

FORTY-SECOND DAY

St. Paul, Minnesota, Thursday, April 26, 1979

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

CALL OF THE SENATE

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

Anderson	Gearty	McCutcheon	Purfeerst	Stumpf
Bang	Gunderson	Menning	Schaaf	Tennessee
Benedict	Hanson	Merriam	Schmitz	Ueland, A.
Bernhagen	Hughes	Moe	Setzepfandt	Ulland, J.
Brataas	Humphrey	Nelson	Sieloff	Vega
Chmielewski	Keefe, S.	Nichols	Sikorski	Wegener
Coleman	Kleinbaum	Olhoff	Solon	Willet
Davies	Knaak	Olson	Spear	
Dieterich	Knoll	Perpich	Staples	
Engler	Laufenburger	Peterson	Stokowski	
Frederick	Luther	Pillsbury	Strand	

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

Prayer was offered by the Chaplain, Rev. Katherine Austin Mahle.

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

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

Mr. Schrom was excused from the Session of today. Mr. Johnson was excused from the Session of today until 10:20 o'clock a.m. Mr. Sieloff was excused from the Session of today from 12:00 noon to 12:30 o'clock p.m. Mr. Solon was excused from the Session of today from 11:15 o'clock a.m. to 12:00 o'clock noon. Mr. Anderson was excused from the Session of today from 12:30 to 1:00 o'clock p.m.

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Messrs. Dieterich, Sieloff, Solon and Luther introduced—

S. F. No. 1484: A bill for an act relating to arson; fire loss information; authorizing certain agencies to request and receive from insurance companies information relating to fire losses; providing for immunity to insurance companies providing fire loss information; providing for confidentiality of released information; providing for testimony in matters under litigation; providing for penalties.

Referred to the Committee on Commerce.

Messrs. Hanson, Coleman, Ashbach, Johnson and Merriam introduced—

S. F. No. 1485: A bill for an act relating to labor; requiring operators of motor vehicles to stop and proceed with caution at certain entrances and exits.

Referred to the Committee on Transportation.

Mr. Sillers introduced—

S. F. No. 1486: A bill for an act relating to taxation; excluding amounts received as child support payments from income for purposes of property tax refund and low income credit; amending Minnesota Statutes 1978, Sections 290.012, Subdivision 3; and 290A.03, Subdivision 3.

Referred to the Committee on Taxes and Tax Laws.

Mr. Knutson introduced—

S. F. No. 1487: A bill for an act relating to state government; making changes in the powers and duties of the state personnel board; amending Minnesota Statutes 1978, Sections 43.06; 43.062, Subdivision 3; 43.069, Subdivision 1; 43.09, Subdivision 2a; 43.24, Subdivision 1; and 43.323, Subdivision 1.

Referred to the Committee on Governmental Operations.

Mr. Perpich introduced—

S. F. No. 1488: A bill for an act relating to game and fish; altering the dates on the season for taking lake trout; amending Minnesota Statutes 1978, Section 101.41, Subdivision 2.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Perpich introduced—

S. F. No. 1489: A bill for an act relating to state lands; providing for a conveyance to the city of Buhl.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Ulland, J.; Solon; Lewis; Mrs. Knaak and Mr. Keefe, J. introduced—

S. F. No. 1490: A bill for an act relating to health; providing for an automatic fine in certain instances relating to nursing home inspections; setting a penalty; amending Minnesota Statutes 1978, Section 144A.10, by adding a subdivision.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Vega and Chmielewski introduced—

S. F. No. 1491: A bill for an act relating to the department of veterans affairs; increasing the bed capacity at the Hastings veterans home; eliminating the requirement of certain informational reports relating to the interment of deceased veterans; amending Minnesota Statutes 1978, Section 198.31; repealing Minnesota Statutes 1978, Section 149.07.

Referred to the Committee on Veterans' Affairs.

Messrs. Ueland, A. and Frederick introduced—

S. F. No. 1492: A bill for an act proposing an amendment to the Minnesota Constitution, Article IV, by adding a section; requiring a two thirds majority of each house of the legislature to increase taxes or impose new taxes.

Referred to the Committee on Taxes and Tax Laws.

Mr. Strand introduced—

S. F. No. 1493: A bill for an act relating to elections; providing an exception to the party list appointment requirements for elec-

tion judges; allowing town officers to serve as election judges without being named on party lists; amending Minnesota Statutes 1978, Section 204A.17, Subdivision 5.

Referred to the Committee on Elections.

Messrs. Strand and Peterson introduced—

S. F. No. 1494: A bill for an act relating to agriculture; transferring certain duties and personnel involved in the sale, storage and transportation of certain agricultural products from the department of public service to the department of agriculture; amending Minnesota Statutes 1978, Sections 223.02; 229.01, Subdivision 2; 229.06; 229.07; 232.01, Subdivision 1; 233.01, Subdivision 1; 233.03; 233.24; 234.02; 234.10; 235.01; 236.01, Subdivision 5.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Strand introduced—

S. F. No. 1495: A bill for an act relating to eminent domain; enacting the uniform eminent domain act; repealing Minnesota Statutes 1978, Sections 117.011; 117.025; 117.035; 117.041; 117.042; 117.045; 117.055; 117.065; 117.075; 117.085; 117.086; 117.105; 117.115; 117.125; 117.135; 117.145; 117.155; 117.165; 117.175; 117.185; 117.195; 117.205; 117.215; 117.225; 117.231; 117.232; 117.50; 117.51; 117.52; 117.521; 117.53; 117.54; 117.55 and 117.56.

Referred to the Committee on Judiciary.

Mr. Ashbach introduced—

S. F. No. 1496: A bill for an act relating to retirement; legislators retirement plan; providing for an election to be excluded from retirement coverage; amending Minnesota Statutes 1978, Section 3A.01, Subdivision 3; and Chapter 3A, by adding a section.

Referred to the Committee on Governmental Operations.

Mr. Pillsbury introduced—

S. F. No. 1497: A bill for an act relating to the city of Mound; authorizing a housing finance program and providing for the issuance of revenue bonds to finance the program.

Referred to the Committee on Energy and Housing.

Mr. Chmielewski introduced—

S. F. No. 1498: A bill for an act relating to health; establishing an experimental program related to assessing needs for nursing care in long-term care facilities; appropriating money.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Chmielewski introduced—

S. F. No. 1499: A bill for an act relating to public health; authorizing waiver of minimum health maintenance organization requirements for certain experimental projects; amending Minnesota Statutes 1978, Chapter 62D, by adding a section.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Chmielewski introduced—

S. F. No. 1500: A bill for an act relating to motor vehicles; providing for the issuance of handicapped license plates; amending Minnesota Statutes 1978, Section 168.021, Subdivision 1.

Referred to the Committee on General Legislation and Administrative Rules.

Mr. Luther introduced—

S. F. No. 1501: A bill for an act relating to Independent School District No. 279; authorizing the issuance of bonds authorized by the electors.

Referred to the Committee on Education.

Messrs. Luther, Spear, Johnson and Keefe, S. introduced—

S. F. No. 1502: A bill for an act relating to usury; redefining actual closing costs on conventional home loans; amending Minnesota Statutes 1978, Section 47.20, Subdivision 2.

Referred to the Committee on Commerce.

Messrs. Jensen, Olson, Purfeerst and Renneke introduced—

S. F. No. 1503: A bill for an act relating to cable communications; exempting systems with fewer than 1,000 subscribers from cable communications board regulation; amending Minnesota Statutes 1978, Section 238.02, Subdivision 3.

Referred to the Committee on Commerce.

Mr. Moe, for the Committee on Finance, introduced—

S. F. No. 1504: A bill for an act relating to the organization and operation of state government; appropriating money for maintenance of various semi-state activities and for other purposes with certain conditions; authorizing basic life insurance and health benefits coverage for employees of semi-state agencies; amending Minnesota Statutes 1978, Sections 43.43, Subdivision 2; 138.01, by adding a subdivision; 139.10, Subdivision 2; 139.17, Subdivision 2; and 139.18, Subdivisions 1 and 2.

Under the rules of the Senate, laid over one day.

Mr. Moe, for the Committee on Finance, introduced—

S. F. No. 1505: A bill for an act relating to the organization and operation of state government; appropriating money for education and related purposes, including the department of education, aids to libraries, higher education coordinating board, state universities, community colleges, and the university of Minnesota and its hospitals, with certain conditions; amending Minnesota Statutes 1978, Sections 120.81, Subdivision 2; 123.38, Subdivision 3; and 124.572, by adding a subdivision.

Under the rules of the Senate, laid over one day.

Messrs. Wegener, Rued, Willet, Peterson and Ashbach introduced—

S. F. No. 1506: A bill for an act relating to taxation; providing a tax credit to certain utilities for the cost of criminal damage to property; amending Minnesota Statutes 1978, Chapter 273, by adding a section.

Referred to the Committee on Taxes and Tax Laws.

Mr. Chenoweth introduced—

S. F. No. 1507: A bill for an act relating to state government; regulating meetings, indemnification and appointment of the investment advisory council and annual reports of the state board of investment; amending Minnesota Statutes 1978, Sections 11.117, Subdivisions 4 and 6; 11.118 and 11.145.

Referred to the Committee on Governmental Operations.

Messrs. Chenoweth and Bang introduced—

S. F. No. 1508: A bill for an act relating to public welfare; permitting execution on welfare checks for judgment debts for rent; amending Minnesota Statutes 1978, Section 550.37, Subdivision 14.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Peterson introduced—

S. F. No. 1509: A bill for an act relating to retirement; judges; providing for the extension of terms in certain instances; amending Minnesota Statutes 1978, Section 490.124, by adding a subdivision.

Referred to the Committee on Governmental Operations.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

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

April 16, 1979

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

The following appointments to the State Zoological Board are hereby respectfully submitted to the Senate for confirmation as required by law:

Richard M. Arndt, 669 Laura Court, Mendota Heights, Dakota County, has been appointed by me, effective April 16, 1979, for a term expiring the first Monday in January, 1983.

Patricia Davies, 3424 Edmund Blvd., Minneapolis, Hennepin County, has been appointed by me, effective April 16, 1979, for a term expiring the first Monday in January, 1983.

James L. Hetland, Jr., 5850 Irving Avenue South, Minneapolis, Hennepin County, has been appointed by me, effective April 16, 1979, for a term expiring the first Monday in January, 1983.

Dr. Paul E. Zollman, 200 1st Street SW, Rochester, Olmsted County, has been appointed by me, effective April 16, 1979, for a term expiring the first Monday in January, 1983.

(Referred to the Committee on General Legislation and Administrative Rules.)

April 19, 1979

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

The following appointment to the Minnesota Housing Finance Agency is hereby respectfully submitted to the Senate for confirmation as required by law:

Shirley Van Dyck, Route 2, Tract 33, Cass Lake, Cass County, has been appointed by me, effective April 19, 1979, for a term expiring the first Monday in January, 1980.

(Referred to the Committee on Energy and Housing.)

April 23, 1979

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

The following appointment to the Council on Quality Education is hereby respectfully submitted to the Senate for confirmation as required by law:

Lorraine Ziemer, 10211 Cedar Lake Road, Minnetonka, Hennepin County, has been appointed by me, effective April 23, 1979, for a term expiring the first Monday in January, 1983.

(Referred to the Committee on Education.)

April 5, 1979

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

The following appointment as Chairman of the Metropolitan Waste Control Commission is hereby respectfully submitted to the Senate for confirmation as required by law:

Salisbury Adams, 60 Myrtlewood Road, Wayzata, Hennepin County, has been appointed by me, effective April 7, 1979, for a term expiring the first Monday in January, 1983.

(Referred to the Committee on Governmental Operations.)

Sincerely,

Albert H. Quie, Governor

April 23, 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. 603 and 307.

Sincerely,

Albert H. Quie, Governor

April 23, 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
307		38	April 23	April 23
603		39	April 23	April 23
	157	40	April 23	April 23
	330	41	April 23	April 23
	396	42	April 23	April 23

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. 346.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 23, 1979

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned: S. F. Nos. 61 and 728.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 25, 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. 361: A bill for an act relating to highway traffic regulations; regulating speed limits within school zones; prescribing penalties; amending Minnesota Statutes 1978, Section 169.14, Subdivision 5a.

Senate File No. 361 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 23, 1979

CONCURRENCE AND REPASSAGE

Mrs. Staples moved that the Senate concur in the amendments by the House to S. F. No. 361 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 361 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 57 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Laufenburger	Peterson	Staples
Ashbach	Frederick	Lessard	Pillsbury	Stokowski
Bang	Gearty	Luther	Purfeerst	Strand
Benedict	Gunderson	Menning	Renneke	Stumpf
Bernhagen	Hanson	Merriam	Schaaf	Tennessen
Brataas	Hughes	Moe	Schmits	Ueland, A.
Chenoweth	Humphrey	Nelson	Setzepfandt	Ulland, J.
Chmielewski	Keefe, J.	Nichols	Sieloff	Vega
Coleman	Keefe, S.	Olhoff	Sikoraki	Willet
Davies	Kleinbaum	Olson	Sillers	
Dieterich	Knaak	Penny	Solon	
Dunn	Knoll	Perpich	Spear	

Mr. McCutcheon voted in the negative.

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. 384: A bill for an act relating to elections; providing additional compensation for election judges who travel to pick up election supplies or deliver ballots; authorizing town boards to fix the compensation of town election judges; amending Minnesota Statutes 1978, Section 204A.23.

Senate File No. 384 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

CONCURRENCE AND REPASSAGE

Mr. Wegener moved that the Senate concur in the amendments by the House to S. F. No. 384 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 384 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 56 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Chenoweth	Engler	Keefe, J.	Luther
Ashbach	Chmielewski	Frederick	Keefe, S.	McCutcheon
Bang	Coleman	Gearty	Kleinbaum	Menning
Benedict	Coleman	Gunderson	Knaak	Merriam
Bernhagen	Dieterich	Hanson	Knoll	Moe
Brataas	Dunn	Hughes	Lessard	Nelson

Nichols	Pillsbury	Sikorski	Strand	Wegener
Olhoff	Purfeerst	Sillers	Stumpf	Willet
Olson	Renneke	Solon	Tennesen	
Penny	Schaaf	Spear	Ueland, A.	
Perpich	Schmitz	Staples	Ulland, J.	
Peterson	Sieloff	Stokowski	Vega	

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. 219: A bill for an act relating to state government; abolishing achievement awards for commissioners and deputy constitutional officers; amending Minnesota Statutes 1978, Sections 15A.081, Subdivision 6; 43.062, Subdivision 3; and 43.067, Subdivision 4; repealing Minnesota Statutes 1978, Section 43.069.

Senate File No. 219 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 25, 1979

Mr. Nelson moved that S. F. No. 219 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. 340: A bill for an act relating to ethics in government; defining administrative action; clarifying campaign report filing dates; providing for the registration of political committees and political funds; defining candidate to include candidates for certain judicial offices and excluding those candidates from reporting under the Fair Campaign Practices Act; amending Minnesota Statutes 1978, Sections 10A.01, Subdivisions 2 and 5; 10A.14, Subdivision 1; 10A.20, Subdivision 2; 210A.01, Subdivision 3; and 290.06, Subdivision 11.

Senate File No. 340 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned April 25, 1979

CONCURRENCE AND REPASSAGE

Mr. Keefe, S. moved that the Senate concur in the amendments by the House to S. F. No. 340 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 340: A bill for an act relating to ethics in government; defining administrative action; excluding persons presenting legislative claims from the definition of "lobbyist" under certain conditions; clarifying campaign report filing dates; providing for the registration of political committees and political funds; defining candidate to include candidates for certain judicial offices and excluding those candidates from reporting under the Fair Campaign Practices Act; amending Minnesota Statutes 1978, Sections 10A.01, Subdivisions 2, 5 and 11; 10A.14, Subdivision 1; 10A.20, Subdivision 2; 210A.01, Subdivision 3; and 290.06, Subdivision 11.

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 58 and nays 1, as follows:

Those who voted in the affirmative were:

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

Mr. Penny voted in the negative.

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. 493: A bill for an act relating to elections; providing for the tabulation and announcement of votes cast on electronic voting systems; amending Minnesota Statutes 1978, Section 206.185, Subdivision 5, and by adding a subdivision.

Senate File No. 493 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned April 25, 1979

CONCURRENCE AND REPASSAGE

Mr. Benedict moved that the Senate concur in the amendments by the House to S. F. No. 493 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 493 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 61 and nays 0, as follows:

Those who voted in the affirmative were:

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

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 House Files, herewith transmitted: H. F. Nos. 815, 882, 954, 1011, 1023, 1063, 898, 1101, 1268, 1381, 313, 386, 508 and 747.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 23, 1979

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 1256, 1329, 1377, 1411, 1436, 966, 1018, 1062, 1093, 581, 430, 774, 900, 913, 1214, 148, 192, 220, 607, 921, 227, 317, 614, 969, 1251, 123, 998, 1220, 686, 792, 912, 1353 and 564.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 25, 1979

Mr. President:

I have the honor to announce that the House has acceded to the request of the Senate for the appointment of a Conference Committee on the amendments adopted by the House to the following Senate File:

S. F. No. 572: A bill for an act relating to the city of Bloomington; authorizing additional on-sale liquor licenses.

Four members of the House have been appointed to such committee on the part of the House as follows:

Peterson, Schreiber, Pehler and Casserly.

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

Edward A. Burdick, Chief Clerk, House of Representatives
Returned April 25, 1979

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

FIRST READING OF HOUSE BILLS

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

H. F. No. 815: A bill for an act relating to state lands; authorizing the sale of certain lands within Beltrami County.

Referred to the Committee on Agriculture and Natural Resources.

H. F. No. 882: A bill for an act relating to pollution control; establishing processing procedures for outstanding unpaid charges for solid waste management; providing for certification of certain charges to county auditors for collection of taxes upon the lands served; amending Minnesota Statutes 1978, Section 400.08.

Referred to the Committee on Agriculture and Natural Resources.

H. F. No. 954: A bill for an act relating to counties; providing for the time for certain welfare board activities; amending Minnesota Statutes 1978, Sections 393.04; and 393.08.

Referred to the Committee on Local Government.

H. F. No. 1011: A bill for an act relating to labor; master and apprentice; identifying the ex officio member of the advisory council; authorizing equal opportunity in employment standards; providing for reciprocity recognition of certain programs; changing the terms of apprenticeships; changing the range in apprenticeship committee membership; amending Minnesota Statutes 1978, Sections 178.02, Subdivision 1; 178.03, Subdivision 3, and by adding a subdivision; 178.05, Subdivision 2; and 178.06.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 562 now on General Orders.

H. F. No. 1023: A bill for an act relating to Independent School District No. 911; providing for the sale of certain land.

Referred to the Committee on Education.

H. F. No. 1063: A bill for an act relating to the city of Duluth; increasing the number of directors on the Duluth transit authority and permitting representation of the city of Superior, Wisconsin; amending Laws 1969, Chapter 720, Sections 1, as amended, and 11, Subdivision 3.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 1073 now on General Orders.

H. F. No. 898: A bill for an act relating to traffic regulation; allowing an authorized emergency vehicle to use an oscillating white light; amending Minnesota Statutes 1978, Section 169.55, Subdivision 1.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 1037, now in the Subcommittee on Bill Scheduling.

H. F. No. 1101: A bill for an act relating to motor vehicles; providing for the issuance of handicapped license plates; amending Minnesota Statutes 1978, Section 168.021, Subdivision 1.

Referred to the Committee on General Legislation and Administrative Rules.

H. F. No. 1268: A bill for an act relating to state lands; authorizing the conveyance of certain lands in Otter Tail County to the city of Fergus Falls.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 1143 now on General Orders.

H. F. No. 1381: A bill for an act relating to the county of St. Louis; permitting the sale of certain tax-forfeited land.

Referred to the Committee on Agriculture and Natural Resources.

H. F. No. 313: A bill for an act relating to public employees; reimbursing university systems for expenses of certain athletic leaves of absence; amending Minnesota Statutes 1978, Section 15.62, Subdivision 3.

Referred to the Committee on Governmental Operations.

H. F. No. 386: A bill for an act relating to the range association of municipalities and schools; providing for the court standing of the association; amending Minnesota Statutes 1978, Section 471.58.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 445 now on General Orders.

H. F. No. 508: A bill for an act relating to unemployment compensation; exempting family corporation shareholder's income from contribution rate; amending Minnesota Statutes 1978, Section 268.04, Subdivision 12.

Referred to the Committee on Employment.

H. F. No. 747: A bill for an act relating to retirement; miscellaneous amendments to the public employees retirement law; amending Minnesota Statutes 1978, Sections 353.01, Subdivisions 2b, 10, 16, and 27; 353.017, Subdivision 2; 353.03, Subdivision 3; 353.29, Subdivisions 2 and 8; 353.31, Subdivision 1; 353.32, Subdivisions 1, 3, and 9; 353.33, Subdivision 1; 353.34, Subdivision 3; 353.35; 353.64, Subdivision 1; 353.65, Subdivision 2; 353.656, Subdivision 2; 353.71, Subdivision 5.

Referred to the Committee on Governmental Operations.

H. F. No. 1256: A bill for an act relating to fire insurance; repealing certain requirements for examination and appraisal of insured structures; repealing Minnesota Statutes 1978, Section 65A.08, Subdivision 1.

Referred to the Committee on Commerce.

H. F. No. 1329: A bill for an act relating to aeronautics; providing representation for affected communities on airport zoning boards; regulating the process of airport zoning; directing the metropolitan airports commission to consider a certain alternative; amending Minnesota Statutes 1978, Sections 360.061, Subdivision 3; 360.063, Subdivision 3; 360.065; and 473.608, by adding a subdivision.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 1212, now in the Subcommittee on Bill Scheduling.

H. F. No. 1377: A bill for an act relating to financial institutions; providing intervals for examination of institutions by state or federal agencies; amending Minnesota Statutes 1978, Section 46.04.

Referred to the Committee on Commerce.

H. F. No. 1411: 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 Rules and Administration for comparison with S. F. No. 1313 now on General Orders.

H. F. No. 1436: A bill for an act relating to the city of Currie in Murray County; authorizing the city to convey lands to a private individual, group or corporation.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 1391 now on the Consent Calendar.

H. F. No. 966: A bill for an act relating to workers' compensation; providing employer's action for recovery of insurance premi-

ums against certain third parties; amending Minnesota Statutes 1978, Section 176.061, Subdivisions 5 and 6.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 983 now on the Calendar.

H. F. No. 1018: A bill for an act relating to no-fault automobile insurance; providing disability and income loss benefits for certain persons who lose unemployment compensation benefits as a result of accidental injury; amending Minnesota Statutes 1978, Section 65B.44, Subdivision 3.

Referred to the Committee on Commerce.

H. F. No. 1062: A bill for an act relating to the city of Windom; authorizing the purchase of annuity contracts for retiring fire-fighters.

Referred to the Committee on Governmental Operations.

H. F. No. 1093: A bill for an act relating to bingo; changing the filing requirements for organizations conducting bingo; amending Minnesota Statutes 1978, Section 349.21, Subdivision 3.

Referred to the Committee on Commerce.

H. F. No. 581: 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.

H. F. No. 430: A bill for an act relating to elections; allowing employees of the state or its political subdivisions to serve as election judges; amending Minnesota Statutes 1978, Section 204A.18, Subdivision 3; repealing Minnesota Statutes 1978, Section 204A.17, Subdivision 5.

Referred to the Committee on Elections.

H. F. No. 774: A bill for an act relating to state government; prohibiting certain expense accounts expenditures for alcoholic beverages; amending Minnesota Statutes 1978, Section 16A.16.

Referred to the Committee on Governmental Operations.

H. F. No. 900: A bill for an act relating to municipalities; authorizing creation of storm sewer reserve funds within storm sewer improvement districts; authorizing special levies in anticipation of capital improvements and bond retirement in storm sewer improvement districts; amending Minnesota Statutes 1978, Chapter 444, by adding a section.

Referred to the Committee on Local Government.

H. F. No. 913: 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.

Referred to the Committee on Governmental Operations.

H. F. No. 1214: A bill for an act relating to Independent School District No. 786, Bertha-Hewitt; exempting it from certain requirements for obtaining one capital loan from the equalization aid review committee; setting a limit for that loan.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 1180, now on the Consent Calendar.

H. F. No. 148: A bill for an act relating to the city of New Hope; firefighters' pension, disability and survival benefits; amending Laws 1971, Chapter 114, Sections 2, Subdivision 5; 3, Subdivisions 2, 3 and 4; 4; 5, Subdivisions 1 and 2; 6, Subdivision 2; and 7, Subdivisions 1 and 2.

Referred to the Committee on Governmental Operations.

H. F. No. 192: A bill for an act relating to retirement; providing pension coverage for certain firefighters in the city of Cottage Grove in the public employees police and fire fund; authorizing a purchase of prior service; specifying that the employer is a political subdivision for purposes of certain employment benefit programs.

Referred to the Committee on Governmental Operations.

H. F. No. 220: A bill for an act relating to prearranged funeral plans; authorizing deposit of trust funds in credit unions; amending Minnesota Statutes 1978, Sections 52.04, Subdivision 1; 149.12; and 149.13.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 227, now in the Subcommittee on Bill Scheduling.

H. F. No. 607: 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.

H. F. No. 921: A bill for an act relating to the city of Ham Lake, Anoka County; extending scope of subdivision regulations within its corporate boundaries.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 963 now on General Orders.

H. F. No. 227: A bill for an act relating to insurance; regulating homeowner's insurance; requiring insurers to disclose and file in-

formation; prescribing certain procedures for an insurer's refusal to renew or to write homeowner's insurance; prohibiting redlining; amending Minnesota Statutes 1978, Section 72A.20, Subdivision 1; and Chapter 65A, by adding sections.

Referred to the Committee on Commerce.

H. F. No. 317: A bill for an act relating to highway traffic regulations; passing a stopped school bus displaying stop arm signals; providing remedies; prescribing penalties; amending Minnesota Statutes 1978, Section 169.44, by adding a subdivision.

Referred to the Committee on Judiciary.

H. F. No. 614: A bill for an act relating to civil actions; statutes of limitations; providing for limits on time certain real estate actions accrue; amending Minnesota Statutes 1978, Section 541.051, Subdivisions 1, 2, and 4.

Referred to the Committee on Judiciary.

H. F. No. 969: A bill for an act relating to corrections; institutions under the control of the commissioner of corrections; designating them as correctional facilities according to geographical location; prescribing the title for the chief executive officer of each institution; authorizing the temporary detention of persons who trespass upon institution grounds; prescribing penalties; amending Minnesota Statutes 1978, Sections 242.41; 242.51; 243.21; 243.40; 243.48; 243.55; 243.56; 243.59; 243.75; and 243.90; repealing Minnesota Statutes 1978, Sections 243.54 and 243.92.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 1150 now on General Orders.

H. F. No. 1251: A bill for an act relating to public welfare; prohibiting denial or reduction of benefits under certain private health care plans to public assistance recipients; providing subrogation rights for counties to recover costs of services provided; amending Minnesota Statutes 1978, Sections 62A.045; 62C.141; 62E.04, Subdivision 8; 64A.221; and Chapter 393, by adding a section.

Referred to the Committee on Commerce.

H. F. No. 123: A bill for an act relating to crimes; prohibiting solicitation or inducement concerning prostitution, promoting the prostitution of a person, receiving profit derived from prostitution, engaging in prostitution, and patronizing a prostitute; limiting defenses to prosecution; establishing rules of evidence; establishing immunity from prosecution for certain testimony; providing penalties; amending Minnesota Statutes 1978, Sections 626.556, Subdivision 2; and 626A.05, Subdivision 2; repealing Minnesota Statutes 1978, Section 609.32.

Referred to the Committee on Judiciary.

H. F. No. 998: A bill for an act relating to corrections; providing for vocational training of the inmates of state correctional facilities; reorganizing and harmonizing the various laws relating to the industrial activities conducted at such facilities; amending Minnesota Statutes 1978, Sections 241.26, Subdivision 7; and 241.27; repealing Minnesota Statutes 1978, Sections 243.19; 243.41; 243.42; 243.43; 243.44; 243.45; 243.46; 243.47; 243.63; 243.66; 243.67; 243.68; 243.80; 243.84; 243.85; 325.45; 325.46; and 325.47.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 667 now in the Subcommittee on Bill Scheduling.

H. F. No. 1220: A bill for an act relating to retirement; metropolitan transit commission-transit operating division employees; clarifying the amortization obligation of the metropolitan transit commission to the Minnesota state retirement system; calculating service credit for certain part time transit operating division employees; clarifying the provision of the minimum disability coverage; providing a retirement annuity to certain former transit operating division employees; providing service credit for certain military service leaves of absence; amending Minnesota Statutes 1978, Section 352.01, Subdivisions 11 and 16; 473.417; 473.418; and Laws 1978, Chapter 538, Section 21.

Referred to the Committee on Governmental Operations.

H. F. No. 686: A bill for an act relating to public health; permitting use of plastic water well casings in additional counties; amending Minnesota Statutes 1978, Section 156A.031, Subdivision 2.

Referred to the Committee on Health, Welfare and Corrections.

H. F. No. 792: A bill for an act relating to claims against the state; providing for claims arising out of various restitution programs to be heard by the legislature; amending Minnesota Statutes 1978, Section 3.738, Subdivision 1.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 1098 now in the Subcommittee on Bill Scheduling.

H. F. No. 912: A bill for an act relating to juries; requiring the department of public safety to provide jury commissioners with drivers' license lists at a reasonable fee; amending Minnesota Statutes 1978, Section 593.37, by adding a subdivision.

Referred to the Committee on General Legislation and Administrative Rules.

H. F. No. 1353: A bill for an act relating to motor vehicles; establishing fees for motorized bicycle operator permits; excepting motorized bicycles from seat belt requirements; amending Min-

nesota Statutes 1978, Sections 169.223, Subdivision 1; 169.685, Subdivision 1; and 171.02, Subdivision 3.

Referred to the Committee on Transportation.

H. F. No. 564: A bill for an act relating to financial institutions; providing a new interest index for conventional home loans; regulating mortgage assumptions; regulating private mortgage insurance; regulating various interest rates; amending Minnesota Statutes 1978, Sections 47.20, Subdivisions 2, 3, 4, 6, 7, and 13, and by adding a subdivision.

Referred to the Committee on Rules and Administration for comparison with S. F. No. 624, now on General Orders.

REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted, with the exception of the report on S. F. No. 1390 and the report from the Committee on Rules and Administration on the amendment of Permanent Rules. The motion prevailed.

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

S. F. No. 1032: A bill for an act relating to the metropolitan council; providing for the acquisition and betterment of regional recreation open space; authorizing the issuance of Minnesota state general obligation bonds; appropriating money.

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

Page 2, after line 15, insert:

"Sec. 2. The commissioner of finance, upon request by the governor, shall sell and issue state bonds in the amount of \$15,550,000 to provide amounts appropriated in this act for expenditure from the state building fund, in the manner, upon the terms and with the effect prescribed by Minnesota Statutes, Sections 16A.63 to 16A.67 and by Article XI, Sections 4 to 7, of the Constitution.

Sec. 3. The following sums are appropriated from the state building fund to the commissioner of natural resources for the acquisition and betterment of public outdoor recreation lands and capital improvements described as follows, respectively:

- | | |
|---|------------|
| (1) For acquisition of state trails listed and described in Minnesota Statutes, Section 85.015, and pursuant to Minnesota Statutes, Section 84.029, Subdivision 2 | \$ 250,000 |
| (2) For betterment of state trails | 1,800,000 |

No further expenditure of money shall be made on the Luce Line Trail west of the eastern corporate limits of the city of Winsted.

No further expenditure of money for development of the Luce Line trail shall be made until the commissioner of natural resources has prepared a comprehensive fiscal management plan covering all costs associated with development of the trail, submitted the plan to the senate agriculture and natural resources committee, to the house environment and natural resources committee, the house appropriations committee, and the senate finance committee for the purpose of consultation, and received their recommendations thereon. The recommendations are advisory only.

- (3) For betterment of public land and improvements needed for trails for skiing, hiking and bicycling within state parks and recreation areas as listed and described in sections 85.012 and 85.013 and state forests, as listed and described in section 89.021 1,105,000
- (4) For acquisition of state forests listed and described in Minnesota Statutes, Section 89.021 2,000,000
- (5) For betterment of state forests 180,000
- (6) For acquisition of fishing management lands including riparian rights and other interests therein needed for management of waters for primary wildlife use and benefit and for access to fishing waters pursuant to Minnesota Statutes, Section 97.48, Subdivision 8, 11 and 15 1,008,000
- (7) For acquisition of wildlife management areas pursuant to Minnesota Statutes, Section 97.48, Subdivision 13 and Section 97.481 4,000,000
- (8) For betterment of such wildlife management areas 500,000
- (9) For acquisition of natural and scientific areas designated pursuant to Minnesota Statutes, Section 84.033 538,000
- (10) For costs of staff and independent professional services necessary for the acquisition and betterment of the lands and improvements described above 1,669,000
- (11) For acquisition of lands to provide access for the public to public waters outside the counties of Hennepin, Ramsey, Anoka, Dakota, Washington, Scott and Carver 1,500,000
- (12) For maintenance, development and improvement of lands, owned by the state or any of its subdivisions, which give the public free access to and use of public waters 1,000,000

Sec. 4. Lands shall be acquired by the commissioner of administration upon request of the commissioner of natural re-

sources and in accordance with the policies established in Minnesota Statutes, Sections 86A.01 to 86A.09. Those acquired for each unit of the outdoor recreation system shall be suited for the purpose of that unit and suited for management in accordance with the principles applicable to it. The commissioner of natural resources shall submit semiannual work progress reports to the legislative commission on Minnesota resources, in the form requested by the commission, and shall submit a work program to the commission and request its recommendation thereon before expending any funds appropriated by this act for any purpose. The commission's recommendation shall be advisory only. Failure to respond to a request within 60 days after receipt shall be deemed a negative recommendation.

Sec. 5. Laws 1977, Chapter 421, Section 13, Subdivision 3, is amended to read:

Subd. 3. For acquisition of state trails, as listed and described in section 85.015, and pursuant to section 84.029, subdivision 2	1,805,000
For betterment of the trails	1,800,000

No further expenditure of money for development of the Luce Line Trail shall be made until the commissioner of natural resources has prepared a comprehensive fiscal management plan covering all costs associated with development of the trail, submitted the plan to the senate agriculture and natural resources committee, to the house environment and natural resources committee, the house appropriations committee, and the senate finance committee for the purpose of consultation, and received their recommendations thereon. The recommendations are advisory only."

Underline the new language in the bill

Amend the title as follows:

Page 1, delete lines 2 to 6 and insert "relating to open space and recreation; providing for the acquisition and betterment of open space lands, state trails, forests, fish and wildlife management, natural and scientific areas, and accesses to public waters; authorizing the issuance of bonds; appropriating money; amending Laws 1977, Chapter 421, Section 13, Subdivision 3."

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. 768: A bill for an act relating to natural resources; eliminating the requirement of county board approval on the acquisition of wildlife lands by the commissioner of natural resources; amending Minnesota Statutes 1978, Section 97.481.

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

Page 1, line 11, before "The" insert "Subdivision 1."

Page 2, after line 32, insert:

"Subd. 2. Before the commissioner acquires lands by purchase or lease pursuant to this section, he shall proceed in accordance with this subdivision.

(a) The commissioner shall notify the board of county commissioners in each county where land is to be acquired and shall furnish the board a description of the land to be acquired. The county board shall approve or disapprove the proposed acquisition within 60 days after the commissioner has notified the county board of the proposed acquisition and furnished the description of the land involved. An extension of time, mutually agreed upon, shall be granted to a county board. In a county in which a soil and water conservation district is organized, the supervisors will act as counselors to the county board regarding the best utilization and capability of the land proposed for acquisition, including the questions of drainage and flood control.

(b) If the county board approves an acquisition within the 60-day period or extension thereof, the commissioner may proceed with the acquisition.

(c) If the county board disapproves an acquisition it shall, at the time of its decision, set forth valid reasons for disapproval. The landowner or the commissioner may appeal the county board's disapproval to the district court in the county in which any of the lands are situated. If the district court, or the supreme court on appeal, finds that the county board's disapproval is arbitrary or capricious or that the reasons stated for disapproval are invalid, or if the county board fails to give any reasons or fails to act to approve or disapprove of the acquisition within the 60-day period or extension thereof, the commissioner or the owner of the land which the commissioner seeks to acquire may submit the proposed acquisition to the land exchange board which shall consider the interests of the county, the state, and the landowner and determine whether the acquisition will be in the public interest.

(d) The land exchange board shall conduct a hearing upon each acquisition submitted to it after giving notice to all interested parties, including, but not limited to, the board of county commissioners in the county where the land to be acquired is located, the commissioner, and the owner of the land. The land exchange board shall hold its hearing and make its decision within 60 days after submission of the proposed acquisition to it.

If a majority of the members of the land exchange board approves the acquisition, the commissioner may proceed with the acquisition, but if a majority of the members of the land exchange board disapproves the acquisition, the commissioner shall not acquire the property."

Amend the title as follows:

Page 1, line 2, delete everything after the semicolon and insert "requiring"

Page 1, line 3, delete "requirement of"

Page 1, line 3, after "board" insert "or land exchange board"

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. 874: A bill for an act relating to the Memorial Hardwood Forest; directing the sale or exchange of certain tillable parcels; responsibility for roads; retention of easements; authorizing exemptions.

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

Page 1, line 16, delete "that" and insert "the"

Page 2, line 7, delete "such"

Page 2, line 9, after "lands or" insert "access"

Page 2, line 10, delete "protaction" and insert "protection"

Page 2, line 14, delete "appears" and insert "can be demonstrated"

Page 2, line 15, delete "or" and insert a comma

Page 2, line 15, after "historical" insert "or scientific"

Page 2, line 18, after the period, insert "If the application for exemption is not decided by the commission within 90 days, the application shall be deemed to have been denied."

Sec. 2. Monies collected pursuant to this act shall be deposited in the forest management account for memorial hardwood forest management purposes."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, before the period, insert "; appropriating money"

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

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

S. F. No. 1191: A bill for an act relating to insurance; providing for changes in the operation and funding of the comprehensive health association; requiring identification of certain insurers; setting premium standards; amending Minnesota Statutes 1978, Sections 62E.02, Subdivision 10, and by adding a subdivision; 62E.04, Subdivision 4; 62E.08; 62E.10; 62E.11; 62E.13, Subdivision 2; 62E.14, Subdivision 1; and Chapter 62E, by adding a section.

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

Page 1, line 17, delete "issuing, or renewing" and insert "or issuing"

Page 2, lines 25 and 26, delete the new language

Page 2, line 33, after "of" insert "the offer of"

Page 4, line 1, delete "such"

Page 6, lines 1 to 13, reinstate the stricken language

Page 6, lines 9 and 13, delete the new language

Page 8, line 1, delete "7" and insert "8"

Page 10, line 26, after "against" insert "the income tax or"

Page 10, line 29, after the period insert "*The commissioner of revenue shall annually, on or before January 15, report to the chairmen of the senate finance and house appropriations committees as to the total amount of premium tax offset claimed by contributing members during the preceding calendar year.*"

Page 12, after line 10, insert:

"Sec. 10. [REPEALER.] *Minnesota Statutes 1978, Section 62E.10, Subdivision 5, is repealed.*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 10, before the period, insert "; repealing Minnesota Statutes 1978, Section 62E.10, Subdivision 5"

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. 1260: A bill for an act relating to banks; clarifying that certain branch banks may establish detached facilities; amending Minnesota Statutes 1978, Section 47.51.

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

Page 2, line 11, after the period, insert "*Any such banking office shall constitute a separate bank.*"

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. 227: A bill for an act relating to prearranged funeral plans; authorizing deposit of trust funds in credit unions; amending Minnesota Statutes 1978, Sections 149.12; and 149.13.

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

Page 1, after line 7, insert

"Section 1. Minnesota Statutes 1978, Section 52.04, Subdivision 1, is amended to read:

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

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

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

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

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

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

(6) To borrow money as hereinafter indicated;

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

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

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

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

may be entitled under any bylaw, agreement, vote of members, or otherwise; and

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

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

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

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

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

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

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

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

(19) *To accept deposits pursuant to section 149.12, notwithstanding the provisions of section 52.05, if the deposits represent funding of prepaid funeral plans of members."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after "Sections" insert "52.04, Subdivision 1,"

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

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

S. F. No. 255: A bill for an act relating to credit unions; allowing membership by spouses of relatives of regularly qualified members; amending Minnesota Statutes 1978, Section 52.05.

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

Page 1, lines 15, 16 and 19, delete the new language

Page 1, line 20, after the period insert "*The surviving spouse of a regularly qualified member may become a member.*"

Amend the title as follows:

Page 1, line 2, after "by" insert "surviving"

Page 1, line 3, delete "relatives of"

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

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

S. F. No. 1115: A bill for an act relating to real estate; changing interest provisions payable in redemption of mortgages; amending Minnesota Statutes 1978, Section 580.23, Subdivision 1.

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

Page 1, line 19, after "mortgage" insert "*note*"

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

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

S. F. No. 1164: A bill for an act relating to financial institutions; creating a study commission to study services and regulation of financial institutions; appropriating money.

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

Page 2, line 25, delete "compensation" and insert "removal"

Page 2, line 25, delete ", their"

Page 2, line 26, delete "removal"

Page 3, line 1, delete "achieve" and insert "satisfy"

Page 4, line 16, delete "to the legislative coordinating commission"

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

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

S. F. No. 989: A bill for an act relating to commerce; permitting irrevocable trusts and permitting persons receiving public assistance to deposit funds for a prearranged funeral plan; amending Minnesota Statutes 1978, Section 149.12.

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

Page 2, line 7, after "*thereon*" insert "*up to an amount not exceeding \$1,000*"

And when so amended the bill be re-referred to the Committee on Health, Welfare and Corrections. Amendments adopted. Report adopted.

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

S. F. No. 1209: A bill for an act relating to state credit unions; clarifying borrowing limitations; amending Minnesota Statutes 1978, Sections 52.09, Subdivision 2; and 52.15.

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

Mr. Gearty from the Committee on Elections, to which was referred

S. F. No. 717: A bill for an act relating to taxation; income; increasing the political contribution credit; amending Minnesota Statutes 1978, Sections 290.06, Subdivision 11; and 290.21, Subdivision 3.

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 290.06, Subdivision 11, is amended to read:

Subd. 11. [CONTRIBUTIONS TO POLITICAL PARTIES AND CANDIDATES.] In lieu of the credit against taxable net income provided by section 290.21, subdivision 3, clause (e), a taxpayer may take a credit against the tax due under this chapter of 50 percent but not more than \$25 of his contributions to a political party and any candidate for elective state, federal or local public office and to any political party. The maximum credit for an individual shall not exceed \$50 and, for a married couple, filing jointly, may take a similar credit of shall not more than \$50 exceed \$100. No credit shall be allowed under this subdivision for a contribution to any candidate as defined in section 10A.01, subdivision 5, other than a candidate for elective judicial office or a candidate in a special election, who has not signed an agreement to limit his campaign expenditures as provided in section 10A.32, subdivision 3b. The commissioner of revenue shall provide in the tax instruction booklet language understandable to a person of average intelligence which states that the taxpayer may only not claim a credit against his tax due for contributions to candidates a candidate for (a) judicial office or (b) statewide or legislative office who have unless he has agreed to limit their his expenditures or was a candidate in a special election. For purposes of this subdivision, "candidate" means a candidate as defined in section 10A.01, subdivision 5. The department of revenue shall provide on the first page of the Minnesota tax form an appropriate provision for the credit provided by this subdivision.

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

Sec. 2. [EFFECTIVE DATE.] *This act is effective for contributions made during taxable years beginning after December 31, 1978.*"

Amend the title as follows:

Page 1, line 3, before the semicolon insert "and allowing a credit for contributions to local and federal candidates"

Page 1, line 4, delete "Sections" and insert "Section"

Page 1, line 4, delete the semicolon

Page 1, line 5, delete everything except the period

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

Mr. Gearty from the Committee on Elections, to which was referred

S. F. No. 1013: A bill for an act relating to elections; prohibiting persons from being in polling places in anticipation of vouching; amending Minnesota Statutes 1978, Section 204A.37.

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

Page 1, line 20, delete "or she"

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

Mr. Gearty from the Committee on Elections, to which was referred

S. F. No. 74: A bill for an act relating to elections; allowing post-election challenges to absent voters; changing election contest notice procedures and bond requirement; allowing county and municipal court judges to hear election contests; amending Minnesota Statutes 1978, Sections 204A.32, Subdivision 4; 209.02, Subdivisions 4 and 4a; and 209.06, Subdivision 2.

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

Pages 1 and 2, delete Sections 1 and 2 and insert:

"Section 1. Minnesota Statutes 1978, Section 204A.32, Subdivision 4, is amended to read:

Subd. 4. [CHALLENGE OF VOTER; DISPOSITION OF BALLOTS.] At any time before the ballots of any voter are deposited in the ballot boxes, the judges or, any person who was not present at the time the voter procured the ballots, but not otherwise, authorized challenger or other voter may challenge the qualifications of that voter and the deposit of any received absentee ballots in the ballot boxes. The judges shall determine the qualifications of any voter who is present in the polling place in the manner provided in section 204A.39, and if the voter is found to be disqualified, shall place the ballots of that voter unopened among the spoiled ballots. The judges shall determine whether to receive or reject the ballots of an absent voter and whether to deposit received absentee ballots in the ballot boxes in the manner provided in sections 207.11, 207.24 and 207.25, and shall dispose of any absentee ballots not received or deposited in the manner provided in section 207.11.

Sec. 2. Minnesota Statutes 1978, Section 209.02, Subdivision 3, is amended to read:

Subd. 3. [NOTICE OF CONTEST, FILING, SERVICE.] The notice of contest shall be filed within seven ten days after the canvass is completed, except that if the contest relates to a primary election, the time for filing the notice of contest shall be limited to five days. Within the same period ~~copies thereof~~ the contestant shall be served ~~serve one copy of the notice upon the candidate whose election is contested~~ contestee and, if the contestee is a candidate, upon the official authorized to issue the candidate's notice of nomination or certificate of election. When the contest relates to the nomination or election of a candidate, that candidate shall be designated the contestee. When the contest relates to a

constitutional amendment or other question to be voted for state-wide or to a question to be voted for in more than one county, the secretary of state shall be designated the contestee, and a copy of the notice of contest shall be served upon him within seven days, or five days in the case of a primary, after the canvass is completed. When the contest relates to a question that affects a single county or a single municipality, the county auditor or the clerk of the municipality, as the case may be, shall be designated the contestee, and a copy of the notice of contest shall be served upon him within seven days, or five days in the case of a primary, after the canvass is completed. In all cases where the contest relates to an irregularity in the conduct of the election or canvass of votes a copy of the notice of contest shall also be served within seven ten days, or five days in the case of a primary, after the canvass is completed upon the county auditor of the county in which the irregularity is said *alleged* to have existed.

Sec. 3. Minnesota Statutes 1978 Section 209.02, Subdivision 4, is amended to read:

Subd. 4. [NOTICE OF CONTEST, HOW SERVED.] Service of the notice of contest shall be made in the same manner as provided for the service of summons in civil actions. In all cases two copies of the notice shall be furnished the official authorized to issue the certificate of election at the time of service upon him, and the official shall send one copy thereof by certified mail to the contestee at his last known address. If the sheriff contestant is unable to make personal or substituted service upon the contestee, then the contestant's affidavit of the sheriff to that effect and the an affidavit of the official authorized to issue the certificate of election that he sent a copy to the contestee by certified mail to his the contestee's last known address shall be sufficient to confer jurisdiction upon the proper court to hear and determine the contest. The affidavits shall be made and filed with the court within the period for filing the notice of contest as provided in subdivision 3."

Page 3, line 3, after the period insert "*In addition, but not as a jurisdictional requirement,*"

Page 3, line 8, delete "*, county and county municipal*"

Page 3, lines 18 and 19, delete the new language

Page 4, after line 1, insert:

"Sec. 5. Minnesota Statutes 1978, Chapter 209, is amended by adding a section to read:

[209.055] [CHALLENGE OF BALLOT BASED ON VOTER'S ACTS; VOTER'S PRIVILEGE TO SECRECY OF BALLOT.] A party to a contest of an election may challenge the counting of any ballot cast at that election on the grounds that the voter who cast the ballot was not eligible to vote or that the voter did not comply with a provision of law requisite to the casting or counting of the ballot. If a challenge on these grounds is sustained, the voter shall

not be compelled to reveal how he voted in the contested election unless the party seeking to compel the testimony shows that the voter:

(a) Cast the ballot knowing that he was not an eligible voter or knowing that he was not a resident of the precinct in which he voted; or

(b) Knowingly violated a provision of law requisite to the casting or counting of the ballot.

A voter may waive the right not to disclose how he voted."

Page 4, line 11, strike "of such"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 8, after "Subdivisions" insert "3,"

Page 1, line 8, after the semicolon, delete "and"

Page 1, line 8, before the period, insert "; and Chapter 209, by adding a section"

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

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 1361: A bill for an act relating to courts; providing for appeals from probate court; amending Minnesota Statutes 1978, Section 525.712; repealing Minnesota Statutes 1978, Sections 525.713; and 525.72.

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

Page 1, line 10, strike "Such" and insert "The"

Page 1, line 13, strike "such"

Page 1, line 14, strike "such" and insert "the"

Page 2, line 15, delete "such" and insert "the"

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

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 1362: A bill for an act relating to health; specifying a time limit for district court hearing of appeals under the Minnesota hospitalization and commitment act; amending Minnesota Statutes 1978, Section 253A.21, Subdivision 5.

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

Page 1, line 16, strike "give" and insert "hear"

Page 1, line 17, strike the old language and delete the new language

Page 1, line 18, delete "*appeal shall be heard*"

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

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 1363: A bill for an act relating to courts; providing that probate court shall have tort action jurisdiction; amending Minnesota Statutes 1978, Section 524.3-105.

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

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 482: A bill for an act relating to corporations; authorizing purchase of insurance to provide indemnification of certain persons for certain liabilities and expenses; amending Minnesota Statutes 1978, Section 300.082, Subdivision 7.

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 300.082, Subdivision 4, is amended to read:

Subd. 4. Any indemnification under subdivision 1 or 2, unless ordered by a court, shall be made by the corporation only as authorized in the specific case upon a determination that indemnification of the director, officer, employee, or agent is proper in the circumstances because he has met the applicable standard of conduct set forth in subdivision 1 or 2. ~~Such~~ The determination shall be made (1) by the board of directors by a majority vote of a quorum consisting of directors who were not parties to ~~such the~~ action, suit, or proceeding, or (2) if such a quorum is not obtainable, or, even if obtainable a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or (3) by the stockholders. ~~Any indemnification under subdivision 2 must be ordered by a court.~~

Sec. 2. Minnesota Statutes 1978, Section 300.082, Subdivision 5, is amended to read:

Subd. 5. Expenses, including attorneys' fees, incurred in defending a civil or criminal action, suit, or proceeding may be paid by the corporation in advance of the final disposition of ~~such the~~ action, suit, or proceeding as authorized by the board of directors in the manner provided in subdivision 4 upon receipt of an under-

taking by or on behalf of the director, officer, employee, or agent to repay ~~such the~~ amount unless it shall ultimately be determined that he is entitled to be indemnified by the corporation as authorized in this section.

Sec. 3. Minnesota Statutes 1978, Section 301.095, Subdivision 4, is amended to read:

Subd. 4. Any indemnification under subdivision 1 or 2, unless ordered by a court, shall be made by the corporation only as authorized in the specific case upon a determination that indemnification of the director, officer, employee, or agent is proper in the circumstances because he has met the applicable standard of conduct set forth in subdivision 1 or 2. ~~Such The~~ determination shall be made (1) by the board of directors by a majority vote of a quorum consisting of directors who were not parties to ~~such the~~ action, suit, or proceeding, or (2) if such a quorum is not obtainable, or, even if obtainable a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or (3) by the stockholders. ~~Any indemnification under subdivision 2 must be ordered by a court.~~

Sec. 4. Minnesota Statutes 1978, Section 301.095, Subdivision 5, is amended to read:

Subd. 5. Expenses, *including attorneys' fees*, incurred in defending a civil or criminal action, suit, or proceeding may be paid by the corporation in advance of the final disposition of ~~such the~~ action, suit, or proceeding as authorized by the board of directors in the manner provided in subdivision 4 upon receipt of an undertaking by or on behalf of the director, officer, employee, or agent to repay ~~such the~~ amount unless it shall ultimately be determined that he is entitled to be indemnified by the corporation as authorized in this section."

Amend the title as follows:

Page 1, line 5, delete "Section" and insert "Sections"

Page 1, line 6, delete "Subdivision 7" and insert "Subdivisions 4 and 5; and 301.095, Subdivisions 4 and 5"

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

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 1248: A bill for an act relating to guardianship; establishing criteria for the selection of guardians and conservators; amending Minnesota Statutes 1978, Section 525.544.

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

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 721: A bill for an act relating to fiduciaries; providing for replacement of corporate trustees; establishing guidelines for compensation of personal representatives; changing procedure for removing personal representatives; amending Minnesota Statutes 1978, Sections 524.3-611; 524.3-719; and Chapter 501, by adding a section.

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

Pages 1 and 2, delete section 1 and insert:

"Section 1. Minnesota Statutes 1978, Section 501.43, is amended to read:

501.43 [REMOVAL OF TRUSTEE.] Upon the complaint of any person interested in the execution of an express trust, and under such regulations as shall be established by the court for that purpose, it may remove any trustee who has violated or threatened to violate his trust, or who is insolvent, or whose insolvency is apprehended, or who for any other cause is deemed an unsuitable person to execute the trust. Any person interested in an express trust may petition the district or county court wherein a trustee resides or has his place of business for the removal of that trustee for cause at any time. Upon filing of the petition the court shall fix a time and place for hearing. Notice shall be given to the trustee and other interested parties pursuant to the provisions of section 501.35 or as the court shall otherwise order.

Cause for removal exists when removal is in the best interests of the trust estate, when the trustee has violated his trust, has become incapable of discharging the duties of his office, or has mismanaged the trust estate. In determining the best interests of the trust estate, the trustee's compensation and fees, and administrative expenses, shall be considered."

Page 2, lines 9 and 10, restore the stricken language

Page 2, delete line 17, and insert "maladministration or preserve the estate. If removal is ordered, the court also shall direct by order the disposition of the assets remaining in the name of, or under the control of, the personal representative being removed."

Page 2, line 18, restore the stricken language and delete the new language

Page 2, line 19, delete "shall be removed"

Page 2, line 19, strike "would be" and insert "is"

Page 2, line 20, delete the new language

Page 2, line 28, after the period insert "In determining the best interests of the estate, the personal representative's compensation and fees, and administrative expenses, shall be considered."

Page 3, line 14, delete "limit its" and insert "give"

Amend the title as follows:

Page 1, line 3, delete "corporate"

Page 1, line 4, delete "changing"

Page 1, delete line 5 and insert "providing that cost considerations are a factor in the removal of trustees and personal representatives;"

Page 1, line 6, after "Sections" insert "501.43;"

Page 1, line 7, after "524.3-611;" insert "and"

Page 1, line 7, delete "; and Chapter 501, by adding a"

Page 1, line 8, delete "section"

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

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 783: A bill for an act relating to landlords and tenants; extending the time between service of the summons in unlawful detainer proceedings and the return day; providing for a stay of the writ of restitution in unlawful detainer proceedings; amending Minnesota Statutes 1978, Sections 566.05; 566.06; 566.09; and 566.11.

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

Page 1, line 20, delete "10" and insert "seven"

Page 1, line 20, delete "21" and insert "14"

Page 2, line 4, delete "ten" and insert "seven"

Page 3, line 1, delete "14 days" and reinstate the stricken language

Pages 3 and 4, delete section 3 and insert:

"Sec. 3. Minnesota Statutes 1978, Section 566.09, is amended to read:

566.09 [JUDGMENT; FINE; EXECUTION.] If, upon the trial, the justice or jury find for the plaintiff, the justice shall immediately thereupon enter judgment that the plaintiff have restitution of the premises, and tax the costs for him. The justice shall issue execution in favor of the plaintiff for such the costs, and also, *unless stayed*, immediately issue a writ of restitution. No stay of the *issuance of the* writ of restitution may be granted except upon a showing by the defendant that the restitution would work a substantial hardship upon ~~the defendant him or his family or upon a finding by the justice that the defendant in good faith contested the action.~~ Upon a proper showing by the defendant of substantial hardship *or upon a finding by the justice that the defen-*

dant in good faith contested the action, the justice may shall stay the issuance of the writ of restitution for a reasonable period not to exceed seven 14 days from the date that judgment is entered, except that no stay of the writ of restitution shall extend later than three days prior to the date that the rent is next due. If the justice or jury shall find for the defendant, he shall enter judgment for the defendant, tax the costs against the plaintiff, and issue execution therefor."

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

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 1042: A bill for an act relating to dogs; removing the urban location requirement in actions for damages against a dog owner; amending Minnesota Statutes 1978, Section 347.22.

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

Page 1, line 16, after the first "dog" insert "*but the owner shall be primarily liable*"

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

Mr. Davies from the Committee on Judiciary, to which was referred

S. F. No. 739: A bill for an act relating to motor vehicles; limiting the issuance of vehicle registration plates or tabs under certain circumstances; prohibiting the issuance of arrest warrants for violations of parking laws by certain courts; defining parking violations and participating jurisdictions; requiring notice to violators; appropriating money; amending Minnesota Statutes 1978, Section 169.99, Subdivision 1, and by adding a subdivision; and 171.16, Subdivision 3, and by adding subdivisions.

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 168, is amended by adding a section to read:

[168.042] [REFUSAL TO ISSUE NUMBER PLATES OR TABS.] *Subdivision 1. [DEFINITIONS.] For the purposes of this section, the following terms shall have the meanings given them:*

(a) "*Parking violation*" means a violation of the provisions of sections 169.32, 169.34 to 169.36, or any law or ordinance adopted by a local authority in conformance with these sections or with section 169.04, clause (1), or any other law or ordinance

providing for or regulating the parking, stopping or standing of a motor vehicle.

(b) "Participating jurisdiction" means any city, town, other political subdivision or public corporation lying in whole or in part within Anoka, Carter, Dakota, Hennepin, Ramsey, Scott or Washington counties, or within any other county which delivers to the registrar a duly enacted resolution of the county board requesting treatment as a participating jurisdiction for purposes of this section.

(c) "Owner" means any person, firm, association, or corporation owning or renting a motor vehicle, or having the exclusive use thereof, under a lease or otherwise, except that if the vehicle is the subject of a lease where the lessor, his agent or employee is the operator of the vehicle, the lessor shall be deemed the owner.

Subd. 2. [PROCEDURE IN LIEU OF WARRANT.] In lieu of issuing a warrant for the arrest of a person charged with a parking violation, a court within a participating jurisdiction may, after giving the notice required by rule of the court prior to issuing a warrant, elect to utilize the provisions of this section.

Subd. 3. [NOTICE TO REGISTRAR.] Whenever any person has failed to appear in response to a parking citation or has refused to pay the fine imposed, the court may give notice of that fact to the registrar. Whenever thereafter an appearance is made or the fine is paid, the court shall immediately notify the registrar and give to the person a certificate which may be presented to the registrar to obtain license plates or tabs.

Subd. 4. [REFUSAL TO ISSUE PLATES OR TABS.] The registrar shall refuse to issue license plates or tabs for the vehicle named in the citation until notified by the court that an appearance has been made or the fine has been paid, or until the owner furnishes a certificate to that effect pursuant to subdivision 3.

Subd. 5. [NOTICE PRIOR TO RENEWAL.] The registrar shall include on each registration card or pre-bill issued for use at the time of renewal, or on an accompanying document, a notice showing the amount of any unpaid fine which the owner is required to pay and the court or courts which issued the notice of violation. The registration card shall indicate that plates or tabs will not be issued until an appearance has been made or the fine paid.

Subd. 6. [PROCEDURE FOR TRANSFERRED VEHICLES.] If the vehicle named in the citation is transferred to another owner after the citation was issued, the registrar shall issue license plates or tabs to the new owner but not for any other vehicle owned by the owner of the vehicle named in the citation until notified by the court that an appearance has been made or the fine has been paid, or until the owner furnishes a certificate to that effect pursuant to subdivision 3.

Sec. 2. Minnesota Statutes 1978, Section 169.99, Subdivision 1, is amended to read:

169.99 [UNIFORM TRAFFIC TICKET.] Subdivision 1. Except as provided in ~~subdivision 3~~ subdivisions 3 and 4, there shall be a uniform ticket issued throughout the state by the police and peace officers or by any other person for violations of the highway traffic regulations, which are Minnesota Statutes 1957, Chapter 169 and acts amendatory thereof, and ordinances in conformity thereto. Such uniform traffic ticket shall be in the form and have the effect of a summons and complaint. There shall also be included on the uniform ticket a receipt in lieu of bail which, when signed by the defendant, shall be a guarantee by him of his appearance in the court having jurisdiction over the matter. The uniform traffic ticket shall consist of four parts, on paper sensitized so that copies may be made without the use of carbon paper, as follows:

(1) The complaint, with reverse side for officer's notes for testifying in court, driver's past record, and court's action, printed on white paper;

(2) The abstract of court record for the department of public safety, which shall be a copy of the complaint with the certificate of conviction on the reverse side, printed on yellow paper;

(3) The police record, which shall be a copy of the complaint and of the reverse side of copy (1), printed on pink paper;

(4) The summons, with, on the reverse side, such information as the court may wish to give concerning the traffic violations bureau, and a plea of guilty and waiver, printed on off-white tag stock.

Sec. 3. Minnesota Statutes 1978, Section 169.99, is amended by adding a subdivision to read:

Subd. 4. [SPECIAL NOTICE REQUIRED.] The copy of the uniform traffic ticket provided to the violator within a participating jurisdiction as defined in section 1, subdivision 1, clause (b), shall include a notice specifying the consequences which may result pursuant to section 1, if the violator fails to respond to the citation.

Sec. 4. Minnesota Statutes 1978, Section 171.16, Subdivision 3, is amended to read:

Subd. 3. [SANCTIONS FOR FAILURE TO APPEAR OR PAY FINE.] When any court reports to the commissioner that a person: (1) has been convicted of *charged with* violating a law of this state or an ordinance of a political subdivision which regulates the operation ~~or~~ parking of motor vehicles, *and has failed to appear in response to the citation,* or (2) *has been convicted of violating a law of this state or an ordinance of a political subdivision which regulates the operation of motor vehicles,* has been sentenced to the payment of a fine only, and ~~(3) has refused or failed to comply with that sentence notwithstanding and the fact that the court has determined that the person has the ability to pay the fine, the~~

commissioner shall suspend the driver's license of ~~such the person~~ for 30 days for a refusal or failure to pay or until notified by the court that ~~an appearance has been made or the fine has been paid.~~

Sec. 5. [APPROPRIATION.] *There is appropriated to the department of public safety the sum of \$. for modifications of the motor vehicle record system necessary to effectuate the purposes of this act, which shall be available until June 30, 1981.*

Sec. 6. [EFFECTIVE DATE.] *Subdivision 1. Sections 1 to 4 of this act are effective July 1, 1980, and apply to all proceedings pending on that date, or commenced on or after that date.*

Subd. 2. Section 5 of this act is effective the day following final enactment."

Amend the title as follows:

Delete the title in its entirety and insert:

"A bill for an act relating to motor vehicles; limiting the issuance of vehicle registration plates or tabs under certain circumstances; authorizing a procedure in lieu of issuing arrest warrants for violations of parking laws by certain courts; defining parking violations and participating jurisdictions; requiring notice to violators; appropriating money; amending Minnesota Statutes 1978, Chapter 168, by adding a section; Sections 169.99, Subdivision 1, and by adding a subdivision; and 171.16, Subdivision 3."

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

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

S. F. No. 1084: A bill for an act relating to economic security; providing for the establishment of placement services for public school employees; 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. 1338: A bill for an act relating to workers' compensation; providing fact finding powers to compensation judges; amending Minnesota Statutes 1978, Chapter 176, by adding a section.

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

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

S. F. No. 1328: A bill for an act relating to labor; authorizing commissioner of labor and industry to seek restraining orders against certain violators of child labor laws; amending Minnesota Statutes 1978, Section 181A.08, by adding a subdivision.

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

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

S. F. No. 1403: A bill for an act relating to workers' compensation; providing that certain farmers owning baling or threshing equipment may be considered as independent contractors; amending Minnesota Statutes 1978, Section 176.011, Subdivision 12.

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 176.011, is amended by adding a subdivision to read:

Subd. 9a. For purposes of this chapter "employee" does not include farmers or members of their family who exchange work with other farmers in the same community.

Sec. 2. Minnesota Statutes 1978, Section 176.011, Subdivision 11a, is amended to read:

Subd. 11a. [FAMILY FARM.] "Family farm" means any farm operation which pays or is obligated to pay less than \$4,000 in cash wages, exclusive of machine hire, to farm laborers for services rendered during the preceding calendar year. For purposes of this subdivision, farm laborer does not include any spouse, parent or child, regardless of age, of a farmer employed by the farmer, or any executive officer of a family farm corporation as defined in section 500.24, subdivision 1 2, or any spouse, parent or child, regardless of age, of such an officer employed by that family farm corporation, or other farmers in the same community or members of their families exchanging work with the employer. Notwithstanding any law to the contrary, a farm laborer shall not be considered as an independent contractor for the purposes of this chapter; *provided that a commercial baler or commercial thresherman shall be considered an independent contractor.*"

Amend the title as follows:

Page 1, line 3, delete everything after "farmers" and insert "shall not be considered employees"

Page 1, delete line 4

Page 1, line 5, delete "contractors"

Page 1, line 6, delete "12" and insert "11a, and by adding a subdivision"

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. 1376: A bill for an act relating to peace officers; authorizing the peace officers standards and training board to receive complaints, require investigations, and hold revocation hearings with respect to statutes or rules it is empowered to enforce; amending Minnesota Statutes 1978, Section 214.10, by adding subdivisions.

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

Page 1, line 21, after "board" insert "*“, consisting of three members,”*

Page 1, line 22, delete "*one member*" and insert "*two members*"

Page 1, line 23, before "board" delete "*a*"

Page 1, line 23, delete "*member*" and insert "*members*"

Page 1, line 23, delete "*is not a*" and insert "*are*"

Page 1, line 24, delete "*officer*" and insert "*officers*"

Page 2, line 4, after "*party*" insert "*“, the chief law enforcement officer of the agency employing the peace officer who is a party to the action,”*

Page 2, line 28, delete "*shall*" and insert "*may*"

Page 2, line 31, after "*investigated*" insert "*“, or any requested information has not been supplied,”*

Page 3, line 10, after the period insert "*The executive director shall immediately notify the chief law enforcement officer of the agency employing the peace officer who is a party to the action of the results of the subcommittee's vote.*"

Page 3, line 25, after "board" insert "*the results*"

Page 3, line 27, delete "*as specified in*" and insert "*pursuant to*"

Page 3, after line 33 insert:

"Sec. 4. *For purposes of sections 1 to 3 of this act the term "appropriate law enforcement agency" means the agency employing the peace officer who is a party to the complaint. In the event all of the peace officers employed by the agency are parties to the complaint, the board shall designate the appropriate law enforcement agency.*

Sec. 5. Minnesota Statutes 1978, Section 214.10, Subdivision 3, is amended to read:

Subd. 3. [DISCOVERY; SUBPOENAS.] In all matters pending before it relating to its lawful regulation activities, a board may issue subpoenas and compel the attendance of witnesses and the production of all necessary papers, books, records, documents, and other evidentiary material. Any person failing or refusing to appear or testify regarding any matter about which he may be lawfully questioned or produce any papers, books, records, documents, or other evidentiary materials in the matter to be heard, after having been required by order of the board or by a subpoena of the board

to do so may, upon application to the district court in any district, be ordered to comply therewith ; *provided that in matters to which the peace officers standards and training board is a party, application shall be made to the district court having jurisdiction where the event giving rise to the matter occurred.* The chairman of the board acting on behalf of the board may issue subpoenas and any board member may administer oaths to witnesses, or take their affirmation. Depositions may be taken within or without the state in the manner provided by law for the taking of depositions in civil actions. A subpoena or other process or paper may be served upon any person named therein, anywhere within the state by any officer authorized to serve subpoenas or other process or paper in civil actions, with the same fees and mileage and in the same manner as prescribed by law for service of process issued out of the district court of this state. Fees and mileage and other costs shall be paid as the board directs."

Renumber the remaining section

Amend the title as follows:

Page 1, line 7, after "214.10," insert "Subdivision 3, and"

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

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

S. F. No. 961: A bill for an act relating to retirement; volunteer firefighters' relief associations and independent nonprofit firefighting corporations; providing for a flexible statutory service pension maximum; revising the administration of the fire state aid program; transferring the financial examination, regulatory, supervisory and enforcement functions of the police and fire state aid program to the state auditor; providing a procedure for the recognition of a funding surplus in the calculation of the financial requirements of a relief association and the minimum obligation of a municipality; clarifying the calculation of the time period for the amortization of unfunded accrued liabilities of volunteer firefighters' relief associations; clarifying and updating various ambiguous and obsolete provisions regarding the fire state aid program, the authorization of retirement benefits for volunteer firefighters and the mandated guidelines for the financing of volunteer firefighters' relief associations; amending Minnesota Statutes 1978, Sections 69.011, Subdivisions 1, 2, 3 and 5; 69.021, Subdivisions 1, 2, 4, 5, 6, 7 and 9; 69.031, Subdivisions 1, 3, 4, 5 and 6; 69.051, Subdivisions 1, 2, 3 and 4; 69.77, Subdivision 1; 69.771; 69.772, Subdivisions 1, 2, 3, 4, 5, 6, and by adding a subdivision; 69.773; and 69.774; and Laws 1963, Chapter 429, Section 1; Laws 1967, Chapter 829, Section 1; Laws 1969, Chapter 664, Section 1; Laws 1971, Chapters 114, Section 10; 127, Section 1; and 214, Sections 1, as amended, and 2; Laws 1973, Chapters 304, Section 4; and 472, Section 1, as amended; Laws 1975, Chapter 237, Sections 1 and 2; Laws 1976, Chapter 209, Section 1; Laws 1978, Chapter 685, Sections 1 and 4; repeal-

ing Minnesota Statutes 1978, Sections 69.011, Subdivision 4; 69.04; 69.055; 69.06; 69.22; 69.23; 69.24; 69.66; 69.67; 69.68; 69.691; 424.30; and 424.31; Laws 1959, Chapter 324; Laws 1965, Chapters 592, Section 1; and 598, Section 1, Subdivision 1; Laws 1967, Chapters 575, Section 1; 742, Section 1, Subdivision 1; 815, Sections 1 and 2, Subdivision 1; and 831; Laws 1969, Chapters 252, Section 1, Subdivisions 1 and 2; 526, Sections 1 and 2; 530; 644, Section 1; 714; 719, Section 1; 877; 1088, Section 2, Subdivision 1; and 1105, Sections 1, 2 and 3; Laws 1971, Chapters 2; 114, Section 3, Subdivision 2; 140, Section 1; 184, Section 1, Subdivisions 1 and 2; 200; and 233; Laws 1973, Chapters 30, Section 1, Subdivision 1; 33; 166; 170; 173; 175; 181; 182; 280; 283, Section 1; 288; 304, Section 1, Subdivision 2; 311; 464; and 472; Laws 1974, Chapters 112; and 208, Section 1; Laws 1975, Chapters 36; 43; 117; 118; 119; 124; 125; 178; 197; 229, Section 1; 306, Section 33, Subdivisions 1 and 2; and 367; Laws 1976, Chapters 71; 97; 100; 206; 208; 214; 267; 272, Section 2; and 288, Section 1; Laws 1977, Chapters 294; and 295; Laws 1978, Chapters 599, Section 1, Subdivisions 2 and 3; 606; 617, Section 1; 622; 631; 673; 683, Sections 1 and 2, Subdivision 1; 753, Section 2, Subdivisions 1 and 1a; and 754.

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

Page 7, line 1, after "*positions*" insert "*and perform the functions of a fire chief or assistant fire chief*"

Page 23, line 22, after "*auditor*" insert "*and one copy of the report shall be filed with the municipality in which the relief association is located*"

Page 25, line 25, delete "COMMISSIONER AND"

Page 33, line 9, delete "7" and insert "8"

Page 33, line 13, delete "*depending*" and insert a colon

Page 33, delete line 14

Page 33, line 33, after "*that*" insert "*the total amount of*"

Page 33, line 33, delete "*amount*" and insert "*due to each retired member receiving a lump sum service pension in installment payments at the time of retirement bears to \$1,000*"

Page 34, delete lines 1 and 2

Page 34, line 3, delete "*service pension of \$50 per year of service*"

Page 34, line 19, delete "*actuarial*" and insert "*funding*"

Page 34, line 27, delete "*actuarial*" and insert "*funding*"

Page 43, line 18, after "*in*" insert "*any or all of*"

Page 43, line 20, delete "*or*" and insert a comma and after "*in*" insert "*the bylaws of the relief association governing*"

Page 43, line 22, after "*fund*" insert "*or a change in the actuarial cost method used to value all or a portion of the special fund*" and delete "*produces*" and insert "*change or changes, which by themselves without inclusion of any other items of increase or decrease, produce*"

Page 43, line 27, delete "*or*" and insert a comma and after "*in*" insert "*the bylaws of the relief association governing*"

Page 43, line 29, after "*fund*" insert "*or a change in the actuarial cost method used to value all or a portion of the special fund*" and delete "*produces*" and insert "*change or changes, which by themselves without inclusion of any other items of increase or decrease, produce*"

Page 44, line 8, after "*The*" insert "*level*" and after "*annual*" insert "*dollar*"

Page 44, line 21, after "*The*" insert "*level*" and after "*annual*" insert "*dollar*"

Page 48, line 16, strike "*The*" and insert "*An*"

Page 48, line 17, before "*shall*" insert "*which has a subsidiary relief association which pays a monthly benefit service pension*"

Page 48, line 21, after "*3*" insert "*, and an independent non-profit firefighting corporation which has a subsidiary relief association which pays a lump sum service pension shall determine the accrued liability of the special fund of the relief association in accordance with section 69.772, subdivision 2*"

Page 48, line 23, after "*association*" insert "*which pays a monthly benefit service pension*"

Page 48, line 25, after "*4*" insert "*, and the financial requirements of the special fund of the subsidiary relief association shall be determined in the same manner as specified in section 69.772, subdivision 3*"

Page 52, line 25, after "*account*" insert "*, other than a relief association or account which in its bylaws provides solely for the payment of a defined contribution service pension as authorized pursuant to subdivision 4,*"

Page 53, line 5, delete "*and*" and insert "*or*"

Page 54, line 26, delete the period and insert a colon

Page 56, after line 11, insert:

"Subd. 4. [DEFINED CONTRIBUTION LUMP SUM SERVICE PENSIONS.] *If the bylaws governing the volunteer firefighters' relief association or volunteer firefighters' account of a firefighters' relief association so provide exclusively, the relief association or account may pay a defined contribution lump sum service pension in lieu of any defined benefit service pension governed by subdivision 2. An individual account for each firefighter who is a member of the relief association shall be established. To each*

individual member account shall be credited a right to an equal share of any amounts of fire state aid received by the relief association or account, any amounts of municipal contributions to the relief association or account raised from levies on real estate or from other available revenue sources exclusive of fire state aid, and any amounts equal to the share of the assets of the special fund to the credit of any former member who terminated active service with the fire department of the municipality to which the relief association is associated or the independent nonprofit firefighting corporation to which the relief association is a subsidiary prior to meeting the minimum service requirement provided for in subdivision 1 and has not returned to active service with the fire department or independent nonprofit firefighting corporation for a period no shorter than five years or to the credit of any retired member who retired prior to obtaining a full nonforfeitable interest in the amounts credited to the individual member account pursuant to subdivision 2 and any applicable provision of the bylaws of the relief association. In addition, any interest or investment income earned on the assets of the special fund shall be credited in proportion to the share of the assets of the special fund to the credit of each individual member account. At the time of retirement pursuant to subdivision 1 and any applicable provision of the bylaws of the relief association, a retiring member shall be entitled to that portion of the assets of the special fund to the credit of the member in the individual member account which is nonforfeitable pursuant to subdivision 2 and any applicable provision of the bylaws of the relief association based on the number of years of service to the credit of the retiring member."

Page 56, line 12, delete "4" and insert "5"

Page 56, line 23, delete "5" and insert "6"

Page 57, line 10, delete "6" and insert "7"

Page 58, line 14, delete "7" and insert "8"

Page 58, line 28, after "annual" insert "payment per \$1,000 of the total amount of the lump sum service pension due to each retired member receiving a lump sum service pension in installment payments shall be an amount equal to \$219.97."

Page 58, delete lines 29 through 33

Page 59, delete lines 1 through 15

Page 59, line 17, delete "amounts for the" and insert "amount"

Page 59, line 18, delete "respective period of service"

Page 59, line 20, delete "\$50" and insert "each \$1,000"

Page 59, line 20, after "of" insert "the total amount of the"

Page 59, line 21, delete "accrued per year of service" and insert "due to the retired member receiving a lump sum service pension in installment payments at the time of retirement"

Page 59, line 22, delete "8" and insert "9"

Page 60, line 25, delete "9" and insert "10"

Page 62, line 30, delete "largest"

Page 62, line 31, delete "in population" and after "contracts" insert "or the municipalities which contract"

Page 63, line 1, after "trustees" insert ", if the relief association is directly associated with the fire department of a municipality,"

Page 63, line 2, delete "or the"

Page 63, line 3, delete "independent nonprofit firefighting corporation"

Page 63, line 3, after the period, insert "The ex officio trustees, if the relief association is a subsidiary of an independent nonprofit firefighting relief corporation, shall be three elected officials of the contracting municipality designated by the governing body of the municipality if only one municipality contracts with the independent nonprofit firefighting corporation, two elected officials of the largest municipality in population and one elected official of the next largest municipality in population designated by the governing bodies of the applicable municipalities if two municipalities contract with the independent nonprofit firefighting corporation, or one elected official of each of the three largest municipalities in population designated by the governing bodies of the applicable municipalities if three or more municipalities contract with the independent nonprofit firefighting corporation."

Page 64, line 16, after "records" insert "and the bylaws of the relief association"

Page 71, after line 30, insert:

"Sec. 44. Laws 1967, Chapter 575, Section 1, Subdivision 1, is amended to read:

Section 1. [FAIRMONT, CITY OF; FIREFIGHTERS' RELIEF.] Subdivision 1. The firemen's firefighters' relief association of the city of Fairmont may pay a volunteer fireman firefighter who qualifies under the terms of Minnesota Statutes, Section 69.06, a service pension in excess of the amounts authorized by said section 69.06, and is disabled as defined in the bylaws of the association a disability benefits benefit as authorized by Minnesota Statutes, Section 424.31 section 36, subdivision 3, in amounts of an amount equal to \$130 per month.

Sec. 45. Laws 1967, Chapter 575, Section 2, is amended to read:

Sec. 2. The said relief association may provide a pension to the widow surviving spouse of a volunteer fireman firefighter who qualifies under the terms of Minnesota Statutes, Section 424.31 section 36, subdivision 3, of \$65 per month; provided that if she the surviving spouse remarry, such pension shall cease and terminate as of the date of her remarriage.

In event there are dependent surviving children the relief association may provide for a pension of \$25 per month for each unmarried child up to the time each child reaches the age of 22; provided, the total pension hereunder for the *widow surviving spouse* and children of the deceased member shall not exceed \$130 per month. Such pension paid on account of surviving children shall be payable to the surviving *widow spouse* of the volunteer *fireman firefighter*."

Page 72, after line 12, insert:

"Sec. 47. Laws 1969, Chapter 526, Section 2a, as added by Laws 1974, Chapter 208, Section 1, is amended to read:

Sec. 2a. [FALCON HEIGHTS, VILLAGE OF; FIREFIGHTERS' RELIEF.] The bylaws of the fire department relief association of the village of Falcon Heights may provide for payment of a lump sum service pension to any person who has performed active duty for 20 years or more as a volunteer fireman of the fire department of the village of Falcon Heights and who has reached the age of 50 years. For all service prior to January 1, 1974, the amount of the pension shall not exceed \$400 for each full year of service. For all service after January 1, 1974, the amount of the pension shall not exceed \$600 for each full year of service, the exact amount of the pension to be set by village ordinance. Any increase resulting in a benefit in excess of \$400 for each full year of service shall apply only to service after the effective date of such an ordinance providing for an increase and no ordinance shall be considered by the village council unless the request is supported by an actuarial survey showing the fiscal effects of the proposed increase; provided, however, that no person may perform active duty as a volunteer fireman in excess of 20 years unless his service is approved jointly by a majority of the members of the village council and a majority of the members of the association, and In no event shall any person perform service as a volunteer fireman *firefighter* who has reached the age of 65."

Page 74, after line 7, insert:

"Sec. 51. Laws 1971, Chapter 140, Section 7, is amended to read:

Sec. 7. [GOLDEN VALLEY VOLUNTEER FIREFIGHTERS' RELIEF ASSOCIATION.] Moneys in the pension fund shall be disbursed only for purposes authorized in Minnesota Statutes, Sections 424.30 and 424.31 section 36, subdivision 3 and in the manner authorized by the articles of incorporation or bylaws of the association. Before any moneys in the fund are invested in order to earn income or any change in the bylaws relative to the purpose or manner of disbursement is made, the association shall obtain the approval of the village council of Golden Valley. All moneys credited to the *firemen's firefighters'* pension fund which are not required for current expenses shall be invested in accordance with standards and limitations applicable to investments of the state employees retirement fund as established by statute."

Page 78, after line 1, insert:

"Sec. 59. Laws 1977, Chapter 374, Section 41, is amended to read:

Sec. 41. [COLUMBIA HEIGHTS VOLUNTEER FIREFIGHTERS' RELIEF ASSOCIATION.] *Notwithstanding any contrary provision of section 35, the governing body of the Columbia Heights fire department relief association volunteer division shall consist of a board of trustees composed of the members of the Columbia Heights city council. The city manager, clerk-treasurer, chief of the fire department and the public safety director of the city shall be ex officio members of the board of trustees. The ex officio members shall not vote, nor shall they regulate the management or affairs of the division except as provided herein. The board of trustees of the volunteer division shall have the exclusive control and management of all affairs, property, and funds of the volunteer division from whatever source received for the benefit of the volunteer division special fund and shall have authority to carry out the objects and purposes of the volunteer division as set forth in sections 38 to 60.*

The city clerk-treasurer and city finance director may, in the discretion of the board of trustees, be appointed the sole investment agent of the volunteer division special fund or may be appointed agent or agents jointly with other individuals or corporations.

The board of trustees of the volunteer division shall investigate and act upon all applications for disability and service pensions and all other claims for relief by or on behalf of members of the division or their beneficiaries. The board of trustees of the volunteer division shall select a competent physician who shall advise the board in its investigations. The physician shall not have a vote on the board.

Sec. 60. Laws 1977, Chapter 374, Section 50, Subdivision 2, is amended to read:

Subd. 2. Notwithstanding any provision of law to the contrary, the bylaws of the Columbia Heights fire department relief association volunteer division may provide, upon consent, approval and ratification by written resolution of the Columbia Heights city council by a four-fifths vote for (1) early retirement benefits service pensions after ten years service in good standing as authorized pursuant to section 33, subdivision 2, (2) surviving spouse and/or minor child or children benefits and/or (3) disability benefits for volunteers provided that any such benefits do not exceed 50 percent of \$180 per month per member or per such member's spouse and children.

Sec. 61. Laws 1977, Chapter 374, Section 51, is amended to read:

Sec. 51. The Columbia Heights city council may provide for an increase in benefits paid to members of the paid division or to members of the volunteer division without further special or general legislation by the state, provided the action by the city council complies with the provisions of sections 38 to 60 and any increase applicable to members of the volunteer division complies with this

act. The city council may increase or decrease the benefits paid to members of the paid division only by increasing or decreasing the monthly salary of a first grade firefighter pursuant to the provisions of Laws 1975, Chapter 424, Section 9. Nothing in sections 38 to 60 shall be construed to give authorization to the city council to increase or decrease benefits of members of the paid division by increasing or decreasing the number or value of "units" as defined in Laws 1975, Chapter 424, for periods of service in the fire department, nor shall the city council be authorized to change the definition of a "unit" or "units".

The city council shall not provide for any increase in the benefits paid to the members of the volunteer division unless the city council shall first have obtained and given consideration to an actuarial survey, which survey shall use the actuarial assumptions provided in Minnesota Statutes, Chapter 69. The city council shall make written findings stating that based upon such actuarial survey, such increase in benefits to members of the volunteer division and such increase in funding of the volunteer division special fund, if necessary, shall not create a deficit in the volunteer division special fund, the amortization of which, together with the amortization of any existing deficit in the volunteer division special fund, exceeds 20 years from the date such increase in benefits is authorized.

It shall be unlawful for the city of Columbia Heights to contribute any public funds, or to levy taxes for any such increase in benefits paid to members of the paid division or to members of the volunteer division, as the case may be, unless the city council has first complied with the provisions of sections 50 and 51.

Sec. 62. Laws 1977, Chapter 374, Section 57, is amended to read:

Sec. 57. The affairs of the paid division shall be managed by the board of trustees in the manner prescribed by law and the board of trustees of the paid division shall have exclusive control and management of all funds allocated to it under applicable law and received by its treasurer, including the funds derived under the provisions of ~~Minnesota Statutes, Sections 424.30 and 424.31~~ *section 36*, funds derived from the state of Minnesota, and all moneys or property donated, given, granted, or devised for the benefit of the paid division special fund; and such funds when received shall be kept in a separate account in the special fund account of the paid division and never disbursed for any purposes except the following:

(1) For the relief of sick, injured, and disabled members of the paid division;

(2) For the payment of pensions to disabled firefighters and the surviving spouses and orphans of firefighters who are members of the paid division;

(3) For the payment of pensions to retired firefighters of the paid division;

(4) For the payment of the fees, dues, and assessments in the Minnesota state fire department association, so as to entitle the members of the paid division to membership in and benefits of such state association;

(5) For the payment of funeral benefits, if so provided in the division's bylaws, and subject to the following requirements and limitations:

(a) The decedent must have died while serving as an active duty member of the paid division,

(b) The decedent must have completed a period or periods of service equal to 20 years or more,

(c) The decedent must have died without a surviving spouse or minor child entitled to benefits from the Columbia Heights fire department relief association;

In no event shall the funeral benefit exceed the lesser of:

(i) The actual unreimbursed expenses incurred by the estate or representative, or

(ii) \$2,000;

(6) For the payment of necessary expenses of administering such fund.

In the event that there are not enough paid members available to act as a board of trustees, funds shall be paid to a trustee, as provided in section 58, for the benefit of the beneficiaries of such funds and for purposes consistent with clauses (1) through (6).

The relief association may invest its funds in such income paying properties and securities as the city council shall from time to time authorize. Benefits shall in all cases be within the limits authorized by state law and in accordance with the articles of incorporation and bylaws of the association."

Page 78, line 26, delete "*Subdivision 1*"

Page 78, line 27, after the first "*Section 1*" insert "*Subdivision 2*"

Page 78, line 27, delete "*Subdivision*"

Page 78, line 28, before "*; 815,*" delete "*1*"

Page 79, line 3, before "*464*" insert "*and*"

Page 79, line 4, delete "*and 472,*" and delete "*and 208, Section 1,*"

Page 79, line 7, after "*100*" insert "*, Section 1, Subdivisions 1 and 3*"

Page 79, line 9, delete "*and*" and after "*295,*" insert "*and 374, Section 50, Subdivision 1,*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 31, delete the first "*Chapter*" and insert "*Chapters 575, Sections 1, Subdivision 1; and 2,*"

Page 1, line 31, delete the second "*Chapter*" and insert "*Chapters 526, Section 2a, as added;*"

Page 1, line 33, after "Section 1;" insert "140, Section 7;"

Page 1, line 37, after "Section 1;" insert "Laws 1977, Chapter 374, Sections 41; 50, Subdivision 2; 51; and 57;"

Page 2, lines 2 and 3, delete ", Subdivision 1"

Page 2, line 3, after "Section 1" insert ", Subdivision 2"

Page 2, line 4, delete ", Subdivision 1"

Page 2, line 15, after "311;" insert "and" and delete "and 472;"

Page 2, line 16, delete "and 208, Section 1;"

Page 2, line 19, after "100" insert ", Section 1, Subdivisions 1 and 3"

Page 2, line 21, delete "and" and after "295;" insert "and 374, Section 50, Subdivision 1;"

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 re-referred

S. F. No. 169: A bill for an act relating to education; extending teacher mobility incentives to area vocational-technical school teachers and cooperative center for vocational education teachers; providing for approval of certain extended leaves of absence; amending Minnesota Statutes 1978, Sections 125.60, Subdivision 2; 125.61, Subdivision 1; 354.66, Subdivision 2; and 354A.091, Subdivision 1.

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

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

S. F. No. 620: A bill for an act relating to local government; authorizing the establishment of a local government continuing education board; prescribing the board's powers and duties; appropriating money.

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

Delete everything after the enacting clause and insert:

"Section 1. The legislature finds that there is a need for development, coordination, presentation and evaluation of training programs for local government officials. The legislature further finds that these functions can best be accomplished by working through organizations which represent governmental units and local government officials.

Sec. 2. Minnesota Statutes 1978, Section 471.59, is amended by adding a subdivision to read:

Subd. 9. For the purposes of the development, coordination, presentation and evaluation of training programs for local government officials, governmental units may exercise their powers under this section in conjunction with organizations representing governmental units and local government officials.

Sec. 3. [APPROPRIATION.] *There is appropriated to the state planning agency from the general fund the sum of \$85,000 to be made available to the organization established pursuant to section 2 for the purposes provided for. The organization which receives the funds shall report to the legislature, on or before January 1, 1981, as to the expenditure of funds and as to its recommendations for future state action on training of local government officials."*

Amend the title as follows:

Page 1, line 3, delete "a"

Page 1, line 3, delete "continuing" and insert "official"

Page 1, delete line 4, and insert "training programs;"

Page 1, line 5, delete "and duties".

Page 1, line 5, before the period, insert "; amending Minnesota Statutes 1978, Section 471.59, by adding a subdivision"

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. 1128: A bill for an act relating to retirement; increasing employee contributions to local police and firefighters relief associations; amending Minnesota Statutes 1978, Section 69.77, Subdivision 2.

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

Page 1, line 15, delete "1980" and insert "1981"

Page 2, line 5, delete "1980" and insert "1981"

Page 5, after line 19, insert:

"Sec. 2. The senate and house committees on governmental operations shall study the benefit levels, administration and funding level of police and firefighter relief associations. They shall report their findings and recommendations in the form of proposed legislation to the legislature on or before January 1, 1980."

Page 5, line 20, before "This" insert "Section 1 of"

Page 5, line 21, delete "1980" and insert "1981. Section 2 of this act is effective upon final enactment"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "providing for a study of police and firefighter relief associations;"

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

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

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.

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

Page 1, line 13, after "because" insert "of"

Page 1, line 14, delete "has been made"

Page 1, line 15, after "coverage" insert "or in the group contract applicable to the person"

Page 1, line 15, after the period, insert "'Insurance Company" shall include a service plan corporation under chapter 62C or 62D.

The commissioner shall promulgate rules to carry out this section. Nothing in this section shall preclude an employer, union or association from reducing the level of benefits under any group insurance policy or plan."

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

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

S. F. No. 984: A bill for an act relating to savings associations; authorizing savings associations to establish negotiable order of withdrawal accounts; imposing reserve requirements; amending Minnesota Statutes 1978, Chapter 51A, by adding a section.

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

Page 1, line 22, delete everything after the first "reserve" and insert "of at least seven percent"

Page 1, delete line 23

Page 2, line 1, delete "Bank, whichever is applicable, of" and insert "against"

Page 2, line 1, after "its" insert "interest or"

Page 2, line 18, after "be" insert "less than seven percent, nor"

Page 2, line 21, before the period, insert "unless these reserve requirements are less than seven percent"

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

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

S. F. No. 1151: A bill for an act relating to retirement; Minneapolis municipal employees retirement fund; increasing the employee contribution rate; amending Minnesota Statutes 1978, Section 422A.10, Subdivision 1.

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

Page 1, after line 7, insert:

"Section 1. Minnesota Statutes 1978, Section 275.51, Subdivision 3d, is amended to read:

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

(a) The sum of the following amounts shall be computed: (1) the property tax permitted to be levied in 1976 payable 1977 computed pursuant to Minnesota Statutes 1976, Section 275.51, Subdivision 3c, plus

(2) the amount of any state aids the governmental subdivision was entitled to receive in calendar year 1977 pursuant to sections 477A.01; 298.26; 298.28, subdivisions 1 and 1a; 298.281, subdivision 1; 298.282; and 294.26, plus

(3) the amount levied in 1976 payable 1977 pursuant to Minnesota Statutes 1976, Section 275.50, Subdivision 5, Clauses (a), (c), (d), (e), and (f), except for levies made to pay tort judgments and make settlements of tort claims or to pay the salaries and benefits of municipal and probate court judges, plus

(4) the amount levied in 1976 payable 1977 pursuant to Minnesota Statutes 1976, Section 275.50, Subdivision 5, Clause (g) for the administrative costs of public assistance programs or county welfare systems, plus

(5) one-half of the amount of the special levy authorized under section 275.50, subdivision 5, clause (n) shall be added to the permanent levy limit base of the governmental subdivision in the year following the year in which it has been discontinued as a special levy pursuant to the provisions of section 275.50, subdivision 5, clause (n).

(b) The sum computed in clause (a) shall be increased annually in the manner provided in section 275.52 to derive the levy limit base for successive years.

(c) For taxes levied in 1978 payable 1979 and subsequent years, the levy limit base is the levy limit base which was computed for the immediately preceding year under the provisions of this sec-

tion increased according to the provisions of section 275.52. Any amount levied in 1976 payable 1977 under the provisions of section 275.50, subdivision 5, clauses (a), (c), (d), (e) or (f) to meet the costs of programs, services or legal requirements which cease to exist in a subsequent year shall be subtracted from the levy limit base in the year in which the programs, services or legal requirements for which the levy was made cease to exist.

(d) The levy limit base shall be reduced by the total amount of state formula aids pursuant to section 477A.01, *reimbursements paid pursuant to section 2 for employer contributions*, and *taconite taxes and aids pursuant to sections 294.26; 298.26; 298.28, subdivision 1; and 298.282*, to be paid in the calendar year in which property taxes are payable. As provided in section 298.28, subdivision 1, for taxes payable in 1978 and 1979, two cents per taxable ton, and for taxes payable in 1980 and thereafter, one cent per taxable ton of the amount distributed under section 298.28, subdivision 1, clause (4) (c) shall not be deducted from the levy limit base of the counties that receive that aid. The resulting figure is the amount of property taxes which a governmental subdivision may levy for all purposes other than those for which special levies and special assessments are made.

Sec. 2. [REIMBURSEMENT FOR CERTAIN EMPLOYER CONTRIBUTIONS.] *On or before March 1 of each year, the clerk of each municipality and the chief administrative officer of each county shall prepare and shall certify to the commissioner of finance the name of the municipality or county and the amount of employer contributions made by the municipality or county to the public employees retirement association or to the Minneapolis municipal employees retirement fund during the preceding calendar year for employees other than police and firemen. Within 30 days of the receipt of the required certification, the commissioner of finance shall reimburse the municipality or county for an amount equal to one-tenth of the certified amount of employer contributions made during the preceding calendar year.*

Sec. 3. Minnesota Statutes 1978, Chapter 355, is amended by adding a section to read:

[355.311] [SECOND SOCIAL SECURITY REFERENDUM.]
Subdivision 1. [PAYMENT OF RETROACTIVE SOCIAL SECURITY EMPLOYEE AND EMPLOYER TAXES.] *Effective retroactively with respect to any employment after the date of retroactive coverage by municipal employees who are employed on the date of the agreement or modification of the agreement with the secretary of health, education and welfare, the executive secretary of the Minneapolis municipal employees retirement fund shall cause to be paid out of the fund an amount for each municipal employee retroactively included, equal to the employee and employer taxes which would have been imposed by the Federal Insurance Contribution Act if the service by the employee constituted employment within the meaning of that act. This payment shall be computed from the date of retroactive coverage to the date that deductions are first taken from the wages of each municipal em-*

ployee pursuant to section 355.309. Amounts paid to meet the required employee contribution shall first be deducted from the accumulated deductions of the municipal employee and then from the remaining assets of the fund.

Subd. 2. [APPROPRIATION.] *The amounts required by this section are hereby appropriated from the Minneapolis municipal employees retirement fund and the executive secretary of the fund is authorized to make any necessary disbursements and transfers. The amounts so required shall be paid to the contribution fund provided for in the enabling act.*

Subd. 3. [BALANCES DUE AFTER PAYMENT OF RETROACTIVE SOCIAL SECURITY EMPLOYEE AND EMPLOYER TAXES.] *Any municipal employee who elects social security coverage from and after January 1, 1979, and thereby transfers from the basic program of the Minneapolis municipal employees fund to the coordinated program of the Minneapolis municipal employees fund and from whose account retroactive social security employee taxes are paid by the board of the Minneapolis municipal employees fund shall be required to reimburse the fund in an amount equal to the difference between employee contributions at the rate of eight percent of his total salary for the period of retroactive social security coverage and the aggregate of four percent of his total salary for the period of retroactive social security coverage plus the rate of retroactive social security employee taxes paid on the salary of the municipal employee restricted to the earnings limitations imposed by the Federal Insurance Contribution Act covering service as a municipal employee rendered from and after July 1, 1978. In the event that a municipal employee does not reimburse the Minneapolis municipal employees retirement fund within 30 days following notification by the executive secretary of the amount of reimbursement which is due, interest at the rate of six percent per annum compounded annually from the date the amount was first payable following notification until the date payment is made shall accrue. The city or the public corporation which employs a municipal employee electing social security coverage from and after January 1, 1979, for service on which retroactive social security employer taxes are paid from the Minneapolis municipal employees retirement fund shall reimburse the fund in an amount equal to the reimbursement amount payable by the municipal employee. The employer reimbursement may be paid from the proceeds of a tax levy made for this purpose or from any other funds available to the employer.*

Sec. 4. Minnesota Statutes 1978, Section 422A.08, Subdivision 2, is amended to read:

Subd. 2. *Prior to August 31 of each year the retirement board shall prepare an itemized statement of its financial requirements from tax revenue for the succeeding fiscal year. A copy of the statement shall be submitted to the board of estimate and taxation and to the city council prior to September 15 of each year. This statement shall include:*

- (1) *An estimate of the administrative expense of the board less:*

(a) Such amount as the board may charge against the interest income account of the fund as cost of handling the investment securities of the fund.

(b) The cost of handling the retirement benefits of any city-owned public utility, improvement project, or other municipal activities supported in whole or in part by revenues other than taxes.

(c) The cost of handling the retirement benefits of any public corporation and its employees who have availed themselves of the provisions of sections 422A.01 to 422A.25.

(2) An estimated amount not to exceed $7\frac{1}{4}$ percent of the salaries and wages of all employees covered by the retirement fund less any amounts contributed for current cost of future retirement benefits by any city-owned public utility, improvement project, other municipal activities supported in whole or in part by revenues other than taxes, or any public corporation.

(3) The estimated amount to meet the requirements of section 422A.06, subdivision 3, less any amounts contributed for this purpose by any city-owned public utility, improvement project, other municipal activities supported in whole or in part by revenues other than taxes, or any public corporation.

(4) The cost of all monthly survivor's benefits provided in section 422A.23 as an obligation of the city and any of its boards, departments, commission or public corporations as therein provided, less any amounts contributed for this purpose by any city-owned public utility, improvement project, other municipal activities supported in whole or in part by revenues other than taxes, or any public corporation.

(5) Such other levies and financing as are required by law.

(6) The total of items 1, 2, and 3 above shall be increased or decreased as the case may be by any deficiency or excess of the amount of tax revenue actually collected within the preceding fiscal year under or over the amount actually determined to meet the financial requirements of the fund for such year. In no event shall the amount requested for levy exceed the total of entry age normal cost, less the amounts contributed by the employees, plus administrative expense, ~~interest on the actuarial deficit at the rate of five percent per annum, plus an amount necessary to reduce amortize on a level annual dollar basis the principal amount of the actuarial deficit in equal installments by the year 2017 using an interest rate of five percent, compounded annually~~, plus interest upon any deficiency from the previous year's levy at the rate of four percent per annum. This limit does not apply to the requirements for survivors benefits provided in section 422A.23 nor to any levy which is administered by the retirement board pursuant to special act."

Page 2, after line 8, insert:

"Sec. 6. [DETERMINATION OF SERVICE CREDIT.] *Notwithstanding the provisions of section 422A.15, subdivision 1, no*

employee of the contributing class of the Minneapolis municipal employees retirement fund shall be entitled to receive a year of service credit during the employee's final year of service unless the employee is employed and has received compensation from the city of Minneapolis or other applicable employing unit during each of the calendar months making up the year for which the employee would usually be employed. Any employee of the contributing class who is employed and receives compensation in fewer than the usual number of calendar months during the final year of service shall receive credit for that portion of a year that the employee's completed months of employment and receipt of compensation bears to the usual number of months which the employee would usually be employed.

Sec. 7. [APPROPRIATION.] *The moneys required to make the reimbursement provided for in section 2 are appropriated annually to the commissioner of finance from the general fund in the state treasury."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "providing for the reimbursement of certain employer contributions; providing determination of service credits;"

Page 1, line 4, after the semicolon, insert "appropriating money;"

Page 1, line 5, delete "Section" and insert "Sections 275.51, Subdivision 3d; 422A.08, Subdivision 2; and"

Page 1, line 5, before the period insert "; and Chapter 355, by adding a section"

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

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

S. F. No. 177: A bill for an act relating to state civil service; eliminating certain required qualifications for commissioner of personnel; amending Minnesota Statutes 1978, Section 43.001, Subdivision 2.

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

Page 1, after line 7, insert:

"Section 1. Minnesota Statutes 1978, Section 4.11, Subdivision 2, is amended to read:

Subd. 2. The state planning officer shall appoint a director of planning who is in the unclassified service of the state. He shall be professionally competent in the fields of public administration and planning and shall possess demonstrated ability based upon experience and past performance, to perform the duties of state plan-

ning director. He need not be a resident of the state of Minnesota at the time of his appointment.

Sec. 2. Minnesota Statutes 1978, Section 11.12, is amended to read:

11.12 [DUTIES OF EXECUTIVE SECRETARY; BOND.] The executive secretary shall manage and direct the work of the board of investment on a full time basis. He shall be a chartered financial analyst or a person of equivalent qualifications. He shall be well qualified by training to administer and invest the money available for investment and have at least seven years experience in the management of institutional investment portfolios. He shall have free access to all files and records of the various funds assigned to the board for investment purposes, and may inspect and audit the various accounts thereof as he deems necessary. He shall devote his full time and attention to the duties of his office, and shall not engage in any other occupation or profession. He shall be paid such salary as is determined by the board, subject to such maximum amount as may be set by the legislature. He shall perform duties prescribed by the board. He shall attend all board meetings and report to the board all operations and negotiations under his control and supervision. Before he assumes the office to which he has been appointed, the executive secretary shall give bond to the state in the sum of at least \$100,000 conditioned for the faithful discharge of his official duties.

Sec. 3. Minnesota Statutes 1978, Section 16A.01, Subdivision 2, is amended to read:

Subd. 2. The commissioner of finance is appointed by the governor under the provisions of section 15.06. The commissioner shall have broad experience as an executive financial manager."

Page 1, after line 15, insert:

"Sec. 5. Minnesota Statutes 1978, Section 121.16, Subdivision 1, is amended to read:

121.16 [COMMISSIONER OF EDUCATION.] Subdivision 1. The department shall be under the administrative control of the commissioner of education which office is established. The commissioner shall be the secretary of the state board. He shall be appointed by the state board with the approval of the governor under the provisions of section 15.06. For purposes of section 15.06, the board shall be the appointing authority.

The commissioner shall be a person who possesses educational attainment and breadth of experience in the administration of public education and of the finances pertaining thereto commensurate with the spirit and intent of this code. Notwithstanding any other law to the contrary, the commissioner may appoint two deputy commissioners who shall serve in the unclassified service. The commissioner shall also appoint other employees as may be necessary for the organization of the department. He shall perform such duties as the law and the rules of the state board may provide and be held responsible for the efficient administration and discipline of

the department. He shall make recommendations to the board, and he shall be charged with the execution of powers and duties which the state board may prescribe, from time to time, to promote public education in the state, to safeguard the finances pertaining thereto, and to enable the state board to carry out its duties.

Sec. 6. Minnesota Statutes 1978, Section 144.011, Subdivision 1, is amended to read:

144.011 [DEPARTMENT OF HEALTH.] Subdivision 1. [COMMISSIONER.] The department of health shall be under the control and supervision of the commissioner of health who shall be appointed by the governor under the provisions of section 15.06. The state board of health is abolished and all powers and duties of the board are transferred to the commissioner of health. The commissioner shall be selected without regard to political affiliation but with regard to ability and experience in matters of public health.

Sec. 7. Minnesota Statutes 1978, Section 216A.03, Subdivision 1, is amended to read:

216A.03 [COMMISSION.] Subdivision 1. [MEMBERS.] As of January 1, 1975 the public service commission shall consist of five members, three of whom shall be the members then serving, who shall continue to serve for the balance of their elective or appointive terms. There shall be two additional commissioners appointed by the governor with the advice and consent of the senate, one for a term expiring December 31, 1975, and one for a term expiring December 31, 1977. Thereafter the terms of all subsequent members of the commission shall be six years and until their successors have been appointed and qualified. Each commissioner shall be appointed by the governor by and with the advice and consent of the senate. Not more than three commissioners shall belong to the same political party. The governor in his selection of commissioners shall give consideration to persons learned in the law or persons who have engaged in the profession of engineering, public accounting or property and utility valuation as well as being representative of the general public.

Sec. 8. Minnesota Statutes 1978, Section 241.01, Subdivision 1, is amended to read:

241.01 [CREATION OF DEPARTMENT.] Subdivision 1. [COMMISSIONER.] The department of corrections is created under the control and supervision of the commissioner of corrections which office is established. The commissioner of corrections shall be selected without regard to political affiliation and shall have wide and successful administrative experience in correctional programs embodying rehabilitative concepts. The commissioner shall be appointed by the governor under the provisions of section 15.06.

Sec. 9. Minnesota Statutes 1978, Section 245.03, is amended to read:

245.03 [DEPARTMENT OF PUBLIC WELFARE ESTABLISHED; COMMISSIONER.] There is created a department of public welfare. A commissioner of public welfare shall be appointed by the governor under the provisions of section 15.06. The commissioner shall be selected on the basis of ability and experience in welfare and without regard to political affiliations. The commissioner shall appoint a deputy commissioner.

Sec. 10. Minnesota Statutes 1978, Section 270.02, Subdivision 2, is amended to read:

Subd. 2. **[TERMS.]** The commissioner of revenue shall be appointed by the governor under the provisions of section 15.06. The commissioner shall be selected on the basis of ability and experience in the field of tax administration and without regard to political affiliations.

Sec. 11. Minnesota Statutes 1978, Section 362.09, Subdivision 1, is amended to read:

362.09 [COMMISSIONER; ADVISORY COMMITTEE.] Subdivision 1. The department shall be under the supervision and control of a commissioner of economic development who shall be appointed by the governor under the provisions of section 15.06. He shall be chosen with regard to his knowledge, training, experience, and ability in administering the functions of the department.

The commissioner shall appoint a deputy commissioner."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, delete "commissioner" and insert "commissioners"

Page 1, line 4, delete "personnel" and insert "departments and certain other agency branch heads"

Page 1, line 5, delete "Section" and insert "Sections 4.11, Subdivision 2; 11.12; 16A.01, Subdivision 2;"

Page 1, line 5, before the period, insert "; 121.16, Subdivision 1; 144.011, Subdivision 1; 216A.03, Subdivision 1; 241.01, Subdivision 1; 245.03; 270.02, Subdivision 2; and 362.09, Subdivision 1"

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

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

S. F. No. 1264: A bill for an act relating to the operation of state government; abolishing the board of abstractors and the board of assessors and transferring their respective powers and duties; altering the membership, regulatory powers, practices and supervision of certain boards; limiting criteria for issuing licenses; providing for registration rather than licensing of watchmakers; providing for review of certain functions of certain boards; permitting certain occupational advertising; requiring the collection of certain health

manpower information; amending Minnesota Statutes 1978, Sections 125.05, Subdivision 1; 147.02, Subdivision 1; 147.021, Subdivision 1; 148.211, Subdivision 1; 148.10, Subdivision 1; 148.291, Subdivision 1; 148.57, Subdivisions 1 and 3; 148.91, Subdivision 4; 148.93; 150A.06, Subdivisions 1, 2, 2a and 4; 151.10; 153.04; 153.15; 154.05; 154.06; 154.11; 154.12; 154.22; 155.04; 155.05; 155.09, Subdivision 1; 156.02, Subdivision 1; 156.071; 156.072, Subdivision 2; 156.081, Subdivision 2; 214.01, Subdivision 3; 214.04; 214.06; 214.09, Subdivision 2; 326.10, Subdivision 1; 326.19, Subdivision 2; 326.332, Subdivision 1; 326.54; 326.546; Chapters 214, by adding sections; 270, by adding a section; and 386, by adding a section; repealing Minnesota Statutes 1978, Sections 147.11; 150A.11, Subdivision 2; 151.28; 270.41; 270.42; 270.43; 341.09; 386.61, Subdivision 3; and 386.63; and Chapter 186.

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

Page 6, after line 32, insert:

“Sec. 4. Minnesota Statutes 1978, Section 148.181, Subdivision 2, is amended to read:

Subd. 2. On expiration of the term of a member who is a registered nurse, the governor may appoint a registered nurse from a list of members submitted by professional nursing groups. Likewise on expiration of the term of a member who is a licensed practical nurse, the governor may appoint a licensed practical nurse from a list of members submitted by licensed practical nursing groups. Such lists should contain names of persons in number at least twice the number of places to be filled. Vacancies occurring on the board, when the member is a registered nurse or a licensed practical nurse, may be filled for the unexpired terms by appointments to be made by the governor from nominations submitted by nursing groups in the manner aforesaid. No board member shall be appointed to consecutive terms. Members shall hold office until a successor is appointed and qualified.

Sec. 5. Minnesota Statutes 1978, Section 148.191, Subdivision 2, is amended to read:

Subd. 2. The board is authorized to adopt and, from time to time, revise rules not inconsistent with the law, as may be necessary to enable it to carry into effect the provisions of sections 148.171 to 148.299. The board shall prescribe by rule curricula and standards for schools and courses preparing persons for licensure under sections 148.171 to 148.299. It shall conduct or provide for surveys of such schools and courses at such times as it may deem necessary. It shall approve such schools and courses as meet the requirements of sections 148.171 to 148.299 and board rules. It shall examine, license and renew the license of duly qualified applicants. It shall hold examinations at least once in each year at such time and place as it may determine. It shall by rule adopt, evaluate and periodically revise, as necessary, requirements for licensure and for registration and renewal of registration as defined in section 148.231. It shall cause the prosecution of all persons violating sections 148.171

to 148.299 and have power to incur such necessary expense therefor. It shall keep a record of all its proceedings. The board shall appoint an advisory task force on nursing education consisting of 11 members for the purposes of advising the board on matters pertaining to career progression and the approval and operation of nursing programs, assisting with surveys of nursing programs, collecting nursing education data and providing liaison between the board and nursing education. Three members shall be either an administrator or supervisor in one of the following types of agencies at the time of appointment and throughout his term: hospital, nursing home or community nursing service. The remaining eight members shall be either an administrator or faculty member in one of the following types of educational programs at the time of appointment and throughout his term: nursing assistant program, practical nursing program preparing for licensure, professional nursing program preparing for licensure, or advanced nursing program for licensed practical or registered nurses. The task force shall expire and the compensation and removal of members shall be as provided in section 15.050."

Page 10, after line 4, insert:

"Sec. 8. Minnesota Statutes 1978, Section 148.271, is amended to read:

148.271 [ALLOWABLE UNLICENSED PRACTICES.] The provisions of sections 148.171 to 148.285 shall not prohibit:

(1) The furnishing of nursing assistance in an emergency.

(2) The practice of nursing by any legally qualified nurse of another state who is employed by the United States government or any bureau, division or agency thereof while in the discharge of his or her official duties.

(3) Under the direct supervision of a registered nurse, the practice of nursing by a graduate of a school of professional nursing approved by the board between the date of graduation and the date of notification to such graduate of the board action upon his or her application for licensure hereunder, provided that such graduate will take the first examination for licensure hereunder following graduation given by the board and will be issued a permit by the board to engage in supervised practice of professional nursing while awaiting notification of the results of such examination. The board is authorized to issue permits to such graduates which shall permit the practice of professional nursing under direct supervision from the date of graduation until the date that the board shall notify such graduates of the results of their applications for registration conditioned upon such graduates making prompt application for registration and taking the first examination given by the board which they are eligible to take following graduation. Such permits shall not be renewable.

(4) The practice of any profession or occupation licensed by the state, other than professional nursing, by any person duly licensed to practice such profession or occupation, or the per-

formance by such a person of any acts properly coming within the scope of such a profession, occupation or license.

(5) The performance of any act in the nursing care of the sick by a nurse's aide under the direction of a registered nurse.

(6) The practice of nursing by a person licensed as a professional nurse in another jurisdiction and qualified for licensure in the state of Minnesota pursuant to a temporary permit issued by the board of nursing which permit shall be issued by the board pursuant to such rules and regulations as it may promulgate, for the period between the submission of a proper application for licensure by such person and the date of action upon such application by the board.

(7) The care of the sick, injured or infirm in a private home by any person who does not assume or represent to be a registered or professional nurse.

(8) Care of the sick with or without compensation when done in a nursing home covered by the provisions of section 144A.09, subdivision 1.

(9) *The practice of nursing by a graduate of an approved professional nursing program in another jurisdiction provided the graduate has applied for licensure in the state of Minnesota by interstate endorsement and has written the first examination for licensure following graduation. Practice under this clause is allowable only under a temporary permit issued by the board which shall be issued pursuant to rules as the board may promulgate, and which shall be valid only for the period between submission of a proper application and completion of the examination by the person and the date of action upon the application by the board. The examination must be the same examination required of applicants for licensure by examination in Minnesota. The permit shall authorize the practice of nursing only under the direct supervision of a licensed professional nurse. The permit shall not be renewable.*

Page 10, after line 31, insert:

"Sec. 10. Minnesota Statutes 1978, Section 148.295, is amended to read:

148.295 [ALLOWABLE UNLICENSED PRACTICES.] The provisions of sections 148.29 to 148.297 shall not prohibit:

(1) The practice of practical nursing by any legally qualified licensed practical nurse of another state who is employed by the United States government or any bureau, division or agency thereof while in the discharge of his or her official duties;

(2) Under the direct supervision of a registered nurse, the practice of practical nursing by a graduate of a school of practical nursing approved by the board between the date of graduation and the date of notification to the graduate of the board action upon his application for licensure hereunder, provided that the graduate will take the first licensure examination following gradu-

ation and will be issued a permit by the board to engage in supervised practice. The permits shall not be renewable.

(3) *The practice of practical nursing by a graduate of an approved practical nursing program in another jurisdiction provided the graduate has applied for licensure in the state of Minnesota by interstate endorsement and has written the first examination for licensure following graduation. Practice under this clause is allowable only under a temporary permit issued by the board which shall be issued pursuant to rules as the board may promulgate, and which shall be valid only for the period between submission of a proper application and completion of the examination by the person and the date of action upon the application by the board. The examination must be the same examination required of applicants for licensure by examination in Minnesota. The permit shall authorize the practice of nursing only under the direct supervision of a licensed professional nurse. The permit shall not be renewable.*

(4) *The practice of practical nursing by a person licensed as a licensed practical nurse in another jurisdiction and qualified for licensure in the state of Minnesota. Practice under this clause is allowable only under a temporary permit issued by the board which shall be issued by the board pursuant to rules as the board may promulgate, and which shall be valid only for the period between the submission of a proper application for licensure by the person and the date of action upon the application by the board."*

Page 18, after line 2, insert:

"Sec. 21. Minnesota Statutes 1978, Chapter 153, is amended by adding a section to read:

[153.105] [BOARD TO REGULATE; RULES.] *The board shall regulate the practice of podiatry. For this purpose it shall adopt and publish rules in accordance with the administrative procedure act to effectuate the provisions of this chapter."*

Pages 22 to 24, delete sections 22 to 24

Page 30, line 32, delete "and the office of hearing examiners"

Page 31, line 2, delete "and the chief hearing examiner"

Page 34, after line 8, insert:

"Sec. 36. Minnesota Statutes 1978, Section 214.13, is amended by adding a subdivision to read:

Subd. 6. Any complaint or other communication, whether oral or written, received by the commissioner of health which alleges or implies a violation of a statute or rule which the commissioner is empowered to enforce relating to a specific occupational group for which a registration requirement has been created pursuant to this section shall be processed under the provisions of section 214.10. The responsibilities of the executive secretary or board member specified in section 214.10, subdivision 2, shall be performed by the advisory council established under section 214.13,

subdivision 4, or if no such council has been created, by the health related licensing board which has been delegated the administration of regulation activities, or if no such delegation has been made, by a staff member appointed by the commissioner. The commissioner may exercise the powers contained in section 214.10, subdivision 3, in carrying out the duties of this subdivision."

Page 35, delete section 36

Page 42, line 9, delete "February" and insert "November"

Page 42, line 15, delete "In sections 270.41 to"

Page 42, delete lines 16 to 17

Page 42, line 18, delete " "commissioner" as appropriate."

Page 42, line 25, delete "270.41;"

Page 42, line 26, delete "270.42; 270.43;"

Page 42, line 26, delete the last semicolon

Page 42, line 27, delete "and Chapter 186"

Page 42, delete lines 28 to 29 and insert:

"Sec. 48. [EFFECTIVE DATE.] Sections 34 to 38 and 45 are effective the day following final enactment. Section 5 is effective October 1, 1979. The remaining sections are effective July 1, 1979."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, delete "and the board"

Page 1, line 4, delete "of assessors"

Page 1, line 4, delete "their respective" and insert "its"

Page 1, line 15, before "148.211" insert "148.181, Subdivision 2; 148.191, Subdivision 2;"

Page 1, line 16, before "148.291" insert "148.271;"

Page 1, line 16, before "148.57" insert "148.295;"

Page 1, line 20, delete "154.22; 155.04; 155.05;"

Page 1, line 24, after "2;" insert "214.13, by adding a subdivision;"

Page 1, line 26, delete "Chapter" and insert "Chapters 153, by adding a section;"

Page 1, line 26, delete "270, by"

Page 1, line 27, delete "adding a section;"

Page 1, line 29, delete "270.41;"

Page 1, line 30, delete "270.42; 270.43;"

Page 1, line 31, delete "; and Chapter 186"

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

Mr. Gearty from the Committee on Elections, to which was referred

S. F. No. 1166: A bill for an act relating to elections; providing for the election days of certain cities and school districts; amending Minnesota Statutes 1978, Sections 123.32, Subdivision 1; and 205.20, Subdivision 3.

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 205, is amended by adding a section to read:

[205.201] [FIRST CLASS CITIES; ELECTION DAY.] *The regular election of all elected officers of a city of the first class, including city council members, the mayor, elected members of city boards and commissions, and the board members of any school district principally situated in the city, shall be held on the first Tuesday after the first Monday in November in odd-numbered years. A primary election shall be held six weeks before the regular election day. No primary shall be held to select candidates for any nonpartisan office when only two persons file for nomination for that office, or when not more than twice the number of persons to be elected file for nomination for that office. The time for the filing of any affidavit, application, petition or other document required to place the name of any person on the ballot for election to any office to be filled as provided in this section shall commence 14 weeks before the day of the regular election and shall conclude 12 weeks before that day. Any general or special law or home rule charter provision inconsistent with the provisions of this section is superseded to the extent that it is inconsistent with those provisions.*

Sec. 2. Minnesota Statutes 1978, Section 123.51, is amended to read:

123.51 [SPECIAL SCHOOL DISTRICTS, LAWS APPLICABLE.] *Special districts as now organized shall continue to operate under the special legislation and charter provisions governing them until conversion to independent districts. The provisions of Laws 1957, Chapter 947, relating to independent districts shall apply to and govern each special district unless the special laws and charter provisions governing the special district provide for the matter, in which case the special laws and charter provisions relating to the special district shall apply and control. The provisions of section 1 of this act shall control and shall supersede inconsistent provisions of special laws or charters in the matter of school district elections in special districts principally situated in cities of the first class.*

Sec. 3. Minnesota Statutes 1978, Section 410.21, is amended to read:

410.21 [APPLICATION OF GENERAL ELECTION LAWS.]

Except as provided otherwise in section 1 of this act, the provisions of any charter of any such city adopted pursuant to this chapter shall be valid and shall control as to nominations, primary elections, and elections for municipal offices, notwithstanding that such charter provisions may be inconsistent with any general law relating thereto, and such general laws shall apply only in so far as consistent with such charter.

Sec. 4. [ADJUSTMENT OF TERMS; CITY OF SAINT PAUL; REFERENDUM.] *The city council of the city of St. Paul by ordinance may extend the terms of all officers of that city who will be elected at the regular city election in 1980 to the first business day in January of 1984. If adopted, the ordinance shall be placed on the city ballot at the regular city election in 1980 and shall be effective upon approval by a majority of those voting on the question at that election. The terms of all officers of the school district principally situated in the city of St. Paul who are elected at the regular city election in 1980 shall be extended in the same manner as the terms of city officers if an ordinance concerning the terms of city officers is adopted and approved as provided in this subdivision. If an ordinance is adopted and approved as provided in this subdivision, all regular St. Paul city elections beginning in 1983 shall be held as provided in section 1. If an ordinance is not adopted and approved as provided in this subdivision, the terms of all officers described in section 2 of this act who are elected at the regular city election in 1980, including the officers of the school district principally situated in the city of St. Paul, shall be reduced to the first business day in January of 1982, and the regular St. Paul city elections beginning in 1981 shall be held as provided in section 1."*

Amend the title as follows:

Page 1, line 3, delete "certain" and insert "first class"

Page 1, line 3, after "districts" insert "principally situated in those cities; providing for extension or reduction of the terms of certain elected officials"

Page 1, line 4, delete "123.32,"

Page 1, delete line 5, and insert "123.51; 410.21; and Chapter 205, by adding a section."

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. 1026: A bill for an act relating to welfare; excluding certain payments made to members of Indian tribes from resources considered in determining eligibility for general assistance; amending Minnesota Statutes 1978, Section 256D.08, Subdivision 1.

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

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

S. F. No. 667: A bill for an act relating to corrections; providing for vocational training of the inmates of state correctional facilities; reorganizing and harmonizing the various laws relating to the industrial activities conducted at such facilities; amending Minnesota Statutes 1978, Sections 241.26, Subdivision 7; and 241.27; repealing Minnesota Statutes 1978, Sections 243.19; 243.41; 243.42; 243.43; 243.44; 243.45; 243.46; 243.47; 243.63; 243.66; 243.67; 243.68; 243.80; 243.84; 243.85; 325.45; 325.46; and 325.47.

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

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

S. F. No. 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.

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

Page 1, line 21, strike "when reasonably able to do so" and delete "failure"

Page 2, line 1, before the period, insert "*when reasonably able to do so*"

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. 1296: A bill for an act relating to public welfare; authorizing grants for community residential facilities; amending Minnesota Statutes 1978, Section 252.30.

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

Page 1, line 19, after "*months*" insert "*of*"

Page 2, line 16, after "*or*" insert "*of*"

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. 777: A bill for an act relating to public welfare; disregarding certain income in determining eligibility for medical assistance; amending Minnesota Statutes 1978, Section 256B.06, Subdivision 1.

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

Page 3, line 5, after "*recipients*" insert "*who are not residents of long-term care facilities*"

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. 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.

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

Page 2, line 1, delete everything after "*program*"

Page 2, line 2, delete everything before the comma

Page 2, line 3, delete "*shall*" insert "*may*"

Page 2, line 4, after "*shall*" insert "*annually*"

Page 2, delete lines 5 to 7

Page 2, line 8, delete "*state*" and insert "*comparative list of not less than 25 nor more than 75 illnesses, injuries or conditions. The list shall specify, according to hospital, the respective price or charge of each hospital for treatment by surgical or medical means of each of the illnesses, injuries, or conditions*"

Page 2, line 10, delete "*a copy*" and insert "*copies*"

Page 2, line 11, delete "*a patient*" and insert "*patients*"

Page 2, line 11, after "*prospective*" delete "*patient*" and insert "*patients*"

Page 2, line 16, delete "*lists*" and insert "*list*"

Page 4, line 5, after "*escalate*" insert "*more*"

Page 4, line 5, before the period insert "*than other components of the consumer price index*"

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. 1098: A bill for an act relating to claims against the state; providing for claims arising out of injury or death of per-

sons conditionally released by the Minnesota corrections board to perform community service; amending Minnesota Statutes 1978, Section 3.738, Subdivision 1.

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

Page 1, line 15, delete the colon and insert "*the circumstances described in this subdivision shall be presented to, heard, and determined by the legislature.*"

Page 1, line 15, after "(1)" insert "An"

Page 1, line 18, delete ", or (2)" and insert "; (2) An"

Page 1, line 21, delete "volunteer" and insert "uncompensated" and delete "or service"

Page 2, line 2, delete "such" and insert "the" and delete "or service"

Page 2, lines 2 and 3, strike "shall be presented to, heard and determined by the legislature" and insert "; (3) An injury to or death of a person who has been placed on probation by a court and who is performing work in restitution pursuant to court order; (4) An injury to or death of a person, including a juvenile, who has been diverted from the court system and who is performing work in restitution pursuant to a written agreement signed by himself, and if a juvenile, by his parent or guardian; or (5) An injury to or loss of property or personal injury or death of a third person caused by a person performing any of the work described above"

Amend the title as follows:

Page 1, line 3, delete "injury or death of"

Page 1, delete lines 4 and 5 and insert "various restitution programs to be heard by the legislature;"

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. 1436: A bill for an act relating to human services; altering provisions related to membership of human services boards; establishing procedures for planning by the boards; prescribing additional duties of the state planning officer; providing for reports by the board; amending Minnesota Statutes 1978, Sections 402.01; 402.02; 402.03; 402.04, Subdivision 1; 402.045; 402.05, by adding a subdivision; 402.06; 402.065; 402.07; and 402.095; and Chapter 402, by adding a section; repealing Minnesota Statutes 1978, Sections 402.046; and 402.05, Subdivision 2.

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

Page 3, line 6, after "1a." insert "*If a single county forms a human services board,*"

Page 3, line 7, delete "for" and insert a period

Page 3, delete lines 8 and 9

Page 3, line 10, after "Subd. 2." insert "*Notwithstanding the population requirements of Minnesota Statutes, Sections 145.911 to 145.922, 245.61 to 245.69 and Chapter 401,*"

Page 5, line 24, strike "three"

Page 7, line 18, delete "*state planning officer*" and insert "*commissioner of public welfare, with the approval of the commissioners of health and corrections,*"

Page 8, strike lines 9 through 15

Page 8, line 32, after the period, insert "*Each affected state agency shall accept the plan of the human services board in lieu of separate plan requirements for individual programs.*"

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. 1257: A bill for an act relating to public welfare; requiring certain recipients of state aid for medical care to authorize the commissioner of public welfare to have access to their medical records for certain purposes; authorizing the commissioner to promulgate certain rules related to investigation of fraud perpetrated by health care vendors; authorizing certain sanctions against fraudulent vendors; authorizing the commissioner to institute an action to recover moneys wrongfully paid; amending Minnesota Statutes 1978, Sections 62E.53, by adding a subdivision; 62E.54, Subdivision 1; 256.01, by adding a subdivision; 256B.04, Subdivision 10; 256B.064, Subdivision 2, and by adding subdivisions; 256B.27, Subdivisions 3 and 4; 256D.03, Subdivision 3; and 256D.05, by adding a subdivision.

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

Page 2, line 8, before "*Notwithstanding*" insert "*The vendor of medical care shall receive notification from the commissioner at least 24 hours before the commissioner gains access to such records.*"

Pages 3 and 4, delete Section 3

Page 4, after line 14, insert:

"Sec. 4. Minnesota Statutes 1978, Section 256B.04, is amended by adding a subdivision to read:

Subd. 13. Each person appointed by the commissioner to participate in decisions whether medical care to be provided to eligible

recipients is medically necessary shall abstain from participation in those cases in which he (a) has issued treatment orders in the care of the patient or participated in the formulation or execution of the patient's treatment plan or (b) has, or a member of his family has, an ownership interest of five percent or more in the institution that provided or proposed to provide the services being reviewed."

Page 4, line 22, after "determine" insert "*monetary amounts to be recovered and*"

Page 4, line 24, delete "for" and insert "upon"

Page 4, line 25, delete "*improper conduct by*" and after "care" insert "*for conduct described by section 256B.064, subdivision 1a*"

Page 4, line 25, strike "No vendor of"

Page 4, line 26, strike the old language and delete the new language and insert "*Neither a monetary recovery nor a sanction will be sought by the*"

Page 4, line 30, after "care" insert ", *except a nursing home or convalescent care facility,*"

Page 5, line 2, after "may" insert "*seek monetary recovery and*"

Page 5, line 6, before "presentment" insert "*a pattern of*"

Page 5, line 7, delete "*false statement*" and insert "*a pattern of making false statements*"

Page 5, line 11, after "access" insert "*during regular business hours*"

Page 5, line 13, after the period, insert "*No sanction may be imposed or monetary recovery obtained against any vendor of nursing home or convalescent care for providing services not medically necessary when the services provided were ordered by a licensed health professional not an employee of the vendor. The determination of abuse or services not medically necessary shall be made by the commissioner in consultation with a review organization as defined in section 145.61 or other provider advisory committees as appointed by the commissioner on the recommendation of appropriate professional organizations.*"

Page 5, delete line 18

Page 5, line 19, delete everything before "and"

Page 5, after line 20, insert:

"Subd. 1c. The commissioner may obtain monetary recovery for the conduct described in subdivision 1a by the following methods: assessing and recovering moneys erroneously paid and debiting from future payments any moneys erroneously paid, except that patterns need not be proven as a precondition to monetary recovery for false claims, duplicate claims, claims for services not medically necessary, or false statements."

Page 5, line 32, after the period, insert "*The vendor of medical care shall receive notification from the commissioner at least 24 hours before the commissioner gains access to such records.*"

Page 6, line 18, delete "No" and insert "A"

Page 6, line 20, after "records" insert "*unless the vendor already has received written authorization*"

Page 8, line 10, after the period, insert "*The vendor of medical care shall receive notification from the commissioner at least 24 hours before the commissioner gains access to such records.*"

Page 8, line 10, delete "No" and insert "A"

Page 8, line 12, after "records" insert "*unless the vendor already has received written authorization*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 14, delete everything before "256B.04"

Page 1, line 15, after "10" insert ", and by adding a subdivision"

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

Mr. Gearty from the Committee on Elections, to which was referred

S. F. No. 1003: A bill for an act relating to elections; revising, reorganizing and recodifying major portions of the Minnesota election law; modernizing and improving language, organization and style; clarifying certain ambiguities; removing certain obsolete terms and provisions; restating guidelines for determining voter eligibility; providing for voter registration, absentee voting, the conduct of elections and the counting and canvassing of election returns; defining terms; providing penalties; making necessary technical amendments, corrections and other revisions; amending Minnesota Statutes 1978, Sections 10A.01, Subdivision 12; 40.05, Subdivision 3; 123.32, Subdivision 7; 200.01; 200.02; 201.01; 201.021; 201.061; 201.071; 201.081; 201.091; 201.11; 201.12; 201.121; 201.13; 201.14; 201.15; 201.161; 201.171; 201.18; 201.211; 201.221; 201.27; 201.275; 202A.11; 202A.16, Subdivision 1; 205.01; 205.03; 205.13, Subdivision 1; 205.15; 205.17, Subdivision 2; 205.20, Subdivisions 2 and 5; 206.07, Subdivision 1; 206.185, Subdivision 1; 206.20, Subdivision 2; 206.21, Subdivisions 1 and 2; 208.04; 210A.07; 210A.26, Subdivision 4; 210A.28; 210A.34, Subdivision 4; 290.21, Subdivision 3; 365.51; 365.52; 375.20; 382.28; and 487.03, Subdivision 2; and Chapters 200, 201, 205, and 210A, by adding sections; repealing Minnesota Statutes 1978, Sections 201.231; 201.26; 201.33; 202A.21; 202A.22; 202A.23; 202A.24; 202A.25; 202A.26; 202A.27; 202A.28; 202A.29; 202A.30; 202A.31; 202A.32; 202A.41; 202A.42; 202A.51; 202A.52; 202A.53; 202A.54; 202A.61; 202A.62; 202A.63; 202A.64; 202A.65; 202A.66; 202A.67; 202A.68; 202A.69; 202A.70; 202A.71; 202A.721; and 210.22; and Chapters 203A, 204A, and 207.

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

Page 2, line 8, delete "I" and insert "III"

Page 2, line 9, delete "VII" and insert "VI"

Page 2, line 9, reinstate the stricken "200"

Page 2, line 9, before "202A" insert ", 201,"

Page 2, line 9, delete "203A,"

Page 3, line 3, delete "or decide public questions"

Page 5, lines 11 and 12, delete the new language and strike the old

Renumber the subdivisions in sequence

Page 5, line 14, delete "the room or building designated as"

Page 6, line 26, delete "the" and strike "political"

Page 6, line 27, strike "party as stated in"

Page 6, line 28, delete "the" and reinstate the stricken "that"

Page 6, line 30, delete "the" and insert "that"

Page 7, line 10, delete "permanent"

Page 7, line 12, delete "permanently leaving" and insert "moving"

Page 7, line 15, delete "permanent"

Page 7, line 20, delete "permanent"

Page 7, line 22, delete "permanent"

Page 7, delete lines 29 to 33 and insert:

"(f) Except as otherwise provided in this section, an individual's residence is located in the precinct where his family lives, unless his family is living in that precinct only temporarily;

(g) If an individual's family lives in one precinct and the individual lives or does business in another, the individual's residence is located in the precinct where his family lives, unless he establishes a home in the other precinct and intends to remain there, with or without his family;"

Page 8, delete lines 1 to 3

Page 8, line 10, delete "live" and insert "remain"

Page 8, line 10, delete "permanently"

Page 9, line 8, after "Under" insert "a"

Page 9, delete lines 17 to 20

Page 10, line 21, reinstate the stricken language

Page 10, line 22, delete "in each"

Page 10, line 23, delete ". Any county"

Page 11, line 9, delete "*knowingly*" and insert "*intentionally*"

Page 13, line 2, delete "*voter*" and insert "*individual*"

Page 14, line 31, delete "4" and insert "5"

Page 15, line 6, delete "5" and insert "6"

Page 15, line 19, delete "6" and insert "7"

Page 17, line 23, strike "complete" and insert "*correct*"

Page 17, line 23, strike "that" and insert "*if it*"

Page 20, line 1, strike "the" and insert "a"

Page 20, line 2, delete "*the*" and reinstate the stricken "a"

Page 20, line 4, delete "*the*" and reinstate the stricken "a"

Page 23, line 12, delete "A"

Page 23, lines 12 and 13, strike "return of the notice by the"

Page 23, lines 14 and 15, delete the new language and strike the old language

Page 23, line 16, strike "election"

Page 23, line 17, strike the period

Page 23, line 18, after "notice" insert "*by the postal service*"

Page 23, line 30, delete "*section 201.061*" and insert "*Article V, Section 12*"

Page 24, line 14, after "notice" insert "*by the postal service*"

Page 24, line 20, delete "*section 201.061*" and insert "*Article V, Section 12*"

Page 27, line 20, reinstate the stricken period

Page 28, line 17, strike "shall" and insert "*may*"

Page 29, line 9, delete "A" and insert "*If a challenge is affirmed, the*"

Page 29, line 9, delete "*denied*" and insert "*challenged*"

Page 29, line 10, delete "*as provided under subdivision 1*"

Page 29, line 10, delete "*denial*" and insert "*ruling*"

Page 29, line 14, delete "*denial*" and insert "*ruling*"

Page 31, line 11, strike "municipality" and after "~~shall have~~" insert "*municipal official*"

Page 34, after line 17, insert:

"(c) *Apply for absentee ballots more than once in any election with the intent to cast an illegal ballot;*"

Reletter the clauses in sequence

Page 35, delete lines 32 and 33

Page 36, delete lines 1 and 2

Page 37, line 22, after the comma, insert "*Section 4, Subdivision 2, and*"

Page 38, line 20, delete "*to voters*" and insert "*for casting an absentee ballot*"

Page 41, line 5, delete "*in turn*"

Page 41, line 6, delete "*those endorsed*" and insert "*the*"

Page 41, line 6, delete "*together with*" and insert "*received from the county auditor and*"

Page 41, line 9, after the period, insert "*Applications received on election day pursuant to Article III, Section 4, Subdivision 2, shall be promptly delivered to the election judges in the precincts.*"

Page 41, delete lines 20 to 23

Page 41, line 24, delete "*party.*"

Page 44, lines 17 and 18, delete "*, in the manner required by the rules of the secretary of state*"

Page 45, lines 2 and 3, delete "*in the manner required by the rules of the secretary of state*"

Page 45, line 22, delete "*the following items.*" and insert "*administering the provisions of Article III, Sections 4 to 15.*"

Page 45, delete lines 23 to 32

Page 46, lines 32 and 33, delete "*may request absentee ballots for more than one election*" and insert "*for a primary shall also constitute an application for absentee ballots for the ensuing general election*"

Page 47, delete lines 10 and 11 and insert:

"(b) A statement indicating that the voter is in the military, or is the spouse or dependent of an individual serving in the military, or is temporarily outside the territorial limits of the United States, or is living permanently outside the territorial limits of the United States and voting under federal law;"

Page 48, line 21, after the second "*the*" insert "*voter's*"

Page 49, line 24, delete everything after "*equivalent*" and insert a period

Page 49, delete lines 25 to 28

Page 51, line 14, delete "*absentee ballot*" and insert "*return envelope*"

Page 51, line 16, delete "*ballot*" and insert "*ballots in the return envelope*"

Page 51, lines 23 and 24, delete "*in the same manner as rejected*" and insert "*with the unused*"

Page 52, lines 5 and 6, delete “; GENERAL ELECTION LAWS”

Page 52, lines 8 and 9, delete “OF GENERAL ELECTION LAWS”

Page 52, line 10, after the comma insert “*except school district elections and*”

Page 54, line 4, after “state” insert “*on the affidavit of candidacy*”

Page 54, line 11, delete “or” and insert “and”

Page 54, line 33, after “and” insert a comma

Page 55, line 1, after “election” insert a comma

Page 55, line 8, delete “by” and insert “on”

Page 56, line 11, delete “an” and insert “a partisan”

Page 56, line 15, delete the first “a”

Page 58, line 18, after “for” insert “*county, state and federal*”

Page 59, line 13, delete “and” and insert “. *The petitions*”

Page 59, delete lines 14 to 18 and insert “*shall be retained as provided in Article IV, Section 40, and shall be available for public inspection during that period.*”

Page 60, line 11, delete the first “the”

Page 61, delete lines 3 to 11 and insert:

“(a) *For a state office voted on statewide or for United States senator, 2,000;*

(b) *For a congressional office, \$1,000;*

(c) *For a county or legislative office, or for the office of district, county or county municipal judge, 500; and*”

Page 61, line 16, delete “municipal”

Page 61, line 17, after “election” insert “*at which that office was on the ballot*”

Page 62, line 7, delete the second “a”

Page 62, line 9, delete the second “a”

Page 62, line 18, delete the second “a”

Page 62, line 32, delete the second “a”

Page 63, line 14, delete “five” and insert “four”

Page 63, line 27, delete “2” and insert “3”

Page 65, line 33, delete “, 5”

Page 66, line 7, delete “and” and insert “. *The board shall*”

Page 66, line 8, after “place” insert “*for the new precinct*”

Page 66, line 9, delete "*petitioning individuals*" and insert "*individuals residing in it*"

Page 70, line 20, delete "*subdivision*" and insert "*section*"

Page 71, delete lines 6 to 33 and insert:

"Subdivision 1. [APPOINTMENT LISTS; DUTIES OF POLITICAL PARTIES AND COUNTY AUDITOR.] *At least 65 days before any election for a partisan political office, the county or legislative district chairmen of each major political party, whichever is designated by the state party, shall prepare a list of eligible voters to act as election judges in each election precinct in the county or legislative district. The chairmen shall furnish the lists to the county auditor of the county in which the precinct is located.*

At least 55 days before the date of the election, the county auditor shall furnish to the appointing authorities a list of the appropriate names for each election precinct in the jurisdiction of the appointing authority. Separate lists shall be submitted by the county auditor for each major political party."

Page 72, delete lines 1 to 4

Page 72, line 7, delete "*the municipal clerk with the approval of*"

Page 72, line 10, delete "*the county auditor with the approval of*"

Page 74, line 18, delete "*not members of the same*" and insert "*members of different*"

Page 74, line 19, delete "*party*" and insert "*parties*"

Page 74, line 27, delete "[204A.27]" and insert "[204B.27]"

Page 76, line 16, before "*The*" insert "*Except as otherwise provided for absentee ballots in Article IV, Section 35, Subdivision 4,*"

Page 76, line 28, delete "*balots*" and insert "*ballots*"

Page 77, line 22, after "*furnished*" insert "*with 100 ballots of each kind for every 85 individuals who voted in that precinct at the last election for the same office or on similar questions, or*"

Page 77, line 25, after "*election*" insert "*, whichever supply of ballots is greater*"

Page 78, line 32, delete "*at least*"

Page 79, line 3, delete "*at least*"

Page 79, line 10, delete "*at least*"

Page 79, line 30, before "*state*" insert "*the*" and after "*state*" insert "*and county*"

Page 81, line 13, after "*election*" insert "*, except a school district election,*"

Page 81, line 28, delete everything after "*with*" and insert "*a sufficient number of ballots of each kind as required by Article IV, Section 29, Subdivision 1.*"

Page 81, delete lines 29 and 30

Page 82, line 11, delete "*legible*" and insert "*readable*"

Page 82, line 32, delete "*who*" and insert "*whose names*"

Page 83, line 1, after the period, insert "*At a primary election, no blank lines shall be provided for writing in the names of individuals whose names do not appear on the primary ballot.*"

Page 83, line 1, begin a new paragraph with "*On*"

Page 83, line 6, after "*(X)*" insert "*in the square*"

Page 83, line 7, delete "*, in the square indicated by the arrow*"

Page 85, line 33, after "*retained*" insert "*for one year or*"

Page 86, line 1, after "*determined*" insert "*, whichever is later*"

Page 88, line 27, after "*state*" insert "*, except school district elections and*"

Page 90, line 25, after "*congregate*" insert "*in any number*"

Page 92, line 8, after "*shall*" insert "*enter or remain in a polling place or*"

Page 92, lines 9 and 10, delete "*or enter or remain in the polling place*"

Page 92, line 12, before "*It*" insert "*During the time an election is being held*"

Page 92, line 24, delete "*in*" and insert "*for*"

Page 92, line 25, after "*party*" insert "*for each precinct*"

Page 92, line 28, after "*each*" insert "*nonpartisan*"

Page 92, line 30, delete "*in*" and insert "*for*"

Page 92, line 32, after "*place*" insert "*for each precinct*"

Page 93, line 6, delete the second "*in*" and insert "*for*"

Page 93, line 30, delete "*printed*" and insert "*official*"

Page 94, line 6, before "*voting*" insert "*the hours for*"

Page 94, line 7, delete "*has ended*" and insert "*have ended and all voting has been concluded*"

Page 94, line 22, delete "*thereafter*" and insert "*after it begins*"

Page 94, line 28, delete "*polling place*" and insert "*room containing the voting booths*"

Page 95, line 4, delete "*a voter*" and insert "*an individual seeking to vote*"

Page 95, line 5, delete "*voter*" and insert "*individual*"

Page 95, line 7, delete "*voter*" and insert "*individual*"

Pages 95 and 96, delete section 11 and insert:

"Sec. 11. [204C.11] [PRECINCTS WITHOUT PERMANENT REGISTRATION; ELECTION REGISTER.] *Subdivision 1. [ELECTION REGISTERS; FORM.] Two election registers shall be provided for each election precinct without a permanent registration system by the county auditor in unorganized territory or the municipal clerk in a municipality. Two election judges shall have charge of them, each using one election register as provided in this section. Each election register shall be headed by the name of the precinct, and shall contain one column headed "Name of Voter," one headed "Residence," one headed "Address of Most Recent Prior Registration" and one headed "Remarks". Each election register shall contain the names of the voters in alphabetical order according to the first letter of their surnames. Names beginning with the same letter of the alphabet shall be grouped together with not more than one group on each page. The names in each group shall be separately numbered beginning with the numeral "1".*

Subd. 2. [EVIDENCE OF ELIGIBILITY TO VOTE.] In election precincts without a permanent registration system, an individual seeking to vote shall give his first and last name, middle initial, street or route, city and county of residence and the address of most recent prior registration to the election judges in charge of the election registers. The individual shall also give the election judges sufficient evidence to satisfy them that he maintains residence in the precinct and shall state under oath that he is at least 18 years of age and has been a resident of the state for at least 20 days immediately preceding the election. An individual who refuses to provide the information required by this subdivision shall not be allowed to vote.

Subd. 3. [ENTRIES IN ELECTION REGISTERS.] When the election judges in charge of the election registers are satisfied that an individual is eligible to vote in that precinct, they shall enter the individual's name, residence and address of most recent prior registration in the proper place in the election registers."

Page 97, line 8, after "ballots" insert "but not yet deposited them in the ballot boxes"

Page 97, line 10, after "placed" insert "unopened"

Page 99, line 30, after the period, insert "A violation of this subdivision by an election judge is a gross misdemeanor."

Page 100, line 25, delete "not members of the same" and insert "members of different"

Page 100, line 26, delete "party" and insert "parties"

Page 100, line 30, delete "not members of the same" and insert "members of different"

Page 100, line 31, delete "party" and insert "parties"

Page 101, line 5, delete "one" and insert "voter"

Page 101, line 5, delete "a voter" and insert "another voter as provided in the preceding sentence"

Page 101, line 21, delete "not members of the same" and insert "members of different"

Page 101, line 22, delete "party" and insert "parties"

Page 103, line 22, delete "membership of" and insert "election judges on"

Page 103, line 22, delete "conform to the" and insert "be members of at least two different major political parties"

Page 103, delete line 23

Page 103, line 24, delete everything before the period

Page 103, line 33, delete "scheduled for voting" and insert "when voting is scheduled"

Page 104, line 23, after "marked" insert "with the initials of the election judges"

Page 105, line 11, delete "a pile" and insert "the proper ballot box"

Page 106, line 23, after "by" insert "major"

Page 110, line 10, delete "red"

Page 113, line 30, after "ballots" insert "as provided in Article IV, Section 40"

Page 114, lines 17 and 18, delete "in cases in which" and insert "when"

Page 115, line 33, delete "upon" and insert "on"

Page 116, line 6, delete "they" and insert "the canvassing board"

Page 117, line 2, after "certified" insert "copies of the county canvassing board"

Page 118, line 11, after "reports" insert "received from the county auditors"

Page 119, line 32, delete "If"

Page 119, lines 32 and 33, delete "concurs with the agreement of the candidates, it"

Page 120, line 1, delete "that" and insert "the"

Page 120, line 7, delete "If"

Page 120, lines 7 and 8, delete "concurs with the agreement of the candidates, it"

Page 120, line 9, delete "that" and insert "the"

Page 120, line 21, delete "if" and insert "present the agreement to it."

Page 120, lines 21 and 22, delete *"concurs with the agreement of the candidates, it"*

Page 126, line 20, delete *"persons"* and insert *"individuals"*

Page 126, after line 30, insert:

"Subd. 2. [BLANK LINES PROHIBITED.] At a primary election, no blank lines shall be provided for writing in the names of individuals whose names do not appear on the primary ballot."

Renumber the subdivisions in sequence

Page 127, line 28, underscore the period

Page 130, line 10, after *"and"* insert *"candidates"*

Page 130, line 16, after *"envelopes"* insert *"required"*

Page 130, line 17, delete *"containing"*

Page 131, line 15, delete *"Ballot."* and insert *"Ballot".*

Page 132, line 4, delete *"is"* and insert *"may be"*

Page 132, line 32, after *"any"* insert *"partisan"*

Page 134, line 3, delete *"the"* and insert *"each"*

Page 134, line 3, delete *"of each county"*

Page 139, line 5, delete *"person"* and insert *"individual"*

Page 144, line 17, delete *"lieu"* and insert *"place"*

Page 145, line 6, delete *"a person"* and insert *"an individual"*

Page 156, line 1, after *"judges"* insert *"belonging to"*

Page 156, line 2, delete *"not members of the same"* and insert *"members of different"*

Page 156, lines 2 and 3, reinstate the stricken *" , if such there be"*

Page 157, line 9, after *"judge"* insert *"who is a member"* and reinstate the stricken *"of a"*

Page 157, line 10, reinstate the stricken *"different"* and delete *"who is not a member of the same"*

Page 157, line 24, after *"judges"* insert *"who are members"*, reinstate the stricken language and delete *"who are"*

Page 157, line 25, delete *"not members of the same"*

Page 157, lines 25 and 26, reinstate the stricken language

Page 159, line 23, delete *"red"*

Page 170, after line 10, insert:

"Sec. 32. [RULES OF SECRETARY OF STATE; CONTINUATION.] The rules of the secretary of state in force on the effective date of this act shall remain effective until they are modified or repealed as provided by law. Any rulemaking proceeding initiated by the secretary of state prior to the effective date of this act may

be continued and the proposed rule or rules may be promulgated in the manner authorized by this act. With respect to those subjects which were within the rulemaking authority of the secretary of state prior to the effective date of this act, and rulemaking authority given to the secretary of state by this act shall be construed as a continuation of that previously existing authority and not as a new delegation of rulemaking authority."

Renumber the sections in sequence

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

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

S. F. No. 1199: A bill for an act relating to retirement; state employees; miscellaneous amendments to the state employees and unclassified employees retirement plans; amending Minnesota Statutes 1978, Sections 352.03, Subdivisions 1 and 6; 352.113, Subdivisions 1, 4 and 6; 352.115, Subdivisions 8 and 9; 352.12, Subdivision 2; 352.15, Subdivision 1; 352.23; 352D.02, Subdivision 1; 352D.04, Subdivision 2; and 352D.05, Subdivisions 3 and 4; repealing Minnesota Statutes 1978, Sections 352.115, Subdivision 13; 352B.29; 352D.03; and 352D.10.

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

Page 1, after line 14, insert:

"Section 1. Minnesota Statutes 1978, Section 43.051, Subdivision 4, is amended to read:

Subd. 4. (1) Notwithstanding any provisions of chapters 352A and 352B or any other law to the contrary, conservation officers and crime bureau officers who are first employed on or after July 1, 1973 and are members of the highway patrolmen's retirement association by reason of their employment, shall not continue employment after attaining the age of 60 years, except for such fractional portion of one year as will enable the employee to complete his next full year of allowable service.

(2) Notwithstanding any provisions of chapters 352A and 352B or any other law to the contrary, conservation officers and crime bureau officers who are first employed and are members of the highway patrolmen's retirement association by reason of their employment before July 1, 1973, shall be governed by the same mandatory retirement regulations applied to other state employees who are covered by the Minnesota state retirement system not continue employment after attaining the age of 65 years."

Page 7, line 7, delete the new language and reinstate the old language

Page 7, line 8, strike "to" and insert ", unless the director, with the concurrence of the medical advisor, determines based on the medical evidence in his possession that the degree of injury or ill-

ness which is the cause of the disability is so severe that the chance of the employee recovering to a nondisabled status within the period prior to the next scheduled medical examination is negligible. The medical examination shall"

Page 9, line 12, after "above" insert "specified"

Page 12, line 18, strike ", revisor of statutes"

Page 12, line 19, strike "the"

Page 15, after line 6, insert:

"Sec. 16. Laws 1975, Chapter 388, Section 1, as amended by Laws 1977, Chapter 429, Section 53, is amended by adding a subdivision to read:

Subd. 2a. A state employee who prior to attaining that status in 1972 was employed by the house of representatives between January 1, 1963 and August 1, 1969 shall be entitled to obtain allowable service credit for that period of employment by the house of representatives by paying to the Minnesota state retirement system an amount equal to the employee contribution rates in effect for the Minnesota state retirement system and on salaries in effect during that period of prior employment plus interest at the rate of six percent per annum compounded annually from the date the contributions would otherwise have been made to the date the payment is made. Proof of employment by the legislature and the duration thereof shall be established by certification of the committee on rules and legislative administration of the house of representatives. Certification to the director of the Minnesota state retirement system shall include the exact periods of employment for which the employee is entitled to obtain service credit. The service credit shall be computed and granted on the basis of full time employment.

Sec. 17. Laws 1975, Chapter 388, Section 1, as amended by Laws 1977, Chapter 429, Section 53, Subdivision 3, is amended to read:

Subd. 3. The payments shall be made either in a lump sum or payroll deductions made on or before July 1, ~~1978~~ 1980. The payments permitted herein, by a person who is a senate employee on the date of payment shall be matched by the senate employer, and for a house employee or a former house employee by the house employer and such sums as are necessary therefor are hereby appropriated from the respective legislative expense funds and transferred to the Minnesota state retirement system. If the employee at the time of payment is a participant in the unclassified program, the payment by the employee and employer shall be used to purchase shares in the Minnesota supplemental fund.

Sec. 18. The minimum age requirement for normal retirement applicable to any member as defined in Minnesota Statutes, Section 3A.01, Subdivision 3, who has, prior to January 1, 1981, acquired sufficient service credit to qualify for a normal retirement allowance under Minnesota Statutes, Section 3A.02, shall not be increased by the provisions of Laws 1978, Chapter 796, Section 3."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after "employees" insert ", highway patrol officers"

Page 1, line 5, after "Sections" insert "43.051, Subdivision 4;"

Page 1, line 10, after "4" insert "; Laws 1975, Chapter 388, Section 1, as amended, and by adding a subdivision"

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

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

S. F. No. 1329: A bill for an act relating to highways; appropriating money for the upgrading of county state aid highways in Goodhue County; providing for repayment from the county's state aid allotments.

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

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

S. F. No. 1390: A bill for an act relating to taxation; providing for an annual adjustment of the excise tax on gasoline and special fuel based on changes in the consumer price index; amending Minnesota Statutes 1978, Section 296.02, Subdivision 1; and Chapter 296, by adding a section.

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

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

Page 2, delete lines 4 and 5 and insert "*is the January, 1978, revised all urban consumer price index for the Minneapolis-St. Paul metropolitan area, prepared by the United States Department of Labor, with 1967 as the base year.*"

Page 2, line 12, before "consumer" insert "*revised all urban*"

Page 2, line 12, delete "*in the Twin*"

Page 2, line 13, delete "*Cities*" and insert "*for the Minneapolis-St. Paul*"

Page 2, line 13, after "area" insert "*, prepared by the United States Department of Labor,*"

Page 2, line 15, delete everything after the period

Page 2, delete line 16

Page 2, line 19, delete "*June*" and insert "*July*"

Page 2, after line 19, insert:

"If the consumer price index for February of the current year is computed using a base year other than 1967, the value of the current index shall be adjusted by recomputing it using 1967 as the base year. The adjusted value of the current index shall be used to determine the tax rate under clause (a).

Sec. 3. Notwithstanding the provisions of section 1 of this act, the rate of the gasoline excise tax imposed pursuant to Minnesota Statutes, Section 296.02, Subdivision 1, shall be nine cents per gallon until July 1, 1979.

Sec. 4. [REPORT TO LEGISLATURE.] Prior to January 1, 1981, the commissioners of transportation and revenue shall report to the legislature on the consumer price index based gasoline excise tax."

Renumber the sections in sequence

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

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

S. F. No. 1351: A bill for an act relating to metropolitan government; providing for financing of metropolitan sports facilities; appropriating money; amending Minnesota Statutes 1978, Sections 473.581, Subdivision 3; and 473.591, Subdivision 2, and by adding a subdivision; repealing Minnesota Statutes 1978, Section 473.568.

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 473, is amended by adding a section to read:

[473.572] [REVISED FINAL DETERMINATION.] *Subdivision 1. Notwithstanding any final determination reached by the commission on or before December 1, 1978, pursuant to section 473.571, subdivision 6, the commission shall make a revised determination on a sports facility or sports facilities which facility or facilities (1) shall not be covered, (2) may include remodeling the existing metropolitan stadium for baseball, and (3) shall be located in Hennepin County. The decision shall be made within 30 days after the effective date of this act. In making its decision the commission may rely on data previously submitted and reviewed pursuant to section 473.571 and need not require new data even if modifications are made in an alternative previously considered. The principal amount for construction of a sports facility or sports facilities shall be limited to \$46,000,000.*

Subd. 2. Except as provided in this section, the council shall make all determinations required by section 473.581, subdivision 3, before it authorizes the issuance of bonds.

Subd. 3. It is the intent of the legislature that the commission shall, to the maximum extent possible consistent with the provisions of section 473.581, subdivision 3, impose rates, rentals and other charges in the operation of the sports facility which will make the sports facility self supporting so that the taxes imposed by the municipality under section 6 will be at the lowest possible rate consistent with the obligations of the county under bonds issued pursuant to this section.

Sec. 2. Minnesota Statutes 1978, Section 473.581, Subdivision 2, is amended to read:

Subd. 2. [PROCEDURE.] The bonds shall be sold, issued, and secured in the manner provided in chapter 475 for bonds payable solely from revenues, except as otherwise provided in sections 473.551 to 473.595, and the council shall have the same powers and duties as a municipality and its governing body in issuing bonds under that chapter. The bonds may be sold at any price and at public or private sale as determined by the council. *The full faith and credit and taxing powers of Hennepin County, with respect to the commercial-industrial property located therein shall be pledged to the payment of these general obligation bonds until the principal and interest on the bonds have been paid in full.* They shall be payable solely from tax and other revenues referred to in sections 473.551 to 473.595, shall not be a general obligation or debt of the council or of the commission, and shall not be included in the net debt of any city, county, or other subdivision of the state for the purpose of any net debt limitation. No election shall be required. The principal amount shall not be limited except as provided in subdivision 3.

Sec. 3. Minnesota Statutes 1978, Section 473.581, Subdivision 3, as amended by Laws 1979, Chapter 26, Section 1, is amended to read:

Subd. 3. [LIMITATIONS.] The principal amount of the bonds issued pursuant to subdivision 1, clause (a), shall not exceed the amounts hereinafter authorized. If the commission's proposal and the construction contracts referred to in clause (g) of this subdivision provide for the construction of a covered multipurpose sports facility, the principal amount of bonds issued pursuant to subdivision 1, clause (a), shall be limited to \$55,000,000. If the commission's proposal and the construction contracts do not provide for the construction of a cover on a proposed multipurpose sports facility and the commission does not otherwise contract for the construction or acquisition of a cover for the sports facility, the principal amount shall be limited to \$40,000,000. If the site for the facility is in the county of Anoka, no more than \$3,000,000 of additional bonds may be issued for land acquisition, clearance, relocation and legal costs referred to in clauses (d) and (e) of this subdivision in connection with the construction of a multi-purpose stadium. If the commission's proposal and the construction contracts provide for the construction of a new sports facility for football and soccer and for remodeling the existing metropolitan stadium for baseball, the principal amount shall be limited to

\$37,500,000. If the commission's proposal and the construction contracts provide for the reconstruction and remodeling of the existing metropolitan stadium as an uncovered multipurpose sports facility, the principal amount shall be limited to **\$25,000,000 \$46,000,000**. The bonds issued pursuant to subdivision 1, clause (a), shall bear an average annual rate of interest, including discount, not in excess of seven and one-half percent. The proceeds of the bonds issued pursuant to subdivision 1, clause (a), shall be used only for the acquisition and betterment of sports facilities suitable for baseball, football and soccer, with a seating capacity for football and soccer of approximately 65,000 persons. The council shall issue its bonds and construction of sports facilities may commence when the council has made the following determinations:

(a) The commission has executed agreements with major league professional baseball and football organizations to use its sports facilities for all scheduled regular season home games and play-off home games and, in the case of the football organization, for at least one-half of its exhibition games played each season. The agreements shall be for a period of ~~not more than 30 years nor less than the term of the longest term bonds that in the council's judgment it may find it necessary to issue to finance the acquisition and betterment of the commission's sports facilities to be determined by the commission and the organizations and to be set forth in the agreements~~. The agreements shall provide that, in the event of breach of the agreements, the defaulting organization shall pay damages annually to the commission. The annual payment shall be in an amount equal to the annual average of all revenue derived by the commission from attendance at events and activities of the defaulting organization during the years prior to default, provided that the damages shall not exceed in any year an amount sufficient, with other revenues of the commission *but excluding proceeds of the taxes under section 6*, to pay all expenses of operation, maintenance, administration, and debt service for the facilities used by the defaulting organization during the same year. The damages shall be payable during the period from the occurrence of the default to the date on which another major league professional baseball or football organization, replacing the defaulting organization, enters into a use agreement with the commission for not less than the then remaining term of the original agreement. The agreements with the teams shall provide that no closed circuit or pay television broadcasting of events in the sports facility may be allowed without the approval of the commission. The agreements shall include provisions protecting the commission and the council in the event of change in ownership of the professional teams.

(b) The commission has executed agreements with professional baseball and football major leagues which guarantee the continuance of franchises in the metropolitan area for the period of the agreements referred to in clause (a).

(c) The proceeds of bonds provided for in this subdivision will be sufficient, together with other capital funds that may be available to the commission, to construct or remodel and to furnish the sports facilities proposed by the commission, including the appro-

priate professional fees and charges but excluding, except as otherwise provided in this subdivision, the acquisition, clearance, relocation, and legal costs referred to in clauses (d) and (e).

(d) The commission has acquired, without cost to the commission or the council except as provided in this subdivision, title to all real property including all easements and other appurtenances needed for the construction and operation of any proposed sports facilities or has received a grant of funds or has entered into an agreement or agreements sufficient in the judgment of the council to assure the receipt of funds, at the time and in the amount required, to make any payment upon which the commission's acquisition of title and possession of the real property is conditioned.

(e) The commission has received a grant of funds or entered into an agreement or agreements sufficient in the judgment of the council to assure the receipt of funds, at the time and in the amount required, to pay all costs, except as provided in this subdivision, of clearing the real property needed for the construction and operation of any proposed sports facilities of all buildings, railroad tracks and other structures, including without limitation all relocation costs, all utility relocation costs, and all legal costs.

(f) The commission has executed agreements with appropriate labor organizations and construction contractor organizations which provide that no labor strike or management lockout will halt, delay or impede construction.

(g) The commission has executed contracts for the construction of its sports facilities.

(h) The environmental impact statement for the sports facility or facilities has been accepted by the environmental quality board, and the pollution control agency and any other department, agency, or unit of government have taken final action to approve or deny any permits necessary for the sports facility or facilities.

(i) At least 50 percent of the private boxes provided for in the sports facility or facilities are leased for at least five years.

(j) The anticipated revenue from the operation of the sports facility or facilities plus any additional available revenue of the commission *but not including proceeds of the taxes under section 6* will be an amount sufficient to pay when due all debt service plus all operating and maintenance expenses, unless the proposed facility is a covered multipurpose sports facility, in which case the aforementioned revenues need only be an amount sufficient to pay when due all debt service plus a substantial portion of operating and maintenance expense.

(k) The commission has studied and considered the needs of the university of Minnesota for athletic facilities for a prospective 20 year period.

The validity of any bonds issued under subdivision 1, clause (a), and the obligations of the council and commission related thereto, shall not be conditioned upon or impaired by the council's

determinations made pursuant to this subdivision. For purposes of issuing the bonds the determinations made by the council shall be deemed conclusive, and the council shall be and remain obligated for the security and payment of the bonds irrespective of determinations which may be erroneous, inaccurate, or otherwise mistaken.

Sec. 4. Minnesota Statutes 1978, Section 473.581, Subdivision 4, as amended by Laws 1979, Chapter 26, Section 1, is amended to read:

Subd. 4. [SECURITY.] To the extent and in the manner provided in *section sections 6 and 473.595, the taxes described in section 6*, the tax and other revenues of the commission described in section 473.595, and any other revenues of the commission shall be and remain pledged and appropriated for the payment of all necessary and reasonable expenses of the operation, administration, maintenance, and debt service of the commission's sports facilities until all bonds referred to in section 473.564, subdivision 2, and all bonds and certificates issued pursuant to this section are fully paid or discharged in accordance with law. The revenue bonds and interest thereon referred to in section 473.564, subdivision 2, may be refunded, whether at a lower or a higher rate of interest, by the issuance of new bonds pursuant to subdivision 1, clause (b), for the purpose of pledging revenues of the metropolitan sports area for the payment and security of bonds issued hereunder, and the council may provide that a portion of the new bonds shall be payable solely from the interest earnings derived from the investment of the bond proceeds. Until these revenue bonds are fully paid or the council's obligation thereon is discharged in accordance with law they shall be deemed a first and prior charge on those revenues and shall be secured by all provisions of the revenue bond resolution and the ownership and operations agreement. Bonds issued pursuant to this section may be secured by a bond resolution, or by a trust indenture entered into by the council with a corporate trustee within or outside the state, which shall define the tax and other revenues pledged for the payment and security of the bonds. The pledge shall be a valid charge on the tax and other revenues referred to in sections 473.551 to 473.595 from the date when bonds are first issued under the resolution or indenture and shall secure the payment of principal and interest and redemption premiums when due and the maintenance at all times of a reserve securing such payments. No mortgage of or security interest in any tangible real or personal property shall be granted to the bondholders or the trustee, but they shall have a valid security interest in all tax and other revenues received and accounts receivable by the commission or council hereunder, as against the claims of all other persons in tort, contract, or otherwise, irrespective of whether such parties have notice thereof, and without possession or filing as provided in the uniform commercial code or any other law. In the bond resolution or trust indenture the council may make such covenants, which shall be binding upon the commission, as are determined to be usual

and reasonably necessary for the protection of the bondholders. No pledge, mortgage, covenant, or agreement securing revenue bonds may be impaired, revoked, or amended by law or by action of the council or commission, except in accordance with the terms of the resolution or indenture under which the bonds are issued, until the obligations of the council thereunder are fully discharged.

Sec. 5. Minnesota Statutes 1978, Section 473.581, Subdivision 5, as amended by Laws 1979, Chapter 26, Section 1, is amended to read:

Subd. 5. [REVENUE ANTICIPATION CERTIFICATES.] At any time or times after approval by the council and final adoption by the commission of an annual budget of the commission for operation, administration, and maintenance of its sports facilities, and in anticipation of *the proceeds from the tax under section 6 and the revenues of the commission provided for in the budget*, but subject to any limitation or prohibition in a bond resolution or indenture, the council may authorize the issuance, negotiation, and sale, in such form and manner and upon such terms as it may determine, of revenue anticipation certificates. The principal amount of the certificates outstanding shall at no time exceed 25 percent of the total amount of the tax and other revenues anticipated. The certificates shall mature not later than three months after the close of the budget year. Prior to the approval and final adoption of the first annual budget of the commission, the council may authorize up to \$300,000 in revenue anticipation certificates under this subdivision. So much of the anticipated tax and other revenues as may be needed for the payment of the certificates and interest thereon shall be paid into a special debt service fund established for the certificates in the council's financial records. If for any reason the anticipated tax and other revenues are insufficient, the certificates and interest shall be paid from the first tax and other revenues received, subject to any limitation or prohibition in a bond resolution or indenture. The proceeds of the certificates may be used for any purpose for which the anticipated revenues of the commission may be used or for any purpose for which bond proceeds under subdivision 1 may be used, provided that the proceeds of certificates issued after the first issuance of bonds under subdivision 1, clause (a), shall not be used to pay capital costs of sports facilities constructed or remodeled pursuant to sections 473.551 to 473.595.

Sec. 6. Minnesota Statutes 1978, Chapter 473, is amended by adding a section to read:

[473.592] [TAX REVENUES TO SUPPORT SPORTS FACILITY.] *Subdivision 1. [LOCAL SALES TAX.] Upon designation of a site for a sports facility, subject to the provisions of section 1, the governing body of the municipality in which the facility is to be located may elect to impose a sales tax as provided herein. If the governing body of the municipality does not elect to impose the tax, the stadium shall not be located in that municipality. The tax shall be supplemental to the general sales tax imposed in chapter 297A, and may be imposed on the gross receipts from all retail on-sales of intoxicating liquor and fermented malt beverages when*

sold at licensed on-sale liquor establishments and municipal liquor stores located within the municipality, or on the gross receipts from the furnishing for consideration of lodging at a hotel, motel, rooming house, tourist court or trailer camp for a period of less than 30 days, or on both. The tax shall be levied in an amount sufficient together with other revenues available to the commission to produce revenues equal to the payments required for principal and interest on bonds outstanding under section 473.581, subdivision 1 and to meet operating cost deficits. The tax shall be reported and paid to the commissioner of revenue with and as part of the state sales and use taxes, and shall be subject to the same penalties, interest, and enforcement provisions.

Subd. 2. [PROCEEDS; USE.] The collections of the tax, less refunds and a proportionate share of the cost of collection, shall be remitted at least quarterly to the municipality. The commissioner of revenue shall deduct from the proceeds remitted to the municipality an amount that equals the indirect statewide costs as well as the direct and indirect department costs necessary to administer, audit, and collect this tax. The amount deducted shall be deposited in the general fund of the state. The proceeds remitted shall be placed, together with the net revenues of the commission under section 473.595, into the debt service fund or special funds established under section 473.581, subdivisions 4 and 5. Collection of the tax imposed by subdivision 1 shall be suspended at the end of any calendar year upon a determination by the metropolitan council that the balance in the debt service fund, including any reserve fund has reached the sum of \$7,000,000. Collection shall be resumed by the commissioner of revenue at the end of any calendar year upon notice from the metropolitan council that the balance in the debt service fund, including any reserve fund has fallen below an amount sufficient to pay the principal and interest on bonds which will become due within the next succeeding one year period.

Subd. 3. [HENNEPIN COUNTY PROPERTY TAX.] Upon designation of a site pursuant to section 1, the Hennepin County board of commissioners shall enter into an agreement with the council and commission to levy a tax to secure the payment of any bonds issued to finance the construction (or to refund bonds issued to finance the construction) and any revenue anticipation certificates issued for expenses of operation, administration, maintenance, and debt service thereof, as contemplated in section 473.581, subdivisions 3 and 5. The tax shall be levied only in the event the revenues derived from section 473.595 and subdivision 1 are insufficient to meet payment of the principal and interest on the bonds. The tax shall be levied upon all parcels of taxable real estate, including buildings and improvements thereon, which are situated in the county and are devoted to a commercial or industrial use. For the purpose of this subdivision, commercial and industrial property includes all real property in class 4 as described in section 273.13, subdivision 9, except real property and buildings and improvements thereon which are used exclusively to provide residential, nontransient housing, and for functionally related and subordinate purposes. The agreement for the levy of the tax shall be made by resolution of the county board of commissioners before

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

Sec. 7. Pursuant to article VI, section 2 of the Minnesota constitution the supreme court shall have original jurisdiction of any action brought or maintained in which an issue is presented as to the validity of a provision of sections 1 to 6 of this act, and may hear and determine the issue as provided in title V of the rules of civil appellate procedure, after notice given as provided in rule 144.

Sec. 8. This act is effective in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 9. Minnesota Statutes 1978, Section 473.568, is repealed.

Sec. 10. This act is effective the day following final enactment."

Amend the title as follows:

Page 1, line 3, after the semicolon insert "authorizing a revised site determination and establishing conditions for issuance of bonds;"

Page 1, line 5, delete "Sections" and insert "Section" and delete "Subdivision 3" and insert "Subdivisions 2, 3, as amended, 4, as amended, and 5, as amended"

Page 1, delete line 6

Page 1, line 7, delete "subdivision" and insert "Chapter 473, by adding sections"

And when so amended the bill be referred to the Senate without recommendation. Amendments adopted. Report adopted.

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

S. F. No. 529: A bill for an act relating to the city of St. Cloud; authorizing the imposition of a tax on the gross receipts from the furnishing of certain lodging.

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

Page 1, line 13, after "transient" insert ", other than the renting or leasing thereof for a continuous period of 30 days or more"

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

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

S. F. No. 1006: A bill for an act relating to the Eastern Itasca and Greenway Joint Recreation Boards; regulating their tax levies.

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

Page 1, line 21, after "that the" insert "revised national"

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

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

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.

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

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

S. F. No. 831: A bill for an act relating to the Hennepin county park reserve district; regulating tax levies; amending Laws 1967, Chapter 721, Section 2, as amended.

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

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

S. F. No. 519: A bill for an act relating to shade tree disease control; authorizing grants for municipal shade tree removal and reforestation programs; appropriating money; amending Minnesota Statutes 1978, Sections 18.023, Subdivisions 1 and 3a; and 275.50, Subdivision 6.

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

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

S. F. No. 1393: A bill for an act relating to the city of McGregor; authorizing the issuance of bonds for the acquisition and betterment of a municipal fire hall and community center.

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

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

S. F. No. 315: A bill for an act relating to education; providing that the early retirement incentive be paid at the time and in the manner agreed upon by a teacher and the board of the employing school district; amending Minnesota Statutes 1978, Section 125.61, Subdivision 4.

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

Delete everything after the enacting clause and insert:

“ARTICLE I

FOUNDATION AID PROGRAM

Section 1. Minnesota Statutes 1978, Section 124.17, Subdivision 1, is amended to read:

124.17 [DEFINITION OF PUPIL UNITS.] Subdivision 1. Pupil units for each resident pupil in average daily membership shall be counted as follows:

(1) In an elementary school:

(a) For handicapped pre-kindergarten pupils, as defined in section 120.03, enrolled in programs approved by the commissioner, one-half pupil unit;

(b) For kindergarten pupils enrolled in one-half day sessions throughout the school year or the equivalent thereof, one-half pupil unit; and

(c) For other elementary pupils, one pupil unit.

(2) In secondary schools, one and four-tenths pupil units. Pupils enrolled in the seventh and eighth grades of any school shall be counted as secondary pupils.

(4) To meet the problems of educational overburden caused by broken homes, poverty and low income, each pupil in clauses (1) and (2) from families receiving aid to families with dependent children or its successor program who is enrolled in the school district on October 1 shall be counted as an additional five-tenths pupil unit. By March 1 of each year the department of public welfare shall certify to the department of education, and to each school district to the extent the information pertains to it, that information concerning children from families with dependent children who were enrolled in the school district on the preceding October 1 which is necessary to calculate pupil units. Additional

aids to a district for such pupils may be distributed on a delayed basis until the department of education publicly certifies that the information needed for paying such aids is available on such a timely basis that such aids may be paid concurrently with other foundation aids.

(5) In every district where the number of pupils from families receiving aid to families with dependent children or its successor program exceeds five percent of the total actual pupil units in the district for the same year, as computed in clauses (1) and (2), each such pupil shall be counted as an additional one-tenth of a pupil unit for each percent of concentration over five percent of such pupils in the district. The percent of concentration shall be rounded down to the nearest whole percent for purposes of this clause, provided that in districts where the percent of concentration is less than six, no additional pupil units shall be counted under this clause for pupils from families receiving aid to dependent children or its successor program and provided further that no such pupil shall be counted as more than one and one-tenth additional pupil units pursuant to clauses (4) and (5). Such weighting shall be in addition to the weighting provided in clauses (1), (2), (3), and (4). School districts are encouraged to allocate a major portion of the aids that they receive on account of clauses (4) and (5) to primary grade programs and services, particularly to programs and services that involve participation of parents. Each district receiving aids on account of both clauses (4) and (5) shall establish and maintain accounts separate from all other district accounts for the receipt and disbursement of all such aids received.

(6) Where the total pupil units of a district are used as a multiplier in determining foundation aids and spending and levy limitations and where the actual number of pupil units has decreased from the prior year, the number of pupil units shall equal the greater of (a) the quotient obtained when the sum of the numbers of actual pupil units in the district for the two prior years and the current year and one quarter of the number of actual pupil units in the district for the third prior year, is divided by 3.25 or (b) the number of actual pupil units for the current year increased by .6 times the difference between the actual pupil units for the prior year and the current year. Only pupil units as computed in clauses (1) and (2) shall be included for purposes of computations made pursuant to this clause. A district shall base its count of pupil units on the greater number obtained from either subclause (a) or (b) of this clause. Only pupil units as computed in clauses (1) and (2) shall be included for purposes of the computation made pursuant to this clause.

(a) Where the total pupil units of a district are used as a multiplier in determining foundation aids and spending and levy limitations and where the actual number of pupil units is less than the average of actual pupil units in the district for the three prior years and the current year, the number of pupil units shall equal the average of actual pupil units for three prior years and the current year.

(b) Where the total pupil units of a district are used as a multiplier in determining foundation aids and spending and levy limitations and where the actual number of pupil units has decreased from the prior year, the number of pupil units shall equal the number of actual pupil units for the current year increased by .6 times the difference between the actual pupil units for the prior year and the current year.

(7) In districts maintaining classified secondary schools where the actual number of pupils units has increased from the prior year by two percent or more, the additional pupil units over the prior year, as computed in clauses (1) and (2), shall be multiplied times one-tenth for each percent of increase over the prior year and a number of pupil units equal to the product shall be added to the other units for the district. The percent of increase shall be rounded up to the next whole percent for purposes of this clause, provided that in districts where the percent of increase is less than two, no additional pupil units shall be added to the other units for the district and provided further that the number of pupil units of increase over the prior year shall under no circumstances be multiplied by more than five-tenths.

(8) Only pupil units in clauses (1) and (2) shall be used in computing adjusted maintenance cost per pupil unit.

(9) A district shall base its count of pupil units on the greater number obtained from clauses (1) and (2) or the greater number obtained from either clause (6) or (7).

Sec. 2. Minnesota Statutes 1978, Section 124.19, is amended by adding a subdivision to read:

Subd. 2. In an elementary school where the number of instructional hours in the school day is greater than the number of instructional hours prescribed in the rules of the state board for the school day, the excess number of instructional hours for those days may be calculated to fulfill the requirements of subdivision 1, provided that the school is in session for not less than 160 days during the school year, and provided that no instructional hours are included from half-day sessions or any school day which has less instructional hours than the number of instructional hours prescribed in the rules of the state board.

Sec. 3. Minnesota Statutes 1978, Section 124.20 is amended to read:

124.20 [EDUCATION; STATE AID; SUMMER SCHOOL AND FLEXIBLE SCHOOL YEAR CLASSES.] Foundation aid for (1) summer school classes which are not a part of the regular school term in hospitals, sanatoriums, and home instruction programs, (2) inter-session classes of flexible school year programs, and (3) summer school classes in elementary and secondary schools, and ~~(4) summer school instruction in teachers college laboratory schools or in the university laboratory school,~~ shall be paid at a proportionate rate for foundation aids paid but not less than 50 percent of the foundation aid formula allowance for the preceding regular school year; provided that no district shall re-

ceive aid for programs under this section in an amount greater than its actual expenditures for these programs; provided further, that for purposes of computing summer school foundation aid, a district's foundation aid for the regular school year shall be reduced by the amount of the agricultural tax credit included in that foundation aid.

Sec. 4. Minnesota Statutes 1978, Section 124.212, Subdivision 1, is amended to read:

124.212 [FOUNDATION AID.] Subdivision 1. The foundation aid program for school districts for school years ~~1977-1978~~ 1979-1980 and 1978-1979 1980-1981 shall be governed by the terms and provisions of this section.

Sec. 5. Minnesota Statutes 1978, Section 124.212, Subdivision 6c, is amended to read:

Subd. 6c. For the 1979-1980 school year a district shall receive in foundation aid ~~\$1,155~~ \$1,182 per pupil unit less 27 mills times the 1977 adjusted assessed valuation of the district, plus the amount of the agricultural tax credit by which 1978 payable 1979 property taxes in the district are reduced pursuant to section 273.132.

Sec. 6. Minnesota Statutes 1978, Section 124.212, Subdivision 7c, is amended to read:

Subd. 7c. For the 1980-1981 school year a district shall receive in foundation aid ~~\$1,220~~ \$1,265 per pupil unit less 27 22 mills times the 1978 adjusted assessed valuation of the district, plus the amount of the agricultural tax credit by which 1979 payable 1980 property taxes in the district are reduced pursuant to section 273.132.

Sec. 7. Minnesota Statutes 1978, Chapter 124, is amended by adding a section to read:

[124.224] [SPARSITY AID.] Subdivision 1. *The sparsity aid allowance program for school years 1979-1980 and 1980-1981 shall be governed by the terms and provisions of this section.*

Subd. 2. [DEFINITIONS.] *As used in this section, the terms defined in this subdivision have the meanings given them.*

(a) "High school" means a secondary school, as defined in Minnesota Statutes, Section 120.05, Subdivision 2, Clause (3), which enrolls pupils in each of grades ten, eleven and twelve.

(b) "Secondary average daily membership" means the following:

(i) In a school district with only one high school, secondary average daily membership means the average daily membership of resident pupils in grades seven through twelve, as defined in section 124.17, subdivision 2.

(ii) In a school district with more than one high school, secondary average daily membership for a high school means the average daily membership of resident secondary pupils enrolled in the high school, as defined in section 124.17, subdivision 2, plus the average

daily membership of resident pupils in grades 7, 8 and 9 attending public school who are not currently enrolled in that high school but who would ordinarily progress to grades 10, 11 and 12 in that high school.

(c) "Attendance area" means the quotient of the total surface area of a district divided by the number of high schools in the district.

(d) "Isolation index" means the sum of:

(i) The distance in miles measured by the usual traveled routes between a particular high school in a district and the nearest other high school, plus

(ii) The square root of one-half the attendance area.

(e) "Qualifying high school" means a high school with an isolation index of greater than 18 and with secondary average daily membership of less than 500 in the year for which the aid is to be paid.

Subd. 3. [QUALIFICATION.] To qualify for aid under this section, a district must have at least one qualifying high school.

Subd. 4. [COMPUTATION.] A district which qualifies for aid under this section shall receive an amount of aid equal to the sum of the amounts determined by computing the following product for each qualifying high school in the district:

(a) 93 percent of the foundation aid formula allowance for the school year, multiplied by

(b) The secondary average daily membership, multiplied by

(c) The quotient obtained by dividing (1) the remainder of 500 minus the secondary average daily membership by (2) the sum of 500 plus the secondary average daily membership, multiplied by

(d) The quotient obtained by dividing (1) the remainder of the isolation index minus 18 by (2) the isolation index.

Subd. 4a. [ISOLATED ELEMENTARY SCHOOLS.] Any school district which operates an elementary school, as defined in Minnesota Statutes, Section 120.05, Subdivision 2, enrolling fewer than 20 pupils, and which is at least 50 miles by the most direct paved roads from the nearest other Minnesota elementary school, shall receive an amount equal to the foundation aid formula allowance times the number of pupils enrolled in that school in addition to all other aids the district is entitled to pursuant to chapter 124.

Subd. 5. [AID PAYMENTS.] The aid in this section shall be in addition to all other aids a school district receives. The aid payments in this section shall be paid to a district pursuant to section 124.11.

Subd. 6. [DUTIES OF DEPARTMENT OF EDUCATION.] The department of education shall determine the measurement and calculation of the isolation index and all other data necessary to implement this section.

Sec. 8. Minnesota Statutes 1978, Section 275.125, Subdivision 2a, is amended to read:

Subd. 2a. (1) In ~~1977~~ 1979, a school district may levy for all general and special school purposes, an amount equal to the amount raised by ~~28 22~~ mills times the ~~1976~~ 1978 adjusted assessed valuation of the district.

(2) In ~~1978~~ 1980, a school district may levy for all general and special school purposes, an amount equal to the amount raised by ~~27 21~~ mills times the ~~1977~~ 1979 adjusted assessed valuation of the district.

(3) For any district levying less than 95 percent of the maximum levy allowable in clauses (1) and (2), beginning with the levy certified in 1978, payable in 1979, the foundation aid to the district for the 1979-1980 school year, and for subsequent levies, foundation aid for subsequent school years, calculated pursuant to section 124.212, shall be reduced to an amount equal to the ratio between the actual levy and the maximum levy allowable under clauses (1) and (2) times the foundation aid to which the district is otherwise entitled for that year. For purposes of computations pursuant to this clause, the maximum levy allowable and the actual levy under clauses (1) and (2) shall be increased by any reduction of this levy which is required by section 275.125, subdivision 9 or any other law.

(4) (a) The levy authorized by clauses (1) or (2) may be increased in any amount which is approved by the voters of the district at a referendum called for the purpose. Such a referendum may be called by the school board or shall be called by the school board upon written petition of qualified voters of the district. The referendum shall be held on a date set by the school board. Only one such election may be held to approve a levy increase which will commence in a specific school year. The question on the ballot shall state the maximum amount of the increased levy in mills, the amount that will be raised by that millage in the first year it is to be levied, and that the millage shall be used to finance school operations. The question may designate a specific number of years for which the referendum authorization shall apply. If approved, the amount provided by the approved millage applied to each year's taxable valuation shall be authorized for certification for the number of years approved, if applicable, or until revoked by the voters of the district at a subsequent referendum.

(b) A referendum on the question of revoking the increased levy amount authorized pursuant to clause (a) of this clause may be called by the school board and shall be called by the school board upon the written petition of qualified voters of the district. The amount approved by the voters of the district pursuant to clause (a) of this clause must be levied at least once before it is subject to a referendum on its revocation for subsequent years. Only one such revocation election may be held to revoke a levy for any specific year and for years thereafter.

(c) A petition authorized by clauses (a) or (b) of this clause shall be effective if signed by a number of qualified voters in

excess of 15 percent, or 10 percent if the school board election is held in conjunction with a general election, of the average number of voters at the two most recent district wide school elections. A referendum invoked by petition shall be held within three months of submission of the petition to the school board.

(d) Notwithstanding any law to the contrary, the approval of 50 percent plus one of those voting on the question is required to pass a referendum.

(e) Within 30 days after the district holds a referendum pursuant to this clause, the district shall notify the commissioner of education of the results of the referendum.

Sec. 9. [REPEALER.] *Minnesota Statutes 1978, Section 124.212, Subdivisions 6b and 7b are repealed.*

Sec. 10. [DEFICIENCY APPROPRIATION.] *There is appropriated from the general fund to the department of education the sum of \$1,155,000 for a deficiency in fiscal year 1979 for 1978 summer school programs.*

Sec. 11. [APPROPRIATIONS.] *Subdivision 1. There is appropriated from the general fund to the department of education the sums indicated in this section for the fiscal years ending June 30 in the years designated.*

Subd. 2. [FOUNDATION AID.] *For foundation aid there is appropriated:*

\$640,740,000 1980,

This amount includes \$58,600,000 for aid for fiscal year 1979 payable in fiscal year 1980, and \$582,140,000 for aid for fiscal year 1980 payable in fiscal year 1980.

\$696,530,000 1981.

This amount includes \$60,000,000 for aid for fiscal year 1980 payable in fiscal year 1981, and \$636,530,000 for aid for fiscal year 1981 payable in fiscal year 1981.

Subd. 3. [SUMMER SCHOOL.] *For state aid for summer school there is appropriated:*

\$11,760,000 1980,

This amount is for 1979 summer school programs.

\$12,620,000 1981.

This amount is for 1980 summer school programs.

Subd. 4. [SPARSITY AID.] *For sparsity aid pursuant to section 7 of this article there is appropriated:*

\$1,547,000 1980,

\$1,903,000 1981.

(a) *The appropriation in this subdivision for fiscal year 1981 includes an amount not to exceed \$170,500 for the payment of the final sparsity aid distribution for fiscal year 1980, and \$1,719,500 for aid for fiscal year 1981, payable in fiscal year 1981.*

Subd. 5. [EDUCATIONAL PROGRAMS THROUGH GRADE THREE.] *The legislature recognizes the importance of the early*

years of learning to the child and to society. This appropriation shall provide additional resources for educational programs before grade four. For aid pursuant to this subdivision there is appropriated \$2,000,000 for the biennium ending June 30, 1981.

Subd. 6. Any unexpended balance remaining from the appropriation in this section for 1980 shall cancel and shall not be available for the second year of the biennium. None of the amounts appropriated in this section shall be expended for a purpose other than the purpose indicated. If the appropriation amounts in subdivisions 4 and 5 attributable to either year for the purpose indicated is insufficient, the aid for that year shall be prorated among all qualifying districts and the state shall not be obligated for any amount in excess of the appropriations in this section for these purposes.

ARTICLE II

TRANSPORTATION AID PROGRAM

Sec. 1. Minnesota Statutes 1978, Section 120.17, Subdivision 4 is amended to read:

Subd. 4. [SPECIAL INSTRUCTIONS FOR NON-RESIDENT CHILDREN.] When a school district provides instruction and services outside the district of residence, ~~transportation or board and lodging, and any tuition to be paid, shall be paid by the district of residence. Transportation costs shall be paid by the district providing the transportation, and the state shall reimburse the district within the limits provided by law.~~ The tuition rate to be charged for any handicapped child shall be the actual cost of providing special instruction and services to the child including a proportionate amount for capital outlay and debt service minus the amount of special aid for handicapped children received on behalf of that child. If the boards involved do not agree upon the tuition rate, either board may apply to the commissioner to fix the rate. The commissioner shall then set a date for a hearing, giving each board at least ten days' notice, and after the hearing the commissioner shall make his order fixing the tuition rate, which shall be binding on both school districts.

For the purposes herein, any school district may enter into an agreement, upon such terms and conditions as may be mutually agreed upon, to provide special instruction and services for handicapped children. In that event, one of the participating units may employ and contract with necessary qualified personnel to offer services in the several districts, and each participating unit shall reimburse the employing unit a proportionate amount of the actual cost of providing the special instruction and services, less the amount of state special education aid, which shall be claimed in full by the employing district.

Sec. 2. Minnesota Statutes 1978, Section 120.17, Subdivision 6, is amended to read:

Subd. 6. [PLACEMENT IN ANOTHER DISTRICT; RESPONSIBILITY.] The responsibility for special instruction and

services for a handicapped child temporarily placed in another district for care and treatment shall be determined in the following manner:

(a) The school district of residence of such a child shall be the district in which his parent resides, if living, or his guardian, or the district designated by the commissioner of education if neither parent nor guardian is living within the state.

(b) The district providing the instruction shall maintain an appropriate educational program for such a child and shall bill the district of the child's residence for the actual cost of providing the program, as outlined in subdivision 4, except that the board, lodging, and treatment costs incurred in behalf of a handicapped child placed outside of the school district of his residence by the commissioner of public welfare or the commissioner of corrections or their agents, for reasons other than for making provision for his special educational needs shall not become the responsibility of either the district providing the instruction or the district of the child's residence.

(c) The district of residence shall pay tuition and other program costs to the district providing the instruction and the district of residence may claim foundation aid for the child as provided by law. Special transportation costs shall be paid by the district of the child's residence providing the transportation and the state shall reimburse the district for such costs within the limits set forth in section 124.32, subdivision 3 provided by law.

Sec. 3. Minnesota Statutes 1978, Chapter 124, is amended by adding a section to read:

[124.224] [TRANSPORTATION AID ENTITLEMENT.]
Subdivision 1. [DEFINITIONS.] (a) "FTE" means each transported authorized full time equivalent student. (b) "Total authorized cost" includes all authorized transportation expenditures in section 124.223. (c) "Total authorized predicted cost" is based on all authorized transportation expenditures in section 124.223 and includes an amount equal to 12½ percent of the original cost of the district's bus fleet as of July 1 of each year plus 33⅓ percent of the cost to the district as of July 1 of each year for school bus reconditioning done by the department of corrections.

Subd. 2. For the 1979-1980 school year, the state shall pay to each school district for all pupil transportation and related services which the district is authorized by law to receive state aid an amount determined according to a linear regression formula for each planning region determined by the department of education to be within the appropriated amount and to maximize the amount of variance accounted for between the total actual authorized cost per FTE for the 1977-1978 school year and the formula predicted amount for the 1977-1978 school year. This amount shall be adjusted according to the provisions of subdivisions 5 and 7.

Subd. 3. For the 1980-1981 school year the state shall pay to each school district for all pupil transportation and related services which the district is authorized by law to receive state aid an

amount determined according to a linear regression formula determined by the department of education to be within the appropriated amount and to maximize the amount of variance accounted for between the total actual authorized cost per FTE for the 1978-1979 school year and the formula predicted amount for the 1978-1979 school year. This amount shall be adjusted according to the provisions of subdivisions 6 and 7.

Subd. 4. To predict the natural logarithm of the total authorized cost per FTE transported authorized by law, the linear regression formula shall use the variables and all cross products of the following logarithmic terms:

(1) The natural logarithm of 1.00 divided by the total authorized FTE transported;

(2) The natural logarithm of the sum of 100 plus the difference between the state average of the square root of the regular and summer school authorized FTE transported per square mile minus the square root of the regular and summer FTE transported per square mile;

(3) The natural logarithm of the ratio of regular and summer school authorized FTE transported to the district's total average daily membership;

(4) The natural logarithm of regular and summer school authorized FTE transported per square mile;

(5) The natural logarithm of the district's average daily membership;

(6) The natural logarithm of the size of the district measured in square miles; and

(7) The natural logarithm of the total FTE transported by the district authorized for aid pursuant to section 124.223 minus the regular and summer school authorized FTE transported.

Subd. 5. The amount predicted per FTE in subdivision 2 for 1977-1978 shall be increased by 17 percent. This amount shall be a district's basic aid for the 1979-1980 school year.

Subd. 6. The amount predicted per FTE in subdivision 3 for 1978-1979 shall be increased by 17 percent. This amount shall be a district's basic aid for the 1980-1981 school year.

Subd. 7. (A) For each school year the department shall apply the formula in subdivision 4 as adjusted by subdivision 5 or 6 to the actual number of FTE transported in each district. The amount predicted by the formula for that year shall then be compared to the total actual expenditure per FTE for authorized transportation for each district for that year.

(B) The comparison in clause (A) shall be used to determine the total aid entitlement for a district.

(C) If the predicted amount is greater than the district's actual expenditure per FTE, its aid entitlement shall equal the predicted

amount minus 10 percent of the first \$10 of difference between the predicted amount and the actual expenditure; minus 20 percent of the next \$20; minus 40 percent of the next \$20; minus 60 percent of the next \$50; and minus 75 percent of the difference which exceeds \$100.

(D) If the predicted amount is less than the district's actual authorized expenditure per FTE, its aid entitlement shall equal the predicted amount plus 10 percent of the first \$10 of difference between the predicted amount and the actual expenditure; plus 20 percent of the next \$20; plus 40 percent of the next \$20; plus 60 percent of the next \$50; and plus 75 percent of the difference which exceeds \$100.

(E) The aid a district receives pursuant to this subdivision shall be reduced by the amount raised by one mill times the adjusted assessed valuation which is used to compute the transportation levy limitation for the corresponding aid year.

(F) Before August 15 of each year, districts shall provide the department with the information from the previous school year the department determines is necessary to compute the final transportation payment.

Subd. 8. (A) Each district shall report to the department before July 1 of each year an estimate for the next school year of the total number of FTE transported by category and an estimate of the district's total authorized cost.

(B) The department shall determine an estimated total authorized cost per FTE for each district. The department shall compare the basic aid amount predicted according to the formula in subdivision 4 for the appropriate year with the total estimated authorized cost per FTE for authorized transportation for each district for that year.

(C) If the predicted basic aid amount for that year is greater than the estimated authorized cost per FTE, the amount a district receives for that year shall equal the predicted basic aid amount minus 10 percent of the first \$10 of difference between the estimated authorized cost per FTE and the predicted basic aid amount minus 20 percent of the next \$20; minus 40 percent of the next \$20; minus 60 percent of the next \$50; and minus 75 percent of the amount which exceeds \$100.

(D) If the predicted basic aid amount for that year is less than the estimated authorized cost per FTE, the amount a district receives shall equal the predicted basic aid amount for that year plus 10 percent of the first \$10 of difference between the estimated authorized cost per FTE and the predicted basic aid amount plus 20 percent of the next \$20; plus 40 percent of the next \$20; plus 60 percent of the next \$50; and plus 75 percent of the amount which exceeds \$100.

(E) The aid a district receives pursuant to this subdivision shall be reduced by the amount raised by one mill times the adjusted assessed valuation which is used to compute the transportation levy limitation for the corresponding aid year.

Subd. 9. Any school district which owns school buses shall transfer annually from its transportation fund to its bus purchase fund an amount equal to 12½ percent of the original cost of each bus until the original cost of each bus is fully amortized plus 33⅓ of the cost to the district as of July 1 of each year for school bus reconditioning done by the department of corrections. Any school district may transfer any amount from its transportation fund to its bus purchase fund.

Sec. 4. Minnesota Statutes 1978, Section 124.222, Subdivision 3, is amended to read:

Subd. 3. [PAYMENT SCHEDULE.] Except as may be otherwise authorized by the commissioner to accommodate a flexible school year program, the state shall pay to each school district 30 percent of its estimated school transportation aid entitlement for the fiscal year on or before each of the following dates: August 31, December 31, and March 31. The amount of transportation aid for school bus depreciation shall be paid on or before September 30. The final aid distribution to each district shall be made on or before October 31 of the following fiscal year.

Sec. 5. [REPEALER.] *Minnesota Statutes 1978, Section 124.222, Subdivisions 1a, 1b, 2a, 2b and 6 are repealed.*

Sec. 6. [APPROPRIATIONS.] *Subdivision 1. There is appropriated from the general fund to the department of education the sums indicated in this section for the fiscal years ending June 30 in the years designated.*

Subd. 2. [TRANSPORTATION AID.] *For transportation aid there is appropriated:*

\$89,138,000 1980

This amount includes \$7,600,700 for aid for fiscal year 1979 payable in fiscal year 1980, and \$81,537,300 for aid for fiscal year 1980 payable in fiscal year 1980.

\$92,502,000 1981

This amount includes \$9,000,000 for aid for fiscal year 1980 payable in fiscal year 1981.

Subd. 3. *Any unexpended balance remaining from the appropriation in this section for 1980 shall cancel and shall not be available for the second year of the biennium. None of the amounts appropriated in this section shall be expended for a purpose other than the purpose indicated.*

ARTICLE III

SPECIAL AND COMPENSATORY EDUCATION AID

Section 1. Minnesota Statutes 1978, Section 120.17, Subdivision 3b, is amended to read:

Subd. 3b. [PROCEDURES FOR DECISIONS.] Every district shall utilize at least the following procedures for decisions in-

volving identification, assessment and educational placement of handicapped children:

(a) Parents and guardians shall receive prior written notice of: (1) any proposed formal educational assessment of their child; (2) a proposed placement of their child in, transfer from or to or denial of placement in a special education program; or (3) the proposed provision, addition, denial or removal of special education services for their child;

(b) Parents and guardians shall have an opportunity to meet with appropriate district staff in at least one conciliation conference if they object to any proposal of which they are notified pursuant to clause (a);

(c) Parents and guardians shall have an opportunity to obtain an informal due process hearing initiated and conducted in the school district where the child resides, if after at least one conciliation conference the parent or guardian continues to object to: (1) a proposed formal educational assessment of their child; (2) the proposed placement of their child in, or transfer of their child to a special education program; (3) the proposed denial of placement of their child in a special education program or the transfer of their child from a special education program; (4) the proposed provision or addition of special education services for their child; or (5) the proposed denial or removal of special education services for their child.

At the option of the school board, The hearing shall take place either before the school board; or ~~(1) its designee, (2) a person mutually agreed to by the school board and the parent or guardian, or (3) , if they are unable to reach agreement, before a person appointed by the commissioner. A decision pursuant to (1), (2), or (3) shall be subject to review by the school board within ten days at its option. No member of the school board of the district where the child resides or of the child's school district of residence or no employee of the school district or of either district, if the two districts are different, shall preside at the hearing. The proceedings shall be recorded and preserved, at the expense of the school district, pending ultimate disposition of the action.~~

(d) Within five 45 days of receipt of a written request for a hearing or review pursuant to clause (c), the person or persons conducting the hearing or review shall issue a local decision which shall be binding on all parties unless appealed to the commissioner by the parent, or guardian or school board pursuant to clause (e).

The local decision shall:

- (1) be in writing;
- (2) state the controlling facts upon which the decision is made in sufficient detail to apprise the parties and the commissioner of the basis and reason for the decision;
- (3) state whether the special education program or special education services appropriate to the child's needs can be reason-

ably provided within the resources available to the responsible district or districts;

(4) state the amount and source of any additional district expenditure necessary to implement the decision; and

(5) be based on the standards set forth in subdivision 3a and the rules of the state board.

(e) Any local decision issued pursuant to clauses (c) and (d) may be appealed to the commissioner within 15 days of receipt of that written decision, by the parent, or guardian or school board. The parent, guardian or school board shall *may* be a party to any appeal.

If the decision is appealed, a written transcript of the hearing shall be made by the school district and shall be accessible to the parties involved within five days of the filing of the appeal. However, for appeals of local decisions issued by school boards or their designees concerning proposals set forth in clause (e) (1), (2), and (4), no written transcript shall be made if the parent or guardian requests a chapter 15 due process hearing pursuant to this clause at the time the appeal is filed. The commissioner shall issue a final decision based on a review of the local decision and the entire record within 30 days after receipt of the local decision and the transcript. However, in appeals of local decisions issued by school boards or their designees concerning proposals set forth in clause (e) (1), (2) and (4), a parent or guardian may, at the time the appeal is filed, request a due process hearing conducted pursuant to the provisions of chapter 15. In that case the commissioner shall issue a final decision within 30 days after that hearing and the final decision shall be based on the report of the hearing examiner.

The final decision shall:

(1) be in writing;

(2) include findings and conclusions; and

(3) be based upon the standards set forth in subdivision 3a and in the rules of the state board.

(f) The decision of the commissioner shall be final unless appealed by the parent or guardian or school board to the district court of the county in which the school district in whole or in part is located. The scope of judicial review shall be as provided in chapter 15.

(g) The child's school district of residence, if different from the district where the child actually resides, shall receive notice of and may be a party to any hearings or appeals pursuant to this subdivision.

Sec. 2. Minnesota Statutes 1978, Section 120.17, Subdivision 7a, is amended to read:

Subd. 7a. [ATTENDANCE AT SCHOOL FOR THE HANDICAPPED.] Responsibility for special instruction and services for a visually disabled or hearing impaired child attending the Min-

nesota school for the deaf or the Minnesota braille and sight-saving school shall be determined in the following manner:

(a) The legal residence of the child shall be the school district in which his parent or guardian resides.

(b) When it is determined pursuant to section 128A.05, subdivisions 1 or 2 that the child is entitled to attend either school, the state board shall provide the appropriate educational program for the child. The state board shall make a tuition charge to the child's district of residence for the actual cost of providing the program; provided, however, that the amount of tuition charged shall not exceed \$2,000 \$2,500 for *any an entire school year or a pro-rated amount based on the number of days of attendance of the child if less than an entire school year*. The district of the child's residence shall pay the tuition and may claim foundation aid for the child. All tuition so received shall be deposited in the state treasury.

(c) When it is determined that the child can benefit from public school enrollment but that the child should also remain in attendance at the applicable school, the school district where the institution is located shall provide an appropriate educational program for the child and shall make a tuition charge to the state board for the actual cost of providing the program, less any amount of aid received pursuant to section 124.32. The state board shall pay the tuition and other program costs including the unreimbursed transportation costs. Aids for handicapped children shall be paid to the district providing the special instruction and services. Special transportation shall be provided by the district providing the educational program and the state shall reimburse such district within the limits provided by law;

(d) Notwithstanding the provisions of clauses (b) and (c), the state board may agree to make a tuition charge for less than the amount specified in clause (b) for pupils attending the applicable school who are residents of the district where the institution is located and who do not board at the institution, if that district agrees to make a tuition charge to the state board for less than the amount specified in clause (c) for providing appropriate educational programs to pupils attending the applicable school.

(e) Notwithstanding the provisions of clauses (b) and (c), the state board may agree to supply staff from the Minnesota School for the Deaf and the Minnesota Braille and Sight-Saving School to participate in the programs provided by the district where the institutions are located when the programs are provided to students in attendance at the state schools.

Sec. 3. Minnesota Statutes 1978, Section 124.17, Subdivision 1, is amended to read:

124.17 [DEFINITION OF PUPIL UNITS.] Subdivision 1. Pupil units for each resident pupil in average daily membership shall be counted as follows:

(1) In an elementary school:

(a) For each handicapped pre-kindergarten pupils and each handicapped kindergarten pupil, as defined in section 120.03, enrolled in programs approved by the commissioner, ~~one-half pupil unit~~ *a number of pupil units equal to the ratio of the number of hours of education services in the school year required by the pupil's individual education program plan developed pursuant to the rules of the state board, to 875, but not more than one pupil unit;*

(b) For kindergarten pupils enrolled in one-half day sessions throughout the school year or the equivalent thereof, one-half pupil unit; and

(c) For other elementary pupils, one pupil unit.

(2) In secondary schools, one and four-tenths pupil units. Pupils enrolled in the seventh and eighth grades of any school shall be counted as secondary pupils.

(4) To meet the problems of educational overburden caused by broken homes, poverty and low income, each pupil in clauses (1) and (2) from families receiving aid to families with dependent children or its successor program who is enrolled in the school district on October 1 shall be counted as an additional five-tenths pupil unit. By March 1 of each year the department of public welfare shall certify to the department of education, and to each school district to the extent the information pertains to it, that information concerning children from families with dependent children who were enrolled in the school district on the preceding October 1 which is necessary to calculate pupil units. Additional aids to a district for such pupils may be distributed on a delayed basis until the department of education publicly certifies that the information needed for paying such aids is available on such a timely basis that such aids may be paid concurrently with other foundation aids.

(5) In every district where the number of pupils from families receiving aid to families with dependent children or its successor program exceeds five percent of the total actual pupil units in the district for the same year, as computed in clauses (1) and (2), each such pupil shall be counted as an additional one-tenth of a pupil unit for each percent of concentration over five percent of such pupils in the district. The percent of concentration shall be rounded down to the nearest whole percent for purposes of this clause, provided that in districts where the percent of concentration is less than six, no additional pupil units shall be counted under this clause for pupils from families receiving aid to dependent children or its successor program and provided further that no such pupil shall be counted as more than one and one-tenth additional pupil units pursuant to clauses (4) and (5). Such weighting shall be in addition to the weighting provided in clauses (1), (2), (3), and (4). School districts are encouraged to allocate a major portion of the aids that they receive on account of clauses (4) and (5) to primary grade programs and services, particularly to programs and services that involve participation of parents. Each district receiving aids on account of both clauses

(4) and (5) shall establish and maintain accounts separate from all other district accounts for the receipt and disbursement of all such aids received.

(6) Where the total pupil units of a district are used as a multiplier in determining foundation aids and spending and levy limitations and where the actual number of pupil units has decreased from the prior year, the number of pupil units shall equal the greater of (a) the quotient obtained when the sum of the numbers of actual pupil units in the district for the two prior years and the current year and one quarter of the number of actual pupil units in the district for the third prior year, is divided by 3.25 or (b) the number of actual pupil units for the current year increased by .6 times the difference between the actual pupil units for the prior year and the current year. Only pupil units as computed in clauses (1) and (2) shall be included for purposes of computations made pursuant to this clause.

(7) In districts maintaining classified secondary schools where the actual number of pupil units has increased from the prior year by two percent or more, the additional pupil units over the prior year, as computed in clauses (1) and (2), shall be multiplied times one-tenth for each percent of increase over the prior year and a number of pupil units equal to the product shall be added to the other units for the district. The percent of increase shall be rounded up to the next whole percent for purposes of this clause, provided that in districts where the percent of increase is less than two, no additional pupil units shall be added to the other units for the district and provided further that the number of pupil units of increase over the prior year shall under no circumstances be multiplied by more than five-tenths.

(8) Only pupil units in clauses (1) and (2) shall be used in computing adjusted maintenance cost per pupil unit.

Sec. 4. Minnesota Statutes 1978, Section 126.39, Subdivision 10, is amended to read:

Subd. 10. [REPORT.] The state board shall make a report to the legislature, the governor and the public on or before September 1, 1979 February 1, 1980. This report shall include the results of the needs assessment, including an evaluation of the pilot programs, the number of children served in programs for each language group; the cost of the program per pupil for each pilot program language group, and program type; the number of children in each school district, language group and program type who, as a result of the bilingual education program, improved their English language ability to such an extent that the program is no longer necessary for those children; and recommendations for legislation including any need for expansion and accompanying plans and cost estimates in the areas of bilingual education.

Sec. 5. Minnesota Statutes 1978, Section 126.40, Subdivision 3, is amended to read:

Subd. 3. [TERMS.] The advisory task force shall expire and The terms, compensation, and removal of members of the advisory task

force shall be as provided for in section 15.059, subdivision 6. Notwithstanding the provisions of section 15.059, subdivision 6, the advisory task force shall expire June 30, 1980.

Sec. 6. Minnesota Statutes 1978, Section 126.41, Subdivision 1, is amended to read:

126.41 [PILOT PROGRAMS.] Subdivision 1. [GRANTS, PROCEDURES.] For fiscal years 1978, and 1979, and 1980 as part of the needs assessment effort, the state board of education shall make grants to no fewer than three transitional bilingual education programs. At least one pilot bilingual program shall be in a rural area. The board of a local district or a group of boards may submit a proposal for a grant for a transitional bilingual education program. The state board shall prescribe the form and manner of application for grants and no grant shall be made for proposals not complying with the requirements of sections 126.31 to 126.42. Every program proposal shall be submitted to the state board not less than six months before the planned commencement of the program; provided, however that this six month requirement shall not apply to school districts with an existing bilingual education program established and approved pursuant to section 701 et seq., of Title VII of the Elementary and Secondary Education Act of 1965. The state board shall submit all proposals to the state advisory task force on bilingual education programs for its recommendations concerning approval, modification, or disapproval and the amounts of grants to approved programs.

Sec. 7. Minnesota Statutes 1978, Section 126.52, Subdivision 10, is amended to read:

Subd. 10. [REPORT.] The state board shall make a report to the legislature, the governor and the public on or before September 1, 1979 February 1, 1980. This report shall include the results of the needs assessment, including an evaluation of the pilot programs, and recommendations for legislation in the area of American Indian language and culture education.

Sec. 8. Minnesota Statutes 1978, Section 126.53, Subdivision 3, is amended to read:

Subd. 3. The advisory task force shall expire and The terms, compensation, and removal of members of the advisory task force shall be as provided for in section 15.059, subdivision 6. Notwithstanding the provisions of section 15.059, subdivision 6, the advisory task force shall expire June 30, 1980.

Sec. 9. Minnesota Statutes 1978, Section 126.54, Subdivision 1, is amended to read:

126.54 [PILOT PROGRAMS.] Subdivision 1. [GRANTS; PROCEDURES.] For fiscal years 1978, and 1979, and 1980 as part of the needs assessment effort, the state board of education shall make grants to no fewer than six school year pilot American Indian

language and culture education programs. At least three pilot programs shall be in urban areas and at least three shall be on or near reservations. The board of a local district, a participating school or a group of boards may develop a proposal for grants in support of pilot American Indian language and culture education programs. Proposals may provide for contracts for the provision of program components by nonsectarian nonpublic, community, tribal or alternative schools. The state board shall prescribe the form and manner of application for grants and no grant shall be made for a proposal not complying with the requirements of sections 126.45 to 126.55. Every program proposal shall be submitted to the state board not less than six months before the planned commencement of the program. The state board shall submit all proposals to the state advisory task force on American Indian language and culture education programs for its recommendations concerning approval, modification, or disapproval and the amounts of grants to approved programs.

Sec. 10. Minnesota Statutes 1978, Section 124.32, Subdivision 1, is amended to read:

124.32 [HANDICAPPED CHILDREN.] Subdivision 1. The state shall pay to any district:

~~(a)~~ for the employment in its educational program for handicapped children; 69 percent of the salary of essential personnel in 1977-1978 and the greater of:

(1) (a) 69 percent of the salary of essential personnel in 1978-1979, but this amount shall not exceed \$11,500 in 1977-1978 or \$12,000 in 1978-1979 for the normal school year for each full time person employed, or a pro rata amount for a part time person or a person employed for a limited time, whether the essential personnel are employed by a district alone or jointly with another district; plus

(b) plus five percent of the salaries of essential personnel employed in its educational program for handicapped children, for the purpose of recognizing additional support costs of educational programs for handicapped children; or

(2) 70 percent of the salary of essential personnel for the normal school year for each full time person employed, or a pro rata amount for a part time person or a person employed for a limited time, whether the essential personnel are employed by a district alone or jointly with another district.

(3) A district shall receive aid pursuant to only one clause of clauses (1) and (2) of this subdivision for a school year.

Sec. 11. Minnesota Statutes 1978, Section 124.32, Subdivision 1a, is amended to read:

Subd. 1a. For purposes of this section, for the 1977-1978 school year, the foundation aid formula allowance per pupil unit shall be the lesser of \$1,030 or the greater sum computed pursuant to section 124.212, subdivision 6b, clause (2). the foundation aid formula

allowance per pupil unit shall be \$1,095 for the 1978-1979 school year, \$1,155 \$1,182 for the 1979-1980 school year, and \$1,220 \$1,265 for the 1980-1981 school year. Computations of foundation aid formula allowances pursuant to this section shall be based on the foundation aid formula allowance per pupil unit in the child's district of residence. For the purposes of computing foundation aid formula allowances pursuant to this section, each handicapped child shall be counted as prescribed in section 124.17 subdivision 1, clause (1) or (2).

Sec. 12. Minnesota Statutes 1978, Section 124.32, Subdivision 5, is amended to read:

Subd. 5. When a handicapped child is placed in a residential facility approved by the commissioner and established primarily to serve handicapped children and when the child's educational program is approved by the commissioner, the state shall pay to the resident district not to exceed 60 percent of the difference between the instructional costs charged to the resident district and the foundation aid formula allowance in the resident district, for each handicapped child placed in a residential facility. Not more than \$550,000 \$925,000 for 1977-1978 1979-1980 and \$600,000 \$1,015,000 for 1978-1979 1980-1981 shall be paid for the purposes of this subdivision. If that amount does not suffice, the aid shall be prorate among all qualifying districts.

The following types of facilities may be approved by the commissioner:

(a) A residential facility operated by the state or a public school district and designed to serve the low incidence handicapped, the multiple handicapped, or the most severely handicapped children within the state.

(b) A private, nonsectarian residential facility designed to provide educational services for handicapped children within the state.

(c) A state hospital or private nonsectarian residential center designed to provide care and treatment for handicapped children.

Sec. 13. Minnesota Statutes 1978, Section 124.32, Subdivision 10, is amended to read:

Subd. 10. The state shall pay aid for 1977 summer school programs for handicapped children on the basis of the formula applicable to the 1977-1978 school year. Beginning with the summer of 1978, The state shall pay aid for summer school programs for handicapped children on the basis of the sections of Minnesota Statutes providing aid for handicapped children for the preceding school year. On or before March 15 of each year, districts shall submit separate applications for program and budget approval for summer school programs. The review of these applications shall be as provided in subdivision 7. By May 1 of each year, the commissioner shall approve, disapprove or modify the applications and notify the districts of his action and of the estimated amount of aid for the summer school programs. Aid for these programs

shall be paid on or before the October 1 after the summer when the programs are conducted.

Sec. 14. [DEFICIENCY AUTHORIZATION.] *Subdivision 1. The department of education is authorized to make an additional payment of \$209,839 for the fiscal year ending June 30, 1978 for aid pursuant to section 124.32, subdivision 5, from funds available for special education aids in fiscal year 1978.*

Subd. 2. The department of education is authorized to make an additional payment of \$230,000 for the fiscal year ending June 30, 1979 for aid pursuant to section 124.32, subdivision 5, from funds available for special education aids in fiscal year 1979.

Sec. 15. [SPECIAL AND COMPENSATORY EDUCATION AIDS; APPROPRIATION.] *Subdivision 1. There is appropriated from the general fund to the department of education the sums indicated in this section for the fiscal years ending June 30 in the years designated.*

Subd. 2. For special education aid in 1980 there is appropriated: \$87,155,600. This amount includes:

- (A) \$74,747,300 for aid for fiscal year 1980 payable in fiscal year 1980;*
- (B) \$ 7,278,000 for the payment of the final special education aid distribution to each district for fiscal year 1979, payable in fiscal year 1980;*
- (C) \$ 4,206,000 for special education aid for 1979 summer school program payable in fiscal year 1980; and*
- (D) \$ 924,300 for aid pursuant to section 124.32, subdivision 5, payable in fiscal year 1980.*

Any unexpended balance remaining from the appropriations in clauses (A), (B), (C) or (D) of this subdivision shall cancel and shall not be available for the second year of the biennium. None of the amounts appropriated in clause (A), (B), (C) or (D) of this subdivision shall be expended for a purpose other than the purpose indicated by that clause.

Subd. 3. For special education aid in 1981 there is appropriated: \$96,026,100. This amount includes:

- (A) \$81,756,600 for aid for fiscal year 1981 payable in fiscal year 1981;*
- (B) \$ 8,305,200 for the payment of the final special education aid distribution to each district for fiscal year 1980, payable in fiscal year 1981;*
- (C) \$ 4,950,000 for special education aid for 1980 summer school program payable in fiscal year 1981; and*
- (D) \$ 1,014,300 for aid pursuant to section 124.32, subdivision 5, payable in fiscal year 1981.*

Any unexpended balance remaining from the appropriations in clauses (A), (B), (C) or (D) of this subdivision shall cancel. None of the amounts appropriated in clause (A), (B), (C) or (D) shall be expended for a purpose other than the purpose indicated by that clause.

Subd. 4. If the appropriation amount in subdivision 2 or subdivision 3 attributable to either year for the purpose indicated is insufficient, the aid for that year shall be prorated among all qualifying districts and the state shall not be obligated for any amount in excess of the appropriations in this section for these purposes.

Subd. 5. For grants to pilot bilingual education programs pursuant to section 126.41, subdivision 1, there is appropriated:

\$400,000.....1980.

Subd. 6. For grants to pilot American Indian language and culture education programs pursuant to section 126.54, subdivision 1, there is appropriated:

\$600,000.....1980.

Subd. 7. There is appropriated from the general fund to the department of education for the purposes of section 123.581 the sum of \$1,500,000 to be available until July 1, 1981. Of this amount \$17,000 shall be available for the year ending June 30, 1980 for the employment of one-half professional and one-half clerical employee beyond the existing complement of the department of education; \$17,000 shall be available for the year ending June 30, 1981 for the employment of one-half professional and one-half clerical employee beyond the existing complement of the department; and \$3,000 shall be available until June 30, 1981 for the payment of other necessary expenses incurred in the administration of section 123.581.

Sec. 16. [EFFECTIVE DATE.] Section 14 of this article shall be effective the day following final enactment.

ARTICLE IV

COMMUNITY AND ADULT EDUCATION

Section 1. Minnesota Statutes 1978, Section 124.26, Subdivision 1, is amended to read:

124.26 [EDUCATION PROGRAMS FOR ADULTS.] Subdivision 1. For evening schools and continuing education programs for adults established for persons over 16 years of age and not in attendance upon regular day schools, the state shall compensate any district maintaining such programs in accordance with requirements established by the state board from funds appropriated for that purpose, or such funds combined with federal funds insofar as federal funds are available. The state shall pay these aids on a current funding basis. The portion of such compensation from state appropriation shall be 90 percent of the compensation paid each teacher for his services in such programs up to \$8,000

\$18,000 per year for a full time teacher or a prorated amount for a part time teacher based on the costs in that current year. All classes shall be tuition free when taught by teachers subsidized under this section and there shall be no charge for registration, materials and supplies, or G.E.D. tests. Evening school and continuing education programs are defined as those public day or evening school programs which are established for persons over 16 years of age not in attendance at the full time elementary or secondary schools and which qualify such persons for the high school diploma, the high school equivalency certificate or for academic achievement at the secondary level.

Sec. 2. Minnesota Statutes 1978, Section 124.271, is amended by adding a subdivision to read:

Subd. 1a. In fiscal year 1980, the state shall pay the greater of 75 cents per capita or \$5,000 to each school district which is operating a community school program in compliance with the rules promulgated by the state board and which has levied at least the lesser of \$1 per capita or the maximum permissible certified levy for community services pursuant to section 275.125, subdivision 8, clause (1), for use in that year.

Sec. 3. Minnesota Statutes 1978, Section 124.271, Subdivision 2, is amended to read:

Subd. 2. In fiscal year 1978 1981 and each year thereafter, the state shall pay ~~50~~ the greater of 75 cents per capita or \$7,000 to each school district which is operating a community school program in compliance with the rules promulgated by the state board and which has levied at least the lesser of \$1 per capita or the maximum permissible certified levy for community services pursuant to section 275.125, subdivision 8, clause (1), for use in that year.

Sec. 4. Minnesota Statutes 1978, Section 275.125, Subdivision 8, is amended to read:

Subd. 8. (1) In 1977 1979, and each year thereafter, a district which has established a community school advisory council pursuant to section 121.88, may levy an amount of money raised by the greater of (A) ~~\$2~~ \$2.50 per capita, or (B) the amount certified pursuant to this subdivision in 1976. These levies shall be used for community services including nonvocational adult programs, recreation and leisure time activity programs, and programs contemplated by sections 121.85 to 121.88. For purposes of computing the levy limitation pursuant to this subdivision, the amount certified pursuant to this subdivision in 1976 shall not reflect reductions pursuant to subdivision 9.

(2) A school district shall be authorized to make a levy pursuant to this subdivision only after it has filed a certificate of compliance with the commissioner of education. The certificate of compliance shall certify that the governing boards of the county, municipality and township in which the school district or any part thereof is located have been sent 15 working days written notice of a meeting and that a meeting has been held to discuss methods of

increasing mutual cooperation between such bodies and the school board. The failure of a governing board of a county, municipality or township to attend the meeting shall not affect the authority of the school district to make a levy pursuant to this subdivision.

(3) The population of the district for purposes of this subdivision is the population determined as provided in section 275.14 or as certified by the department of education from the most recent federal census.

Sec. 5. [DEFICIENCY APPROPRIATION.] *The sum of \$185,677 is appropriated from the general fund to the department of education for the fiscal year ending June 30, 1979, for the payment of a deficiency in funds available for aid for adult education pursuant to section 124.26 in that year.*

Sec. 6. [APPROPRIATIONS.] *Subdivision 1. There is appropriated from the general fund to the department of education the sums indicated in this section for the fiscal years ending June 30 in the years designated.*

Subd. 2. [ADULT EDUCATION AID.] *For adult education aid pursuant to section 124.26, there is appropriated:*

\$829,000 1980

This amount includes \$80,630 for aid for fiscal year 1979 payable in fiscal year 1980, and \$748,370 for aid for fiscal year 1980 payable in fiscal year 1980.

\$908,000 1981

This amount includes \$83,150 for aid for fiscal year 1980 payable in fiscal year 1981 and \$824,850 for aid for fiscal year 1981 payable in fiscal year 1981.

Subd. 3. [G.E.D. REIMBURSEMENT AID.] *For G.E.D. reimbursement aid, there is appropriated:*

\$75,000 1980,

\$81,000 1981.

Subd. 4. [COMMUNITY EDUCATION AID.] *For community education aid, there is appropriated:*

\$3,150,000 1980,

\$3,600,000 1981.

Subd. 5. *Any unexpended balance remaining from the appropriation in this section for 1980 shall cancel and shall not be available for the second year of the biennium. None of the amounts appropriated in this section shall be expended for a purpose other than the purpose indicated. If the appropriation amount attributable to either year for the purpose indicated is insufficient, the aid for that year shall be prorated among all qualifying districts and the state shall not be obligated for any amount in excess of the appropriations in this section for these purposes.*

ARTICLE V
VOCATIONAL AID PROGRAM

Section 1. Minnesota Statutes 1978, Section 121.21, Subdivision 6, is amended to read:

Subd. 6. The state board for vocational education shall promulgate, pursuant to chapter 15, such rules governing the operation and maintenance of schools so classified as will afford the people of the state an equal opportunity to acquire public vocational and technical education. Rules relating to post-secondary vocational-technical education shall not incorporate the provisions of the state plan for vocational education by reference.

The rules shall provide for, but are not limited to, the following:

(a) The area to be served by each school, which may include one or more districts or parts thereof;

(b) Curriculum and standards of instruction and scholarship;

(c) Attendance requirements, age limits of trainees, and Minnesota non-resident attendance, and the determination of the actual costs of providing individual programs, all to be determined in accordance with the provisions of sections 124.561 to 124.565;

~~(d) The distribution and apportionment to the local districts of all funds, whether state or federal or other funds, which may be made available to the state board for vocational education for carrying out the purposes of post-secondary vocational-technical education in accordance with law;~~

~~(e)~~ (d) Transportation requirements and payment of aid therefor; and

~~(f)~~ (e) General administrative matters.

Sec. 2. Minnesota Statutes 1978, Section 124.11, Subdivision 2, is amended to read:

Subd. 2. *Ninety percent of the estimated post-secondary vocational foundation instructional aid shall be paid to districts in 12 equal monthly payments on the 15th of each month beginning July 15, 1976 in July 1979 except that for the 1979-80 school year the first payment shall be made September 15. The commissioner of education shall be authorized to advance payment of instructional aid to a district prior to September 15, 1979. The September 15, 1979 payment shall include the July 15 and August 15, 1979 payments minus any advance payments of instructional aid made. A final ten percent payment shall be made in September 1980 and September 1981 for the previous school years. These payments shall be adjusted to reflect the actual average daily membership for the previous school year. A final ten percent payment shall be made in September 1982 and each year thereafter. This payment shall be adjusted to reflect the actual annual student count for the prior school year. For the 1979-80 and 1980-81 school years, ninety*

percent of the estimated post-secondary vocational foundation instructional aid shall be paid on the basis of the prior year's department of education's estimates of the current year's average daily membership adjusted in September, December, March and June to reflect any increases or decreases in enrollment. Beginning with the 1981-82 school year the estimated post-secondary vocational instructional aid shall be paid on the basis of the department of education's estimates of the current year's annual student count, except that the average daily membership and the payments based thereon may be adjusted in September, December, March and June to reflect any increases or decreases in enrollment, pursuant to section 9, subdivision 11 of this article. The September payment in each fiscal year shall be increased or decreased to reflect any deficit or excess in post-secondary vocational foundation aid received in the prior fiscal year. The state board for vocational education shall be authorized to transfer excess instructional aid to support services aid pursuant to section 11, subdivision 4 of this article when the board determines that there is an excess of instructional aid.

Sec. 3. Minnesota Statutes 1978, Section 124.561, Subdivision 2, is amended to read:

Subd. 2. [CURRENT AID.] Beginning July 1, 1975, the state board for vocational education shall not enter into agreements to pay reimbursements but shall be obligated for reimbursement payments incurred in fiscal year 1975. Beginning July 1, 1976, All post-secondary vocational foundation instructional aid and post-secondary vocational categorical, capital expenditure, supply aid, capital expenditure aid, support services aid and debt service aid shall be paid for the current fiscal year in accordance with sections 124.561 to 124.565.

Sec. 4. Minnesota Statutes 1978, Section 124.561, Subdivision 3, is amended to read:

Subd. 3. [ALLOCATIONS.] Before January 1 of each year, post-secondary vocational technical school budgets for the following fiscal year shall be submitted to the state board for vocational education. The state board for vocational education shall approve authorize the budgets allocations of supply aid, support services aid, and capital expenditure aid for each district prior to August 15, 1979 and June 1 of each subsequent year after a consolidated public hearing held pursuant to subdivision 3a. No district shall increase its operating deficit during any fiscal year unless authorized to do so by the state board for vocational education. The state board for vocational education shall promulgate rules and may promulgate emergency rules which establish the approval criteria for budgets, including responsiveness to current and projected manpower needs of population groups to be served in the various geographic areas and communities of the state, particularly disadvantaged and handicapped persons; adequacy of evaluation of programs; and other criteria set forth in the state plan for vocational education allocations of supply aid, support services aid, and capital expenditure aid. The commissioner, in cooperation with the department of finance, shall establish program budget standards by which post

secondary vocational-technical schools shall submit financial requests for supply aid, support services aid, and capital expenditure aid.

Sec. 5. Minnesota Statutes 1978, Section 124.561, Subdivision 3a, is amended to read:

Subd. 3a. [HEARING.] The consolidated public hearing held by the state board pursuant to subdivision 3 shall take place with at least six board members present and shall continue until all interested persons, representatives, and organizations have had an opportunity to be heard. Notice of intention to hold the hearing shall be given at least 20 days prior to the date set for the hearing by United States mail to each district submitting a post-secondary vocational school ~~budget~~ *budgets for supply aid, support services aid, and capital expenditure aid*, to other interested persons, representatives, and organizations who register their names with the commissioner of education for that purpose, and in the state register. The department of education shall make available at least one free copy of the proposed ~~disposition allocations of budgets aids to the appropriate committees of the legislature and to~~ any person requesting it. Unless the commissioner determines that the use of an audio magnetic recording device is more appropriate, a court reporter shall keep a record at every hearing. A transcript of the hearing record shall be made available upon the request of any person, provided that the request is in writing and the cost of preparing the transcript is borne by the requesting person. After allowing written material to be submitted and added to the hearing record for five days after the public hearing ends, the commissioner of education shall proceed as promptly as possible to write a report containing the *final proposed final disposition allocations of budgets aids*. This report shall contain findings and conclusions based on substantial evidence from the hearing record to support the *final proposed final disposition allocations of aids*. The report shall be available to all affected school districts upon request for at least 15 days before the state board takes final action ~~on the budgets authorizing allocations of aids~~. Any district which is adversely affected by the *final proposed final disposition allocations of budgets aids* may demand and shall be given an opportunity to be heard in support of modification of the proposed ~~disposition allocations of aids~~ at the meeting at which the state board takes final action ~~on the budgets authorizing allocations of aids~~; provided, the state board may place reasonable restrictions on the length of time allowed for testimony.

Sec. 6. Minnesota Statutes 1978, Section 124.562, Subdivision 2, is amended to read:

Subd. 2. Membership for pupils in post-secondary vocational-technical schools shall mean the number of pupils on the current roll of the school, counted from the date of entry until withdrawal. The date of withdrawal shall mean the day the pupil permanently leaves the school or the date it is officially known that he has left or has been legally excused; provided that any pupil, regardless of age, who has been absent from school without a legally justifiable excuse for 15 consecutive school days shall be dropped from the roll and

classified as withdrawn. No pupil who is counted in average daily membership pursuant to this section shall be counted in average daily membership in any district pursuant to section 124.17, subdivision 2, unless he is eligible to earn foundation aid pursuant to section 120.80 or is attending a post-secondary vocational-technical school course on a part time basis in addition to spending six hours per day in a secondary program. Average daily membership for pupils who are enrolled in post-secondary vocational-technical schools, but not including adult vocational pupils, shall equal (a) the sum for all pupils of the number of days of the school year each pupil is enrolled in a post-secondary vocational-technical school in the district times the number of hours per day each student is enrolled divided by six (b) divided by 175; *provided* . The number of hours which are counted for average daily membership for any pupil in any one program shall ~~in no event~~ not exceed the number of hours approved by the state board for completion of the program, *except that the commissioner may grant a program time extension for a student identified by a local district as disadvantaged or handicapped. The extension shall not exceed ten percent of the approved program length* . For a post-secondary vocational-technical school, the normal school year shall be at least the number of session days required by section 124.19, subdivision 1. In all post-secondary vocational-technical schools, the minimum length of the school day for each pupil, exclusive of the noon intermission, shall be six hours. Exceptions may be made by the local school administration for approved programs to meet individual student needs.

Sec. 7. Minnesota Statutes 1978, Section 124.562, Subdivision 3, is amended to read:

Subd. 3. All funds, whether state, federal, or from other sources, which may be made available to the department of education for carrying out the purposes of post-secondary vocational-technical education shall be apportioned by the state board for vocational education to the various school districts in accordance with law and shall be distributed by the state aids, statistics and research section of the state department of education. ~~All post-secondary vocational foundation and categorical aids shall be paid to the school district where the pupil is in attendance.~~

Sec. 8. Minnesota Statutes 1978, Section 124.562, Subdivision 4, is amended to read:

Subd. 4. Each district providing post-secondary vocational-technical education programs shall establish and maintain accounts separate from all other district accounts for the receipt and disbursement of all funds related to these post-secondary vocational-technical education programs. ~~All post-secondary vocational foundation and categorical aids and~~ All funds received pursuant to the levy authorized by section 275.125, subdivision 13, ~~and tuition authorized by section 14 of this article~~ shall be utilized solely for the purposes of post-secondary vocational-technical education programs.

Sec. 9. Minnesota Statutes 1978, Chapter 124, is amended by adding a section to read:

[124.5621] [POST SECONDARY VOCATIONAL INSTRUCTIONAL AID.] *Subdivision 1. [DEFINITION.] For the purposes of this section the following words, terms and phrases have the meanings ascribed to them.*

Subd. 2. "Post secondary vocational instructional aid" means state and federal funds exclusive of capital expenditure aid, supply aid, support services aid and debt service aid apportioned by the state board for vocational education to local school districts for instructional programs. Post secondary vocational instructional aid shall be utilized solely for the purposes of post secondary vocational education, except for equipment and other capital expenditures.

Subd. 3. "AVTI" means a post secondary area vocational technical institute.

Subd. 4. "Base year" means the second year prior to the current school year for which aid is paid.

Subd. 5. "Instructional program" means a post secondary vocational technical program or course as classified with a six-digit number by the federal office of education, excluding special needs programs and related instruction.

Subd. 6. "Instructional program cost" means the actual expenditure in the base year for an instructional program at an AVTI. Actual expenditures shall be computed as follows:

- (1) instructional salaries; plus*
- (2) instructional employee fringe benefits (excluding teachers' retirement and social security); plus*
- (3) travel for instructional, administrative and professional development purposes; plus*
- (4) purchased services for instructional purposes; plus*
- (5) student activities; plus*
- (6) other instructional expenses detailed according to the uniform financial accounting and reporting system; minus*
- (7) other instructional revenues detailed according to the uniform financial accounting and reporting system.*

Subd. 7. "AVTI average instructional program cost" means the instructional program cost of each instructional program at an AVTI divided by the number of full time equivalent licensed instructors teaching that program during the base year at that AVTI.

Subd. 8. "Statewide average instructional program cost" means the total statewide of the AVTI average instructional program costs for an instructional program divided by the number of AVTI's offering that instructional program in the base year.

Subd. 9. "Instructional program allowance" means the total for an AVTI of: (1) the statewide average instructional program cost for each instructional program, multiplied by (2) the number of full time equivalent instructors teaching that program in the base year at that AVTI.

Subd. 10. (i) "AVTI staff compensation weighting" means the ratio of:

(1) The sum of salaries and fringe benefits, excluding teacher retirement and social security, for all full time equivalent licensed instructional staff at a particular AVTI for the three prior years divided by the sum of the number of full time equivalent licensed instructional staff at that AVTI for those three years; divided by

(2) The sum of salaries and fringe benefits, excluding teachers' retirement and social security, for all full time licensed instructional staff for all AVTI's statewide for the three prior years divided by the sum of the number of full time equivalent licensed instructional staff for all AVTI's statewide for those three years.

Subd. 11. (1) "Student growth or decline factor" for the 1979-1980 and 1980-1981 school years means the following ratio, adjusted according to clause (4):

(a) The current year's average daily membership as defined in section 124.562, subdivision 2, for a particular AVTI, divided by:

(b) The second prior year's average daily membership for that AVTI.

(2) Beginning in 1979-1980, each AVTI shall take a count of all full-time equivalent students in attendance on the fifteenth day of each quarter that full-time post secondary vocational programs are offered by that AVTI. These quarterly counts shall be totaled to produce an annual student count.

(3) Beginning in the 1981-1982 school year, "student growth or decline factor" means the following ratio, adjusted according to clause (4).

(a) The current year's annual student count for a particular AVTI, divided by:

(b) The annual student count for the second prior year for that AVTI.

(4) If the ratio in (1) or (3) is greater than .95 but less than 1.05 the ratio shall equal 1.0. If the ratio is .95 or less, the ratio shall be adjusted by adding .05. If the ratio is 1.05 or greater, the ratio shall be adjusted by subtracting .05.

Subd. 12. [INSTRUCTIONAL AID FORMULA.] A district shall receive post secondary vocational instructional aid according to the following formula:

(a) The instructional program allowance for an AVTI in the base year; multiplied by

(b) The AVTI staff compensation weighting for that AVTI; multiplied by

(c) 117 percent; multiplied by

(d) The student growth or decline factor for that AVTI.

Subd. 13. [LEVY REDUCTION.] For the fiscal year 1980, the amount raised by the discretionary levy allowed by section 275.125, subdivision 13, for collection in fiscal year 1979 shall be subtracted from the instructional aid paid to an AVTI.

Subd. 14. [PAYMENT SCHEDULE.] Instructional aid shall be paid pursuant to section 124.11, subdivision 2.

Sec. 10. Minnesota Statutes 1978, Chapter 124, is amended by adding a section to read:

[124.5622] [POST SECONDARY VOCATIONAL SUPPLY AID.] *Subdivision 1. [DEFINITIONS.] For the purposes of this section the following words, terms and phrases have the meanings ascribed to them.*

Subd. 2. "AVTI" means a post secondary area vocational technical institute.

Subd. 3. "Post secondary vocational supply aid" means state and federal funds exclusive of capital expenditure aid, instructional aid, support services aid and debt service aid apportioned by the state board for vocational education to local districts for the costs of rents and leases, supplies and materials, and supplies for resale, for all instructional programs, support services and special needs programs. Post secondary vocational supply aid shall be utilized solely for the purposes of post secondary vocational education, except equipment or other capital expenditures.

Subd. 4. [SUPPLY AID ALLOCATION.] [BUDGETS.] Each AVTI shall submit a budget before June 15, 1979 and before January 1 of each year detailing estimated costs for the following fiscal year for each of the following expenditure categories: rents and leases, supplies and materials, and supplies for resale, for all instructional programs and support services including related instruction and special needs programs. Each budget shall also include anticipated revenues from the sales of supplies and services. The department of education shall recommend an allocation of supply aid for each of the expenditure categories and a total allocation of supply aid for each AVTI, after a review of each AVTI budget. The recommendations of the department for the distribution of supply aid shall be reviewed by the state board in a consolidated public hearing pursuant to section 124.561, subdivision 3a. The state board shall authorize an allocation of supply aid for each AVTI and detail recommended levels of spending for each expenditure category.

Subd. 5. [REPORT.] Before October 1, 1979 and before August 1 of each subsequent year, the commissioner shall issue a report on the supply aid allocation to each AVTI. This report shall include recommended aid allocations for each expenditure category and an explanation comparing the amount of the authorized aid allocation to the budget submitted for each AVTI. This report shall be transmitted to the appropriate committees of the legislature and to the directors of the AVTI's.

Subd. 6. [PAYMENT SCHEDULE.] *Supply aid shall be paid to districts in equal installments on or before September 15, December 1, March 1, and June 1 for the 1979-80 school year. The state board shall be authorized to make advance payments for supply aid prior to the state board authorization of the supply aid allocations. The September 15 payment shall be adjusted accordingly. Additional supply aid may be distributed on or before March 1 and June 1 if it is apportioned at a consolidated public hearing held before February 15 of that year in the manner specified in section 124.561, subdivision 3a.*

Beginning with the 1980-81 school year supply aid shall be paid to districts in equal installments on or before August 1, December 1, March 1 and June 1 of each year. Additional supply aid may be distributed on or before March 1 and June 1 of each year if it is apportioned at a consolidated public hearing held before February 15 of that year in the manner specified in section 124.561, subdivision 3a.

Sec. 11. Minnesota Statutes 1978, Chapter 124, is amended by adding a section to read:

[124.5623] [POST SECONDARY VOCATIONAL SUPPORT SERVICES AID.] *Subdivision 1. [DEFINITIONS.] For the purposes of this section the following words, terms and phrases have the meanings ascribed to them.*

Subd. 2. "AVTI" *means a post secondary area vocational technical institute.*

Subd. 3. "Post secondary vocational support service aid" *means state and federal funds exclusive of capital expenditure aid, supply aid, instructional aid and debt service aid apportioned by the state board for vocational education to local school districts for the costs of support services, including related instruction and special needs programs, enumerated in subdivision 4. Post secondary vocational support services aid shall be utilized solely for the purposes of post secondary vocational education, except equipment or other capital expenditures.*

Subd. 4. [SUPPORT SERVICES AID ALLOCATION.] [BUDGETS.] *Each AVTI shall submit a budget before June 15, 1979 and before January 1 of each year detailing the estimated costs for the following fiscal year for all support services, including related instruction and special needs programs, support services personnel salary and travel, other purchased services, other support service expenses, and fringe benefits excluding teacher retirement and social security. Each budget shall also include all other anticipated support service revenues. The department of education shall recommend an allocation of support services aid for each of the expenditure categories and a total allocation of support services aid for each AVTI, after a review of each AVTI budget. The recommendations of the department shall be reviewed by the state board in a consolidated public hearing pursuant to section 124.561, subdivision 3a. The state board shall authorize an allocation of support services aid for each AVTI and detail recommended levels of spending for each expenditure category. No aid shall be allocated for any*

special vocational systemwide support service project or program, excluding regional special needs programs. Current AVTI general fund balances above 15 percent of the prior year's operating expenditures, as defined by the uniform financial accounting and reporting system, shall be taken into account by the state board in making these allocations.

Subd. 5. [REPORT.] Before October 1, 1979 and before August 1 of each subsequent year, the commissioner shall issue a report on the support services aid allocation to each AVTI. This report shall include the recommended aid allocation for each support services expenditure category and an explanation comparing the amount of the authorized aid allocation to the budget submitted for each AVTI. The fund balances used by the state board in determining the support services aid allocation shall be included. This report shall be transmitted to the appropriate committees of the legislature and to the directors of the AVTI's.

Subd. 6. [PAYMENT SCHEDULE.] Support services aid shall be paid to districts in equal installments on or before September 15, December 1, March 1, and June 1 for the 1979-1980 school year. The state board shall be authorized to make advance payments for support services prior to the state board authorization of the support services aid allocations. The September 15 payment shall be adjusted accordingly. Additional support services aid may be distributed on or before March 1 and June 1 if it is apportioned at a consolidated public hearing held before February 15 of that year in the manner specified in section 124.561, subdivision 3a.

Beginning with the 1980-1981 school year support services aid shall be paid to districts in equal installments on or before August 1, December 1, March 1 and June 1 of each year. Additional support services aid may be distributed on or before March 1 and June 1 of each year if it is apportioned at a consolidated public hearing held before February 15 of that year in the manner specified in section 124.561, subdivision 3a.

Sec. 12. Minnesota Statutes 1978, Chapter 124, is amended by adding a section to read:

[124.5624] [POST SECONDARY VOCATIONAL CAPITAL EXPENDITURE AID.] Subdivision 1. **[DEFINITIONS.]** For the purposes of this section, the following words, terms and phrases have the meanings ascribed to them.

Subd. 2. "AVTI" means a post secondary area vocational technical institute.

Subd. 3. "Post secondary vocational capital expenditure aid" means state and federal funds exclusive of instructional aid, supply aid, support services aid and debt service aid apportioned by the state board for vocational education to local school districts for the purpose of improving or repairing school sites or equipping, re-equipping, repairing or improving buildings and permanent attached fixtures, as necessary for the conduct of post secondary vocational technical training. Post-secondary vocational capital expenditure aid shall be utilized solely for the purposes enumerated in this section.

Subd. 4. [CAPITAL EXPENDITURE AID ALLOCATION.] [BUDGETS.] Each AVTI shall submit a budget before June 15, 1979 and before January 1 of each year detailing estimated costs for the following fiscal year for equipment and other capital expenditures for all instructional programs and support services, including special needs programs and related instruction. Each budget shall also include anticipated revenues from the sale of equipment and other capital goods. The department of education shall recommend an allocation of capital expenditure aid for each of the expenditure categories and a total allocation of capital expenditure aid for each AVTI, after a review of each AVTI budget. The recommendations of the department for the distribution of capital expenditure aid shall be reviewed by the state board in a consolidated public hearing pursuant to section 124.561, subdivision 3a. The state board shall authorize an allocation of capital expenditure aid for each AVTI and detail recommended levels of spending for each expenditure category. Current AVTI capital expenditure fund balances shall be taken into account by the state board in making these allocations.

Subd. 5. All capital expenditures in excess of \$4,000 shall receive prior approval by the commissioner apart from the budget hearing and aid allocation process.

Subd. 6. [REPORT.] Before October 1, 1979 and before August 1 of each subsequent year, the commissioner shall issue a report on the capital expenditure aid allocation to each AVTI. This report shall include recommended aid allocations for each capital expenditure category and an explanation comparing the amount of the authorized capital expenditure aid allocation to the budget submitted for each AVTI. The fund balances used by the state board in determining the capital expenditure aid allocation shall be included.

Before October 1, 1979 and before August 1 of each subsequent year the commissioner shall also report on the equipment inventory of each AVTI, including original cost, amortization schedule and current value.

These reports shall be transmitted to the appropriate committees of the legislature and to the directors of the AVTI's.

Subd. 7. [PAYMENT SCHEDULE.] Capital expenditure aid shall be paid to districts in equal installments on or before September 15, December 1, March 1, and June 1 for the 1979-1980 school year. The state board shall be authorized to make advance payments for capital expenditure aid prior to the state board authorization of the capital expenditure aid allocations. The September 15 payment shall be adjusted accordingly. Additional capital expenditure aid may be distributed on or before March 1 and June 1 if it is apportioned at a consolidated public hearing held before February 15 of that year in the manner specified in section 124.561, subdivision 3a.

Beginning with the 1980-1981 school year capital expenditure aid shall be paid to districts in equal installments on or before August 1, December 1, March 1 and June 1 of each year. Additional

capital expenditure aid may be distributed on or before March 1 and June 1 of each year if it is apportioned at a consolidated public hearing held before February 15 of that year in the manner specified in section 124.561, subdivision 3a.

Sec. 13. Minnesota Statutes 1978, Chapter 124, is amended by adding a section to read:

[124.5625] [POST SECONDARY VOCATIONAL CONTINGENCY FUND.] *Subd. 1. There is established a post secondary vocational contingency fund. This fund shall be used for the implementation costs of new programs and job training for industry when that training is specialized and not available from any other source. The commissioner shall establish rules for the administration of this fund. The rules shall conform, where applicable, to the rules and procedures for the approval of new vocational programs.*

Sec. 14. Minnesota Statutes 1978, Section 124.565, is amended to read:

124.565 [POST-SECONDARY VOCATIONAL EDUCATION TUITION.] *Subdivision 1. Any Minnesota resident who is under 21 years of age may attend a post-secondary vocational-technical school, provided that the individual meets the entrance requirements for the training course in which enrollment is sought and the school has the room and the facility to receive him.*

Subd. 3. Tuition at a post-secondary vocational-technical school for a Minnesota resident pupil shall be two dollars per day for each school day the pupil is enrolled a quarterly charge of \$120 per full-time student. A full refund shall be provided to a student who withdraws on or before the 15th day of the quarter. No refund shall be provided for withdrawal after the 15th day of the quarter.

Subd. 3a. Notwithstanding subdivision 3 there shall be no charge for tuition for a person who, before July 1, 1978, entered active military service in a branch of the armed forces of the United States and who, under the laws in effect at the time of induction or enlistment into the armed forces, would have been eligible to attend a post-secondary vocational-technical school without payment of tuition.

Subd. 4. Unless covered by a higher education reciprocity agreement relating to nonresident tuition, entered into by the Minnesota higher education coordinating board and approved by the state board for vocational education, tuition at a post-secondary vocational-technical school for a pupil who is not a resident of Minnesota shall be five dollars per day for each school day the pupil is enrolled a quarterly charge of \$300 per full-time student. A full refund shall be provided to a student who withdraws on or before the 15th day of the quarter. No refund shall be provided for withdrawal after the 15th day of the quarter.

Sec. 15. Minnesota Statutes 1978, Section 124.566, is amended to read:

124.566 [USE OF POST-SECONDARY VOCATIONAL SUPPORT SERVICES AID APPROPRIATION.] *Notwithstanding*

the provisions of section 16.16 or 16A.57 or any other law to the contrary, the state board for vocational education may expend amounts appropriated by the legislature for post-secondary vocational ~~categorical support services~~ aid to pay post-secondary vocational ~~foundation instructional aid in any year for the 1979-80 and 1980-81 school years~~ when the appropriation for post-secondary vocational ~~foundation instructional aid~~ is insufficient because of an increase in average daily membership; or in the 1981-82 school year, and each year thereafter, when the appropriation for post-secondary vocational instructional aid is insufficient because of an increase in the annual student count. On the date of any expenditure pursuant to this section, the state board shall report the expenditure to the appropriate committees of the legislature.

Sec. 16. Minnesota Statutes 1978, Section 124.572, Subdivision 1, is amended to read:

124.572 [CURRENT FUNDING FOR ADULT VOCATIONAL EDUCATION.] Subdivision 1. The purpose of this section is to change the method of funding adult vocational programs from reimbursement based on past expenditures to a current funding basis. Beginning July 1, 1977, The state shall not reimburse expenditures from the 1976-1977 school year programs, but shall pay aids for the 1977-1978 school year programs and for each year thereafter on a current funding basis.

Sec. 17. Minnesota Statutes 1978, Section 124.572, Subdivision 2, is amended to read:

Subd. 2. In the 1977-1978 school year and thereafter, The state shall pay to any district or cooperative vocational center 75 percent of the salaries paid to essential, licensed personnel in that school year for services rendered in that district's or center's adult vocational education programs. In addition, the state shall pay 50 percent of the costs of necessary travel between instructional sites by adult vocational education teachers. The commissioner may withhold all or any portion of this aid for an adult vocational education program which receives funds from any other source, and in no event shall a district or center receive a total amount of state aid for salaries and travel pursuant to this section which, when added to funds from other sources, will provide the program an amount for salaries and travel which exceeds 100 percent of the amount of its expenditures for salaries and travel in the program.

Sec. 18. Minnesota Statutes 1978, Section 124.572, Subdivision 3, is amended to read:

Subd. 3. This aid shall be paid only for services rendered or for travel costs incurred in adult vocational education programs approved by the state department of education and operated in accordance with rules promulgated by the state board; provided, in 1977-1978 the department may pay this aid for programs operated in accordance with the state plan for vocational education and current state board rules. By 1978-1979, These rules shall provide minimum student-staff ratios required for an adult vocational education program to qualify for this aid. By 1978-1979, Rules relating

to adult vocational education programs shall not incorporate the provisions of the state plan for vocational education by reference.

Sec. 19. Minnesota Statutes 1978, Section 124.573, Subdivision 1, is amended to read:

124.573 [CURRENT FUNDING FOR SECONDARY VOCATIONAL EDUCATION.] Subdivision 1. ~~The purpose of this section is to change the method of funding secondary vocational programs from reimbursement based on past expenditures to a current funding basis. Beginning July 1, 1978, The state shall not reimburse expenditures from the 1977-1978 school year programs, but shall pay aids for the 1978-1979 school year programs and for each year thereafter secondary vocational programs on a current funding basis.~~

Sec. 20. Minnesota Statutes 1978, Section 124.573, Subdivision 2, is amended to read:

Subd. 2. In the 1978-1979 school year and thereafter, the state shall pay to any district or cooperative center 50 percent of the salaries paid to essential, licensed personnel in that school year for services rendered in that district's or center's secondary vocational education programs. In addition, the state shall pay 50 percent ~~a pro-rated amount~~ of the costs of necessary equipment for these ~~programs, in secondary nonvocational and secondary vocational programs, based on the appropriation for this subdivision, not to exceed 40 percent.~~ The state shall pay 50 percent of the costs of necessary travel between instructional sites by secondary vocational education teachers and 50 percent of the costs of necessary travel by secondary vocational education teachers accompanying students to and from vocational student organization meetings held within the state for educational purposes. The commissioner may withhold all or any portion of this aid for a secondary vocational education program which receives funds from any other source, and in no event shall a district or center receive a total amount of state aid pursuant to this section which, when added to funds from other sources, will provide the program an amount for salaries, equipment and travel which exceeds 100 percent of the amount of its expenditures for salaries, equipment and travel in the program.

Sec. 21. Minnesota Statutes 1978, Section 124.573, Subdivision 3, is amended to read:

Subd. 3. This aid shall be paid only for services rendered or for the costs designated in subdivision 2 which are incurred in secondary vocational education programs approved by the state department of education and operated in accordance with rules promulgated by the state board ~~or secondary nonvocational programs provided for in subdivision 2.~~ These rules shall provide minimum student-staff ratios required for a secondary vocational education program in a cooperative center to qualify for this aid, but shall not require any minimum number of program offerings or administrative staff, any minimum period of coordination time or extended employment for secondary vocational education per-

sonnel, or the availability of vocational student activities or organizations for a secondary vocational education program to qualify for this aid. The requirement in these rules that program components be available for a minimum number of hours shall not be construed to prevent pupils from enrolling in secondary vocational education courses on an exploratory basis for less than a full school year. *After July 1, 1980 no aid except aid for equipment shall be paid pursuant to this section for a secondary vocational program in the trade and industrial area which meets for less than 100 minutes on the days when the program is offered.* No rules promulgated by the state board pursuant to any statute shall require a district to offer secondary vocational education. Rules relating to secondary vocational education programs shall not incorporate the provisions of the state plan for vocational education by reference. This aid shall be paid only for services rendered and for travel costs incurred by essential, licensed personnel who meet the work experience requirements for licensure pursuant to the rules of the state board for vocational education.

Sec. 22. Minnesota Statutes 1978, Section 124.573, is amended by adding a subdivision to read:

Subd. 6. (a) For the purposes of this section, the following terms have the meanings ascribed to them:

(1) "Secondary non-vocational program" means a senior secondary industrial arts, business and office, or consumer home-making program or course which does not qualify for funding pursuant to subdivision 2 except for aid for equipment.

(2) "Secondary vocational program" means a senior secondary trade and industrial, business and office, or home economics program or course which would otherwise qualify for funding pursuant to subdivision 2.

(3) A secondary vocational program replaces a secondary non-vocational program whenever a secondary non-vocational program is discontinued in a district or a district member of a center and a secondary vocational program is initiated in that district or center and the two programs share similar objectives or provide common or analogous instruction in a skill, competency, occupational field or like area.

(b) No new or additional vocational program shall receive aid pursuant to subdivision 2 except aid for equipment to the extent that the vocational program replaces a non-vocational program.

(c) Prior to June 15 of each year, a school district which receives aid pursuant to subdivision 2 or is a district member of a center which receives aid pursuant to subdivision 2 shall report to the commissioner any secondary non-vocational arts program which it plans to discontinue for the following school year and any new or additional secondary vocational program which it plans to introduce. The commissioner shall prepare and distribute the forms necessary for the reports.

Sec. 23. Minnesota Statutes 1978, Section 124.574, Subdivision 2, is amended to read:

Subd. 2. In the 1978-1979 school year and thereafter, the state shall pay to any district or cooperative center the greater of:

(a) 50 70 percent of the salaries paid to essential licensed personnel in that school year for services rendered in that district or center's secondary vocational education programs for handicapped children; or

(b) 60 percent of the salaries paid to essential licensed personnel in that school year for services rendered in that district or center's secondary vocational education programs for handicapped children, but not to exceed \$12,000 for the normal school year for each such full time person employed; or a pro rata amount for a part time person or a person employed for a limited time; plus an additional five percent of the salaries paid such essential licensed personnel.

Sec. 24. [REPEALER.] Minnesota Statutes 1978, Sections 124.562, Subdivision 1; 124.563; and 275.125, Subdivision 13 are repealed.

Sec. 25. [DEFICIENCY APPROPRIATION.] The sum of \$1,900,000 is appropriated from the general fund to the department of education for the fiscal year ending June 30, 1979 for the payment of a deficiency in funds available for aid for secondary vocational education pursuant to section 124.573.

Sec. 26. [APPROPRIATIONS.] Subdivision 1. There is appropriated from the general fund to the department of education the sums indicated in this section for the fiscal years ending June 30 in the years designated.

Subd. 2. [POST-SECONDARY VOCATIONAL INSTRUCTIONAL AID.] For post-secondary vocational instructional aid, there is appropriated:

\$35,106,900 1980

\$49,400,000 1981

This amount includes \$4,400,000 for aid for fiscal year 1980 payable in fiscal year 1981 and \$45,000,000 for aid for fiscal year 1981 payable in fiscal year 1981.

Subd. 3. [POST SECONDARY VOCATIONAL SUPPLY AID.] For post secondary vocational supply aid there is appropriated:

\$10,498,700 1980,

\$11,186,700 1981.

Subd. 4. [POST SECONDARY VOCATIONAL SUPPORT SERVICES AID.] For post secondary vocational support service aid there is appropriated:

\$15,213,300 1980,

\$20,824,500 1981.

These appropriations are based on the assumption that the state will spend for post secondary vocational support services aid an amount equal to \$6,254,900 in fiscal year 1980 and \$6,886,400 in fiscal year 1981 of federal money received for vocational education programs pursuant to the Vocational Education Act of 1963, as amended.

Subd. 5 [POST SECONDARY VOCATIONAL CAPITAL EXPENDITURE AID.] *For post secondary vocational capital expenditure aid there is appropriated:*

\$8,500,000 1980,

\$9,500,000 1981.

Subd. 6. [POST SECONDARY VOCATIONAL DEBT SERVICE AID.] *For post secondary vocational debt service aid there is appropriated:*

\$7,733,800 1980,

\$7,737,600 1981.

Subd. 7. [POST SECONDARY VOCATIONAL CONTINGENCY FUND.] *For the post secondary vocational contingency fund there is appropriated:*

**\$500,000 for the biennium
ending June 30, 1981.**

Subd. 8. [ADULT VOCATIONAL EDUCATION AID.] *For adult vocational education aid, there is appropriated:*

\$6,427,510 1980

This amount includes \$586,420 for fiscal year 1979 payable in fiscal year 1980 of which not to exceed \$14,650 is for necessary travel. This amount also includes \$5,841,090 for fiscal year 1980 payable in fiscal year 1980 of which not to exceed \$145,240 is for necessary travel.

\$6,853,710 1981

This amount includes \$649,010 for aid for fiscal year 1980 payable in fiscal year 1981 of which not to exceed \$16,140 is for necessary travel. This amount also includes \$6,204,700 for aid for fiscal year 1981 payable in fiscal year 1981 of which not to exceed \$155,410 is for necessary travel.

None of the amounts appropriated in this subdivision shall be used for any special vocational systemwide support service program or project.

Subd. 9. [ADULT SMALL BUSINESS MANAGEMENT PROGRAMS; ADDITIONAL LOCATIONS.] *For adult vocational education programs in small business management in locations where these programs are not currently being offered or planned there is appropriated:*

\$198,750 1980,

\$360,000 1981.

Subd. 10. [VETERAN FARMER COOPERATIVE TRAINING PROGRAMS.] *For veteran farmer cooperative training programs, there is appropriated:*

\$1,130,000 1980

\$ 651,000 1981

Subd. 11. [SECONDARY VOCATIONAL EDUCATION AID FOR SALARIES AND TRAVEL.] *For secondary vocational education aid for salaries and travel, there is appropriated:*

\$19,468,380 1980

This amount includes \$1,669,890 for fiscal year 1979 payable in fiscal year 1980. This amount also includes \$17,798,490 for fiscal year 1980 payable in fiscal year 1980.

\$20,806,290 1981

This amount includes \$1,997,610 for fiscal year 1980 payable in fiscal year 1981. This amount also includes \$18,828,680 for fiscal year 1981 payable in fiscal year 1981.

None of the amounts appropriated in this subdivision shall be used for any special vocational systemwide support service program or project.

Subd. 12. [SECONDARY VOCATIONAL EDUCATION AND NON-VOCATIONAL EDUCATION AID FOR EQUIPMENT.] *For secondary vocational education and non-vocational education aid for equipment there is appropriated:*

\$1,693,650 1980

This amount includes \$126,000 for fiscal year 1979 payable in fiscal year 1980. This amount also includes \$1,567,650 for fiscal year 1980 payable in fiscal year 1980.

\$1,905,080 1981

This amount includes \$174,180 for fiscal year 1980 payable in fiscal year 1981. This amount also includes \$1,730,900 for fiscal year 1981 payable in fiscal year 1981.

Subd. 13. [AID FOR SECONDARY VOCATIONAL EDUCATION PROGRAMS FOR HANDICAPPED CHILDREN.] *For secondary vocational programs for handicapped children pursuant to section 124.574, subdivision 2 there is appropriated:*

\$2,009,300 1980

This amount includes \$160,000 for fiscal year 1979 payable in fiscal year 1980. This amount also includes \$1,849,300 for fiscal year 1980 payable in fiscal year 1980. This appropriation is based on the assumption that the state will spend for this purpose an amount at least equal to \$280,000 in fiscal year 1980 of federal money received for vocational education programs pursuant to the vocational education act of 1963, as amended.

\$2,248,200 1981

This amount includes \$205,480 for fiscal year 1980 payable in fiscal year 1981. This amount also includes \$2,042,720 for fiscal year 1981 payable in fiscal year 1981. This appropriation is based on the assumption that the state will spend for this purpose an amount at least equal to \$300,000 in fiscal year 1981 of federal money received for vocational education programs pursuant to the vocational education act of 1963, as amended.

Subd. 14. Any unexpended balance remaining from the appropriation in this section for 1980 shall cancel and shall not be available for the second year of the biennium. None of the amounts appropriated in this section shall be expended for a purpose other than the purpose indicated. If the appropriation amount attributable to either year for the purpose indicated is insufficient, the aid for that year shall be prorated among all qualifying districts and the state shall not be obligated for any amount in excess of the appropriations in this section for these purposes.

ARTICLE VI

OTHER AIDS, LEVIES AND MISCELLANEOUS PROVISIONS

Section 1. Minnesota Statutes 1978, Section 16.93, is amended to read:

16.93 [SCHOOL DISTRICTS' PLANS AND BUDGETS.] *Subdivision 1. A school district may expend funds for computerization of administrative, instructional, or other activities only after filing annually with the state department of education and the Minnesota educational computing consortium a plan and budget covering such activities and only upon approval thereof by the state department and the Minnesota educational computing consortium. Criteria to be used by the department and the Minnesota educational computing consortium in making its their determinations must include, but are not limited to, the state plan as prepared by the commissioner of administration; policies and programs of the intergovernmental information systems advisory council; Minnesota educational computing consortium; standards for both financial accounts and non-financial statistics pursuant to sections 121.92, subdivision 3 and 121.11, subdivision 5, and cost effectiveness considerations of the department and the Minnesota educational computing consortium. All resulting decisions of the department are to be reported promptly to the commissioner of administration and the intergovernmental council. To the extent permitted by available resources, the commissioner of administration may furnish staff and other assistance to the department of education and the Minnesota educational computing consortium in conjunction with its their performance of the duties imposed by this section.*

Subd. 2. A regional management information center, created pursuant to section 471.59 to provide computerization to two or more school districts, shall file an annual plan and budget on behalf of its member districts. Before a regional management information center may be finally constituted, it shall first apply for and receive

approval from the department of education and the Minnesota educational computing consortium. Criteria to be used by the department and the Minnesota educational computing consortium in making their determination shall include, but are not limited to, the state plan prepared by the Minnesota educational computing consortium and cost-effectiveness considerations of the department and the Minnesota educational computing consortium.

Sec. 2. Minnesota Statutes 1978, Section 120.075, is amended to read:

120.075 [ATTENDANCE; PREVIOUS ENROLLMENT; FAMILIES.] *Subdivision 1. (a) Any pupil who, pursuant to the provisions of Minnesota Statutes 1976, Section 120.065, or Minnesota Statutes, 1977 Supplement, Section 123.39, Subdivision 5a, was enrolled on January 1, 1978, in a school district of which he was not a resident may continue in enrollment in that district.*

(b) Any nonresident pupil, enrolled on January 1, 1978 in a non-public school, as defined in section 123.932, subdivision 3, located in a district of which he was not a resident who would have otherwise qualified for enrollment in that district as a resident pursuant to clause (a) may attend the public schools of that district as a resident.

This provision (c) Clauses (a) and (b) shall also apply to any brother or sister of that enrolled pupil who is related to that pupil by blood, adoption or marriage and to any foster child of that pupil's parents. The enrollment of that pupil or of the other qualified members of his family shall remain subject to the provisions of those sections in clause (a) as they read on January 1, 1978. Any district which had a pupil enrolled on January 1, 1978, pursuant to the provisions of Minnesota Statutes 1976, Section 120.065, or Minnesota Statutes, 1977 Supplement, Section 123.39, Subdivision 5a, shall report this fact to the commissioner prior to August 15, 1978.

Sec. 3. [121.495] [BASIC SKILLS TECHNICAL ASSISTANCE PROGRAM.] *Subdivision 1. [PURPOSE.] The legislature finds that all school children have a right to achieve their full educational potential and that each student should have the opportunity to receive instruction in the basic skills of listening, speaking, reading, writing and mathematics so that students of all socioeconomic backgrounds may function satisfactorily in a democratic society. It is the purpose of this section to provide technical assistance in basic skills instruction to school districts and nonpublic schools.*

Subd. 2. [DEFINITION.] For the purpose of this section, the terms defined in this subdivision have the meanings given them:

(a) "Basic skills" means the skills of listening, speaking, reading, writing and mathematics.

(b) "Technical assistance" means any assistance provided by the department of education through the regional basic skills director to assist a school district or nonpublic school to: (i) assess the basic

skills needs of its pupils; (ii) plan instructional programs and select instructional materials to meet those needs; (iii) choose effective methodologies for the programs; and (iv) evaluate the progress of its students in acquiring basic skills.

Subd. 3. [REGIONAL TECHNICAL ASSISTANCE.] *(a) The department of education, in cooperation with the educational cooperative service units, shall provide technical assistance in basic skills instruction to public school districts and nonpublic schools.*

(b) The commissioner of education shall establish a basic skills section which shall include at least one regional basic skills director for each educational cooperative service unit. The commissioner may increase the approved complement of the department of education by not more than 13 professional positions including the regional basic skills directors, to staff the basic skills unit.

(c) Each regional director shall provide technical assistance to those school districts and nonpublic schools in the region which choose to participate in the basic skills technical assistance program.

(d) School districts and nonpublic schools which participate in the basic skills technical assistance program shall establish and maintain a comprehensive basic skills program for their school district or nonpublic school.

(e) A school district or nonpublic school which participates in the basic skills technical assistance program may establish a basic skills advisory committee to assist it in establishing and maintaining a basic skills program. A school district may designate the curriculum advisory committee established pursuant to Minnesota Statutes, Section 123.741, Subdivision 3, as the basic skills advisory committee.

Subd. 4. [REPORT.] *Before January 15, 1981 the commissioner of education shall make a report to the education committees of the legislature describing and evaluating the basic skills technical assistance program.*

Sec. 4. Minnesota Statutes 1978, Section 121.904, Subdivision 11b, is amended to read:

Subd. 11b. (1) *Each district affected by the provisions of subdivision 11a shall account for and expand according to the provisions of this subdivision the total amount by which its 1976 payable 1977 and its 1977 payable 1978 permissible levies pursuant to section 275.125 were reduced on account of payments pursuant to sections 294.21 or 294.28; 298.23 to 298.28; 298.32; 298.34 to 298.39; 298.391 to 298.396; 298.405; 298.51 to 298.67; any law imposing a tax upon severed mineral values, or under any other law distributing proceeds in lieu of ad valorem tax assessments on copper or nickel properties. Notwithstanding the provisions of section 124.212, subdivision 8a, clause (2) and the provisions of section 275.125, subdivision 9, clause (2) or any other law to the contrary, this total amount shall not be applied to reduce the foundation aid which the district is entitled to receive*

pursuant to section 124.212 or again be applied to reduce the permissible levies of the district.

(2) The lesser of the amount in (1) or an amount equal to \$200 times the pupil units in the district computed pursuant to section 124.17 for the 1977-1978 school year shall be reflected in an "appropriated fund balance reserve account for current use of taconite payments" which shall be established in the general fund. Each school year, beginning in 1978-1979, each affected district shall transfer an amount equal to \$20 times the number of pupil units in the district in 1977-1978 out of this account into other operating accounts in the general fund, until the amount transferred equals the amount originally reflected in the reserve account; provided that in the last year in which the district is required to make this transfer, it shall transfer the balance of the reserve account, not to exceed an amount equal to \$20 times the number of pupil units in the district in 1977-1978. Notwithstanding the provisions of section 121.917, each affected district may use the amount so transferred each year to increase its expenditures above the amount it would otherwise be authorized to expend in that school year.

(3) Of the amount in (1), any amount not reflected in the account established pursuant to clause (2) shall be reflected in the district's appropriated fund balance reserve account for purposes of reducing statutory operating debt, if the district has established this account pursuant to section 275.125, subdivision 9a. The June 30, 1977 statutory operating debt of the district shall be reduced by the amount so reflected and shall be recertified accordingly by the commissioner.

(4) Notwithstanding the provisions of section 121.912, any portion of the amount in (1) remaining after the application of clauses (2) and (3) shall be transferred to the district's capital expenditure fund; *provided that before July 1, 1979 not exceeding \$75,000 of the amount transferred to the capital expenditure fund pursuant to this clause may be transferred to the district's general fund.*

Sec. 5. Minnesota Statutes 1978, Section 121.917, is amended by adding a subdivision to read:

Subd. 4. (1) If the net negative unappropriated fund balance in all the funds of a school district, other than statutory operating debt pursuant to section 121.914, capital expenditure, building construction, debt service, trust and agency, and post-secondary vocational-technical education funds, calculated in accordance with the uniform financial accounting and reporting system for Minnesota school districts, as of June 30, 1980, and each year thereafter, is more than two and one-half percent and not greater than 10 percent of the year's expenditure amount, the district shall, prior to September 15, submit a special operating plan to reduce the district's deficit expenditures to the commissioner of education for his approval.

Notwithstanding any other law to the contrary, a district submitting a special operating plan to the commissioner under this clause which is disapproved by the commissioner shall not receive any aid pursuant to chapter 124 until a special operating plan of the district is so approved.

(2) If the net negative unappropriated fund balance in all the funds of a school district, other than capital expenditure, building construction, debt service, trust and agency, and post-secondary vocational-technical education funds, calculated in accordance with the uniform financial accounting and reporting system for Minnesota school districts, as of June 30, 1980, and each year thereafter, is greater than ten percent of the year's expenditure, the district shall, prior to September 15, submit a special operating plan to reduce the district's deficit expenditures to the commissioner and to the committees on education of the senate and the house of representatives. The commissioner shall provide the committees on education of the senate and the house of representatives with a written detailed evaluation of the special operating plan submitted pursuant to this clause. The special operating plan shall be approved or disapproved by a joint meeting of the committees on education of the senate and the house of representatives. Notwithstanding any law to the contrary, a district required to submit a plan under this clause which is disapproved by a majority vote at the joint committee meeting shall not receive any aid pursuant to chapter 124 until a special operating plan of the district is so approved.

(3) A district shall receive aids pending the approval of its special operating plan under clauses (1) or (2). A district which complies with its approved operating plan shall receive aids as long as the district continues to comply with the approved operating plan.

Sec. 6. Minnesota Statutes 1978, Section 121.92, is amended to read:

121.92 [MANDATORY UTILIZATION OF COMPUTER SYSTEMS; APPEAL.] Subdivision 1. School districts shall report student, personnel and other data defined by the department of education through a regional service center. They shall utilize software designated by the department for reporting this data.

Subd. 2. On or before July 1, 1980, all Minnesota school districts shall convert financial accounting and reporting operations to a computer based financial management accounting and reporting system utilizing regional or other computing facilities approved pursuant to section 16.93, subdivision 2 and utilizing multi-dimensional accounts and records defined in accordance with the uniform financial accounting and reporting system for Minnesota school districts.

Subd. 3. After July 1, 1980, participation in a computer based financial management accounting and reporting system shall be mandatory. The form of this participation shall be appealable to the commissioner.

Sec. 7. Minnesota Statutes 1978, Section 123.702, Subdivision 1, is amended to read:

123.702 [SCHOOL BOARD RESPONSIBILITIES.] Subdivision 1. Every school board shall provide for a voluntary health and developmental screening program for children once before entering kindergarten; ~~provided, this section shall not be construed to require school boards to screen children who enter kindergarten during fiscal year 1978.~~ This screening program shall be established either by one board, by two or more boards acting in cooperation, by educational cooperative service units, by early childhood and family education programs, or by other existing programs. No school board may make this screening examination a mandatory prerequisite to enroll a student. ~~In fiscal years 1978 and 1979, The screening programs shall include at least the following components to the extent the school board determines they are financially feasible: developmental assessments, hearing and vision screening, dental assessments, and the review of health history and immunization status. In fiscal year 1979, the screening programs shall include at least the following additional components to the extent the school board determines they are financially feasible:~~ laboratory tests and nutritional and physical assessments. All screening components shall be consistent with the standards of the state commissioner of health for early and periodic screening programs. No child shall be required to submit to any component of this screening program to be eligible for any other component. *No early childhood screening program shall provide laboratory tests, a health history or a physical exam to any child who has been provided with those laboratory tests or a health history or physical examination within the previous 12 months. The school district shall request the results of any laboratory test, health history or physical examination within the 12 months preceding a scheduled early childhood health screening clinic.*

Sec. 8. Minnesota Statutes 1978, Section 123.702, is amended by adding a subdivision to read:

Subd. 7. In selecting personnel to implement the early childhood screening program, the school district shall give priority first to qualified volunteers and second to persons possessing the minimum qualifications required by the rules adopted by the state board of education and the commissioner of health.

Sec. 9. Minnesota Statutes 1978, Section 123.703, Subdivision 1, is amended to read:

123.703 [STATE BOARD OF EDUCATION AND STATE COMMISSIONER OF HEALTH; RESPONSIBILITIES.] Subdivision 1. School boards shall administer the screening programs pursuant to rules adopted by the state board of education. ~~In order to implement the programs for the 1977-1978 school year, the state board shall, no later than August 15, 1977, adopt emergency rules in accordance with section 15.0412, subdivision 5.~~ Prior to the adoption of the rules and emergency rules, the state board shall solicit information or opinions pursuant to section 15.0412, subdivision 6. ~~The notice of proposed rule making shall be published in~~

the state register no later than August 1, 1977, and Copies of the proposed rules and emergency rules shall be sent to the state commissioner of health and each school board in the state on or before the date of publication. The state board of education shall consider the standards employed by the state commissioner of health for early and periodic screening programs in drafting the proposed rules. *The rules adopted by the state board of education and the commissioner of health to govern the early childhood screening program shall unconditionally permit registered nurses to perform those components of the screening program that can be performed by a nurse.*

Sec. 10. Minnesota Statutes 1978, Section 123.703, Subdivision 3, is amended to read:

Subd. 3. The state board of education, in cooperation with the state commissioner of health, shall report to the legislature by February 1, ~~1979~~ 1980, on the results of the screening programs in accomplishing the purposes specified in section 123.701. *The report shall include information on the rates of children's participation in screening programs, on districts' costs for implementing the various components of the screening program, and on any exemptions granted from screening requirements because of financial infeasibility.*

Sec. 11. Minnesota Statutes 1978, Section 123.705, is amended to read:

123.705 [STATE AID.] The department of education shall pay each school district for the cost of screening services provided pursuant to sections 123.701 to 123.705. The payment shall not exceed \$13 \$25 per child screened in fiscal year ~~1978~~ 1980 and \$23 \$27 per child screened in fiscal year ~~1979~~ 1981. Any district may request and receive an advance payment equal to 50 percent of its estimated payment for screening eligible children.

Sec. 12. Minnesota Statutes 1978, Chapter 123, is amended by adding a section to read:

[123.9351] [MOBILE UNITS.] Subdivision 1. [DEFINITION.] *For the purposes of this section, "mobile unit" includes a trailer and is a neutral site as defined in section 123.932, subdivision 9.*

Subd. 2. *Notwithstanding Minnesota Statutes, Section 124.212, Subdivision 9b, or any other section, for the 1979-1980 and 1980-1981 school years the commissioner of education shall make grants to 20 school districts for the experimental use of mobile units to provide any of the following programs and services to public and nonpublic school pupils: health services and guidance and counseling services as defined in section 123.932, subdivisions 10 and 11 and in accordance with the provisions of section 123.935; and special instruction and services for handicapped children, as defined in section 120.03, including diagnostic and health services, as required pursuant to section 120.17. Any pupil support service which a district offers through the mobile unit pursuant to this subdivision to public school pupils it shall also offer*

through the mobile unit to nonpublic school pupils who have requested these services pursuant to section 123.935.

Subd. 3. A district may use the grant funds to purchase or rent a mobile unit, to staff, remodel, equip and operate it and to pay for any costs incurred in providing the authorized programs and services.

Subd. 4. The commissioner shall prescribe the form, manner and time of application for the grants and shall select the participating school districts.

Subd. 5. The programs and services authorized by subdivision 1 shall be provided by public employees at neutral sites not physically or educationally identified with the functions of a nonpublic school. The programs and services provided to nonpublic school pupils shall be limited to those for which the district provides equivalents, through the mobile unit program or otherwise, to public school pupils. The amount a district spends through the mobile unit program and otherwise for a program or service to nonpublic school pupils shall be no greater on a per pupil basis than the amount it spends through the mobile unit program and otherwise for the equivalent program or service for public school pupils.

Subd. 6. A district receiving a grant shall report to the commissioner of education by August 1, 1981 on the effectiveness of the mobile unit program in the district. The commissioner shall report to the education committees of the legislature on the effectiveness of the program by December 1, 1981.

Sec. 13. Minnesota Statutes 1978, Section 123.937, is amended to read:

123.937 [APPROPRIATION.] There is appropriated annually to the department of education from the general fund of the state treasury the sum of ~~\$2,470,200~~ \$3,250,000 for the purposes of sections 123.931 to 123.937.

Sec. 14. Minnesota Statutes 1978, Chapter 124, is amended by adding sections to read:

[124.181] [REORGANIZATION GUARANTEE FORMULA.]
Subdivision 1. For the purposes of this section, the words defined in this subdivision have the meanings given them.

(a) "Reorganized district" means a district organized pursuant to section 122.23 in the 1979-1980 school year or thereafter.

(b) "Reorganization guarantee year" means the school year listed in subdivision 2 which a reorganized district or each of the districts which have agreed to form the reorganized district shall use as a base year for the calculation of its reorganization guarantee pupil units.

(c) "Reorganization guarantee pupil units" means the total number of pupil units in the reorganization guarantee year computed exclusively according to section 124.17, subdivision 1,

clause (1) or (2), either (i) in all of the previous districts which formed the reorganized district, when the reorganization guarantee formula is used by the reorganized district, or (ii) in the particular district which has agreed to form the reorganized district, when the reorganization guarantee formula is used by that district.

(d) "Reorganization guarantee formula" shall mean the difference between the number of reorganization guarantee pupil units and the number of pupil units in a district for the current school year computed exclusively according to section 124.17, subdivision 1, clause (1) or (2). The number of pupil units calculated according to the reorganization guarantee formula shall be in addition to the number of pupil units computed for a district pursuant to section 124.17.

Subd. 2. After a county auditor has issued an order, pursuant to section 122.23, subdivision 13, for a reorganization, the reorganization guarantee formula shall apply in accordance with the terms of this section. The reorganization guarantee formula shall be used by the reorganized district or by the districts which shall form the reorganized district for a combined total of five school years. The reorganization guarantee formula shall be used beginning with the school year after the school year in which the order setting a date for a reorganization is issued provided that the effective date for reorganization in the order is not more than five years after the date of issuance of the order. For a school year prior to the school year the reorganized district begins operation, each district which will form part of the reorganized district shall calculate its pupil units according to the reorganization guarantee formula in subdivision 1. For a school year during or after which the reorganized district begins operation, the reorganized district shall calculate its pupil units according to the reorganization guarantee formula. The reorganization guarantee year shall be:

(a) The 1974-1975 school year if the reorganization order was issued in the 1979-1980 school year;

(b) The 1975-1976 school year if the reorganization order was issued in the 1980-1981 school year;

(c) The 1976-1977 school year if the reorganization order was issued in the 1981-1982 school year;

(d) The 1977-1978 school year if the reorganization order was issued in the 1982-1983 school year; and

(e) The 1978-1979 school year if the reorganization order was issued in the 1983-1984 school year.

Subd. 3. Once a district receives aid pursuant to this section, the decision of the districts to consolidate is irrevocable.

Sec. 15. Minnesota Statutes 1978, Section 124.14, is amended to read:

124.14 [DISTRIBUTION OF SCHOOL AIDS; APPROPRIATION.] Subdivision 1. The state board shall supervise distribution

of the school aids in accordance with law. It may make rules and regulations consistent with law for such distribution which will enable districts to perform efficiently the services required by law and further education in the state, including reasonable requirements for such reports and accounts to it as will assure accurate and lawful apportionment of aids.

Subd. 2. If the commissioner determines that the amount of state aid distributed to a school district is in error, he is authorized to adjust the amount of aid consistent with this subdivision. If the commissioner determines that the amount of aid is in excess of the school district's entitlement, he is authorized to recover the amount of the excess by any appropriate means, including the reduction of future aid payments to the school district. Notwithstanding any law to the contrary, if the aid reduced is not of the same type as that overpaid, the school district shall adjust all necessary financial accounts to properly reflect all revenues earned in accordance with the uniform financial accounting and reporting standards pursuant to sections 121.90 to 121.92. If the commissioner determines that the amount of an aid paid is less than the school district's entitlement, he is authorized to increase such aid from the current appropriation.

Subd. 3. The commissioner shall require that the membership and pupil unit count of a minimum of 25 school districts be audited each fiscal year. The audits shall be conducted at random throughout the state with no prior notice to any district. At the time of each audit, the auditors shall also examine the appropriate factors that related to the determination of the authorized transportation costs and aids for that district. In districts where a post-secondary vocational-technical school is located, the audit shall include an audit of the membership of that school. Disparities between membership and pupil unit counts or transportation data reported by the school districts and those found by the auditors shall be reported to the commissioner who shall order an increase or reduction of foundation or transportation aids accordingly.

Subd. 4. A reduction of foundation or transportation aid under this section may be appealed to the state board of education and its decision shall be final. Public schools shall at all times be open to the inspection of the state board, and the accounts and records of any district are open to inspection by the state auditor, or the state board.

Subd. 2 5. There is annually appropriated from the general fund to the department of education the amounts necessary for foundation aid and transportation aid. These amounts shall be reduced by the amount of any funds specifically appropriated for the same purpose in any year from any state fund.

Sec. 16. Minnesota Statutes 1978, Section 124.646, Subdivision 1, is amended to read:

124.646 [SCHOOL LUNCH AID.] Subdivision 1. (a) For the 1979-1980 school year, school districts shall be paid by the state in the amount of four and nine-tenths cents for each full paid student type "A" lunch served to students in the district. (b) For

the 1980-1981 school year, school districts shall be paid by the state in the amount of five and three-tenths cents for each full paid student type "A" lunch served to students in the district.

Sec. 17. Minnesota Statutes 1978, Section 125.61, Subdivision 4, is amended to read:

Subd. 4. The early retirement incentive shall be paid by the employing school district in ~~four equal successive monthly installments commencing on November 1 of the year of retirement at the time and in the manner mutually agreed upon by a teacher and the board.~~ The state shall reimburse the district for 25 percent of any amount or amounts paid out as an early retirement incentive pursuant to this section, according to the provisions of subdivision 6. An early retirement incentive shall not be paid to any teacher who is discharged by a school district.

Sec. 18. Subdivision 1. Notwithstanding Minnesota Statutes, Section 475.61, Subdivision 4, the board of Independent School District No. 706, Virginia, may transfer the surplus amount remaining in the district's debt service fund after all outstanding obligations and interest thereon are paid, but not to exceed \$290,000, from the debt service fund to the district's capital expenditure fund, for the purpose of paying for improvements to the district's sites and buildings for fuel and energy conservation.

Subd. 2. Notwithstanding Minnesota Statutes, Section 475.61, Subdivision 4, the amount of the surplus remaining in the district's debt service fund after all outstanding obligations and interest thereon are paid which is transferred to the district's capital expenditure fund pursuant to section 1 shall not be used to reduce the maintenance levy authorized pursuant to Minnesota Statutes, Section 275.125, Subdivision 2a.

Subd. 3. The authority to transfer funds which is given by section 1 shall expire when Independent School District No. 706 has transferred \$290,000 from its debt service fund to its capital expenditure fund for the purpose provided in section 1.

Subd. 4. This section shall be effective upon its approval by the board of Independent School District No. 706 and upon compliance with Minnesota Statutes, Section 645.021.

Sec. 19. Subdivision 1. In accordance with Minnesota Statutes, Sections 121.912, Subdivision 1, and 121.21, Subdivision 4a, Independent School District No. 152, Moorhead, may transfer from the general fund of the post secondary vocational technical school to its capital expenditure fund an amount not to exceed \$180,000. The amount so transferred is appropriated for the purpose of the construction of an agricultural shop addition to the Moorhead area vocational-technical school. Independent School District No. 152 shall not spend more than \$180,000 for the construction of the addition.

Subd. 2. The authorization for the transfer of funds made in subdivision 1 shall last until Independent School District No. 152 has transferred \$180,000 from the general fund of the post secondary vocational technical school to its capital expenditure fund for

the construction of the agricultural shop addition to the Moorhead area vocational-technical school or until the completion of the addition, whichever comes first.

Sec. 20. Subdivision 1. *In accordance with Minnesota Statutes, Sections 121.912, Subdivision 1, and 121.21, Subdivision 4a, Independent School District No. 22, Detroit Lakes, may transfer from its post-secondary vocational general fund to its post-secondary vocational capital expenditure fund an amount not to exceed \$500,000. The amount so transferred is appropriated for the purpose of the construction of a truck diesel mechanic shop and cold storage for the area vocational-technical school.*

Subd. 2. *The authorization for the transfer of funds made in section 1 shall last until Independent School District No. 22 has transferred \$500,000 from its post-secondary vocational general fund to its post-secondary vocational capital expenditure fund for the purposes specified in section 1 or until the completion of the construction for which the transfer is authorized, whichever comes first.*

Sec. 21. [GRANTS FOR COOPERATIVE AGREEMENTS BETWEEN SECONDARY SCHOOLS.] *For the 1979-1980 and 1980-1981 school year, the department of education may make grants to school districts with enrollments of less than four hundred secondary school students for the study, evaluation and start-up costs involved in developing an agreement pursuant to any law which permits the discontinuance in a district of grades or a portion of grades and which affects any of grades 7 through 12.*

Sec. 22. [PROGRAM FOR THE GIFTED AND TALENTED.] Subdivision 1. [CITATION.] *This section may be cited as the "Education for the Gifted and Talented Act".*

Subd. 2. [AUTHORIZATION.] *There is hereby established a program of state aid for gifted and talented students.*

Subd. 3. [AID.] *A district which establishes a program for gifted and talented students shall receive for the purpose of this section an amount equal to \$30 times the number of gifted and talented students in the district. No more than two and one-half percent of the students enrolled in the district shall be counted as gifted and talented for the purpose of aid computations pursuant to this subdivision. No more than five percent of the funds received by a district pursuant to this subdivision may be expended for the purpose of administration of the program for gifted and talented students.*

Subd. 4. [REPORT.] *The department shall submit a report to the 1981 legislature evaluating the effectiveness of the education for the gifted and talented act.*

Sec. 23. Minnesota Statutes 1978, Section 275.125, Subdivision 11a, is amended to read:

Subd. 11a. (a) *A school district may levy an amount not to exceed the amount equal to \$75 per pupil unit or, in districts where*

the pupil unit count is increased pursuant to section 124.17, subdivision 1, clause (7), \$80 per pupil unit. For purposes of computing allowable levies under section 275.125, pupil units shall include only those units identified in section 124.17, subdivision 1, clauses (1), (2), (4), (5), (6) and (7). No levy under this subdivision shall exceed 10 mills times the adjusted assessed valuation of the taxable property in the district for the preceding year, notwithstanding the provisions of sections 272.64 and 275.49.

(b) The proceeds of the tax may be used only to acquire land, to equip and reequip buildings and permanent attached fixtures, and to pay leasing fees for computer systems hardware ; ~~computer terminals and related proprietary software and to pay leasing fees for photocopy machines and telecommunications equipment ; and related proprietary software services~~ . The proceeds of the tax may also be used for capital improvement and repair of school sites, buildings and permanent attached fixtures, energy assessments as required pursuant to section 116H.126, and for the payment of any special assessments levied against the property of the district authorized pursuant to section 435.19 or any other law or charter provision authorizing assessments against publicly owned property; provided that a district may not levy amounts to pay assessments for service charges, including but not limited to those described in section 429.101, whether levied pursuant to that section or pursuant to any other law or home rule provision. The proceeds of the tax may also be used for capital expenditures for the purpose of reducing or eliminating barriers to or increasing access to school facilities by handicapped individuals.

(c) Subject to the commissioner's approval, the tax proceeds may also be used to rent or lease buildings for school purposes and to acquire or construct buildings. The state board shall promulgate rules establishing the criteria to be used by the commissioner in approving and disapproving district applications requesting the use of capital expenditure tax proceeds for the renting or leasing of buildings for school purposes and the acquisition or construction of buildings. The approval criteria for purposes of building acquisition and construction shall include: the appropriateness of the proposal with respect to the district's long term needs; the availability of adequate existing facilities; and the economic feasibility of bonding because of the proposed building's size or cost.

(d) The board shall establish a fund in which the proceeds of this tax shall be accumulated until expended.

(e) The proceeds of the tax shall not be used for custodial or other maintenance services.

Sec. 24. Minnesota Statutes 1978, Section 275.125, is amended by adding a subdivision to read:

Subd. 4a. The amount a district may levy under subdivision 4 to pay the district's obligations pursuant to section 268.06, subdivision 25, shall not exceed one-half the amount paid or owing for a teacher placed on an unrequested leave of absence under sec-

tion 125.12, subdivision 6a or 6b, terminated pursuant to section 125.17, subdivision 11, or during the probationary period, at the close of a school year if the district rehires the teacher for the next school year.

Sec. 25. Minnesota Statutes 1978, Section 465.72, is amended to read:

465.72 [SEVERANCE PAY.] Except as may otherwise be provided in Laws 1959, Chapter 690, as amended, all counties, cities, townships and school districts are hereby authorized and empowered to pay severance pay to all of its employees and to establish, prescribe and promulgate provisions, rules and regulations for the payment of such severance pay upon leaving employment prior to the normal retirement date. Such severance pay shall be excluded from retirement deductions and from any calculations in retirement benefits, and shall be paid *in a manner mutually agreeable to the employee and employer* over a period not to exceed five years from termination of employment. In the event that a terminated employee dies before all or a portion of the severance pay has been disbursed, that balance due shall be paid to a named beneficiary or, lacking same, to the deceased's estate. ~~In no event shall severance pay provided for an employee leaving employment exceed an amount equivalent to 100 days pay.~~

Sec. 26. Minnesota Statutes 1978, Section 471.38, is amended by adding a subdivision to read:

Subd. 3. [ELECTRONIC FUNDS TRANSFER.] *Electronic funds transfer is the process of value exchange via mechanical means without the use of checks, drafts or similar negotiable instruments. A school district may make an electronic funds transfer for a claim for a payment from an imprest payroll bank account or investment of excess money and for payment of bond principal, bond interest and a fiscal agent service charge from the debt redemption fund. This authorization extends only to a school district which has enacted all of the following policy controls:*

(a) *The school board shall annually delegate the authority to make electronic funds transfers to a designated business administrator;*

(b) *The dispersing bank shall keep on file a certified copy of the delegation of authority;*

(c) *The initiator of the electronic transfer shall be identified;*

(d) *The initiator shall document the request and obtain an approval from the designated business administrator before initiating the transfer;*

(e) *A written confirmation of the transaction shall be made no later than one business day after the transaction and shall be used in lieu of a check, order check or warrant required to support the transaction;*

(f) *A list of all transactions made by electronic funds transfer shall be submitted to the school board at its next regular meeting after the transaction.*

Sec. 27. [APPROPRIATION.] *There is appropriated from the general fund to the department of education the sum of \$75,000 for the year ending June 30, 1980, and the sum of \$25,000 for the year ending June 30, 1981. The department shall pay this sum to Independent School District No. 625 for its career study centers programs upon receipt of a resolution by the school board of that district that (1) it will establish and maintain an account separate from all other district accounts for the receipt and disbursement of all funds related to these career study center programs, (2) that the full foundation aid formula allowance per pupil unit attributable to each student enrolled in a career studies program, including that portion earned pursuant to Minnesota Statutes, Section 124.17, Subdivision 1, Clauses (4) and (5), will be deposited by the district in that account, and (3) that the moneys deposited in that account shall be used solely for the purposes of the career study centers programs. For the purposes of this section, the foundation aid formula allowance per pupil unit for Independent School District No. 625 shall be \$1,182 for the 1979-1980 school year and \$1,265 for the 1980-1981 school year.*

Sec. 28. [REPEALER.] *Minnesota Statutes 1978, Section 123.938, Subdivision 7, is repealed.*

Sec. 29. [APPROPRIATIONS.] *Subdivision 1. There is appropriated from the general fund to the department of education the sums indicated in this section for the fiscal years ending June 30 in the years designated.*

Subd. 2. [EDUCATIONAL COOPERATIVE SERVICE UNITS.] *For education cooperative service units, there is appropriated:*

\$535,000 1980.

Funds from this appropriation shall be transmitted to an ECSU board of directors in the amount of \$48,636 per ECSU as defined in section 123.58, except that the ECSU whose boundaries coincide with the boundaries of region 11 shall receive \$97,272 for 1980.

\$572,450 1981.

Funds from this appropriation shall be transmitted to an ECSU board of directors in the amount of \$52,040 per ECSU as defined in section 123.58, except that the ECSU whose boundaries coincide with the boundaries of region 11 shall receive \$104,080 for 1981.

Subd. 3. [EDUCATIONAL COOPERATIVE SERVICE UNITS PLANNING AND TECHNICAL ASSISTANCE.] *For planning and technical assistance to school districts provided by the educational cooperative service units, there is appropriated:*

\$440,000 1980

\$440,000 1981

Funds from this appropriation shall be used for the purpose of providing the educational cooperative service units with funds so that they may (a) supply planning and evaluation technical assis-

tance to school districts, and (b) operate a data base to aid decision making at the school district and regional levels. The department of education shall allocate \$40,000 to each additional cooperative service unit for each fiscal year of the biennium, except that it shall allocate \$80,000 for each fiscal year of the biennium to the educational cooperative service units whose boundaries coincide with the boundaries of development regions 6 and 7 or with development region 11.

Subd. 4. [CAPITAL EXPENDITURE EQUALIZATION AID.] For capital expenditure equalization aid, there is appropriated:

\$194,900 1980,

\$144,500 1981.

Subd. 5. [SCHOOL LUNCH AID.] For school lunch aid there is appropriated:

\$3,993,800 1980.

Of this amount \$578,800 is for food storage costs for USDA donated commodities and so much as is necessary shall be used for the type "A" lunch program.

\$4,333,309 1981.

Of this amount \$665,500 is for food storage costs for USDA donated commodities and so much as is necessary shall be used for the type "A" lunch program.

Subd. 6. [EARLY CHILDHOOD HEALTH SCREENING.] For early childhood health screening pursuant to section 123.705 there is appropriated:

\$1,375,000 1980,

\$1,485,000 1981.

Subd. 7. [EMERGENCY AID.] For emergency aid pursuant to section 124.24 there is appropriated:

\$200,000 1980.

Any unexpended balance remaining in the appropriation in this subdivision for fiscal year 1980 shall not cancel but shall be available for the second year of the biennium.

Subd. 8. [TEACHER MOBILITY.] To meet the state's obligation prescribed in Minnesota Statutes, Sections 125.61, 354.094, 354.66, 354A.091 and 354A.22, there is appropriated:

\$1,200,000 1980.

Any unexpended balance remaining from the appropriation in this subdivision for fiscal year 1980 shall not cancel but shall be available for the second year of the biennium.

Subd. 9. [BASIC SKILLS TECHNICAL ASSISTANCE PROGRAM.] For the basic skills technical assistance program pursuant to section 3 of this article there is appropriated:

\$650,000 1980.

Of this amount the department of education shall spend not to exceed \$450,000 to staff the positions authorized by section 3, subdivision 3, clause (a) of this article.

\$700,000 1981.

Of this amount the department of education shall spend not to exceed \$480,000 to staff the positions authorized by section 3, subdivision 3, clause (a) of this article.

Subd. 10. [REORGANIZATION GUARANTEE AID.] *For aid for the reorganization guarantee formula pursuant to section 14 of this article there is appropriated:*

\$500,000 1980,

\$500,000 1981.

Subd. 11. [GRANTS FOR COOPERATIVE AGREEMENTS BETWEEN SECONDARY SCHOOLS.] *For grants for cooperative agreements between secondary schools pursuant to section 21 of this article there is appropriated:*

\$50,500 1980,

\$87,000 1981.

Subd. 12. [PROGRAM FOR THE GIFTED AND TALENTED.] *For the program for the gifted and talented pursuant to section 22 of this article there is appropriated:*

\$600,000 1980,

\$600,000 1981.

Subd. 13. [NONSECTARIAN NONPUBLIC SCHOOL CHILDREN.] *For aid pursuant to section 123.938 there is appropriated:*

\$39,000 1980,

\$44,000 1981.

Subd. 14. *Any unexpended fund balance remaining from the appropriations in subdivisions 2, 3, 4, 5, 6, 9, 10, 11, 12 and 13 for 1980 shall cancel and shall not be available for the second year of the biennium. None of the amounts appropriated in this section shall be expended for a purpose other than the purpose indicated. If the appropriation amount attributable to either year for the purpose indicated is insufficient, the aid for that year shall be prorated among all qualifying districts and the state shall not be obligated for any amount in excess of the appropriations in this section for these purposes.*

Sec. 30. [EFFECTIVE DATE.] *Sections 3, 4, 17 and 28 of this article are effective the day following final enactment.*

ARTICLE VII

LIBRARIES

Section 1. Minnesota Statutes 1979, Section 134.30, is amended by adding a subdivision to read:

Subd. 6. "Multi-county, multi-type library system" means a cooperative network composed of any combination of public libraries, regional public library systems, public school libraries, public or private college or university libraries and any other libraries which share services and resources within a multi-county area.

Sec. 2. Minnesota Statutes 1978, Section 134.32, Subdivision 5, is amended to read:

Subd. 5. It may provide grants for interlibrary exchange of books, periodicals, resource material, reference information and the expenses incident to the sharing of library resources and materials including planning and establishment grants to multi-county, multi-type library systems.

Sec. 3. Minnesota Statutes 1978, Section 134.33, Subdivision 1, is amended to read:

134.33 [ESTABLISHMENT GRANTS.] Subdivision 1. An establishment grant as described in section 134.32, subdivision 2, shall be made to any regional public library system for the first two state fiscal years after a board of county commissioners has contracted to join that system and has agreed that the county will provide the levels of support for public library service specified in this section. In the first year of participation, the county shall provide an amount of support equivalent to .2 .3 mill times the adjusted assessed valuation of the taxable property of the county as determined by the equalization aid review committee for the second year preceding that calendar year or two-thirds of the per capita amount established under provisions of Minnesota Statutes 134.34, Subdivision 1, whichever amount is less; in the second year of participation, an amount equivalent to .3 mill times the adjusted assessed valuation of the taxable property of the county as determined by the equalization aid review committee for the second year preceding that calendar year; and, in the third second year of participation and in each year thereafter, an amount equivalent to .4 mill times the adjusted assessed valuation of the taxable property of the county as determined by the equalization aid review committee for the second year preceding that calendar year or the per capita amount established under provisions of Minnesota Statutes 134.34, Subdivision 1, whichever is less. The minimum level of support shall be certified annually to the county by the department of education. In no event shall the department of education require any county to provide a higher level of support than the level of support specified in this section in order for a system to qualify for an establishment grant. This section shall not be construed to prohibit any county from providing a higher level of support for public libraries than the level of support specified in this section.

Sec. 4. Minnesota Statutes 1978, Section 134.34, Subdivision 1, is amended to read:

134.34 [REGIONAL LIBRARY BASIC SYSTEM SUPPORT GRANTS; REQUIREMENTS.] Subdivision 1. A regional library basic system support grant shall be made to any regional public library system where there are at least three participating counties and where each participating city and county, except in the first ~~and second years~~ year of participation as provided in section 134.33, is providing for public library service support in an amount equivalent to .4 mill times the adjusted assessed valuation of the taxable property of that city or county, as determined by the equalization aid review committee for the second year preceding that calendar year *or a per capita amount calculated under provisions of this subdivision, whichever is less. The per capita amount is established for calendar year 1980 as \$3.00. In succeeding calendar years, the per capita amount shall be increased by one half of the percentage increase in total state adjusted assessed valuation of property as determined by the equalization aid review committee for the third year preceding that calendar year to the second year preceding that calendar year.* The minimum level of support shall be certified annually to the participating cities and counties by the department of education. A city which is a part of a regional public library system shall not be required to provide this level of support if the property of that city is already taxable by the county for the support of that regional public library system. In no event shall the department of education require any city or county to provide a higher level of support than the level of support specified in this section in order for a system to qualify for a regional library basic system support grant. This section shall not be construed to prohibit a city or county from providing a higher level of support for public libraries than the level of support specified in this section.

Sec. 5. Minnesota Statutes 1978, Section 134.34, Subdivision 2, is amended to read:

Subd. 2. Notwithstanding the provisions of section 134.33 and subdivision 1 of this section, after the ~~third~~ *second* year of participation by a city or county, the dollar amount of the minimum level of support for that city or county shall not be required to increase by more than ten percent over the dollar amount of the minimum level of support required of it in the previous year. If a participating city or county which has been providing for public library service support in an amount equivalent to .67 mill times the assessed valuation of the taxable property of that city or county for the year preceding that calendar year would be required to increase the dollar amount of such support by more than ten percent to reach the equivalent of .4 mill times the adjusted assessed valuation of the taxable property of that participating city or county as determined by the equalization aid review committee for the second year preceding that calendar year *or the per capita amount calculated under provisions of Minnesota Statutes 134.34, Subdivision 1*, it shall only be required to increase the dollar amount of such support by ten percent per year until such time as it reaches an amount equivalent to .4 mill times the

adjusted assessed valuation of that taxable property as determined by the equalization aid review committee for the second year preceding that calendar year or the per capita amount calculated under provisions of Minnesota Statutes 134.34, Subdivision 1.

Sec. 6. Minnesota Statutes 1978, Section 134.35, Subdivision 1, is amended to read:

134.35 [REGIONAL LIBRARY BASIC SYSTEM SUPPORT GRANTS; DISTRIBUTION FORMULA.] Subdivision 1. Any regional public library system which qualifies according to the provisions of section 134.34 may apply for an annual grant for regional library basic system support. The amount of each grant for fiscal year ~~1979~~ 1980 and each fiscal year thereafter shall be calculated as provided in this section.

Sec. 7. Minnesota Statutes 1978, Section 134.35, Subdivision 2, is amended to read:

Subd. 2. ~~Sixty~~ Fifty-five percent of the available grant funds shall be distributed to provide all qualifying systems an equal amount per capita. Each system's allocation pursuant to this subdivision shall be based on the population it serves.

Sec. 8. Minnesota Statutes 1978, Chapter 134, is amended by adding a section to read:

[134.351] [MULTI-COUNTY, MULTI-TYPE LIBRARY SYSTEMS.] Subdivision 1. [ESTABLISHMENT.] *The state board of education, upon the advice of the advisory council to the office of public libraries and interlibrary cooperation, may approve the establishment of multi-county, multi-type library systems.*

Subd. 2. *Each multi-county, multi-type library system is encouraged to develop additional services including, but not limited to the following: referral of users, intrasystem reciprocal borrowing, cooperative collection development, cooperative reference services, staff development, research and development, cooperative storage facilities, publicity and community relations.*

Subd. 3. *In order to qualify for a planning grant or development grant pursuant to sections 9 and 10 of this article, each participating library in a multi-county, multi-type library system shall adopt an organizational agreement providing for the following:*

- (a) *Requiring all participating libraries to share resources;*
- (b) *Long-range planning for cooperative programs;*
- (c) *The development of a delivery system for services and programs; and*
- (d) *The development of a bibliographic data base.*

Sec. 9. Minnesota Statutes 1978, Chapter 134, is amended by adding a section to read:

[134.352] [MULTI-COUNTY, MULTI-TYPE LIBRARY SYSTEM.] Subdivision 1. [PLANNING GRANTS.] *The state board*

of education may award a one-year planning grant to a multi-county, multi-type library system, to be available during the first year of operation of each system. In awarding a planning grant, the state board shall consider the extra costs incurred in systems located in sparsely populated and large geographic areas.

Sec. 10. Minnesota Statutes 1978, Chapter 134, is amended by adding a section to read:

[134.353] [MULTI-COUNTY, MULTI-TYPE LIBRARY SYSTEM DEVELOPMENT GRANT.] *The state board of education may provide development grants to multi-county, multi-type library systems in their second and subsequent years of operation. In awarding a development grant, the state board shall consider the extra costs incurred in systems located in sparsely populated and large geographic regions.*

Sec. 11. [REPEALER.] *Minnesota Statutes 1978, Section 134.33, Subdivision 2, is repealed.*

Sec. 12. [APPROPRIATIONS.] Subdivision 1. *There is appropriated from the general fund to the department of education the sums indicated in this section for the fiscal years ending June 30, in the years designated.*

Subd. 2. *For grants pursuant to sections 134.30 to 134.36 for the provision of library services, there is appropriated:*

\$3,591,300 1980,

\$3,614,300 1981.

Subd. 3. *For grants pursuant to sections 9 and 10 of this article to multi-county, multi-type library systems, there is appropriated:*

\$250,000 1980,

\$250,000 1981.

Subd. 4. *Any unexpended balance remaining from the appropriation in this section for 1980 shall cancel and shall not be available for the second year of the biennium. None of the amounts appropriated in this section shall be expended for a purpose other than the purpose indicated.*

ARTICLE VIII

EARLY CHILDHOOD AND FAMILY EDUCATION PROGRAMS

COUNCIL ON QUALITY EDUCATION

Section 1. Minnesota Statutes 1978, Section 3.924, Subdivision 1, is amended to read:

3.924 [ESTABLISHMENT.] Subdivision 1. [MEMBERSHIP, TERMS.] *There is hereby created a council on quality education consisting of 17 19 persons. The members of such council shall be appointed as follows:*

(1) One member shall be appointed by the Minnesota education association;

(2) One member shall be appointed by the Minnesota federation of teachers;

(3) One member shall be appointed by the Minnesota school board association;

(4) One member shall be appointed by the Minnesota state advisory council for vocational education;

(5) *One member shall be appointed by the Minnesota state advisory council for special education;*

~~(5)~~ (6) One member shall be appointed by the state university board;

~~(6)~~ (7) One member shall be appointed by the state board for community colleges;

~~(7)~~ (8) One member shall be appointed by the regents of the University of Minnesota;

~~(8)~~ (9) One member shall be appointed by the private college council;

~~(9)~~ (10) One member from each congressional district and ~~one member~~ *two members* at large, shall be appointed by the governor with the advice and consent of the senate, none of whom shall be officers, employees or board members of state educational institutions, departments, agencies or boards.

Sec. 2. Minnesota Statutes 1978, Section 3.925, is amended to read:

3.925 [PURPOSE.] The legislature of the state of Minnesota expresses concern over the future of elementary and secondary education in this state, its ability to meet the educational needs of the public school students, the professional growth and satisfaction of school staffs, the effectiveness and efficiency of present schools and their learning processes, continuing pupil unit cost escalation and the resulting financial crisis which this brings about. New approaches to the learning process, better utilization of professional staff and community resources, different requirements as to course offerings, course content, grading, graduation and school attendance must be researched and developed. It is believed that revised programs, innovations, new attitudes about learning and the public schools' responsibilities can be effectively achieved if such research and development are performed by the council on quality education and at the local school level by the school's staff and with involvement by the students and their community. Although funds spent now for such purposes can produce substantial education and cost benefits in the future, such capital type funds are seldom available within any single school district's budget.

The purpose of the council on quality education is, therefore, to encourage, promote, aid, and perform research and development for

quality education in Minnesota elementary and secondary schools, to evaluate the results of significant innovative programs and to disseminate information about these programs throughout the state.

To these ends, the council through the state board of education shall establish a venture fund from which grants or loans may be made in support of research and development programs relating to the problems and objectives heretofore described which shall include but not be limited to:

- (1) Effective utilization of community personnel and resources.
- (2) Developing model personnel policies and procedures, and new staffing concepts such as differentiated staffing.
- (3) Assessment and evaluation of education programs.
- (4) Developing a management and unit of instructional objectives design which will provide accountability by relating time and dollars to the amount of learning produced.
- (5) Determining responsibilities to be assumed by the schools exclusively or concurrently with other agencies or individuals.
- (6) Effective dissemination of educational information.
- (7) Developing new knowledge about learning and teaching.
- (8) Developing model educational programs as alternatives to existing educational practices and curricula.
- (9) Model programs and innovations to increase equality of educational opportunities.
- (10) Research and testing of new concepts of educational efficiency, effectiveness and cost benefits.
- (11) *Comprehensive interdisciplinary programs in health education and comprehensive programs designed to innovatively coordinate and integrate the delivery of pupil support services.*

The council shall not be limited to supporting innovations, programs or procedures supplementary to existing school structures and programs but may assist or research entirely new concepts such as open schools, informal schools and the like. It is the legislature's intent that any supported program shall hold promise of both educational and cost benefits and that the costs and improvements in learning effectiveness introduced thereby shall be measured and related.

The council may also review literature and other information about innovative programs in Minnesota and other states and disseminate the results of this research throughout the state. The council may identify ideas for innovative programs in the course of this research and solicit proposals from school boards for grants for such programs; provided not to exceed ten percent of the funds appropriated to the venture fund in any year may be expended to fund such research and programs.

The council shall make a report by November 15 of each even numbered year to the legislature concerning all research and all proposals received and the dispositions made thereof by the council and the state board of education.

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

[3.9276] [CITATION.] *Sections 3 to 6 of this article may be cited as "The Early Childhood and Family Education Act".*

Sec. 4. Minnesota Statutes 1979, Chapter 3, is amended by adding a section to read:

[3.9277] [PURPOSE.] *The purposes of sections 3 to 6 of this article are: (a) to strengthen families, (b) to help parents to provide for their children's learning and development, and (c) to help young children to develop their physical, mental and social potentials.*

Sec. 5. Minnesota Statutes 1978, Chapter 3, is amended by adding a section to read:

[3.9278] [DEFINITIONS.] *Subdivision 1. As used in this article, the terms defined in this section have the meanings given them.*

Subd. 2. "Early childhood" means the period of life before kindergarten and before age six.

Subd. 3. "Early childhood and family education programs" may include, but are not limited to, the following:

(a) Educational programs for parents on the physical, mental and emotional development of children and on the development of parenthood skills;

(b) Programs for the parents or guardians of children which are designed to strengthen the family unit and to assist the parents or guardians in providing sound early childhood learning and development;

(c) Libraries of books, toys and other educational materials which can be borrowed for home use;

(d) Activities designed to detect children's physical, mental, emotional or behavioral problems that are causing or might cause learning problems. Should the need for special help be found, the family shall be referred to an appropriate person or agency, but this program shall not pay treatment costs;

(e) Education for parenthood programs in secondary schools to increase the adolescent's awareness of the social, educational and health needs of children and of the role of parents in fostering a child's development;

(f) In-center activities;

(g) Home activity kits; and

(h) Community and resource information and referrals.

Sec. 6. Minnesota Statutes 1978, Chapter 3, is amended by adding a section to read:

[3.9279] [EARLY CHILDHOOD AND FAMILY EDUCATION PROGRAMS.] *Subdivision 1. [AUTHORIZATION.] The school board of any district, however organized, which receives early childhood and family education moneys from the council on quality education shall provide those services in one elementary school attendance area, or an area within the district, if the council deems the area to be appropriate. The council on quality education shall prescribe the form and manner of application for the programs and shall select the grant and formula recipients. These programs shall be as equally distributed as possible among districts in cities of the first class, in suburbs, and outside the seven county metropolitan area.*

Subd. 2. [PROGRAM ACCOUNTS.] A district providing early childhood and family education programs shall establish and maintain a separate account for the receipt and disbursement of all funds related to the programs.

Subd. 3. [PARTICIPANTS' FEES.] A district may charge reasonable fees for early childhood and family education services; however a district shall waive the charge or fee if any participant is unable to pay it.

Subd. 4. [ADDITIONAL FUNDING.] A school district providing early childhood and family education programs may receive funds for the programs from other governmental agencies and from private sources, including any state or federal funds available for community education or parent education.

Subd. 5. [PROGRAM COORDINATION.] A district providing early childhood and family education services is strongly encouraged to coordinate this programming with related services provided in the district by other governmental agencies and may develop cooperative programs with private agencies. State government agencies shall cooperate with a school district in these coordination efforts. A district which provides early childhood and family education programs but does not coordinate its efforts with those of other governmental agencies shall submit an explanatory report to the commissioner of education within one year after the implementation of its programs and each year thereafter in which such coordination is not established.

Subd. 6. [ADVISORY COUNCILS.] The school board of a district providing early childhood and family education programs shall appoint an advisory council. Council members shall be selected from the school attendance area in which the programs are provided. A majority of the members shall be parents participating in the local program. The local advisory council shall assist the school board in the development, coordination, supervision and review of early childhood and family education services in the area and shall suggest priorities for child learning and development services in the community. The council shall report to the school

board and the district community school advisory council, if that council has been established in the district.

Subd. 7. [ADVISORY TASK FORCE ON EARLY CHILDHOOD AND FAMILY EDUCATION.] *The council on quality education shall appoint an advisory task force on early childhood and family education programs. The advisory task force shall be composed of parents of young children and persons knowledgeable in the fields of health, education and welfare. A majority of the task force shall be parents of young children. The advisory task force shall advise the council in the administration of the early childhood and family education programs. The terms, compensation and removal of members shall be governed by the provisions of section 15.059, subdivision 6. The task force shall expire June 30, 1981.*

Subd. 8. [PERSONNEL.] *A school board may employ and discharge personnel necessary for its early childhood and family education programs. All professional early childhood and family education personnel shall have the qualifications required by the council on quality education and the employing school district.*

Subd. 9. [VOLUNTARY PARTICIPATION.] *Participation by parents and children in early childhood and family education programs shall be voluntary and shall not preclude participation in other state or local programs. No school district shall discriminate in providing early childhood and family education programs on the basis of race, religion, sex or ethnic background, and no programs shall be used in whole or in part for religious worship or instruction.*

Subd. 10. [STATE BOARD OF EDUCATION.] *The state board of education shall:*

(a) Annually review district early childhood and family education programs;

(b) Apply for funds which are, or may become, available under federal programs pertaining to early childhood and family education, including funds for administration, demonstration projects, training, technical assistance, planning, and evaluation;

(c) Encourage cooperation in the delivery of services by districts operating early childhood and family education programs;

(d) Inform the public about early childhood development services;

(e) Provide professional and technical assistance to school districts providing early childhood and family education programs.

Subd. 11. [FORMULA FUNDING.] *In fiscal years 1980 and 1981 the council on quality education shall fund ten early childhood and family education programs according to a formula or formulas which it shall develop. An early childhood and family education program selected by the council for formula funding shall be funded according to a formula for both fiscal years 1980 and 1981; however, the council may modify or change the funding formula used for a particular early childhood and family education program. The formula or formulas developed by the council*

shall include incentives for programs to increase the participation of persons who are educationally and economically disadvantaged.

The council on quality education shall describe and evaluate the formula funding of early childhood and family education programs in the council's 1980 annual report to the legislature. By November 15, 1981 the council on quality education shall make a special report to the legislature which shall contain a summary and conclusion of a study of the feasibility of formula funding for all early childhood and family education programs.

Subd. 12. [NEGOTIATED GRANTS.] The council on quality education may fund up to 40 early childhood and family education programs, other than the ten programs funded pursuant to subdivision 11, according to the negotiated grants procedure established by Minnesota Statutes, Sections 3.924 to 3.927.

Subd. 13. [SPECIAL CATEGORICAL PROGRAM GRANT.] For the programs funded pursuant to subdivision 12, there is hereby created a special categorical program grant for those programs serving economically disadvantaged persons. The council on quality education shall apportion the grant money among the eligible programs in proportion to the number of participants in each program from families which receive aid to families with dependent children compared to the number of participants in all the eligible programs from families which receive aid to families with dependent children.

Sec. 7. [REPEALER.] Minnesota Statutes 1978, Sections 3.9271; 3.9273; 3.9274; and 3.9275 are repealed.

Sec. 8. [APPROPRIATIONS.] Subdivision 1. There is appropriated from the general fund to the department of education the sums indicated in this section for the fiscal years ending June 30 in the years designated.

Subd. 2. [COUNCIL ON QUALITY EDUCATION; VENTURE FUND GRANTS.] For the council on quality education venture fund grants pursuant to sections 3.925 and 3.926, there is appropriated:

\$900,000	1980,
\$900,000	1981.

Subd. 3. [EARLY CHILDHOOD AND FAMILY EDUCATION.] For early childhood and family education programs pursuant to sections 3 to 6 of this article there is appropriated:

\$2,369,700 1980.

Of this amount \$272,000 is for the purpose of providing special categorical program grants pursuant to section 6, subdivision 13 of this article and \$82,000 is for administration of programs.

\$2,536,000 1981.

Of this amount \$297,200 is for the purpose of providing special categorical program grants pursuant to section 6, subdivision 13 of this article and \$82,000 is for administration of programs.

Subd. 4. Any unexpended fund balance remaining from the appropriations in this section for 1980 shall cancel and shall not be available for the second year of the biennium. None of the amounts appropriated in this section shall be expended for a purpose other than the purpose indicated."

Further, delete the title and insert:

"A bill for an act relating to education; providing for aids to education, tax levies and the distribution of tax revenues; granting certain duties and powers to school boards, school districts, the state board of education, and the state board for vocational education; modifying the hearing procedure for the educational placement of certain handicapped students; appropriating money; amending Minnesota Statutes 1978, Sections 3.924, Subdivision 1; 3.925; 16.93; 120.075; 120.17, Subdivisions 3b, 4, 6 and 7a; 121.21, Subdivision 6; 121.904, Subdivision 11b; 121.917, by adding a subdivision; 121.92; 123.702, Subdivision 1, and by adding a subdivision; 123.703, Subdivisions 1 and 3; 123.705; 123.937; 124.11, Subdivision 2; 124.14; 124.17, Subdivision 1; 124.19, by adding a subdivision; 124.20; 124.212, Subdivisions 1, 6c and 7c; 124.222, Subdivision 3; 124.26, Subdivision 1; 124.271, Subdivision 2, and by adding a subdivision; 124.32, Subdivisions 1, 1a, 5 and 10; 124.561, Subdivisions 2, 3 and 3a; 124.562, Subdivisions 2, 3 and 4; 124.565; 124.566; 124.572, Subdivisions 1, 2 and 3; 124.573, Subdivisions 1, 2, 3, and by adding a subdivision; 124.574, Subdivision 2; 124.646, Subdivision 1; 125.61, Subdivision 4; 126.39, Subdivision 10; 126.40, Subdivision 3; 126.41, Subdivision 1; 126.52, Subdivision 10; 126.53, Subdivision 3; 126.54, Subdivision 1; 134.30, by adding a subdivision; 134.32, Subdivision 5; 134.33, Subdivision 1; 134.34, Subdivisions 1 and 2; 134.35, Subdivisions 1 and 2; 275.125, Subdivisions 2a, 8, 11a, and by adding a subdivision; 465.72; 471.38, by adding a subdivision; and Chapters 3, by adding sections; 123, by adding a section; 124, by adding sections and 134, by adding sections; repealing Minnesota Statutes 1978, Sections 3.9271; 3.9273; 3.9274; 3.9275; 123.938, Subdivision 7; 124.212, Subdivisions 6b and 7b; 124.222, Subdivisions 1a, 1b, 2a, 2b and 6; 124.562, Subdivision 1; 124.563; 134.33, Subdivision 2; 275.125, Subdivision 13."

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

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

H. F. No. 248 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
248	320				

and that the above Senate File be indefinitely postponed.

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

Mr. Coleman from the Committee on Rules and Administration makes the following report: That the Permanent Rules of the Senate appearing in the Journal for February 15, 1979, be amended as follows:

Rule 62.

In the "Researcher" classification under "salary per day" strike "1 @ \$55.97"; after "1 @ \$44.36" insert "1 @ \$45.21"

Mr. Coleman moved the adoption of the foregoing committee report.

The question was taken on the adoption of the motion.

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

Those who voted in the affirmative were:

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

The motion prevailed. So Rule 62 was amended.

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. 787: A bill for an act relating to commerce; creating a business assistance center within the department of economic development; appropriating money; amending Minnesota Statutes 1978, Sections 161.321, Subdivision 1; 362.42; and Chapter 362, by adding sections; repealing Minnesota Statutes 1978, Section 16.082.

Reports the same back with the recommendation that the report from the Committee on Employment shown in the Journal for April 19, 1979, be amended to read: "And when so amended the bill do pass and be re-referred to the Committee on Governmental Operations." Amendment 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. 1141: A bill for an act relating to hearing impaired persons; establishing regional service centers and advisory com-

mittees; establishing a statewide interpreter referral service; providing for a program of training and employment; prescribing duties for the commissioner of public welfare; establishing an office on hearing impairment; providing for an advisory committee for the state council for the handicapped; prescribing duties for the department of health; appropriating money.

Reports the same back with the recommendation that the report from the Committee on Health, Welfare and Corrections shown in the Journal for April 19, 1979 be amended to read: "And when so amended the bill do pass and 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. 765: A bill for an act relating to the state civil service; including veterans in the protected group for the purpose of the statewide affirmative action program; amending Minnesota Statutes 1978, Section 43.15, Subdivision 1.

Reports the same back with the recommendation that the report from the Committee on Governmental Operations shown in the Journal for April 19, 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. 770: A bill for an act relating to education; requiring notice to certain parties when a court or state agency places a child in a school district other than his district of residence; increasing participation in the placement decision; amending Minnesota Statutes 1978, Section 124.212, Subdivision 20, and by adding a subdivision.

Reports the same back with the recommendation that the report from the Committee on Education shown in the Journal for April 23, 1979, "that the bill do pass" 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. 962: A bill for an act relating to highway traffic regulations; authorizing local authorities to establish speed zones upon petition; amending Minnesota Statutes 1978, Section 169.14, by adding a subdivision.

Reports the same back with the recommendation that the report from the Committee on Local Government shown in the Journal for April 23, 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,

H. F. No. 219: A bill for an act relating to electricians; establishing an additional class of installers license; amending Minnesota Statutes 1978, Sections 326.01, Subdivision 6b; and 326.242, Subdivision 3.

Reports the same back with the recommendation that the report from the Committee on Commerce shown in the Journal for April 23, 1979, "that the bill do pass" be adopted. Report adopted.

SECOND READING OF SENATE BILLS

S. F. Nos. 1338, 1328 and 1003 were read the second time.

S. F. Nos. 768, 874, 1191, 1260, 227, 255, 1115, 1209, 1013, 74, 1361, 1362, 1363, 482, 1248, 721, 783, 1042, 1403, 1376, 169, 1128, 1293, 984, 177, 1166, 1026, 667, 1310, 1296, 1098, 1436, 1257, 1199, 529, 1351, 1006, 831, 1393, 765, 770 and 962 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. 248 was read the second time.

H. F. Nos. 389 and 219 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

MOTIONS AND RESOLUTIONS

Mr. Nichols moved that the name of Mr. Renneke be added as co-author to S. F. No. 234. The motion prevailed.

Mr. Knoll introduced—

Senate Concurrent Resolution No. 10: A Senate concurrent resolution designating May 1st as Law Day.

Referred to the Committee on Rules and Administration.

Mr. Benedict moved that his name be stricken as chief author and Mr. Sikorski be added as chief author to S. F. No. 1182. The motion prevailed.

Messrs. Coleman and Ashbach introduced—

Senate Resolution No. 26: A Senate resolution relating to the Minnesota Highway Patrol; extending congratulations upon the 50th Anniversary of its establishment.

WHEREAS, during the Forty-sixth Legislature in 1929, House File No. 447 was introduced, considered and adopted; and,

WHEREAS, House File No. 447 authorized the Commissioner of Highways "to employ . . . 35 persons to enforce the provisions

of the laws relating to the use and operation of motor vehicles upon trunk highways . . . and . . . have the power of peace officers.”; and,

WHEREAS, House File No. 447 was signed by the governor and became effective on April 24, 1929; and,

WHEREAS, in the 50 years since its founding, the Minnesota Highway Patrol has consistently rendered efficient and effective law enforcement consistent with the highest traditions of the profession of law enforcement; NOW, THEREFORE,

BE IT RESOLVED by the Senate of the State of Minnesota:

(1) Its congratulations are extended to all present and former members of the Minnesota Highway Patrol as well as to their families and friends upon the 50th anniversary of its establishment. The members of the Senate join with them in commemoration of this important event and in the desire that the tradition that has been established may be carried forward and commemorated by future generations of Minnesotans.

(2) The Secretary of the Senate is directed to prepare an enrolled copy of this resolution and to transmit it to the Chief of the Minnesota Highway Patrol.

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

Mr. Gunderson introduced—

Senate Resolution No. 27: A Senate resolution extending congratulations to Sharon Liedahl on being selected Secretary of the Year.

WHEREAS, Sharon Liedahl has been the Secretary-bookkeeper for the Spring Grove Public School in Spring Grove, Minnesota; and,

WHEREAS, in recognition of her professional skill and public spiritedness, she was selected Secretary of the Year by the Association of Education Office Personnel; and,

WHEREAS, in recognition of her achievement, the Governor of Minnesota and the Mayor of Spring Grove have declared April 25, 1979, to be Sharon Liedahl day; NOW, THEREFORE,

BE IT RESOLVED, by the Senate of the State of Minnesota:

(1) Its congratulations are extended to Sharon Liedahl and to her family and friends. It is hoped that the devotion to duty by this public servant will receive the honor from all Minnesotans that she justly deserves.

(2) The Secretary of the Senate is directed to deliver a copy of this resolution to Sharon Liedahl.

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

Mr. Menning moved that his name be stricken as co-author to S. F. No. 264. The motion prevailed.

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.

Rochelle Barnhart, Researcher classification, effective April 23, 1979

Rev. Robert Keane, Chaplain, effective April 21, 1979

Monsignor Ambrose V. Hayden, Chaplain, effective May 3, 1979

Kevin McDonough, Chaplain, effective April 25, 1979

John McDonough, Chaplain, effective May 2, 1979

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

Mr. Davies moved that S. F. No. 57 be taken from the table. The motion prevailed.

CONCURRENCE AND REPASSAGE

Mr. Davies moved that the Senate concur in the amendments by the House to S. F. No. 57 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 57: A bill for an act relating to insurance; providing for the coordination of reparations benefits for automobile losses; requiring reduced premium rates; amending Minnesota Statutes 1978, Section 65B.61, Subdivision 3; repealing Minnesota Statutes 1978, Section 65B.61, Subdivision 4.

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 56 and nays 0, as follows:

Those who voted in the affirmative were:

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

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

CALL OF THE SENATE

Mr. Solon imposed a call of the Senate for the proceedings on S. F. No. 766. The following Senators answered to their names:

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

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

RECONSIDERATION

Mr. Solon moved that the vote whereby S. F. No. 766 failed to pass the Senate on April 23, 1979, be now reconsidered. The motion prevailed.

S. F. No. 766: A bill for an act relating to banks; authorizing the making of loans at detached facilities; amending Minnesota Statutes 1978, Section 47.53.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 35 and nays 28, as follows:

Those who voted in the affirmative were:

Bang	Gunderson	Luther	Pillsbury	Staples
Benedict	Humphrey	McCutcheon	Schaaf	Stokowski
Brataas	Johnson	Merriam	Schmitz	Stumpf
Coleman	Keefe, J.	Nichols	Sikorski	Tennessen
Davies	Keefe, S.	Ogdahl	Sillers	Ueland, A.
Dieterich	Knoll	Perpich	Solon	Ulland, J.
Gearty	Laufenburger	Peterson	Spear	Vega

Those who voted in the negative were:

Anderson	Engler	Knaak	Olhoft	Sieloff
Ashbach	Frederick	Knutson	Olson	Strand
Bernhagen	Hanson	Lessard	Penny	Wegener
Chenoweth	Hughes	Menning	Purfeerst	Willet
Chmielewski	Jensen	Moe	Renneke	
Dunn	Kleinbaum	Nelson	Setzepfandt	

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Spear moved that the name of Mr. Lewis be stricken as chief author and the name of Mr. Anderson be added as chief author to S. F. No. 701. The motion prevailed.

Mr. Spear moved that S. F. No. 1310 be withdrawn from the subcommittee on Bill Scheduling of the Committee on Rules and Administration and re-referred to the Committee on Judiciary. The motion prevailed.

RECONSIDERATION

Mr. Moe moved that the vote whereby S. F. No. 486 was passed by the Senate on April 23, 1979, be now reconsidered. The motion prevailed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Hughes moved that S. F. No. 486 on the Calendar, be stricken and placed at the top of General Orders. The motion prevailed.

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

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time.

Mr. Moe, for the Committee on Finance, introduced—

S. F. No. 1510: A bill for an act relating to the organization and operation of state government; appropriating money for the general administrative and judicial expenses of state government with certain conditions; providing for the transfer of certain moneys in the state treasury; authorizing land acquisition in certain cases; fixing and limiting the amount of fees to be collected in certain cases; amending Minnesota Statutes 1978, Sections 4.12, by adding a subdivision; 4.26, Subdivision 1; 10.31; 16.02, by adding a subdivision; 16.97, Subdivision 1; 16A.126; 43.067, Subdivision 1; 85A.02, Subdivision 12; 116E.03, Subdivision 4; 179.04; 180.03, Subdivision 2; 197.16; 198.31; 299C.07; 361.12, by adding a subdivision; 362.20; 362.40, Subdivisions 9, 10 and 11; 546.27; Chapters 86, by adding a section; and 299C, by adding a section.

Under the rules of the Senate, laid over one day.

Mr. Moe, for the Committee on Finance, introduced—

S. F. No. 1511: A bill for an act relating to the organization and operation of state government; appropriating money for welfare, corrections, health, and other purposes with certain conditions; providing appropriations for the departments of public welfare, economic security, corrections, corrections ombudsman, health, health related boards; amending Minnesota Statutes 1978, Sections 145.-925, Subdivision 3; and 254A.031; and repealing Minnesota Statutes 1978, Section 256B.44, Subdivision 2.

Under the rule of the Senate, laid over one day.

Without objection, the Senate reverted to the Order of Business of Reports of Committees.

REPORTS OF COMMITTEES

Mr. Coleman from the Subcommittee on Bill Scheduling, to which were referred S. F. Nos. 333, 830, 701, 1288, 1210, 1037, 1072, 1144, 1273, 1243, 895, 1051, 1213, 1309, 49, 947, 1189, 326, 1295, 1157, 555, 352, 1425, 1044, 744, 1040, 1010, 998, 992, 1000, 693, 1400, 1150, 824, 1299, 791, 940, 1099, 851, 1292, 1184, 1025, 810, 615 makes the following report:

That the above Senate Files 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.

Mr. Coleman moved the adoption of the foregoing committee report. The motion prevailed. Report adopted.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman moved that the name of Mr. Lewis be stricken as chief author and the name of Mrs. Staples be added as chief author to S. F. No. 1388. The motion prevailed.

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

CONSENT CALENDAR

H. F. No. 1158: A bill for an act relating to Independent School District No. 275; providing for the consolidation of Independent School District No. 275.

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 56 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S. F. No. 1341: A bill for an act relating to the city of Waterville; clarifying its governing statutes.

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 58 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S. F. No. 1388: A bill for an act relating to Hennepin County; establishing an unclassified civil service position of chief civil deputy sheriff; amending Laws 1965, Chapter 855, Section 7, Subdivision 2, as amended.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S. F. No. 1392: A bill for an act relating to local government; providing for fire protection services in various local units in Cass and Morrison counties.

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:

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

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated the General Orders Calendar a Special Orders Calendar to be heard immediately.

SPECIAL ORDER

S. F. No. 285: A bill for an act relating to interest rates; increasing permissible finance charges for open end credit sales; providing for calculation of finance charges on open end credit sales; amending Minnesota Statutes 1978, Section 334.16, Subdivision 1, and by adding a subdivision.

Mr. Coleman moved to amend S. F. No. 285, as follows:

Page 2, line 4, delete "*half*" and insert "*third*" and delete "*on that part*"

Page 2, delete lines 5 and 6

Page 2, line 7, delete new language

Mr. Schaaf requested division of the amendment as follows:

First portion:

Page 2, line 4, delete "*on that part*"

Page 2, delete lines 5 and 6

Page 2, line 7, delete new language

Second portion:

Page 2, line 4, delete "*half*" and insert "*third*"

The question was taken on the adoption of the first portion of the amendment. The motion prevailed. So the first portion of the amendment was adopted.

The question was taken on the adoption of the second portion of the amendment. The motion prevailed. So the second portion of the amendment was adopted.

Mr. Luther moved to amend S. F. No. 285 as follows:

Page 2, line 11, after the period, insert "*With respect to sellers with gross sales of \$1,000,000,000 or less for the next preceding*"

fiscal year, the plan, agreement or arrangement may also provide for a periodic rate of finance charge which does not exceed an additional one-third of one percent per month computed on an amount no greater than the average daily balance of the account during each monthly billing cycle."

Amend the title as follows:

Page 1, line 3, after "sales" insert "for certain sellers"

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:

Anderson	Hughes	Keefe, S.	Schaaf	Vega
Benedict	Humphrey	Luther	Sikorski	Willet
Chenoweth	Jensen	McCutcheon	Spear	
Dieterich	Johnson	Menning	Stokowski	
Gunderson	Keefe, J.	Perpich	Stumpf	

Those who voted in the negative were:

Ashbach	Frederick	Merriam	Pillsbury	Strand
Bang	Gearty	Moe	Purfeerst	Tennessen
Bernhagen	Hanson	Nelson	Rued	Ueland, A.
Brataas	Kleinbaum	Nichols	Schmitz	Wegener
Coleman	Knaak	Ogdahl	Setzepfandt	
Davies	Knoll	Olson	Sieloff	
Dunn	Knutson	Penny	Solon	
Engler	Laufenburger	Peterson	Staples	

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

Mr. Stokowski moved to amend S. F. No. 285 as follows:

Page 2, after line 32, insert:

"This act shall expire June 30, 1981."

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 23 and nays 39, as follows:

Those who voted in the affirmative were:

Benedict	Johnson	Menning	Schaaf	Stumpf
Chenoweth	Knoll	Merriam	Sikorski	Vega
Chmielewski	Lessard	Nelson	Spear	Willet
Dieterich	Luther	Nichols	Stokowski	
Humphrey	McCutcheon	Olhoff	Strand	

Those who voted in the negative were:

Anderson	Engler	Kleinbaum	Peterson	Sillers
Ashbach	Frederick	Knaak	Pillsbury	Solon
Bang	Gearty	Knutson	Purfeerst	Staples
Bernhagen	Gunderson	Laufenburger	Renneke	Tennessen
Brataas	Hanson	Moe	Rued	Ueland, A.
Coleman	Hughes	Ogdahl	Schmitz	Ulland, J.
Davies	Jensen	Olson	Setzepfandt	Wegener
Dunn	Keefe, S.	Penny	Sieloff	

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

S. F. No. 285 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 45 and nays 17, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Knutson	Penny	Sieloff
Ashbach	Frederick	Laufenburger	Peterson	Sillers
Bang	Gearty	Lessard	Pillsbury	Solon
Bernhagen	Gunderson	Menning	Purfeerst	Staples
Brataas	Hanson	Moe	Renneke	Strand
Chmielewski	Jensen	Nelson	Rued	Tennessen
Coleman	Kleinbaum	Nichols	Schaaf	Ueland, A.
Davies	Knaak	Ogdahl	Schmitz	Ulland, J.
Dunn	Knoll	Olson	Setzepfandt	Wegener

Those who voted in the negative were:

Benedict	Humphrey	Merriam	Spear	Willet
Chenoweth	Johnson	Olhoft	Stokowski	
Dieterich	Luther	Perpich	Stumpf	
Hughes	McCutcheon	Sikorski	Vega	

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

SPECIAL ORDER

S. F. No. 681: A bill for an act relating to game and fish; providing for the licensing and regulation of commercial fishing in inland waters; contracts for removal of rough fish; amending Minnesota Statutes 1978, Section 98.46, by adding a subdivision; and Chapter 102, by adding a section; repealing Minnesota Statutes 1978, Section 97.4861.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Ashbach	Gearty	Lessard	Peterson	Staples
Bang	Hanson	Luther	Pillsbury	Stokowski
Benedict	Humphrey	McCutcheon	Purfeerst	Strand
Bernhagen	Jensen	Menning	Rued	Stumpf
Chenoweth	Johnson	Merriam	Schaaf	Tennessen
Chmielewski	Keefe, J.	Moe	Schmitz	Ueland, A.
Davies	Keefe, S.	Nelson	Setzepfandt	Ulland, J.
Dieterich	Kleinbaum	Ogdahl	Sieloff	Vega
Dunn	Knaak	Olhoft	Sikorski	Willet
Engler	Knutson	Penny	Spear	

So the bill passed and its title was agreed to.

SPECIAL ORDER

S. F. No. 478: A bill for an act relating to town roads; providing for the establishment of certain cartways, and authorizing the expenditure of town road and bridge funds under certain conditions; amending Minnesota Statutes 1978, Section 164.08, Subdivision 2.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 48 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Hanson	Menning	Purfeerst	Stokowski
Bang	Johnson	Merriam	Rued	Strand
Bernhagen	Keefe, J.	Moe	Schaaf	Stumpf
Brataas	Keefe, S.	Nelson	Schmitz	Tennessen
Chenoweth	Kleinbaum	Ogdahl	Setzepfandt	Ueland, A.
Chmielewski	Knaak	Olhoff	Sieloff	Ulland, J.
Davies	Knutson	Penny	Sikorski	Vega
Dunn	Lessard	Perpich	Solon	Willet
Engler	Luther	Peterson	Spear	
Gearty	McCutcheon	Pillsbury	Staples	

So the bill passed and its title was agreed to.

S. F. No. 30: A bill for an act relating to administrative rules; providing for the effect of the failure of the legislature to enact a bill repealing a suspended rule; amending Minnesota Statutes 1978, Section 3.965, Subdivision 2.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Ashbach	Gearty	Luther	Peterson	Staples
Bang	Gunderson	McCutcheon	Pillsbury	Stokowski
Benedict	Hanson	Menning	Purfeerst	Stumpf
Bernhagen	Humphrey	Merriam	Rued	Tennessen
Brataas	Johnson	Moe	Schaaf	Ueland, A.
Chenoweth	Keefe, J.	Nelson	Schmitz	Ulland, J.
Chmielewski	Keefe, S.	Nichols	Setzepfandt	Vega
Davies	Kleinbaum	Ogdahl	Sieloff	Willet
Dieterich	Knaak	Olhoff	Sikorski	
Dunn	Knutson	Penny	Solon	
Engler	Lessard	Perpich	Spear	

So the bill passed and its title was agreed to.

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.

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 36 and nays 15, as follows:

Those who voted in the affirmative were:

Ashbach	Brataas	Dieterich	Gearty	Hanson
Benedict	Chmielewski	Engler	Gunderson	Humphrey

Johnson	Luther	Peterson	Sikorski	Vega
Keefe, S.	McCutcheon	Pillsbury	Sillers	Willet
Kleinbaum	Menning	Purfeerst	Solon	
Knoll	Moe	Schaaf	Staples	
Laufenburger	Ogdahl	Schmitz	Stokowski	
Leesard	Penny	Setzepfandt	Stumpf	

Those who voted in the negative were:

Bernhagen	Dunn	Merriam	Rued	Tennessee
Chenoweth	Frederick	Olhoft	Sieloff	Ueland, A.
Davies	Knutson	Perpich	Spear	Ulland, J.

So the bill passed and its title was agreed to.

SPECIAL ORDER

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

Mr. Luther moved to amend S. F. No. 188 as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1978, Section 116.07, Subdivision 2, is amended to read:

Subd. 2. [ADOPTION OF STANDARDS.] The pollution control agency shall improve air quality by promoting, in the most practicable way possible, the use of energy sources and waste disposal methods which produce or emit the least air contaminants consistent with the agency's overall goal of reducing all forms of pollution. The agency shall also adopt standards of air quality, including maximum allowable standards of emission of air contaminants from motor vehicles, recognizing that due to variable factors, no single standard of purity of air is applicable to all areas of the state. In adopting standards the pollution control agency shall give due recognition to the fact that the quantity or characteristics of air contaminants or the duration of their presence in the atmosphere, which may cause air pollution in one area of the state, may cause less or not cause any air pollution in another area of the state, and it shall take into consideration in this connection such factors, including others which it may deem proper, as existing physical conditions, zoning classifications, topography, prevailing wind directions and velocities, and the fact that a standard of air quality which may be proper as to an essentially residential area of the state, may not be proper as to a highly developed industrial area of the state. Such standards of air quality shall be premised upon scientific knowledge of causes as well as effects based on technically substantiated criteria and commonly accepted practices. No local government unit shall set standards of air quality which are more stringent than those set by the pollution control agency.

The pollution control agency shall promote solid waste disposal control by encouraging the updating of collection systems, elimination of open dumps, and improvements in incinerator practices.

The agency shall also adopt standards for the control of the collection, transportation, storage, and disposal of solid waste for the prevention and abatement of water, air and land pollution, recognizing that due to variable factors, no single standard of solid waste control is applicable to all areas of the state. In adopting standards, the pollution control agency shall give due recognition to the fact that elements of control which may be reasonable and proper in densely populated areas of the state may be unreasonable and improper in sparsely populated or remote areas of the state, and it shall take into consideration in this connection such factors, including others which it may deem proper, as existing physical conditions, topography, soils and geology, climate, transportation, and land use. Such standards of solid waste control shall be premised on technical criteria and commonly accepted practices.

The pollution control agency shall also adopt standards describing the maximum levels of noise in terms of sound pressure level which may occur in the outdoor atmosphere, recognizing that due to variable factors no single standard of sound pressure is applicable to all areas of the state. Such standards shall give due consideration to such factors as the intensity of noises, the types of noises, the frequency with which noises recur, the time period for which noises continue, the times of day during which noises occur, and such other factors as could affect the extent to which noises may be injurious to human health or welfare, animal or plant life, or property, or could interfere unreasonably with the enjoyment of life or property. In adopting standards, the pollution control agency shall give due recognition to the fact that the quantity or characteristics of noise or the duration of its presence in the outdoor atmosphere, which may cause noise pollution in one area of the state, may cause less or not cause any noise pollution in another area of the state, and it shall take into consideration in this connection such factors, including others which it may deem proper, as existing physical conditions, zoning classifications, topography, meteorological conditions and the fact that a standard which may be proper in an essentially residential area of the state, may not be proper as to a highly developed industrial area of the state. Such noise standards shall be premised upon scientific knowledge as well as effects based on technically substantiated criteria and commonly accepted practices. *Any standards limiting levels of noise in terms of sound pressure in the outdoor atmosphere shall not unreasonably restrict activities at skeet, trap or shooting clubs chartered and operational in calendar year 1978 at the locations where they were situated in calendar year 1978.* No local governing unit shall set standards describing the maximum levels of sound pressure which are more stringent than those set by the pollution control agency.

The pollution control agency shall adopt standards for the identification of hazardous waste and for the labeling, classification, storage, collection, transportation and disposal of hazardous waste, recognizing that due to variable factors, no single standard of hazardous waste control is applicable to all areas of the state. In adopting standards, the pollution control agency shall recognize

that elements of control which may be reasonable and proper in densely populated areas of the state may be unreasonable and improper in sparsely populated or remote areas of the state. The agency shall consider existing physical conditions, topography, soils, and geology, climate, transportation and land use. Standards of hazardous waste control shall be premised on technical knowledge, and commonly accepted practices. No local government unit shall set standards of hazardous waste control which are in conflict or inconsistent with those set by the pollution control agency."

Amend the title as follows:

Page 1, line 2, delete "exempting" and insert "considering the activities of"

Page 1, line 3, delete "from" and insert "in the promulgation of"

Page 1, line 4, delete "any state" and insert "the pollution control"

Page 1, line 5, delete everything after the second comma and insert "Subdivision 2."

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 16 and nays 41, as follows:

Those who voted in the affirmative were:

Benedict	Hughes	Knoll	Perpich	Staples
Chenoweth	Humphrey	Laufenburger	Sieloff	Stumpf
Dieterich	Keefe, S.	Luther	Spear	Ulland, J.
Gearty				

Those who voted in the negative were:

Bang	Hanson	Merriam	Pillsbury	Strand
Bernhagen	Jensen	Moe	Renneke	Tennessen
Brataas	Johnson	Nelson	Rued	Ueland, A.
Coleman	Kleinbaum	Nichols	Schaaf	Vega
Davies	Knaak	Ogdahl	Schmitz	Willet
Dunn	Knutson	Olhoft	Setzepfandt	
Engler	Lessard	Olson	Sillers	
Frederick	McCutcheon	Penny	Solon	
Gunderson	Menning	Peterson	Stokowski	

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

Mr. Sikorski moved to amend S. F. No. 188 as follows:

Page 1, line 14, after the period, insert "*Nothing herein shall prohibit a local unit of government from regulating the location and operation of skeet, trap or shooting sports clubs.*"

The motion prevailed. So the amendment was adopted.

S. F. No. 188 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 48 and nays 11, as follows:

Those who voted in the affirmative were:

Bang	Hanson	Merriam	Pillsbury	Staples
Benedict	Jensen	Moe	Renneke	Stokowski
Bernhagen	Johnson	Nelson	Rued	Strand
Brataas	Kleinbaum	Nichols	Schaaf	Stumpf
Chmielewski	Knaak	Ogdahl	Schmitz	Ueland, A.
Davies	Knoll	Olhoft	Setzepfandt	Ulland, J.
Dunn	Knutson	Olson	Sieloff	Vega
Engler	Lessard	Penny	Sikorski	Willet
Frederick	McCutcheon	Perpich	Sillers	
Gunderson	Menning	Peterson	Solon	

Those who voted in the negative were:

Chenoweth	Gearty	Humphrey	Laufenburger	Spear
Coleman	Hughes	Keefe, S.	Luther	Tennessee
Dieterich				

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

SPECIAL ORDER

S. F. No. 486: A bill for an act relating to education; changing the requirements for membership on the state university board and on the state board for community colleges; amending Minnesota Statutes 1978, Sections 136.12, Subdivision 1; and 136.61, Subdivision 1.

Mr. Hughes moved to amend S. F. No. 486 as follows:

Page 1, line 22, delete "*three directors*" and insert "*one director*"

Page 1, line 23, after "*university*" insert "*in this state*"

Page 2, line 15, delete "*three members*" and insert "*one member*"

Page 2, line 17, delete the new language

Page 2, line 18, delete "*final enactment. However, the*"

Page 2, line 20, delete "*that*" and insert "*the*"

Page 2, line 20, after "*time*" insert "*this act takes effect*"

Page 2, after line 24, insert:

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

The motion prevailed. So the amendment was adopted.

S. F. No. 486 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 39 and nays 13, as follows:

Those who voted in the affirmative were:

Bernhagen	Hughes	Menning	Pillsbury	Solon
Brataas	Keefe, S.	Merriam	Purfeerst	Stokowski
Chmielewski	Kleinbaum	Nelson	Renneke	Stumpf
Dieterich	Knoll	Olhoft	Rued	Ueland, A.
Dunn	Laufenburger	Olson	Schaaf	Vega
Engler	Lessard	Penny	Schmitz	Wegener
Frederick	Luther	Perpich	Sieloff	Willet
Hanson	McCutcheon	Peterson	Sillers	

Those who voted in the negative were:

Chenoweth	Gearty	Moe	Staples	Tennesen
Coleman	Gunderson	Setzepfandt	Strand	Ulland, J.
Davies	Johnson	Spear		

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

SPECIAL ORDER

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.

Mr. Peterson moved to amend S. F. No. 951 as follows:

Page 3, delete line 18

Page 3, line 22, before the period insert "*in the preceding fiscal year*"

Reletter the clauses in sequence

Page 4, line 9, delete "*or dysfunction*"

The motion prevailed. So the amendment was adopted.

S. F. No. 951 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 53 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gunderson	Lessard	Pillsbury	Staples
Bernhagen	Hanson	Luther	Renneke	Stokowski
Brataas	Hughes	McCutcheon	Rued	Stumpf
Chmielewski	Humphrey	Menning	Schaaf	Tennesen
Coleman	Johnson	Moe	Schmitz	Ueland, A.
Davies	Keefe, S.	Nelson	Setzepfandt	Ulland, J.
Dieterich	Kleinbaum	Olhoft	Sieloff	Vega
Dunn	Knaak	Olson	Sikorski	Wegener
Engler	Knoll	Penny	Sillers	Willet
Frederick	Knutson	Perpich	Solon	
Gearty	Laufenburger	Peterson	Spear	

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

SPECIAL ORDER

S. F. No. 273: A bill for an act relating to commerce; providing floating usury rate for contracts for deed on residential property; amending Minnesota Statutes 1978, Section 47.20, Subdivisions 2 and 4, and by adding a subdivision.

Mr. Sieloff moved to amend S. F. No. 273 as follows:

Page 6, line 8, after "(4)" insert "*Contracts for deed or*"

Page 6, line 9, after "for a" insert "*contract for deed*"

Page 6, line 15, strike "such" and insert "*the contract for deed or*"

Page 6, line 16, after "actually" insert "*executed or*"

Page 6, line 22, after "the" insert "*contract for deed vendor or*"

Page 6, line 22, after "make" insert "*or execute*"

Page 6, line 22, after "a" insert "*contract for deed or*"

Page 7, line 1, after "by the" insert "*contract for deed vendor or*"

Page 7, line 3, after the period insert "*For the purposes of this clause (4), a commitment for a contract for deed shall include an executed purchase agreement or earnest money contract to execute a contract for deed.*"

The motion prevailed. So the amendment was adopted.

S. F. No. 273 was then progressed.

SPECIAL ORDER

S. F. No. 704: A bill for an act relating to savings banks; authorizing service corporations and also authorizing certain detached facilities; amending Minnesota Statutes 1978, Chapter 50, 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 47 and nays 6, as follows:

Those who voted in the affirmative were:

Anderson	Hanson	Luther	Purfearst	Stokowski
Bang	Hughes	McCutcheon	Renneke	Strand
Benedict	Humphrey	Menning	Rued	Stumpf
Bernhagen	Johnson	Nelson	Schaaf	Tennessen
Chenoweth	Keefe, S.	Ogdahl	Setzepfandt	Ulland, J.
Davies	Kleinbaum	Olhoff	Sieloff	Vega
Dieterich	Knaak	Olson	Sikorski	Wegener
Dunn	Knoll	Perpich	Sillers	
Engler	Knutson	Peterson	Solon	
Gearty	Laufenburger	Pillsbury	Staples	

Those who voted in the negative were:

Chmielewski	Gunderson	Penny	Ueland, A.	Willet
Frederick				

So the bill passed and its title was agreed to.

SPECIAL ORDER

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.

Mr. Chmielewski moved to amend S. F. No. 506 as follows:

Page 1, line 17, after "*station*" insert "*where a sign prohibiting the possession of alcoholic beverages is posted. Signs shall be posted by the appropriate road authority upon request of the political subdivision having enforcement jurisdiction*"

Amend the title as follows:

Page 1, line 4, after "*facilities*" insert "*where appropriate signs are posted*"

The motion prevailed. So the amendment was adopted.

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

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

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

The roll was called, and there were yeas 47 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Hanson	Lessard	Purfeerst	Stokowski
Benedict	Humphrey	Luther	Rued	Tennessen
Chenoweth	Johnson	Menning	Schaaf	Ueland, A.
Chmielewski	Keefe, J.	Nelson	Setzepfandt	Ulland, J.
Davies	Keefe, S.	Olhoft	Sieloff	Vega
Dieterich	Kleinbaum	Olson	Sikorski	Wegener
Dunn	Knaak	Penny	Sillers	Willet
Frederick	Knoll	Perpich	Solon	
Gearty	Knutson	Peterson	Spear	
Gunderson	Laufenburger	Pillsbury	Staples	

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

SPECIAL ORDER

S. F. No. 971: A bill for an act relating to creditor's remedies; defining property exempt from legal process; amending Minnesota Statutes 1978, Section 550.37, Subdivisions 4 and 19, and by adding a subdivision.

Mr. Davies moved to amend S. F. No. 971 as follows:

Page 1, line 19, after "*may*" insert "*nonetheless*"

Page 1, line 19, after the second "*a*" insert "*nonpurchase money*"

Page 1, line 20, delete *"only to the extent"* and insert:

"(1) if the debtor has other property exempted by this subdivision which is free of security interests and which exceeds \$3,000 in value, and the debtor so states by affidavit at the time the security interest is taken;

(2) if, in connection with the loan, no insurance is placed on the property in which the security interest is taken; and

(3) if it is clearly disclosed to the debtor at the time the security interest is taken that the property will nonetheless be exempt under this subdivision if the debtor has not otherwise exhausted his exemption under this subdivision at the time of foreclosure."

Page 1, delete lines 21 and 22

Page 2, delete lines 1 and 2

Mr. Merriam moved to amend the Davies amendment to S. F. No. 971, as follows:

Line 14 of the Davies amendment, delete *"nonetheless"* and insert *"not"*

Line 14 of the Davies amendment, after *"subdivision"* insert a period and delete *"if the debtor"*

Delete lines 15 and 16 of the Davies amendment

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

The question recurred on the Davies amendment.

The motion prevailed. So the amendment was adopted.

Mr. Kleinbaum moved to amend S. F. No. 971 as follows:

Page 1, delete lines 16 through 22 and insert *"Except for a pawnbroker's possessory lien, and except for a purchase money security interest, a creditor may not take a security interest in the following property of the debtor: all wearing apparel, one watch, dining table and its chairs, refrigerator, heating stove, cooking stove, beds and bedding, couch, cooking utensils and kitchenware and foodstuffs."*

Page 2, delete lines 1 and 2

Page 2, delete section 3

Amend the title as follows:

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

Page 1, line 4, delete *"and"*

Page 1, line 5, delete *"19"*

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

Mr. Davies moved to amend S. F. No. 971 as follows:

Page 2, after line 19, insert:

"Sec. 4. Sections 1 and 2 are effective on July 1, 1979. Section 3 is effective on July 1, 1980."

The motion prevailed. So the amendment was adopted.

S. F. No. 971 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended,

The roll was called, and there were yeas 47 and nays 8, as follows:

Those who voted in the affirmative were:

Anderson	Gunderson	Lessard	Perpich	Staples
Benedict	Hanson	Luther	Peterson	Stokowski
Bernhagen	Hughes	McCutcheon	Pillsbury	Stumpf
Chenoweth	Humphrey	Menning	Schaaf	Ulland, J.
Chmielewski	Jensen	Merriam	Schmitz	Vega
Coleman	Johnson	Moe	Setzepfandt	Wegener
Davies	Keefe, J.	Nelson	Sieloff	Willet
Dieterich	Keefe, S.	Nichols	Sikorski	
Engler	Knaak	Olhoff	Sillers	
Gearty	Knoll	Olson	Spear	

Those who voted in the negative were:

Brataas	Kleinbaum	Laufenburger	Rued	Ueland, A.
Frederick	Knutson	Penny		

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

SPECIAL ORDER

S. F. No. 579: A bill for an act relating to workers' compensation; requiring employer to provide certain podiatric treatment and orthotics; including certain podiatrists in definition of "physicians"; amending Minnesota Statutes 1978, Section 176.135, Subdivisions 1 and 2.

Mr. Chmielewski moved to amend S. F. No. 579 as follows:

Amend the title was follows:

Page 1, line 4, delete everything after the semicolon

Page 1, line 5, delete everything before the semicolon and insert "permitting change of podiatrists"

The motion prevailed. So the amendment was adopted.

S. F. No. 579: A bill for an act relating to workers' compensation; requiring employer to provide certain podiatric treatment and orthotics; permitting change of podiatrists; amending Minnesota Statutes 1978, Section 176.135, Subdivisions 1 and 2.

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

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

The roll was called, and there were yeas 56 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Laufenburger	Peterson	Staples
Benedict	Gunderson	Lessard	Pillsbury	Stokowski
Bernhagen	Hanson	Luther	Renneke	Stumpf
Brataas	Hughes	McCutcheon	Rued	Tennessen
Chenoweth	Humphrey	Menning	Schaaf	Ueland, A.
Chmielewski	Jensen	Merriam	Schmitz	Ulland, J.
Coleman	Johnson	Moe	Setzepfandt	Vega
Davies	Keefe, J.	Nelson	Sieloff	Willet
Dieterich	Keefe, S.	Nichols	Sikorski	
Dunn	Knaak	Olhoft	Sillers	
Engler	Knoll	Olson	Solon	
Frederick	Knutson	Perpich	Spear	

Mr. Penny voted in the negative.

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

SPECIAL ORDER

S. F. No. 1047: A bill for an act relating to workers' compensation; providing for settlement of claims; amending Minnesota Statutes 1978, Section 176.521, Subdivisions 1 and 2.

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 8, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Perpich	Staples
Bang	Gearty	Laufenburger	Peterson	Stokowski
Benedict	Gunderson	Lessard	Pillsbury	Strand
Bernhagen	Hanson	McCutcheon	Renneke	Stumpf
Brataas	Hughes	Menning	Rued	Tennessen
Chenoweth	Humphrey	Merriam	Schaaf	Ueland, A.
Chmielewski	Jensen	Moe	Schmitz	Ulland, J.
Coleman	Keefe, J.	Nichols	Setzepfandt	Willet
Davies	Kleinbaum	Ogdahl	Sieloff	
Dunn	Knaak	Olhoft	Sillers	
Engler	Knoll	Penny	Solon	

Those who voted in the negative were:

Dieterich	Keefe, S.	Nelson	Spear	Vega
Johnson	Luther	Sikorski		

So the bill passed and its title was agreed to.

SPECIAL ORDER

S. F. No. 682: A bill for an act relating to game and fish; authorizing the use of handguns in taking protected and unprotected wild animals; amending Minnesota Statutes 1978, Section 100.29, Subdivision 2.

Mr. Chmielewski moved to amend S. F. No. 682 as follows:

Amend the title as follows:

Page 1, lines 3 and 4, delete "protected and unprotected wild animals" and insert "small game"

The motion prevailed. So the amendment was adopted.

S. F. No. 682: A bill for an act relating to game and fish; authorizing the use of handguns in taking small game; amending Minnesota Statutes 1978, Section 100.29, Subdivision 2.

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

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

The roll was called, and there were yeas 42 and nays 15, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Lessard	Peterson	Solon
Bang	Gunderson	Menning	Pillsbury	Stokowski
Bernhagen	Hanson	Merriam	Renneke	Strand
Brataas	Jensen	Moe	Rued	Ulland, J.
Chmielewski	Johnson	Nelson	Schmitz	Vega
Davies	Keefe, J.	Nichols	Setzepfandt	Wegener
Dieterich	Kleinbaum	Olhoff	Sieloff	
Engler	Knutson	Penny	Sikorski	
Frederick	Laufenburger	Perpich	Sillers	

Those who voted in the negative were:

Benedict	Hughes	Knoll	Ogdahl	Staples
Chenoweth	Humphrey	Luther	Schaaf	Stumpf
Dunn	Keefe, S.	McCutcheon	Spear	Tennessen

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

SPECIAL ORDER

S. F. No. 436: A bill for an act relating to financial institutions; permitting graduated payment home mortgages; amending Minnesota Statutes 1978, Chapters 47, by adding a section; and 52, by adding a section.

Mr. Benedict moved to amend S. F. No. 436 as follows:

Page 2, line 16, before "*Periodic*" insert "*A mortgage may provide that*"

Page 2, line 18, delete "*annually*"

Page 2, lines 19, 20, 21, 22, 23, and 24, delete "*for*" and insert "*annually during*"

The motion prevailed. So the amendment was adopted.

S. F. No. 436 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 51 and nays 5, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Knoll	Peterson	Strand
Bang	Frederick	Laufenburger	Pillsbury	Tennessen
Benedict	Gearty	Luther	Renneke	Ueland, A.
Bernhagen	Gunderson	McCutcheon	Rued	Ulland, J.
Brataas	Hanson	Menning	Schaaf	Vega
Chenoweth	Hughes	Merriam	Schmitz	Wegener
Chmielewski	Jensen	Moe	Setzepfandt	Willet
Coleman	Keefe, J.	Nelson	Sieloff	
Davies	Keefe, S.	Nichols	Sikorski	
Dieterich	Kleinbaum	Olhoft	Solon	
Dunn	Knaak	Penny	Staples	

Those who voted in the negative were:

Johnson	Perpich	Sillers	Spear	Stumpf
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So the bill, as amended, passed and its title was agreed to.

RECESS

Mr. Coleman moved that the Senate do now recess until 7:30 o'clock p.m. The motion prevailed.

The hour of 7:30 o'clock p.m. having arrived, the President called the Senate to order.

CALL OF THE SENATE

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

Ashbach	Dunn	Kleinbaum	Penny	Solon
Bang	Engler	Laufenburger	Perpich	Spear
Benedict	Gearty	Lessard	Peterson	Stokowski
Bernhagen	Gunderson	Luther	Purfearst	Strand
Brataas	Hanson	Menning	Renneke	Stumpf
Chenoweth	Humphrey	Merriam	Schaaf	Ulland, J.
Chmielewski	Jensen	Nelson	Schmitz	Vega
Coleman	Johnson	Nichols	Sieloff	Wegener
Davies	Keefe, S.	Olhoft	Sikorski	Willet

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

MEMBERS EXCUSED

Messrs. Anderson and Moe were excused from this evening's Session. Mr. Strand was excused from the Session of today from 2:20 to 2:45 o'clock p.m. Mr. Rued was excused from the Session of today from 10:00 o'clock a.m. to 12:00 o'clock noon.

SPECIAL ORDER

S. F. No. 303: A bill for an act relating to littering; imposing civil liability on the owner of a vehicle from which certain articles and materials are thrown, deposited, or dumped; prescribing procedures, civil damages, and penalties; amending Minnesota Statutes 1978, Chapter 169, 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 48 and nays 0, as follows:

Those who voted in the affirmative were:

Aashbach	Dunn	Lessard	Purfeerst	Strand
Bang	Engler	Luther	Renneke	Stumpf
Benedict	Gearty	Menning	Schaaf	Tennessen
Bernhagen	Hanson	Merriam	Schmitz	Ueland, A.
Brataas	Humphrey	Nelson	Setzepfandt	Ulland, J.
Chenoweth	Jensen	Olhoft	Sieloff	Vega
Chmielewski	Johnson	Olson	Sikorski	Wegener
Coleman	Keefe, S.	Perpich	Sillers	Willet
Davies	Kleinbaum	Peterson	Solon	
Dieterich	Knaak	Pillsbury	Spear	

So the bill passed and its title was agreed to.

SPECIAL ORDER

S. F. No. 1002: A bill for an act relating to the city of Duluth; defining construction powers of the Spirit Mountain Area Authority; amending Laws 1973, Chapter 327, Section 5, 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 52 and nays 0, as follows:

Those who voted in the affirmative were:

Aashbach	Hanson	Luther	Pillsbury	Stokowski
Bang	Humphrey	McCutcheon	Purfeerst	Strand
Bernhagen	Jensen	Menning	Renneke	Stumpf
Brataas	Johnson	Merriam	Schaaf	Ueland, A.
Chenoweth	Keefe, J.	Nelson	Schmitz	Ulland, J.
Chmielewski	Keefe, S.	Nichols	Setzepfandt	Vega
Davies	Kleinbaum	Olhoft	Sieloff	Wegener
Dieterich	Knaak	Olson	Sikorski	Willet
Dunn	Knoll	Penny	Sillers	
Engler	Laufenburger	Perpich	Solon	
Gearty	Lessard	Peterson	Spear	

So the bill passed and its title was agreed to.

SPECIAL ORDER

S. F. No. 923: A bill for an act relating to the city of Duluth; authorizing the issuance of bonds in connection with the municipal steam utility plant; authorizing the governing body to transfer money from the steam division account of the public utility fund to the general fund; authorizing the governing body to delegate the power to make certain purchases for the municipal steam utility to a private management organization.

Mr. Solon moved to strike the amendment placed on S. F. No. 923 by the Committee on Local Government, adopted by the Senate April 16, 1979.

The motion prevailed. So the committee amendment was stricken.

S. F. No. 923 was read the third time, as amended, and placed on its final passage.

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

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

Those who voted in the affirmative were:

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

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

SPECIAL ORDER

S. F. No. 332: A bill for an act relating to pipelines; limiting negotiation and acquisition of easements; requiring public meetings and information books for affected landowners; requiring minimum depth of cover on cultivated land; authorizing adoption of local ordinances to protect public roads and drainage facilities; authorizing counties to adopt ordinances to establish pipeline construction standards; requiring pipelines to pay inspection fees; providing for a county inspector; limiting liability for certain unintentional damage to pipelines, establishing a pipeline property tax credit; providing for reversion of certain easements and recording of survey points; imposing duties on the environmental quality board and certain county boards; providing for enforcement by injunctive relief; imposing criminal and civil penalties.

Mr. Setzepfandt moved to amend S. F. No. 332 as follows:

Page 2, line 1, delete "or"

Page 2, line 2, before the period insert ", or for the repair or replacement of an existing pipeline within the existing right-of-way"

Page 2, line 4, delete the comma and insert "at a pressure of more than 90 pounds per square inch, or to transport"

Page 2, line 12, before the period, insert "or is pasture land"

Page 2, line 17, delete "An"

Page 2, delete lines 18 to 21 and insert "Any person who negotiates or acquires an easement without complying with the provisions of this section is guilty of a gross misdemeanor."

Page 2, line 22, delete "and" and insert "or"

Page 3, line 4, after the period, insert "All fees received are appropriated to the environmental quality board for its own use and for distribution to state agencies for these purposes."

Page 5, line 15, after "newspaper" insert "of the county and a newspaper"

Page 5, line 16, delete "county" and insert "area"

Page 5, line 28, after "by" insert "an action in"

Page 6, line 6, delete "four and"

Page 6, line 7, delete "one-half" and insert "4-1/2"

Page 6, line 12, delete "six" and insert "4-1/2"

Page 11, line 2, after the period, insert "The county auditor, in computing the credits received pursuant to sections 273.13 and 273.135, shall reduce the gross tax by the amount of the credit received pursuant to this section."

Amend the title as follows:

Page 1, line 19, before the period, insert "; appropriating money"

The motion prevailed. So the amendment was adopted.

S. F. No. 332 was then progressed.

SPECIAL ORDER

S. F. No. 133: A bill for an act relating to partnerships; enacting the 1976 uniform limited partnership act.

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 57 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

SPECIAL ORDER

S. F. No. 722: A bill for an act relating to elections; directing the secretary of state to authorize and direct demonstration projects for the use of punchcard ballots for absent voters.

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

The roll was called, and there were yeas 56 and nays 2, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Lessard	Purfeerst	Strand
Bang	Gunderson	Luther	Renneke	Stumpf
Benedict	Hanson	Menning	Rued	Tennessen
Bernhagen	Humphrey	Merriam	Schmitz	Ueland, A.
Brataas	Jensen	Nelson	Setzepfandt	Ulland, J.
Chenoweth	Johnson	Nichols	Sieloff	Vega
Chmielewski	Keefe, J.	Ogdahl	Sikorski	Wegener
Davies	Keefe, S.	Olhoft	Sillers	Willet
Dieterich	Kleinbaum	Olson	Solon	
Dunn	Knaak	Perpich	Spear	
Engler	Knoll	Peterson	Staples	
Frederick	Laufenburger	Pillsbury	Stokowski	

Messrs. Penny and Schaaf voted in the negative.

So the bill passed and its title was agreed to.

SPECIAL ORDER

S. F. No. 937: A bill for an act relating to liquor; giving local governing authorities exclusive control over process of issuing off-sale licenses and enforcement of liquor regulations without review by the commissioner of public safety; requiring filing of off-sale licenses with the commissioner of public safety; removing requirements for filing wholesale liquor prices with commissioner of public safety; amending Minnesota Statutes 1978, Sections 299A.02, Subdivision 2; 340.07, Subdivision 5; 340.11, Subdivisions 4, 8, 10, 10a, 11, 13, and 20; 340.119, Subdivisions 3 and 5; 340.355; 340.356; 340.485, Subdivisions 2 and 3; 340.492; 340.55; and 340.85, Subdivision 2; repealing Minnesota Statutes 1978, Section 340.983.

Messrs. Tennessen and Johnson moved to amend S. F. No. 937 as follows:

Page 11, delete section 19

Amend the title as follows:

Page 1, line 8, delete everything after the semicolon

Page 1, delete line 9

Page 1, line 15, delete “; repealing”

Page 1, line 16, delete everything before the period

The motion prevailed. So the amendment was adopted.

Mr. Spear moved to amend S. F. No. 937 as follows:

Page 11, after line 29, insert:

"Sec. 19. [APPROPRIATIONS CANCELLED.] The commissioner of finance shall cancel the unencumbered balance of any appropriation made to the commissioner of public safety for the liquor licensing program to carry out the liquor license approval, inspection, and other functions of the commissioner of public safety abolished by this act. The approved complement of the department of public safety is reduced accordingly."

Page 11, after line 31, insert:

"Sec. 21. [EFFECTIVE DATE.] This act is effective July 1, 1979."

Renumber the sections in sequence

The motion prevailed. So the amendment was adopted.

S. F. No. 937 was then progressed.

SPECIAL ORDER

S. F. No. 756: A bill for an act relating to taxation; providing income tax credit for contributions to candidates for local public offices; amending Minnesota Statutes 1978, Section 290.06, Subdivision 11.

Mr. Sieloff moved to amend S. F. No. 756 as follows:

Page 2, line 4, strike everything after the period

Page 2, lines 5 to 16, strike the old language and delete the new language

The motion prevailed. So the amendment was adopted.

Mr. Merriam moved to amend S. F. No. 756 as follows:

Amend the title as follows:

Page 1, line 3, before "local" insert "federal and"

Page 1, line 4, after the semicolon, insert "clarifying application of the tax credit in certain special elections;"

The motion prevailed. So the amendment was adopted.

S. F. No. 756: A bill for an act relating to taxation; providing income tax credit for contributions to candidates for federal and local public offices; clarifying application of the tax credit in certain special elections; amending Minnesota Statutes 1978, Section 290.06, Subdivision 11.

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

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

The roll was called, and there were yeas 56 and nays 0, as follows:

Those who voted in the affirmative were:

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

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

The question recurred on S. F. No. 332.

SPECIAL ORDER

S. F. No. 332: A bill for an act relating to pipelines; limiting negotiation and acquisition of easements; requiring public meetings and information books for affected landowners; requiring minimum depth of cover on cultivated land; authorizing adoption of local ordinances to protect public roads and drainage facilities; authorizing counties to adopt ordinances to establish pipeline construction standards; requiring pipelines to pay inspection fees; providing for a county inspector; limiting liability for certain unintentional damage to pipelines; establishing a pipeline property tax credit; providing for reversion of certain easements and recording of survey points; imposing duties on the environmental quality board and certain county boards; providing for enforcement by injunctive relief; imposing criminal and civil penalties.

Mr. Luther moved to amend S. F. No. 332 as follows:

Page 9, line 2, after the period, insert "Any person aggrieved by any violation of sections 1 to 10 or of ordinances or resolutions adopted pursuant to subdivisions 3 or 5 may seek equitable relief by petition in the district court of the county in which the violation occurs. Except any equitable relief shall not be given ex parte."

Mr. Keefe, J. requested division of the amendment, as follows:

First portion:

Page 9, line 2, insert, "Except any equitable relief shall not be given ex parte."

Second portion:

Page 9, line 2, after the period, insert "Any person aggrieved by any violation of sections 1 to 10 or of ordinances or resolutions adopted pursuant to subdivisions 3 or 5 may seek equitable relief by petition in the district court of the county in which the violation occurs."

The question was taken on the first portion of the amendment. The motion did not prevail. So the first portion of the amendment was not adopted.

The question was taken on the second portion of the amendment. The motion did not prevail. So the second portion of the amendment was not adopted.

S. F. No. 332: A bill for an act relating to pipelines; limiting negotiation and acquisition of easements; requiring public meetings and information books for affected landowners; requiring minimum depth of cover on cultivated land; authorizing adoption of local ordinances to protect public roads and drainage facilities; authorizing counties to adopt ordinances to establish pipeline construction standards; requiring pipelines to pay inspection fees; providing for a county inspector; limiting liability for certain unintentional damage to pipelines; establishing a pipeline property tax credit; providing for reversion of certain easements and recording of survey points; imposing duties on the environmental quality board and certain county boards; providing for enforcement by injunctive relief; imposing criminal and civil penalties; appropriating money.

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

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

The roll was called, and there were yeas 52 and nays 4, as follows:

Those who voted in the affirmative were:

Ashbach	Frederick	Luther	Pillsbury	Strand
Bang	Gearly	McCutcheon	Purfeerst	Stumpf
Benedict	Gunderson	Menning	Renneke	Tennessen
Bernhagen	Hanson	Merriam	Rued	Ueland, A.
Brataas	Humphrey	Nelson	Schaaf	Ulland, J.
Chenoweth	Johnson	Nichols	Schmitz	Vega
Chmielewski	Keefe, S.	Ogdahl	Setzepfandt	Wegener
Davies	Kleinbaum	Olhoft	Solon	Willet
Dieterich	Knaak	Olson	Spear	
Dunn	Laufenburger	Penny	Staples	
Engler	Lessard	Peterson	Stokowski	

Messrs. Jensen; Keefe, J.; Sieloff and Sillers voted in the negative.

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

The question recurred on S. F. No. 273.

SPECIAL ORDER

S. F. No. 273: A bill for an act relating to commerce; providing a floating usury rate for contracts for deed on residential property; amending Minnesota Statutes 1978, Section 47.20, Subdivisions 2 and 4, and by adding a subdivision.

Mr. Sieloff moved to amend S. F. No. 273 as follows:

Page 7, line 18, delete *"twice the total"* and insert *"an amount not to exceed five times the usurious portion of the"*

Page 7, line 19, after *"deed"* insert *"plus attorneys' fees"*

The motion prevailed. So the amendment was adopted.

S. F. No. 273 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 45 and nays 5, as follows:

Those who voted in the affirmative were:

Ashbach	Frederick	Knaak	Olhoft	Sieloff
Benedict	Gearty	Knoll	Penny	Sillers
Bernhagen	Gunderson	Laufenburger	Peterson	Staples
Brataas	Hanson	Lessard	Pillsbury	Stokowski
Chenoweth	Humphrey	Luther	Renneke	Strand
Chmielewski	Jensen	McCutcheon	Rued	Ueland, A.
Davies	Keefe, J.	Menning	Schaaf	Ulland, J.
Dunn	Keefe, S.	Nelson	Schmitz	Vega
Engler	Kleinbaum	Nichols	Setzepfandt	Willet

Those who voted in the negative were:

Dieterich	Johnson	Merriam	Spear	Stumpf
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So the bill, as amended, passed and its title was agreed to.

SPECIAL ORDER

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 and 4, and 6, as amended; 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.

Mr. Nichols moved to amend S. F. No. 1312 as follows:

Page 45, line 33, before "for" delete the new language

Page 46, line 27, before "for" delete the new language

The motion prevailed. So the amendment was adopted.

Mr. Keefe, S. moved to amend S. F. No. 1312 as follows:

Page 30, line 29, before the period insert ";

(f) The individual is separated from employment due to the completion of an apprenticeship program, or segment thereof, approved pursuant to chapter 178"

The motion prevailed. So the amendment was adopted.

S. F. No. 1312 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 50 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Frederick	Knoll	Penny	Spear
Benedict	Gearty	Laufenburger	Peterson	Staples
Bernhagen	Gunderson	Lessard	Pillsbury	Stokowski
Brataas	Hughes	Luther	Renneke	Strand
Chenoweth	Jensen	McCutcheon	Rued	Stumpf
Chmielewski	Johnson	Menning	Schaaf	Tennessen
Davies	Keefe, J.	Merriam	Schmitz	Ueland, A.
Dieterich	Keefe, S.	Nelson	Setzepfandt	Ulland, J.
Dunn	Kleinbaum	Nichols	Sieloff	Vega
Engler	Knaak	Olhoft	Sillers	Willet

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

SPECIAL ORDER

S. F. No. 732: A bill for an act relating to game and fish; modifying the definitions of rough fish and minnows; amending Minnesota Statutes 1978, Section 97.40, Subdivisions 11 and 12.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 51 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Frederick	Laufenburger	Purfeerst	Strand
Benedict	Gearty	Lessard	Renneke	Tennessen
Bernhagen	Gunderson	Luther	Rued	Ueland, A.
Brataas	Hanson	McCutcheon	Schaaf	Ulland, J.
Chenoweth	Hughes	Menning	Setzepfandt	Vega
Chmielewski	Humphrey	Merriam	Sieloff	Wegener
Coleman	Johnson	Nelson	Sillers	Willet
Davies	Keefe, J.	Olhoft	Solon	
Dieterich	Kleinbaum	Penny	Spear	
Dunn	Knaak	Peterson	Staples	
Engler	Knoll	Pillsbury	Stokowski	

So the bill passed and its title was agreed to.

SPECIAL ORDER

S. F. No. 1215: A bill for an act relating to public safety; prohibiting scuba or skin diving during certain hours and under certain conditions; amending Minnesota Statutes 1978, Section 361.09, by adding a subdivision.

Mr. Peterson moved to amend S. F. No. 1215 as follows:

Page 1, after line 16, insert:

"Sec. 2. *This act is effective June 15, 1979.*"

The motion prevailed. So the amendment was adopted.

S. F. No. 1215 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 46 and nays 2, as follows:

Those who voted in the affirmative were:

Benedict	Hanson	McCutcheon	Schaaf	Tennessee
Bernhagen	Hughes	Menning	Schmitz	Ueland, A.
Chenoweth	Humphrey	Merriam	Setzepfandt	Ulland, J.
Chmielewski	Johnson	Nelson	Sieloff	Vega
Coleman	Keefe, S.	Olhoft	Solon	Wegener
Davies	Kleinbaum	Penny	Spear	Willet
Dunn	Knaak	Peterson	Staples	
Engler	Laufenburger	Pillsbury	Stokowski	
Gearty	Lessard	Purfeerst	Strand	
Gunderson	Luther	Renneke	Stumpf	

Messrs. Keefe, J. and Rued voted in the negative.

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

SPECIAL ORDER

S. F. No. 107: A bill for an act relating to state government; extending the contract preference for United States materials to include Mexican and Canadian made materials; amending Minnesota Statutes 1978, Section 16.073.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 51 and nays 2, as follows:

Those who voted in the affirmative were:

Ashbach	Frederick	Laufenburger	Renneke	Stumpf
Bang	Gearty	Lessard	Rued	Tennessee
Benedict	Gunderson	Luther	Schaaf	Ueland, A.
Bernhagen	Hanson	McCutcheon	Schmitz	Ulland, J.
Brataas	Hughes	Menning	Setzepfandt	Vega
Chenoweth	Humphrey	Merriam	Sieloff	Wegener
Chmielewski	Jensen	Nelson	Solon	Willet
Davies	Keefe, J.	Penny	Spear	
Dieterich	Kleinbaum	Peterson	Staples	
Dunn	Knaak	Pillsbury	Stokowski	
Engler	Knoll	Purfeerst	Strand	

Messrs. Johnson and Olhoft voted in the negative.

So the bill passed and its title was agreed to.

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

GENERAL ORDERS

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

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

S. F. Nos. 333, 830, 1210, 1273, 1243, 895 and 1051 which the committee recommends to pass.

S. F. No. 1288, which the committee recommends to pass with the following amendment offered by Mr. Hanson:

Page 2, line 10, after "acre" insert a semicolon

The motion prevailed. So the amendment was adopted.

S. F. No. 1144, which the committee recommends to pass with the following amendments offered by Mr. Hanson:

Pages 1 and 2, delete section 2

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, delete "1,"

Page 1, line 6, after "2" delete the comma

The motion prevailed. So the amendment was adopted.

Mr. Hanson then moved to amend S. F. No. 1144 as follows:

Page 4, line 10, reinstate "20"

Page 4, line 11, reinstate "percent of the"

Page 4, line 11, after the stricken word "construction" insert "*assessed benefits*"

Page 4, line 11, reinstate "of the ditch"

Page 4, line 12, reinstate "system" and after "system" insert "or"

Page 4, line 12, after "\$40,000" insert "*, whichever is the larger*"

Page 4, line 13, after "exceed" insert "*the larger of*"

Page 4, line 13, reinstate "20 percent of the"

Page 4, line 14, after the stricken "cost" insert "*assessed benefits*"

Page 4, line 14, reinstate "of the ditch" and after "ditch" insert "*or*"

The motion prevailed. So the amendment was adopted.

S. F. No. 947, which the committee recommends to pass with the following amendment offered by Mr. Solon:

Page 1, line 15, delete "*March 31, 1981*" and insert "*December 31, 1980*"

The motion prevailed. So the amendment was adopted.

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

MEMBERS EXCUSED

Mr. Hughes was excused from the Session of today from 12:30 to 1:00 o'clock p.m. and from 7:30 to 9:30 o'clock p.m. Mr. Knoll was excused from the Session of today from 7:30 to 7:50 o'clock p.m. Mr. Perpich was excused from the Session of today at 9:00 o'clock p.m. Mr. Sikorski was excused from the Session of today at 9:15 o'clock p.m.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman moved that the Senate do now adjourn until 9:45 o'clock a.m., Friday, April 27, 1979. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate