

FIFTEENTH DAY

St. Paul, Minnesota, Thursday, February 8, 1979

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

CALL OF THE SENATE

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

Ashbach	Frederick	Kleinbaum	Olson	Stokowski
Benedict	Gearty	Knaak	Purfeerst	Strand
Brataas	Gunderson	Knutson	Rued	Stumpf
Chenoweth	Hanson	Laufenburger	Schmitz	Tennessee
Chmielewski	Hughes	Lessard	Schrom	Ulland, J.
Coleman	Jensen	McCutcheon	Setzepfandt	Willet
Dieterich	Johnson	Menning	Sikorski	
Dunn	Keefe, S.	Merriam	Spear	
Engler	Kirchner	Nelson	Staples	

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

Prayer was offered by the Chaplain, Rev. Robert Hazel.

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

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

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. Humphrey and Ueland, A. were excused from the Session of today.

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Mr. Merriam introduced—

S. F. No. 442: A bill for an act relating to education; permitting a student enrolled in a nonpublic school outside his district of residence to attend a public school in the district; amending Minnesota Statutes 1978, Section 120.075.

Referred to the Committee on Education.

Mr. Solon introduced—

S. F. No. 443: A bill for an act relating to taxation; income; increasing the exclusion from gross income of gain from a sale of a residence for certain persons; amending Minnesota Statutes 1978, Section 290.01, Subdivision 20.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Bernhagen, Chmielewski, Schmitz and Wegener introduced—

S. F. No. 444: A bill for an act relating to fences; providing for the compensation of fence viewers; amending Minnesota Statutes 1978, Section 344.18.

Referred to the Committee on Local Government.

Messrs. Perpich, Johnson and Lessard introduced—

S. F. No. 445: A bill for an act relating to the range association of municipalities and schools; providing for the court standing of the association; amending Minnesota Statutes 1978, Section 471.58.

Referred to the Committee on Judiciary.

Mr. Schaaf introduced—

S. F. No. 446: A bill for an act relating to occupational licensing; expanding the membership of the board of barbers; expanding the membership of the board of cosmetology; providing for the use of apprentice barbers; eliminating prohibition against unfair trade practices; providing for a study of state regulatory practices; appropriating money; amending Minnesota Statutes 1978, Sections 154.03; 154.22; 155.04; 155.05; repealing Minnesota Statutes 1978, Chapter 186.

Referred to the Committee on Commerce.

Messrs. Anderson, Knoll, Sillers, Willet and Nelson introduced—

S. F. No. 447: A bill for an act relating to the state building code; restricting statewide application of certain provisions; requiring builders to construct homes in compliance with the building code; permitting the use of ungraded Minnesota lumber in certain jurisdictions; providing for courses on lumber grading; providing tuition reimbursement and per diem for building officials; providing for notations in deeds; appropriating money; amending Minnesota Statutes 1978, Sections 16.851; 16.861, Subdivisions 1 and 4, and by adding a subdivision; 16.866, Subdivision 1; 327A.01, Subdivision 2; 327A.02, Subdivision 1; repealing Laws 1978, Chapter 786, Section 22.

Referred to the Committee on Energy and Housing.

REPORTS OF COMMITTEES

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

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

S. F. No. 88: A bill for an act relating to cities; allowing installment purchases by certain cities; amending Minnesota Statutes 1978, Section 465.71.

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

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

S. F. No. 388: A bill for an act relating to towns; changing certain limits on payments for attorney's fees; amending Minnesota Statutes 1978, Section 368.121.

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

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

S. F. No. 389: A bill for an act relating to taxation; requiring county to reimburse township for certain errors made by county auditor.

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

SECOND READING OF SENATE BILLS

S. F. Nos. 88, 388 and 389 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

MOTIONS AND RESOLUTIONS

Mr. Solon moved that the name of Mr. Vega be added as co-author to S. F. No. 418. The motion prevailed.

Mr. Nichols moved that the name of Mr. Strand be added as co-author to S. F. No. 420. The motion prevailed.

Mr. Nichols moved that the name of Mr. Strand be added as co-author to S. F. No. 421. The motion prevailed.

Mr. Benedict moved that the name of Mr. Merriam be added as co-author to S. F. No. 436. The motion prevailed.

Mr. Luther moved that the name of Mr. Sikorski be added as co-author to S. F. No. 438. The motion prevailed.

Mr. Willet moved that the name of Mr. Hanson be added as co-author to S. F. No. 439. The motion prevailed.

Mr. Menning moved that the name of Mr. Nelson be added as co-author to S. F. No. 441. The motion prevailed.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated S. F. No. 20 a Special Order to be heard immediately.

S. F. No. 20: A bill for an act relating to metropolitan government; fixing the revenues of the metropolitan sports facilities commission; repealing the commission liquor tax authority; amending Minnesota Statutes 1978, Section 473.581; repealing Minnesota Statutes 1978, Section 473.591.

Mr. Coleman moved to amend S. F. No. 20 as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1978, Section 473.591, Subdivision 2, is amended to read:

Subd. 2. [TAX.] The council shall impose a tax, effective August 1, 1977, supplemental to the general sales tax imposed in chapter 297A, in the amount of two percent on all retail on-sales of intoxicating liquor and fermented malt beverages when sold at licensed on-sale liquor establishments and municipal liquor stores located within the metropolitan area. The tax shall remain in effect until August 1, 1980. Thereafter, the council may levy such a tax up to an amount sufficient to produce revenues to the council equal to the principal and interest on bonds outstanding under section 473.581, subdivision 1, but not to exceed \$4,500,000 in any year 1979, on which date it shall be terminated. The tax, on sales prior to August 1, 1979, shall be reported and paid to the commissioner of revenue with and as part of the state sales and use taxes, and shall be subject to the same penalties, interest, and enforcement provisions, and be distributed in accordance with subdivision 3.

Sec. 2. Minnesota Statutes 1978, Section 473.591, Subdivision 3, is amended to read:

Subd. 3. [PROCEEDS; USE.] The collections of the tax, less refunds and a proportionate share of the cost of collection, shall be remitted at least quarterly to the council. The commissioner of revenue shall deduct from the proceeds remitted to the council an amount that equals the indirect statewide costs as well as the direct and indirect department costs necessary to administer, audit, and collect this tax. The amount deducted shall be deposited in the general fund of the state. The proceeds remitted shall be placed, together with the net revenues of the commission under section 473.595, into the debt service fund or special funds established under section 473.581, subdivisions 4 and 5, provided however that during the first year the tax is imposed pursuant to this section the council may reappropriate to the commission a total amount not to exceed one-half of the proceeds from the first year of the tax, to be used by the commission to pay its expenses related to planning, designing, and locating sports facilities pursuant to sections 473.551 to 473.595. Collection of the tax imposed by this section shall be suspended at the end of any calendar year upon a determination by the metropolitan council that the balance in the debt service fund, including any reserve fund has reached an amount sufficient to pay the principal and interest on bonds which will become due within the next succeeding three year period. Collection shall be resumed by the commissioner of revenue at the end of any calendar year upon notice from the metropolitan council that the balance in the debt service fund, including any reserve fund has fallen below an amount sufficient to pay the principal and interest on bonds which will become due within the next succeeding two year period.

Sec. 3. Minnesota Statutes 1978, Section 473.591, is amended by adding a subdivision to read:

Subd. 4. [MINNEAPOLIS PROPERTY TAX.] If it is determined to construct a covered multipurpose sports facility situated within the city of Minneapolis, that city may undertake and agree with the council and commission to levy a tax to secure the payment of any bonds issued to finance the construction (or to refund bonds issued to finance the construction) and any revenue anticipation certificates issued for expenses of operation, administration, maintenance, and debt service thereof, as contemplated in section 473.581, subdivisions 3 and 5. The tax may be levied in 1979 and each subsequent year, for collection in the following year, upon all parcels of taxable real estate, including buildings and improvements thereon, which are situated in the city and are devoted to a commercial or industrial use, at a rate to be computed on the assessed valuation of each parcel.

For the purpose of this subdivision, commercial and industrial property includes all real property in class 4 as described in section 273.13, subdivision 9, except real property and buildings and improvements thereon which are used exclusively to provide residential, nontransient housing, and for functionally related and subordinate purposes. The agreement for the levy of the tax shall be made by resolution of the city council before the issuance of the bonds, and shall constitute a contract with and for the security of all holders of the bonds and revenue anticipation certificates and

shall not be subject to termination, revocation, or amendment until the pledge of the tax and other revenues for the payment of the bonds and certificates has been fully satisfied and discharged. The council shall notify the city and the director of finance of Hennepin County not later than October 1 in each year of the amount of cash and cash-equivalent securities then on hand in the debt service fund (whether derived from tax and other revenues, investment income, or bond proceeds pledged thereto), and the aggregate amount of principal and interest due and to become due on the bonds to and including June 30 in the second calendar year thereafter. If the amount of principal and interest exceeds the amount on hand, the director of finance shall be authorized and directed by the agreement to extend and assess the tax on the tax rolls of the city in the current year for collection in the year following, in an amount equal to the excess, and to remit the collections thereof to the council for deposit in the debt service fund.

Sec. 4. Pursuant to article VI, section 2 of the Minnesota constitution the supreme court shall have original jurisdiction of any action brought or maintained in which an issue is presented as to the validity of a provision of section 473.591, subdivision 4, as enacted by section 3, and may hear and determine the issue as provided in title V of the rules of civil appellate procedure, after notice given as provided in rule 144.

Sec. 5. This act is effective in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 6. Minnesota Statutes 1978, Section 473.568, is repealed.

Sec. 7. This act is effective the day following final enactment."

Strike the title and insert:

"A bill for an act relating to the financing of metropolitan sports facilities; authorizing the levy and appropriation of a tax by the city of Minneapolis on certain commercial and industrial property for this purpose and discontinuing the metropolitan tax on retail on-sales of intoxicating liquor and fermented malt beverages; amending Minnesota Statutes 1978, Section 473.591, Subdivisions 2 and 3, and by adding a subdivision; repealing Minnesota Statutes 1978, Section 473.568."

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 22 and nays 42, as follows:

Those who voted in the affirmative were:

Ashbach	Kirchner	Nelson	Perpich	Strand
Coleman	Knaak	Nichols	Purfeerst	Wegener
Hughes	Laufenburger	Olhoff	Schaaf	
Johnson	Lessard	Olson	Schmitz	
Keefe, J.	Menning	Penny	Sieloff	

Those who voted in the negative were:

Anderson	Dunn	Knoll	Renneke	Stokowski
Bang	Engler	Knutson	Rued	Stumpf
Benedict	Frederick	Lewis	Schrom	Tennessee
Bernhagen	Gearty	Luther	Setzepfandt	Ulland, J.
Brataas	Gunderson	McCutcheon	Sikorski	Vega
Chenoweth	Hanson	Merriam	Sillers	Willet
Chmielewski	Jensen	Ogdahl	Solon	
Davies	Keefe, S.	Peterson	Spear	
Dieterich	Kleinbaum	Pillsbury	Staples	

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

Mr. Kirchner moved that S. F. No. 20, No. 1 on Special Orders, be stricken and re-referred to the Committee on Governmental Operations.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 7 and nays 58, as follows:

Those who voted in the affirmative were:

Ashbach	Kirchner	Merriam	Ogdahl	Schaaf
Keefe, J.	Knutson			

Those who voted in the negative were:

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

The motion did not prevail.

CALL OF THE SENATE

Mr. Chenoweth imposed a call of the Senate for the balance of the proceedings on S. F. No. 20. The following Senators answered to their names:

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

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

S. F. No. 20 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 38 and nays 27, as follows:

Those who voted in the affirmative were:

Ashbach	Gunderson	Luther	Perpich	Strand
Bang	Hughes	McCutcheon	Purfeerst	Stumpf
Benedict	Johnson	Menning	Renneke	Tennessen
Chenoweth	Keefe, J.	Moe	Schmitz	Vega
Coleman	Kirchner	Nelson	Schrom	Wegener
Davies	Knaak	Olhoff	Sieloff	Willet
Dieterich	Knutson	Olson	Sikorski	
Engler	Laufenburger	Penny	Spear	

Those who voted in the negative were:

Anderson	Gearty	Lessard	Pillsbury	Staples
Bernhagen	Hanson	Lewis	Rued	Stokowski
Brataas	Jensen	Merriam	Schaaf	Ulland, J.
Chmielewski	Keefe, S.	Nichols	Setzepfandt	
Dunn	Kleinbaum	Ogdahl	Sillers	
Frederick	Knoll	Peterson	Solon	

So the bill passed and its title was agreed to.

RECONSIDERATION

Mr. Chenoweth moved that the vote whereby S. F. No. 20 was passed by the Senate on February 8, 1979, be now reconsidered. The motion did not prevail.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman moved that the Senate do now adjourn until 5:00 o'clock p.m., Monday, February 12, 1979. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate