

THIRTY-FOURTH DAY

St. Paul, Minnesota, Wednesday, April 11, 1979

The Senate met at 7:00 o'clock p.m. and was called to order by the President.

CALL OF THE SENATE

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

Anderson	Gunderson	Luther	Perpich	Spear
Benedict	Hanson	Menning	Peterson	Strand
Chenoweth	Humphrey	Merriam	Purfeerst	Stumpf
Chmielewski	Johnson	Moe	Schmitz	Vega
Coleman	Keefe, S.	Nelson	Setzepfandt	Wegener
Davies	Laufenburger	Nichols	Sikorski	Willet
Gearty	Lewis	Penny	Solon	

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

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

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

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

The President declared a quorum present.

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

MEMBERS EXCUSED

Messrs. Dieterich, Knoll and Schrom were excused from the Session of today. Mr. Olson was excused from the Session of today until 8:30 o'clock p.m.

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Mr. Olson introduced—

S. F. No. 1266: A bill for an act relating to the city of Windom; authorizing the purchase of annuity contracts for retiring firefighters.

Referred to the Committee on Governmental Operations.

Messrs. Kirchner, Solon, Chenoweth and Knutson introduced—

S. F. No. 1267: A bill for an act relating to health; altering certain requirements for members of the board of examiners for nursing home administrators; amending Minnesota Statutes 1978, Section 144A.19, Subdivision 1.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Humphrey introduced—

S. F. No. 1268: A bill for an act relating to retirement; directing the legislative commission on pensions and retirement to study the 40 year service credit maximum and the appropriate employee contribution rate for public pension fund members affected; requiring report.

Referred to the Committee on Governmental Operations.

Mr. Humphrey introduced—

S. F. No. 1269: A bill for an act relating to education; changing the use of the net proceeds from the lease of a schoolhouse; amending Minnesota Statutes 1978, Section 123.36, Subdivision 10.

Referred to the Committee on Education.

Messrs. Luther, Merriam, Davies and Spear introduced—

S. F. No. 1270: A bill for an act relating to courts; providing for the interest rate on verdicts and judgments; amending Minnesota Statutes 1978, Sections 549.09 and 550.36.

Referred to the Committee on Judiciary.

Messrs. Setzpfandt, Olhoft, Chmielewski, Bernhagen and Nichols introduced—

S. F. No. 1271: A bill for an act relating to taxation; clarifying the method of computing the agricultural credit; clarifying dis-

tribution of tax on transmission lines; changing penalties for late payment of property taxes; changing filing requirements for royalty tax; eliminating certain deductions for inheritance tax; clarifying penalties; providing procedures for payment of tax on special fuel; clarifying refund procedures; providing procedure for refunding excise taxes; providing deed tax meters for certain counties; appropriating money; defining certain powers of the commissioner of revenue; amending Minnesota Statutes 1978, Sections 10A.31, Subdivision 5; 272.70; 273.13, Subdivision 6; 273.42; 279.01; 287.27, by adding a subdivision; 291.07, Subdivisions 1, 2 and 3; 292.111, Subdivision 2; 296.12, by adding a subdivision; 296.18, Subdivision 5; 297.01, Subdivision 14; 297.03, Subdivision 8; 299.05; 299.08; 340.485, Subdivision 1; 340.492; 357.021, Subdivision 1a; 477A.04, Subdivision 2; Chapter 270, by adding sections; Chapter 299, by adding a section; Chapter 340, by adding a section; repealing Minnesota Statutes 1978, Sections 299.03 and 299.06.

Referred to the Committee on Taxes and Tax Laws.

Mr. Schaaf introduced—

S. F. No. 1272: A bill for an act relating to the operation of state government; reorganizing the department of commerce; providing for appointment of a commissioner of commerce; prescribing his powers and duties; transferring certain powers and duties from the secretary of state and the commissioners of administration and public safety and from the department of public service; abolishing certain positions and divisions in the departments of commerce, public safety and public service; making necessary revisions; providing penalties; appropriating money; amending Minnesota Statutes 1978, Sections 15.06, Subdivision 1; 15A.081, Subdivision 1; 46.01; 46.04; 46.05; 46.06; 46.07, Subdivision 1; 46.08; 46.12; 46.131, Subdivisions 1, 2, 3, 4 and 5; 46.23, Subdivision 3; 47.01, by adding a subdivision; 47.0151, Subdivision 2; 47.08; 47.16, Subdivision 1; 47.28; 47.29; 47.30; 47.51; 47.61, Subdivision 2; 48.01, Subdivision 3; 48.15, Subdivision 2; 48.151; 48.89, Subdivision 1; 49.215, Subdivision 3; 49.37; 49.44; 51A.02, Subdivision 3; 51A.03, Subdivisions 1, 3, 4 and 5; 51A.05, Subdivision 4; 51A.06, Subdivision 1; 51A.08, Subdivision 2; 53.01; 53.015, by adding a subdivision; 53.03; 55.01; 59A.02, Subdivision 4; 60A.02, Subdivisions 2 and 16; 60A.03, Subdivisions 2, 3, 5 and 6; 60A.31, Subdivision 1; 60A.051, Subdivision 2; 60A.07, Subdivision 6; 60A.16, Subdivision 2; 60B.03, Subdivision 2; 60C.03, Subdivision 1, and by adding a subdivision; 60D.01, Subdivision 3; 61B.03, Subdivision 14; 62A.01; 62B.02, Subdivision 7; 62C.02, Subdivision 2; 62C.06; 62D.02, Subdivision 2; 62E.02, Subdivision 6; 62F.03, Subdivision 3; 62G.04, Subdivision 2; 62G.08; 64A.09; 65A.06; 65A.33, Subdivision 8; 65B.02, Subdivision 8; 65B.43, Subdivision 14; 66A.08, Subdivision 4; 66A.21, Subdivisions 2 and 3; 67A.40, Subdivision 2; 69.011, Subdivision 1; 70A.03; 72A.18, by adding a subdivision; 72A.34, by adding a subdivision; 72B.02, Subdivision 3; 72C.04, Subdivision 2; 79.01, Subdivision 5; 80B.01, Subdivision 4; 80C.01,

Subdivision 3; 82.17, Subdivision 3; 82.34, Subdivision 19; 83.20, Subdivision 4; 116H.12, Subdivision 4; 116H.121, Subdivision 1; 116H.124; 116H.126; 116H.127; 116H.129, Subdivisions 1, 5, 6 and 8; 168.021, Subdivision 2; 214.04, Subdivision 1; 222.09; 222.11; 222.17; 222.21; 222.28; 222.31; 222.32; 238.04, Subdivisions 1 and 7; 239.003; 239.004; 239.01; 239.02; 239.05, Subdivision 1, and by adding a subdivision; 239.06; 239.07; 239.08; 239.09; 239.10; 239.12; 239.23; 239.24; 239.37; 239.52; 299F.011, Subdivision 4; 299F.391, Subdivision 3; 300.026, Subdivision 2; 300.06; 300.07; 300.112, Subdivision 1; 300.114, Subdivision 1; 300.115, Subdivision 1; 300.12, Subdivision 2; 300.14, Subdivision 2; 300.16; 301.05, Subdivisions 3 and 4; 301.06; 301.07; 301.071; 301.14, Subdivision 5; 301.26, Subdivision 11; 301.33, Subdivisions 2 and 3; 301.37, Subdivisions 3 and 4; 325A.06, Subdivision 1; 326.243; 333.01; 333.04; 333.055; 336.6-104; 336.9-401; 340.001, Subdivision 3; 340.02, Subdivision 4; 340.10; 340.401, Subdivision 7; 340.44; 341.12; 462.591, Subdivision 1; 462.595; 462.601; 501.75; 501.76; 501.77; 501.78, Subdivision 4; 507.09; 507.10; 508.61, Subdivision 3; 509.01; 556.12; Chapters 46, by adding a section; 50, by adding a section; 52, by adding a section; 54, by adding a section; 56, by adding a section; 61A, by adding a section; 66A, by adding a section; 67A, by adding a section; 71A, by adding a section; and 80A, by adding a section; repealing Minnesota Statutes 1978, Sections 16.83; 16.84; 16.85; 16.851; 16.852; 16.853; 16.854; 16.86; 16.861; 16.862; 16.863; 16.8632; 16.864; 16.865; 16.866; 16.869; 45.01; 45.02; 45.021; 45.03; 45.031; 45.032; 45.033; 45.034; 45.04; 45.05; 45.06; 45.07; 45.08; 45.15; 45.16; 45.17; 46.03; 46.30, Subdivision 3; 47.16, Subdivision 2; 60A.03, Subdivision 1; 60A.051, Subdivision 4; 67A.44; 80A.14; 80A.19, Subdivision 1; 239.521; 299A.02; and 340.081.

Referred to the Committee on Commerce.

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

S. F. No. 1273: A bill for an act relating to natural resources; authorizing the commissioner to utilize volunteer services; amending Minnesota Statutes 1978, Chapter 84, by adding a section; and Section 176.011, Subdivision 9; repealing Minnesota Statutes 1978, Section 85.041.

Referred to the Committee on Agriculture and Natural Resources.

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

S. F. No. 1274: A bill for an act relating to pollution control; authorizing the pollution control agency to assist small businesses; amending Minnesota Statutes 1978, Section 115.03, by adding a subdivision.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Keefe, J. introduced—

S. F. No. 1275: A bill for an act relating to education; authorizing certain school districts to make a certain levy; correcting a section reference; amending Minnesota Statutes 1978, Section 122.531, Subdivision 2.

Referred to the Committee on Education.

Messrs. Johnson and Solon introduced—

S. F. No. 1276: A bill for an act relating to retirement; teachers; authorizing purchase of certain prior service credit; amending Minnesota Statutes 1978, Section 354.51, by adding a subdivision.

Referred to the Committee on Governmental Operations.

Messrs. Johnson, Solon, Willet and Engler introduced—

S. F. No. 1277: A bill for an act relating to energy; requiring land authorities to make certain trees and hedges available to the public for use as firewood.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Renneke, Dunn, Purfeerst, Wegener and Engler introduced—

S. F. No. 1278: A bill for an act relating to retirement; increasing the vesting period required for legislator's retirement; amending Minnesota Statutes 1978, Section 3A.02, Subdivision 1.

Referred to the Committee on Governmental Operations.

Messrs. Kleinbaum and Vega introduced—

S. F. No. 1279: A bill for an act relating to taxation; income; granting a tax credit to certain business firms who contribute to neighborhood organizations or who engage in activities to alleviate poverty in certain areas; prescribing certain duties and responsibilities of the department of revenue and department of economic security, office of economic opportunity.

Referred to the Committee on Employment.

Messrs. Merriam, Vega, Schmitz, Schaaf and Keefe, J. introduced—

S. F. No. 1280: A bill for an act relating to mobile homes; regulating space and lot rentals and leases; prohibiting unreasonable park rules and regulations; requiring notice; specifying grounds for eviction and access; prohibiting retaliatory conduct; amending

Minnesota Statutes 1978, Sections 327.42, Subdivisions 1 and 2; 327.43, Subdivision 2, and by adding a subdivision; 327.44; and Chapter 327, by adding sections.

Referred to the Committee on Judiciary.

Mrs. Brataas, Messrs. Frederick and Laufenburger introduced—

S. F. No. 1281: A bill for an act relating to public employment labor relations; permitting firefighters to use certain grievance procedures; amending Minnesota Statutes 1978, Section 179.70, Subdivision 1.

Referred to the Committee on Governmental Operations.

Messrs. Keefe, S.; Spear; Bang and Stokowski introduced—

S. F. No. 1282: A bill for an act relating to alcoholic beverages; authorizing the sale of intoxicating liquor and nonintoxicating malt liquor on election days; amending Minnesota Statutes 1978, Sections 340.034, Subdivision 1; and 340.14, Subdivision 1.

Referred to the Committee on Commerce.

Mr. Chmielewski introduced—

S. F. No. 1283: A bill for an act relating to crime victims reparations; pertaining to the powers of the crime victims reparations board; clarifying and revising the definition of dependent; establishing the power of the board to appoint an executive director in the unclassified civil service; authorizing the board to receive and administer federal funds; amending Minnesota Statutes 1978, Sections 299B.02; and 299B.06.

Referred to the Committee on Judiciary.

Mr. Laufenburger introduced—

S. F. No. 1284: A bill for an act relating to government regulation; establishing a study commission to assess the economic impact of state regulations on business and industry; appropriating money.

Referred to the Committee on Employment.

Mr. Anderson introduced—

S. F. No. 1285: A bill for an act relating to outdoor recreation; authorizing the issuance of state bonds and appropriating the proceeds for the acquisition and betterment of state trails, forests, and fish and wildlife management, natural and scientific areas.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Knutson introduced—

S. F. No. 1286: A bill for an act relating to human services; eliminating certain minimum population requirements related to human services boards; authorizing county boards to be human services boards; amending Minnesota Statutes 1978, Sections 402.01, Subdivision 1; and 402.02.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Gearty, Ashbach, Frederick and Coleman introduced—

S. F. No. 1287: A bill for an act relating to the operation of state government; raising salaries and salary ranges for certain executive branch employees, metropolitan agency officers, judges and judicial branch employees; eliminating achievement awards for commissioners and deputy commissioners; amending Minnesota Statutes 1978, Sections 15A.081; 15A.083, Subdivisions 1, 2 and 4; 43.062, Subdivision 3; and 43.067, Subdivision 4; repealing Minnesota Statutes 1978, Sections 15A.083, Subdivision 4a; and 43.069.

Referred to the Committee on Governmental Operations.

Messrs. Hanson and Moe introduced—

S. F. No. 1288: A bill for an act relating to natural resources; authorizing the commissioner of natural resources to convey certain lands in Kittson County, under certain conditions, to the Galilee Bible Camp.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Setzepfandt, Schmitz and Nichols introduced—

S. F. No. 1289: A bill for an act relating to retirement; authorizing payment of severance pay to retiring employees; validating past payments; amending Minnesota Statutes 1978, Sections 356.24 and 465.72.

Referred to the Committee on Local Government.

Messrs. McCutcheon, Merriam, Setzepfandt, Stokowski and Hanson introduced—

S. F. No. 1290: A bill for an act relating to taxation; providing for an ad valorem tax on railroads in lieu of the gross earnings tax; providing a one year extension of a reduced gross earnings tax equivalent to ad valorem tax during transition; eliminating the use of limited market valuation in the assessment of property; reducing the classification ratios applied to homesteads and agricultural and seasonal recreational property; increasing the percentage and maximum amount of the homestead credit; providing state aid to local taxing authorities containing reduced assessment property and natural resources land; increasing the percentage of rent to be used to compute property tax refunds; increasing maximum amounts of

property tax refunds; increasing the amount of local government aid paid by the state; appropriating money; amending Minnesota Statutes 1978, Sections 273.061, Subdivision 8; 273.11, Subdivision 2; 273.13, Subdivisions 4, 6, 7, and 14a; 273.17, Subdivision 1; 275.51, Subdivision 3d; 276.04; 290A.03, Subdivision 11; 290A.04, Subdivisions 2, 2a and 2b; 295.02; 477A.01, Subdivisions 1 and 4; and Chapters 270 and 273, by adding sections; repealing Minnesota Statutes 1978, Sections 295.01, Subdivisions 2 and 3; 295.02; 295.03; 295.04; 295.05; 295.12; 295.13; and 295.14.

Referred to the Committee on Taxes and Tax Laws.

Messrs. McCutcheon, Sillers, Olhoff, Stokowski and Solon introduced—

S. F. No. 1291: A bill for an act relating to taxation; providing for certain adjustments to the levy limit bases of cities and towns; requiring preparation of annual population estimates by the state demographer; providing a means for distributing state aid to local units of government; appropriating money; amending Minnesota Statutes 1978, Sections 275.51, Subdivision 3d; 275.52, Subdivision 4; 275.53, Subdivision 1, and by adding a subdivision; 477A.01, Subdivisions 1, 4 and 4a; repealing Minnesota Statutes 1978, Section 477A.01, Subdivision 3.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Peterson, Willet and Lessard introduced—

S. F. No. 1292: A bill for an act relating to wild animals; altering or eliminating certain provisions in regard to the taking, possessing, or transporting of game or fish; amending Minnesota Statutes 1978, Section 97.50, Subdivision 1; 98.45, Subdivision 1; 98.47, Subdivision 1; 100.27, Subdivision 4; 100.29, Subdivisions 7, 14, and 30; and 101.42, Subdivision 18, and by adding a subdivision.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Strand, Penny, Davies, Rued and Ogdahl introduced—

S. F. No. 1293: A bill for an act relating to insurance; providing for certain group coverages to be continued; amending Minnesota Statutes 1978, Chapter 60A, by adding a section.

Referred to the Committee on Commerce.

Messrs. Strand, Rued, Davies, Ogdahl and Bang introduced—

S. F. No. 1294: A bill for an act relating to insurance; providing for payments of certain expenses incurred in prosecuting a claim.

Referred to the Committee on Commerce.

Messrs. Davies, Sieloff, Knutson and Merriam introduced—

S. F. No. 1295: A bill for an act relating to contracts; making certain contracts unenforceable unless in writing.

Referred to the Committee on Judiciary.

Messrs. Purfeerst, Nelson and Vega introduced—

S. F. No. 1296: A bill for an act relating to public welfare; authorizing grants for community residential facilities; amending Minnesota Statutes 1978, Section 252.30.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Schmitz introduced—

S. F. No. 1297: A bill for an act relating to insurance; requiring life insurance agents to have errors and omissions coverage; amending Minnesota Statutes 1978, Section 60A.17, by adding a subdivision.

Referred to the Committee on Commerce.

Mr. Schmitz introduced—

S. F. No. 1298: A bill for an act relating to public welfare; limiting emergency temporary general assistance to 30 days within a 12 month period; exceptions; amending Minnesota Statutes 1978, Section 256D.06, Subdivision 2.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Schmitz introduced—

S. F. No. 1299: A bill for an act relating to sheriffs; requiring licensure within one year of assuming office; amending Minnesota Statutes 1978, Section 387.01.

Referred to the Committee on Local Government.

Messrs. Luther and Humphrey introduced—

S. F. No. 1300: A bill for an act relating to pollution control; authorizing the pollution control agency to enter property to remove pollutants under certain circumstances; amending Minnesota Statutes 1978, Sections 115.01, by adding a subdivision; and 115.061.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Nelson, Sikorski, Mrs. Staples and Mr. Coleman introduced—

S. F. No. 1301: A bill for an act relating to hospitals; providing exemption from rate review for certain hospitals; amending Minnesota Statutes 1978, Chapter 144, by adding a section.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Nelson, Mrs. Staples, Messrs. Sikorski and Coleman introduced—

S. F. No. 1302: A bill for an act relating to health; promoting health care cost savings by encouraging competition; prescribing certain duties for the commissioners of health, public welfare, and insurance; appropriating money; amending Minnesota Statutes 1978, Sections 144.703, by adding subdivisions; 145.75; 145.751; and Chapter 145, by adding a section.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Olhoff, Gunderson and Nelson introduced—

S. F. No. 1303: A bill for an act relating to public welfare; specifying that the cost of certain household task services shall be reimbursable under medical assistance; further explaining the policy of the state with regard to medical assistance; amending Minnesota Statutes 1978, Sections 256B.01; and 256B.02, Subdivision 8.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Ueland, A.; Knutson; Stokowski; Dieterich and Dunn introduced—

S. F. No. 1304: A bill for an act relating to education; decreasing the number of years of allowable service required for benefits under a teacher mobility provision; amending Minnesota Statutes 1978, Section 354.66, Subdivision 2.

Referred to the Committee on Governmental Operations.

Mr. Davies introduced—

S. F. No. 1305: A bill for an act relating to taxation; income; clarifying the taxable status of certain organizations; clarifying the procedure by which certain organizations establish an exemption; amending Minnesota Statutes 1978, Sections 290.05, Subdivision 1; and 501.76, Subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. Davies introduced—

S. F. No. 1306: A bill for an act relating to crime victims reparations; providing that the record of a claim may be used as evidence

by the state on its subrogation claim; providing that the state's right of subrogation shall not limit the claimant's right to recover for pain and suffering; amending Minnesota Statutes 1978, Sections 299B.10; and 299B.14.

Referred to the Committee on Judiciary.

Messrs. Luther and Sikorski introduced—

S. F. No. 1307: A bill for an act relating to courts; conciliation courts; raising the jurisdictional limit; requiring night or weekend sessions of court; prohibiting attorneys from participating in conciliation court hearings; providing costs and disbursements to the prevailing party in a cause removed to county or county municipal court; requiring notification of the opposing party before removal to county or county municipal court; amending Minnesota Statutes 1978, Sections 487.30, Subdivisions 1 and 2, and by adding subdivisions; 488A.12, Subdivision 3; 488A.13, Subdivision 5; 488A.15, Subdivision 2; 488A.17, Subdivisions 2 and 10; 488A.29, Subdivision 3; 488A.30, Subdivision 4; 488A.32, Subdivision 2; and 488A.34, Subdivisions 2 and 9.

Referred to the Committee on Judiciary.

Mr. Schaaf introduced—

S. F. No. 1308: A bill for an act relating to taxation; property tax; including homesteads of certain disabled persons in class 3cc; amending Minnesota Statutes 1978, Section 273.13, Subdivision 7.

Referred to the Committee on Taxes and Tax Laws.

Mr. Nelson introduced—

S. F. No. 1309: A bill for an act relating to local government; providing that mileage allowances be set locally; amending Minnesota Statutes 1978, Section 471.665.

Referred to the Committee on Local Government.

Mr. Spear introduced—

S. F. No. 1310: A bill for an act relating to children; requiring reports of neglect and sexual abuse of children; amending Minnesota Statutes 1978, Section 626.556, Subdivision 2.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Purfeerst and Engler introduced—

S. F. No. 1311: A bill for an act relating to metropolitan government; removing the city of Northfield from definition of metropolitan areas; adding the city of Northfield to region ten; amending Minnesota Statutes 1978, Sections 473.121, Subdivision 2; 473.123, Subdivision 3; 473.403; 473F.02, Subdivisions 2 and 8.

Referred to the Committee on Governmental Operations.

Messrs. Laufenburger; Frederick; Mrs. Brataas; Messrs. Keefe, S. and Nelson introduced—

S. F. No. 1312: A bill for an act relating to unemployment compensation; providing for conformity with federal requirements; altering certain definitions; altering certain provisions as to employer contributions; altering provisions as to deductions from benefits; altering provisions as to between term denial of benefits to certain educational employees; altering certain provisions for disqualification from benefits; altering certain appeal provisions; removing limitation on certain reciprocal benefit arrangements; amending Minnesota Statutes 1978, Sections 268.04, Subdivisions 10, 12 and 23; 268.06, Subdivisions 5, 8, 21, 22, and by adding a subdivision; 268.08, Subdivisions 3, 4 and 6; 268.09, Subdivisions 1, 2 and 3; 268.10, Subdivision 2; 268.12, Subdivision 13; 268.13, Subdivision 2; and 268.18, Subdivisions 1 and 2.

Referred to the Committee on Employment.

Mr. Willet introduced—

S. F. No. 1313: A bill for an act relating to Beltrami County; providing for disposition of the proceeds from the sale or rental of tax forfeited lands or from the sale of their products; increasing the amount that may be spent for promotion of tourist, agricultural and industrial developments; amending Laws 1967, Chapter 558, Section 1, Subdivision 5.

Referred to the Committee on Agriculture and Natural Resources.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communications were received and referred to the committees indicated.

April 2, 1979

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

The following appointment as Director of the Department of Public Service, Administrative Division, is hereby respectfully submitted to the Senate for confirmation as required by law:

Eugene Avery, 5909 Lee Valley Road, Edina, Hennepin County, has been appointed by me, effective March 28, 1979, for a term expiring the first Monday in January, 1983.

(Referred to the Committee on Commerce.)

April 2, 1979

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

The following appointment as Commissioner of the Department of Human Rights is hereby respectfully submitted to the Senate for confirmation as required by law:

Marilyn McClure, 1908 Arona, Falcon Heights, Ramsey County, has been appointed by me, effective March 31, 1979, for a term expiring the first Monday in January, 1983.

(Referred to the Committee on Governmental Operations.)

April 2, 1979

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

The following appointments to the Crime Control Planning Board are hereby respectfully submitted to the Senate for confirmation as required by law:

Robert V. Campbell, 5802 London Road, Duluth, St. Louis County, has been appointed by me, effective April 2, 1979, for a term expiring the first Monday in January, 1983.

Kenneth D. Kraft, P.O. Box 194, Bemidji, Beltrami County, has been appointed by me, effective April 2, 1979, for a term expiring the first Monday in January, 1983.

(Referred to the Committee on Health, Welfare and Corrections.)

April 4, 1979

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

The following appointment to the Public Employment Relations Board is hereby respectfully submitted to the Senate for confirmation as required by law:

Thomas G. Arneson, 1159 Pike Lake Drive, New Brighton, Ramsey County, has been appointed by me, effective April 4, 1979, for a term expiring the first Monday in January, 1980.

(Referred to the Committee on Governmental Operations.)

Sincerely,
Albert H. Quie, Governor

April 9, 1979

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

I have the honor of informing you that I have received, approved, signed, and deposited in the Office of the Secretary of State, S. F. Nos. 198, 327, 288, 204, and 254.

Sincerely,

Albert H. Quie, Governor

April 9, 1979

The Honorable Rod Searle
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1979 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S. F. No.	H. F. No.	Session Laws Chapter No.	Date Approved 1979	Date Filed 1979
201		20	April 9	April 9
198		21	April 9	April 9
204		22	April 9	April 9
254		23	April 9	April 9
288		24	April 9	April 9
327		25	April 9	April 9
472		Res. 2	April 9	April 9

Sincerely,

Joan Anderson Growe,
Secretary of State

April 10, 1979

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

I have the honor of informing you that I have received, approved, signed, and deposited in the Office of the Secretary of State, S. F. No. 20.

Sincerely,

Albert H. Quie, Governor

April 10, 1979

The Honorable Rod Searle
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

I have the honor to inform you that the following enrolled Act of the 1979 Session of the State Legislature has been received from the Office of the Governor and is deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S. F.	H. F.	Session Laws No.	Date Approved 1979	Date Filed 1979
20	26		April 10	April 10

Sincerely,

Joan Anderson Growe,
Secretary of State

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. 530.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned April 9, 1979

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. 57: A bill for an act relating to insurance; providing for the coordination of reparations benefits for automobile losses; amending Minnesota Statutes 1978, Section 65B.61, Subdivision 3; repealing Minnesota Statutes 1978, Section 65B.61, Subdivision 4.

Senate File No. 57 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned April 11, 1979

Mr. Davies moved that S. F. No. 57 be laid on the table. 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. 72: A bill for an act relating to elections; providing for the official identification of ballots; amending Minnesota Statutes 1978, Sections 123.11, Subdivision 4; 123.32, Subdivision 5; 203A.13; 203A.15; 204A.26, Subdivision 1; 204A.31; 204A.32, Subdivision 3; and 206.17.

Senate File No. 72 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned April 11, 1979

CONCURRENCE AND REPASSAGE

Mr. Davies moved that the Senate concur in the amendments by the House to S. F. No. 72 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 72 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 42 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Hanson	Menning	Pillsbury	Strand
Benedict	Hughes	Merriam	Purfeerst	Stumpf
Chenoweth	Humphrey	Moe	Schaaf	Tennessee
Chmielewski	Johnson	Nelson	Schmitz	Vega
Coleman	Keefe, S.	Nichols	Setzepfandt	Wegener
Davies	Laufenburger	Olhoff	Sikorski	Willet
Dunn	Lessard	Penny	Spear	
Gearty	Lewis	Perpich	Staples	
Gunderson	Luther	Peterson	Stokowski	

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

MESSAGES FROM THE HOUSE—CONTINUED

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. 572: A bill for an act relating to the city of Bloomington; authorizing additional on-sale liquor licenses.

Senate File No. 572 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned April 11, 1979

Mr. Bang moved that the Senate do not concur in the amendments by the House to S. F. No. 572, 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 House Files, herewith transmitted: H. F. Nos. 31, 103, 122, 768, 253, 299, 588, 624, 389, 479, 656, 843, 740, 757, 819 and 823.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted April 9, 1979

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 235, 248, 594 and 1033.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted April 11, 1979

FIRST READING OF HOUSE BILLS

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

H. F. No. 31: A bill for an act relating to taconite and semi-taconite companies; withdrawing the right to exercise eminent domain; authorizing the grant of licenses, permits and leases of state owned land; amending Minnesota Statutes 1978, Section 117.47; repealing Minnesota Statutes 1978, Sections 117.46; and 117.461.

Referred to the Committee on Agriculture and Natural Resources.

H. F. No. 103: A bill for an act relating to highway traffic regulations; allowing loads of round baled hay with a width of 11½ feet to be transported pursuant to permit; amending Minnesota Statutes 1978, Chapter 169, by adding a section.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 109 now on General Orders.

H. F. No. 122: A bill for an act relating to juveniles; providing for a hearing to determine detrimental relationships involving children; providing for a penalty for those engaging children in detrimental relationships; amending Minnesota Statutes 1978, Section 260.315; and Chapter 260, by adding a section.

Referred to the Committee on Judiciary.

H. F. No. 768: A bill for an act relating to agriculture; changing certain fees and expenses; eliminating certain bonding requirements; adopting certain federal food regulations; amending Minnesota Statutes 1978, Sections 17B.13, Subdivision 1; 21.54, Subdivisions 2 and 3; 24.25, Subdivision 2; and 31.101, Subdivision 8; repealing Minnesota Statutes 1978, Sections 17B.08; 17B.09; and 21.114.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 394 now on General Orders.

H. F. No. 253: A bill for an act relating to Washington County; authorizing the commissioner of public safety under certain circumstances to appoint an agent to assist the clerk of the district court in Washington County in accepting applications for drivers licenses and permits; repealing Minnesota Statutes 1978, Section 171.06, Subdivision 5.

Referred to the Committee on General Legislation and Administrative Rules.

H. F. No. 299: A bill for an act relating to emergency services; authorizing the governor to declare a peacetime emergency under certain circumstances prior to federal declaration; clarifying the term "civil defense"; amending Minnesota Statutes 1978, Sections 12.03, Subdivision 4; and 12.31; repealing Minnesota Statutes 1978, Section 12.25, Subdivision 4.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 741 now on General Orders.

H. F. No. 588: A bill for an act relating to the county of Anoka; authorizing the county to enter into agreements with the Anoka State Hospital for community mental health services.

Referred to the Committee on Finance.

H. F. No. 624: A bill for an act relating to counties; fixing the amounts that may be spent for Memorial Day observances; amending Minnesota Statutes 1978, Sections 375.34; and 375.35.

Referred to the Committee on Local Government.

H. F. No. 389: A bill for an act relating to towns; removing certain levy limitations; amending Minnesota Statutes 1978, Section 164.041; repealing Minnesota Statutes 1978, Section 275.10.

Referred to the Committee on Taxes and Tax Laws.

H. F. No. 479: A bill for an act relating to health maintenance organizations; declaring legislative intent and public policy favoring childbirth and family planning over abortion; eliminating any requirements that health maintenance organizations provide elective, induced abortions; requiring the organizations to notify enrollees if elective, induced abortions are eliminated from cover-

age; amending Minnesota Statutes 1978, Sections 62D.01, by adding a subdivision; 62D.02, Subdivision 7; 62D.07, Subdivision 4; and 62D.20.

Referred to the Committee on Health, Welfare and Corrections.

H. F. No. 656: A bill for an act relating to probate; clarifying certain witness requirements for inheritance by illegitimates; amending Minnesota Statutes 1978, Section 525.172.

Referred to the Committee on Judiciary.

H. F. No. 843: A bill for an act relating to housing and redevelopment authorities; providing that by agreement a housing and redevelopment authority may exercise powers in a county or municipality which has no active housing and redevelopment authority; amending Minnesota Statutes 1978, Section 462.445, Subdivision 5.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 867 now on General Orders.

H. F. No. 740: A bill for an act relating to Ramsey County; changing the day of county board meetings; amending Laws 1974, Chapter 435, Section 2.05, Subdivision 1, as amended.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 845 now on General Orders.

H. F. No. 757: A bill for an act relating to commerce; exempting certain sales of motor vehicles from provisions regulating home solicitation sales; amending Minnesota Statutes 1978, Section 325.933, Subdivision 2.

Referred to the Committee on Commerce.

H. F. No. 819: A bill for an act relating to local government; fixing a maximum amount for airport revenue certificates; amending Minnesota Statutes 1978, Section 360.71.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 884 now on General Orders.

H. F. No. 823: A bill for an act relating to Olmsted County; permitting the intermittent inundation by flood water and temporary closing of county and town roads.

Referred to the Committee on Local Government.

H. F. No. 235: A bill for an act relating to state parks; removing certain lands from within the boundaries of Split Rock Lighthouse State Park and Judge C. R. Magney State Park; adding lands to the boundaries of Split Rock Lighthouse State Park and Afton State Park.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 350 now in the Subcommittee on Bill Scheduling.

H. F. No. 248: A bill for an act relating to banks and banking; authorizing state banks to lease personal property under certain conditions; amending Minnesota Statutes 1978, Section 48.152.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 320, now in the Subcommittee on Bill Scheduling.

H. F. No. 594: A bill for an act relating to human rights; requiring the commissioner of human rights to follow certain procedures in an investigation of allegations of unfair discriminatory practices; amending Minnesota Statutes 1978, Section 363.06, Subdivision 4.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 552, now in the Subcommittee on Bill Scheduling.

H. F. No. 1033: A bill for an act relating to wrongful death; a clarification of the time limitations for maintaining an action for death by intentional wrongful act where the act responsible for the death constitutes the crime of murder; amending Minnesota Statutes 1978, Section 573.02, Subdivision 1.

Referred to the Committee on Judiciary.

REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted, with the exception of reports pertaining to appointments, the report on House Concurrent Resolution No. 3, and S. F. Nos. 929, 966, 1015 and 936. The motion prevailed.

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

S. F. No. 702: A bill for an act relating to health; requiring counties to establish local nursing home pre-admission screening teams; prescribing duties of the teams and the commissioner of public welfare; appropriating money; amending Minnesota Statutes 1978, Chapter 256B, by adding a section.

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

Page 1, line 22, after "health" insert "organized under section 145.50"

Page 1, line 23, after "assess" insert a comma

Page 2, line 1, after "home" insert "licensed under section 144A.02"

Page 2, lines 1 and 2, delete "all"

Page 2, line 4, after the period, insert "In counties not organized under section 145.50, the county agency shall contract with the local public health nursing service to establish a screening team to assess those individuals."

Page 2, line 4, delete "The" and insert "Each"

Page 2, line 5, before "public" insert "staff member from the local"

Page 2, line 5, delete "nurse" and insert "nursing service"

Page 2, line 6, delete "health and"

Page 2, line 6, delete "agencies" and insert "agency"

Page 2, line 8, before the period, insert "and shall utilize individuals' attending physicians' physical assessment forms, if any, in assessing needs"

Page 2, line 12, delete "community agencies" and insert "public and private agencies in the community"

Page 2, line 22, delete "indentification" and insert "identification"

Page 2, line 27, delete "served" and insert "screened"

Page 2, line 30, delete the period, and insert "and designation of a lead agency to implement each individual's plan of care;"

Page 3, line 1, delete "PARTICIPATION" and insert "SCREENING OF PERSONS"

Page 3, line 1, before "All" insert "Prior to nursing home admission, screening teams shall assess the needs of"

Page 3, line 2, delete everything after "assistance"

Page 3, line 3, delete everything before "All" and insert "and of"

Page 3, line 5, delete "shall participate" and insert ", except patients admitted from acute care facilities or transferred from other nursing homes"

Page 3, line 6, delete "participate in this program" and insert "be assessed by a screening team upon payment of a fee"

Page 3, line 11, delete the first comma and insert "and"

Page 3, lines 11 and 12, delete ", and criteria for nursing home placement"

Page 3, line 26, after "recipients" insert "admitted"

Page 3, line 26, after the period, insert "The commissioner shall not deny reimbursement for an individual admitted to a nursing home who is assessed to need long-term supportive services if long-term supportive services other than nursing home care are not available in that community."

Page 3, line 28, after "program" insert "established pursuant to this section,"

Page 4, line 4, delete "this act" and insert "section I"

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

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

S. F. No. 856: A bill for an act relating to public health; authorizing waiver of minimum health maintenance organization requirements for experimental and demonstration projects; amending Minnesota Statutes 1978, Chapter 62D, by adding a section.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1978, Chapter 62D, is amended by adding a section to read:

[62D.30] [DEMONSTRATION PROJECTS.] Subdivision 1. The commissioner of health may establish demonstration projects to allow health maintenance organizations to extend coverage to:

- (a) *Individuals enrolled in Part A or Part B, or both, of the medicare program, Title XVIII of the Social Security Act, 42 U.S.C. 1395 et seq.;*
- (b) *Groups of fewer than 50 employees where each group is covered by a single group health policy;*
- (c) *Individuals who are not eligible for enrollment in any group health maintenance contracts; and*
- (d) *Low income population groups.*

For purposes of this section, the commissioner of health may waive compliance with minimum benefits pursuant to sections 62A.151 and 62D.02, subdivision 7, full financial risk pursuant to section 62D.04, subdivision 1, clause (f), open enrollment pursuant to section 62D.10, and to applicable rules if there is reasonable evidence that the rules prohibit the operation of the demonstration project. The commissioner shall provide for public comment before any statute or rule is waived.

Subd. 2. A demonstration project must provide health benefits equal to or exceeding the level of benefits provided in Title XVIII of the Social Security Act.

Subd. 3. A health maintenance organization electing to participate in a demonstration project shall apply to the commissioner for approval on a form developed by the commissioner. The application shall include at least the following:

- (a) *A statement identifying the population that the project is designed to serve;*
- (b) *A description of the proposed project including a statement projecting a schedule of costs and benefits for the enrollee;*
- (c) *Reference to the sections of Minnesota Statutes and department of health rules for which waiver is requested;*

(d) Evidence that application of the requirements of applicable Minnesota Statutes and department of health rules would, unless waived, prohibit the operation of the demonstration project;

(e) Evidence that another arrangement is available for assumption of full financial risk if full financial risk is waived under subdivision 1;

(f) An estimate of the number of years needed to adequately demonstrate the project's effects; and

(g) Other information the commissioner may reasonably require.

Subd. 4. The commissioner shall approve, deny, or refer back to the health maintenance organization for modification, the application for a demonstration project within 60 days of receipt from the health maintenance organization.

Subd. 5. The commissioner may approve an application for a demonstration project for a maximum of six years, with an option to renew.

Subd. 6. Each health maintenance organization for which a demonstration project is approved shall annually file a report with the commissioner summarizing the project's experience at the same time it files its annual report required by section 62D.08. The report shall be on a form developed by the commissioner and shall be separate from the annual report required by section 62D.08.

Subd. 7. The commissioner may rescind approval of a demonstration project if the commissioner makes any of the findings listed in section 62D.15, subdivision 1, with respect to the project for which it has not been granted a specific exemption, or if the commissioner finds that the project's operation is contrary to the information contained in the approved application.

Sec. 2. Section 1 is effective the day following final enactment."

Amend the title as follows:

Page 1, line 4, delete "experimental and"

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

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

S. F. No. 872: A bill for an act relating to welfare; limiting the family contribution to cost of care and treatment for mentally retarded, epileptic, or emotionally handicapped children; amending Minnesota Statutes 1978, Section 252.27, Subdivision 2.

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

Page 1, lines 16 to 18, delete the new language and insert "Responsibility of the child for the cost of care shall be up to the maximum amount of the total income and resources attributed to the child except for the clothing and personal needs allowance as

provided in section 256B.35, subdivision 1. Responsibility of the parents for the cost of care shall be up to a maximum of \$60 per month."

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

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

S. F. No. 723: A bill for an act relating to welfare; changing income disregard provisions for certain medical assistance recipients and certain supplemental aid recipients; amending Minnesota Statutes 1978, Sections 256B.06, Subdivision 1; and 256D.37, Subdivision 1.

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

Page 3, line 3, delete "disregard available to" and insert "disregarded"

Page 3, line 4, delete "disabled persons"

Page 3, line 6, delete "applied to disabled persons" and insert "disregarded in determining eligibility"

Page 4, line 29, after "persons" insert "and persons age 65 or over, respectively,"

Page 4, line 30, after "persons" insert "and persons age 65 or over"

Page 5, after line 5, insert:

"Sec. 3. Minnesota Statutes 1978, Section 256D.37, Subdivision 2, is amended to read:

Subd. 2. The eligibility criteria for supplemental aid under this section shall be those in effect December 31, 1973 for the categorical aid programs of old age assistance, aid to the blind, and aid to the disabled except that *in determining eligibility for disabled individuals and persons age 65 or over, all actual work expenses shall be disregarded and the earned income disregard shall be the same as the earned income disregard used to determine eligibility for disabled individuals and persons age 65 or over, respectively, in the supplemental security income program, and except that net equity of \$25,000 in one home used as a residence, one automobile the market value of which does not exceed \$1,650, and real estate not used as a home which produces net income applicable to the family's needs or which the family is making a continuing effort to sell at a fair and reasonable price, are to be disregarded in determining eligibility.* The commissioner of public welfare shall annually adjust the limitation on net equity in real property used as a home by the same percentage as the homestead base value index provided in section 273.122, subdivision 2. The local agency shall apply the relevant criteria to each application. The local agency in its discretion may permit eligibility of an

applicant having assets in excess of the amount prescribed in this section if liquidation of the assets would cause undue loss or hardship."

Amend the title as follows:

Page 1, line 7, delete "Subdivision 1" and insert "Subdivisions 1 and 2"

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

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

S. F. No. 608: A bill for an act relating to limitation of actions; exempting town roads from the marketable title act; amending Minnesota Statutes 1978, Section 541.023, by adding a subdivision.

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. 679: A bill for an act relating to Ramsey County; modifying procedures for the publication of a board journal; amending Laws 1974, Chapter 435, Section 2.05, as amended.

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

Page 1, line 14, strike ", in a"

Page 1, strike lines 15 and 16

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

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

S. F. No. 926: A bill for an act relating to the city of Saint Paul; authorizing the port authority to make certain investments.

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

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

S. F. No. 927: A bill for an act relating to local government; providing for certain local improvements and special assessments; amending Minnesota Statutes 1978, Sections 429.011, by adding a subdivision; and 429.021, Subdivision 1.

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

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

S. F. No. 936: A bill for an act relating to adult vocational education; restricting tuition for adult small business management programs; appropriating money to provide adult small business management programs at additional locations; amending Minnesota Statutes 1978, Section 124.572, by adding a subdivision.

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

Page 1, delete section 1

Delete the underlining in the bill

Renumber the sections in sequence

Amend the title as follows:

Page 1, delete line 3

Page 1, line 4, delete "management programs;"

Page 1, line 6, delete ";" amending Minnesota" and insert a period

Page 1, delete lines 7 and 8

And when so amended the bill do pass and be re-referred to the Committee on Finance. Mr. Merriam questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

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

S. F. No. 951: A bill for an act relating to small businesses; establishing a uniform definition of small business; amending Minnesota Statutes 1978, Section 161.321, Subdivisions 1 and 3; and Chapter 645, by adding a section; repealing Minnesota Statutes 1978, Section 16.082, Subdivisions 2, 3, 4 and 5.

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

Page 4, line 7, after "includes" insert "racial minorities," and after "women" insert a comma

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

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

S. F. No. 929: A bill for an act relating to small businesses; increasing state procurement from small businesses; amending Minnesota Statutes 1978, Section 16.083, Subdivisions 1 and 4.

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

Page 2, line 9, delete "20" and insert "15"

Page 2, delete lines 18 and 19 and insert:

"Sec. 3. [APPROPRIATION.] The sum of \$58,000 is appropriated from the general fund to the commissioner of administration for purposes of this act for the biennium beginning July 1, 1979. The commissioner of administration shall submit to the governor and the legislature on or before January 15, 1980, a report on implementation of this act."

Sec. 4. Sections 1 and 2 of this act are effective October 1, 1979. Section 3 of this act is effective July 1, 1979."

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "appropriating money;"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Mr. Chenoweth questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

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

S. F. No. 934: A bill for an act relating to education; providing matching grants for small business institutes at certain state colleges and universities; prescribing certain duties for the higher education coordinating board; appropriating money.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Finance. Report adopted.

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

S. F. No. 935: A bill for an act relating to the University of Minnesota; requiring establishment of a small business set aside program for certain university procurements.

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

Page 2, line 24, delete "20" and insert "15"

Page 2, line 31, delete "20" and insert "15"

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

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

S. F. No. 952: A bill for an act relating to taxation; reducing the rate of corporate income tax; amending Minnesota Statutes 1978, Section 290.06, Subdivision 1.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Taxes and Tax Laws. Report adopted.

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

S. F. No. 966: A bill for an act relating to county human services facilities; providing authority to issue and sell revenue bonds, lease facilities, pledge revenues, and pledge full faith and credit; amending Minnesota Statutes 1978, Chapter 402, by adding a section.

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

Page 2, after line 5, insert:

"Subd. 2. [VOTER APPROVAL.] The governing body of a county, prior to the issuance of any bonds authorized by subdivision 1, shall adopt an initial resolution stating the amount, purpose, and, in general, the security to be provided for the bonds; and shall publish the resolution once each week for two consecutive weeks in the official newspaper of the county. The bonds may be issued without the submission of the question of their issuance to the voters of the county unless within 21 days after the second publication of the resolution a petition requesting an election, signed by at least eight percent of the registered voters of the county voting in the last general election, is filed with the county auditor. If a petition is filed, no bonds shall be issued unless approved by a majority of the voters of the county voting on the question of their issuance at a regular or special election."

Renumber the subdivisions in sequence

Page 3, line 32, delete "In any event,"

Page 3, line 33, before the semicolon insert "except as provided in subdivision 2"

And when so amended the bill do pass. Mr. Chenoweth questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

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

S. F. No. 473: A bill for an act relating to the organization of state government; creating a governor's council on fire prevention and control; superseding an executive order agency; appropriating money.

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

Page 1, line 8, delete "GOVERNOR'S"

Page 1, line 10, delete "governor's"

Page 2, line 20, delete "council" and insert "commissioner"

Page 2, line 26, after "The" insert "commissioner, with the advice of the"

Page 2, line 26, after "council" insert a comma

Page 3, line 1, delete "such" and insert "the"

Page 3, line 4, delete "[299F.481]"

Page 3, line 12, delete "governor's council on fire prevention and control" and insert "commissioner of public safety"

Amend the title as follows:

Page 1, line 3, delete "governor's"

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

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

S. F. No. 920: A bill for an act relating to health; changing provisions related to compensation of members of local boards of health; amending Minnesota Statutes 1978, Section 145.52, Subdivision 1.

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

Page 1, line 16, delete "or" and insert "not to exceed \$25"

Page 1, line 17, strike "compensation"

Page 1, line 17, delete "and" and insert "plus"

Page 1, line 18, reinstate "necessary"

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

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

S. F. No. 799: A bill for an act relating to game and fish; revocation of and ineligibility for game and fish licenses upon conviction for game and fish law violations; amending Minnesota Statutes 1978, Section 98.52, Subdivision 1.

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

Page 1, line 19, strike "conviction"

Page 1, line 20, delete "for"

Page 1, line 21, delete everything after "(1)"

Page 1, delete lines 22 and 23

Page 2, line 1, delete everything before "doing" and insert "a conviction for a violation relating to big game which is classified as a gross misdemeanor, or for"

Page 2, line 17, after the period insert "The commissioner shall review records of convictions for violations of the provisions of chapters 97 to 102 or rules or orders promulgated subsequent thereto, and shall allow the relicensing of any person who would be eligible for relicensing if this act were in effect at the time of his conviction."

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

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

S. F. No. 801: A bill for an act relating to non-alcoholic beverages; requiring laboratory examination of certain beverages; deleting registration exemption for identified beverages; amending Minnesota Statutes 1978, Section 34.05, Subdivision 1; repealing Minnesota Statutes 1978, Section 34.05, Subdivision 2.

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

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

S. F. No. 1109: A bill for an act relating to natural resources; reducing local match required for dam repair and reconstruction grants; authorizing loans for local share of project costs; authorizing sale of bonds for loan program; appropriating money; amending Minnesota Statutes 1978, Section 105.482, Subdivisions 3 and 5, and by adding a subdivision.

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

Page 3, line 7, delete the comma

Page 3, line 8, delete everything before the period

Page 3, line 25, after "SMALL" insert "STATE AND LOCAL DAM"

Page 3, line 28, delete "dam"

Page 3, line 29, delete "projects that" and insert "of state dams pursuant to section 105.482, subdivision 3, where the expenditures"

Page 3, line 29, after "approval" insert "under section 105.482, subdivision 5"

Page 4, line 12, after "indicated" insert "in this subdivision"

Page 4, line 22, delete "for up to 90 percent of" and insert "to local government units approved and made pursuant to section 105.482, subdivision 5a, for the dam repair and reconstruction projects designated in subdivision 3 of this section."

Page 4, delete lines 23 and 24

Page 4, line 26, after "appropriated" insert "from the state building fund"

Page 4, line 27, delete "may" and insert "shall"

Page 4, line 29, delete "and" and insert a comma

Page 4, line 29, after "terms" insert ", and with the effect"

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

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

S. F. No. 1015: A bill for an act relating to natural resources; providing a public policy directed to preservation of these lands; establishing a temporary joint legislative committee on agricultural and forest land preservation; requiring studies and reports by the state planning agency; providing for staffing of the joint legislative committee.

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

Page 1, line 14, delete "and forest"

Page 1, line 15, delete "those purposes" and insert "that purpose"

Page 2, line 7, delete "or forestry"

Page 2, line 13, delete "and forest"

Page 2, line 19, delete "and forest"

Page 2, line 31, after the period insert "The expenses of and per diem payments to committee members shall be paid by the committees from which they were chosen. Other expenses of the committee shall be evenly divided between the house of representatives and the senate and each house shall allocate its share equally among the participating committees."

Page 3, line 6, delete "and forest"

Page 3, line 14, delete "and forest"

Page 3, line 17, after "agricultural" delete "and"

Page 3, line 18, delete "forest"

Amend the title as follows:

Page 1, line 3, delete "these" and insert "agricultural"

Page 1, line 5, delete "and forest"

And when so amended the bill do pass. Mr. Chenoweth questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Olson from the Committee on General Legislation and Administrative Rules, to which was referred

S. F. No. 509: A bill for an act relating to motor vehicles; limiting the authority of the registrar of motor vehicles to refuse to issue certificates of title in certain circumstances; amending Minnesota Statutes 1978, Sections 168A.23, by adding a subdivision; and 297B.06.

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

Page 1, line 12, after "revocation" insert "for failure to pay the motor vehicle excise tax as required by chapter 297B"

Page 2, line 18, after "vehicle" insert "and the previous applicant held a certificate of title indicating he was the owner of the vehicle"

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

Mr. Olson from the Committee on General Legislation and Administrative Rules, to which was referred

S. F. No. 833: A bill for an act relating to appropriations; providing funds for the programs of the Minnesota International Center.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Finance. Report adopted.

Mr. Olson from the Committee on General Legislation and Administrative Rules, to which was referred

S. F. No. 1062: A bill for an act relating to appropriations; appropriating funds for establishment of a music library and interpretive center.

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

Page 1, line 10, after "Chatfield." insert "This appropriation is for a permanent improvement and is subject to the lapse provisions of Minnesota Statutes, Section 16A.28, that relate to permanent improvements. Construction and management of the improvement are subject to the supervision of the Minnesota Historical Society."

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

Mr. Olson from the Committee on General Legislation and Administrative Rules, to which was referred

S. F. No. 996: A bill for an act relating to peace officers; regulating part-time and reserve officers; providing an appropriation;

amending Minnesota Statutes 1978, Section 626.84; and Chapter 626, by adding sections.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1978, Section 626.84, is amended to read:

626.84 [DEFINITIONS.] For the purposes of sections 626.84 to 626.855, the following terms shall have the meanings given them:

- (a) "Board" means the Minnesota board of peace officer standards and training;
- (b) "Director" means the executive director of the board;
- (c) "Peace officer" means an employee of a political subdivision or state law enforcement agency who is charged with the prevention and detection of crime and the enforcement of the general criminal laws of the state and who has the full power of arrest, and shall also include the Minnesota highway patrol and state conservation officers.
- (d) "Constable" shall have the meaning assigned to it in section 367.40.
- (e) "Deputy constable" shall have the meaning assigned to it in section 367.40.
- (f) "Part-time officer" means an individual whose services are utilized by a law enforcement agency no more than an average of 14 hours per week, not including time spent on call when no call to active duty is received, calculated on an annual basis, who has either full powers of arrest or authorization to carry a firearm while on active duty. The term shall apply even though the individual receives no compensation for time spent on active duty, and shall apply irrespective of the title conferred upon the individual by the law enforcement agency.
- (g) "Reserve officer" means an individual whose services are utilized by a law enforcement agency for purposes including, but not limited to, providing supplementary assistance at special events, traffic or crowd control, or administrative or clerical assistance; provided that the individual's duties do not include enforcement of the general criminal laws of the state unless accompanied by a licensed peace officer; further provided that the individual does not have full powers of arrest or authorization to carry a firearm on duty. The term shall apply even though the individual receives no compensation and irrespective of the number of hours worked by, or the title conferred upon, the individual by the law enforcement agency.

Sec. 2. Minnesota Statutes 1978, Section 626.841, is amended to read:

626.841 [BOARD; MEMBERS.] The board of peace officer standards and training shall be composed of the following 11 members:

- (a) Two members to be appointed by the governor from among the county sheriffs in Minnesota;
- (b) Four members to be appointed by the governor from among peace officers in Minnesota municipalities, at least two of whom shall be chiefs of police;
- (c) The superintendent of the Minnesota bureau of criminal apprehension or his designee;
- (d) Two members appointed by the governor experienced in law enforcement at a local, state or federal level who are not currently employed as peace officers;
- (e) Two members to be appointed by the governor from among the general public.

A chairman shall be appointed by the governor from among the members. *In making appointments the governor shall strive to achieve representation from among the geographic areas of the state.*

Sec. 3. Minnesota Statutes 1978, Chapter 626, is amended by adding a section to read:

[626.8465] [PART-TIME OFFICERS.] *Subdivision 1. [POLICY.] The legislature finds and declares that it is necessary to establish minimum training requirements for part-time officers in certain specified areas to maximize protection of the rights and safety of the public and to minimize liability on the part of Minnesota counties and municipalities. The legislature further finds that part-time officers are most effectively utilized as a supplement to regular, fully trained and licensed peace officers and does not encourage the use of part-time officers when needs for service would otherwise justify the use of full-time officers.*

Subd. 2. [SCOPE.] Notwithstanding any provision of this chapter or rule of the board to the contrary, this section shall govern the licensing of part-time officers appointed or employed on or after the effective date of this act.

Subd. 3. [ELIGIBILITY.] No law enforcement agency shall continue to utilize the services of any individual appointed or employed as a part-time officer on or before the effective date of this act if that individual has within six months of the effective date of this act failed to provide proof to the board that he has met board selection requirements in effect on January 1, 1979, relating to minimum medical qualifications, past criminal record, and psychological screening.

Subd. 4. [FIRST AID, FIREARMS.] No law enforcement agency shall continue to utilize the services of any individual appointed or employed as a part-time officer on or before the effective date of this act if, within 12 months of the effective date of this

act, that individual has failed to provide proof to the board that he has successfully completed a board certified course, or a professionally recognized program, in first aid and, if authorized to carry a firearm on duty, firearms training, including legal limitations on the justifiable use of deadly force.

Subd. 5. [PART-TIME LICENSE.] No law enforcement agency shall continue to utilize the services of any individual appointed or employed as a part-time officer on or before the effective date of this act if, within 24 months of the effective date of this act, that individual has not successfully passed a board part-time officer licensing examination.

Subd. 6. [COMPETENCY REQUIREMENTS.] Part-time officer licensing examinations shall be designed to insure competency in the following areas reasonably achievable in courses of the indicated hourly maximums:

- (a) Law of arrest, including probable cause, 6 hours;
- (b) Law of search and seizure, 6 hours;
- (c) Confessions and interrogations, oral and written, 3 hours;
- (d) Law and rules of evidence, 4 hours;
- (e) Minnesota criminal code, 6 hours;
- (f) Juvenile law, 7 hours;
- (g) General principles of criminal investigations, 4 hours;
- (h) Crime scene search and investigation, 8 hours;
- (i) Preservation and collection of crime scene evidence, 4 hours;
- (j) Traffic enforcement, including accident investigation, 6 hours.

Upon request, the board shall provide to any sheriff or chief of police lesson plans and instructional materials reasonably necessary to conduct classes in the required areas of study in the indicated period of time. Nothing herein shall be construed to prohibit a requirement for more comprehensive training imposed by a local law enforcement agency.

Subd. 7. [NEW PART-TIME OFFICERS.] Any individual appointed or employed as a part-time officer after the effective date of this act shall:

- (a) Within 6 months of his appointment provide proof to the board that he has satisfied the selection standards of the board then in effect;
- (b) Within 12 months of his appointment provide proof to the board that he has successfully completed a board certified course, or a professionally recognized program, in first aid, and if authorized to carry a firearm on duty, firearms training, including legal limitations on the justifiable use of deadly force;

(c) Within 24 months of his appointment successfully pass a board part-time officer licensing examination.

Subd. 8. [SUPERVISION OF PART-TIME OFFICERS.] No law enforcement agency shall utilize the services of a part-time officer unless the part-time officer exercises his powers and duties under the supervision of a licensed peace officer designated by the chief law enforcement officer, via radio communications. With the consent of the county sheriff, the designated supervising officer may be a member of the county sheriff's department.

Subd. 9. [PART-TIME LICENSE, RESTRICTION.] Any individual licensed by the board as a part-time officer shall be eligible for appointment or employment anywhere in the state as a part-time officer but not as a peace officer unless he meets board training and licensing requirements then in effect for peace officers.

Subd. 10. [EMERGENCY APPOINTMENT.] Upon application of a law enforcement agency the board shall exempt from the provisions of this section the number of individuals necessary to secure and maintain the public safety in the case of an emergency arising from a natural disaster, civil disorder, fire, explosion, or similar catastrophic event; provided that no exemption shall be valid for a period exceeding 30 days. In the event the emergency requires an exemption immediately, the director or, in case of his absence, the chief law enforcement officer of the municipality or township, or the sheriff of the county in which the emergency has arisen, shall grant an exemption which shall be valid only until the board has met and approved or rejected the application, but in no event shall an exemption granted by the director, the chief law enforcement officer of the municipality or township, or a county sheriff, be valid for a period exceeding seven days.

Sec. 4. Minnesota Statutes 1978, Chapter 626, is amended by adding a section to read:

[626.8467] [RESERVE OFFICERS.] *Notwithstanding any provision of this chapter or rule of the board to the contrary, no reserve officer shall be subject to mandatory training, licensing, or continuing education requirements except as may be established by the agency utilizing the services of the reserve officer.*

Sec. 5. [APPROPRIATION.] *There is appropriated to the Minnesota board of peace officer standards and training the sum of \$20,000 from the general fund to implement and administer the provisions of this act during the biennium ending June 30, 1981.*

Sec. 6. [EFFECTIVE DATE.] *This act is effective the day following its final enactment.*

Amend the title as follows:

Page 1, line 4, delete "Section" and insert "Sections" and after the semicolon insert "and 626.841;"

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

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

S. F. No. 273: A bill for an act relating to commerce; providing a floating usury rate for contracts for deed; amending Minnesota Statutes 1978, Section 47.20, Subdivision 4.

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

Page 1, after line 6, insert:

"Section 1. Minnesota Statutes 1978, Section 47.20, Subdivision 2, is amended to read:

Subd. 2. For the purposes of this section the terms defined in this subdivision have the meanings given them:

(1) "Actual closing costs" mean reasonable charges for or sums paid for the following, whether or not retained by the mortgagee or lender:

(a) Any insurance premiums including but not limited to premiums for title insurance, fire and extended coverage insurance, flood insurance, and private mortgage insurance, but excluding any charges or sums retained by the mortgagee or lender as self-insured retention.

(b) Abstracting, title examination and search, and examination of public records.

(c) The preparation and recording of any or all documents required by law or custom for closing a conventional loan.

(d) Appraisal and survey of real property securing a conventional loan.

(e) A single service charge, which shall include any consideration, not otherwise specified herein as an "actual closing cost" paid by the borrower and received and retained by the lender for or related to the acquisition, making, refinancing or modification of a conventional loan, and shall also include any consideration received by the lender for making a commitment for a conventional loan, whether or not an actual loan follows such commitment. The term service charge shall not include developer's commitment fees. The service charge shall not exceed one percent of the original bona fide principal amount of the conventional loan, except that in the case of a construction loan, the service charge shall not exceed two percent of the original bona fide principal amount of the loan. That portion of the service charge imposed because the loan is a construction loan shall be itemized and a copy of the itemization furnished the borrower. A lender shall not collect from a borrower the additional one percent service charge permitted for a construction loan if it does not perform the service for which the

charge is imposed or if third parties perform and charge the borrower for the service for which the lender has imposed the charge.

(f) Charges and fees necessary for or related to the transfer of real property securing a conventional loan or the closing of a conventional loan paid by the borrower and received by any party other than the lender.

(2) *"Contract for deed" means an executory contract for the conveyance of real estate containing one or more residential units or upon which at the time the contract is executed, it is intended that one or more residential units are to be constructed, the original principal amount of which is less than \$100,000.*

(2) (3) "Conventional loan" means a loan or advance of credit, other than a loan or advance of credit made by a credit union or made pursuant to section 334.011, to a noncorporate borrower in an original principal amount of less than \$100,000, secured by a mortgage upon real property containing one or more residential units or upon which at the time the loan is made it is intended that one or more residential units are to be constructed, and which is not insured or guaranteed by the secretary of housing and urban development, by the administrator of veterans affairs, or by the administrator of the farmers home administration. The term ~~mortgage~~ "mortgage" shall not include contracts for deed or installment land contracts.

(3) (4) "Developer's commitment fee" means a fee or other consideration paid to a lender by a person in the business of building or arranging for building residential units for the purpose of securing a commitment by the lender to make conventional loans to credit worthy purchasers of residential units, or a fee or other consideration paid to a lender for the purpose of securing a commitment by the lender to make conventional loans to credit worthy purchasers of apartments as defined in section 515.02 to be created out of existing structures pursuant to the Minnesota condominium act, by a person creating the apartments.

(4) (5) "Finance charge" means the total cost of a conventional loan including extensions or grant of credit regardless of the characterization of the same and includes interest, finders fees, and other charges levied by a lender directly or indirectly against the person obtaining the conventional loan or against a seller of real property securing a conventional loan, or any other party to the transaction except any actual closing costs and any developer's commitment fee. The finance charges plus the actual closing costs and any developer's commitment fee, charged by a lender shall include all charges made by a lender other than the principal of the conventional loan.

(5) (6) "Lender" means any person making a conventional loan. The term shall also include the holder or assignee at any time of a conventional loan.

(6) (7) "Loan yield" means the annual rate of return obtained by a lender over the term of a conventional loan and shall be com-

puted as the annual percentage rate as computed in accordance with sections 226.5 (b), (c) and (d) of Regulation Z, 12 C.F.R. section 226, but using the definition of finance charge provided for in this subdivision. The finance charge shall be amortized over the contract term of the conventional loan.

(7) (8) "Monthly index of long term United States government bond yields" means the monthly unweighted average of the daily unweighted average of the closing bid yield quotations in the over the counter market for all outstanding United States treasury bond issues, based on available statistics, which are either maturing or callable in ten years or more. This index is expressed in terms of percentage interest per annum.

(8) (9) "Person" means an individual, corporation, business trust, partnership or association or any other legal entity.

(9) (10) "Residential unit" means any structure used principally for residential purposes or any portion thereof, and shall include a unit in a townhouse or planned unit development, a condominium apartment, a non-owner occupied residence, and any other type of residence regardless of whether such unit is used as a principal residence, secondary residence, vacation residence or residence of some other denomination."

Page 1, lines 15 to 17, delete the new language

Page 3, after line 27, insert:

"Sec. 3. Minnesota Statutes 1978, Section 47.20, is amended by adding a subdivision to read:

Subd. 14. Any contract for deed having an interest rate in excess of the maximum lawful interest rate provided for in subdivision 4 shall be usurious. Persons who have paid usurious interest may recover twice the total interest paid under the contract for deed from the person to whom the interest has been paid. The penalty provisions of Minnesota Statutes, Chapter 334, shall not apply to usurious contracts for deed."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after "deed" insert "on residential property"

Page 1, line 4, delete "Subdivision" and insert "Subdivisions 2 and"

Page 1, line 4, after "4" insert ", and by adding a subdivision"

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

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

H. F. No. 116: A bill for an act relating to banks and banking; extending the period for activation of detached facilities after

issuance of certificates of authorization; amending Minnesota Statutes 1978, Section 47.54, Subdivision 4.

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

Page 2, line 8, delete "pending" and insert "issued less than 18 months prior to"

Page 2, line 9, delete "on or after"

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

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

S. F. No. 807: A bill for an act relating to intoxicating liquor; authorizing Washington County to issue an off-sale license in Denmark township.

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

Page 1, line 10, delete "approval" and insert "approval"

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

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

House Concurrent Resolution No. 3: A House concurrent resolution relating to transportation; urging the appropriate federal agencies to provide assistance to the Chicago, Milwaukee, St. Paul and Pacific Railroad Company (The Milwaukee Road); affirming the consideration of affirmative action by the Minnesota legislature to provide economic and viable rail transportation service for the people of Minnesota.

Reports the same back with the recommendation that the resolution be adopted.

Mr. Coleman moved that House Concurrent Resolution No. 3 be laid on the table. The motion prevailed.

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

S. F. No. 1212: A bill for an act relating to aeronautics; providing personal notice of certain airport zoning hearings; amending Minnesota Statutes 1978, Section 360.065, Subdivision 1.

Reports the same back with the recommendation that the bill be re-referred to the Committee on Transportation. Report adopted.

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

S. F. No. 129: A bill for an act relating to reapportionment of the legislature and congressional districts; proposing an amendment to the Minnesota Constitution, Article IV, Sections 2, 3 and 4 to provide for congressional and legislative apportionments by a commission, removing the requirement that all senators be elected at the first general election following an apportionment and limiting the power of the legislature to change the number of senators and representatives; implementing the proposed amendment by providing by law for the duties, powers and operation of the commission; and repealing Minnesota Statutes 1978, Sections 2.041 to 2.712 and 2.731 to 2.811.

Reports the same back with the recommendation that the bill be re-referred to the Committee on Governmental Operations. Report adopted.

Mr. Coleman from the Committee on Rules and Administration to which was referred under Rule 35, together with the committee report thereon,

S. F. No. 188: A bill for an act relating to noise pollution; exempting certain existing skeet, trap and shooting sports clubs from noise standards of the pollution control agency; amending Minnesota Statutes 1978, Section 116.07, by adding a subdivision.

Reports the same back with the recommendation that the report from the Committee on Agriculture and Natural Resources shown in the Journal for April 9, 1979, "And when so amended the bill do pass" be adopted. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred under Rule 35, together with the committee report thereon,

S. F. No. 802: A bill for an act relating to health; regulating the occupations of physical therapist and physical therapist assistant; amending Minnesota Statutes 1978, Sections 148.65; 148.67; 148.70; 148.71; 148.72; 148.73; 148.74; 148.75; 148.76; 148.77; 148.78; and Chapter 148, by adding a section.

Reports the same back with the recommendation that the report from the Committee on Health, Welfare and Corrections shown in the Journal for April 9, 1979, "And when so amended the bill do pass" be adopted and the bill be re-referred to the Committee on Governmental Operations. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred under Rule 35, together with the committee report thereon,

S. F. No. 919: A bill for an act relating to buildings; providing for the employment of building officials by certain towns; amending Minnesota Statutes 1978, Section 16.861, Subdivision 1.

Reports the same back with the recommendation that the report from the Committee on Local Government shown in the Journal for April 2, 1979, "the bill do pass and be placed on the Consent Calendar" be adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred under Rule 35, together with the committee report thereon,

S. F. No. 506: A bill for an act relating to alcoholic beverages; prohibiting consumption or possession in certain highway facilities; providing a penalty; amending Minnesota Statutes 1978, Section 160.27, by adding a subdivision.

Reports the same back with the recommendation that the report from the Committee on Transportation shown in the Journal for April 2, 1979, "And when so amended the bill do pass" be adopted. Amendments adopted. Report adopted.

Mr. Laufenburger from the Committee on Employment, to which was referred the following appointment as reported in the Journal for March 29, 1979:

**DEPARTMENT OF ECONOMIC SECURITY
COMMISSIONER**

Rolf Middleton

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

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

Mr. Laufenburger from the Committee on Employment, to which was referred the following appointment as reported in the Journal for April 2, 1979:

**BUREAU OF MEDIATION SERVICES
DIRECTOR**

Peter Obermeyer

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

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

Mr. Coleman from the Subcommittee on Bill Scheduling, to which were referred S. F. Nos. 381, 779, 682, 350, 364, 478, 30, 757, 477, 525 and H. F. No. 145 makes the following report:

That the above Senate Files and House File be placed on the General Orders Calendar in the order indicated.

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

Mr. Coleman from the Committee on Rules and Administration, to which were referred for proper reference under Rule 35:

S. F. Nos. 1263 and 1079 reports the same back with the recommendation that the bills be re-referred as follows:

S. F. No. 1079 to the Committee on Governmental Operations.

S. F. No. 1263 to the Committee on Judiciary.

Report adopted.

SECOND READING OF SENATE BILLS

S. F. Nos. 926 and 919 were read the second time.

S. F. Nos. 856, 608, 679, 927, 951, 935, 920, 799, 801, 509, 273, 807, 188 and 506 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

SECOND READING OF HOUSE BILLS

H. F. No. 116 was read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

MOTIONS AND RESOLUTIONS

Mr. Coleman, for the Committee on Rules and Administration, offered the following resolution:

BE IT RESOLVED, by the Senate, that the following named persons be and are hereby appointed to the positions hereinafter stated and at the salaries heretofore fixed.

Dr. Joseph Simonson, Chaplain, effective April 2, 1979

Rev. David Rebeck, Chaplain, effective April 9, 1979

Patrice Cullen, Page, effective March 28, 1979

Margit Ernst, Page, effective April 16, 1979

Mr. Coleman moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

Mr. Moe introduced—

Senate Resolution No. 23: A Senate resolution congratulating Thelma Barnes upon being selected as the 1979 Minnesota Mother.

Referred to the Committee on Rules and Administration.

Mr. Laufenburger introduced—

Senate Resolution No. 24: A Senate resolution relating to the city of Winona; extending congratulations upon being selected an All-America City.

Referred to the Committee on Rules and Administration.

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

Mr. Dieterich moved that the name of Mr. Solon be added as co-author to S. F. No. 999. The motion prevailed.

Mr. Solon moved that the name of Mr. Johnson be added as co-author to S. F. No. 1225. The motion prevailed.

Mr. Knoll moved that the name of Mr. Willet be added as co-author to S. F. No. 1259. The motion prevailed.

Mr. Setzepfandt moved that House Concurrent Resolution No. 3 be taken from the table. The motion prevailed.

House Concurrent Resolution No. 3: A House concurrent resolution relating to transportation; urging the appropriate federal agencies to provide assistance to the Chicago, Milwaukee, St. Paul and Pacific Railroad Company (The Milwaukee Road); affirming the consideration of affirmative action by the Minnesota legislature to provide economic and viable rail transportation service for the people of Minnesota.

Mr. Setzepfandt moved that House Concurrent Resolution No. 3 be now adopted. The motion prevailed. So the resolution was adopted.

Mr. Ueland, A. moved that the name of Mr. Kleinbaum be added as co-author to S. F. No. 1050. The motion prevailed.

Mr. Davies moved that the appointment of Marilyn McClure as Commissioner of the Department of Human Rights be withdrawn from the Committee on Governmental Operations and referred to the Committee on Judiciary. The motion prevailed.

CALENDAR

H. F. No. 396: A bill for an act relating to welfare; altering the conditions under which a day care facility will be considered a single family residential use of property for zoning purposes; amending Minnesota Statutes 1978, Section 245.812, Subdivision 3.

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 53 and nays 7, as follows:

Those who voted in the affirmative were:

Anderson	Benedict	Chenoweth	Davies	Gearty
Ashbach	Bernhagen	Chmielewski	Dunn	Gunderson
Bang	Brataas	Coleman	Engler	Hanson

Hughes	Laufenburger	Ogdahl	Setzepfandt	Stumpf
Humphrey	Lessard	Penny	Sieloff	Tennessee
Jensen	Lewis	Perpich	Sikorski	Ueland, A.
Johnson	Luther	Peterson	Sillers	Ulland, J.
Keefe, S.	Menning	Pillsbury	Spear	Vega
Kirchner	Merriam	Purfeerst	Staples	Willet
Kleinbaum	Moe	Schaaf	Stokowski	
Knaak	Nichols	Schmitz	Strand	

Those who voted in the negative were:

Frederick	Knutson	Renneke	Rued	Wegener
Keefe, J.	Olhoff			

So the bill passed and its title was agreed to.

S. F. No. 420: A bill for an act relating to agriculture; changing the eligibility requirements for a family farm security loan; changing the eligibility standards for payment adjustments received pursuant to a family farm security loan; amending Minnesota Statutes 1978, Sections 41.55; and 41.57, Subdivision 3.

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 54 and nays 6, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Laufenburger	Perpich	Spear
Ashbach	Gunderson	Lessard	Peterson	Staples
Bang	Hanson	Lewis	Pillsbury	Stokowski
Benedict	Hughes	Luther	Purfeerst	Strand
Chenoweth	Humphrey	Menning	Renneke	Stumpf
Chmielewski	Johnson	Merriam	Rued	Ueland, A.
Coleman	Keefe, J.	Moe	Schaaf	Ulland, J.
Davies	Keefe, S.	Nichols	Schmitz	Vega
Dunn	Kirchner	Ogdahl	Setzepfandt	Wegener
Engler	Kleinbaum	Olhoff	Sieloff	Willet
Frederick	Knaak	Penny	Sikorski	

Those who voted in the negative were:

Bernhagen	Jensen	Knutson	Sillers	Tennessee
Brataas				

So the bill passed and its title was agreed to.

H. F. No. 330: A bill for an act relating to courts; eliminating erroneous and ambiguous references relating to municipal courts outside Hennepin and Ramsey counties; amending Minnesota Statutes 1978, Sections 480.055, Subdivision 1; 487.01, Subdivision 8; 487.16; 487.38; 488A.113; 488A.282; 525.011, Subdivision 1; 525.013, Subdivisions 1 and 8; and 525.014.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 59 and nays 1, as follows:

Those who voted in the affirmative were:

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

Mr. Perpich voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 157: A bill for an act relating to labor and employment; prohibiting mandatory retirement of public and private employees before the age of 70; amending Minnesota Statutes 1978, Sections 43.051, Subdivision 1; 125.12, Subdivision 5; 181.81; 181.811; 354.44, Subdivision 1a; 354.49, Subdivision 3; 354A.05; 354A.21; 356.32, Subdivision 1; 423.076; 473.419; and Chapter 181, by adding a section.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S. F. No. 122: A bill for an act relating to life insurance; providing for advance payment of certain benefits under policies insuring persons who are absent and presumed dead; amending Minnesota Statutes 1978, Chapter 576, by adding sections.

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

So the bill passed and its title was agreed to.

S. F. No. 498: A bill for an act relating to motor vehicles; authorizing the identification of certain tax exempt vehicles by use of removable plates or placards; amending Minnesota Statutes 1978, Section 168.012, Subdivision 1.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S. F. No. 58: A bill for an act relating to no-fault automobile insurance; increasing basic economic loss benefits; clarifying legislative intent concerning stacking of insurance policies; amending Minnesota Statutes 1978, Sections 65B.44, Subdivision 1; 65B.47, by adding a subdivision; and 65B.49, Subdivisions 4 and 6.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 52 and nays 10, as follows:

Those who voted in the affirmative were:

Ashbach	Gunderson	Lewis	Purfeerst	Stokowski
Bang	Hanson	Merriam	Renneke	Strand
Bernhagen	Hughes	Moe	Rued	Stumpf
Brataas	Johnson	Nelson	Schaaf	Tenneesen
Chenoweth	Keefe, S.	Nichols	Schmitz	Ulland, J.
Chmielewski	Kirchner	Ogdahl	Setzepfandt	Vega
Coleman	Kleinbaum	Olhoff	Sieloff	Wegener
Davies	Knaak	Penny	Sikorski	Willet
Dunn	Knutson	Perpich	Solon	
Engler	Laufenburger	Peterson	Spear	
Gearty	Lessard	Pillsbury	Staples	

Those who voted in the negative were:

Benedict	Humphrey	Keefe, J.	McCutcheon	Sillers
Frederick	Jensen	Luther	Meaning	Ueland, A.

So the bill passed and its title was agreed to.

S. F. No. 842: A bill for an act relating to aeronautics; appropriating and transferring money for construction of hangars.

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 62 and nays 1, as follows:

Those who voted in the affirmative were:

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

Mr. Merriam voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 144: A bill for an act relating to taxation; repealing obsolete references to a tax on money and credits; repealing Minnesota Statutes 1978, Chapter 285.

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 62 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Benedict	Chenoweth	Davies	Frederick
Ashbach	Bernhagen	Chmielewski	Dunn	Gearty
Bang	Brataas	Coleman	Engler	Gunderson

Hanson	Knutson	Nichols	Schaaf	Stumpf
Hughes	Laufenburger	Ogdahl	Schmitz	TennesSEN
Humphrey	Lessard	Olhoff	SetzePFandt	Ueland, A.
Jensen	Lewis	Penny	Sieloff	Ulland, J.
Johnson	Luther	Perpich	Sikorski	Vega
Keefe, J.	McCutcheon	Peterson	Sillers	Wegener
Keefe, S.	Menning	Pillsbury	Solon	Willet
Kirchner	Merriam	Purfeirst	Spear	
Kleinbaum	Moe	Renneke	Staples	
Knaak	Nelson	Rued	Strand	

Mr. Stokowski voted in the negative.

So the bill passed and its title was agreed to.

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. 361, 876, 728, 607, 450, 905, 708, 467, 687, 363, 346, 660, 709, 980, 491, 866, 712 and 759, which the committee recommends to pass.

S. F. No. 410 which the committee recommends to pass, after the following motion:

The question was taken on the recommendation to pass S. F. No. 410.

The roll was called, and there were yeas 42 and nays 12, as follows:

Those who voted in the affirmative were:

Anderson	Gunderson	McCutcheon	Pillsbury	Stumpf
Ashbach	Hughes	Menning	Rued	TennesSEN
Bernhagen	Humphrey	Nelson	Schmitz	Ueland, A.
Chenoweth	Jensen	Ogdahl	Sieloff	Vega
Chmielewski	Keefe, J.	Olhoff	Sillers	Wegener
Davies	Kleinbaum	Olson	Spear	Willet
Dunn	Knaak	Penny	Staples	
Frederick	Knutson	Perpich	Stokowski	
Gearty	Laufenburger	Peterson	Strand	

Those who voted in the negative were:

Benedict	Johnson	Merriam	Schaaf	Sikorski
Brataas	Kirchner	Purfeirst	SetzePFandt	Ulland, J.
Coleman	Luther			

The motion prevailed. So S. F. No. 410 was recommended to pass.

H. F. No. 486, which the committee recommends to pass with the following amendments offered by Messrs. Kleinbaum and Johnson.

Mr. Kleinbaum moved to amend H. F. No. 486, as amended pursuant to Rule 49, adopted by the Senate April 9, 1979, as follows:

(The text of the amended House File is identical to S. F. No. 159.)

Page 3, after line 24, insert:

"Sec. 2. Minnesota Statutes 1978, Section 47.20, Subdivision 9, is amended to read:

Subd. 9. (1) For purposes of this subdivision the term "mortgagee" shall mean all state banks and trust companies, national banking associations, state and federally chartered savings and loan associations, mortgage banks, mutual savings banks, insurance companies, credit unions or assignees of the above. Each mortgagee requiring funds of a mortgagor to be paid into an escrow, agency or similar account for the payment of taxes or insurance premiums with respect to a mortgaged one to four family, owner occupied residence located in this state, unless the account is required by federal law or regulation or maintained in connection with a conventional loan in an original principal amount in excess of 80 percent of the lender's appraised value of the residential unit at the time the loan is made or maintained in connection with loans insured or guaranteed by the secretary of housing and urban development, by the administrator of veterans affairs, or by the administrator of the farmers home administration, shall calculate interest on such funds at a rate of not less than ~~four~~ ^{five} percent per annum. Such interest shall be computed on the average monthly balance in such account on the first of each month for the immediately preceding 12 months of the calendar year or such other fiscal year as may be uniformly adopted by the mortgagee for such purposes and shall be annually credited to the remaining principal balance on the mortgage, or at the election of the mortgagee, paid to the mortgagor or credited to his account. If the interest exceeds the remaining balance, the excess shall be paid to the mortgagor or vendee. The requirement to pay interest shall apply to such accounts created prior to June 1, 1976 as well as to accounts created after June 1, 1976.

(2) A mortgagee offering the following option (c) to a mortgagor but not requiring maintenance of escrow accounts as described in clause (1), whether or not the accounts were required by the mortgagee or were optional with the mortgagor, shall offer to each of such mortgagors the following options:

(a) the mortgagor may manage the payment of insurance and taxes by himself;

(b) the mortgagor may open with the mortgagee a passbook savings account carrying the current rate of interest being paid on such accounts by the mortgagee in which the mortgagor can deposit the funds previously paid into the escrow account; or

(c) the mortgagor may elect to maintain a non-interest bearing escrow account as described in clause (1) to be serviced by the mortgagee at no charge to the mortgagor.

A mortgagee that is not a depository institution offering passbook savings accounts shall instead of offering option (b) above notify its mortgagors (1) that they may open such accounts at

a depository institution and (2) of the current maximum legal interest rate on such accounts.

A mortgagee offering option (c) above to a mortgagor but not requiring the maintenance of escrow accounts shall notify its mortgagor of the options under (a), (b) and (c). The notice shall state the option and state that an escrow account is not required by the mortgagee, that the mortgagor is legally responsible for the payment of taxes and insurance, and that the notice is being given pursuant to subdivision 9.

Notice shall be given within 30 days after the effective date of the provisions of Laws 1977, Chapter 350 amending the subdivision, as to mortgagees offering option (c) above to mortgagors but not requiring escrow accounts as of the effective date, or within 30 days after a mortgagee's decision to discontinue requiring escrow accounts if the mortgagee continues to offer option (c) above to mortgagors. If no reply is received within 30 days, option (c) shall be selected for the mortgagor but the mortgagor may, at any time, select another option.

A mortgagee making a new mortgage and offering option (c) above to a prospective mortgagor shall, at the time of loan application, notify the prospective mortgagor of options (a), (b) and (c) above which must be extended to the prospective mortgagor. The mortgagor shall select one of the options at the time the loan is made.

Any notice required by this clause (2) shall be on forms approved by the commissioner of banking and shall provide that at any time a mortgagor may select a different option. The form shall contain a blank where the current passbook rate of interest shall be entered by the mortgagee. Any option selected by the mortgagor shall be binding on the mortgagee.

This clause (2) does not apply to escrow accounts which are excepted from the interest paying requirements of clause (1).

(3) A mortgagee shall be prohibited from charging a direct fee for the administration of the escrow account.

(4) A mortgagee shall make timely payments of tax and insurance bills provided that funds paid into the account by the mortgagor are sufficient for the payment. If there is a shortage of funds the mortgagee shall promptly notify the mortgagor of the shortage. Failure to make the payment required by this clause shall subject the mortgagee to liability for all damages caused by the failure except that this sentence shall not deprive the mortgagee of the right to present any legal defenses in any subsequent proceeding. The mortgagee is permitted to make any payment on behalf of the mortgagor even though there are not sufficient funds in a particular account to cover the payment."

Amend the title as follows:

Page 1, line 5, delete "Subdivision 4" and insert "Subdivisions 4 and 9"

The motion prevailed. So the amendment was adopted.

Mr. Kleinbaum then moved to amend H. F. No. 486, as amended pursuant to Rule 49, adopted by the Senate April 9, 1979, as follows:

(The text of the amended House File is identical to S. F. No. 159.)

Page 3, after line 24, insert

"Sec. 2. Minnesota Statutes 1978, Section 47.20, Subdivision 6, is amended to read:

Subd. 6. No conventional loan or loan authorized in subdivision 1 made on or after the effective date of Laws 1977, Chapter 350 shall contain a provision requiring or permitting the imposition of a fee or penalty in excess of one-tenth of one percent of the remaining unpaid principal balance in the event the loan or advance of credit and the obligation incurred thereby is assumed by another person. If the purpose of a conventional loan is to enable a borrower to purchase a one to four family dwelling for his or her primary residence, the lender shall consent to the subsequent transfer of the real estate if the existing borrower continues after transfer to be obligated for repayment of the entire remaining indebtedness. The lender shall release the existing borrower from all obligations under the loan instruments, if the transferee (1) meets the standards of credit worthiness normally used by persons in the business of making conventional loans, including but not limited to the ability of the transferee to make the loan payments and satisfactorily maintain the real estate used as collateral, and (2) executes an agreement in writing with the lender whereby the transferee assumes the obligations of the existing borrower under the loan instruments. Any such agreement shall not affect the priority, validity or enforceability of any loan instrument. A lender may charge a fee not in excess of one-tenth of one percent of the remaining unpaid principal balance in the event the loan or advance of credit is assumed by the transferee and the existing borrower continues after the transfer to be obligated for repayment of the entire assumed indebtedness. A lender may charge a fee not in excess of one percent of the remaining unpaid principal balance in the event the remaining indebtedness is assumed by the transferee and the existing borrower is released from all obligations under the loan instruments. This subdivision shall apply to conventional loans made on or after the effective date of this act."

Amend the title as follows:

Page 1, line 4, after the semicolon insert "regulating assumptions of certain mortgages;"

Page 1, line 5, delete "Subdivision" and insert "Subdivisions"

Page 1, line 5, after "4" insert "and 6"

The motion prevailed. So the amendment was adopted.

Mr. Johnson moved to amend H. F. No. 486, as amended pursuant to Rule 49, adopted by the Senate April 9, 1979, as follows:

(The text of the amended House File is identical to S. F. No. 159.)

Page 3, lines 16 to 24, reinstate the stricken language

Page 3, lines 19 and 24, strike "1979" and insert "1983"

Amend the title as follows:

Page 1, line 2, delete "removing" and insert "extending"

Page 1, line 3, delete "from" and insert "on"

Delete the prior amendments to page 1, line 5, adopted on April 9, 1979 and April 11, 1979

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 33 and nays 31, as follows:

Those who voted in the affirmative were:

Anderson	Hanson	Luther	Olhoff	Stokowski
Benedict	Hughes	McCutcheon	Perpich	Strand
Chenoweth	Humphrey	Merriam	Schaaf	Stumpf
Chmielewski	Johnson	Moe	Sikorski	Vega
Coleman	Keefe, S.	Nelson	Solon	Willet
Gearty	Lessard	Nichols	Spear	
Gunderson	Lewis	Ogdahl	Staples	

Those who voted in the negative were:

Ashbach	Frederick	Laufenburger	Renneke	Ueland, A.
Bang	Jensen	Menning	Rued	Ulland, J.
Bernhagen	Keefe, J.	Olson	Schmitz	Wegener
Brataas	Kirchner	Penny	Setzepfandt	
Davies	Kleinbaum	Peterson	Sieloff	
Dunn	Knaak	Pillsbury	Sillers	
Engler	Knutson	Purfeirst	Tennessee	

The motion prevailed. So the amendment was adopted.

S. F. No. 550 which the committee recommends to pass, subject to the following motions:

Mr. Pillsbury moved to amend S. F. No. 550 as follows:

Page 2, line 22, delete "The"

Page 2, delete lines 23 through 29

Page 2, line 30, delete "bound by such an agreement."

Page 4, line 29, delete "The agreement shall"

Page 4, delete lines 30 through 33

Page 5, delete lines 1 and 2

Page 5, line 3, delete "have signed such an agreement."

Amend the title as follows:

Page 1, delete lines 4 and 5

Page 1, line 6, delete "signed by the candidate's opponents;"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 22 and nays 36, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Kleinbaum	Renneke	Ueland, A.
Bang	Frederick	Knaak	Rued	Ulland, J.
Bernhagen	Jensen	Knutson	Sieloff	
Brataas	Keefe, J.	Ogdahl	Sillers	
Dunn	Kirchner	Pillsbury	Tennessen	

Those who voted in the negative were:

Benedict	Hughes	Merriam	Peterson	Strand
Chenoweth	Humphrey	Moe	Purfeirst	Stumpf
Chmielewski	Johnson	Nelson	Schaaf	Wegener
Coleman	Keefe, S.	Nichols	Schmitz	Willet
Davies	Lessard	Olhoff	Setzepfandt	
Gearty	Luther	Olson	Sikorski	
Gunderson	McCutcheon	Penny	Spear	
Hanson	Menning	Perpich	Stokowski	

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

Mr. Davies moved to amend S. F. No. 550 as follows:

Page 2, line 30, after the period, insert "*The agreement shall not be binding on a candidate if a candidate for that office, of no political party, spends in excess of the spending limits.*"

Page 5, line 3, after the period, insert "*The agreement shall not be binding on a candidate if a candidate for that office, of no political party, spends in excess of the spending limits.*"

The motion prevailed. So the amendment was adopted.

S. F. No. 668, which the committee recommends to pass with the following amendment offered by Mr. Setzepfandt:

Page 1, line 11, strike "county" and insert ", *Redwood, Kandiyohi, and Renville counties*"

Page 1, delete lines 20, 21 and 22 and insert:

"*Sec. 2. This act is effective for each county named in section 1 upon its approval by the board of county commissioners of the county and upon compliance with Minnesota Statutes, Section 645.021.*"

The motion prevailed. So the amendment was adopted.

S. F. No. 719, which the committee recommends to pass with the following amendment offered by Mr. Jensen:

Page 2, after line 6, insert:

"*Sec. 2. This act is effective the day following final enactment.*"

The motion prevailed. So the amendment was adopted.

H. F. No. 186, which the committee recommends to pass with the following amendment offered by Mr. Vega:

Page 1, line 15, after the period, insert "Borrowing for the purposes of acquisition or betterment of property or other improvements of a capital nature shall be subject to the provisions of subdivision 4."

Page 2, line 24, after "commission" insert "to which tax levies have been pledged pursuant to section 473.446, subdivision 1"

Page 2, line 28, after "by any" insert "bank,"

Page 2, line 29, after "bank," insert "savings and loan association, credit union,"

Page 2, line 30, after "bank" insert ", savings bank, savings and loan association, credit union,"

Page 3, line 5, before "certificates" insert "The commission shall not issue any"

Page 3, delete line 6

Page 3, line 7, delete "section 473.438,"

Page 3, line 7, delete "and" and insert "or"

Page 3, line 8, delete "and" and insert "or"

Page 3, line 8, delete the comma and insert "in excess of amounts from time to time expressly permitted by law."

Page 3, delete line 9, and insert

"Subd. 5. [BUS PURCHASES AND OTHER IMPROVEMENTS.] In addition to obligations outstanding on July 1, 1977, the commission may issue certificates of indebtedness, bonds or other obligations in an amount not exceeding"

Page 3, line 10, delete "and shall be issued only"

The motion prevailed. So the amendment was adopted.

S. F. No. 186, which the committee recommends to pass with the following amendments offered by Messrs. Chmielewski and Davies:

Mr. Chmielewski moved to amend S. F. No. 186 as follows:

Page 2, line 7, after the period insert "This section does not apply to crimes occurring outside the United States."

The motion prevailed. So the amendment was adopted.

Mr. Davies moved to amend S. F. No. 186 as follows:

Page 4, lines 4 and 5, delete "as to any contract entered into" and insert "the day"

Page 4, line 5, before the period insert "and applies to contracts entered into after that date"

The motion prevailed. So the amendment was adopted.

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

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

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bill was read the first time and referred to the committee indicated.

Messrs. Pillsbury, Laufenburger, Bang and Keefe, S. introduced—

S. F. No. 1314: A bill for an act relating to unemployment compensation; limiting benefits paid to certain owners of seasonal businesses; amending Minnesota Statutes 1978, Section 268.08, by adding a subdivision.

Referred to the Committee on Employment

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman moved that the Senate do now adjourn until 6:00 o'clock p.m., Monday, April 16, 1979. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate