not 70 years of age and who are entitled to an immediate non-forfeitable annual retirement benefit from a pension, profit sharing, savings or deferred compensation plan, or any combination of these plans, of the employer of the employee, which equal in the aggregate at least \$27,000. If the retirement benefit is in a form other than a straight life annuity, the value of the benefit shall be determined according to rules promulgated by the commissioner of labor and industry"

Page 2, line 19, delete "such"

Page 2, line 20, delete "Such"

Page 2, line 24, before the period insert "or until the employee reaches the compulsory retirement age established by the employer"

Page 3, line 8, after "in" insert "the employer contribution"

Page 3, line 9, delete "funding or benefit"

Page 5, line 32, delete "such an" and insert "the"

Page 6, line 4, after "statute" insert "or the age is not less than 70 years"

Page 6, line 6, delete "181.81" and insert "1 of this act"

Page 6, line 7, delete "181.81" and insert "1 of this act"

Page 6, after line 19, insert

"Sec. 5. Minnesota Statutes, 1977 Supplement, Section 422A.09, Subdivision 3, is amended to read:

Subd. 3. The exempt class shall consist of:

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

(2) Persons filling elective position. Provided that any elective officer holding an elective city office, excepting judges of a municipal court, shall, upon written application to the retirement board, be entitled to become a member of the contributing class of the fund, and after becoming a contributor to the fund be entitled to all benefits conferred upon employees of the contributing class except retirement on a service allowance, which shall be granted only upon completion of ten or more years of service.

All retirement allowances shall be computed and determined as provided herein, except that in determining the number of years of service, credit shall be given for time served as an elective officer or employee, or member of an executive board or commission or any combination thereof. Persons who have served in elective posi-

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

(3) Person serving without pay.

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

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

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

age of 65 70 regardless of the provisions of the veterans preference act."

Page 6, line 28, restore the stricken language

Page 6, line 29, restore the stricken language

Page 6, after the stricken "65" insert "70" and restore the remainder of the line

Page 6, lines 31 and 32, restore the stricken language

Page 6, after line 32 insert

"Sec. 7. Minnesota Statutes 1976, Chapter 423, is amended by adding a section to read:

[423.076] [RETIREMENT; POLICE AND FIRE DEPARTMENTS.] *A compulsory retirement age of not less than 65 years may be established for persons on the payroll of a police or fire department which does not come within the provisions of section 423.075 or 423.26 without being a violation of section 2 of this act or section 4 of this act.*"

Page 7, delete lines 1 to 32

Page 8, delete lines 1 to 27

Page 8, line 29, delete "March 15" and insert "June 1"

Page 9, line 1, after "act" insert "*which mandates retirement prior to attaining 70 years of age*"

Page 9, line 6, after "policy" insert "*which mandates retirement prior to attaining 70 years of age*"

Page 9, line 6, delete "March 15" and insert "June 1"

Page 9, line 8, after "containing" insert "such"

Renumber the sections accordingly

Further, strike the title and insert

"A bill for an act relating to labor and employment; prohibiting mandatory retirement of public or private employees before the age of 70; rights and remedies of employees; amending Minnesota Statutes 1976, Sections 356.32; 422A.13, Subdivision 2; 423.075, Subdivision 1; and Chapters 181, by adding a section; 423, by adding a section and Minnesota Statutes, 1977 Supplement, Sections 43.051, Subdivision 1; 363.02, Subdivision 6; 422A.09, Subdivision 3."

And when so amended H. F. No. 2041 will be identical to S. F. No. 2000, and further recommends that H. F. No. 2041 be given its second reading and substituted for S. F. No. 2000, 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. 2516 be amended as follows:

Page 32, line 12, after "*paragraphs*" insert "*(b) and*"

And when so amended H. F. No. 2516 will be identical to S. F. No. 2048, and further recommends that H. F. No. 2516 be given its second reading and substituted for S. F. No. 2048, 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. 1317 be amended as follows:

Page 1, delete lines 10 to 17 and insert "Section 1. Minnesota Statutes 1976, Chapter 257, is amended by adding a section to read:"

Page 1, line 18, delete "sec. 2." and insert "[257.071]"

Page 1, line 21, delete "*, either*"

Page 1, line 23, delete "*Within one year after the effective date of this act*" and insert "*By July 1, 1979*"

Page 2, line 1, delete "*all children placed in a foster*"

Page 2, delete line 2 and insert "*each child who was residing in a foster home on July 1, 1978 and who has not been returned to the home of his natural parent or parents.*"

Page 2, line 4, delete "*ordered by the court or*"

Page 2, line 7, after "*placement*" insert a new comma

Page 2, line 9, after "*child*" insert "*who has signed the document*"

Page 2, delete lines 28 and 29

Page 2, line 30, delete "*(7)*" and insert "*(6)*"

Page 2, after line 31 insert

"*(7) The nature of the effort to be made by the social service agency responsible for the placement to reunite the family; and*"

Page 2, line 32, after "*parent*" insert "*or parents*"

Page 3, line 2, delete "*full*" and delete "*of termination proceedings*"

Page 3, line 3, delete "*pursuant to section 260.231*" and insert "*and a hearing as providing in chapter 260*"

Page 3, line 8, delete "*the child's*" and insert "*his*"

Page 3, line 9, after "*may*" insert "*also*"

Page 3, delete lines 15 to 32

Page 4, delete lines 1 to 32

Page 5, delete lines 1 to 17 and insert

"Subd. 2. [SIX MONTH REVIEW OF VOLUNTARY PLACEMENTS.] If the child has been placed in a foster home pursuant to a voluntary release by his natural parent or parents, the case plan shall be reviewed by the persons involved in its preparation 180 days after the initial placement of the child in a foster home if the child is not returned to the home of his natural parent or parents within that time.

Subd. 3. [18 MONTH REVIEW OF VOLUNTARY PLACEMENTS.] If the child has been placed in a foster home pursuant to a voluntary release by his natural parent or parents, and is not returned to his home within 18 months after his initial placement in the foster home, the social service agency responsible for the placement shall:

(a) Return the child to the home of his natural parent or parents; or

(b) File an appropriate petition pursuant to sections 260.131 or 260.231."

Page 5, line 20, before "Upon" insert "Subdivision 1." and strike "such" and insert "the"

Page 5, line 24, strike "such" and insert "the"

Page 5, line 26, strike "such" and insert "the"

Page 5, line 29, strike "in fact"

Page 5, line 31, strike "such" and insert "the"

Page 5, line 32, strike "such" and insert "the"

Page 6, line 8, before "Notwithstanding" insert "Subd. 2." and make subdivision 2 a new paragraph

Page 6, line 9, delete "this section" and insert "subdivision 1"

Page 6, delete lines 12 to 32

Page 7, delete lines 1 to 22 and insert

"Sec. 3. Minnesota Statutes 1976, Section 260.015, is amended by adding a subdivision to read:

Subd. 18. "Neglected and in foster care" means a child

(a) Who has been placed in foster care by court order; and

(b) Whose parents' circumstances, condition, or conduct are such that the child cannot be returned to them; and

(c) Whose parents, despite the availability of needed rehabilitative services, have failed to make reasonable efforts to adjust their circumstances, condition or conduct, or have willfully failed to meet reasonable expectations with regard to visiting the child or providing financial support for the child.

Sec. 4. Minnesota Statutes 1976, Section 260.111, Subdivision 1, is amended to read:

260.111 [JURISDICTION.] Subdivision 1. [CHILDREN WHO ARE DELINQUENT, NEGLECTED, DEPENDENT OR NEGLECTED AND IN FOSTER CARE.] Except as provided in section 260.125, the juvenile court has original and exclusive jurisdiction in proceedings concerning any child who is alleged to be delinquent, a juvenile traffic offender, neglected, *neglected and in foster care*, or dependent, and in proceedings concerning any minor alleged to have been a delinquent or a juvenile traffic offender prior to having become eighteen years of age. The juvenile court shall deal with such a minor as it deals with any other child who is alleged to be delinquent or a juvenile traffic offender.

Sec. 5. Minnesota Statutes 1976, Section 260.131, Subdivision 1, is amended to read:

260.131 [PETITION.] Subdivision 1. Any reputable person, including but not limited to any agent of the commissioner of public welfare, having knowledge of a child in this state or of a child who is a resident of this state, who appears to be delinquent, neglected, ~~or dependent~~, *or neglected and in foster care*, may petition the juvenile court in the manner provided in this section.

Sec. 6. Minnesota Statutes 1976, Section 260.155, is amended by adding a subdivision to read:

Subd. 7. *In determining whether a child is neglected and in foster care, the court shall consider, among other factors, the following:*

- (1) The length of time the child has been in foster care;*
- (2) The effort the parent has made to adjust his circumstances, conduct, or condition to make it in the child's best interest to return him to his home in the foreseeable future, including the use of rehabilitative services offered to the parent;*
- (3) Whether the parent has visited the child within nine months, unless it was physically or financially impossible for the parent to visit or not in the best interests of the child to be visited by the parent;*
- (4) The maintenance of regular contact or communication with the agency or person temporarily responsible for the child;*
- (5) The appropriateness and adequacy of services provided or offered to the parent to facilitate a reunion;*
- (6) Whether additional services would be likely to bring about lasting parental adjustment enabling a return of the child to the parent within an ascertainable period of time; and*
- (7) The nature of the effort made by the responsible social service agency to rehabilitate and reunite the family.*

Sec. 7. Minnesota Statutes 1976, Section 260.191, Subdivision 1, is amended to read:

260.191 [DISPOSITIONS; CHILDREN WHO ARE NEGLECTED, DEPENDENT, OR NEGLECTED AND IN FOSTER CARE.] Subdivision 1. If the court finds that the child is neglected, ~~or dependent, or neglected and in foster care~~, it shall enter an order making any of the following dispositions of the case:

(a) Place the child under the protective supervision of the county welfare board or child placing agency in his own home under conditions prescribed by the court directed to the correction of the neglect or dependency of the child;

(b) Transfer legal custody to one of the following:

(1) A child placing agency; or

(2) The county welfare board;

(c) If the child is in need of special treatment and care for his physical or mental health, the court may order the child's parent, guardian, or custodian to provide it. If the parent, guardian, or custodian fails to provide this treatment or care, the court may order it provided.

Any order for a disposition authorized under this section shall contain written findings of fact to support the disposition ordered, and shall also set forth in writing the following information:

(a) Why the best interests of the child are served by the disposition ordered; and

(b) What alternative dispositions were considered by the court and why such dispositions were not appropriate in the instant case.

Sec. 8. Minnesota Statutes 1976, Section 260.191, Subdivision 4, is amended to read:

Subd. 4. When it is in the best interests of the child or his parents to do so and when either the allegations contained in the petition have been admitted, or when a hearing has been held as provided in section 260.155 and the allegations contained in the petition have been duly proven, before a finding of neglect or dependency *or a finding that a child is neglected and in foster care* has been entered the court may continue the case for a period not to exceed 90 days on any one order. Such a continuance may be extended for one additional successive period not to exceed 90 days and only after the court has reviewed the case and entered its order for an additional continuance without a finding *that the child is neglected, dependent, or neglected and in foster care of neglect or dependency*. During this continuance the court may enter any order otherwise permitted under the provisions of this section.

Sec. 9. Minnesota Statutes 1976, Section 260.181, Subdivision 3, is amended to read:

Subd. 3. [PROTECTION OF RELIGIOUS AND ETHNIC AFFILIATION.] The court, in transferring legal custody of any

child or appointing a guardian for him under the laws relating to juvenile courts, shall place him so far as it deems practicable in the legal custody or guardianship of some individual holding the same religious belief *and the same ethnic origin* as the parents of the child, or with some association which is controlled by persons of like religious faith *and ethnic origin with* as the parents. *The court may require the county welfare agency to continue efforts to find a guardian of like religious faith or ethnic origin when such a guardian is not immediately available."*

Page 8, after line 26 insert

"Sec. 11. Minnesota Statutes 1976, Section 260.235, is amended to read:

260.235 [DISPOSITION; PARENTAL RIGHTS NOT TERMINATED.] If, after a hearing, the court does not terminate parental rights but determines that conditions of neglect or dependency exist, *or that the child is neglected and in foster care*, the court may find the child neglected, ~~or dependent~~, *or neglected and in foster care* and may enter an order in accordance with the provisions of section 260.191.

Sec. 12. Minnesota Statutes 1976, Section 260.291, Subdivision 1, is amended to read:

260.291 [APPEAL.] Subdivision 1. [PERSONS ENTITLED TO APPEAL; PROCEDURE.] An appeal may be taken by the aggrieved person from a final order affecting a substantial right of the aggrieved person, including but not limited to an order adjudging a child to be dependent, neglected, *neglected and in foster care*, delinquent, or a juvenile traffic offender. The appeal shall be taken within 30 days of the filing of the appealable order. The clerk of court shall notify the person having legal custody of the minor of the appeal. Failure to notify the person having legal custody of the minor shall not affect the jurisdiction of the appellate court. The order of the juvenile court shall stand, pending the determination of the appeal, but the reviewing court may in its discretion and upon application stay the order.

Sec. 13. [REPEALER.] *Minnesota Statutes 1976, Section 257.07, is repealed.*

Sec. 14. [EFFECTIVE DATE.] *This act is effective July 1, 1978."*

Renumber the sections in order

Further, strike the title and insert

"A bill for an act relating to children; requiring the preparation of case plans for children placed in foster care; permitting termination of parental rights as to children who are neglected and in foster care; amending Minnesota Statutes 1976, Sections 259.29; 260.015, by adding a subdivision; 260.111, Subdivision 1; 260.131, Subdivision 1; 260.155, by adding a subdivision; 260.191, Subdivisions 1 and 4; 260.181, Subdivision 3; 260.221; 260.235; and 260.291, Subdivision 1; and Chapter 257, by adding a section; repealing Minnesota Statutes 1976, Section 257.07."

And when so amended H. F. No. 1317 will be identical to S. F. No. 1013, and further recommends that H. F. No. 1317 be given its second reading and substituted for S. F. No. 1013 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. 1246 be amended as follows:

Strike all the language after the enacting clause of H. F. No. 1246 and insert the language after the enacting clause of S. F. No. 1464, as amended by the Committee on Judiciary, adopted by the Senate March 11, 1978; further, strike the title of H. F. No. 1246 and insert the title of S. F. No. 1464, as amended.

And when so amended H. F. No. 1246 will be identical to S. F. No. 1464, and further recommends that H. F. No. 1246 be given its second reading and substituted for S. F. No. 1464, 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. 1091 be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. [112A.01] [POLICY STATEMENT.] Conservation of the state's water resources is a state function, and the public interest, welfare, convenience, and necessity require the creation of water user districts and the construction of systems of works, in the manner provided, for the conservation, storage, distribution, and use of water. The construction of systems of works by districts, as provided, is hereby declared to be in all respects for the welfare and benefit of the people of Minnesota.

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.

Sec. 3. [112A.03] [DEFINITIONS.] Subdivision 1. For the purposes of this act the following terms have the definitions given in this section.

Subd. 2. "Water user district" or "district" means a district organized under this act, either as originally organized or as re-organized, altered, or extended.

Subd. 3. "Board" means the board of directors of a district organized under this act.

Subd. 4. "Works" and "system" include all lands, property,

rights, rights of way, easements, and related franchises deemed necessary or convenient for their operation, all water rights acquired or exercised by the board in connection with works, all means of conserving, controlling, and distributing water, including, but not limited to, reservoirs, dams, feeder canals, diversion canals, distributing canals, lateral ditches, structures, pumping units, mains, pipelines, and waterworks systems, and all works for the conservation, development, storage above or under the ground, spreading, distribution, and utilization of water, including, but not limited to, works for the purpose of watering of stock, supplying of water for public, domestic, industrial, and other uses.

Subd. 5. "Project" means any one of the works defined, or any combination of works which are physically connected or jointly managed and operated as a single unit.

Subd. 6. "City" means any home rule charter or statutory city.

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.

Sec. 4. [112A.04] [WATER USER DISTRICT; ORGANIZATION.] A water user district may be organized as provided in this act, and may sue and be sued in its corporate name. The procedure for creating and incorporating a district under the provisions of this act shall be as provided by this act.

Sec. 5. [112A.05] [PETITION FOR ORGANIZATION.] A water user district may be organized under the provisions of this act after filing with the court a petition in compliance with the requirements set forth, and the approval of the petition by the court. The petition shall state that it is the intent and purpose of the petitioners to create a district under the provisions of this act, subject to approval by the court. The petition shall contain:

- (1) The name of the proposed district;
- (2) The object and purpose of the system proposed to be constructed or acquired, together with a general description of the nature, location, and method of operation of the proposed works;
- (3) A description of the land constituting the proposed district and its boundaries, and the names of any cities or towns included partly or wholly within the boundaries;
- (4) The location of the principal place of business of the proposed district;
- (5) A statement that the proposed district shall not have the power to levy taxes or assessments;
- (6) The number of members of the board of directors of the proposed district, which shall be not less than five nor more than thirteen, a statement as to whether the directors shall be elected at large or shall be apportioned to election divisions, the names and addresses of the members who shall serve until their successors are elected and qualified as provided in this act, and if election

divisions are provided for, the respective divisions which the directors are to represent. The persons named in the petition as directors shall be owners of land within the district. If election divisions are provided for, they shall be owners of land within the divisions they are to represent.

Sec. 6. [112A.06] [LANDS INCLUDED.] The lands proposed to be included within the district need not consist of contiguous parcels. A district may to the extent authorized by resolution of the governing body of the city consist of land within 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.

Sec. 7. [112A.07] [ORGANIZATION OF DISTRICT WITHIN TERRITORIAL BOUNDARIES OF ANOTHER DISTRICT.] A district may be organized within, or partly within, the territorial boundaries of another district organized under this or other law, so long as the works or systems, their operation, the exercise of powers and the assumptions of duties and responsibilities, of one district, do not nullify, conflict with, or materially affect those of another preexisting district.

Sec. 8. [112A.08] [DIRECTORS; ELECTION.] Directors may be elected either at large, or from election divisions. If the petition states that the directors shall be elected from election divisions, the petition shall describe the boundaries of the divisions, which may be drawn either with or without regard to the limits of any city or town included within the district boundaries.

Sec. 9. [112A.09] [GROUPING OF DIRECTORS ELECTED AT LARGE; TERM OF OFFICE.] If directors are to be elected at large, the directors named in the petition shall be divided as nearly as possible into three equal groups. The members of group 1 shall hold office until their successors, elected at the first regular district election thereafter, have qualified. The members of group 2 shall hold office until their successors, elected at the second regular district election thereafter, have qualified. The members of group 3 shall hold office until their successors, elected at the third regular district election thereafter, have qualified. Thereafter all directors elected shall serve for a term of three years and until their successors are elected and qualified. After the name of each director shall be stated to which group he belongs.

Sec. 10. [112A.10] [PETITION; SIGNATURES.] The petition must be signed by 50 percent of the landowners, except the holders of easements for electric or telephone transmission and distribution lines, within the area outside the limits of any city constituting the proposed district. If the proposed district includes any area within a city, the petition must 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. On each petition, set opposite the signature of each petitioner, shall be stated his name and post office address and the location of land of which he is the owner.

Sec. 11. [112A.11] [INSTRUMENTS CONSTITUTING PETITION.] The petition may contain any number of separate instruments, and to each sheet for petitioners' signatures shall be attached a full and correct copy of the petition. Every sheet of every petition containing signatures shall have below the signatures an affidavit by the circulator in substantially the following form:

State of Minnesota,

County of

....., being first duly sworn, deposes, that he is the circulator of the foregoing petition containing..... signatures; that each person whose name appears on the petition sheet personally signed the petition in the presence of affiant; that he believes that each signer is an owner of the land described opposite his signature, to be included within the proposed district, residing at the address written opposite his name, and that affiant stated to every petitioner before he affixed his signature the legal effect and nature of the petition.

.....
Circulator.

Sec. 12. [112A.12] [MAPS, PLANS AND ESTIMATES.] The petition shall be accompanied by maps showing the location of land within the proposed district and the proposed system of works, and by other maps, plans, and estimates as necessary to describe fully the proposed system.

Sec. 13. [112A.13] [EXAMINATION OF PETITION.] Upon receipt of the petition, the court shall determine whether it complies with the requirements of this act and dismiss the petition if the requirements are not complied with. The petitioners may present a new petition covering the same matter, or the same petition with additional signatures if additional signatures are necessary.

Sec. 14. [112A.14] [PUBLICATION OF PETITION.] The petition shall be published in each county in which lands within the proposed district lie, in a newspaper of general circulation published in the county, once each week for at least two successive weeks before the time the petition is filed with the court together with a list of names of the petitioners within the county and their addresses and lands owned.

Sec. 15. [112A.15] [PROTEST AGAINST ORGANIZATION.] Any owner of land within the proposed district who did not sign the petition may file with the court a protest against the qualifications of any signer of the petition, and the court shall consider and determine the validity of protests.

Sec. 16. [112A.16] [INVESTIGATION OF PROPOSED DISTRICT AND WORKS.] If the court determines that the petitioners have complied with the requirements of this act, it shall order the petitioners to hire an engineer, with the approval of the

court, to make an immediate investigation of the proposed district and of its proposed works, systems, or plans and of the engineering and economic feasibility of the project.

Sec. 17. [112A.17] [FEASIBILITY; RECORDING; ESTABLISHMENT.] The court, within 90 days from the 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. Thereupon, the district, under its designated name, shall be a body politic and corporate under the provisions of this act and a public corporation of the state.

Sec. 18. [112A.18] [DIRECTORS; QUALIFICATION; MEETING.] Upon the filing of the certificate in the office of the secretary of state and a certified copy in the office of each county auditor, the members of the board of directors named in the petition shall qualify and immediately assume the duties of their office. Failure or refusal to qualify within a period of 15 days thereafter shall be deemed to create a vacancy which shall be filled as provided by this act. The first meeting of the board of directors shall be called by the director first named in the petition who qualifies.

Sec. 19. [112A.19] [ADDITIONAL TERRITORY.] The procedure for extending a water user district by including additional territory shall be as provided by sections 20 to 23.

Sec. 20. [112A.20] [PETITION TO INCLUDE ADDITIONAL TERRITORY.] A water user district may be extended by including additional territory by filing with the court a petition signed by at least 50 percent of the land owners, 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 of the district, upon compliance with the requirements hereinafter set forth. The petition shall contain a description of the lands to be included.

Sec. 21. [112A.21] [MAPS; PLANS; ESTIMATES.] The petition shall be accompanied by maps showing the location of the lands to be included, the proposed system of works and other plans and estimates as necessary to fully describe the project.

Sec. 22. [112A.22] [PUBLICATION; PROTESTS.] The petition shall be published in each county in which the lands to be included lie, in a newspaper of general circulation published in the

county, once each week for at least two successive weeks before the time the petition is filed with the court together with the list of names of the petitioners and their addresses and land owned. Any owner of land within the area to be included, who did not sign the petition may file a written protest with the court as provided in section 15.

Sec. 23. [112A.23] [APPROVAL OF EXTENSION.] Upon receipt of the petition the court shall act upon the petition in the same manner as required upon an original petition to create a district, as set forth in sections 13 to 18.

Upon the court's approval of the petition and project, and the issuance 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 the included areas shall be part of the district.

Sec. 24. [112A.24] [MEMBERS, ELECTION, TERMS.] After the election of the original board of directors of a district as provided in section 5, members of the board to succeed those in the three groups provided for in section 9, respectively, and to fill unexpired terms, shall be nominated and elected and shall take office in the following manner. Upon the first Tuesday in February next following the qualification of the original board of directors and upon the first Tuesday in February of each year thereafter, an election shall be held to elect directors to succeed those whose terms are about to expire. The term of each director thus elected shall commence upon the third Tuesday in February after his election and continue for three years and until his successor is elected and qualified. Election of directors shall be conducted as provided by section 25.

Sec. 25. [112A.25] [ELECTIONS; PLACE.] Subdivision 1. The board of directors of the district shall fix the hour and place, within the boundaries of the district, of each election and shall preside. If the district is divided into election divisions, the board in its discretion shall fix a place of election within each election division, and the directors who represent that division shall preside.

Subd. 2. Every person or corporation which is a party to a contract with the district for the purchase of water to be furnished by the district, may cast one vote at each election for each director to be elected. In case election divisions are provided for, each person or corporation entitled to vote by reason of being a party to a contract shall select the division in which he or it shall vote, which selection shall be made under rules established by the board of directors.

Subd. 3. The board shall at least 20 days prior to the date of election, mail to each person or corporation entitled to vote, at his or its last known place of residence or business, a notice stating the time, place, and purpose of the election or, in the alternative, publish in each county in which lands within the district lie, in a newspaper of general circulation in the county, once each week for at least two successive weeks before the time of election, a notice that the election will be held giving the purpose, time and place.

Subd. 4. At the hour and place of the election, the presiding directors shall call the roll of those entitled to vote, and the number of votes to which each is entitled. They shall make a record of the qualified voters present and prescribe the manner of casting ballots and canvassing votes. If election divisions are provided for, but the election is held at one place within the district instead of being held in each division, the board shall call the roll for each division and conduct the election for each division separately. All costs incident to the election of directors shall be paid by the district.

Subd. 5. The candidate for director required to fill an existing vacancy or to succeed an outgoing director who receives the highest number of votes cast shall be declared elected.

Sec. 26. [112A.26.] [DIRECTORS.] Subdivision 1. No person shall be qualified to hold office as a member of the board of directors of any district unless he is a party to a contract with the district.

Subd. 2. Vacancies on the board by reason of death, disability, failure to hold land in the district, or in the election division if election divisions are provided for, or otherwise shall be filled by the board of directors. The members elected to fill vacancies shall serve until members to fill out the remainder of the terms may be elected at the next succeeding district election.

Subd. 3. Members of the board of directors shall be paid their actual expenses while engaged in performing the duties of their office or otherwise engaged upon the business of the district. In addition they may receive as compensation for services \$35 per day for not more than ten days each month.

Sec. 27. [112A.27] [OFFICERS.] Subdivision 1. The board of directors shall elect the officers of the district who shall be a president, a vice president, a secretary and a treasurer. The board shall appoint an executive committee and other officers, agents, and employees as necessary to transact the business of the district. The president, vice president and treasurer shall be elected from the membership of the board of directors.

Subd. 2. The treasurer shall furnish and maintain a corporate surety bond in an amount sufficient to cover all moneys coming into his possession or control, which shall be satisfactory in form and with sureties approved by the court. The bond, as approved, shall be filed with the court, and the premium upon the bond paid by the district.

Sec. 28. [112A.28] [BOARD OF DIRECTORS.] Subdivision 1. The corporate powers of the district shall be exercised by the board of directors of the district.

Subd. 2. The board of directors may adopt rules and regulations or bylaws, consistent with this act, for the conduct of the business and affairs of the district. The board of directors shall cause to be kept accurate minutes of their meetings and accurate records and books of account, conforming to approved methods of bookkeeping,

clearly setting out and reflecting the entire operation, management, and business of the district. The books and records shall be kept at the principal place of business of the district and at reasonable business hours always open to public inspection.

Sec. 29. [112A.29] [POWERS.] Subdivision 1. A district organized under the provisions of this act shall have the powers provided by this act and may own, have, or exercise the rights, privileges, and franchises provided by this act.

Subd. 2. The district shall have all the usual powers of a public corporation, and may acquire by purchase, gift, or other lawful means and hold real or personal property reasonably necessary for the conduct of its business, or lease property for its proper purposes, and sell, lease, or otherwise dispose of property when not needed.

Subd. 3. The district may own, construct, reconstruct, improve, purchase, condemn, lease, receive by gift, or otherwise acquire, hold, extend, manage, use, or operate any "works", as defined in this act, and any and every kind of property, personal or real, necessary, useful, or incident to their acquisition, extension, management, use, and operation, and may sell, mortgage, alienate, or otherwise dispose of works under the terms and conditions provided in this act.

Subd. 4. A district may enter into any contract, lease, agreement, or arrangement with a state, county, city, town, district, governmental or public corporation or association, or with a person, firm, or corporation, public or private, or with the government of the United States, or with any officer, department, bureau, or agency thereof, or with any corporation organized under federal law to exercise the powers set forth in this section, or for the sale, leasing, or otherwise furnishing or establishing of water rights, water supply, conveyance and distribution of water, water service, or water storage, for domestic, industrial, municipal, or stock watering purposes, or for the financing or payment of the cost and expenses incident to the construction, acquisition, or operation of works, or incident to any obligation or liability entered into or incurred by the district.

Subd. 5. A district may exercise any of the powers enumerated in this section either within or beyond or partly within and partly beyond the boundaries of the district and of the state, unless prohibited by the law of the area or state concerned or of the United States of America.

Subd. 6. A district may appropriate the waters of the state in the same manner as other persons under the laws of this state. A district shall not, in the exercise of the powers conferred by this act, interfere with, injure, or otherwise damage or affect existing water rights, other than through the purchase of the rights or through condemnation proceedings. No district, corporation, association, or individual holding a water right for lands located either within or outside the boundaries of a district shall be in any way affected by the operations of the district other than by reason of a contract

voluntarily entered into by the organization or individual with the district, or by reason of the exercise by the district of the power of eminent domain.

Subd. 7. A district may exercise the power of eminent domain pursuant to chapter 117 after declaring by resolution the necessity for and purpose of the taking of property and the extent of the taking.

Subd. 8. The district shall have no power of taxation, or of levying assessments for special benefits. No governmental authority shall have power to levy or collect taxes or assessments for the purpose of paying, in whole or in part, any indebtedness or obligation of or incurred by the district or upon which the district may be or become in any manner liable. Nor shall any privately owned property within or outside a district, or the owner thereof, nor any city, town, county, or other political subdivision or public or private corporation or association or its property, be directly or indirectly liable for any district indebtedness or obligation beyond the liability to perform an express contract between the owner or public or private organization and the district.

Subd. 9. No person, city, town, county, or other governmental subdivision, or other public or private corporation or association shall be liable for the payment of any rent or charge for water storage, water supply, or for any of the costs of operation of a district, unless a contract has been entered into between the person or public or private organization and the district furnishing water storage or water supply. All capital and operating expenses shall be borne by the users in proportion to their use of water supplied by the district.

Subd. 10. A district organized under this act may exercise any power conferred by this act to obtain grants or loans or both from any federal agency pursuant to acts of congress, and may accept from private owners or other sources, gifts, deeds or instruments of trust or title relating to land, water rights and any other form of property.

Subd. 11. A district may purchase and acquire lands, water rights, rights of way, and real and personal properties of every nature in cooperation with the United States under conditions as may to the board seem advisable, and to convey them under the conditions, terms and restrictions approved by the directors and the federal government or any of its agencies and to pay the purchase price and any and all construction costs or other necessary expenses and costs in connection with any works contemplated by this act either from its own funds or cooperatively with the federal government.

Sec. 30. [112A.30] [CONTRACTS.] Subdivision 1. Before a district shall enter into a contract for the construction, alteration, extension, or improvement of irrigation works, or any part or section thereof, or a building for the use of the district, or for the purchase of materials, machinery, or apparatus, the district shall cause estimates of the cost to be made by a competent engineer or engineers, and if the estimated cost exceeds \$1,500 no contract

shall be entered into for a price, cost or consideration exceeding the estimate nor without advertising for sealed bids.

Subd. 2. Prior to advertisement, plans and specifications for the proposed construction work or materials shall be prepared and filed at the principal office or place of business of the district. The advertisement shall designate the nature of construction work proposed to be done or materials proposed to be purchased. The board shall supervise bid lettings by water user districts.

Sec. 31. [112A.31] [DEBT.] The district may borrow money and incur indebtedness by issuing its obligations or entering into contracts for any lawful corporate purpose; provided that all such obligations and contracts, whether express or implied, shall be payable solely:

(1) from revenues, income, receipts and profits derived by the district from its operation and management of systems and irrigation works; or

(2) from the proceeds of warrants, notes, revenue bonds, debentures, or other evidences of indebtedness issued and sold by the district which are payable solely from such revenues, income, receipts and profits; or

(3) from federal or state grant gifts or other moneys received by the district which are available therefor.

The district may by resolution pledge any such source to the payment of such obligations and contracts and the interest coming due thereon. Any resolution may specify the particular revenues that are pledged and the terms and conditions to be performed by the district and the rights of the holders of district obligations, and may provide for priorities of liens in any such revenues as between the holders of district obligations issued at different times or under different resolutions. The district may provide for the refunding of any district obligation through the issuance of other district obligations, entitled to rights and priorities similar in all respects to those held by the obligations that are refunded. All such obligations and refunding obligations shall be issued in accordance with the provisions of Minnesota Statutes, Chapter 475, except that such obligations may be sold by negotiation at a net average interest rate not exceeding eight percent per annum.

Sec. 32. [112A.32] [SERVICE CHARGES.] Subdivision 1. The directors of the district are authorized to agree with the holders of district obligations as to the maximum or minimum amounts which the district shall charge and collect for water sold by the district.

Subd. 2. The directors of the district are authorized to fix and establish the prices, rates and charges at which any and all services, products, resources and facilities made available under the provisions of this act shall be sold and disposed of; to enter into any and all contracts and agreements, and to do any and all things which in its judgment are necessary, convenient or expedient for the accomplishment of any and all the purposes and objects of this

act, under the general regulations and upon the terms, limitations and conditions it shall prescribe; and the directors shall enter into contracts and fix and establish prices, rates and charges so as to provide at all times funds which will be sufficient to pay all costs of operation and maintenance of any and all of the works and systems authorized by this act, together with necessary repairs thereto, and which will provide at all times sufficient funds to meet and pay the principal and interest of all obligations and other evidences of indebtedness of the district when due. Nothing in this act shall authorize any change, alteration or revision of rates, prices or charges established by any contract entered into under authority of this act except as provided by the contract.

Subd. 3. Every contract made by the board for the sale, conveyance and distribution of water, use of water, water storage, or other service, or for the sale of any property or facilities, shall provide that in the event of any failure or default in the payment of any moneys specified in the contract to be paid to the board, the board may, upon notice as shall be prescribed in the contract, terminate the contract and all obligations thereunder. The act of the board in ceasing on a default to furnish or deliver water, use of water, or water storage, under a contract shall not deprive the board of, or limit any remedy provided by the contract or by law for the recovery of money due or which may become due under the contract.

Sec. 33. [112A.33] [DISBURSEMENTS; FISCAL YEAR; AUDITS.] Subdivision 1. Money of the district shall be paid only upon approval of the board of directors and by warrant or other instrument in writing signed by the president and by the treasurer of the district. In case of the death, absence or other disqualification of the president, the vice president shall sign warrants or other instruments.

Subd. 2. The fiscal year of the district shall coincide with the calendar year. The board of directors, at the close of each year's business, shall cause an audit of the books, records and financial affairs of the district to be made by an experienced public accountant, copies of a written report of which audit, certified to by the auditors, shall be placed and kept on file at the principal place of business of the district and shall be filed with the secretary of state.

Sec. 34. [112A.34] [WORKS; OWNERSHIP; SALE.] Subdivision 1. No water supply works owned by the district shall be sold, alienated, or mortgaged by the district, except under the circumstances described by this section.

Subd. 2. If in the judgment of the board of directors it is for the best interest of the district to sell any portion of the district works not needed for the performance of any outstanding contract, and not mortgaged or hypothecated as provided for in subdivision 3, the board shall pass a resolution to that effect and shall submit the question to the department for approval. If the department approves, the board shall call a special election at which the

question of selling the portion of the works shall be submitted to the electors of the district qualified to vote for district directors. The board shall mail to each qualified elector, at his last known place of residence or place of business, a notice stating the time, place, and purpose of the election, and so far as practicable shall conduct the election in all other respects as provided in section 25. If a majority of all qualified electors of the district vote "yes", the board may sell the portion of the works.

Subd. 3. If, in order to borrow money from the federal government or from any of its agencies, or from the state, it is necessary that the district mortgage or otherwise hypothecate any or all of its property to secure the payment of loans made to it, the district may mortgage or hypothecate property and assets for the purpose. Nothing in this section shall prevent the district from assigning, pledging, or otherwise hypothecating its revenues, incomes, receipts, or profits to secure the payment of indebtedness to the federal government or any agency thereof, or the state. The state shall never pledge its credit or funds, or any part thereof, for the payment or settlement of any indebtedness or obligation whatsoever of any district created under the provisions of this act. Nothing in this act authorizes any agency of the state to make loans to a district, unless the agency is otherwise authorized by law.

Sec. 35. [112A.35] [FORECLOSURE.] If any district created under this act shall execute and deliver a mortgage or trust deed to secure the payment of any moneys borrowed by it for the purposes herein authorized, it may be provided in the mortgage or trust deed that it may be foreclosed upon default and a receiver may be appointed with the authority provided in the mortgage or trust deed.

Sec. 36. [112A.36] [DISSOLUTION.] Subdivision 1. Any district may be dissolved by authorization of a majority vote of the electors, qualified to vote for district directors, voting thereon at a special election called by the board of directors for that purpose, notice of which shall be mailed to each qualified elector at least 20 days prior to the date of the election and the procedure for which shall conform as nearly as may be to the procedure provided in section 25, for the election of directors. The district shall discharge its obligations before dissolution.

Subd. 2. Dissolution shall be completed upon resolution of the board of directors canvassing the vote and declaring that a majority of the qualified electors voting thereon have voted in favor of dissolution. A verified copy of the resolution shall be filed with the clerk of court and in the office of the county auditor of each county in which any portion of the district shall lie.

Subd. 3. In case of dissolution all applications for appropriation of water shall be canceled and all rights of the district in applications shall end.

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."

Further, amend the title as follows:

Line 3, delete "rural"

And when so amended H. F. No. 1091 will be identical to S. F. No. 954, and further recommends that H. F. No. 1091 be given its second reading and substituted for S. F. No. 954, 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. 1819 be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes, 1977 Supplement, Section 176.011, Subdivision 9, is amended to read:

Subd. 9. [EMPLOYEE.] "Employee" means any person who performs services for another for hire; and includes the following:

- (1) an alien;
- (2) a minor;
- (3) a sheriff, deputy sheriff, constable, marshal, policeman, fireman, a county highway engineer, and a peace officer while engaged in the enforcement of peace or in and about the pursuit or capture of any person charged with or suspected of crime;
- (4) a county assessor;
- (5) an elected or appointed official of the state, or of any county, city, town, school district or governmental subdivision therein but an officer of a political subdivision elected or appointed for a regular term of office or to complete the unexpired portion of any such regular term, shall be included only after the governing body of the political subdivision has adopted an ordinance or resolution to that effect;
- (6) an executive officer of a corporation except an officer of a family farm corporation as defined in section 500.24, subdivision 1, clause (c) , *nor shall it include executive officers of closely held corporations who are referred to in section 2 of this act ;*
- (7) a voluntary uncompensated worker, other than an inmate, rendering services in state institutions under the commissioner of public welfare and state institutions under the commissioner of corrections similar to those of officers and employees of such in-

stitutions, and whose services have been accepted or contracted for by the commissioner of public welfare or the commissioner of corrections as authorized by law, shall be employees within the meaning of this subdivision. In the event of injury or death of any such voluntary uncompensated worker, the daily wage of the worker, for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of such injury or death for similar services in institutions where such services are performed by paid employees;

(8) a voluntary uncompensated worker engaged in peace time in the civil defense program when ordered to training or other duty by the state or any political subdivision thereof, shall be employees. The daily wage of the worker for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of such injury or death for similar services where such services are performed by paid employees;

(9) a voluntary uncompensated worker participating in a program established by a county welfare board shall be an employee within the meaning of this subdivision. In the event of injury or death of any such voluntary uncompensated worker, the wage of the worker, for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid in the county at the time of such injury or death for similar services where such services are performed by paid employees working a normal day and week;

(10) a voluntary uncompensated worker accepted by the commissioner of natural resources who is rendering services as a volunteer pursuant to section 85.041 shall be an employee. The daily wage of the worker for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of injury or death for similar services where such services are performed by paid employees.

(11) a member of the military forces, as defined in section 190.05, while in "active service" or "on duty" as defined in section 190.05, when the service or duty is ordered by state authority. The daily wage of the member for the purpose of calculating compensation payable under this chapter shall be based on the member's usual earnings in civil life. If there is no evidence of previous occupation or earning, the trier of fact shall consider the member's earnings as a member of the military forces;

(12) a voluntary uncompensated worker, accepted by the director of the Minnesota historical society, rendering services as a volunteer, pursuant to chapter 138, shall be an employee. The daily wage of the worker, for the purposes of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of injury or death for similar services where such services are performed by paid employees.

In the event it is difficult to determine the daily wage as herein provided, then the trier of fact may determine the wage upon which the compensation is payable.

Sec. 2. Minnesota Statutes, 1977 Supplement, Section 176.012, is amended to read:

176.012 [OWNERS MAY BE COVERED.] If a workers' compensation policy is procured For the purposes of this chapter, an owner or owners of a business or farm, executive officer of a family farm corporation as defined in section 500.24, subdivision 1, clause (c), or executive officers of a closely held corporation which employed less than the equivalent of 11 full time employees in the previous calendar year if those executive officers are also owners of at least 25 percent of the stock of that corporation, and the spouse, parent, and child, regardless of age, of the farm owner or farm owners or executive officer and working therefor, or partners of a partnership owning a business or farm, whether or not employing any other person to perform a service for hire, shall be included within the meaning of the term employee unless if such owner, owners, partners or , family farm corporation or executive officer of a closely held corporation elect in writing not to come bring themselves, and executive officer, or a spouse, parent, or child under the provisions of this chapter, and the policy so states the election provide the insurance required thereunder . Nothing in this section shall be construed to limit the responsibilities of such owners, partners or , family farm corporations or closely held corporations to provide coverage for their employees, if any, required under this chapter.

Sec. 3. Minnesota Statutes, 1977 Supplement, Section 176.101, Subdivision 7, is amended to read:

Subd. 7. [COMPENSATION DURING RETRAINING.] For any injury producing permanent disability which will prevent the employee from adequately performing the duties of the occupation he held at the time of injury, or any other injury which will or is likely to produce indefinite and continuous disability in excess of 26 weeks, the commissioner of the department of labor and industry shall require that the injured employee be promptly referred to the division of vocational rehabilitation, department of education, or other public or private, properly accredited agency, to determine if retraining for a new occupation would significantly reduce or remove any reduction in employability caused by the injury. The employer shall pay any usual and reasonable expenses and charges for such evaluation. If the evaluating agency certifies to the commissioner of the department of labor and industry that a period of retraining will significantly reduce or prevent the decrease in employability resulting from the injury, and if the commissioner of the department of labor and industry, compensation judge, or worker's compensation court of appeals, in cases upon appeal, determines the retraining is necessary and makes an order for such compensation, the employer shall pay up to 156 weeks of additional compensation during the actual period of retraining according to the schedule of compensation for temporary total disability and shall pay any other expense determined as reasonably necessary to restore former earning capacity by the commissioner of labor and industry after consultation with the division of vocational rehabilitation to rehabilitate the employee. No payment shall be due under

section 176.101, subdivisions 1, 2, 4, or 5 for the actual period of retraining for which weekly compensation benefits are paid under this subdivision.

Sec. 4. This act is effective the day after final enactment. "

Further, strike the title and insert:

"A bill for an act relating to workers' compensation; providing for the coverage of certain farm and business owners and employees upon election; providing retraining benefits for certain employees; amending Minnesota Statutes, 1977 Supplement, Sections 176.011, Subdivision 9; 176.012; and 176.101, Subdivision 7."

And when so amended H. F. No. 1819 will be identical to S. F. No. 1753, and further recommends that H. F. No. 1819 be given its second reading and substituted for S. F. No. 1753, and that the Senate File be indefinitely postponed.

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

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

H. F. Nos. 1227, 1799, 2218, 2246, 1943, 2124 and 1950 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.
1227	1130				
1799	1648				
2218	1885				
2246	2154				
1943	1618				
2124	1926				
1950	2181				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1227 be amended as follows:

Page 1, after line 16, insert

"Sec. 2. Minnesota Statutes, 1977 Supplement, Section 52.04, Subdivision 1, is amended to read:

52.04 [POWERS.] Subdivision 1. A credit union shall have the following powers:

(1) To receive the savings of its members either as payment on shares or as deposits, including the right to conduct Christmas clubs, vacation clubs, and other such thrift organizations within its membership;

(2) To make loans to members for provident or productive purposes as provided in section 52.16;

(3) To make loans to a cooperative society or other organization having membership in the credit union;

(4) To deposit in state and national banks and trust companies authorized to receive deposits;

(5) To invest in any investment legal for savings banks or for trust funds in the state;

(6) To borrow money as hereinafter indicated;

(7) To adopt and use a common seal and alter the same at pleasure; and

(8) To make payments on shares of and deposit with any other credit union chartered by this or any other state or operating under the provisions of the federal credit union act, in amounts not exceeding in the aggregate 25 percent of its unimpaired assets providing that payments on shares of and deposit with credit unions chartered by other states shall be restricted to credit unions insured by the National Credit Union Administration. The restrictions imposed by this clause shall not apply to share accounts and deposit accounts of Minnesota central credit union in U.S. central credit union;

(9) To contract with any licensed insurance company or society to insure the lives of members to the extent of their share accounts, in whole or in part, and to pay all or a portion of the premium therefor;

(10) To indemnify each director, officer, or committee member, or former director, officer, or committee member against all expenses, including attorney's fees but excluding amounts paid pursuant to a judgment or settlement agreement, reasonably incurred by him in connection with or arising out of any action, suit, or proceeding to which he is a party by reason of being or having been a director, officer, or committee member of the credit union, except with respect to matters as to which he shall be finally adjudged in such action, suit, or proceeding to be liable for negligence or misconduct in the performance of his duties. Such indemnification shall not be exclusive of any other rights to which he may be entitled under any bylaw, agreement, vote of members, or otherwise; and

(11) Upon written authorization from a member, retained at the credit union, to make payments to third parties by withdrawals from the member's share or deposit accounts or through proceeds of loans made to such member, or by permitting the credit union to make such payments from the member's funds prior to deposit; to permit draft withdrawals from member accounts; however, this clause does not permit a credit union to establish demand deposits (checking accounts) for its members;

(12) To inform its members as to the availability of various group purchasing plans which are related to the promotion of thrift or the borrowing of money for provident and productive purposes by means of informational materials placed in the credit union's

office, through its publications, or by direct mailings to members by the credit union;

(13) To facilitate its members' voluntary purchase of types of insurance incidental to promotion of thrift or the borrowing of money for provident and productive purposes including, but not limited to the following types of group or individual insurance: Fire, theft, automobile, life and temporary disability; to be the policy holder of a group insurance plan or a sub-group under a master policy plan and to disseminate information to its members concerning the insurance provided thereunder; to remit premiums to an insurer or the holder of a master policy on behalf of a credit union member, provided that the credit union shall obtain written authorization from such member for remittance by share or deposit withdrawals or through proceeds of loans made by such members, or by permitting the credit union to make such payments from the member's funds prior to deposit; and to accept from the insurer reimbursement for the actual cost of ministerial tasks performed pertaining to insurance;

(14) To contract with another credit union to furnish services which either could otherwise perform. Contracted services under this clause are subject to regulation and examination by the commissioner of banks like other services;

(15) In furtherance of the twofold purpose of promoting thrift among its members and creating a source of credit for them at legitimate rates of interest for provident purposes, and not in limitation of the specific powers hereinbefore conferred, to have all the powers enumerated, authorized, and permitted by this chapter, and such other rights, privileges and powers as may be incidental to, or necessary for, the accomplishment of the objectives and purposes of the credit unit; and

(16) To rent safe deposit boxes to its members provided the credit union obtains adequate insurance or bonding coverage for losses which might result from the rental of safe deposit boxes ;

(17) *Notwithstanding the provisions of section 52.05, to accept deposits of public funds in an amount secured by insurance or other means pursuant to chapter 118; and*

(18) *To accept and maintain treasury tax and loan accounts of the United States and to pledge collateral to secure the treasury tax or loan accounts, in accordance with the regulations of the Department of Treasury of the United States .*

Page 2, line 1, after "municipality" insert ", as defined in section 118.01,"

Page 2, line 3, after "the" insert "insured"

Page 2, line 4, after "23," insert "or credit unions"

Page 2, delete the underscored language in lines 5 and 6

Page 2, line 8, after "institution" insert "or credit union"

Page 2, line 10, after "*Corporation*" insert "*or insured by the National Credit Union Administration*"

Page 2, line 13, delete "*or*" and insert a comma

Page 2, line 14, after "*institution*" insert "*or credit union*" and restore the stricken comma

Page 2, line 15, delete "*or*" and insert a comma and after "*institution*" insert "*or credit union*"

Page 2, line 25, delete "*or*" and insert a comma and after "*institution*" insert "*or credit union*"

Page 3, line 1, before "*bonds*" restore "*such*" and strike "*the*"

Page 5, line 5, after "*institutions*" insert "*and credit unions*"

Page 5, line 17, delete "*or*" and insert a comma and after "*institution*" insert "*or credit unions*"

Page 5, line 27, after "*51A.20*" insert "*or 52.17*"

Page 6, line 32, delete "*or*" and insert a comma and after "*institution*" insert "*, or credit union*"

Page 7, line 15, after "*institution*" insert "*or credit union*"

Page 7, line 16, after "*institution*" insert "*or credit union*"

Page 7, delete lines 21 and 22

Renumber sections in sequence

Further, amend the title as follows:

Line 3, before the semicolon insert "*and credit unions*"

Line 6, before "*repealing*" insert "*Minnesota Statutes, 1977 Supplement, Section 52.04, Subdivision 1;*"

And when so amended H. F. No. 1227 will be identical to S. F. No. 1130, and further recommends that H. F. No. 1227 be given its second reading and substituted for S. F. No. 1130, 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. 1799 be amended as follows:

Page 2, line 27, delete "*statutes*" and insert "*section*"

Page 2, lines 29 and 30, delete "*and the town board of Pickerel Lake*"

And when so amended H. F. No. 1799 will be identical to S. F. No. 1648, and further recommends that H. F. No. 1799 be given its second reading and substituted for S. F. No. 1648, 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. 2218 be amended as follows:

Page 4, line 32, before "or" delete the comma

Page 11, delete lines 20 to 25

Renumber the remaining section

Further, amend the title as follows:

Line 9, delete "356.30, by adding a subdivision;"

And when so amended H. F. No. 2218 will be identical to S. F. No. 1885, and further recommends that H. F. No. 2218 be given its second reading and substituted for S. F. No. 1885, 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. 2246 be amended as follows:

Page 1, delete lines 9 to 23

Page 2, delete lines 1 to 13

Page 2, line 17, strike "promptly and intact by the county"

Page 2, line 18, strike "treasurer in the name of the county"

Page 3, line 19, delete "*Interest and profits which accrue from*"

Page 3, delete lines 20 and 21

Page 3, delete "*This act*" and insert "*Section 1*"

Renumber sections in sequence

Further, amend the title as follows:

Line 5, delete "Sections" and insert "Section"

Line 6, delete "373.052 and"

And when so amended H. F. No. 2246 will be identical to S. F. No. 2154, and further recommends that H. F. No. 2246 be given its second reading and substituted for S. F. No. 2154, 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. 1943 be amended as follows:

Page 2, line 2, delete "or omission"

Page 2, line 15, after "If" delete "the" and insert "this"

And when so amended H. F. No. 1943 will be identical to S. F. No. 1618, and further recommends that H. F. No. 1943 be given its second reading and substituted for S. F. No. 1618, 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. 2124 be amended as follows:

Page 1, line 15, after "INSTITUTIONS" insert "; ADVISORY TASK FORCE"

Page 2, delete lines 2 to 15 and insert

"or confined therein. Commencing September 1, 1980, no individual, corporation, partnership, voluntary association or other private organization legally responsible for the operation of a correctional facility may operate the facility unless licensed by the commissioner of corrections. The commissioner may provide by rule for provisional licenses which authorize the operation of a correctional facility on a temporary basis where the operator is temporarily unable to comply with all of the requirements for a license. Notwithstanding the provisions of sections 15.0412 and 15.0413, these rules setting standards for group homes established under the direction of the juvenile courts shall not take effect until June 15, 1977. To assist in the development of standards for jails and lockups the commissioner shall pursuant to section 15.059, subdivision 6, appoint a citizens advisory task force of nine persons, including five persons who have been elected to the office of county sheriff and four persons who have been elected to the office of county board of commissioners September 1, 1979. The commissioner shall have access to the buildings, grounds, books, records, staff and to persons detained or confined in these facilities. He may require the officers in charge of these facilities to furnish all information and statistics he deems necessary, upon forms furnished by him."

Page 3, delete lines 24 to 32

Page 4, delete lines 1 to 9 and insert

"(5) As used in this subdivision, "correctional facility" means any facility, including a group home, having a residential component, the primary purpose of which is to serve persons placed therein by a court, court services department, parole authority, or other correctional agency having dispositional power over persons charged with, convicted or adjudicated to be guilty or delinquent."

Page 5, delete lines 1 to 3 and insert

"No person may receive custody of two or more unrelated chil-

dren unless he is licensed as a residential facility pursuant to sections 245.781 to 245.813 ; or"

Page 5, line 31, restore stricken period and delete "; or"

Page 7, delete lines 1 to 32

Page 8, delete lines 8 to 10

Page 8, line 16, delete the comma

Page 8, line 16, delete "*1 of this*" and insert "*241.021, subdivision 1 (5),*"

Page 8, line 17, delete "*act,*"

Page 8, after line 20, insert

"Sec. 6. Section 2 of this act is effective September 1, 1979."

Renumber sections in sequence

Further, amend the title as follows

Line 3, delete "*prohibiting*"

Delete lines 4 and 5

Line 8, delete "*641.156;*"

And when so amended H. F. No. 2124 will be identical to S. F. No. 1926, and further recommends that H. F. No. 2124 be given its second reading and substituted for S. F. No. 1926, 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. 1950 be amended as follows:

Page 2, line 23, delete "*this*" and insert "*the*"

Page 3, line 7, after "*to*" insert "*Minnesota Statutes,*"

Page 3, line 19, restore the stricken comma

Page 3, line 20, after "*subdivision 1*" delete the comma

Page 4, line 5, before "*chapter*" insert "*Minnesota Statutes,*"

Page 4, line 26, delete "*section*"

Page 5, line 9, after "*to*" insert "*Minnesota Statutes,*"

Page 7, delete lines 17 to 21 and insert

"Subd. 5. [EYE EXAMINATION.] Every licensed dentist, dental hygienist, and registered dental assistant shall submit to the executive secretary of the board at such intervals as the board may establish by rules a statement from a licensed optometrist or ophthalmologist that the licensee or registrant has visual acuity

as established by rule necessary for the licensee or registrant to perform the services required of such licensee or registrant."

And when so amended H. F. No. 1950 will be identical to S. F. No. 2181, and further recommends that H. F. No. 1950 be given its second reading and substituted for S. F. No. 2181, and that the Senate File be indefinitely postponed.

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

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

H. F. Nos. 2223, 2050, 1945, 2341, 2445, 2147 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.
2223	2281				
2050	1905				
1945	1788				
2341	2239				
2445	2300				
2147	2158				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 2223 be amended as follows:

Strike everything after the enacting clause and insert

"Section 1. Minnesota Statutes 1976, Section 488A.01, Subdivision 9, is amended to read:

Subd. 9. [PLACE OF HOLDING COURT.] (a) The municipal building commission, or the county of Hennepin, or both, shall provide suitable quarters for the holding of regular terms of court in Minneapolis, Bloomington, St. Louis Park, Wayzata, and Crystal, and at such other places in the county as may be designated by a majority of the judges of the court. At the places of holding regular terms of court established pursuant to this clause, all functions of the court may be discharged, including both court and jury trials of civil and criminal matters.

(b) In addition to the regular places of holding court set forth in clause (a) of this subdivision, trials of traffic and criminal violations before the court without jury shall be held in the municipalities of Golden Valley, Richfield, Excelsior, Edina, Minnetonka, Hopkins, Mound, Maple Plain, Plymouth, Brooklyn Center, St. Anthony, Osseo, Robbinsdale, Brooklyn Park, Eden Prairie, and Orono, if not so designated in clause (a) above and such additional locations as may be designated by a majority of the judges of the court. The county of Hennepin shall provide suitable

quarters for the holding of court in such locations as may be designated under this clause. *The county may establish and maintain court facilities in the city of Minneapolis and the northern, southern and western suburban areas.*"

Further, strike the title and insert

"A bill for an act relating to Hennepin county municipal court; authorizing the establishment of court locations in the city of Minneapolis and in three suburban locations; amending Minnesota Statutes 1976, Section 488A.01, Subdivision 9."

And when so amended H. F. No. 2223 will be identical to S. F. No. 2281, and further recommends that H. F. No. 2223 be given its second reading and substituted for S. F. No. 2281, 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. 2050 be amended as follows:

Amend the title as follows:

Page 1, line 2, before "providing" insert "relating to the city of Minneapolis;"

And when so amended H. F. No. 2050 will be identical to S. F. No. 1905, and further recommends that H. F. No. 2050 be given its second reading and substituted for S. F. No. 1905, 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. Amendment adopted. Report adopted.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1945 be amended as follows:

Page 2, line 1, before the period insert "*on individuals, as defined in section 15.162, subdivision 5a*"

And when so amended H. F. No. 1945 will be identical to S. F. No. 1788, and further recommends that H. F. No. 1945 be given its second reading and substituted for S. F. No. 1788, 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. Amendment adopted. Report adopted.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 2341 be amended as follows:

Page 1, line 18, delete the new language

Page 1, delete lines 19 and 20

Page 1, line 21, delete the new language

Page 2, line 1 delete everything after "2." and insert "*During the year 1980,*"

Page 2, line 2, delete "*year 1980*"

Page 2, line 3, delete "\$8,000,000, or in an" and insert "\$6,500,000,"

Page 2, delete lines 4 to 7

Page 2, line 8, delete everything before "*St. Paul's*" and insert "*if*"

And when so amended H. F. No. 2341 will be identical to S. F. No. 2239, and further recommends that H. F. No. 2341 be given its second reading and substituted for S. F. No. 2239, 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. 2445 be amended as follows:

Page 1, line 13, delete "*facility's*"

And when so amended H. F. No. 2445 will be identical to S. F. No. 2300, and further recommends that H. F. No. 2445 be given its second reading and substituted for S. F. No. 2300, 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. Amendment adopted. Report adopted.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 2147 be amended as follows:

Page 3, line 12, after "2." insert "*Upon its own motion or*"

And when so amended H. F. No. 2147 will be identical to S. F. No. 2158, and further recommends that H. F. No. 2147 be given its second reading and substituted for S. F. No. 2158, 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. Amendment adopted. Report adopted.

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 2156: A bill for an act relating to natural resources; concerning water resources; revising certain provisions concerning dams, reservoirs, control structures, and waterway obstructions; prescribing certain fees to finance safety examinations relating to such projects; appropriating money; amending Minnesota Statutes 1976, Sections 105.42, Subdivision 2; 105.482, Subdivision 2; 105.52; 105.53; and Minnesota Statutes, 1977 Supplement, Section 105.44, Subdivision 10.

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

Page 3, after line 15, insert:

"Sec. 3. Minnesota Statutes 1976, Section 105.482, Subdivision 1, is amended to read:

105.482 [DAMS; RECONSTRUCTION; GRANTS.] Subdivision 1. [PURPOSE.] The public health, safety, and welfare is promoted by the orderly repair and restoration of dams serving the public interest. In furtherance of this objective, it is the purpose of this section to facilitate the repair and restoration of dams owned by the state and local governmental units. *The commissioner shall make the maximum possible effort to obtain and utilize all funds available to the state from the federal government for purposes of dam safety.*"

Renumber the sections in sequence

Amend the title as follows:

Line 9, strike "Subdivision" and insert "Subdivisions 1 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. 2022: A bill for an relating to taxation; property tax; altering rate and distribution of proceeds of tax on certain transmission and distribution lines; amending Minnesota Statutes 1976, Sections 273.38 and 273.42.

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 273.42, is amended to read:

273.42 [RATE OF TAX; ENTRY AND CERTIFICATION; CREDIT ON PAYMENT.] The property set forth in section 273.37, subdivision 2, consisting of transmission lines, and distribution lines not taxed as provided in sections 273.38, 273.40 and 273.41 shall be taxed at the average rate of taxes levied for all purposes throughout the county and shall be entered on the tax lists by the county auditor against the owner thereof and certified to the county treasurer at the same time and in the same manner that other taxes are certified, and, when paid, shall be credited, ~~one-half 35 percent~~ to the general revenue fund of the county, ~~and one-half 50 percent~~ to the general school fund of the county and 15 percent to the townships within the county in which the lines are located. *The amount available for distribution to the townships shall be divided among the townships in the same proportion that the length of transmission line in each township bears to the total length of transmission line in the county,*

except that if a payment to a town exceeds ten percent of the town's levy for the preceding year, the excess amount shall be credited to the general revenue fund.

Sec. 2. [EFFECTIVE DATE.] *This act is effective for taxes levied in 1978, payable in 1979 and thereafter."*

Amend the title as follows:

Line 5, strike "Sections 273.38 and" and insert "Section"

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

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

H. F. No. 1881: A bill for an act relating to agriculture; family farm security program; providing for exclusion from gross income of interest on certain loans; amending Minnesota Statutes 1976, Section 41.58, by adding a subdivision.

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

Page 1, after line 15, insert

"Sec. 2. Minnesota Statutes, 1977 Supplement, Section 290.01, Subdivision 20, is amended to read:

Subd. 20. [GROSS INCOME.] Except as otherwise provided in this chapter, the term "gross income," as applied to corporations includes every kind of compensation for labor or personal services of every kind from any private or public employment, office, position or services; income derived from the ownership or use of property; gains or profits derived from every kind of disposition of, or every kind of dealing in, property; income derived from the transaction of any trade or business; and income derived from any source; except that gross income shall not include "exempt function income" of a "homeowners association" as those terms are defined in Section 528 of the Internal Revenue Code of 1954, as amended.

For each of the taxable years beginning after December 31, 1960 and prior to January 1, 1971, the term "gross income" in its application to individuals, estates, and trusts, shall mean the adjusted gross income as computed for federal income tax purposes as defined in the Internal Revenue Code of 1954, as amended through December 31, 1970 for the applicable taxable year, with the modifications specified in this section.

For each of the taxable years beginning after December 31, 1970, the term "gross income" in its application to individuals, estates, and trusts shall mean the adjusted gross income as computed for federal income tax purposes as defined in the Internal Revenue Code of 1954, as amended through the date specified herein for the applicable taxable year, with the modifications specified in this section.

(i) The Internal Revenue Code of 1954, as amended through December 31, 1970, shall be in effect for taxable years beginning after December 31, 1970 and prior to January 1, 1973.

(ii) The Internal Revenue Code of 1954, as amended through December 31, 1972, shall be in effect for taxable years beginning after December 31, 1972.

(iii) The Internal Revenue Code of 1954, as amended through December 31, 1973, shall be in effect for taxable years beginning after December 31, 1973.

(iv) The Internal Revenue Code of 1954, as amended through December 31, 1974, shall be in effect for the taxable years beginning after December 31, 1974.

(v) The Internal Revenue Code of 1954, as amended through December 31, 1976, including the amendments made to section 280A (relating to licensed day care centers) in H.R. 3477 as it passed the Congress on May 16, 1977, shall be in effect for the taxable years beginning after December 31, 1976. The provisions of the Tax Reform Act of 1976, P.L. 94-455, which affect adjusted gross income shall become effective for purposes of chapter 290 at the same time they become effective for federal income tax purposes. Section 207 (relating to extension of period for nonrecognition of gain on sale or exchange of residence) and section 402 (relating to time for making contributions to pension plans of self employed people) of P.L. 94-12 shall be effective for taxable years beginning after December 31, 1974.

References to the Internal Revenue Code of 1954 in clauses (a), (b) and (c) following shall mean the code in effect for the purpose of defining gross income for the applicable taxable year.

(a) Modifications increasing federal adjusted gross income. There shall be added to federal adjusted gross income:

(1) Interest income on obligations of any state other than Minnesota or a political subdivision of any such other state exempt from federal income taxes under the Internal Revenue Code of 1954;

(2) Interest income on obligations of any authority, commission, or instrumentality of the United States, which the laws of the United States exempt from federal income tax, but not from state income taxes;

(3) Income taxes imposed by this state or any other taxing jurisdiction, to the extent deductible in determining federal adjusted gross income and not credited against federal income tax;

(4) Interest on indebtedness incurred or continued to purchase or carry securities the income from which is exempt from tax under this chapter, to the extent deductible in determining federal adjusted gross income;

(5) Amounts received as reimbursement for an expense of sickness or injury which was deducted in a prior taxable year to the

extent that the deduction for such reimbursed expenditure resulted in a tax benefit;

(6) The amount of any federal income tax overpayment for any previous taxable year, received as refund or credited to another taxable year's income tax liability, proportionate to the percentage of federal income tax that was claimed as a deduction in determining Minnesota income tax for such previous taxable year.

The overpayment refund or credit, determined with respect to a husband and wife on a joint federal income tax return for a previous taxable year, shall be reported on joint or separate Minnesota income tax returns. In the case of separate Minnesota returns, the overpayment shall be reported by each spouse proportionately according to the relative amounts of federal income tax claimed as a deduction on his or her separate Minnesota income tax return for such previous taxable year;

(7) In the case of a change of residence from Minnesota to another state or nation, the amount of moving expenses which exceed total reimbursements and which were therefore deducted in arriving at federal adjusted gross income;

(8) In the case of property disposed of on or after January 1, 1973, the amount of any increase in the taxpayer's federal tax liability under section 47 of the Internal Revenue Code of 1954, as amended through December 31, 1976, to the extent of the credit under section 38 of the Internal Revenue Code of 1954, as amended through December 31, 1976, that was previously allowed as a deduction either under section 290.01, subdivision 20 (b) (9) or under section 290.09, subdivision 24; and

(9) Expenses and losses arising from a farm which are not allowable under section 290.09, subdivision 29;

(10) Expenses and depreciation attributable to substandard buildings disallowed by section 290.101; and

(11) The amount by which the gain determined pursuant to section 41.59, subdivision 2 exceeds the amount of such gain included in federal adjusted gross income;

(13) Interest income from qualified scholarship funding bonds as defined in section 103(e) of the Internal Revenue Code of 1954, as amended through December 31, 1976, if the nonprofit corporation is domiciled outside of Minnesota;

(14) Exempt-interest dividends, as defined in section 852(b) (5) (A) of the Internal Revenue Code of 1954, as amended through December 31, 1976, not included in federal adjusted gross income pursuant to section 852(b) (5) (B) of the Internal Revenue Code of 1954, as amended through December 31, 1976, except for that portion of such exempt-interest dividends derived from interest income on obligations of the state of Minnesota, any of its political or governmental subdivisions, any of its municipalities, or any of its governmental agencies or instrumentalities;

(15) The amount of any excluded gain realized by a trust on the sale or exchange of property as defined in section 641(c)(1).

(b) Modifications reducing federal adjusted gross income. There shall be subtracted from federal adjusted gross income:

(1) Interest income on obligations of any authority, commission or instrumentality of the United States to the extent includible in gross income for federal income tax purposes but exempt from state income tax under the laws of the United States;

(2) The portion of any gain, from the sale or other disposition of property having a higher adjusted basis for Minnesota income tax purposes than for federal income tax purposes, that does not exceed such difference in basis; but if such gain is considered a long-term capital gain for federal income tax purposes, the modification shall be limited to fifty per centum of such portion of the gain. This modification shall not be applicable if the difference in basis is due to disallowance of depreciation pursuant to section 290.101.

(3) Interest or dividend income on securities to the extent exempt from income tax under the laws of this state authorizing the issuance of such securities but includible in gross income for federal income tax purposes;

(4) Losses, not otherwise reducing federal adjusted gross income assignable to Minnesota, arising from events or transactions which are assignable to Minnesota under the provisions of sections 290.17 to 290.20, including any capital loss or net operating loss carry-forwards or carrybacks resulting from such losses;

(5) If included in federal adjusted gross income, the amount of any credit received, whether received as a refund or credit to another taxable year's income tax liability, pursuant to chapter 290A, and the amount of any overpayment of income tax to Minnesota, or any other state, for any previous taxable year, whether such amount is received as a refund or credited to another taxable year's income tax liability;

(6) The amount of any pension or benefit which is excluded from gross income under the provisions of section 290.08, subdivision 6; and

(7) In the case of property acquired on or after January 1, 1973, the amount of any credit to the taxpayer's federal tax liability under section 38 of the Internal Revenue Code of 1954, as amended through December 31, 1976, but only to the extent that the credit is connected with or allocable against the production or receipt of income included in the measure of the tax imposed by this chapter;

~~(10)~~ (8) The amount of any distribution from a qualified pension or profit sharing plan included in federal adjusted gross income in the year of receipt to the extent of any contribution not previously allowed as a deduction by reason of a change in federal law which was not adopted by Minnesota law for a taxable year beginning in 1974 or later; and

(9) Interest, including payment adjustment to the extent that it is applied to interest, earned by the seller of the property on a family farm security loan executed after December 31, 1977 and before January 1, 1982 that is guaranteed by the commissioner of agriculture as provided in sections 41.51 to 41.60.

(c) Modifications affecting shareholders of electing small business corporations under section 1372 of the Internal Revenue Code of 1954, or section 290.972 of this chapter.

(1) Shareholders in a small business corporation, which has elected to be so taxed under the Internal Revenue Code of 1954, but has not made an election under section 290.972 of this chapter, shall deduct from federal adjusted gross income the amount of any imputed income from such corporation and shall add to federal adjusted gross income the amount of any loss claimed as a result of such stock ownership. Also there shall be added to federal adjusted gross income the amount of any distributions in cash or property made by said corporation to its shareholders during the taxable year.

(2) In cases where the small business corporation has made an election under section 1372 of the Internal Revenue Code of 1954, but has not elected under section 290.972 of this chapter and said corporation is liquidated or the individual shareholder disposes of his stock and there is no capital loss reflected in federal adjusted gross income because of the fact that corporate losses have exhausted the shareholders basis for federal purposes, such shareholders shall be entitled, nevertheless, to a capital loss commensurate to their Minnesota basis for the stock.

(3) In cases where the election under section 1372 of the Internal Revenue Code of 1954 antedates the election under section 290.972 of this chapter and at the close of the taxable year immediately preceding the effective election under section 290.972 the corporation has a reserve of undistributed taxable income previously taxed to shareholders under the provisions of the Internal Revenue Code of 1954, in the event and to the extent that such reserve is distributed to shareholders such distribution shall be taxed as a dividend for purposes of this act.

Items of gross income includible within these definitions shall be deemed such regardless of the form in which received. Items of gross income shall be included in gross income of the taxable year in which received by a taxpayer unless properly to be accounted for as of a different taxable year under methods of accounting permitted by section 290.07, except that (1) amounts transferred from a reserve or other account, if in effect transfers to surplus, shall, to the extent that such amounts were accumulated through deductions from gross income or entered into the computation of taxable net income during any taxable year, be treated as gross income for the year in which the transfer occurs, but only to the extent that such amounts resulted in a reduction of the tax imposed by this act, and (2) amounts received as refunds on account of taxes deducted from gross income during any taxable year shall be treated as gross income for the year in which actually received,

but only to the extent that such amounts resulted in a reduction of the tax imposed by this act.

(d) Modification in computing taxable income of the estate of a decedent. Amounts allowable under section 291.07, subdivision 1(2) in computing Minnesota inheritance tax liability shall not be allowed as a deduction in computing the taxable income of the estate unless there is filed within the time and in the manner and form prescribed by the commissioner a statement that the amounts have not been allowed as a deduction under section 291.07 and a waiver of the right to have such amounts allowed at any time as deductions under section 291.07. The provisions of this paragraph shall not apply with respect to deductions allowed under section 290.077 (relating to income in respect of decedents). In the event that the election made for federal tax purposes under section 642(g) of the Internal Revenue Code of 1954 differs from the election made under this paragraph appropriate modification of the estate's federal taxable income shall be made to implement the election made under this paragraph in accordance with regulations prescribed by the commissioner.

Sec. 3. Minnesota Statutes 1976, Section 290.08, is amended by adding a subdivision to read:

Subd. 23. Gross income shall not include interest, including payment adjustment to the extent that it is applied to interest, earned by the seller of property on a family farm security loan executed after December 31, 1977 and before January 1, 1982 that is guaranteed by the commissioner of agriculture as provided in sections 41.51 to 41.60."

Page 1, line 16, after "for" insert "interest received during taxable years beginning after December 31, 1977 on"

Renumber the remaining section in sequence

Further, amend the title as follows:

Line 6, after "subdivision" insert "; 290.08, by adding a subdivision; and Minnesota Statutes, 1977 Supplement, Section 290.01, Subdivision 20"

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 1705: A bill for an act relating to nursing homes; medical assistance; providing for exceptions to rate limitations; amending Minnesota Statutes, 1977 Supplement, Section 256B.47, Subdivision 1.

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 97: A bill for an act relating to public utilities; providing for a study of lifeline rates for electricity and natural gas; appropriating money.

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

Page 1, strike lines 7 through 17

Page 1, line 21, after the last comma insert "water supply,"

Page 2, line 5, strike "shall conduct" and insert "may study and, where feasible, design and implement"

Page 2, strike line 6

Page 2, strike lines 8 through 19 and insert "in Minnesota."

Page 2, line 20, strike "1978" and insert "1979"

Page 2, strike lines 24 and 25

Renumber the sections accordingly

Amend the title as follows:

Line 4, strike "; appropriating money"

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 1933: A bill for an act relating to education; higher education coordinating board; providing for a statewide career guidance program; appropriating money.

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

Page 1, line 8, after "establish" insert a comma

Page 1, line 10, strike "in" and insert a comma

Page 2, line 28, strike "its" and insert "the program's status and the board's"

Page 3, line 24, strike "\$175,000" and insert "\$65,000"

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 2265: A bill for an act relating to cities; establishing requirements for financial statements, reports and audits; providing a time limit for submissions of certain reports to the state auditor; providing for enforcement of reporting requirements; appropriating money; amending Minnesota Statutes 1976, Chapter

471, by adding sections; repealing Minnesota Statutes 1976, Sections 412.281 and 412.291.

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

Page 3, line 18, after "*Publish*" insert "*a summary of*"

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 1755: A bill for an act relating to trees; clarifying municipal costs eligible for reimbursement by the state; authorizing municipal subsidies to certain persons; requiring an investigation of uses of diseased wood, authorizing the transfer of certain trees purchased from the state; extending the special levy authority for sanitation and reforestation; clarifying utilization of appropriations for shade tree disease control; authorizing extension of temporary rules; appropriating money; amending Minnesota Statutes 1976, Sections 89.38 and 89.391; and Minnesota Statutes, 1977 Supplement, Sections 18.023, Subdivisions 3a, 4 and 11; and 275.50, Subdivision 6.

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

Page 7, strike lines 3 through 15

Renumber the remaining section

Amend the title as follows:

Line 12, strike "appropriating money;"

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 2236: A bill for an act relating to abortion; declaring a state policy on abortion and childbirth and the funding thereof; amending Minnesota Statutes 1976, Section 256B.02, Subdivision 8, and Chapter 256B, by adding sections.

Reports the same back with the recommendation that the bill be returned to the Senate without recommendation. Report adopted.

Mr. Coleman from the Subcommittee on Bill Scheduling, to which were referred S. F. Nos. 1947, 2148, 2373, 2053, 1826, 2099, 2217 and H. F. Nos. 1900, 1940, 316, 2282, 2432, 1781, 515, 2190, 1884, 2102, 2216, 1598, 2219, 2043, 1821, 1783, 1767, 1329, 1916, 1434, 551, 1760 makes the following report:

That S. F. Nos. 1947, 2148, 2373, 2053, 1826, 2099, 2217 and H. F. Nos. 1900, 1940, 316, 2282, 2432, 1781, 515, 1884, 2102, 2216, 1598, 2219, 2043, 1821, 1783, 1767, 1329, 1916, 1434, 551, 1760 be placed on the General Orders Calendar in the order indicated.

That H. F. No. 2190 be 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. 2156, 2022, 1705, 97, 1933, 2265, 1755 and 2236 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. 2047, 2451, 2374, 2010, 1995, 2248, 2291, 2307, 2075, 2270, 2461, 449, 1476, 2146, 2041, 2516, 1317, 1246, 1091, 1819, 1227, 1799, 2218, 2246, 1943, 2124, 1950, 2223, 2050, 1945, 2341, 2445, 2147 and 1881 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Lewis moved that the name of Mr. Nichols be added as co-author to S. F. No. 1364. The motion prevailed.

Mr. Keefe, S. moved that the name of Mr. Sikorski be added as co-author to S. F. No. 1618. The motion prevailed.

Mr. Borden moved that the name of Mr. Sikorski be added as co-author to S. F. No. 2308. The motion prevailed.

Mr. Schmitz moved that S. F. No. 1693 be taken from the table. The motion prevailed.

CONCURRENCE AND REPASSAGE

S. F. No. 1693: A bill for an act relating to the national guard; increasing the pay for enlisted persons on active duty; amending Minnesota Statutes 1976, Section 192.51, Subdivision 2; repealing Minnesota Statutes 1976, Section 192.51, Subdivision 1.

Was read the third time as amended by the House and placed on its repassage.

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

The roll was called, and there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Brataas	Dunn	Gunderson	Johnson
Ashbach	Coleman	Engler	Hanson	Keefe, S.
Benedict	Davies	Frederick	Hughes	Kirchner
Bernhagen	Dieterich	Gearty	Jensen	Kleinbaum

Knaak	Moe	Perpich	Setzepfandt	Stokowski
Knutson	Nelson	Peterson	Sieloff	Strand
Laufenburger	Nichols	Pillsbury	Sikorski	Stumpf
Lessard	Ogdahl	Purfeerst	Sillers	Ueland, A.
Lewis	Olhoft	Renneke	Solon	Ulland, J.
Luther	Olson	Schmitz	Spear	Vega
Menning	Penny	Schrom	Staples	Willet

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

SUSPENSION OF RULES

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

THIRD READING OF SENATE BILLS

S. F. No. 1621: A bill for an act relating to energy; providing a credit against income tax for the cost of certain solar energy systems; amending Minnesota Statutes 1976, Section 290.06, by adding a subdivision.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 3, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Knoll	Olhoft	Sikorski
Ashbach	Frederick	Knutson	Olson	Sillers
Benedict	Gearty	Laufenburger	Penny	Solon
Bernhagen	Gunderson	Lessard	Perpich	Spear
Borden	Hanson	Lewis	Pillsbury	Staples
Brataas	Jensen	Luther	Purfeerst	Stokowski
Chenoweth	Johnson	Menning	Renneke	Stumpf
Chmielewski	Keefe, S.	Moe	Schmitz	Ueland, A.
Coleman	Kirchner	Nelson	Schrom	Ulland, J.
Dieterich	Kleinbaum	Nichols	Setzepfandt	Vega
Dunn	Knaak	Ogdahl	Sieloff	Willet

Messrs. Davies, Merriam and Peterson voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 1468: A bill for an act relating to commerce; regulating the repair of motor vehicles, appliances, and dwelling places; regulating service calls, estimates, and repairs; providing penalties.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 35 and nays 23, as follows:

Those who voted in the affirmative were:

Benedict	Gunderson	Lessard	Olhoft	Spear
Borden	Hughes	Lewis	Penny	Staples
Chenoweth	Jensen	Luther	Perpich	Stokowski
Chmielewski	Johnson	Merriam	Peterson	Strand
Coleman	Keefe, S.	Moe	Schaaf	Stumpf
Dieterich	Kleinbaum	Nelson	Sikorski	Ulland, J.
Gearty	Knoll	Ogdahl	Solon	Vega

Those who voted in the negative were:

Ashbach	Hanson	Menning	Renneke	Sillers
Bernhagen	Kirchner	Nichols	Schmitz	Ueland, A.
Dunn	Knaak	Olson	Schrom	Willet
Engler	Knutson	Pillsbury	Setzepfandt	
Frederick	Laufenburger	Purfeerst	Sieloff	

So the bill passed and its title was agreed to.

S. F. No. 1985: A bill for an act relating to retirement; transit operating division of the metropolitan transit commission; transfer of pension coverage; termination of the metropolitan transit commission—transit operating division employees retirement fund; amending Minnesota Statutes 1976, Sections 352.01, Subdivisions 2A and 11; 352.22, by adding a subdivision; 356.20, Subdivision 2; and Minnesota Statutes, 1977 Supplement, Sections 352.03, Subdivisions 1 and 2; and 473.415.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

Pursuant to Rule 21, Mr. Moe moved that the following members be excused for a Conference Committee on H. F. Nos. 2493 and 2494:

Messrs. Moe, Kirchner, Lewis, Kleinbaum and Humphrey. The motion prevailed.

GENERAL ORDERS

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

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

S. F. Nos. 1804, 1836, 1721.

H. F. Nos. 2516, 2050, 2047, 2341, 2451, 1945, 1799, 2010, 2175, 2374, 1770, 2163, 2146, 2377, 1119, 1225, 1966, 499, 1286, 1865, 2243, 1612, 1665, 1447, 1967, 1604, 1937, 2081 which the committee recommends to pass.

H. F. No. 2291 which the committee recommends to pass, subject to the following motion:

Mr. Laufenburger moved that the amendment made to H. F. No. 2291 by the Committee on Rules and Administration in the report adopted March 15, 1978, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H. F. No. 449 which the committee recommends to pass, subject to the following motions:

Mr. Johnson moved that the amendment made to H. F. No. 449 by the Committee on Rules and Administration in the report adopted March 15, 1978, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

Mr. Peterson moved to amend H. F. No. 449 as follows:

Page 4, line 2, reinstate "\$200" and strike "\$300"

Page 5, line 4, strike "\$600" and insert "\$400"

The motion prevailed. So the amendment was adopted.

H. F. No. 2246, which the committee recommends to pass subject to the following motions:

Mr. Wegener moved that the amendment made to H. F. No. 2246 by the Committee on Rules and Administration in the report adopted March 15, 1978, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

Mr. Setzepfandt moved to amend H. F. No. 2246 as follows:

Page 3, after line 21, insert:

"Sec. 3. Notwithstanding any other law to the contrary, the board of commissioners of Kandiyohi county is authorized to construct a temporary diversion structure to channel water from Judicial Ditch No. 1 to big Kandiyohi Lake."

Page 3, line 22, strike "3" and insert "4"

Amend the title as follows:

Line 5, after the semicolon, insert "authorizing the Kandiyohi county board of commissioners to construct a temporary diversion structure;"

The motion prevailed. So the amendment was adopted.

H. F. No. 2218, which the committee recommends to pass with the following amendment offered by Mr. Stokowski:

Amend H. F. No. 2218, as amended pursuant to Rule 49, adopted by the Senate March 15, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1885.)

Page 11, after line 18, insert:

"Sec. 10. Minnesota Statutes 1976, Section 352.01, Subdivision 2A, is amended to read:

Subd. 2A. [INCLUDED EMPLOYEES.] The following persons are included in the meaning of state employee:

- (1) Employees of the Minnesota Historical Society.
- (2) Employees of the State Horticultural Society.
- (3) Employees of the Disabled American Veterans, Department of Minnesota, Veterans of Foreign Wars, Department of Minnesota, if employed prior to July 1, 1963.
- (4) Employees of the Minnesota Crop Improvement Association.
- (5) Employees of the adjutant general who are paid from federal funds and who are not covered by any federal civilian employees retirement system.
- (6) Employees of the state universities employed under the university activities program.
- (7) Currently contributing employees covered by the system who are temporarily employed by the legislature during a legislative session or any currently contributing employee employed for any special service as defined in item (8) of subdivision 2B.
- (8) Employees of the armory building commission.
- (9) Permanent employees of the legislature and persons employed or designated by the legislature or by a legislative committee or commission or other competent authority to make or conduct a special inquiry, investigation, examination or installation including permanent employees of the legislative research committee.
- (10) Trainees who are employed on a full time established training program performing the duties of the classified position for which they will be eligible to receive immediate appointment at the completion of the training period.
- (11) Employees of the Minnesota Safety Council.
- (12) *Judges of the tax court.*

Sec. 11. Minnesota Statutes, 1977 Supplement, Section 352.01, Subdivision 2B, is amended to read:

Subd. 2B. [EXCLUDED EMPLOYEES.] The following persons are excluded from the meaning of state employee:

- (1) Elective state officers;
- (2) Students employed by the University of Minnesota, the state universities, and community colleges unless approved for coverage by the board of regents, the state university board or the state board for community colleges, as the case may be;
- (3) Employees who are eligible to membership in the state teachers retirement association except employees of the department of education who have elected or may elect to be covered by the Minnesota state retirement system instead of the teachers retirement association;
- (4) Employees of the University of Minnesota who are excluded from coverage by action of the board of regents;
- (5) Officers and enlisted men in the national guard and the naval militia and such as are assigned to permanent peacetime duty who pursuant to federal law are or are required to be members of a federal retirement system;
- (6) Election officers;
- (7) Persons engaged in public work for the state but employed by contractors when the performance of such contract is authorized by the legislature or other competent authority;
- (8) Officers and employees of the senate and house of representatives or a legislative committee or commission who are temporarily employed;
- (9) All courts and all employees thereof, referees, receivers, jurors, and notaries public, except employees of the supreme court and referees and adjusters employed by the department of labor and industry;
- (10) Patient and inmate help in state charitable, penal and correctional institutions including the Minnesota veterans home;
- (11) Persons employed for professional services where such service is incidental to regular professional duties and whose compensation is paid on a per diem basis;
- (12) Employees of the Sibley House Association;
- (13) Employees of the Grand Army of the Republic and employees of the ladies of the G.A.R.;
- (14) Operators and drivers employed pursuant to section 16.07, subdivision 4;
- (15) Members of the ~~tax court~~, the personnel board, and the members of any other state board or commission who serve the state intermittently and are paid on a per diem basis; the secretary, secretary-treasurer, and treasurer of such boards if their compensation is \$500 or less per year, or, if they are legally prohibited from serving more than two consecutive terms and their total service therefor is required by law to be less than ten years; and the board of managers of the state agricultural society and its treasurer unless he is also its full time secretary;

(16) State highway patrolmen;

(17) Temporary employees of the Minnesota state fair employed on or after July 1 for a period not to extend beyond October 15 of the same year; also persons employed at any time or times by the state fair administration for special events held on the fairgrounds;

(18) Emergency employees in the classified service except emergency employees who within the same pay period become provisional or probationary employees on other than a temporary basis, shall be deemed "state employees" retroactively to the beginning of the pay period;

(19) Persons described in section 352B.01, subdivision 2, clauses (b) and (c) formerly defined as state police officers;

(20) All temporary employees in the classified service, all temporary employees in the unclassified service appointed for a definite period of not more than six months and employed less than six months in any one year period and all seasonal help in the unclassified service employed by the department of revenue;

(21) Trainees paid under budget classification number 41, and other trainee employees, except those listed in subdivision 2A(10);

(22) Persons whose compensation is paid on a fee basis;

(23) State employees who in any year have credit for 12 months service as teachers in the public schools of the state and as such teachers are members of the teachers retirement association or a retirement system in St. Paul, Minneapolis, or Duluth;

(24) Employees of the adjutant general employed on an unlimited intermittent or temporary basis in the classified and unclassified service for the support of army and air national guard training facilities;

(25) Chaplains and nuns who have taken a vow of poverty as members of a religious order;

(26) Labor service employees employed as a laborer 1 on an hourly basis;

(27) Examination monitors employed by departments, agencies, commissions, and boards for the purpose of conducting examinations required by law;

(28) Members of appeal tribunals, exclusive of the chairman to which reference is made in section 268.10, subdivision 4;

(29) Persons appointed to serve as members of fact finding commissions, adjustment panels, arbitrators, or labor referees under the provisions of chapter 179;

(30) Temporary employees employed for limited periods of time under any state or federal program for the purpose of training or rehabilitation including persons employed thereunder for limited periods of time from areas of economic distress except

skilled and supervisory personnel and persons having civil service status covered by the system;

(31) Full time students employed by the Minnesota historical society who are employed intermittently during part of the year and full time during the summer months;

(32) Temporary employees, appointed for not more than six months, of the Metropolitan council and of any of its statutory boards, the members of which board are appointed by the metropolitan council;

(33) Persons employed in positions designated by the department of personnel as student workers;

(34) Any person who is 65 years of age or older when appointed and who does not have allowable service credit for previous employment, unless such employee gives notice to the director within 60 days following his appointment that he desires coverage; and

(35) Tradesmen employed by the metropolitan waste control commission with trade union pension plan coverage pursuant to a collective bargaining agreement first employed after June 1, 1977.

Sec. 12. Minnesota Statutes, 1977 Supplement, Section 490.121, Subdivision 2, is amended to read:

Subd. 2. "Court" means any court of this state established by the Minnesota Constitution, ~~the tax court~~, and any municipal, county or probate court of record.

Sec. 13. *The transfer of tax court judges to membership in the Minnesota state retirement system shall be retroactive to July 1, 1977. The director of the Minnesota state retirement system shall transfer to the state employees retirement fund the contributions made by these judges to the judges retirement fund since July 1, 1977 and shall refund any excess or collect from such judges any deficiency of contributions as would have been required by section 352.04, subdivision 2, had the judges been covered by the state employees retirement fund since July 1, 1977. The tax court shall pay the required employer contribution for such period as required by section 352.04, subdivision 3.*

Sec. 14. *Judges of the tax court who held such office on and prior to July 1, 1977 may obtain credit for their service as a tax court judge prior to July 1, 1977 by paying to the state employees retirement fund an amount equal to four percent of their current monthly salary rate multiplied by the number of months prior to July 1, 1977 for which the judge desires to obtain credit. The tax court as employer shall pay an amount equal to the employee contribution made hereunder."*

Renumber the remaining section.

Further, amend the title in line 7 after the semicolon by inserting "making judges members of the public employees' retirement association;" line 9, after "278.03;" insert "352.01, Subdivision 2A;" and in line 12 by deleting "and" and inserting before the period "; 352.01, Subdivision 2B; and 490.121, Subdivision 2"

H. F. No. 1227, which the committee recommends to pass with the following amendments offered by Messrs. Borden, Ogdahl and Sieloff:

Mr. Borden moved to amend H. F. No. 1227, as amended pursuant to Rule 49, adopted by the Senate March 15, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1130.)

Page 5, line 15, strike "*insured*"

Page 6, line 13, after "*municipality*," insert "*as provided by law*,"

Page 11, after line 4, insert:

"Sec. 9. *This act is effective the day following final enactment.*"

Mr. Ogdahl moved to amend H. F. No. 1227, as amended pursuant to Rule 49, adopted by the Senate March 15, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1130.)

Page 9, line 28, after "*district*," insert "*police or firefighter's relief association, volunteer firefighter's relief association, non-profit corporation firefighter's relief association, any other statutory retirement association holding funds intended for retirement benefits for employees of a municipality, any*"

Mr. Sieloff moved to amend H. F. No. 1227, as amended pursuant to Rule 49, adopted by the Senate March 15, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1130.)

Page 5, after line 5, insert "*Notwithstanding any law or rule to the contrary, the interest or dividend paid on deposits and accounts received pursuant to clauses (17) and (18) shall not exceed the maximum allowable rate permitted to banking institutions on similar deposits and accounts.*"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 35 and nays 24, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Menning	Peterson	Sikorski
Ashbach	Frederick	Moe	Pillsbury	Sillers
Bang	Hanson	Nichols	Purfeerst	Strand
Bernhagen	Jensen	Ogdahl	Renneke	Ueland, A.
Brataas	Kirchner	Olhoff	Schmitz	Ulland, J.
Dieterich	Knaak	Olson	Setzepfandt	Wegener
Dunn	Knutson	Penny	Sieloff	Willet

Those who voted in the negative were:

Benedict	Gearty	Keefe, S.	Merriam	Staples
Borden	Gunderson	Kleinbaum	Nelson	Stokowski
Chenoweth	Hughes	Knoll	Schaaf	Stumpf
Coleman	Humphrey	Laufenburger	Solon	Vega
Davies	Johnson	Luther	Spears	

The motion prevailed. So the amendment was adopted.

H. F. No. 1943, which the committee recommends to pass with the following amendment offered by Mr. Keefe, S.:

Amend H. F. No. 1943, as amended pursuant to Rule 49, adopted by the Senate March 15, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1618.)

Page 1, after line 9, insert a new section to read:

"Section 1. Minnesota Statutes 1976, Section 65A.01, Subdivision 1, is amended to read:

65A.01 [MINNESOTA STANDARD FIRE INSURANCE POLICY.] Subdivision 1. [DESIGNATION AND SCOPE.] The printed form of a policy of fire insurance, as set forth in *subdivision subdivisions 3 and 3a*, shall be known and designated as the "Minnesota Standard Fire Insurance Policy" to be used in the state of Minnesota. No policy or contract of fire insurance shall be made, issued or delivered by any insurer including reciprocals or inter-insurance exchanges or any agent or representative thereof, on any property in this state, unless it shall *provide the specified coverage and conform as to all provisions, stipulations, and conditions, with such form of policy, except as provided in section 65A.06.* Any policy or contract otherwise subject to the provisions of this subdivision and *subdivision subdivisions 3 and 3a* which includes either on an unspecified basis as to coverage or for a single premium, coverage against the peril of fire and coverage against other perils may be issued without incorporating the exact language of the Minnesota Standard Fire Insurance Policy, provided: Such policy or contract shall, with respect to the peril of fire, afford the insured all the rights and benefits of the Minnesota Standard Fire Insurance Policy and such additional benefits as the policy provides; the provisions in relation to mortgagee interests and obligations in said Minnesota Standard Fire Insurance Policy shall be incorporated therein without change; such policy or contract is complete as to its terms of coverage; and, the commissioner is satisfied that such policy or contract complies with the provisions hereof."

Page 1, line 12, after "3a." insert "(1)"

Page 2, after line 18, insert:

"(2) *The provisions of clause (e) shall not be included in the language of the policy or endorsement unless the payment of dues to an association or organization, other than an insurance associa-*

tion or organization, is a prerequisite to obtaining or continuing the insurance."

Renumber the sections in sequence

Further, amend the title as follows:

Page 1, line 7, after "65A.01," insert "Subdivision 1 and"

H. F. No. 2299, which the committee recommends to pass with the following amendments offered by Messrs. Schmitz and Chmielewski.

Mr. Schmitz moved to amend H. F. No. 2299 as follows:

Page 2, lines 23 to 32, and Page 3, lines 1 to 21, strike all underlined language and insert "*Upon the authorization of the commissioner, a county may expend accumulated municipal account funds on county state-aid highways within the county outside of cities having a population of less than 5,000. The commissioner shall authorize the expenditure if:*

(a) *The county submits a written request to the commissioner and holds a hearing within 30 days of the request to receive and consider any objections by the governing bodies of cities within the county having a population of less than 5,000, and*

(b) *No written objection is filed with the commissioner by any such city within 14 days of that hearing as provided in this subdivision.*

The county shall notify all of the cities of the public hearing by certified mail and shall notify the commissioner in writing of the results of the hearing and any objections to the use of the funds as requested by the county.

If, within 14 days of the hearing, a city having a population of less than 5,000 files a written objection with the commissioner identifying a specific county state-aid highway within the city which is requested for improvement, the commissioner shall investigate the nature of the requested improvement. Notwithstanding clause (b), the commissioner may authorize the expenditure requested by the county if: (1) the identified highway is not deficient in meeting minimum state-aid street standards; or (2) the county shows evidence that the identified highway has been programmed for construction in the county's five-year capital improvement budget in a manner consistent with the county's transportation plan; or (3) there are conditions created by or within the city and beyond the control of the county that prohibit programming or constructing the identified highway."

Mr. Chmielewski moved to amend H. F. No. 2299 as follows:

Page 3, after line 29, insert:

"Sec. 2. Minnesota Statutes 1976, Section 161.082, Subdivision 2a, is amended to read:

Subd 2a. An amount equal to 32 percent of the county turnback account shall be expended, within counties having two or more

towns, on town road bridge structures that are 20 10 feet or more in length. The expenditures on such bridge structures ~~shall~~ *may* be on a matching basis, and if *on a matching basis*, not more than 50 90 percent of the cost of any such bridge structure shall be paid from the county turnback account. ~~The rules and regulations of the commissioner of transportation relating to the expenditure of funds for the purposes of this subdivision shall include review of township bridge projects by the regional development commissions or the metropolitan council to determine the relative need of the township for financial assistance.~~

Page 3, line 30, after "2." insert "*Section 1 of*"

Page 3, line 30, after "1979." insert "*Section 2 is effective the day after final enactment.*"

Renumber the remaining section

Amend the title as follows:

Page 1, line 5, after the semicolon insert "providing for the expenditure of certain portions of the county turnback account on bridges;"

Page 1, line 6, strike "Section" and insert "Sections 161.082, Subdivision 2a; and"

H. F. No. 2124, which the committee recommends to pass with the following amendment offered by Mr. Lewis:

Amend H. F. No. 2124, as amended pursuant to Rule 49, adopted by the Senate March 15, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1926.)

Page 7, line 7, after "force" insert ", to serve for a period of three years after the effective date of this act,"

Page 7, line 18, after the period insert "*Section 5 shall expire August 1, 1981.*"

H. F. No. 2270, which the committee recommends to pass with the following amendment offered by Mr. Willet:

Amend H. F. No. 2270, as amended pursuant to Rule 49, adopted by the Senate March 15, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 2248.)

Page 4, line 21, after "367.03" insert "*on or after July 1, 1979*"

Page 8, line 8, strike "January" and insert "*July*"

Page 9, line 11, after "*training*" insert "*and selection*"

Page 13, after line 13, insert a section to read:

"Sec. 18. Minnesota Statutes, 1977 Supplement, Section 626.-846, is amended by adding a subdivision to read:

Subd. 5. Notwithstanding any provision of this chapter to the contrary, any prospective peace officer candidate admitted to a certified training academy during 1978 shall, upon successful completion of that academy, be exempt from the initial licensing examination required by the board."

Renumber the sections in sequence

H. F. No. 2445, which the committee recommends to pass subject to the following motion:

Mr. Davies moved that the amendment made to H. F. No. 2445 by the Committee on Rules and Administration in the report adopted March 15, 1978, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H. F. No. 2223 which the committee reports progress, subject to the following motion:

Mr. Benedict moved to amend H. F. No. 2223, as amended pursuant to Rule 49, adopted by the Senate March 15, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 2281.)

Page 2, after line 11, insert

"By September 1, 1978, any municipality in which the county was regularly holding court prior to August 1, 1978 may, by appropriate resolution, notify the county that it wishes the county to continue to hold court in the municipality. Upon receipt of such a resolution, the county shall continue to hold court regularly in the municipality until notified by the municipality that it may discontinue holding court in the municipality."

Amend the title as follows:

Page 1, line 5, after the semicolon insert "permitting certain municipalities to require the county to continue to hold court in the municipality;"

The motion prevailed. So the amendment was adopted.

H. F. No. 2223 was then progressed.

H. F. No. 1878, which the committee recommends to pass with the following amendment offered by Mr. Sikorski:

Page 1, after line 19, insert:

"Sec. 2. Notwithstanding any law to the contrary, no agency of the state shall acquire land for, nor shall any construction begin, on any proposed multi-use trail on abandoned railroad lines along the St. Croix river in Washington County until the department of natural resources has completed a comprehensive plan for the project. The plan shall evaluate the likely and intended uses of the trail and the resultant effects on adjoining properties.

Sec. 3. This act is effective the day after final enactment."

Amend the title as follows:

Page 1, line 2, after "to" insert "Washington County;"

Page 1, line 6, after "circumstances" insert "; prohibiting establishment of a multi-use trail in Washington County until the completion of a comprehensive plan"

H. F. No. 2151, which the committee recommends to pass with the following amendment offered by Mr. Keefe, S.:

Amend H. F. No. 2151, as amended pursuant to Rule 49, adopted by the Senate March 13, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 2003.)

Page 1, line 19, after the semicolon, insert "or"

Page 2, line 21, strike "such" and insert "the"

Page 3, line 4, after the period insert "*This act is not an indication of legislative intent concerning the meaning of the law in effect prior to its enactment. This act does not affect any right accrued, any duty imposed, any penalty incurred, or any proceeding commenced under or by virtue of the law in effect prior to the enactment of this act.*"

H. F. No. 2307, which the committee recommends to pass subject to the following motions:

Mr. Solon moved that the amendment made to H. F. No. 2307 by the Committee on Rules and Administration in the report adopted March 15, 1978, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

Mr. Solon moved to amend H. F. No. 2307 as follows:

Page 3, strike section 4

Amend the title as follows:

Lines 4 and 5, strike "restricting liquor licenses in the city of St. Paul;"

The motion prevailed. So the amendment was adopted.

H. F. No. 1995, which the committee recommends to pass with the following amendment offered by Mr. Johnson:

Page 2, line 22, before the period insert "*if the unearned premium is \$3 or more*"

S. F. No. 1918, which the committee recommends to pass with the following amendment offered by Mr. Chenoweth:

Pages 5 to 18, strike sections 4 to 14

Page 18, line 17, strike "*Sections 1 to 13*" and insert "*This act*"

Page 18, line 18, strike "*Section 14 shall be effective the*"

Page 18, strike line 19

Renumber the sections in sequence

Delete all underscoring from the bill.

Amend the title as follows:

Page 1, line 7, strike “; providing for an”

Page 1, strike lines 8 to 12

Page 1, line 13, strike everything before the period.

H. F. No. 1950, which the committee recommends to pass with the following amendment offered by Mr. Strand:

Amend H. F. No. 1950, as amended pursuant to Rule 49, adopted by the Senate March 15, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 2181.)

Page 2, line 8, strike “of good moral character”

Page 4, line 21, strike “of good moral character”

H. F. No. 2461, which the committee recommends to pass with the following amendment offered by Mr. Johnson:

Amend H. F. No. 2461, as amended pursuant to Rule 49, adopted by the Senate March 15, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 2081.)

Page 2, line 13, strike “cannot be” and insert “have not been”

Page 3, line 25, strike “cannot be” and insert “have not been”

Page 5, line 2, strike “rendered” and insert “assessed”

Page 5, line 4, strike “rendition” and insert “assessment”

Page 6, line 3, strike “rendered” and insert “assessed”

Page 6, line 7, strike “hold” and insert “provide for”

Page 6, line 7, after “a” insert “contested case”

H. F. No. 1599, which the committee recommends to pass with the following amendment offered by Mr. Peterson:

Amend H. F. No. 1599, as amended pursuant to Rule 49, adopted by the Senate March 13, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1543.)

Amend the title as follows:

Page 1, line 3, strike “daytime activity” and insert “developmental achievement”

H. F. No. 2075, which the committee recommends to pass subject to the following motion:

Mr. Johnson moved that the amendment made to H. F. No. 2075 by the Committee on Rules and Administration in the report adopted March 15, 1978, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H. F. No. 1476, which the committee recommends to pass subject to the following motions:

Mr. Chenoweth moved that the amendment made to H. F. No. 1476 by the Committee on Rules and Administration in the report adopted March 15, 1978, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

Mr. Chenoweth moved to amend H. F. No. 1476 as follows:

Page 6, after line 32, insert

"Nothing in this subdivision is intended to prohibit the use of revenue bond proceeds to pay outstanding indebtedness of a contracting party to the extent now permitted by law;"

The motion prevailed. So the amendment was adopted.

H. F. No. 1914, which the committee recommends to pass with the following amendment offered by Mr. Lessard:

Amend H. F. No. 1914, as amended pursuant to Rule 49, adopted by the Senate March 11, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1884.)

Page 3, lines 17 and 20, strike "\$3" and insert "\$5"

Page 4, lines 10 and 23, strike "\$3" and insert "\$5"

Page 7, lines 18 and 21, strike "\$3" and insert "\$5"

Page 8, lines 12 and 25, strike "\$3" and insert "\$5"

Amend the title as follows:

Line 2, after "to" insert "law libraries; providing for adjustments in respect to law libraries in"

H. F. No. 2147, which the committee recommends to pass subject to the following motion:

Mr. Penny moved that the amendment made to H. F. No. 2147 by the Committee on Rules and Administration in the report adopted March 15, 1978, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H. F. No. 2052, which the committee recommends to pass with the following amendment offered by Mr. Luther:

Amend H. F. No. 2052, as amended pursuant to Rule 49, adopted by the Senate March 13, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1908.)

Page 1, line 19, after the period, insert *"It is also found that the social and financial costs of disrupting existing land uses around airports in built up urban areas, particularly established residential neighborhoods, often outweigh the benefits of a reduction in airport*

hazards that might result from the elimination or removal of those uses."

Page 2, line 3, strike the semicolon

Page 2, line 3, strike "(3)"

Page 2, line 5, before the period, insert "; and (3) that the elimination or removal of existing land uses, particularly established residential neighborhoods in built up urban areas, or their designation as nonconforming uses is not in the public interest and should be avoided whenever possible consistent with reasonable standards of safety"

Page 2, line 23, strike "municipality," and strike "joint" and insert "local"

Page 2, line 24, strike "board," and delete "or joint airport operating board," and insert "authority"

Page 3, line 1, before "No" insert "(a) In order to ensure the minimum disruption of existing land uses, particularly established residential neighborhoods in built up urban areas, the airport zoning standards of the commissioner and the local airport zoning ordinances or regulations adopted under sections 360.061 to 360.074 shall distinguish between the creation or establishment of a use and the elimination of an existing use, and shall avoid the elimination, removal, or reclassification of existing uses to the extent consistent with reasonable standards of safety. The standards of the commissioner shall include criteria for determining when an existing land use may constitute an airport hazard so severe that considerations of public safety outweigh the public interest in preventing disruption to that land use. (b)"

Page 3, line 1, after "No" insert "airport zoning"

Page 3, line 2, after "or" insert "local airport zoning ordinances or"

Page 3, line 3, strike "by the commissioner or by any"

Page 3, strike line 4

Page 3, line 6, after "any" insert "low density"

Page 3, strike line 7, and insert "isolated low density"

Page 3, line 9, strike "Any such standards or"

Page 3, strike lines 10 to 14, and insert

"(c) A local airport zoning authority may classify a land use described in clause (b) as an airport hazard if that authority finds that this classification is justified by considerations of public safety and is consistent with the airport zoning standards of the commissioner. Any land use described in clause (b) which is classified as an airport hazard shall be acquired, altered or removed at public expense.

(d) The provisions of this subdivision shall not be construed to affect the classification of any land use under any zoning

ordinances or regulations not adopted pursuant to sections 360.061 to 360.074."

Page 3, line 18, strike "*minimum*"

Page 3, line 21, strike "*section 3 of*"

Page 3, line 21, strike "*If*" and insert "*Until*"

Page 3, line 21, strike "*fails to adopt*" and insert "*adopts*"

Page 3, line 22, strike "*section*" and insert "*subdivision*"

Page 3, line 24, strike "*conforming*" and insert "*nonconforming*"

Page 3, line 25, strike "*section 3*" and insert "*subdivision 1a, clause (b)*"

Page 3, line 26, strike everything before the period

Page 3, lines 27 to 31, strike Section 5 in its entirety

Renumber the remaining section

H. F. No. 1861, which the committee recommends to pass subject to the following motions:

Mr. Strand moved to amend H. F. No. 1861, as amended pursuant to Rule 49, adopted by the Senate March 14, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1654.)

Page 1, after line 18, insert:

"Section 1. Minnesota Statutes 1976, Section 3A.01, is amended by adding a subdivision to read:

Subd. 7. [AVERAGE MONTHLY SALARY.] With regard to any member of the legislature whose service terminates prior to the beginning of the 1981 legislative session, "average monthly salary" means final monthly salary during the member's final term of office as a member of the legislature; and with regard to any member of the legislature whose service terminates after the beginning of the 1981 legislative session, "average monthly salary" means the average of the member's highest five successive years of salary received as a member of the legislature after the beginning of the 1981 legislative session, or all salary after the beginning of the 1981 legislative session if less than five years.

Sec. 2. Minnesota Statutes 1976, Section 3A.01, is amended by adding a subdivision to read:

Subd. 8. [NORMAL RETIREMENT AGE.] "Normal retirement age" means the age of 60 years with regard to any member of the legislature whose service terminates prior to the beginning of the 1981 legislative session, and the age of 62 years with regard to any member of the legislature whose service terminates after the beginning of the 1981 session.

Sec. 3. Minnesota Statutes, 1977 Supplement, Section 3A.02, Subdivision 1, is amended to read:

3A.02 [RETIREMENT ALLOWANCE.] Subdivision 1. [QUALIFICATIONS.] Any former legislator:

(1) Who has served at least eight years or who has served during all or part of four regular sessions as such member of the legislature, which service need not be continuous, but must have been after January 1, 1965 except as hereinafter provided; and

(2) Who attains the *normal retirement age of 60 years*; and

(3) Who has retired as a member of the legislature; and

(4) Who has made all contributions provided for in sections 3A.01 to 3A.10, or who has made payments in lieu of all contributions provided for in sections 3A.01 to 3A.10 as provided for in subdivision 2; shall be entitled upon written application to the director to receive a retirement allowance monthly of 40 percent of that member's *final average* monthly salary *during the final term of office as a member of the legislature* beginning with the first day of the month of receipt of such application and for the remainder of his life, provided he is not serving as a member of the legislature or as a constitutional officer or commissioner.

In addition to the amount provided above, the retired member who meets the qualifications of clauses (1), (2), (3) and (4) shall receive for every year of service over eight years a monthly allowance which equals two and one-half percent of the average monthly salary *determined pursuant to clause (4)*.

Notwithstanding clause (4), a member shall receive two and one-half percent of the average monthly salary *determined pursuant to clause (4)* for each year of service served after the beginning of the 1979 legislative session; *provided, however, that a member who has served during all or part of four regular sessions as required under clause (1) shall be deemed to have served eight years as a member of the legislature.*

The retirement allowance shall cease with the last payment which had accrued to the retired legislator during his lifetime except that the surviving spouse, if any, shall be entitled to the retirement allowance for the calendar month in which the retired legislator died.

Effective for service rendered after the beginning of the 1981 legislative session, no member may accrue credit for more than 20 years service, nor shall member contributions thereafter be required for more than 20 years service.

For the purposes of this chapter the term salary shall not be deemed to include any additional payments provided by law for legislative leadership positions.

This subdivision is applicable to members of the legislature who terminate service after January 1, 1973, and to any widow or

dependent child of any such member. Clauses (1) and (2) shall also be applicable to any former legislator who applies for a deferred annuity after June 5, 1975. Any former legislator who was in office on or after January 1, 1965, who had at least eight years of service but less than ten years of service as a member of the legislature, and who took a refund of his contributions, may upon application to the director repay to the director for credit to his account all refundments taken plus interest thereon at six percent per annum compounded annually. Upon repayment of the refundment, he shall then be entitled when otherwise qualified to a retirement allowance pursuant to subdivision 1, provided however that the retirement allowance shall be based on his salary at the time of his termination of service as a member of the legislature.

Sec. 4. Minnesota Statutes 1976, Section 3A.02, is amended by adding a subdivision to read:

Subd. 1b. [REDUCED RETIREMENT ALLOWANCE.] Upon separation from service after the beginning of the 1981 legislative session, a former member of the legislature who has attained the age of at least 60 years and who is otherwise qualified in accordance with subdivision 1 is entitled upon making written application or forms supplied by the director to a retirement allowance in an amount equal to the retirement allowance specified in subdivision 1 reduced by one half of one percent for each month that the former member of the legislature is under age 62.

Sec. 5. Minnesota Statutes 1976, Section 3A.02, Subdivision 2, is amended to read:

Subd. 2. [PAYMENT FOR PAST SERVICE.] Any member of the legislature who is a member on July 1, 1965 or thereafter, may, notwithstanding the provisions of subdivision 1, clause (1), receive credit for service rendered as a member of the legislature prior to July 1, 1965, and the pension based thereon provided that he pays to the director for credit to his account an amount equal to eight nine percent of all salary received by him for all periods of service rendered by him as a member of the legislature, even if such periods are not continuous and exceed ten years in duration. Such payment may be made at any time after the commencement of any regular session of the legislature of which he is a member.

Sec. 6. Minnesota Statutes 1976, Section 3A.02, Subdivision 4, is amended to read:

Subd. 4. [DEFERRED ANNUITIES AUGMENTATION.] The deferred annuity of any former legislator shall be augmented as provided herein. The required reserves applicable to the deferred annuity, determined as of the date the benefit begins to accrue using an appropriate mortality table and an interest assumption of five percent, shall be augmented by interest at the rate of five percent per annum compounded annually from the date of first of the month following termination of service, or July 1, 1973, whichever is later, to the first day of the month in which the annuity begins to accrue, at the rate of five percent per annum com-

pounded annually until January 1, 1981, and thereafter at the rate of three percent per annum compounded annually.

Sec. 7. Minnesota Statutes 1976, Section 3A.03, Subdivision 1, is amended to read:

3A.03 [CONTRIBUTIONS.] Subdivision 1. [PERCENTAGE.] Every member of the legislature shall contribute ~~eight~~ *nine* percent of his total salary, by payroll deduction, to be paid into the state treasury and deposited in the general fund. It shall be the duty of the director to record the periodic contributions of each member of the legislature and credit such contribution to the member's account.

Sec. 8. Minnesota Statutes, 1977 Supplement, Section 3A.04, Subdivision 1, is amended to read:

3A.04 [SURVIVOR BENEFIT.] Subdivision 1. [SURVIVING SPOUSE.] Upon the death of a member of the legislature while serving as such member after June 30, 1973, or upon the death of a former member of the legislature with at least eight years of service as required by section 3A.02, subdivision 1, clause (1), the surviving spouse shall be paid a survivor benefit in the amount of one-half of the retirement allowance of the member of the legislature computed as though the member were at least *normal retirement* age 69 on the date of his death and based upon his allowable service or eight years whichever is greater. The augmentation provided in section 3A.02, subdivision 4, if applicable, shall be applied to the month of death. Upon the death of a former legislator receiving a retirement allowance, the surviving spouse shall be entitled to one-half of the amount of the allowance being paid to the legislator. Such benefit shall be paid during the lifetime of the surviving spouse, but shall cease and terminate upon the remarriage of the surviving spouse.

Sec. 9. Minnesota Statutes, 1977 Supplement, Section 3A.04, Subdivision 2, is amended to read:

Subd. 2. [DEPENDENT CHILDREN.] Upon the death of a member of the legislature while serving as such member after June 30, 1973, or upon the death of a former member of the legislature with at least eight years of service as required by section 3A.02, subdivision 1, clause (1), each dependent child of such member shall be paid a survivor benefit in the following amount: First dependent child, a monthly allowance which equals 25 percent of the monthly retirement allowance of the member of the legislature computed as though the member were at least *normal retirement* age 68 on the date of his death and based upon his allowable service or eight years whichever is greater; for each additional dependent child, a monthly allowance which equals 12½ percent of the monthly retirement allowance of the member computed as in the case of the first child; but the total amount paid to the surviving spouse and dependent children shall not exceed in any one month 100 percent of the monthly retirement allowance of the member computed as in the case of the first child. The augmentation provided in section 3A.02, subdivision 4, if

applicable, shall be applied to the month of death. Upon the death of a former legislator receiving a retirement allowance, the surviving dependent child shall be entitled to the applicable percentage of the amount of the allowance being paid to the former legislator. The payments for dependent children shall be made to the surviving spouse or the guardian of the estate of the dependent children, if there is one. A posthumous child qualifies as a dependent child for benefits provided herein from the date of its birth.

Sec. 10. Minnesota Statutes 1976, Section 352.72, Subdivision 2, is amended to read:

Subd. 2. [COMPUTATION OF DEFERRED ANNUITY.] The deferred annuity, if any, accruing under subdivision 1, or section 352.22, subdivision 3, shall be computed in the manner provided in section 352.22, subdivision 3, and acts amendatory thereof, on the basis of allowable service prior to termination of state service and augmented as provided herein. The required reserves applicable to a deferred annuity or to an annuity for which a former employee was eligible but had not applied or to any deferred segment of an annuity shall be determined as of the date the benefit begins to accrue and augmented by interest compounded annually from the first day of the month following the month in which the employee ceased to be a state employee, or July 1, 1971, whichever is later, to the first day of the month in which the annuity begins to accrue. The rates of interest used for this purpose shall be five percent compounded annually *until January 1, 1981, and thereafter three percent compounded annually*. If a person has more than one period of uninterrupted service, the required reserves related to each period shall be augmented by interest pursuant to this subdivision. The sum of the augmented required reserves so determined shall be the present value of the annuity. Uninterrupted service for the purpose of this subdivision shall mean periods of covered employment during which the employee has not been separated from state service for more than two years. If a person repays a refundment, the service restored by such repayment shall be considered as continuous with the next period of service for which the employee has credit with this system. The formula percentages used for each period of uninterrupted service shall be those as would be applicable to a new employee. The mortality table and interest assumption used to compute such annuity shall be those in effect at the time the employee files application for annuity. This section shall not reduce the annuity otherwise payable under this chapter.

Sec. 11. Minnesota Statutes 1976, Section 352B.30, Subdivision 2, is amended to read:

Subd. 2. [COMPUTATION OF DEFERRED ANNUITY.] Deferred annuities shall be computed in the manner provided by this chapter and acts amendatory thereof, on the basis of allowable service prior to termination of service and augmented as provided herein. The required reserves applicable to a deferred annuity shall be augmented by interest compounded annually from

the first day of the month following the month in which the member terminated service, or July 1, 1971, whichever is later, to the first day of the month in which the annuity begins to accrue. The rates of interest used for this purpose shall be five percent per annum compounded annually until January 1, 1981, and thereafter three percent per annum compounded annually. The mortality table and interest assumption used to compute such annuity shall be those in effect at the time the member files application for annuity.

Sec. 12. Minnesota Statutes 1976, Section 352C.01, is amended to read:

352C.01 [LEGISLATIVE FINDING AND INTENT.] The legislature finds that service to Minnesota in the capacity of a constitutional officer or commissioner as defined in ~~sections 352C.01 to 352C.09~~ *section 13 of this act* constitutes a unique contribution to the state and that such service is dissimilar to any other public employment. The legislature further finds that service as a constitutional officer or commissioner for a period of ~~ten~~ *eight* years or longer deprives the individual so serving of normal opportunities to establish retirement benefits in his usual vocational pursuit and justifies adoption of special retirement provisions. The provisions of ~~sections 352C.01 to 352C.09~~ *this chapter* are intended by the legislature to reflect the unique nature of service as a constitutional officer or commissioner and to have due regard for the unusual disruption of normal retirement planning that such service entails.

Sec. 13. Minnesota Statutes 1976, Chapter 352C, is amended by adding a section to read:

[352C.021] [DEFINITIONS.] *Subdivision 1. For purposes of this chapter, the following terms shall have the meanings given to them unless the language or context clearly indicates that a different meaning is intended.*

Subd. 2. [CONSTITUTIONAL OFFICER.] "Constitutional officer" means a person who was duly elected and qualified and is serving as governor, lieutenant governor, attorney general, secretary of state, state auditor or state treasurer of the state of Minnesota.

Subd. 3. [COMMISSIONER.] "Commissioner" means a person who was duly elected and qualified and is serving as an elected member of the public service commission of the state of Minnesota.

Subd. 4. [FORMER CONSTITUTIONAL OFFICER OR COMMISSIONER.] "Former constitutional officer or commissioner" means a person who has ceased to be a constitutional officer or commissioner subsequent to April 21, 1976 for any reason, including but not limited to the expiration of the term of office for which the person was elected, retirement or death.

Subd. 5. [SURVIVING SPOUSE.] "Surviving spouse" means the unmarried spouse of a deceased constitutional officer or commissioner or former constitutional officer or commissioner.

Subd. 6. [DEPENDENT CHILD.] *"Dependent child" means any natural or adopted child of a deceased constitutional officer or commissioner or a deceased former constitutional officer or commissioner who is under the age of 18, or who is under the age of 22 and is a full time student, and who in either case is unmarried and was actually dependent for more than one half of his support upon the constitutional officer or commissioner or the former constitutional officer or commissioner for a period of at least 90 days immediately prior to the death of the constitutional officer or commissioner or the former constitutional officer or commissioner. The term shall also include a posthumous child of the constitutional officer or commissioner or the former constitutional officer or commissioner.*

Subd. 7. [ALLOWABLE SERVICE.] *"Allowable service" means any years or months of service as a constitutional officer or as a commissioner, for which service the person made the contributions required by section 352C.09 on a current basis. The service need not be continuous. For any constitutional officer or commissioner or former constitutional officer or commissioner in office on or before July 1, 1967, allowable service shall include any service as a constitutional officer or commissioner prior to July 1, 1967 notwithstanding that the person did not make concurrent contributions as required by section 352C.09.*

Subd. 8. [DIRECTOR.] *"Director" means the executive director of the Minnesota state retirement system.*

Sec. 14. Minnesota Statutes 1976, Chapter 352C, is amended by adding a section to read:

[352C.0311] [RETIREMENT ALLOWANCE.] *Subdivision 1. [UNREDUCED RETIREMENT ALLOWANCE.] Upon separation from service, a former constitutional officer or commissioner who has attained the age of at least 62 years and who has at least eight years of allowable service is entitled upon making written application on forms supplied by the director to a normal retirement allowance.*

Subd. 2. [REDUCED RETIREMENT ALLOWANCE.] *Upon separation from service, a former constitutional officer or commissioner who has attained the age of at least 60 years and who has at least eight years of allowable service is entitled upon making written application on forms supplied by the director to a retirement allowance in an amount equal to a normal retirement allowance reduced by one half of one percent for each month that the former constitutional officer or commissioner is under age 62.*

Subd. 3. [AVERAGE SALARY.] *Average salary for purposes of calculating the normal retirement allowance pursuant to subdivision 4 shall mean the average of the highest five successive years of salary upon which contributions have been made pursuant to section 352C.09.*

Subd. 4. [RETIREMENT ALLOWANCE FORMULA.] *The average salary multiplied by two and one half percent for each year*

of allowable service and pro rata for completed months less than a full year shall determine the amount of the normal retirement allowance.

Subd. 5. [BENEFIT ACCRUAL AND TERMINATION.] The benefit shall begin to accrue the first day of the month in which the application is received by the director but in no event earlier than the day following the termination of service or the attainment of the age required to receive such benefit, whichever is later. Thereafter, benefits shall be paid on the first day of each calendar month for that month. The benefit shall cease with the payment for the month in which the retired constitutional officer or commissioner died.

Sec. 15. Minnesota Statutes 1976, Chapter 352C, is amended by adding a section to read:

[352C.033] [DEFERRED ANNUITIES AUGMENTATION.] The deferred retirement allowance for any former constitutional officer or commissioner shall be augmented as provided in this section. The required reserves applicable to the deferred retirement allowance, determined as of the date the retirement allowance begins to accrue using the appropriate mortality table and an interest assumption of five percent, shall be augmented from the first of the month following termination of service as a constitutional officer or commissioner, or January 1, 1979, whichever is later, to the first day of the month in which the annuity begins to accrue, at the rate of five percent per annum compounded annually until January 1, 1981, and thereafter at the rate of three percent per annum compounded annually.

Sec. 16. Minnesota Statutes 1976, Section 352C.04, Subdivision 1, is amended to read:

352C.04 [SPOUSE'S AND DEPENDENT CHILDREN'S SURVIVOR BENEFITS.] Subdivision 1. [SURVIVING SPOUSE BENEFIT.] Upon the death of a constitutional officer or commissioner while serving in such office, or a former constitutional officer or commissioner with at least eight years of allowable service, the surviving spouse is entitled to a survivor benefit in the amount of one-half of the retirement allowance of such the constitutional officer or commissioner or the former constitutional officer or commissioner computed as though such the constitutional officer or commissioner or the former constitutional officer or commissioner were at least age 65 62 on the date of death and based upon the attained allowable service or eight years, whichever is greater. The augmentation provided in section 15 of this act, if applicable, shall be applied to the month of death. Upon the death of a former constitutional officer or commissioner receiving a retirement allowance, the surviving spouse shall be entitled to one half of the amount of the retirement allowance being paid to the former constitutional officer or commissioner as of the date of death. Such benefit shall be paid to a surviving spouse eligible therefor during the remainder of the spouse's natural life or until remarriage. Upon remarriage such spouse shall no longer be eligible

for such benefit except as provided in Minnesota Statutes, 1975 Supplement, Section 356.31.

Sec. 17. Minnesota Statutes 1976, Section 352C.04, Subdivision 2a, is amended to read:

Subd. 2a. [SURVIVING DEPENDENT CHILD BENEFIT.] Upon the death of a constitutional officer or commissioner while serving in such office, or a former constitutional officer or commissioner with at least eight years of allowable service, each dependent child of such deceased constitutional officer or commissioner shall be paid a survivor benefit in the following amount: First dependent child, a monthly benefit which equals 25 percent of the monthly retirement allowance of the constitutional officer or commissioner computed as though the constitutional officer or commissioner or the former constitutional officer or commissioner were at least age 65 62 on the date of his death and based upon the attained allowable service for or eight years, whichever is greater; for each additional dependent child or a monthly benefit which equals 12½ percent of the monthly retirement allowance of the constitutional officer or commissioner or the former constitutional officer or commissioner computed as in the case of the first child; but the total amount paid to the surviving spouse and dependent children shall not exceed in any one month 100 percent of the monthly allowance of the constitutional officer or commissioner or the former constitutional officer or commissioner computed as in the case of the first child. The augmentation provided in section 15 of this act, if applicable, shall be applied to the month of death. Upon the death of a former constitutional officer or commissioner receiving a retirement allowance, the surviving dependent child shall be entitled to the applicable percentage of the amount of the retirement allowance being paid to the former constitutional officer or commissioner as of the date of death. The payments for dependent children shall be made to the surviving spouse or the guardian of the estate of the dependent child, if there is one. A posthumous child qualifies as a dependent child for benefits provided herein from the date of its birth.

Sec. 18. Minnesota Statutes 1976, Section 352C.04, is amended by adding a subdivision to read:

Subd. 4. [APPLICATION FOR SURVIVOR BENEFITS.] A surviving spouse or a guardian of the estate of the dependent child or children entitled to the payment of benefits under this section shall file an application for the benefit with the director, and payment shall commence as of the first day of the month next following the filing of the application and shall be retroactive to the first of the month following the death of the constitutional officer or commissioner or the former constitutional officer or commissioner; provided, however, that no payment shall be retroactive for more than 12 months prior to the month in which the application is filed with the director. Such benefits shall be paid on the first day of each calendar month for that month. The surviving spouse benefit shall cease with the payment for the month in which the surviving spouse dies or remarries as the case

may be. The dependent child's benefit shall cease with the payment for the month in which the child no longer qualifies for payment as a dependent child.

Sec. 19. Minnesota Statutes 1976, Chapter 352C, is amended by adding a section to read:

[352C.051] [COVERAGE BY MORE THAN ONE RETIREMENT SYSTEM OR ASSOCIATION.] *Subdivision 1. [ENTITLEMENT TO ANNUITY; LEGISLATIVE SERVICE.] Any constitutional officer or commissioner who has been a member of the legislature with service credited pursuant to chapter 3A shall be entitled when qualified to a retirement allowance from the legislator's retirement plan and the elective state officers plan if the total allowable service for which the person has credit in the two plans totals eight or more years, provided that no portion of the allowable service upon which the retirement allowance from one plan is based, is again used in the computation for benefits from the other plan. The retirement allowance from each plan shall be determined by the appropriate provisions of the law governing each plan, except that the requirement that a person must have at least eight years of allowable service in the respective plan shall not apply for purposes of this section, provided that the aggregate service in the two plans equals eight or more years. The augmentation of deferred annuities provided in section 3A.02, subdivision 4, and section 15 of this act, shall apply to the retirement allowances accruing hereunder.*

Subd. 2. [ENTITLEMENT TO ANNUITY; PUBLIC RETIREMENT SERVICE.] Any constitutional officer or commissioner who has been an employee covered by the Minnesota state retirement system, or a member of the public employees retirement association including the public employees retirement association police and fire fund, or the teachers retirement association, or the Minneapolis municipal employees retirement fund, or the highway patrol retirement association, or any other public employee retirement system in the state of Minnesota having a like provision, but excluding all other funds providing retirement benefits for police and firefighters, shall be entitled when qualified to an annuity from each fund if the person's total allowable service for which he has credit in all funds or in any two of these funds totals ten or more years, provided no portion of the allowable service upon which the retirement annuity from one fund is based is again used in the computation for benefits from another fund. The annuity from each fund shall be determined by the appropriate provisions of the law governing each fund, except that the requirement that a person must have at least ten years allowable service in the respective system or association shall not apply for the purposes of this section, provided that the aggregate service in two or more of these funds equals ten or more years. The augmentation of deferred annuities provided in section 15 of this act shall apply to the annuities accruing hereunder.

Subd. 3. [REFUND REPAYMENT.] Any former constitutional officer or commissioner who has received a refund as pro-

vided in section 352C.09, subdivision 2, who is a currently contributing member of a retirement fund specified or enumerated in subdivisions 1 or 2, may repay the refund to the elective state officers retirement plan with interest at six percent per annum compounded annually.

Sec. 20. Minnesota Statutes 1976, Section 352C.09, Subdivision 1, is amended to read:

352C.09 [CONTRIBUTIONS.] Subdivision 1. Every constitutional officer or commissioner shall contribute eight percent of his or her total salary beginning the first full pay period after July 1, 1976, and nine percent of his or her total salary beginning the first full pay period after January 1, 1979, by payroll deduction, to be paid into the state treasury and deposited in the general fund. In case of retirement any unpaid deductions shall be deducted from any retirement allowance that becomes payable. All deductions and payments, if any, in lieu of deductions are to be paid into the state treasury and deposited in the general fund. It shall be the duty of the executive director of the Minnesota state retirement system to record the contributions of each constitutional officer or commissioner and credit such contribution to such officer's or commissioner's account.

Sec. 21. Minnesota Statutes 1976, Section 352C.09, Subdivision 2, is amended to read:

Subd. 2. (1) Any person who has made contributions pursuant to subdivision 1 who is no longer a constitutional officer or commissioner and is not receiving ; and has not received, or is not entitled to receive any allowance or benefit under the provisions of sections ~~352C.01 to 352C.09~~ *this chapter* is entitled to receive upon application to the executive director of the Minnesota state retirement system a ~~refundment~~ *refund* of all contributions credited to his account without interest thereon. The moneys required for such ~~refundments~~ *refunds* are appropriated annually to the director from the general fund in the state treasury.

(2) The ~~refundment~~ *refund* of contributions as provided in clause (1) above terminates all rights of a former constitutional officer or commissioner or his survivors under the provisions of sections ~~352C.01 to 352C.09~~ *this chapter* . Should the former constitutional officer or commissioner again hold such office after having taken a ~~refundment~~ *refund* as provided above, he shall be considered a new member for all purposes and such ~~refundment~~ *refund* may not be repaid for any credit or benefit whatever.

(3) No person shall be required to apply for or accept a ~~refundment~~ *refund* .

Sec. 22. Minnesota Statutes 1976, Section 352C.091, is amended by adding a subdivision to read:

Subd. 3. Sections 12 to 22 shall apply to constitutional officers and commissioners in office on and after July 1, 1977. Any constitutional officer or commissioner in office on the effective date of this act shall be entitled to elect to have his retirement allowance

computed pro rata under the provisions of Minnesota Statutes 1976, Chapter 352C for all service prior to the effective date of this act and the provisions of this chapter, as amended by this act, for all service subsequent to the effective date of this act, or to have his retirement allowance computed entirely under the provisions of this chapter, as amended by this act. Any former constitutional officer or commissioner who terminated active service prior to July 1, 1977 but has not yet applied to receive a retirement allowance under the provisions of this chapter shall be entitled to apply for and commence receipt of a retirement allowance at the age specified in section 14, subdivision 1, of this act, be covered by the deferred annuities augmentation provision contained in section 15 of this act, and be included in the coverage by more than one retirement system provision set forth in section 19 of this act."

Page 15, after line 5, insert:

"Sec. 39. Minnesota Statutes 1976, Section 353.71, Subdivision 2, is amended to read:

Subd. 2. [DEFERRED ANNUITY COMPUTATION; AUGMENTATION.] The deferred annuity, if any, accruing under subdivision 1, or sections 353.34, subdivision 3, and 353.68, subdivision 4, shall be computed in the manner provided in said sections, on the basis of allowable service prior to termination of public service and augmented as provided herein. The required reserves applicable to a deferred annuity, or to an annuity for which a former member was eligible but had not applied, or to any deferred segment of an annuity shall be determined as of the date the annuity begins to accrue and shall be augmented by interest at the rate of five percent per annum compounded annually from the first day of the month following the month in which the former member ceased to be a public employee, or July 1, 1971, whichever is later, to the first day of the month in which the annuity begins to accrue, at the rate of five percent per annum compounded annually until January 1, 1981, and thereafter at the rate of three percent per annum compounded annually. If a person has more than one period of uninterrupted service, the required reserves related to each period shall be augmented by interest pursuant to this subdivision. The sum of the augmented required reserves so determined shall be the present value of the annuity. Uninterrupted service for the purpose of this subdivision shall mean periods of covered employment during which the employee has not been separated from public service for more than two years. If a person repays a refund, the service restored thereby shall be considered as continuous with the next period of service for which the employee has credit with this association. The formula percentages used for each period of uninterrupted service shall be those as would be applicable to a new employee. This section shall not reduce the annuity otherwise payable under this chapter. This subdivision shall apply to deferred annuitants of record on July 1, 1971 and to employees who thereafter become deferred annuitants; it shall also apply from July 1, 1971 to former members who make application for an annuity after July 1, 1973."

Page 16, after line 5, insert:

"Sec. 42. Minnesota Statutes 1976, Section 354.55, Subdivision 11, is amended to read:

Subd. 11. Any person covered under section 354.44, subdivisions 6 and 7, who ceases or has ceased to render teaching service may leave his accumulated deductions in the fund for the purpose of receiving a deferred annuity at retirement. Eligibility for such an annuity shall be determined by the provisions of section 354.44, subdivision 1, or section 354.60.

The amount of the deferred retirement annuity shall be determined by section 354.44, subdivisions 6 and 7, and augmented as provided herein. The required reserves related to that portion of the annuity which had accrued at the time the member ceased to render teaching service shall be augmented by interest compounded annually from the first day of the month following the month during which the member ceased to render teaching service to the effective date of retirement. There shall be no augmentation if this period is less than three months. The rates of interest used for this purpose shall be five percent commencing July 1, 1971, *until January 1, 1981, and three percent thereafter*. If a person has more than one period of uninterrupted service, the required reserves related to each period shall be augmented by interest pursuant to this subdivision. The sum of the augmented required reserves so determined shall be the basis for purchasing the deferred annuity. If a person does not render teaching service in any one or more consecutive fiscal years and then resumes teaching service, the formula percentages used from date of resumption will be those applicable to new members. The mortality table and interest assumption contained therein used to compute such annuity will be determined by the law in effect at the time of the member's retirement. A period of uninterrupted service for the purposes of Laws 1971, Chapter 87 shall mean a period of covered teaching service during which the member has not been separated from such service for more than one fiscal year.

The provisions of this subdivision shall not apply to variable account accumulations as defined in section 354.05, subdivision 23.

In no case shall the annuity payable herein be less than the amount of annuity payable pursuant to section 354.44, subdivisions 6 and 7.

The requirements and provisions for retirement prior to age 65 contained in section 354.44, subdivision 6, clause (2) shall also apply to an employee fulfilling such requirements with a combination of service as provided in section 354.60."

Page 16, after line 24, insert:

"Sec. 44. Minnesota Statutes 1976, Section 422A.16, Subdivision 10, is amended to read:

Subd. 10. All deferred allowances granted under this section shall be calculated as of the date of separation and shall be increased by the interest assumption rate provided for in chapter 356 *until Jan-*

uary 1, 1981, and thereafter by the interest rate of three percent per year compounded annually."

Page 16, after line 26, insert:

"Sec. 46. [REPEALER.] *Minnesota Statutes 1976, Sections 352C.02; 352C.03; 352C.05; 352C.06; and 352C.08, are repealed.*"

Page 16, strike lines 27 through 32, and insert:

"Sec. 47. *Sections 1, 2, 3, 4, 6, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 21 and 22 shall be effective the day following final enactment. Sections 23, 24, 25, 26, 29, 30, 31, 32, 33, 34, 35, 36, 37, 40, 41, 43 and 45 shall be effective July 1, 1978. Sections 5, 7 and 20 shall be effective January 1, 1979. Any person who was a member pursuant to section 353.01, subdivision 16, clause (3) prior to the election authorized by section 27 and was a basic member shall remain a basic member notwithstanding the contrary provisions of section 353.017, subdivision 1. The reduced augmentation rates and the augmentation rate added to the elected state officers plan shall apply to persons who are already on deferred status as of December 31, 1980, as well as to persons who terminate public service thereafter, but shall have no effect on rates of augmentation for periods of deferral prior to December 31, 1980.*"

Page 17, strike line 1

Renumber the sections in sequence

Further, strike the title and insert the following:

"A bill for an act relating to retirement; miscellaneous amendments; administrative amendments to the public employees retirement law; modifying the rate of deferred annuity augmentation; modifying certain benefits and increasing contributions for legislators retirement; improving benefits and increasing contributions for constitutional officers; amending Minnesota Statutes 1976, Sections 3A.01, by adding subdivisions; 3A.02, Subdivisions 2 and 4, and by adding a subdivision; 3A.03, Subdivision 1; 352.72, Subdivision 2; 352B.30, Subdivision 2; 352C.01; 352C.04, Subdivisions 1, 2a, and by adding a subdivision; 352C.09, Subdivisions 1 and 2; 352C.091, by adding subdivisions; 353.01, Subdivisions 12, 16, and 20; 353.017, Subdivision 2; 353.30, Subdivision 1b, and by adding a subdivision; 353.31, Subdivision 1; 353.32, Subdivisions 5 and 9; 353.33, Subdivision 11; 353.34, Subdivision 6; 353.656, Subdivision 6; 353.657, Subdivision 1; 353.71, Subdivision 2; 354.-41, Subdivision 6, and by adding a subdivision; 354.55, Subdivision 11; 356.32, Subdivision 1; 422A.16, Subdivision 10; Chapter 352C, by adding sections; and Minnesota Statutes, 1977 Supplement, Sections 3A.02, Subdivision 1; 3A.04, Subdivisions 1 and 2; and 353.01, Subdivision 2b; 353.03, Subdivision 1; and 353.36, Subdivision 2; repealing Minnesota Statutes 1976, Sections 352C.02; 352C.03; 352C.05; 352C.06; 352C.08; and Minnesota Statutes, 1977 Supplement, Section 353.32, Subdivision 7."

Mr. Nichols moved to amend the Strand amendment to H. F. No. 1861 as follows:

Page 1, line 7, strike "*whose service terminates prior to*"

Page 1, strike lines 8 to 12

Page 1, line 13, strike "*the 1981 legislative session*"

Page 1, line 15, strike "*after the*"

Page 1, strike lines 16 and 17

Page 1, line 18, strike "*than five years*"

The question was taken on the adoption of the Nichols amendment to the Strand amendment.

The roll was called, and there were yeas 7 and nays 48, as follows:

Those who voted in the affirmative were:

Benedict	Luther	Nichols	Penny	Ulland, J.
Knoll	Nelson			

Those who voted in the negative were:

Anderson	Frederick	Laufenburger	Perpich	Spear
Bang	Gearty	Lessard	Peterson	Staples
Bernhagen	Gunderson	Lewis	Purfeerst	Stokowski
Borden	Hanson	McCutcheon	Schaaf	Strand
Brataas	Hughes	Menning	Schmitz	Stumpf
Chenoweth	Johnson	Merriam	Schrom	Ueland, A.
Chmielewski	Keefe, S.	Moe	Setzepfandt	Wegener
Coleman	Kirchner	Ogdahl	Sieloff	Willet
Dieterich	Kleinbaum	Olhoft	Sillers	
Dunn	Knutson	Olson	Solon	

The motion did not prevail. So the Nichols amendment to the Strand amendment was not adopted.

The question recurred on the Strand amendment.

The question was taken on the adoption of the Strand amendment.

The roll was called, and there were yeas 49 and nays 10, as follows:

Those who voted in the affirmative were:

Bang	Gunderson	Knutson	Olson	Spear
Benedict	Hanson	Lessard	Penny	Staples
Bernhagen	Hughes	Luther	Peterson	Stokowski
Borden	Jensen	Menning	Pillsbury	Strand
Brataas	Johnson	Merriam	Renneke	Stumpf
Coleman	Keefe, S.	Moe	Schaaf	Ueland, A.
Dieterich	Kirchner	Nelson	Schmitz	Ulland, J.
Dunn	Kleinbaum	Nichols	Setzepfandt	Vega
Frederick	Knaak	Ogdahl	Sieloff	Willet
Gearty	Knoll	Olhoft	Sillers	

Those who voted in the negative were:

Anderson	Laufenburger	McCutcheon	Purfeerst	Solon
Chenoweth	Lewis	Perpich	Schrom	Wegener

The motion prevailed. So the amendment was adopted.

Mr. Frederick moved to amend H. F. No. 1861, as amended pursuant to Rule 49, adopted by the Senate March 14, 1978, as follows:

(The text of the amended House File is identical to S. F. No. 1654.)

Pages 6 to 9, strike section 6

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 13, strike "353.03, Subdivision 1;"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 18 and nays 34, as follows:

Those who voted in the affirmative were:

Bang	Engler	Knaak	Purfeerst	Ulland, J.
Bernhagen	Frederick	Knutson	Sieloff	Willet
Brataas	Jensen	Laufenburger	Sillers	
Dunn	Kirchner	Pillsbury	Ueland, A.	

Those who voted in the negative were:

Anderson	Gunderson	Lessard	Olson	Spear
Benedict	Hanson	Luther	Penny	Staples
Chenoweth	Hughes	Menning	Peterson	Stokowski
Chmielewski	Johnson	Moe	Schaaf	Strand
Coleman	Keefe, S.	Nelson	Schmitz	Stumpf
Dieterich	Kleinbaum	Nichols	Setzepfandt	Vega
Gearty	Knoll	Olhoff	Solon	

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

The question was taken on the recommendation to pass H. F. No. 1861.

The roll was called, and there were yeas 54 and nays 3, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Knutson	Olson	Solon
Bang	Gunderson	Laufenburger	Penny	Spear
Benedict	Hanson	Lessard	Peterson	Staples
Bernhagen	Hughes	Luther	Pillsbury	Stokowski
Brataas	Jensen	Menning	Purfeerst	Strand
Chenoweth	Johnson	Merriam	Renneke	Stumpf
Coleman	Keefe, S.	Moe	Schaaf	Ulland, A.
Dieterich	Kirchner	Nelson	Schmitz	Ulland, J.
Dunn	Kleinbaum	Nichols	Setzepfandt	Vega
Engler	Knaak	Ogdahl	Sieloff	Willet
Frederick	Knoll	Olhoff	Sillers	

Messrs. Chmielewski, McCutcheon and Schrom voted in the negative.

The motion prevailed. So H. F. No. 1861 was recommended to pass.

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

RECESS

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

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

Without objection, the Senate reverted to the Order of Business of Messages from the House and First Reading of House Bills.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, herewith returned: S. F. No. 2078

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 15, 1978

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 2192.

H. F. No. 2192: A bill for an act relating to transportation; establishing a rail user loan guarantee program; creating a rail user loan guarantee account; prescribing powers and duties of the commissioner of transportation; appropriating money; amending Minnesota Statutes 1976, Sections 362A.01, Subdivision 2; and 474.02, Subdivision 2.

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

Stanton; Anderson, B. and Esau have been appointed as such committee on the part of the House.

House File No. 2192 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 15, 1978

Mr. Penny moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 2192, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1859.

H. F. No. 1859: 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; establishment of reserve accounts for certain provisional members; 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 sections; and Laws 1969, Chapter 950, Section 1; Minnesota Statutes, 1977 Supplement,

Sections 352.01, Subdivision 2B; 353.01, Subdivision 2b; 354.05, Subdivision 2; and 422A.09, Subdivision 3.

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

Patton, Beauchamp and Moe have been appointed as such committee on the part of the House.

House File No. 1859 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted March 15, 1978

Mr. Strand moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 1859, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 1722: A bill for an act relating to education; providing educational aids for children attending nonpublic schools; appropriating money; amending Minnesota Statutes 1976, Sections 120.17, Subdivision 9; 123.931; 123.932, Subdivision 7, and by adding subdivisions; 123.933; 123.935; 123.936; 123.937; 124.212, by adding a subdivision; and Chapter 123, by adding sections; Minnesota Statutes, 1977 Supplement, Sections 124.212, Subdivision 9a; and 124.223; repealing Minnesota Statutes 1976, Sections 123.932, Subdivisions 1, 2, 6 and 8; 123.934; and Laws 1977, Chapter 447, Article VI, Section 12.

Senate File No. 1722 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned March 15, 1978

Mr. Kleinbaum moved that the Senate do not concur in the amendments by the House to S. F. No. 1722 and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 1891: A bill for an act relating to taxation; property

tax; exempting certain cities containing utility plants from per capita levy limitations; amending Minnesota Statutes 1976, Section 275.11, by adding a subdivision.

Senate File No. 1891 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned March 15, 1978

Mr. Dunn moved that the Senate do not concur in the amendments by the House to S. F. No. 1891 and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 1864: A bill for an act relating to state employees; improving testing procedures; tightening provisions relating to provisional appointments; providing for a pilot reliability-based band width certification program; altering certain requirements for appointment and benefit eligibility; establishing special procedures for filling certain positions; providing for modified reimbursements of costs; providing notification of appeal rights; appropriating money; amending Minnesota Statutes 1976, Sections 43.13, Subdivision 1, and by adding a subdivision; 43.14, Subdivision 1; 43.18; 43.19, Subdivision 1; 43.20, Subdivisions 2, 3, 5, and by adding a subdivision; 43.24, Subdivision 1; 43.32, Subdivision 11; 43.327, Subdivisions 1 and 2; 43.491, by adding a subdivision; and Chapter 43, by adding a section.

Senate File No. 1864 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned March 15, 1978

Mr. Chenoweth moved that the Senate do not concur in the amendments by the House to S. F. No. 1864 and that a Conference Committee of 3 members be appointed by the Subcommittees on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following House Files herewith transmitted: H. F. Nos. 2089, 2139, 2267, 1243.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted March 15, 1978

FIRST READING OF HOUSE BILLS

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

H. F. No. 2089: A bill for an act relating to county agricultural societies; providing for tort liability of county agricultural societies; authorizing county boards to levy a tax to pay certain judgments or liability insurance premiums; amending Minnesota Statutes 1976, Sections 38.27, by adding a subdivision; 466.01, Subdivision 1; and Chapter 38, by adding a section.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1721 now on General Orders.

H. F. No. 2139: A bill for an act relating to emergency services; authorizing the division of emergency services to enter into an agreement with the federal disaster assistance administration for the maintenance of the Minnesota natural disaster assistance plan; appropriating money.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1992 now in the Subcommittee on Bill Scheduling.

H. F. No. 2267: A bill for an act relating to emergency telephone systems; providing for the payment of certain costs of operating emergency telephone systems; amending Minnesota Statutes, 1977 Supplement, Section 403.11.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 2128 now in the Subcommittee on Bill Scheduling.

H. F. No. 1243: A bill for an act relating to public utilities; providing lifeline rates for electricity and natural gas; providing exemptions for electrical cooperatives; amending Minnesota Statutes 1976, Chapter 216B, by adding a section.

Referred to the Committee on Commerce.

APPOINTMENTS

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

H. F. No. 2196: Messrs. Menning, Anderson, Luther, Pillsbury and Willet.

H. F. No. 2527: Messrs. Moe; Willet; Purfeerst; Keefe S. and Keefe, J.

H. F. No. 2098: Mmes. Staples, Brataas, and Mr. Chenoweth.

H. F. No. 2250: Messrs. McCutcheon, Hanson, Johnson, Stokowski, and Sillers.

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

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Menning moved that his name be stricken as co-author to S. F. No. 1277. The motion prevailed.

Mr. Knoll moved that the name of Mr. Anderson be stricken as co-author and Mr. Lessard be added as co-author to S. F. No. 1806. The motion prevailed.

Messrs. Pillsbury and Anderson introduced—

Senate Resolution No. 30: A Senate resolution proclaiming May 3 as Sun Day in the State of Minnesota.

Referred to the Committee on Rules and Administration.

Mr. Coleman moved that the Senate do now adjourn until 10:00 o'clock a.m., Thursday, March 16, 1978. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate