

FORTY-EIGHTH DAY

St. Paul, Minnesota, Monday, May 7, 1979

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

CALL OF THE SENATE

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

Ashbach	Gunderson	Laufenburger	Pillsbury	Stokowski
Benedict	Hanson	Luther	Purfeerst	Strand
Brataas	Hughes	Menning	Rued	Stumpf
Coleman	Humphrey	Moe	Schmitz	Tennessen
Davies	Johnson	Nelson	Setzepfandt	Ueland, A.
Dieterich	Keefe, S.	Nichols	Sieloff	Ulland, J.
Dunn	Kirchner	Olhoft	Sikorski	Vega
Engler	Kleinbaum	Penny	Sillers	Willet
Frederick	Knaak	Perpich	Spear	
Gearty	Knoll	Peterson	Staples	

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

Prayer was offered by the Chaplain, Divinity Student William C. McDonough.

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

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

The President declared a quorum present.

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

MEMBERS EXCUSED

Mr. Schrom was excused from the Session of today. Mr. Olhoft was excused from the Session of today from 11:00 to 11:45 o'clock a.m.

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Messrs. Penny, Schaaf and Laufenburger introduced—

S. F. No. 1541: A bill for an act relating to transportation; abolishing the functions, powers and duties of the department of transportation relating to the inspection, grading, sampling and analysis of hay and straw, and establishing a board of hay and straw standards in the department of agriculture; clarifying laws relating to the regulation of railroads and removing obsolete and duplicative language; prescribing certain powers of the commissioner of transportation and the public service commission relating to rates and charges; requiring track scales, and regulating the weighing of railroad cars and freight; providing for railroad grade crossing safety devices and other safety devices; prescribing penalties; amending Minnesota Statutes 1978, Sections 218.011, Subdivision 2; 218.021; 218.031, Subdivision 1; 218.041; 219.01; 219.07; 219.08; 219.10; 219.14, Subdivision 2; 219.17; 219.19; 219.23; 219.28; 219.383, Subdivision 4; 219.39; 219.40; 219.47; 219.50; 219.52; 219.54; 219.64; 219.70; 219.741; 219.85; 219.92; 219.97, Subdivision 7; 222.48, Subdivisions 2 and 3; 222.49; 222.50, Subdivisions 2, 3, 4 and 5; 222.51; 222.52; 222.53; 222.54; Chapters 25, by adding sections; 219, by adding a section; and 239, by adding a section; repealing Minnesota Statutes 1978, Sections 219.02; 219.03; 219.04; 219.05; 219.11; 219.12; 219.22; 219.25; 219.43; 219.58; 219.59; 219.60; 219.61; 219.62; 219.63; 219.65; 219.66; 219.67; 219.84; 219.86; 219.87; 219.89; 219.90; 219.91; 219.94; 219.95; 219.96; 219.97, Subdivisions 1, 2, 3, 8, 9, 11, 14, 15 and 16; 222.38; 222.39; 222.40; 222.41; 222.42; 222.43; 222.44; 222.45; 229.01; 229.02; 229.03; 229.04; 229.05; 229.06; 229.07; 229.08; 229.10; 229.11; 229.12; 229.13; 229.14; 229.15; 229.16; 229.17; 229.18; 229.19; 229.20; and 452.14.

Referred to the Committee on Transportation.

Messrs. Dunn, Willet, Merriam, Engler and Renneke introduced—

S. F. No. 1542: A bill for an act relating to natural resources; authorizing the commissioner of natural resources, with the approval of the state executive council, to convey the interests of the state in lands for the purpose of correcting boundary description errors.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Knutson and Keefe, J. introduced—

S. F. No. 1543: A bill for an act relating to crimes; creating new crimes relating to assaults on children; providing penalties; amending Minnesota Statutes 1978, Section 609.225, by adding subdivisions.

Referred to the Committee on Judiciary.

Mr. McCutcheon introduced—

S. F. No. 1544: A bill for an act relating to public safety; requiring that recurring costs of 911 systems in the metropolitan area be borne by the counties that operate the systems; amending Minnesota Statutes 1978, Section 403.11, Subdivision 4.

Referred to the Committee on General Legislation and Administrative Rules.

Mr. Humphrey introduced—

S. F. No. 1545: A bill for an act relating to health; changing provisions related to depreciation allowances for certain nursing homes; altering the definition of the term net asset value; removing certain restrictions on the recognition of interest expenses related to capital indebtedness of nursing homes; amending Minnesota Statutes 1978, Sections 256B.42, Subdivision 5; 256B.43, Subdivision 1; and 256B.44.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Purfeerst, Kleinbaum, Bang, Hanson and McCutcheon introduced—

S. F. No. 1546: A bill for an act proposing an amendment to the Minnesota Constitution, Article X, adding a section; permitting parimutuel wagering on races if authorized by law.

Referred to the Committee on General Legislation and Administrative Rules.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

May 3, 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. 493, 61, 384, 340, 57, 728, and 361.

Sincerely,

Albert H. Quie, Governor

May 3, 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 1978 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S. F. No.	H. F. No.	Session Laws Chapter No.	Date Approved 1979	Date Filed 1979
57		57	May 3	May 3
61		58	May 3	May 3
340		59	May 3	May 3
361		60	May 3	May 3
384		61	May 3	May 3
493		62	May 3	May 3
728		63	May 3	May 3
	116	64	May 3	May 3
	299	65	May 3	May 3
	384	66	May 3	May 3
	610	67	May 3	May 3
	768	68	May 3	May 3
	1158	69	May 3	May 3

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. 807.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 3, 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. 118: A bill for an act relating to crimes; defining the crime of receiving stolen property; amending Minnesota Statutes 1978, Section 609.53, Subdivision 2.

Senate File No. 118 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 3, 1979

Mr. Davies moved that S. F. No. 118 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. 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.

Senate File No. 478 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 3, 1979

Mr. Chmielewski moved that S. F. No. 478 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. 484: A bill for an act relating to elections; requiring recounts in county, municipal and school district elections under certain circumstances; setting a time limit for appeal of a district court determination in a school district election contest; amending Minnesota Statutes 1978, Chapter 204A, by adding a section; Sections 123.32, Subdivision 25, and by adding a subdivision; 205.11, by adding a subdivision; and 205.14, by adding a subdivision.

Senate File No. 484 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 3, 1979

Mr. Schaaf moved that S. F. No. 484 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. 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, Subdivision 1.

Senate File No. 1504 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 3, 1979

Mr. Moe moved that S. F. No. 1504 be laid on the table. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to the following House File:

H. F. No. 1526: A bill for an act relating to the organization and operation of state government; appropriating money for education and related purposes with certain conditions, including the department of education, aids to libraries, higher education coordinating board, state universities, community colleges, and the university of Minnesota and its hospitals; amending Minnesota Statutes 1978, Sections 120.81, Subdivision 2; and 124.572, by adding a subdivision.

Six members of the House have been appointed to a Conference Committee on the part of the House as follows: Erickson; Dean; Weaver; Sieben, M.; Swanson and Metzen.

House File No. 1526 is herewith transmitted to the Senate with the request that the Senate appoint a Conference Committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 3, 1979

Mr. Moe moved that H. F. No. 1526 be laid on the table. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to the following House File:

H. F. No. 1518: 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 145.917, by adding a subdivision; and 145.921, by adding subdivisions; repealing Minnesota Statutes 1978, Section 145.921, Subdivisions 2 and 4.

Six members of the House have been appointed to a Conference Committee on the part of the House as follows: Forsythe, Wieser, Reif, McCarron, Rice and Corbid.

House File No. 1518 is herewith transmitted to the Senate with the request that the Senate appoint a Conference Committee.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted May 3, 1979

Mr. Moe moved that H. F. No. 1518 be laid on the table. The motion prevailed.

Mr. President:

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

House Concurrent Resolution No. 6: A House concurrent resolution requesting the state personnel department to study means to recognize and provide incentives for job-related professional, educational achievement of certified professional secretaries.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted May 3, 1979

Referred to the Committee on Rules and Administration.

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 1037, 582, 1144, 1324, 990 and 1097.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted May 3, 1979

FIRST READING OF HOUSE BILLS

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

H. F. No. 1037: A bill for an act relating to interim claims against the state; appropriating money for the payment thereof.

Referred to the Committee on Finance.

H. F. No. 582: A bill for an act relating to natural resources; requiring the commissioner of natural resources, by eminent domain proceedings, to acquire public access to certain bodies of water in Itasca County.

Referred to the Committee on Agriculture and Natural Resources.

H. F. No. 1144: A bill for an act relating to state lands; authorizing conveyance of certain land to Independent School District No. 281.

Referred to the Committee on Local Government.

H. F. No. 1324: 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.

H. F. No. 990: A bill for an act relating to energy; clarifying the procedures for declaring an energy emergency; prescribing the powers of the governor and executive council in an emergency; providing for the issuance of emergency rules by the director of the energy agency; prescribing additional elements of the energy emergency conservation and allocation plan; providing for earth sheltered construction zoning variances; prohibiting local governments from banning earth sheltered construction; requiring certain building energy reports and audits; providing for an adult and post-secondary energy education plan; limiting the time for application for certain variances; providing a method for determining certain efficiencies for air conditioners; providing partial funding to school districts, municipalities and counties for energy audits and energy conservation measures; requiring the commissioner of administration to prepare plans for new buildings that utilize alternative energy sources; establishing a state building solar demonstration program; requiring notice to the Minnesota energy agency of the proposed discontinuance of municipal steam heat systems; appropriating funds to the energy agency for various energy related purposes; prescribing a penalty; authorizing a weatherization program for low-income persons; amending Minnesota Statutes 1978, Sections 12.02, Subdivision 1; 12.03, Subdivision 4, and by adding a subdivision; 12.21, Subdivisions 1 and 3, and by adding a subdivision; 12.28; 12.32; 16.32, by adding a subdivision; 116H.02, Subdivisions 3 and 5, and by adding subdivisions; 116H.08; 116H.09, Subdivisions 1, 4, and 5; 116H.11; 116H.12, Subdivisions 1a, 1b, 3a, 3b, and 10; 116H.122; 116H.123; 116H.124; 116H.126; 116H.13; 116H.15; 120.78, Subdivision 1; 325.989, by adding a subdivision; 394.25, Subdivision 3; 394.27, Subdivision 7; 451.09; 462.357, Subdivisions 1 and 6; 462A.02, by adding a subdivision;

and Chapter 116H, by adding a section; and Chapter 268, by adding a section; repealing Minnesota Statutes 1978, Section 116H.125.

Referred to the Committee on Finance.

H. F. No. 1097: A bill for an act relating to agriculture; regulating alien ownership of land; providing for permanent resident alien and loss of status; amending Minnesota Statutes 1978, Section 500.221, Subdivisions 1, 3, and by adding a subdivision.

Referred to the Committee on Judiciary.

REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk be now adopted, with the exception of the reports on H. F. No. 900, S. F. No. 439, and reports pertaining to appointments. The motion prevailed.

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

S. F. No. 697: A bill for an act relating to Independent School District No. 535, Rochester; providing that the funds previously authorized for certain purposes may be spent entirely for one of those purposes.

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. 1254: A bill for an act relating to education; providing for scholarships for certain American students of Mexican, Puerto Rican, Cuban or Spanish ancestry; 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. Olson from the Committee on General Legislation and Administrative Rules, to which was referred

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.

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

Page 1, line 12, delete "*self propelled*"

Page 1, line 13, after "or" insert "*a self-propelled motor vehicle*"

Page 1, line 20, strike "upon" and insert "*at the time of*"

Page 1, line 20, strike "for registration year 1977 and subsequent"

Page 1, strike line 21

Page 1, line 22, strike "March 1, 1976, when he" and insert "or"

Page 1, line 22, strike "applies" and insert "application"

Page 1, line 22, strike "its"

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

H. F. No. 107: A bill for an act relating to constables; exempting certain constables from licensing requirements; amending Minnesota Statutes 1978, Section 367.41, Subdivision 2.

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 367.41, Subdivision 2, is amended to read:

Subd. 2. A constable employed or elected by any political subdivision prior to July 1, 1979 shall be licensed by the board with respect to his term of office as if he had met the licensing requirements of the Minnesota board of peace officer standards and training ; *he shall be licensed by the board with respect to any subsequent and consecutive terms of office if:*

(a) within six months of the commencement of that subsequent and consecutive term of office he has met board selection requirements in effect on January 1, 1979 relating to minimum medical qualifications, past criminal record, and psychological screening;

(b) within 12 months of the commencement of that subsequent and consecutive term of office he provides proof to the board that he has successfully completed board certified courses or programs in first aid, and firearms training including legal limitations on the justifiable use of deadly force;

(c) within 24 months of the commencement of that subsequent and consecutive term of office he has successfully passed a board part-time officer licensing examination.

Sec. 2. *This act is effective upon final enactment."*

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

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

H. F. No. 279: A bill for an act relating to the county of St. Louis; providing rights to suspended classified service employees; amending Laws 1941, Chapter 423, Section 22.

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

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

H. F. No. 914: A bill for an act relating to retirement; providing for continued membership in public safety employee pension funds for certain current public safety employees who may not have the power of arrest with a warrant; amending Minnesota Statutes 1978, Sections 352B.01, Subdivision 2; and 353.64, 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 referred

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.

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

Amend the title as follows:

Page 1, line 3, delete "firefighters" and insert "certain public employees"

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. 1107: A bill for an act relating to financial reports; requiring the preparation of annual reports on state finances; appropriating money; amending Minnesota Statutes 1978, Sections 16A.055, 16A.50, 16A.55, Subdivision 1; repealing Minnesota Statutes 1978, Section 16A.55, Subdivisions 2 to 9.

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

Page 2, line 11, delete everything after the period

Page 2, delete lines 12 and 13

Page 2, line 14, delete "*for all state-controlled funds.*"

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

H. F. No. 357: A bill for an act relating to professional regulation; regulating architects, engineers, surveyors, and landscape architects; amending Minnesota Statutes 1978, Section 326.02, Subdivision 4.

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

Page 1, delete line 22

Renumber the clauses in sequence

Page 2, line 8, after "surveying" insert "for others"

Page 2, after line 16, insert:

"Sec. 2. Minnesota Statutes 1978, Section 326.04, is amended to read:

326.04 [BOARD OF ARCHITECTURE, ENGINEERING, LAND SURVEYING AND LANDSCAPE ARCHITECTURE.] To carry out the provisions of sections 326.02 to 326.15 there is hereby created a board of architecture, engineering, land surveying and landscape architecture (hereinafter called the board) consisting of ~~sixteen~~ 17 members, who shall be appointed by the governor. Three members shall be licensed architects, five members shall be licensed engineers, one member shall be a licensed landscape architect, ~~one member~~ two members shall be a licensed land surveyor surveyors and six members shall be public members. Not more than one member of said board shall be from the same branch of the profession of engineering. The first landscape architect member shall be appointed as soon as possible and no later than 60 days after August 1, 1975 and shall serve for a term to end on January 1, 1977. Membership terms, compensation of members, removal of members, the filling of membership vacancies, and fiscal year and reporting requirements shall be as provided in sections 214.07 to 214.09. The provision of staff, administrative services and office space; the review and processing of complaints; the setting of board fees; and other provisions relating to board operations shall be as provided in chapter 214 and Laws 1976, Chapter 222, Sections 2 to 7.

Sec. 3. *The initial term of the additional land surveyor member appointed to the board of architecture, engineering, land surveying and landscape architecture pursuant to section 2 of this act shall expire the first Monday in January, 1982.*

Amend the title as follows:

Page 1, line 4, after "architects;" insert "adding an additional member to the board of architecture, engineering, land surveying and landscape architecture;"

Page 1, line 5, delete "Section" and insert "Sections" and before the period insert "; and 326.04"

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

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

H. F. No. 749: A bill for an act relating to retirement; teachers retirement fund associations in cities of the first class; codification of a coordinated program for the Minneapolis and St. Paul teachers retirement fund associations; recodification of the law governing first class city teachers retirement fund associations; amending Minnesota Statutes 1978, Sections 354A.05; 354A.08; 354A.09; 354A.091; 354A.11; 354A.12; 354A.21; 356.32, Subdivision 2; and Chapter 354A by adding sections; repealing Minnesota Statutes 1978, Sections 354A.01; 354A.02; 354A.03; 354A.04; 354A.10; 354A.13; 354A.22; Laws 1976, Chapter 238, Section 12; and Laws 1977, Chapter 429, Section 60.

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

Page 8, line 23, after "service" insert "*as a teacher*"

Page 10, line 30, reinstate the stricken word "the"

Page 10, line 31, before "benefits" insert "*benefit of coverage by or entitlement to annuities or*"

Page 17, line 24, delete "*time*" and insert "*year*"

Page 22, line 18, delete "*or the coordinated programs of*" and insert a comma, and after "*Minneapolis*" insert "*teachers retirement fund association*"

Page 22, line 19, after "*or*" insert "*the*" and delete "*associations*" and insert "*association*"

Page 34, line 23, delete "*employee*"

Page 35, line 16, delete "*prior*"

Page 35, line 17, delete "*to death*"

Page 41, line 15, delete "*employee*"

Page 45, line 6, delete "*otherwise*" and insert "*, if not having elected coverage by the coordinated program,*"

Page 45, line 22, delete "*otherwise*" and insert "*, if not having elected coverage by the coordinated program,*"

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

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

S. F. No. 932: A bill for an act relating to taxation; deleting requirement of vendor's verification of claim for refund of sales tax paid on electricity used for agricultural purposes; amending Minnesota Statutes 1978, Section 290.501.

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 referred

S. F. No. 1176: A bill for an act relating to taxation; allowing use of lump sum distribution tax computation upon receipt of severance pay in certain instances; amending Minnesota Statutes 1978, Section 290.032, by adding a subdivision.

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. 439: A bill for an act relating to natural resources; providing payments in lieu of taxes to counties and townships in which certain natural resource lands are located; appropriating money; amending Minnesota Statutes 1978, Section 275.51, Subdivision 3d.

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

Page 2, line 10, after the period, insert "*Lands for which payments in lieu are made pursuant to section 97.49, subdivision 7, and Laws 1973, Chapter 567, shall not be eligible for payments under this section.*"

Page 2, line 26, after "97.49," insert "*subdivision 3, and*"

Page 2, line 26, delete "*, and Laws 1973,*"

Page 2, line 27, delete "*Chapter 567*"

Page 5, line 11, after "298.282" strike the comma and insert "*;* *payments made pursuant to section 6;*"

Page 5, after line 24, insert

"Sec. 6. Minnesota Statutes 1978, Chapter 273, is amended by adding a section to read:

[273.139] [REDUCED ASSESSMENT PROPERTY AID.]
Subdivision 1. Each county, city, town, special district, and school district which levied ad valorem taxes payable in 1980 shall receive reimbursement in 1980 and subsequent years for the difference between the tax determined pursuant to subdivision 2, clause (a) and that payable on the value assessed pursuant to section 273.13, subdivision 17 or 17b, on structures used as housing for the elderly or for low and moderate income families or on structures financed by farmers home administration loans and on structures assessed as class 3cc pursuant to section 273.13, subdivision 7.

Subd. 2. (a) The county auditor shall calculate the tax on the property described in subdivision 1 in the same manner as like

property would be assessed, if it did not qualify for the reduced valuation provided for in section 273.13.

(b) The difference between the amount calculated pursuant to clause (a) and the amount of tax actually payable by the owner on property described in subdivision 1 shall be distributed to the taxing districts by the commissioner of revenue in the same proportion that the ad valorem tax was distributed to them. He shall make payment directly to the taxing districts on July 15 of each year, commencing in 1980.

Subd. 3. The county auditor shall enter on the abstract of assessment of real property the assessed value of the affected property computed pursuant to subdivision 2, clause (a), which value shall be the basis of computing the distribution of school aids.

Sec. 7. [APPROPRIATION.] A sum sufficient to make the payments required under section 6 is annually appropriated from the general fund to the commissioner of revenue."

Renumber the remaining section in sequence

Amend the title as follows:

Page 1, line 2, delete "natural resources" and insert "aid to local units of government"

Page 1, line 4, after the semicolon insert "providing payments to local taxing districts containing reduced assessment property;"

Page 1, line 6, after "3d" insert "; and Chapter 273, by adding a section"

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

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

S. F. No. 1366: A bill for an act relating to education; providing for an occupational information system, for an advisory task force on the system and for a report to the legislature; 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. [121.161] [CAREER INFORMATION SYSTEM.] Subdivision 1. [POLICY.] It is the policy of the state of Minnesota to assist its citizens through the provision of current, accurate and locally relevant occupational and career planning information, and to have a coordinated system for consumers to be known as the "Minnesota Career Information System".

Subd. 2. [AUTHORIZATION.] The commissioner of education shall establish and operate the career information system.

Subd. 3. [FUNCTIONS.] The career information system shall synthesize and provide accurate and timely occupational and educational information to students and employers throughout the state of Minnesota. Information in the Minnesota career information system shall be maintained by contributions of data from programs operated by other agencies and institutions and shall be reviewed at least annually.

Subd. 4. [ADVISORY TASK FORCE.] The commissioner shall establish an advisory task force of no more than 15 members to advise him in the execution of his duties under this section. The members of the task force shall represent both agencies and institutions producing and contributing occupational, career planning, education and training information and also agencies, representative institutions and individuals who would use the career information system. The terms, compensation and removal of members, and the expiration of the task force shall be as provided in Minnesota Statutes, Section 15.059, Subdivision 6.

Subd. 5. [EVALUATION.] In cooperation with the advisory task force, the commissioner shall report to the legislature in 1981 on the status of the occupational information system and shall make a recommendation regarding continuation of the system. Such report shall include assessments of alternative systems of delivery, the need for the frequency of updates of the data base, the effect of the services on users, and the compatibility of the services with career counseling and advising.

Subd. 6. [ANNUAL REPORT.] The commissioner of education shall, in cooperation with the advisory task force, issue an annual report on or before July 31 each year describing the operations of the career information system during the preceding fiscal year.

Sec. 2. [AUTHORITIES.] Subdivision 1. [SERVICES FOR FEES.] The Minnesota career information system is authorized to enter into written agreements with public school districts, junior colleges, community colleges, universities, state agencies, private schools and other public agencies or entities to provide services for a fee determined by the state board of education. The Minnesota career information system is authorized to provide services to other nonpublic agencies, institutions or entities and to collect fees therefor, provided, however, that the fees shall in no event be less than the cost of the services provided.

Subd. 2. [OTHER AUTHORITIES.] The Minnesota career information system may participate in joint projects with other state agencies and apply for federal grants and assistance available to state career information systems. Services now provided by the Minnesota occupational information system are assigned to the Minnesota career information system hereby established on or before September 30, 1979.

Sec. 3. [APPROPRIATION.] Subdivision 1. The sums set forth in this section are appropriated from the general fund to the de-

partment of education for the purpose of section 1 for the fiscal year ending June 30 in the designated year.

Subd. 2. For 1980.....\$150,000

Subd. 3. For 1981.....\$150,000

Subd. 4. Any funds appropriated for 1980 which are not expended or encumbered by June 30, 1980, shall not lapse but shall be available to the department of education for the purpose of section 1 for the second year of the biennium.

Subd. 5. The department of education is authorized up to five additional complement positions for the purposes of this act. Other statutes notwithstanding, current higher education coordinating board and Minnesota occupational information system unclassified staff positions and incumbents thereof are hereby transferred to corresponding positions created in the classified service by this section provided that the incumbents are qualified by procedures to be established in cooperation with the commissioner of personnel."

Delete the title in its entirety and insert:

"A bill for an act relating to education; providing for a career information system, for an advisory task force on the system and for a report to the legislature; appropriating money."

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. 988: A bill for an act relating to natural resources; eliminating the requirement for a wild rice processor's license; amending Minnesota Statutes 1978, Section 98.46, Subdivision 18.

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

Page 2, line 27, strike "in the English"

Page 2, line 28, strike "language"

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

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

S. F. No. 1141: A bill for an act relating to hearing impaired persons; establishing regional service centers and advisory committees; 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 bill be amended as follows:

Page 3, line 29, delete "an"

Page 3, line 30, delete "nonprofit organization" and insert "organizations"

Page 6, after line 4, insert:

"Sec. 11. [IMPLEMENTATION STUDY.] The state planning agency shall study the implementation and effectiveness of the provisions of sections 1 to 10 and report its findings, including proposed legislation, to the legislature on or before January 1, 1981."

Page 6, after line 21, insert:

"Subd. 5. [STATE PLANNING AGENCY.] The sum of \$..... is appropriated from the general fund to the state planning agency for the purposes of section 11."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 11, after the semicolon, insert "providing for a study by the state planning agency;"

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

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.

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

Page 3, delete line 18 and insert "upon approval by the Cottage Grove city council and upon compliance with Minnesota Statutes, Section 645.021."

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

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.

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

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

H. F. No. 1065: 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.

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

Page 2, line 29, after the second "the" insert "annual"

Page 2, line 30, strike "actual rates" and insert "rate"

Page 2, line 30, after "return" insert "based on market value"

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

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

H. F. No. 1052: A bill for an act relating to retirement; Eveleth joint retired police and firefighters retirement trust fund; providing for a post retirement adjustment.

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

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

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.

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

Page 2, delete section 3 and insert:

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

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

Amend the title as follows:

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

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

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

H. F. No. 813: A bill for an act relating to crimes; regulating dance halls; removing the limitation on persons under the age of 16; amending Minnesota Statutes 1978, Section 624.49.

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

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

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

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

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

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.

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

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

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.

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

Page 1, line 13, after "*resolution*" insert a comma

Page 1, line 13, after "*date*" insert "*in July*"

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

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

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.

Reports the same back with the recommendation that 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. Wegener from the Committee on Local Government, to which was referred

H. F. No. 370: A bill for an act relating to hospitals; providing for payment of election judges; providing hospital board members with travel and other expenses incurred in the performance of their duties; authorizing hospital boards to set compensation for board members; amending Minnesota Statutes 1978, Section 447.32, Subdivision 4, and by adding a subdivision.

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

Page 3, after line 5, insert:

"Sec. 3. Laws 1961, Chapter 115, Section 2, Subdivision 1, is amended to read:

Sec. 2. [DISTRICT HOSPITAL BOARD; MEMBERS; ORGANIZATION AND FINANCES.] Subdivision 1. The district hospital board may authorize and direct the construction and equipment or the acquisition and equipment and the betterment of a district hospital, a nursing home, and a board and care home, or any of them, to be operated under the supervision of the district hospital board. The hospital board shall consist of not less than six nor more than fifteen members appointed by the board of county commissioners. As nearly as may be one-third of the members of the first board shall be appointed for a term to expire two years from May 1 next following such appointment, one-third for a term to expire four years from such date, and one-third for a term to expire six years from such date, each of which members shall hold office until his successor is appointed and qualified. Successors to the original board members shall each be appointed for terms of six years and shall serve until their successors are appointed and qualified. Terms of all members shall expire on May 1. The terms of any members appointed over and above the number initially appointed shall be so fixed as to cause the terms of one-third of all members to expire every two years, as nearly as possible. In case of a vacancy on the hospital district board, whether due to death, removal from the district, inability to serve, or resignation, the board of county commissioners at its next regular meeting shall

make an appointment to fill such vacancy for the then unexpired term. Members of the district hospital board shall be entitled to mileage of ten cents per mile, each way, for every mile necessarily traveled for attending meetings of the board, not to exceed 12 meetings in any one year receive such compensation as may be fixed by the board. In addition, each board member may be reimbursed for all actual and necessary expenses incurred in the performance of official duties in the same manner and amount as state employees, except for mileage which shall be compensated as provided in Minnesota Statutes, Section 471.665, Subdivision 1. The expense of acquisition, betterment, administration, operation, and maintenance of any such hospital or home shall be paid from the revenue derived therefrom and any donations or grants received for such purpose and, to the extent necessary, from ad valorem taxes which shall be certified by the district hospital board to the board of county commissioners and levied by that board solely upon the taxable property situated within the district. All revenues received shall be kept in the hospital district fund by the treasurer of the hospital district, and all such taxes when collected shall be credited to the said fund."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 8, before the period insert "; and Laws 1961, Chapter 115, Section 2, Subdivision 1"

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

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

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

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

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

H. F. No. 499: A bill for an act relating to Lac qui Parle and Big Stone Counties; changing the boundary lines between the counties; amending Laws 1937, Chapter 423, Section 1, as amended.

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

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

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

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

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

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.

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 156A.031, Subdivision 1, is amended to read:

156A.031 [PLASTIC CASINGS.] Subdivision 1. The use of plastic casings in water wells is expressly permitted within the state of Minnesota. Any plastic casing used for water wells must meet the current standard specifications of the American Society for Testing and Materials (ASTM) for thermoplastic water well casing pipe and couplings. All plastic water well casing shall be capable of withstanding pressures equal to or greater than 200 pounds per square inch (p.s.i.).

The state commissioner of health may supplement the provisions of this section with rules relating to the installation of plastic water well casing, providing, however, that such rules shall not delay the use of plastic water well casing meeting the requirements of this section.

Prior to January 31, 1978 1980 , the state commissioner of health shall adopt rules of statewide application pursuant to chapter 15 concerning the installation and use of plastic water well casing pipes and couplings in the state ."

Page 1, line 10, before "This" insert "*Until the commissioner implements the rules of statewide application required under subdivision 1, the permission for the use of plastic casings as granted by*"

Page 1, line 10, strike everything after "applies"

Page 1, lines 11 to 16, strike the old language and delete the new language and insert "*to all counties except the counties of St. Louis, Lake, Cook, Carlton, Pine, Kanabec, Isanti, Chisago, Anoka, Washington, Ramsey, Hennepin, McLeod, Carver, Sibley, Scott, Dakota, Redwood, Brown, Nicollet, LeSueur, Rice, Goodhue, Wabasha, Watonwan, Blue Earth, Waseca, Steele, Dodge, Olmsted, Winona, Faribault, Freeborn, Mower, Fillmore and Houston*"

Page 1, line 17, delete the new language

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

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

H. F. No. 677: A bill for an act relating to courts; providing for the interest rate on verdicts and judgments; amending Minnesota Statutes 1978, Sections 549.09 and 550.36.

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

Page 1, line 9, delete "VERDICT" and insert "VERDICTS AND JUDGMENTS"

Page 1, line 12, after "entered" insert "*and interest on the judgment until paid*"

Page 1, line 13, after "clerk" insert "*as provided in this section*"

Page 1, line 15, delete "*equal to*" and insert "*based on*"

Page 1, line 16, delete "*the most*"

Page 1, line 17, delete "*recent*"

Page 1, line 17, delete the comma and insert "*as provided in this section.*"

Page 1, delete line 18

Page 1, line 19, delete "*each month*" and insert "*December of each year*"

Page 1, line 21, delete "*release*" and insert "*releases*"

Page 1, line 22, delete everything after "*system*" and insert "*stating the current average annual yield for the preceding ten weeks on United States treasury bills with one year maturities. This yield, rounded to the nearest one percent, shall be the annual interest rate on the unpaid balance of judgments the succeeding year. The state court administrator shall communicate that interest rate to the clerks of court for their use in computing the interest on verdicts, but in no event shall the rate of interest be less than eight percent per annum.*"

Page 2, delete lines 1 to 3

Page 3, after line 3, insert:

"Sec. 3. *This act applies to the balance of judgments remaining unpaid after January 1, 1980.*"

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

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

H. F. No. 198: A bill for an act relating to tort liability; requiring political subdivisions to indemnify officers and employees for certain judgments and settlements; amending Minnesota Statutes 1978, Section 466.07, by adding a subdivision.

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

Page 1, after line 18 insert:

"The provisions of this subdivision requiring indemnification do not apply in the case of malfeasance in office or willful or wanton neglect of duty."

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. 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, reinstate the stricken language, and after "or" insert "*failure*"

Page 1, line 22, after "*which*" insert "*imminently and*"

Page 2, line 1, delete "*health or welfare*" and insert "*physical and mental health*"

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

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

S. F. No. 1236: A bill for an act relating to energy; clarifying the procedures for declaring an energy emergency; prescribing the powers of the governor and executive council in an emergency; providing for the issuance of emergency rules by the director of the energy agency; prescribing additional elements of the energy emergency conservation and allocation plan; providing for earth sheltered construction zoning variances; prohibiting local governments from banning earth sheltered construction; requiring certain building energy reports and audits; providing for an adult and post-secondary energy education plan; limiting the time for application for certain variances; providing a method for determining certain efficiencies for air conditioners; prescribing a penalty; appropriating money; amending Minnesota Statutes 1978, Sections 12.02, Subdivision 1; 12.03, Subdivision 4, and by adding a subdivision; 12.21, Subdivisions 1 and 3; 12.28; 12.32; 116H.02, Subdivisions 3 and 5, and by adding subdivisions; 116H.08; 116H.09, Subdivisions 1, 4, and 5; 116H.11; 116H.12, Subdivisions 1a, 1b,

3a, 3b, and 10; 116H.122; 116H.123; 116H.124; 116H.126; 116H.-13; 116H.15; 120.78, Subdivision 1; 325.989, by adding a subdivision; 394.25, Subdivision 3; 394.27, Subdivision 7; 462.357, Subdivisions 1 and 6; and Chapter 116H, by adding a section; repealing Minnesota Statutes 1978, Section 116H.125.

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 116H, is amended by adding a section to read:

[116H.088] [POST-SECONDARY ENERGY EDUCATION.] Subdivision 1. *The director, in consultation with the state board of education, the higher education coordinating board, the state board for community colleges, the state university board, and the board of regents of the University of Minnesota, shall develop a plan for adult and post-secondary energy education.*

Subd. 2. *The plan shall include:*

(a) *An identification of adult and post-secondary energy education needs;*

(b) *The development of adult and post-secondary energy education priorities;*

(c) *A format for the delivery of adult and post-secondary energy education programs which minimizes duplication of effort by the agencies listed in subdivision 1;*

(d) *A process for coordination of the acquisition, development, and dissemination of instructional materials and curricula which minimizes duplication of effort by the agencies listed in subdivision 1;*

(e) *A review of the existing uses of state and federal funds to address adult and post-secondary energy education, and a recommendation of future needs for funds; and*

(f) *A recommendation for a process to determine the effectiveness of the adult and post-secondary energy education efforts.*

Sec. 2. [116H.21] [FUNDING FOR ENERGY AUDITS AND CONSERVATION MEASURES.] Subdivision 1. [DEFINITIONS.] *As used in sections 2 to 5, the following terms shall have the meanings given them.*

Subd. 2. "Energy conservation measure" means an installation or modification of an installation in a building which is primarily intended to reduce energy consumption or allow the use of an alternative energy source. The measure must be one which a mini-audit or a maxi-audit of the building, as defined in subdivisions 4 and 5, indicates would reduce the consumption of energy. An "energy conservation measure" as defined in section 302(a)(2) of the National Energy Conservation Policy Act, P.L. 95-619, is considered an energy conservation measure as defined herein.

Subd. 3. "Governing body" means the governing body of a statutory or home rule charter city, or county.

Subd. 4. "Maxi-audit" means a detailed engineering analysis of energy saving building improvements, including modifications to building structure; heating, ventilating and air conditioning systems; operation practices; lighting; and other factors that relate to energy use. The primary objective is to quantify the economic and engineering feasibility of energy saving improvements which require capital expenditures or major operational modifications. "Technical assistance" as defined in section 302(a)(17) of the National Energy Conservation Policy Act, P.L. 95-619, is considered a maxi-audit.

Subd. 5. "Mini-audit" means a brief, on site inspection designed to observe and record building energy use systems and related factors. The primary objective is to identify energy saving measures that can be implemented quickly and at low cost. An "energy audit", as defined in section 302(a)(13) of the National Energy Conservation Policy Act, P.L. 95-619, is considered a mini-audit.

Subd. 6. "School" means a public school district, or an area vocational-technical institute.

Sec. 3. [116H.23] [PRIORITIES FOR FUNDING.] All applications for funding shall be made to the director of the Minnesota energy agency. Applications shall be accompanied by a report on the energy using characteristics of the building and any other information the director may reasonably require. A school or local government may apply to the director to receive reimbursement for the actual costs of mini-audits or maxi-audits performed pursuant to sections 5 and 6. Notwithstanding any other law to the contrary, schools and local governments which submit their maxi-audits or mini-audits to the director prior to or on December 31, 1980, may use the state funds received to pay part of or all of the actual costs of energy conservation measures. In the event that the applicant receives federal funds pursuant to the National Energy Conservation Policy Act, P.L. 95-619, which funds are intended to be used to pay part or all of the costs of a mini-audit or maxi-audit, the applicant shall receive state funds, which, when combined with federal funds received, equal the actual cost of the mini-audit or maxi-audit. If funds are not sufficient to cover the costs of these categories, funds shall be allocated to acceptable applicants in accordance with criteria established by the director of the energy agency, the department of education, and representatives of governing bodies and schools. Criteria may include, but are not limited to population, number of students, amount of funding requests, condition of facilities, type of facility, and type of energy conservation measure for which funding is requested.

Sec. 4. Minnesota Statutes 1978, Section 116H.124, is amended to read:

116H.124 [LOCAL GOVERNMENT BUILDING ENERGY REPORTS AND AUDITS.] *Subdivision 1. Before January 1,*

1980, The governing body of each city and county shall complete a survey of building energy report for all existing city owned or county owned buildings within their respective jurisdictions which buildings are heated by oil, coal, electric, or gas units. Buildings heated by oil or interruptable gas shall be surveyed first. The survey shall determine, based upon a formula specified by the director, the estimated remaining useful life of each building, together with the present degree and estimated cost of compliance with the energy conservation standards promulgated pursuant to section 116H.121. The governing body of a city or county may contract with any municipal building official appointed pursuant to section 16.861, or with the state building inspector to perform the energy conservation survey. Each governing body shall estimate, based upon a formula specified by the director, the annual potential savings in fuel procurement costs for existing heating and cooling systems, which savings would be realized for each building within its jurisdiction in that building were improved to comply with the energy conservation standards. The building energy report shall be recorded on a form furnished by the director. Each governing body shall file the energy conservation survey and estimated fuel procurement data for at least half the buildings within its jurisdiction building energy report with the director before December 31, 1978, and all remaining buildings by December 31, 1979, for his review and comment analysis.

Subd. 2. [MAXI-AUDITS AND MINI-AUDITS.] On or before June 30, 1980, based upon analysis of the building energy reports, the director shall indicate to the governing body of each city and county those buildings upon which a mini-audit and/or a maxi-audit shall be performed. The results of the mini-audit and/or maxi-audit shall be recorded on a form furnished by the director, and filed with the director by December 31, 1982.

Subd. 3. [CERTIFICATION OF AUDITORS.] The director may certify persons to perform mini-audits and maxi-audits, and to complete the building energy reports.

Subd. 4. [ACCEPTANCE OF EQUIVALENT ENERGY SURVEY.] The director may accept the results of an equivalent energy survey in place of the building energy report, mini-audit and/or maxi-audit required under this section.

Sec. 5. Minnesota Statutes 1978, Section 116H.126, is amended to read:

116H.126 [PUBLIC SCHOOL BUILDING ENERGY REPORTS AND AUDITS.] *Subdivision 1. Before January 1, 1980, Each school district shall complete a survey of building energy report for all existing public school buildings which it owns or operates and which are heated by oil, gas, coal, or electric units in order to determine the estimated remaining useful life of each building, together with the present degree and estimated cost of compliance with the energy conservation standards promulgated pursuant to section 116H.121. Buildings heated by oil or interruptable gas shall be surveyed first. The results of the energy conservation survey building energy report shall be recorded on a*

form furnished by the director. A school district may contract with any municipal building official appointed pursuant to section 16.961 or with the state building inspector to perform the energy conservation survey. Each school district shall estimate, based upon a formula specified by the director, the annual savings in fuel procurement costs for existing heating and cooling systems, which savings would be realized for each public school building within the district if it were improved to comply with the energy conservation standards. Each school district shall file the energy conservation survey and estimated fuel procurement data for at least half the public school buildings within the district building energy reports with the director before December 31, 1978, and all remaining buildings by December 31, 1979, for his review and comment analysis.

Subd. 2. [MAXI-AUDITS AND MINI-AUDITS.] On or before July 1, 1980, based upon the analysis of the building energy reports, the director shall indicate to each school district those buildings upon which a mini-audit and/or maxi-audit shall be performed. The results of the mini-audit and/or maxi-audit shall be recorded on a form furnished by the director and filed with the director by December 31, 1982.

Subd. 3. [CERTIFICATION OF AUDITORS.] The director may certify persons to perform mini-audits and maxi-audits, and to complete the building energy reports.

Subd. 4. [ACCEPTANCE OF EQUIVALENT ENERGY SURVEYS.] The director may accept the results of an equivalent energy survey in place of the building energy report and mini-audit and/or maxi-audit required under this section.

Subd. 5. [SCHOOL DISTRICTS INTENDING TO CLOSE PUBLIC SCHOOL BUILDINGS.] A school district intending to permanently close or otherwise discontinue use of any existing public school building by January 1, 1985, shall not be required to comply with this section as to those buildings, if a certification of intent to close the building is filed with the director.

Subd. 6. [STUDY OF CAPABILITY OF ENERGY MANAGEMENT PERSONNEL.] The director shall conduct a study of the capabilities and level of training of school district energy management personnel. The report shall include recommendations and shall be submitted to the legislature by January 1, 1980.

Sec. 6. Minnesota Statutes 1978, Section 116H.129, Subdivision 1, is amended to read:

116H.129 [ENERGY CONSERVATION STANDARDS FOR EXISTING RESIDENCES.] Subdivision 1. Before January 1, 1979 August 1, 1980, the commissioner of administration, in consultation with the director and the appropriate standing committees of the legislature, shall promulgate minimum energy efficiency standards for existing residences. The standards shall be economically feasible in that the resultant savings in energy procurement costs, based on current and projected average residential energy costs including projected costs for fuel in Minnesota as

certified by the director in the state register, will exceed the cost of the energy conserving requirements amortized over the ~~five-year~~ *ten-year* period subsequent to the incurring of such cost. The costs computed under this section shall include reasonable inflation and interest factors.

Sec. 7. Minnesota Statutes 1978, Chapter 268, is amended by adding a section to read:

[268.37] [COORDINATION OF RESIDENTIAL WEATHERIZATION PROGRAM.] *Subdivision 1. The department of economic security is the state agency to apply for, receive and disburse federal funds made available to the state by federal law or rules promulgated thereunder for the purpose of weatherizing the residences of low-income persons. The department shall coordinate available federal funds with any state funds appropriated for this purpose.*

Subd. 2. The commissioner shall make grants to community action agencies and other public or private nonprofit agencies for the purpose of weatherizing the residences of low-income persons. Grant applications shall be submitted in accordance with rules developed pursuant to 42 U.S.C. 6861-6872, any other relevant federal weatherization program, and rules promulgated by the department.

Subd. 3. The department shall promulgate all rules necessary to administer the grants program by July 1, 1979. The rules shall describe: (a) procedures for the administration of grants, (b) data to be reported by grant recipients, and (c) such other matters as the department may find necessary for the proper administration of the grant program including compliance with relevant federal regulations. Weatherization assistance shall be given to households where the total income does not exceed 125 percent of the poverty level as updated by the federal office of management and budget poverty guidelines.

Subd. 4. The commissioner shall submit a report to the legislature on March 1, 1980, and March 1, 1981, evaluating the weatherization program. The reports shall describe: (a) the numbers of households weatherized, (b) the average cost per household, (c) any change in energy consumption after weatherization, (d) outreach efforts, and (e) any other information the department feels is relevant including information routinely submitted to the federal government.

Sec. 8. Minnesota Statutes 1978, Section 451.09, is amended to read:

451.09 [STEAM HEAT SYSTEMS; DISCONTINUANCE OR CONVERSION.] *Subdivision 1. Any steam heat system operated by a public utilities board or commission in any home rule charter city may be discontinued in whole or in part at the discretion of such board or commission. Funds may be expended at the discretion of such board or commission to compensate persons to whom service is discontinued for the expense of converting to some other*

type of heat system. Prior to exercising any of the authority granted by this section, the public utilities board or commission shall obtain the approval of the governing body of the city. The authority granted by this section shall apply notwithstanding any statute, city charter, or other law to the contrary. This section subdivision shall not apply to Austin, Marshall and Virginia.

Subd. 2. The public utilities board or commission shall inform the energy agency of its plans to discontinue operation at least two years prior to the intended date of discontinuance of operation. If a public utilities board or commission decides to discontinue operation of a steam heat system prior to July 1, 1981, it shall notify the director of the energy agency within 60 days of its decision.

Sec. 9. [PILOT ETHANOL PRODUCTION PLANT.] *The energy agency shall issue a request for proposal for the construction and operation of a small scale pilot plant for the production of ethanol. The plant shall operate and produce ethanol from more than one resource, though not necessarily simultaneously. One of the resources must be agricultural, forest, or wetland residue such as, but not limited to, corn stalks, straw, cattails or timber slash. The pilot plant shall be portable and demonstrated around the state with literature explaining the process and illustrating possible designs for plants producing one million gallons per year or less. The plant shall operate for at least two years. A final report shall be provided to the Minnesota energy agency in October, 1981. The department of biochemistry at the University of Minnesota shall provide instrumentation and monitor the processes. The department of mechanical engineering shall test the fuel in internal combustion engines and provide horsepower, fuel consumption and related data. Each organization shall provide a written report to the Minnesota energy agency which shall in turn assemble all information for a report to the legislature in January, 1982.*

Sec. 10. [APPROPRIATIONS.] *Subdivision 1. The sum of \$15,387,000 is appropriated from the general fund to the agencies and for the purposes indicated, to be available until June 30, 1981, except as otherwise provided in this section.*

Subd. 2. Energy Agency

(a) Develop a plan for adult and post-secondary energy education pursuant to section 1 and implement adult energy education activities \$60,000

Approved Complement—1 unclassified position for this biennium only

(b) Energy audits and conservation measures pursuant to sections 2 and 3 \$10,000,000

Of this appropriation, \$713,700 is for program administration

Approved Complement—13 unclassified positions for this biennium only

(c) *Energy accounting system for schools and local governments, and training courses for local government and school personnel on energy accounting methods* \$40,000

(d) *Report on study of level of training and capabilities of local government and school energy management personnel, to be submitted to legislature by January 1, 1980* \$10,000

(e) *Research on district heating systems* \$100,000

Approved Complement—2 unclassified positions for this biennium only

(f) *Engineering analyses of steam heat systems* \$50,000

(g) *Match federal money for district heating system projects* \$250,000

Money from this appropriation is available for a project when the federal government issues a letter of intent to finance the project at the rate of \$3 federal for each \$1 state

(h) *Administer and monitor the ethanol study and pilot project pursuant to section 9, to be available until expended* \$10,000

(i) *Construct and operate a pilot plant for the production of ethanol, to be available until expended.* \$100,000

Subd. 3. Department of Economic Security

Coordinate residential weatherization program, pursuant to section 7 \$4,800,000

No more than six percent of this appropriation shall be used for administrative costs of the program.

Subd. 4. University of Minnesota

(a) *Department of biochemistry—instrument and monitor the pilot plant for the production of ethanol* \$18,000

(b) *Department of mechanical engineering—product testing for the pilot plant* \$4,000

(c) *Agricultural extension service—publications for farmers and the general population on the research and pilot plant operation* \$5,000

(d) *The appropriations in this subdivision are available until expended."*

Delete the title in its entirety and insert:

"A bill for an act relating to energy; providing for an adult and post-secondary energy education plan; requiring certain building energy reports and audits; providing partial funding to school dis-

tricts, municipalities and counties for energy audits and energy conservation measures; changing energy conservation standards for existing residential buildings; authorizing a weatherization program for low income persons; requiring notice to the Minnesota energy agency of the proposed discontinuance of municipal steam heat systems; providing for a pilot project in ethanol production; appropriating money; amending Minnesota Statutes 1978, Sections 116H.124; 116H.126; 116H.129, Subdivision 1; 451.09; Chapters 116H, by adding a section; and 268, 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. Moe from the Committee on Finance, to which was referred

S. F. No. 315: 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; 121.49; 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, 7c, and 10; 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.

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

Page 2, after line 7, insert:

"Section 1. Minnesota Statutes 1978, Section 124.11, Subdivision 5, is amended to read:

Subd. 5. Each year, beginning in 1978, based on current year tax data reported in the abstracts of tax lists, the commissioner of revenue shall determine the distribution to each school district of the amount of revenue lost as a result of the reduction in property taxes provided in section 273.132 5 of this article. On or before July 15, 1978, and on or before July 15 of each year thereafter, the commissioner of revenue shall certify the amounts so determined to the department of education. Beginning in 1978, the department of education shall pay each school district one-half of its distribution in August and the remaining one-half in the following November, as part of the foundation aid payment to each district in those months."

Page 6, after line 22, insert:

"Sec. 5. Minnesota Statutes 1978, Chapter 124, is amended by adding a section to read:

[124.211] [STATE SCHOOL AGRICULTURAL CREDIT.]
The county auditor shall reduce the tax for school purposes on all property receiving the homestead credit pursuant to section 273.13, subdivision 6, by an amount equal to the tax levy that would be produced by applying a rate of 15 mills on the property. The county auditor shall reduce the tax for school purposes on all other agricultural lands and all real estate devoted to temporary and seasonal residential occupancy for recreational purposes, but not devoted to commercial purposes, by an amount that would be produced by applying a rate of ten mills on the property. The amounts so computed by the county auditor shall be submitted to the commissioner of revenue as part of the abstracts of tax lists required to be filed with the commissioner under the provisions of section 275.29. Any prior year adjustments shall also be certified in the abstracts of tax lists. The commissioner of revenue shall review such certifications to determine their accuracy. He may make such changes in the certification as he may deem necessary or return a certification to the county auditor for corrections.

In 1977, payment shall be made according to the procedure provided in section 273.13, subdivision 15a, for the purpose of replacing revenue lost as a result of the reduction of property taxes provided in this section. In 1978, payment shall be made pursuant to sections 124.212, subdivision 7b and 124.11, for the purpose of replacing revenue lost as a result of the reduction in property taxes provided in this section. There is appropriated from the general fund in the state treasury to the commissioner of revenue the amount necessary to make these payments in fiscal year 1978. There is appropriated from the general fund in the state treasury to the department of education the amount necessary to make these payments in fiscal year 1979 and thereafter."

Page 7, line 3, after "to" insert "the state school agricultural credit in"

Page 7, line 4, strike "273.132" and insert "5 of this article"

Page 7, line 12, after "to" insert "*the state school agricultural credit in*"

Page 7, line 13, strike "273.132" and insert "*5 of this article*"

Page 9, line 7, delete "9" and insert "11"

Page 11, after line 24, insert:

"Sec. 12. Minnesota Statutes 1978, Section 272.115, Subdivision 4, is amended to read:

Subd. 4. Beginning with taxes payable in 1979, no real estate sold on or after January 1, 1978 for which a certificate of value is required pursuant to subdivision 1 shall receive the homestead credit provided under section 273.13, subdivisions 6 and 7; the *state school agricultural mill credit* provided in section ~~273.132~~ *5 of this article*; or the taconite homestead credit provided in sections 273.134 to 273.136, unless a certificate of value has been filed with the county auditor in accordance with this section.

This subdivision shall apply to any real estate taxes that are payable the year or years following the sale of the property.

Sec. 13. Minnesota Statutes 1978, Section 273.13, Subdivision 6, is amended to read:

Subd. 6. [CLASS 3B.] Agricultural land, except as provided by class 1 hereof, and which is used for the purposes of a homestead shall constitute class 3b and shall be valued and assessed at 18 percent of the market value thereof in 1977, for taxes payable in 1978, and at 16 percent thereafter. The property tax to be paid on class 3b property as otherwise determined by law not exceeding 120 acres less any reduction received pursuant to section 273.135, regardless of whether or not the market value is in excess of the homestead base value, shall be reduced by 45 percent of the tax; provided that the amount of said reduction shall not exceed \$325. Valuation subject to relief in 1977 for taxes payable in 1978 shall be limited to 120 acres of land, most contiguous surrounding, or bordering the house occupied by the owner as his dwelling place, and, such other structures as may be included thereon utilized by the owner in an agricultural pursuit. For taxes levied in 1978 payable 1979 and subsequent years, valuation subject to relief shall be limited to 160 acres of land, most contiguous surrounding, or bordering the house occupied by the owner as his dwelling place, and such other structures as may be included thereon utilized by the owner in an agricultural pursuit. If the market value is in excess of the homestead base value, the amount in excess of that sum shall be valued and assessed at 31 percent of its market value in 1977, for taxes payable in 1978, and at 30 percent thereafter. The first \$12,000 market value of each tract of real estate which is rural in character and devoted or adaptable to rural but not necessarily agricultural use, used for the purpose of a homestead shall be exempt from taxation for state purposes; except as specifically provided otherwise by law.

Agricultural land as used herein, and in section 273.132 5 of *this article*, shall mean contiguous acreage of ten acres or more, primarily used during the preceding year for agricultural purposes. Agricultural use may include pasture, timber, waste, unusable wild land and land included in federal farm programs.

Real estate of less than ten acres used principally for raising poultry, livestock, fruit, vegetables or other agricultural products, shall be considered as agricultural land, if it is not used primarily for residential purposes."

Page 13, after line 30, insert:

"Sec. 15. Minnesota Statutes 1978, Section 276.04, is amended to read:

276.04 [NOTICE OF RATES; PROPERTY TAX STATEMENTS.] On receiving the tax lists from the county auditor, the county treasurer shall, if directed by the county board, give three weeks' published notice in a newspaper specifying the rates of taxation for all general purposes and the amounts raised for each specific purpose. He shall, whether or not directed by the county board, cause to be printed on all tax statements, or on an attachment, a tabulated statement of the dollar amount due to each taxing authority and the amount to be paid to the state of Minnesota from the parcel of real property for which a particular tax statement is prepared. The dollar amounts due the state, county, township or municipality and school district shall be separately stated but the amounts due other taxing districts, if any, may be aggregated. The property tax statements for class 2a property shall contain the same information that is required on the tax statements for real property. The county treasurer shall mail to taxpayers statements of their personal property taxes due, such statements to be mailed not later than February 15 (except in the case of Class 2a property), statements of the real property taxes due shall be mailed not later than January 31; provided, that the validity of the tax shall not be affected by failure of the treasurer to mail such statement. Such real and personal property tax statements shall contain the market value, as defined in section 272.03, subdivision 8, used in determining the tax. The statement shall also include the base tax as defined in section 273.011, subdivision 4, for qualified property as defined in section 273.011 for which the credit provided for in section 273.012 is claimed. The statement shall show the amount attributable to section 273.132 5 of *this article* as "state paid school agricultural credit" and the amount attributable to section 273.13, subdivisions 6 and 7 as "state paid homestead credit". The commissioner of revenue shall provide each county auditor with the names of those persons in the assessor's district who have filed and qualified for the property tax credit pursuant to sections 273.011 and 273.012 and shall inform the assessor of the base tax of those persons. If so directed by the county board, the treasurer shall visit places in the county as he deems expedient for the purpose of receiving taxes and the county board is authorized to pay the expenses of such visits and of preparing duplicate tax lists.

Sec. 16. Minnesota Statutes 1978, Section 290A.03, Subdivision 13, is amended to read:

Subd. 13. [PROPERTY TAXES PAYABLE.] "Property taxes payable" means the property tax exclusive of special assessments, penalties, and interest payable on a claimant's homestead before reductions made pursuant to section 273.13, subdivisions 6 and 7, but after deductions made pursuant to ~~sections 273.132~~ *section 5 of this article and section 273.135*, in 1977 or any calendar year thereafter. No apportionment or reduction of the "property taxes payable" shall be required for the use of a portion of the claimant's homestead for a business purpose if the claimant does not deduct any business depreciation expenses for the use of a portion of the homestead in the determination of federal adjusted gross income. For homesteads which are mobile homes as defined in section 168.011, subdivision 8, "property taxes payable" shall also include 22 percent of gross rent paid in the preceding year for the site on which the homestead is located, exclusive of charges for utilities or services. When a homestead is owned by two or more persons as joint tenants or tenants in common, such tenants shall determine between them which tenant may claim the property taxes payable on the homestead. If they are unable to agree, the matter shall be referred to the commissioner of revenue and his decision shall be final. Property taxes are considered payable in the year prescribed by law for payment of the taxes.

In the case of a claim relating to "property taxes payable", the claimant must have owned and occupied the homestead on January 2 of the year in which the tax is payable."

Page 13, line 31, delete "Section" and insert "Sections"

Page 13, line 32, after "76" insert "and 273.132"

Page 14, line 27, delete "9" and insert "11"

Page 15, line 10, delete "8" and insert "10"

Renumber the sections in sequence

Page 34, line 7, strike "in"

Page 91, line 16, delete "*with enrollments of less than 400 secondary*"

Page 91, line 17, delete "*school students*"

Page 94, after line 27, insert "*Severance pay for a teacher as defined in section 174.63, subdivision 13, shall not exceed an amount equivalent to one year of pay.*"

Page 94, lines 25-27 reinsert the stricken language

Page 94, line 26, after "employee" insert "*except a teacher as defined in section 179.63, subdivision 13*"

Amend the title as follows:

Page 1, line 16, delete "Subdivision 2" and insert "Subdivisions 2 and 5"

Page 1, line 33, after the semicolon, insert "272.115, Subdivision 4; 273.13, Subdivision 6;"

Page 1, line 35, before "465.72" insert "276.04; 290A.03, Subdivision 13;"

Page 2, line 3, after the semicolon, insert "273.132;"

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

Mr. Hughes from the Committee on Education, to which were referred the following appointments as reported in the Journal for January 8, 1979:

COUNCIL ON QUALITY EDUCATION

Judy Lawrence Roy

Anna Barker

Loria Danage-Scott

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

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

Mr. Hughes from the Committee on Education, to which was referred the following appointment as reported in the Journal for April 26, 1979:

COUNCIL ON QUALITY EDUCATION

Lorraine Ziemer

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

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

Mr. Hughes from the Committee on Education, to which was referred the following appointment as reported in the Journal for April 16, 1979:

MINNESOTA HIGHER EDUCATION FACILITIES AUTHORITY

Frederick J. Bentz

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

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

Mr. Hughes from the Committee on Education, to which was referred the following appointment as reported in the Journal for April 5, 1979:

MINNESOTA HIGHER EDUCATION FACILITIES AUTHORITY

Maxwell O. Ramsland, Jr.

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

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

Mr. Hughes from the Committee on Education, to which were referred the following appointments as reported in the Journal for March 29, 1979:

STATE BOARD FOR COMMUNITY COLLEGES

Paul D. Brinkman

Nadine H. Chase

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

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

Mr. Willet from the Committee on Agriculture and Natural Resources, to which was referred the following appointment as reported in the Journal for April 16, 1979:

**IRON RANGE RESOURCES AND REHABILITATION BOARD
COMMISSIONER**

Patrick J. McGauley

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

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

Mr. Willet from the Committee on Agriculture and Natural Resources, to which were referred the following appointments as reported in the Journal for March 15, 1979:

MINNESOTA WATER RESOURCES BOARD

Dr. Benjamin Ramage Harriman

James J. Wychor

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

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

Mr. Willet from the Committee on Agriculture and Natural Resources, to which was referred the following appointment as reported in the Journal for March 26, 1979:

STATE SOIL AND WATER CONSERVATION BOARD

Alison D. Fuhr

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

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

Mr. Olson from the Committee on General Legislation and Administrative Rules, to which were referred the following appointments as reported in the Journal for April 26, 1979:

STATE ZOOLOGICAL BOARD

Richard M. Arndt

Patricia Davies

James L. Hetland, Jr.

Dr. Paul E. Zollman

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

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

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

H. F. No. 747 for comparison with its companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

SPECIAL ORDERS		CONSENT CALENDAR		CALENDAR	
H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.

747	809				
-----	-----	--	--	--	--

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 747 be amended as follows:

Page 4, line 14, delete "22" and insert "21"

Page 4, line 18, after "firefighters" insert a comma

Page 4, line 23, after "\$3,000" insert a comma

Page 5, line 25, after "year" insert a comma

Page 7, after line 22, insert

"Sec. 6. Minnesota Statutes 1978, Section 353.03, Subdivision 1, is amended to read:

353.03 [BOARD OF TRUSTEES.] Subdivision 1. [MANAGEMENT; COMPOSITION; ELECTION.] The management of the public employees retirement fund is hereby vested in a board of trustees consisting of 15 members, who shall be known as the board of trustees. This board shall consist of four trustees, one of whom shall be designated by each of the following associations or organizations, Minnesota school boards association, League of Minnesota Cities, Association of Minnesota Counties and the executive committee of the statewide general labor organization which includes among its membership the employee organizations, as defined in section 179.63, subdivision 5, which represent the largest number of employees who are association members; nine area trustees, who shall be elected from the membership employed in one of the areas described below by the members employed in such area except members of the police and fire fund; one trustee who shall be a retired annuitant elected at large by other annuitants; and one trustee who is a member of the police and fire fund elected at large by the membership of the police and fire fund. *Elected Trustees elected by the membership of the association or by the annuitants of the association shall hold office be elected for a term of four years. Trustees designated by an association or organization or elected or selected by the use of a procedure other than direct election by the membership of the association or by the annuitants of the association shall hold office for a term of two years or until the designation, election or selection procedure is changed, if that occurs earlier.* For seven days beginning December 1 of each year, the association shall accept at its office filings in person or by mail of candidates for the board of trustees. An area candidate shall submit at the time of filing a nominating petition signed by 25 or more members of the fund from the area of the candidate, a retired annuitant candidate, a nominating petition signed by 25 or more such annuitants, and a police and fire fund candidate, a nominating petition signed by 25 or more members of such fund. No nominee may withdraw his name from nomination after December 15. By January 10 of each year in which elections are to be held the board shall distribute by mail to the members and annuitants ballots listing the candidates. No member may vote for more than one candidate but a blank line shall be provided for a write in vote. A ballot indicating a vote for more than one person shall be void. No special marking may be used on the ballot to indicate incumbents. The last day for mailing ballots to the fund shall be January 31. Except as provided in this section, all terms expire on January 31 of the fourth year, and the position shall remain vacant until the newly elected member is qualified. The ballot envelopes shall be so designed and the ballots shall be counted in such a manner as to insure that each vote is secret. For the purpose of electing the nine area trustees, the state shall be divided into three areas as follows: Area one shall include Anoka, Hennepin, Ramsey and Washington counties. Area two shall include Big Stone, Swift, Kandiyohi, Meeker and Wright counties and all counties south thereof, except counties in area one. Area three shall include all the remaining counties of the state. If any governmental unit is located in more than one area,

place of employment shall be deemed to be in the area in which the main office of the governmental unit is located. Each year for three years one area trustee shall be elected to a four-year term from each area by the members employed in the respective areas. In the fourth year one trustee shall be elected at large by the police and fire fund membership and one trustee elected at large by the annuitants.

Notwithstanding the foregoing, however, in order to provide for a transition to regional elections, in the year 1978 only, a retired trustee shall be elected by the annuitants, and three trustees shall be elected from each of the three areas by the members of the area who may vote for only one candidate. The annuitant candidate receiving the most votes shall serve a three-year term, the candidate in each area receiving the largest number of votes shall serve a four-year term, the candidate in each area receiving the second largest number of votes shall serve a two-year term and the candidate in each area receiving the third largest number of votes shall serve a one-year term. The elections shall be supervised by the secretary of state. It shall be the duty of the board of trustees to faithfully administer the law without prejudice and consistent with the expressed intent of the legislature. They shall act as trustees with a fiduciary obligation to the state of Minnesota which created the fund, the taxpayers of the governmental subdivisions which aid in financing it and the public employees who are its beneficiaries."

Page 8, lines 1 to 6, delete the new language

Page 13, line 32, delete "20" and insert "21"

Page 14, line 14, after "69.776" insert "apply"

Page 16, line 5, after "older" insert a comma and after "Statutes" insert "1978"

Page 17, line 10, after "1976" insert a comma

Page 17, line 13, after "1978" insert a comma

Page 17, line 24, after "1972" insert a comma

Page 17, after line 31, insert

"Sec. 25. Laws 1978, Chapter 796, Section 28, shall be effective retroactively to July 1, 1977. Notwithstanding any provision of law to the contrary, the board of trustees position established pursuant to Laws 1978, Chapter 796, Section 28, shall be deemed to eliminate and replace the board of trustee position elected by the governing bodies of employee organizations, as defined in Minnesota Statutes, Section 179.63, Subdivision 5, representing public employees retirement association members.

Sec. 26. A member of the public employees retirement association and employee of Clearwater County who became totally and permanently disabled after more than ten years of service shall be entitled to total and permanent disability benefits pursuant to Minnesota Statutes, Section 353.33 commencing upon the effective date

of this act, notwithstanding the fact that repayment of a refund of employee contributions was not made until after the date of disability."

Page 17, line 32, after "6," insert "7, 17," delete "19, 22, 23, 24 and 25" and insert "and 21 to 26,"

Renumber the sections in sequence

Further, amend the title as follows:

Page 1, line 6, delete "*Subdivision*" and insert "*Subdivisions 1 and*"

And when so amended H. F. No. 747 will be identical to S. F. No. 809, and further recommends that H. F. No. 747 be given its second reading and substituted for S. F. No. 809, and that the Senate File be indefinitely postponed.

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

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

H. F. No. 1329 for comparison with its companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

SPECIAL ORDERS CONSENT CALENDAR CALENDAR

H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
1329	1212				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1329 be amended as follows:

Strike all the language after the enacting clause of H. F. No. 1329 and insert the language after the enacting clause of S. F. No. 1212, as amended by the Committee on Transportation, adopted by the Senate April 30, 1979; further, strike the title of H. F. No. 1329 and insert the title of S. F. No. 1212, as amended.

And when so amended H. F. No. 1329 will be identical to S. F. No. 1212, and further recommends that H. F. No. 1329 be given its second reading and substituted for S. F. No. 1212, and that the Senate File be indefinitely postponed.

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

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

H. F. Nos. 859, 1473 for comparison with companion Senate Files, reports the following House Files were found not identical with their companion Senate Files as follows:

SPECIAL ORDERS CONSENT CALENDAR CALENDAR

H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
859	913				
1473	721				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 859 be amended as follows:

Page 2, delete lines 18 to 33

Page 3, delete line 1

Page 3, line 2, delete "4" and insert "2"

Further, amend the title as follows:

Page 1, line 5, after "charges;" delete "requiring banks which offer a"

Page 1, delete line 6

Page 1, line 7, delete "program with a specified finance charge;"

Page 1, line 9, after "2" delete ", 3 and by adding a subdivision" and insert "and 3"

And when so amended H. F. No. 859 will be identical to S. F. No. 913, and further recommends that H. F. No. 859 be given its second reading and substituted for S. F. No. 913, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1473 be amended as follows:

Page 3, line 6, delete "also"

And when so amended H. F. No. 1473 will be identical to S. F. No. 721, and further recommends that H. F. No. 1473 be given its second reading and substituted for S. F. No. 721, and that the Senate File be indefinitely postponed.

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

Mr. Coleman from the Subcommittee on Bill Scheduling, to which were referred S. F. Nos. 1539, 1540, 623, 1339, 1327, 334 and H. F. Nos. 214, 936, 976, 455, 227 makes the following report:

That the above Senate Files and House 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. Report adopted.

SECOND READING OF SENATE BILLS

S. F. Nos. 697, 932, 1176, 988, 1310 and 315 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

SECOND READING OF HOUSE BILLS

H. F. Nos. 192, 148, 1052, 823, 747, 1329, 859 and 1473 were read the second time.

H. F. Nos. 1101, 107, 279, 914, 607, 357, 749, 1065, 813, 253, 954, 370, 624, 499, 686, 677 and 198 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

MOTIONS AND RESOLUTIONS

Mrs. Staples and Mr. Humphrey introduced—

Senate Resolution No. 29: A Senate resolution relating to extending congratulations to Lincoln Elementary School of Robbinsdale on winning the National Elementary School Chess Championship.

Referred to the Committee on Rules and Administration.

Mrs. Staples and Mr. Humphrey introduced—

Senate Resolution No. 30: A Senate resolution relating to extending congratulations to Tim Radermacher on winning the National Elementary School Chess Championship.

Referred to the Committee on Rules and Administration.

Mr. Benedict moved that the name of Mr. Sikorski be added as co-author to S. F. No. 49. The motion prevailed.

Mr. Davies moved that the names of Messrs. Sieloff, Tennessen, Spear and Dieterich be added as co-authors to S. F. No. 1222. The motion prevailed.

Mr. Gunderson moved that S. F. No. 876 be taken from the table. The motion prevailed.

S. F. No. 876: A bill for an act relating to local government; permitting units in Fillmore County to spend money to assist blood collection.

CONCURRENCE AND REPASSAGE

Mr. Gunderson moved that the Senate concur in the amendments by the House to S. F. No. 876 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 876 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 50 and nays 13, as follows:

Those who voted in the affirmative were:

Anderson	Benedict	Chmielewski	Dieterich	Gearly
Ashbach	Brataas	Coleman	Engler	Gunderson
Bang	Chenoweth	Davies	Frederick	Hanson

Hughes	Knoll	Nelson	Schaaf	Staples
Humphrey	Laufenburger	Nichols	Schmitz	Stokowski
Jensen	Lessard	Olson	Sieloff	Strand
Johnson	Luther	Penny	Sikorski	Stumpf
Keefe, S.	McCutcheon	Perpich	Sillers	Vega
Kleinbaum	Menning	Purfeerst	Solon	Wegener
Knaak	Moe	Renneke	Spear	Willet

Those who voted in the negative were:

Bernhagen	Kirchner	Ogdahl	Rued	Ulland, J.
Dunn	Knutson	Peterson	Tennessen	
Keefe, J.	Merriam	Pillsbury	Ueland, A.	

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

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Chmielewski moved that S. F. No. 478 be taken from the table. The motion prevailed.

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.

CONCURRENCE AND REPASSAGE

Mr. Chmielewski moved that the Senate concur in the amendments by the House to S. F. No. 478 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 478 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 59 and nays 1, as follows:

Those who voted in the affirmative were:

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

Mr. Tennessen voted in the negative.

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

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Solon moved that S. F. No. 1245 be taken from the table. The motion prevailed.

S. F. No. 1245: A bill for an act relating to city of Duluth; providing for the management of the Spirit Mountain recreation area authority; amending Laws 1973, Chapter 327, Sections 2, Subdivision 2; 5, Subdivision 4; 7, as amended; and 8.

CONCURRENCE AND REPASSAGE

Mr. Solon moved that the Senate concur in the amendments by the House to S. F. No. 1245 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1245: A bill for an act relating to city of Duluth; providing for the management and operation of the Spirit Mountain recreation area authority; amending Laws 1973, Chapter 327, Sections 2, Subdivision 2; 5, Subdivision 4; 7, as amended; and 8.

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 52 and nays 1, as follows:

Those who voted in the affirmative were:

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

Mr. Schaaf voted in the negative.

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

CONFIRMATION

Mr. Anderson moved that the report from the Committee on Energy and Housing, reported April 30, 1979, pertaining to appointments, be taken from the table. The motion prevailed.

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

Mr. Anderson moved that in accordance with the report from the Committee on Energy and Housing, reported April 30, 1979, the Senate, having given its advice, do now consent to and confirm the appointment of:

MINNESOTA ENERGY AGENCY DIRECTOR

Algernon H. Johnson, Rural Route 1, Box 144A, Litchfield, Meeker County, effective February 17, 1979, for a term expiring the first Monday in January, 1983.

The motion prevailed. So the appointment was confirmed.

CONFIRMATION

Mr. Perpich moved that the report from the Committee on Health, Welfare and Corrections, reported May 2, 1979, pertaining to appointments, be taken from the table. The motion prevailed.

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

Mr. Perpich moved that in accordance with the report from the Committee on Health, Welfare and Corrections, reported May 2, 1979, the Senate, having given its advice, do now consent to and confirm the appointments of:

CRIME CONTROL PLANNING BOARD

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

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

The motion prevailed. So the appointments were confirmed.

CONFIRMATION

Mr. Perpich moved that the report from the Committee on Health, Welfare and Corrections, reported May 2, 1979, pertaining to appointments, be taken from the table. The motion prevailed.

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

Mr. Perpich moved that in accordance with the report from the Committee on Health, Welfare and Corrections, reported May 2, 1979, the Senate, having given its advice, do now consent to and confirm the appointment of:

**DEPARTMENT OF PUBLIC WELFARE
COMMISSIONER**

Arthur Noot, 817 West Mulberry Street, Stillwater, Washington County, effective March 12, 1979, for a term expiring the first Monday in January, 1983.

The motion prevailed. So the appointment was confirmed.

CONFIRMATION

Mr. Perpich moved that the report from the Committee on Health, Welfare and Corrections, reported May 2, 1979, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Perpich moved that the foregoing report be now adopted.

The motion prevailed.

Mr. Perpich moved that in accordance with the report from the Committee on Health, Welfare and Corrections, reported May 2, 1979, the Senate, having given its advice, do now consent to and confirm the appointments of:

GILLETTE HOSPITAL BOARD

Herbert G. Lancaster, 5345 Hodgson Road, St. Paul, Ramsey County, effective April 13, 1979, for a term expiring the first Monday in January, 1982.

CRIME CONTROL PLANNING BOARD CHAIRPERSON

Robert J. Griesgraber, 1995 Prosperity Road, St. Paul, Ramsey County, effective February 26, 1979, for a term expiring the first Monday in January, 1983.

CRIME CONTROL PLANNING BOARD

Robert A. Barrett, 112 Center Street, Mankato, Blue Earth County, effective April 13, 1979, for a term expiring the first Monday in January, 1983.

The motion prevailed. So the appointments were confirmed.

CONFIRMATION

Mr. Hughes moved that the report from the Committee on Education, reported May 2, 1979, pertaining to appointments, be taken from the table. The motion prevailed.

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

Mr. Hughes moved that in accordance with the report from the Committee on Education, reported May 2, 1979, the Senate, having given its advice, do now consent to and confirm the appointments of:

MINNESOTA HIGHER EDUCATION COORDINATING BOARD

Dr. Geraldine Carter, 1706 Thomas Avenue N., Minneapolis, Hennepin County, effective January 1, 1978, for a term expiring the first Monday in January, 1982.

Emil A. Erickson, 1009 3rd Street S., Virginia, St. Louis County, effective January 1, 1978, for a term expiring the first Monday in January, 1981.

Maxine Gaines, 191 Valleyside Drive, St. Paul, Ramsey County, effective January 1, 1978, for a term expiring the first Monday in January, 1982.

Eunice Johnson, RR, Butterfield, Watonwan County, effective January 1, 1978, for a term expiring the first Monday in January, 1981.

The motion prevailed. So the appointments were confirmed.

CONFIRMATION

Mr. Hughes moved that the report from the Committee on Education, reported May 2, 1979, pertaining to appointments, be taken from the table. The motion prevailed.

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

Mr. Hughes moved that in accordance with the report from the Committee on Education, reported May 2, 1979, the Senate, having given its advice, do now consent to and confirm the appointment of:

MINNESOTA HIGHER EDUCATION COORDINATING BOARD

James W. Krause, 512 Janalyn Circle, Minneapolis, Hennepin County, effective March 6, 1979, for a term expiring the first Monday in January, 1983.

The motion prevailed. So the appointment was confirmed.

CONFIRMATION

Mr. Olson moved that the report from the Committee on General Legislation and Administrative Rules, reported May 3, 1979, pertaining to appointments, be taken from the table. The motion prevailed.

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

Mr. Olson moved that in accordance with the report from the Committee on General Legislation and Administrative Rules, reported May 3, 1979, the Senate, having given its advice, do now consent to and confirm the appointment of:

BOARD OF THE ARTS

Katherine Murphy, 3139 S. Rivershore Drive, Moorhead, Clay County, effective March 26, 1979, for a term expiring January 3, 1983.

The motion prevailed. So the appointment was confirmed.

CONFIRMATION

Mr. Olson moved that the report from the Committee on General Legislation and Administrative Rules, reported May 3, 1979, pertaining to appointments, be taken from the table. The motion prevailed.

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

Mr. Olson moved that in accordance with the report from the Committee on General Legislation and Administrative Rules, reported May 3, 1979, the Senate, having given its advice, do now consent to and confirm the appointment of:

BOARD OF THE ARTS

Carole R. Achterhof, Rural Route 2, Luverne, Rock County, effective April 12, 1979, for a term expiring January 3, 1983.

The motion prevailed. So the appointment was confirmed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Chmielewski moved that S. F. No. 236 be taken from the table. The motion prevailed.

S. F. No. 236: A bill for an act relating to the state auditor; providing for the examination of municipal records pursuant to petition; requiring signatures of 20 percent of the number of voters in the last presidential election for a petition to examine municipal records; establishing certain other requirements for petitions for examination of towns and school districts; requiring that the city, town and school district as well as county auditor be notified when the petition is certified; amending Minnesota Statutes 1978, Section 6.54.

CONCURRENCE AND REPASSAGE

Mr. Chmielewski moved that the Senate concur in the amendments by the House to S. F. No. 236 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 236 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 63 and nays 0, as follows:

Those who voted in the affirmative were:

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

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

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Moe moved that H. F. No. 1519 be taken from the table. The motion prevailed.

H. F. No. 1519: A bill for an act relating to transportation; appropriating money for highway development.

SUSPENSION OF RULES

Mr. Moe moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to H. F. No. 1519 and that the rules of the Senate be so far suspended as to give H. F. No. 1519 its second and third reading and place it on its final passage. The motion prevailed.

H. F. No. 1519 was read the second time.

Mr. Moe moved to amend H. F. No. 1519 as follows:

Delete everything after the enacting clause and insert:

"Section 1. [APPROPRIATION; HIGHWAY DEVELOPMENT.] There is appropriated to the commissioner of transportation from the trunk highway fund the sum of \$33,500,000 to be added to the appropriation made in Laws 1977, Chapter 454, Section 3, Subdivision 2, highway development.

Sec. 2. [EFFECTIVE DATE.] Section 1 is effective the day following final enactment."

Amend the title by deleting it and inserting:

"A bill for an act relating to transportation; appropriating money for highway development."

The motion prevailed. So the amendment was adopted.

H. F. No. 1519 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 8, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Knutson	Olson	Solon
Ashbach	Hanson	Laufenburger	Penny	Staples
Bang	Hughes	Lessard	Perpich	Stokowski
Benedict	Humphrey	Luther	Pillsbury	Strand
Bernhagen	Jensen	McCutcheon	Purfeerst	Ueland, A.
Brataas	Johnson	Menning	Renneke	Ulland, J.
Chmielewski	Keefe, J.	Merriam	Rued	Vega
Dieterich	Kirchner	Moe	Schmitz	Willet
Dunn	Kleinbaum	Nelson	Setzepfandt	
Engler	Knaak	Ogdahl	Sieloff	
Frederick	Knoll	Olhoff	Sillers	

Those who voted in the negative were:

Chenoweth	Keefe, S.	Sikorski	Stumpf	Tennessen
Davies	Schaaf	Spear		

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

SPECIAL ORDERS

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated the following bills a Special Orders Calendar:

S. F. Nos. 1072, 998, 1099, 851, 1209, 482, 1260, 1436, 1296, 1006, and H. F. No. 969.

SPECIAL ORDER

S. F. No. 1072: A bill for an act relating to motor vehicles; establishing gross weight limitations on certain highways for certain vehicles and combinations of vehicles; providing an exception; providing for the enforcement of weight limitations and providing penalties; authorizing the employment of certain personnel in the unclassified service to enforce certain motor vehicle and traffic laws, and prescribing the conditions of employment; amending Minnesota Statutes 1978, Sections 168.013, Subdivision 3; 169.03, Subdivision 6; 169.83, Subdivision 2; 169.832, Subdivision 2, and by adding a subdivision; 169.85; and 299D.06.

Mr. Laufenburger moved to amend S. F. No. 1072 as follows:

Strike the Laufenburger amendment adopted by the Senate May 3, 1979

Pages 11 and 12, delete Section 7 in its entirety

Renumber the sections in sequence

Amend the title as follows:

Page 1, delete lines 7 to 9

Page 1, line 10, delete "conditions of employment;"

Page 1, line 14, before "169.85" insert "and"

Page 1, line 14, delete "; and 299D.06"

The motion prevailed. So the amendment was adopted.

S. F. No. 1072: A bill for an act relating to motor vehicles; establishing gross weight limitations on certain highways for certain vehicles and combinations of vehicles; providing an exception; providing for the enforcement of weight limitations and providing penalties; amending Minnesota Statutes 1978, Sections 168.013, Subdivision 3; 169.03, Subdivision 6; 169.83, Subdivision 2; 169.832, Subdivision 2, and by adding a subdivision; and 169.85.

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 10, as follows:

Those who voted in the affirmative were:

Anderson	Gunderson	Laufenburger	Penny	Staples
Ashbach	Hughes	Lessard	Perpich	Stokowski
Benedict	Humphrey	Luther	Peterson	Strand
Bernhagen	Jensen	McCutcheon	Pillsbury	Ueland, A.
Brataas	Johnson	Menning	Renneke	Ulland, J.
Chmielewski	Keefe, J.	Moe	Rued	Vega
Dunn	Kirchner	Nichols	Schaaf	Wegener
Engler	Kleinbaum	Ogdahl	Setzepfandt	Willet
Frederick	Knaak	Olhoft	Sieloff	
Gearty	Knutson	Olson	Sikorski	

Those who voted in the negative were:

Chenoweth	Dieterich	Knoll	Sillers	Stumpf
Davies	Keefe, S.	Merriam	Spear	Tennessen

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

SPECIAL ORDER

S. F. No. 998: A bill for an act relating to insurance; providing for cancellation of life insurance contracts providing benefits on a variable basis; amending Minnesota Statutes 1978, Sections 72A.51, Subdivision 3; and 72A.52.

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 4, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Lessard	Perpich	Stumpf
Ashbach	Gunderson	Luther	Peterson	Tennessen
Bang	Hughes	McCutcheon	Pillsbury	Ueland, A.
Benedict	Humphrey	Menning	Renneke	Ulland, J.
Brataas	Jensen	Merriam	Schaaf	Vega
Chenoweth	Johnson	Moe	Setzepfandt	Wegener
Chmielewski	Keefe, J.	Nelson	Sikorski	Willet
Davies	Keefe, S.	Ogdahl	Sillers	
Dunn	Kirchner	Olhoft	Staples	
Engler	Knaak	Olson	Stokowski	
Frederick	Knoll	Penny	Strand	

Messrs. Dieterich, Laufenburger, Rued and Sieloff voted in the negative.

So the bill passed and its title was agreed to.

SPECIAL ORDER

H. F. No. 969: A bill for an act relating to corrections; instituting them 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.

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

So the bill passed and its title was agreed to.

SPECIAL ORDER

S. F. No. 1099: A bill for an act relating to newspapers; raising the fees for publishing legal notices; amending Minnesota Statutes 1978, Sections 3.21; 331.08; 375.12; and 375.17.

Mr. Peterson moved to amend S. F. No. 1099 as follows:

Page 1, line 10, after "The" insert "*maximum*"

The motion prevailed. So the amendment was adopted.

S. F. No. 1099 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 60 and nays 1, as follows:

Those who voted in the affirmative were:

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

Mr. Renneke voted in the negative.

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

SPECIAL ORDER

S. F. No. 851: A bill for an act relating to transportation; authorizing the commissioner of transportation to make grants and guarantee loans to rail users for rail facilities and equipment and certain shipping facilities, to acquire, repair and dispose of rolling stock, and to provide technical assistance to rail users; establishing a state rail bank for abandoned rail lines; establishing an advisory task force on rail service improvement; providing for interest adjustment on certain guaranteed loans; amending Minnesota Statutes 1978, Sections 174.03, Subdivision 4; 222.48; 222.50, Subdivisions 3, 4 and 6, and by adding a subdivision; 222.51; 222.53; 222.55; 222.56, Subdivision 5; 222.57; 222.58, Subdivision 2, and by adding a subdivision; and Chapter 222, by adding a section.

Mr. Penny moved to amend S. F. No. 851 as follows:

Page 3, lines 27 to 30, strike the old language

Page 3, line 31, strike everything before the period

Page 8, line 13, before "is" insert "*and that has an interest rate exceeding seven percent per annum*"

Page 9, line 13, delete everything after the period

Page 9, delete lines 14 to 22

Page 10, delete Subdivisions 3 and 4 in their entirety

Page 10, line 28, delete everything after "*right-of-way*"

Page 10, delete line 29

Page 10, line 30, delete "*subdivision 3*" and insert "*which he is authorized to acquire or has acquired pursuant to authorization under subdivision 6,*"

Page 11, line 19, delete "*as provided in subdivision 4*" and insert "*for a commercial transportation purpose*"

Page 11, line 25, delete "[DISPOSITION REQUIRED.]"

Page 11, line 25, delete "*The commissioner shall annually*"

Page 11, delete lines 26 to 30

Page 11, line 31, delete "*its acquisition.*"

Page 12, delete Subdivision 8 in its entirety and insert:

"Subd. 5. [AUTHORIZATION TO ACQUIRE.] The commissioner shall not acquire any right-of-way for inclusion in the rail bank until he has determined that the right-of-way is eligible for inclusion and the legislature has authorized the acquisition. The commissioner shall annually submit a report to the legislature on the status of the rail bank including an analysis of eligible lines in the state, the service status of eligible lines, the status of any lines acquired for the rail bank and recommendations concerning rights-of-way that the commissioner desires to acquire."

Renumber the subdivisions in sequence

Page 14, line 8, after "POWER" insert "; SURVIVAL OF EXISTING RULES"

Page 14, line 13, after the period, insert "*Rules adopted before the effective date of this act to implement the rail service improvement program or the rail user loan guarantee program shall remain in effect until amended or repealed.*"

The motion prevailed. So the amendment was adopted.

S. F. No. 851 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 57 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gunderson	Lessard	Pillsbury	Stokowski
Bang	Hanson	Luther	Purfeerst	Strand
Benedict	Hughes	McCutcheon	Renneke	Stumpf
Bernhagen	Humphrey	Menning	Rued	Tennessen
Chenoweth	Jensen	Merriam	Schaaf	Ueland, A.
Chmielewski	Johnson	Moe	Schmitz	Ulland, J.
Coleman	Keefe, J.	Nelson	Setzepfandt	Vega
Davies	Kirchner	Nichols	Sieloff	Wegener
Dunn	Knaak	Olson	Sikorski	Willet
Engler	Knoll	Penny	Sillers	
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. 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.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

SPECIAL ORDER

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, Sections 300.082, Subdivisions 4 and 5; and 301.095, Subdivisions 4 and 5.

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 4, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Lessard	Pillsbury	Stokowski
Bang	Gunderson	Luther	Purfeerst	Stumpf
Benedict	Hanson	McCutcheon	Renneke	Tennessen
Bernhagen	Humphrey	Menning	Rued	Ueland, A.
Chenoweth	Johnson	Merriam	Schaaf	Ulland, J.
Chmielewski	Keefe, J.	Moe	Schmitz	Wegener
Coleman	Kirchner	Nelson	Setzepfandt	Willet
Davies	Knaak	Olhoft	Sieloff	
Dunn	Knoll	Olson	Sillers	
Engler	Knutson	Penny	Solon	
Frederick	Laufenburger	Perpich	Spear	

Messrs. Nichols, Peterson, Sikorski and Strand voted in the negative.

So the bill passed and its title was agreed to.

SPECIAL ORDER

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.

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 34 and nays 24, as follows:

Those who voted in the affirmative were:

Anderson	Humphrey	Menning	Perpich	Solon
Bang	Johnson	Merriam	Peterson	Spear
Brataas	Keefe, S.	Moe	Pillsbury	Staples
Coleman	Knaak	Nelson	Purfeerst	Stumpf
Davies	Knoll	Nichols	Schaaf	Tennessen.
Gearty	Luther	Ogdahl	Sikorski	Vega
Hanson	McCutcheon	Olhoft	Sillers	

Those who voted in the negative were:

Ashbach	Dunn	Knutson	Schmitz	Ueland, A.
Benedict	Engler	Laufenburger	Setzepfandt	Ulland, J.
Bernhagen	Gunderson	Penny	Sieloff	Wegener
Chenoweth	Kirchner	Renneke	Stokowski	Willet
Chmielewski	Kleinbaum	Rued	Strand	

So the bill passed and its title was agreed to.

SPECIAL ORDER

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.

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 42 and nays 14, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Purfeerst	Stokowski
Bang	Gearty	Laufenburger	Renneke	Ueland, A.
Bernhagen	Gunderson	Lessard	Rued	Ulland, J.
Brataas	Hanson	Menning	Schaaf	Vega
Chmielewski	Johnson	Olhoff	Schmitz	Wegener
Davies	Keefe, J.	Olson	Setzepfandt	Willet
Dieterich	Kleinbaum	Penny	Sieloff	
Dunn	Knaak	Peterson	Solon	
Engler	Knoll	Pillsbury	Staples	

Those who voted in the negative were:

Benedict	Humphrey	Nelson	Sikorski	Stumpf
Chenoweth	Keefe, S.	Nichols	Sillers	Tennessen
Coleman	Luther	Perpich	Spear	

So the bill passed and its title was agreed to.

SPECIAL ORDER

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.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

Anderson	Dieterich	Keefe, J.	Nelson	Rued
Bang	Dunn	Knaak	Nichols	Schaaf
Benedict	Engler	Knoll	Olhoff	Schmitz
Bernhagen	Frederick	Knutson	Penny	Setzepfandt
Brataas	Gearty	Laufenburger	Perpich	Sieloff
Chenoweth	Gunderson	Luther	Peterson	Sikorski
Chmielewski	Hanson	Menning	Pillsbury	Sillers
Coleman	Humphrey	Merriam	Purfeerst	Solon
Davies	Johnson	Moe	Renneke	Spear

Staples
Stokowski

Strand
Stumpf

Tennesen
Ueland, A.

Ulland, J.
Vega

Wegener
Willet

So the bill passed and its title was agreed to.

SPECIAL ORDER

S. F. No. 1006: A bill for an act relating to the Eastern Itasca and Greenway Joint Recreation Boards; regulating their tax levies.

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 2, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Menning	Rued	Strand
Bang	Gunderson	Moe	Schaaf	Stumpf
Benedict	Hanson	Nelson	Schmitz	Tennesen
Bernhagen	Humphrey	Nichols	Setzepfandt	Ueland, A.
Chmielewski	Johnson	Olhoft	Sieloff	Ulland, J.
Coleman	Kirchner	Penny	Sikorski	Vega
Davies	Knaak	Perpich	Sillers	Wegener
Dieterich	Knoll	Peterson	Solon	Willet
Dunn	Laufenburger	Pillsbury	Spear	
Engler	Lessard	Purfeerst	Staples	
Frederick	Luther	Renneke	Stokowski	

Mrs. Brataas and Mr. Merriam voted in the negative.

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. 544: A bill for an act relating to tax delinquent real estate; requiring notice to the commissioner of natural resources for forfeiture and sale of tax delinquent real estate; clarifying ownership of certain tax forfeited real estate; amending Minnesota Statutes 1978, Sections 281.23, Subdivision 8; 281.25; and 282.01, Subdivisions 1 and 3.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 53 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Brataas	Engler	Humphrey	Knaak
Ashbach	Chmielewski	Frederick	Johnson	Laufenburger
Bang	Davies	Gearty	Keefe, S.	Lessard
Benedict	Dieterich	Gunderson	Kirchner	Luther
Bernhagen	Dunn	Hanson	Kleinbaum	Merriam

Moe	Peterson	Setzepfandt	Staples	Ulland, J.
Nelson	Pillsbury	Sieloff	Stokowski	Vega
Nichols	Renneke	Sikorski	Strand	Wegener
Olhoff	Rued	Sillers	Stumpf	Willet
Penny	Schaaf	Solon	Tennessee	
Perpich	Schmitz	Spear	Ueland, A.	

So the bill passed and its title was agreed to.

SPECIAL ORDER

S. F. No. 808: A bill for an act relating to waters; redefining public waters; defining wetlands; providing new procedures for the determination of public waters and wetlands; reappropriating money; amending Minnesota Statutes 1978, Sections 105.37, by adding subdivisions; 105.38; 105.39, Subdivision 3; 105.391, Subdivisions 1 and 3, and by adding subdivisions; 105.392, Subdivisions 2 and 5; and 105.42, Subdivision 1; repealing Minnesota Statutes 1978, Sections 105.37, Subdivision 6; and 105.391, Subdivisions 2, and 4 to 8.

Mr. Nichols moved to amend S. F. No. 808 as follows:

Page 1, line 23, after "*been*" insert "*finally*"

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

Page 1, delete lines 25 and 26 and insert "*of competent jurisdiction;*"

Page 2, line 30, delete everything after "*the*"

Page 2, delete line 31 and insert "*statute expressly states otherwise.*"

Page 3, line 5, delete "*greater than*"

Page 3, line 5, after "*ten*" insert "*or more*"

Page 3, line 6, delete "*greater than*"

Page 3, line 6, after "*2½*" insert "*or more*"

Page 4, line 25, after "*waters*" insert "*or wetlands*"

Page 6, line 22, delete "*who shall be*"

Page 6, delete line 23

Page 6, line 24, delete "*the hearing date*" and insert "*appointed*"

Page 6, line 24, delete "*and*" and insert a comma

Page 6, line 25, delete everything after "*the*"

Page 6, line 26, delete everything before the period and insert "*commissioner and one person who shall be selected by the other two members at least 20 days prior to the hearing date. The expenses of and per diem payments to any member of the hearings unit who is not a state employee shall be paid as provided for in section 15.059, subdivision 3, within the limits of funds available from grants to the county pursuant to section 16*"

Page 8, line 15, strike "of any one of all"

Page 10, line 9, after the period insert *"Waters which have the foregoing characteristics but are less than ten acres in size in unincorporated areas or less than two and one-half acres in size in incorporated areas shall also be eligible for inclusion in the water-bank program, at the discretion of the commissioner."*

Page 11, line 8, after the period insert *"No permit shall be required for work in altered natural watercourses which are part of drainage systems established pursuant to chapters 106 and 112 when the work in the waters is undertaken pursuant to those chapters."*

Page 11, line 21, delete everything after "15." and insert *"Money"*

Page 11, line 22, after *"appropriated"* delete *"for grants to counties"* and insert *"by Laws 1976, Chapter 83, Section 27"*

Page 11, line 23, delete everything after *"resources"*

Page 11, delete line 24

Page 11, line 25, delete *"resources for distribution to counties"* and insert *"for grants to counties may be used"*

Page 11, line 26, delete everything after "6" and insert a period

Page 11, delete lines 27 and 28 and insert *"The"*

Page 11, line 29, delete *"be available until"* and insert *"cancel"*

The motion prevailed. So the amendment was adopted.

Mr. Renneke moved to amend S. F. No. 808 as follows:

Page 8, after line 17, insert:

"In addition, the owner or owners of lands underlying wetlands situated on privately owned lands may apply to the commissioner for a permit to drain the wetlands at any time after the expiration of ten years following the original designation thereof. Upon receipt of an application, the commissioner shall review the current status and conditions of the wetlands. If he finds that the current status or conditions are such that it appears likely that the economic or other benefits to the owner or owners which would result from drainage would exceed the public benefits of maintaining the wetlands, he shall grant the application and issue a drainage permit. If the application is denied, no additional application shall be made until the expiration of an additional ten years."

The motion prevailed. So the amendment was adopted.

Mr. Dunn moved to amend S. F. No. 808 as follows:

Page 1, after line 14, insert:

"Section 1. Minnesota Statutes 1978, Section 105.37, is amended by adding a subdivision to read:

Subd. 13. "Meandered lakes" means all bodies of water except streams lying within the meander lines shown on plats made by the United States General Land Office."

Page 1, line 17, delete "13" and insert "14"

Page 3, line 1, delete "14" and insert "15"

Page 3, line 9, delete "15" and insert "16"

Page 11, line 26, delete "6" and insert "7"

Renumber the sections in sequence

The motion prevailed. So the amendment was adopted.

S. F. No. 808 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 10, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Laufenburger	Peterson	Stumpf
Bang	Gearty	Luther	Pillsbury	Tennessen
Benedict	Gunderson	Menning	Rued	Ulland, J.
Brataas	Hanson	Merriam	Schaaf	Vega
Chenoweth	Humphrey	Moe	Schmitz	Wegener
Chmielewski	Jensen	Nelson	Sikorski	Willet
Davies	Johnson	Nichols	Spear	
Dieterich	Keefe, S.	Olhoft	Stokowski	
Dunn	Knutson	Perpich	Strand	

Those who voted in the negative were:

Ashbach	Frederick	Knoll	Purfeerst	Setzepfandt
Bernhagen	Knaak	Lessard	Renneke	Ueland, A.

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

SPECIAL ORDER

S. F. No. 1074: A bill for an act relating to elections; increasing compensation for presidential electors; amending Minnesota Statutes 1978, Section 204A.23.

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:

Anderson	Dieterich	Jensen	Menning	Pillsbury
Ashbach	Dunn	Johnson	Merriam	Purfeerst
Bang	Engler	Keefe, S.	Moe	Renneke
Benedict	Frederick	Knaak	Nelson	Rued
Bernhagen	Gearty	Knoll	Nichols	Schaaf
Chenoweth	Gunderson	Laufenburger	Olhoft	Schmitz
Chmielewski	Hanson	Lessard	Perpich	Setzepfandt
Davies	Humphrey	Luther	Peterson	Sikorski

Spear
Staples
Stokowski

Strand
Stumpf

Tennessee
Ueland, A.

Ulland, J.
Vega

Wegener
Willet

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.

Mr. Spear moved to amend S. F. No. 937, as amended by the Spear amendment adopted by the Senate April 26, 1979, as follows:

Page 7, lines 21 to 30, delete section 11

Pages 8 and 9, delete section 13

In section 19 added by the Spear amendment, delete "*inspection*,"

ReNUMBER the sections in sequence

Amend the title as follows:

Page 1, line 4, delete "and enforcement of"

Page 1, line 5, delete "liquor regulations"

Page 1, line 9, after the semicolon, insert "canceling appropriations and reducing approved personnel for abolished functions;"

Page 1, line 13, delete "Subdivisions" and insert "Subdivision"

Page 1, line 13, delete "and 5"

Page 1, line 14, delete "340.356;"

The motion prevailed. So the amendment was adopted.

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 without review by the commissioner of public safety; requiring filing of off-sale licenses with the commissioner of public safety; canceling appropriations and reducing approved personnel for abolished functions; 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, Subdivision 3; 340.355; 340.356; 340.485, Subdivisions 2 and 3; 340.492; 340.55; and 340.85, 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 44 and nays 17, as follows:

Those who voted in the affirmative were:

Ashbach	Humphrey	Merriam	Pillsbury	Staples
Bang	Jensen	Moe	Purfeerst	Stokowski
Brataas	Johnson	Nelson	Schaaf	Strand
Chenoweth	Keefe, S.	Nichols	Setzepfandt	Stumpf
Davies	Knaak	Ogdahl	Sieloff	Tennesen
Dieterich	Knoll	Olson	Sikorski	Ueland, A.
Gearty	Knutson	Penny	Sillers	Ulland, J.
Hanson	Laufenburger	Perpich	Solon	Vega
Hughes	Luther	Peterson	Spear	

Those who voted in the negative were:

Benedict	Engler	Kleinbaum	Renneke	Willet
Bernhagen	Frederick	McCutcheon	Rued	
Chmielewski	Gunderson	Menning	Schmitz	
Dunn	Kirchner	Olhoft	Wegener	

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

SPECIAL ORDER

S. F. No. 797: A bill for an act relating to game and fish; authorizing, licensing and regulating nonresidents' fish houses; amending Minnesota Statutes 1978, Section 98.46, Subdivision 15.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 61 and nays 1, as follows:

Those who voted in the affirmative were:

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

Mr. Davies voted in the negative.

So the bill passed and its title was agreed to.

SPECIAL ORDER

S. F. No. 1309: A bill for an act relating to local government; providing that mileage allowances be set locally; amending Minnesota Statutes 1978, Section 471.665, Subdivision 1.

Mr. Nelson moved to amend S. F. No. 1309 as follows:

Page 1, line 17, after "unit" insert "*in an amount not exceeding that provided by the commissioner of personnel for state officers and employees*"

The motion prevailed. So the amendment was adopted.

S. F. No. 1309 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 61 and nays 0, as follows:

Those who voted in the affirmative were:

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

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

SPECIAL ORDER

S. F. No. 1189: A bill for an act relating to labor; public employment labor relations; clarifying definition of essential employee; amending Minnesota Statutes 1978, Section 179.63, Subdivision 11.

Mr. Anderson moved to amend S. F. No. 1189 as follows:

Page 1, after line 17, insert:

"Sec. 2. Minnesota Statutes 1978, Section 179.63, Subdivision 17, is amended to read:

Subd. 17. "Appropriate unit" or "unit" means a unit of employees, excluding supervisory employees, confidential employees and principals and assistant principals, as determined pursuant to section 179.71, subdivision 3, and in the case of school districts, the term means all the teachers in the district.

Sec. 3. Minnesota Statutes 1978, Section 179.65, Subdivision 6, is amended to read:

Subd. 6. Supervisory and confidential employees, principals and assistant principals may form their own organizations. An employer shall extend exclusive recognition to a representative of or an organization of supervisory or confidential employees, or principals and assistant principals, for the purpose of negotiating terms or conditions of employment, in accordance with all other provisions

of Laws 1973, Chapter 635, as though they were essential employees. Units of supervisory or confidential employees shall not participate in any joint negotiations which involve the participation of units of employees other than supervisory or confidential employees. Affiliation of a supervisory or confidential employee with another employee organization which has as its members non-supervisory employees or non-confidential employees is permitted."

Amend the title as follows:

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

Page 1, line 5, delete "Subdivision 11" and insert "Subdivisions 11 and 17; and 179.65, Subdivision 6"

The motion prevailed. So the amendment was adopted.

Mr. Sikorski moved to amend S. F. No. 1189 as follows:

Page 1, line 16, delete "and" and insert a comma

Page 1, line 17, after "*hospitals*" insert "*, and registered nurses, as defined in Minnesota Statutes, Section 148.171, engaged in the practice of professional nursing and employed in a community public health or human services agency, hospital or nursing home*"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 42 and nays 21, as follows:

Those who voted in the affirmative were:

Anderson	Hanson	Knoll	Peterson	Sillers
Ashbach	Hughes	Knutson	Pillsbury	Solon
Bang	Humphrey	Lessard	Purfeerst	Staples
Benedict	Jensen	Menning	Renneke	Strand
Bernhagen	Johnson	Moe	Rued	Ueland, A.
Brataas	Keefe, S.	Ogdahl	Schmitz	Ulland, J.
Dunn	Kirchner	Olhoff	Setzepfandt	
Engler	Kleinbaum	Penny	Sieloff	
Frederick	Knaak	Perpich	Sikorski	

Those who voted in the negative were:

Chenoweth	Gunderson	Nelson	Stokowski	Willet
Coleman	Laufenburger	Nichols	Stumpf	
Davies	Luther	Olson	Tennessee	
Dieterich	McCutcheon	Schaaf	Vega	
Gearty	Merriam	Spear	Wegener	

The motion prevailed. So the amendment was adopted.

Mr. Nelson moved to amend S. F. No. 1189 as follows:

Delete everything after the enacting clause, and insert:

"Section 1. Minnesota Statutes 1978, Section 179.63, Subdivision 9, is amended to read:

Subd. 9. "Supervisory employee", when the reference is to other than essential employees as defined in subdivision 11, means any person having authority in the interests of the employer to hire, transfer, suspend, promote, discharge, assign, reward or discipline

other employees or responsibly to direct them or adjust their grievances on behalf of the employer, or to effectively recommend any of the aforesaid actions, if in connection with the foregoing the exercise of such authority is not merely routine or clerical in nature but requires the use of independent judgment. Any determination of "supervisory employee" may be appealed to the public employment relations board.

Sec. 2. Minnesota Statutes 1978, Section 179.64, Subdivision 7, is amended to read:

Subd. 7. Either a violation of section 179.68, subdivision 2, clause (9), or a refusal by the employer to request binding arbitration when requested by the exclusive representative pursuant to section 179.69, subdivision 3 or 5, is a defense to a violation of this section, ~~except as to essential employees. As to all public employees,~~ No other unfair labor practice or violation of Laws 1973, Chapter 635 by a public employer shall be a violation of this section but may be considered by the court in mitigation of or retraction of any penalties as to employees and employee organizations.

Sec. 3. Minnesota Statutes 1978, Section 179.65, Subdivision 6, is amended to read:

Subd. 6. Supervisory and confidential employees, principals and assistant principals may form their own organizations. An employer shall extend exclusive recognition to a representative of or an organization of supervisory or confidential employees, or principals and assistant principals, for the purpose of negotiating terms or conditions of employment, in accordance with all other provisions of Laws 1973, Chapter 635, ~~as though they were essential employees.~~ Units of supervisory or confidential employees shall not participate in any joint negotiations which involve the participation of units of employees other than supervisory or confidential employees. Affiliation of a supervisory or confidential employee with another employee organization which has as its members non-supervisory employees or non-confidential employees is permitted.

Sec. 5. Minnesota Statutes 1978, Section 179.69, Subdivision 3, is amended to read:

Subd. 3. The director shall only certify a matter to the board when either or both parties, ~~except for essential employees,~~ petition for binding arbitration stating that an impasse has been reached and the director has determined that further mediation efforts under subdivision 1 would serve no purpose. Upon such petition and determination by the mediator, the parties shall each submit their respective final positions on matters not agreed upon. If the employer has petitioned for binding arbitration and the director has determined that an impasse has been reached said proceedings shall begin within 15 days thereof and be binding on both parties. The director shall determine the matters not agreed upon based upon his efforts to mediate the dispute. If the employee representative has petitioned for binding arbitration the employer shall have 15 days after the director of mediation has determined that an impasse has been reached to reject the request or agree

to submit matters not agreed upon to binding arbitration. If the employer does not respond within 15 days it shall be regarded as a rejection and said rejection shall be a refusal by the employer within the meaning of section 179.64, subdivision 7. Under a petition by either party the parties may stipulate those agreed upon items to be excluded from arbitration.

Sec. 5. Minnesota Statutes 1978, Section 179.69, Subdivision 5, is amended to read:

Subd. 5. In the event the employer and exclusive representative fail to execute a contract pursuant to subdivision 4, they shall each submit their respective final positions on those terms and conditions of employment not agreed upon by the parties to the director at least 75 days prior to the last date the employer is required to submit its tax levy or budget, or certify the taxes voted to the appropriate public officer, agency, public body or office, or by October 1, whichever date is earlier, except in the case of the executive branch of state government, where the final date for submission of final positions shall be November 15 of even-numbered years. Either or both parties ~~except for essential employees~~ may after this time petition the director for binding arbitration stating that an impasse has been reached and the director has determined that further mediation efforts under subdivision 1 would serve no purpose. If the employer has petitioned for binding arbitration said proceedings shall begin within 15 days thereof and be binding on both parties. The director shall determine the matters not agreed upon based upon his efforts to mediate the dispute. If the employee representative has petitioned for binding arbitration the employer shall have 15 days after the director of mediation has determined that an impasse has been reached to reject the request or agree to submit matters not agreed upon to binding arbitration. If the employer does not respond within 15 days it shall be regarded as a rejection and said rejection shall be a refusal by the employer within the meaning of section 179.64, subdivision 7. Under a petition by either party the parties may stipulate those agreed upon items to be excluded from arbitration. Notwithstanding a failure to comply with subdivisions 3, 4, and 5, the director may maintain jurisdiction under section 179.71, subdivision 2.

Sec. 6. Minnesota Statutes 1978, Section 179.71, Subdivision 3, is amended to read:

Subd. 3. The director shall determine appropriate units. In determining the appropriate unit he shall take into consideration, along with other relevant factors, the principles and the coverage of uniform comprehensive position classification and compensation plans of the employees, involvement of professions and skilled crafts and other occupational classifications, relevant administrative and supervisory levels of authority, geographical location, and the recommendation of the parties, and shall place particular importance upon the history and extent of organization and the desires of the petitioning employee representatives.

In addition, with regard to the inclusion or exclusion of supervisory employees, the director must find that an employee may perform or effectively recommend a majority of those functions referred to in section 179.63, ~~subdivisions subdivision 9 or 9a~~, before an employee may be excluded as supervisory. However, in every case the administrative head, and his assistant, of a municipality, municipal utility, police or fire department shall be considered a supervisory employee.

~~He shall not designate an appropriate unit which includes employees subject to section 179.63, subdivision 11, with employees not included in section 179.63, subdivision 11.~~

Sec. 7. Minnesota Statutes 1978, Section 179.72, Subdivision 3, is amended to read:

Subd. 3. In addition to the other powers and duties given it by law, the board has the following powers and duties:

(a) to hear and decide issues relating to the meaning of the terms "supervisory employee", "confidential employee", ~~"essential employee"~~ or "professional employee", as defined by section 179.63;

(b) to hear and decide appeals from determinations of the director relating to the appropriateness of a unit under section 179.67;

(c) to approve or disapprove the rules and regulations promulgated by the director under section 179.71, subdivision 5, clause (g);

(d) to hear and decide on the record from determinations of the director relating to a fair share fee challenge decided under section 179.71, subdivision 2.

Sec. 8. [REPEALER.] *Minnesota Statutes 1978, Sections 179.63, Subdivisions 9a and 11; and 179.72, Subdivision 10 are repealed.*

Amend the title by striking it and inserting:

"A bill for an act relating to labor; public employment labor relations; eliminating the concept of "essential employee"; amending Minnesota Statutes 1978, Sections 179.63, Subdivision 9; 179.64, Subdivision 7; 179.65, Subdivision 6; 179.69, Subdivisions 3 and 5; 179.71, Subdivision 3; and 179.72, Subdivision 3; repealing Minnesota Statutes 1978, Sections 179.63, Subdivisions 9a and 11; and 179.72, Subdivision 10."

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 13 and nays 48, as follows:

Those who voted in the affirmative were:

Benedict	Gunderson	Perpich	Spear	Vega
Davies	Nelson	Schaaf	Stokowski	
Gearty	Nichols	Setzepfandt	Tennessee	

Those who voted in the negative were:

Anderson	Hanson	Knutson	Penny	Solon
Ashbach	Hughes	Laufenburger	Peterson	Staples
Bernhagen	Humphrey	Lessard	Pillsbury	Strand
Brataas	Jensen	Luther	Purfeerst	Stumpf
Chenoweth	Johnson	McCutcheon	Renneke	Ueland, A.
Chmielewski	Keefe, S.	Menning	Rued	Ulland, J.
Dieterich	Kirchner	Merriam	Schmitz	Wegener
Dunn	Kleinbaum	Moe	Sieloff	Willet
Engler	Knaak	Ogdahl	Sikorski	
Frederick	Knoll	Olhoft	Sillers	

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

S. F. No. 1189: A bill for an act relating to labor; public employment labor relations; clarifying definition of essential employee; amending Minnesota Statutes 1978, Sections 179.63, Subdivisions 11 and 17; and 179.65, Subdivision 6.

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 63 and nays 0, as follows:

Those who voted in the affirmative were:

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

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.

MEMBERS EXCUSED

Messrs. Anderson, Humphrey and Penny were excused from this evening's Session. Mr. Dieterich was excused from the Session of today from 12:00 noon to 12:52 o'clock p.m. Mr. Keefe, J. was excused from the Session of today from 2:00 to 3:00 o'clock p.m. Mr. Stokowski was excused from this evening's Session from 7:30 to 9:30 o'clock p.m. Mr. Pillsbury was excused from this evening's Session from 7:30 to 9:00 o'clock p.m. Mrs. Knaak was excused

from this evening's session at 9:00 o'clock p.m. Mr. Hughes was excused from the Session of today from 12:30 to 1:55 o'clock p.m. and from this evening's Session from 7:30 to 9:20 o'clock p.m.

CALL OF THE SENATE

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

Bang	Dieterich	Laufenburger	Perpich	Spear
Benedict	Gearty	Luther	Purfeerst	Staples
Bernhagen	Gunderson	Menning	Schaaf	Strand
Brataas	Johnson	Merriam	Schmitz	Stumpf
Chenoweth	Kirchner	Moe	Setzepfandt	Tennessen
Chmielewski	Kleinbaum	Nelson	Sieloff	Ulland, J.
Coleman	Knaak	Olhoff	Sikorski	Vega
Davies	Knoll	Olson	Solon	Willet

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

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved to revert to the Order of Business of Reports of Committees and Second Reading of Senate Bills. The motion prevailed.

REPORTS OF COMMITTEES

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

S. F. No. 1258: A bill for an act relating to taxation; abolishing the inheritance tax; imposing an estate tax; repealing the gift tax; amending Minnesota Statutes 1978, Sections 291.005, Subdivision 1; 291.01; 291.03; 291.05; 291.051; 291.06; 291.065; 291.07, Subdivision 1; 291.08; 291.09, Subdivisions 1, 2, 3, 4, 5, and 7, and by adding a subdivision; 291.11, Subdivision 1; 291.111, Subdivision 1; 291.132; 291.14; 291.19, Subdivisions 3 and 5; 291.20, Subdivision 1; 291.21, Subdivision 2; 291.27; 291.33, Subdivision 1; 352.15, Subdivision 1; 353.15; 354.10; 354A.11; 524.3-916; 524.3-1001; 525.091, Subdivisions 1 and 2; 525.71; 525.74; and 525.841; and Chapter 291, by adding sections; repealing Minnesota Statutes 1978, Sections 3A.08; 291.02; 291.07, Subdivisions 2 and 2a; 291.-10; 291.11, Subdivisions 2, 3, 4, 5, 6, 7, 8, and 9; 291.12, Subdivision 3; 291.22; 291.23; 291.24; 291.25; 291.26; 291.29, Subdivisions 1, 2, 3 and 4; 291.30; 291.34; 291.35; 291.36; 291.37; 291.38; 291.39; 291.40; 292.01; 292.02; 292.03; 292.031; 292.04; 292.05; 292.06; 292.07; 292.08; 292.09; 292.105; 292.111; 292.112; 292.12; 292.125; 292.14; 292.15; and 525.151.

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 291.005, Subdivision 1, is amended to read:

291.005 [DEFINITIONS.] Subdivision 1. Unless the context otherwise clearly requires, the following terms used in this chapter shall have the following meanings:

(1) "Probate assets" means and includes property owned by a decedent at the time of his death required by section 524.3-706 to be listed on a personal representative's inventory and appraisement.

(2) "Non-probate assets" means and includes all property of every kind transferred from a decedent or at or by reason of the decedent's death which is subject to the inheritance tax imposed by this chapter (without regard to deductions or exemptions) and which does not consist of probate assets.

(1) "Federal gross estate" means the gross estate of a decedent as determined for federal estate tax purposes pursuant to the provisions of the Internal Revenue Code.

(2) "Personal representative" means the executor, administrator or other person appointed by the court to administer and dispose of the property of the decedent. If there is no executor, administrator or other person appointed, qualified, and acting within this state, then any person in actual or constructive possession of any property having a situs in this state which is included in the federal gross estate of the decedent shall be deemed to be a personal representative to the extent of such property and the Minnesota estate tax due with respect to such property.

(3) "Resident decedent" means an individual whose residence at the time of his death was in Minnesota.

(4) "Nonresident decedent" means an individual who at the time of his death was not a resident decedent.

(5) "Situs of property" means, with respect to real property, the state or country in which it is located; with respect to tangible personal property, the state or country in which it was normally kept or located at the time of the decedent's death; and with respect to intangible personal property, the state or country in which the decedent was a resident at death.

(3) (6) "Commissioner" means and refers to the commissioner of revenue of this state or any person or body within the state department of revenue to whom he may have delegated his functions under this chapter.

(4) "Dependent child" means a natural child of the decedent, or a child adopted by the decedent who is incapable of furnishing his own support by reason of a physical or mental ailment, illness or deformity. The commissioner may request verification of the physical or mental condition of the child before allowing the exemptions and rates applicable to a dependent child under this chapter.

(5) "Stepchild" means a child who is not the decedent's natural or adopted child but is the natural or adopted child of the decedent's surviving or deceased spouse.

(7) "Internal Revenue Code" means the United States Internal Revenue Code of 1954 as amended through December 31, 1978.

Sec. 2. Minnesota Statutes 1978, Section 291.01, is amended to read:

291.01 [TAX IMPOSED.] Subdivision 1. A tax shall be and is hereby imposed upon any the transfer of property, real, personal or mixed, or any interest therein, or income therefrom in trust or otherwise, to any person, association or corporation, except county, town or municipal corporation within the state, for strictly county, town or municipal purposes, in the following cases:

(1) When the transfer is by will or by the intestate laws of this state from any person dying possessed of the property while a resident of this state;

(2) When a transfer is by will or intestate law, of property within the state or within its jurisdiction and the decedent was a nonresident of the state at the time of his death;

(3) When the transfer is of property made by a resident or by a nonresident when such nonresident's property is within this state, or within its jurisdiction, by deed, grant, bargain, sale or gift, made in contemplation of the death of the grantor, vendor, or donor, or intended to take effect in possession or enjoyment at or after such death; any transfer of the material part of the property of a deceased in the nature of a final disposition or distribution thereof, made within three years prior to death, without adequate and full consideration in money or money's worth, shall, unless shown to the contrary, be deemed to have been made in contemplation of death; but no such transfer made prior to such three year period shall be deemed or held to have been made in contemplation of death; and

(4) Nothing in this chapter shall be construed as imposing a tax upon any transfer, as defined in this chapter, of intangibles, however used or held, whether in trust or otherwise, by a person, or by reason of the death of a person, who was not a resident of this state at the time of his death.

Subd. 2. Such tax shall be imposed when any such person or corporation becomes beneficially entitled, in possession or expectancy, to any property or the income thereof, by any such transfer whether made before or after the passage of this chapter.

Subd. 3. A taxable transfer under the provisions of this chapter shall be deemed to have been made:

(1) To the extent of any property with respect to which the decedent has at the time of his death general power of appointment, created on or before October 21, 1942, is exercised by the decedent

(A) by will, or

(B) by disposition which is of such nature that if it were a transfer of property owned by the decedent, such transfer would be taxable under the provisions of this chapter;

but the failure to exercise such a power or the complete release of such a power shall not be deemed an exercise thereof. If a general power of appointment created on or before October 21, 1942, has been partially released so that it is no longer a general power

of appointment, the exercise of such power shall not be deemed to be the exercise of a general power of appointment if

(a) such partial release occurred before November 1, 1950, or

(b) the donee of such power was under a legal disability to release such power on October 21, 1942, and such partial release occurred not later than six months after the termination of such legal disability.

(2) To the extent of any property with respect to which the decedent has at the time of his death a general power of appointment created after October 21, 1942, or with respect to which the decedent has at any time exercised or released such a power of appointment by a disposition which is of such nature that if it were a transfer of property owned by the decedent, such transfer would be taxable under the provisions of this chapter. A disclaimer or renunciation of such a power of appointment shall not be deemed a release of such power. For purposes of this paragraph (2), the power of appointment shall be considered to exist on the date of the decedent's death even though the exercise of the power is subject to a precedent giving of notice or even though the exercise of the power takes effect only on the expiration of a stated period after its exercise, whether or not on or before the date of the decedent's death notice has been given or the power has been exercised.

(3) To the extent of any property with respect to which the decedent:

(A) by will, or

(B) by a disposition which is of such nature that if it were a transfer of property owned by the decedent such transfer would be taxable under the provisions of this chapter,

exercises a power of appointment created after October 21, 1942, by creating another power of appointment which can be validly exercised so as to postpone the vesting of any estate or interest in such property, or suspend the absolute ownership or power of alienation of such property, for a period ascertainable without regard to the date of the creation of the first power.

(4) The term "general power of appointment" means a power which is exercisable in favor of the decedent, his estate, his creditors or the creditors of his estate; except that:

(A) A power to consume, invade, or appropriate property for the benefit of the decedent which is limited by an ascertainable standard relating to the health, education, support, or maintenance of the decedent shall not be deemed a general power of appointment.

(B) A power of appointment created on or before October 21, 1942, which is exercisable by the decedent only in conjunction with another person shall not be deemed a general power of appointment.

(C) In the case of a power of appointment created after October 21, 1942, which is exercisable by the decedent only in conjunction with another person:

(a) If the power is not exercisable by the decedent except in conjunction with the creator of the power, such power shall not be deemed a general power of appointment.

(b) If the power is not exercisable by the decedent except in conjunction with a person having a substantial interest in the property, subject to the power, which is adverse to exercise of the power in favor of the decedent, such power shall not be deemed a general power of appointment. For the purposes of this clause a person who, after the death of the decedent, may be possessed of a power of appointment (with respect to the property subject to the decedent's power) which he may exercise in his own favor shall be deemed as having an interest in the property and such interest shall be deemed adverse to such exercise of the decedent's power.

(c) If, after the application of clauses (a) and (b), the power is a general power of appointment and is exercisable in favor of such other person, in such power shall be deemed a general power of appointment only in respect of a fractional part of the property subject to such power, such part to be determined by dividing the value of such property by the number of such persons, including the decedent, in favor of whom such power is exercisable. For purposes of clauses (b) and (c), a power shall be deemed to be exercisable in favor of a person if it is exercisable in favor of such person, his estate, his creditors, or the creditors of his estate.

(5) The lapse of a power of appointment created after October 21, 1942, during the life of the individual possessing the power shall be considered a release of such power. The preceding sentence shall apply with respect to the lapse of powers during any calendar year only to the extent that the property, which could have been appointed by exercise of such lapsed powers, exceeded in value, at the time of such lapse, the greater of the following amounts:

(a) \$5,000 or

(b) Five percent of the aggregate value, at the time of such lapse, of the assets out of which, or the proceeds of which, the exercise of the lapsed powers could have been satisfied.

(6) For purposes of this subdivision, a power of appointment created by a will executed on or before October 12, 1942, shall be considered a power created on or before such date if the person executing such will dies before July 1, 1949, without having republished such will, by codicil or otherwise, after October 21, 1942.

Subd. 4. Whenever any property, real or personal, is held in the joint names of two or more persons, or is deposited in banks or in other institutions or depositories in the joint names of two or more persons payable to either or the survivor, upon the death of one of such persons the right of the survivor or survivors, to the immediate ownership or possession and enjoyment of such property, shall be deemed a transfer and subject to the inheritance tax imposed by this chapter, except such part thereof as may be shown to have originally belonged to the survivor or survivors and never to have been received or acquired by them from the decedent for less

than an adequate and full consideration in money or money's worth, in which case there shall be excepted only such part as is proportionate to the consideration furnished by the survivor or survivors. Provided, where any property has been acquired prior to April 20, 1935, by the decedent and spouse, as joint tenants, not in excess of one-half of the value thereof shall be taxable. Provided, further, where property has been acquired at any time by gift, bequest, devise, or inheritance, by the decedent and any other person or persons, as joint tenants, the taxable portion shall be the value of a fractional part of said property to be determined by dividing the value of the property by the number of joint tenants.

Where personal property is held in joint names, such property shall be deemed to be transferred to the survivors as provided in this subdivision unless it is established to the satisfaction of the commissioner that the decedent intended a different disposition. Upon the showing of evidence of that intent to the commissioner, the right of survivorship shall not be deemed to be a transfer to the named survivors subject to the inheritance tax; provided the survivors make the disposition according to the evidenced intention of the decedent and present to the commissioner statements signed by the transferees acknowledging receipt of the property from the named survivors; the disposition by the survivors to the transferees shall be deemed a transfer from the decedent to the transferees and shall be subject to the inheritance tax imposed by this chapter. This paragraph shall not apply to cases where the aggregate value of joint tenancy assets exceeds \$30,000.

Subd. 5. (1) The proceeds of all life or accident insurance policies whether now in force or hereafter issued, payable on account of the decedent's death shall be subject to the tax herein imposed, as follows:

(a) To the extent of the amount receivable by the executor of the decedent as insurance under policies on the life of the decedent.

(b) To the extent of the amount receivable by all other beneficiaries as insurance under policies on the life of the decedent with respect to which the decedent possessed at his death any of the incidents of ownership, exercisable either alone or in conjunction with any other person. For purposes of the preceding sentence, the term "incident of ownership" includes a reversionary interest (whether arising by the express terms of the policy or other instrument or by operation of law) only if the value of such reversionary interest exceeded five percent of the value of the policy immediately before the death of the decedent. As used in this paragraph, the term "reversionary interest" includes a possibility that the policy, or the proceeds of the policy, may return to the decedent or his estate, or may be subject to a power of disposition by him. The value of a reversionary interest at any time shall be determined (without regard to the fact of the decedent's death) by usual methods of valuation, including the use of tables of mortality and actuarial principles, pursuant to regulations prescribed by the commissioner of internal revenue or his delegate. In determining the value of a possibility that the policy or proceeds thereof may be subject to a

power of disposition by the decedent, such possibility shall be valued as if it were a possibility that such policy or proceeds may return to the decedent or his estate.

(2) Such proceeds shall be deemed a transfer within the meaning of that term as used in this chapter and a part of decedent's estate, and shall be taxable to the person or persons entitled thereto.

(3) Every corporation, partnership, association, individual, order or society authorized to transact life, accident, fraternal, mutual benefit, or death benefit insurance business which shall pay to any person, association, or corporation any insurance or death benefit in excess of \$1,000 or shall transfer any unpaid balance of, or any interest in, any annuity contract or deposit, upon the death of a resident of this state, shall give notice of such payment or transfer to the commissioner within ten days from the date thereof. Such notice shall be given on the forms prescribed by the commissioner and such notice shall set forth such information as the commissioner shall prescribe the Minnesota taxable estate of every decedent as prescribed by chapter 291.

Sec. 3. Minnesota Statutes 1978, Chapter 291, is amended by adding a section to read:

[291.015] [DETERMINATION OF MINNESOTA TAXABLE ESTATE.] *The Minnesota taxable estate of a decedent shall be his federal gross estate as defined in Section 2031 of the Internal Revenue Code less the sum of:*

(1) *The value of any gifts of real property located outside this state which are otherwise includable in the federal gross estate under Section 2035(a) of the Internal Revenue Code;*

(2) *The value of property owned by the decedent at the time of his death which has its situs outside Minnesota;*

(3) *The exemptions and deductions allowed pursuant to sections 291.05, 291.051, 291.065, 291.07, and 291.08; and*

(4) *The sum of \$200,000, provided that, in the case of a non-resident decedent, this amount shall be reduced by that proportion of the value of the decedent's federal gross estate which has its situs outside of this state.*

Sec. 4. Minnesota Statutes 1978, Section 291.03, is amended to read:

291.03 [RATES.] When the property or any beneficial interest therein passes by any such transfer where the amount of the property shall exceed in value the exemption or exemptions hereinafter specified, where applicable, The tax hereby imposed shall be :

(1) Where the person entitled to any beneficial interest in such property shall be the surviving spouse, minor or dependent child of the decedent, or any minor or dependent legally adopted child at computed by applying to the Minnesota taxable estate the following prescribed rates:

1 7 percent on that part of the first \$25,000 which exceeds the applicable exemption or exemptions specified in section 291.05, clauses (3) through (7) \$100,000.

2 8 percent on the next \$25,000 \$100,000 or part thereof.

3 9 percent on the next \$50,000 \$100,000 or part thereof.

4 10 percent on the next \$50,000 \$200,000 or part thereof.

5 11 percent on the next \$50,000 \$500,000 or part thereof.

6 percent on the next \$100,000 or part thereof.

7 percent on the next \$100,000 or part thereof.

8 percent on the next \$100,000 or part thereof.

9 percent on the next \$500,000 or part thereof.

10 12 percent on the excess over \$1,000,000.

(2) Where the person or persons entitled to any beneficial interest in such property shall be the adult child or other lineal descendant of the decedent, adult legally adopted child or issue, lineal ancestor of the decedent, stepchild as defined in section 291.005, or any child to whom such decedent for not less than ten years prior to such transfer stood in the mutually acknowledged relation of a parent; provided, such mutually acknowledged relationship began at or before the child's fifteenth birthday and was continuous for said ten years thereafter, or any lineal issue of such mutually acknowledged child, at the following prescribed rates:

2 percent on that part of the first \$25,000 which exceeds the applicable exemption or exemptions specified in section 291.05, clauses (3) through (7).

4 percent on the next \$25,000 or part thereof.

6 percent on the next \$50,000 or part thereof.

7 percent on the next \$100,000 or part thereof.

8 percent on the next \$200,000 or part thereof.

9 percent on the next \$600,000 or part thereof.

10 percent on the excess over \$1,000,000.

(3) Where the person or persons entitled to any beneficial interest in such property shall be the brother or sister or a descendant of a brother or sister of the decedent, a wife or widow of a son, or a husband or widow of a daughter of the decedent, at the following prescribed rates:

6 percent on that part of the first \$25,000 which exceeds the applicable exemption or exemptions specified in section 291.05, clauses (3) through (7).

8 percent on the next \$25,000 or part thereof.

10 percent on the next \$50,000 or part thereof.

- 12 percent on the next \$50,000 or part thereof.
- 14 percent on the next \$50,000 or part thereof.
- 16 percent on the next \$100,000 or part thereof.
- 18 percent on the next \$100,000 or part thereof.
- 20 percent on the next \$100,000 or part thereof.
- 22 percent on the next \$500,000 or part thereof.
- 25 percent on the excess over \$1,000,000.

(4) Where the person or persons entitled to any beneficial interest in such property shall be in any other degree of collateral consanguinity than is hereinbefore stated; or shall be a stranger in blood to the decedent, or shall be a body politic or corporate, at the following prescribed rates:

8 percent on that part of the first \$25,000 which exceeds the applicable exemption or exemptions specified in section 291.05, clauses (3) through (7).

- 10 percent on the next \$25,000 or part thereof.
- 12 percent on the next \$50,000 or part thereof.
- 14 percent on the next \$50,000 or part thereof.
- 16 percent on the next \$50,000 or part thereof.
- 18 percent on the next \$100,000 or part thereof.
- 20 percent on the next \$100,000 or part thereof.
- 22 percent on the next \$100,000 or part thereof.
- 26 percent on the next \$500,000 or part thereof.
- 30 percent on the excess over \$1,000,000.

Provided that the amount of tax imposed by this chapter on the transfer of any estate shall not be less than the maximum tax credit allowable for state death taxes against the federal estate tax imposed with respect to that part of the decedent's estate which has a taxable situs in this state.

Sec. 5. Minnesota Statutes 1978, Section 291.05, is amended to read:

291.05 [EXEMPTIONS.] The following exemptions from the tax are hereby allowed:

(1) Any devise, bequest, gift, or transfer : (a) to or for the use of the United States of America or any state or any political subdivision thereof for public purposes exclusively; and any devise, bequest, gift, or transfer ; (b) to or for the use of any corporation, fund, foundation, trust, or association operated within this state for religious, charitable, scientific, literary, education or public cemetery purposes exclusively, including the encouragement of art and the prevention of cruelty to children or animals, no part of

which devise, bequest, gift, or transfer inures to the profit of any private stockholder or individual ; and any bequest or transfer or to a trustee or trustees exclusively for such purposes, shall be exempt. Any devise, bequest, gift, or transfer ; (c) to an employee stock ownership trust as defined in section 290.01, subdivision 25, shall be exempt. *Where provided that, if the beneficiaries of a stock ownership trust include the transferor, his spouse, children, grandchildren, parents, siblings or their children, the amount of the exemption shall be reduced by the product of multiplying said amount by their percentage interest in the trust .*

Any devise, bequest, gift, or transfer, not to exceed \$1,000 made; (d) to a clergyman, in an amount not exceeding \$1,000, the proceeds of which are to be used for religious purposes or rites designated by the testator ; shall be exempt. Any devise, bequest, gift, or transfer ; and (e) to or for the use of any corporation, fund, foundation, trust, or association operated for religious, charitable, scientific, literary, education, or public cemetery purposes exclusively, including the encouragement of art, and the prevention of cruelty to children or animals, no part of which devise, bequest, gift, or transfer inures to the profit of any private stockholder or any individual, and any bequest or transfer or to a trustee or trustees exclusively for such purposes, shall be exempt, if, at the date of the decedent's death, the laws of the state under the laws of which the transferee was organized or existing, either (1) did not impose a death tax of any character, in respect of property transferred to a similar corporation, fund, foundation, trust, or association, organized or existing under the laws of this state, or (2) contained a reciprocal provision under which transfers to a similar corporation, fund, foundation, trust, or association, organized or existing under the laws of another state were exempted from death taxes of every character if such other state allowed a similar exemption to a similar corporation, fund, foundation, trust, or association, organized under the laws of such state.

(2) The homestead of a decedent, and the proceeds thereof if sold during administration, transferred to the spouse or to any minor or dependent child of the decedent, or to any minor or dependent legally adopted child of the decedent, shall be exempt to the extent of \$45,000 of the appraised value thereof. In no case shall the quantity of land considered to be the homestead of a decedent for the purpose of this exemption exceed 120 acres if the land is not included in the laid out or platted portion of a city. If the land is within a laid out or platted portion of a city, its area shall not exceed one-half of an acre. In the case of a decedent's estate wherein no property or beneficial interest therein passing by reason of death is eligible for the homestead exemption because the decedent did not have an interest in property constituting a homestead at the time of his death, there shall be allowed an exemption in lieu of the homestead exemption, in the amount of \$10,000. The exemption shall be allocated among the surviving spouse and the decedent's natural or adopted minor or dependent children in proportion to the total amount of property or any interest therein passing to such spouse and children.

Proceeds of any insurance policy issued by the United States and generally known as war risk insurance, United States government life insurance or national service life insurance payable upon the death of any person dying on or after June 24, 1950, shall be exempt.

Proceeds of life insurance issued pursuant to Public Law 89-214 and generally known as servicemen's group life insurance payable upon the death of any person on or after September 1, 1965, shall be exempt. Claims for refunds of inheritance tax paid on such proceeds shall be accepted by the commissioner if filed with him by December 31, 1970, or within 18 months after such payment, whichever is later.

Proceeds of payments made by the United States government as compensation for the decedent's service as a member of the armed forces of the United States during a period while he was classified as missing in action prior to being declared dead, shall be exempt. The commissioner shall make refunds for inheritance taxes paid which are attributable to payments exempt pursuant to this paragraph upon the filing of a claim by each beneficiary of the estate for his portion of the inheritance tax paid. Claims for refund must be filed with the commissioner no later than July 1, 1982.

(3) Proceeds of payments from the United States railroad retirement fund; or from the United States as social security benefit or veterans burial benefit, shall be exempt.

(3) (i) Property or any beneficial interest therein of the clear value of \$60,000 transferred to the surviving spouse, shall be exempt.

(ii) Provided, where the amount of family maintenance allowed by the probate court is less than the maximum deductible under the provisions of section 201-10, or if no such maintenance is allowed, there shall be allowed to the surviving spouse an additional exemption equal in amount to the difference between the maximum deduction as provided by section 201-10 and the amount of such family maintenance allowed by the probate court. Further provided, where no probate proceedings are had there shall be allowed to the surviving spouse an additional exemption equal to the maximum deduction allowed for family maintenance under the provisions of section 201-10.

(4) (i) Property or any beneficial interest therein of the clear value of \$30,000 transferred to each minor or dependent child of the decedent, or any minor or dependent legally adopted child of the decedent, shall be exempt.

(ii) Provided, where the decedent left no surviving spouse entitled to the exemption allowed by clause (3) of this section the exemption allowed by subparagraph (ii) of clause (3) shall be allowed to beneficiaries entitled to exemption under the provisions of this clause. In no event shall the aggregate amount of exemption so allowed be in excess of the additional amount that would have

been allowed under subparagraph (ii) of clause (3) had such paragraph been applicable.

(5) Property or any beneficial interest therein of the clear value of \$6,000 transferred to any adult child or other lineal descendant of the decedent, any adult legally adopted child, stepchild as defined in section 201.006, or any child to whom the decedent, for not less than ten years prior to his death, stood in the mutually acknowledged relation of a parent, provided, such mutually acknowledged relationship began at or before the child's fifteenth birthday, and was continuous for ten years thereafter, or any lineal issue of such adopted or mutually acknowledged child, or any lineal ancestor of the decedent, shall be exempt.

(6) Property or any beneficial interest therein of the clear value of \$1,500 transferred to any brother or sister or a descendant of a brother or sister of the decedent, a wife or widow of a son, or a husband or widower of a daughter of the decedent, shall be exempt.

(7) Property or any beneficial interest therein of the clear value of \$500 transferred to any person in any other degree of collateral consanguinity than is hereinbefore stated, or shall be a stranger in blood to the decedent, or shall be a body politic or corporate not exempt under this chapter, shall be exempt.

Sec. 6. Minnesota Statutes 1978, Section 291.051, is amended to read:

291.051 [MARITAL DEDUCTION.] Subdivision 1. For the purposes of this section, the terms defined in this subdivision shall have the meaning given them herein.

"Marital exemption" means 50 percent, but not more than \$250,000, of the net taxable value passing to the surviving spouse of a decedent domiciled in Minnesota at the time of his death.

"Net taxable value" means the gross value passing to the surviving spouse, reduced by the value of real property outside Minnesota and tangible personal property permanently located outside Minnesota included in the gross value passing to the surviving spouse, and reduced by the deductions attributable to such gross value pursuant to section 201.07, except subdivision 1, clause (5), but without regard to the exemptions allowed to the surviving spouse by sections 201.06, clauses (1), (2), and (3), and 201.10.

"Marital exemption tax" means a tax imposed at the rates provided by this chapter on the value of property passing to the surviving spouse less the marital exemption, but without regard to the exemptions allowed to the surviving spouse by sections 201.06, clauses (1), (2) and (3) and 201.10.

Subd. 2. If the marital exemption tax on the property passing to the surviving spouse is less than a tax computed on that property under the other provisions of this chapter, the marital exemption tax shall be imposed in lieu of the tax computed under the other provisions. For the purpose of section 3, clause (3), the value of the Minnesota taxable estate shall, except as limited by subsection (b) of Section 2056 of the Internal Revenue Code and

by subdivision 2, be determined by deducting from the value of the federal gross estate an amount equal to the value of any interest in property which passes or has passed from the decedent to his surviving spouse, but only to the extent that the interest has a taxable situs in this state and is included in determining the value of the federal gross estate. An interest in property shall be considered as passing from the decedent to his surviving spouse if it is considered as passing from the decedent to the surviving spouse under Section 2056(d) of the Internal Revenue Code.

Subd. 2. [LIMITATION.] The amount of the deduction allowed under this section for a resident decedent shall not exceed the greater of:

(a) \$250,000, or

(b) 50 percent of the value of the federal adjusted gross estate as defined in Section 2056(c)(2)(A) of the Internal Revenue Code,

reduced by an amount equal to the adjustment made, if any, for federal estate tax purposes with respect to any gift or gifts made by the decedent to his spouse after December 31, 1976 under Section 2056(c)(1)(B) of the Internal Revenue Code, and further reduced by the value of any property passing from the decedent to his surviving spouse which is exempt from estate tax under section 291.065 and is included in determining the value of the federal gross estate. In the case of a nonresident decedent, the amount of the deduction allowed under this section shall be determined without reference to subpart (a) of this subdivision.

Sec. 7. Minnesota Statutes 1978, Section 291.06, is amended to read:

291.06 [CREDIT FOR PREVIOUSLY PAID TAXES.] Where property is transferred to any person described in section 291.03, clauses (1) and (2), which can be identified as having been transferred to the decedent at death from a person who died within five years prior to the death of the decedent, and such transfer to the decedent was within the class of transfer described in said section 291.03, clauses (1) and (2), such property shall be exempt to the extent of the value thereof at the date of death of the prior decedent but not to exceed the value at the date of death of the second decedent. Provided, (1) no such exemption shall be allowed unless an inheritance tax was determined and paid to this state on the transfer thereof from the said prior decedent, (2) the exemption shall be limited to the value of property which is in excess of the amount of the exemption provided in section 291.05 allowed on the transfer to the decedent; (3) unless such previously transferred property is specifically devised or bequeathed, the exempt property for purposes of taxation shall be considered as belonging to the residue of the estate; (4) property exempt under this section shall not be included in computing the rate applicable to other transfers to the beneficiary receiving such exempt property or can be identified as having been acquired in exchange for property so received, a credit for any transfer taxes paid pursuant to the provisions of this act or any inheritance tax paid pursuant to the provisions of Minnesota Statutes, Chapter 291 in effect prior to the effective date

of this act upon that property during the preceding five years shall be allowed upon the transfer tax at his death. This credit shall not exceed the allocable portion of the tax due with respect to that property for estate tax purposes.

Sec. 8. Minnesota Statutes 1978, Section 291.065, is amended to read:

291.065 [EMPLOYEE RETIREMENT PLANS, EXEMPTION.] *To the extent included in the federal gross estate, the value of an annuity or other payment receivable by a surviving spouse or minor or dependent child of the decedent or a trust for their benefit after December 31, 1956, shall be exempt from inheritance estate tax if received under (1) an employees' trust (or under a contract purchased by an employees' trust) forming part of a pension, stock bonus, or profit sharing plan, which at the time of the decedent's separation from employment (whether by death or otherwise), or at the time of termination of the plan if earlier, met the requirement of section 401(a) of the Internal Revenue Code of 1954, as adapted to the provisions of this chapter under regulations issued by the commissioner of revenue; (2) a retirement annuity contract purchased by an employer (and not by an employees' trust) pursuant to a plan, which at the time of the decedent's separation from employment (by death or otherwise), or at the time of termination of the plan if earlier, met the requirements of paragraph (2) of section 401(a) of such code, as adapted to the provisions of this chapter under regulations issued by the commissioner of revenue; or (3) a retirement annuity contract purchased by an employer which is an organization referred to in section 503(b) (1) (2) or (3) of such code and which is exempt from tax under section 501(a) of such code, as adapted to the provisions of this chapter under regulations issued by the commissioner of revenue any plan, which at the time of the decedent's separation from employment, whether by death or otherwise, or at the time of termination of the plan if earlier, qualified under section 401, 403, 404, 405, 408 or 409 of the Internal Revenue Code; (2) a benefit plan for employees of the United States, its agencies or instrumentalities, the Federal Reserve Bank, the state of Minnesota or any of its political or governmental subdivisions or any other state or its political or governmental subdivisions; or (3) for members of a Minnesota volunteer firefighters' relief association. If such amounts payable after the death of the decedent under a plan described in clause (1) (2) or (3) are attributable to any extent to payments or contributions made by the decedent, no exemption shall be allowed for that part of the value of such amounts in the proportion that the total payments or contributions made by the decedent bears to the total payments or contributions made. For purposes of the preceding sentence, contributions or payments made by the decedent's employer or former employer under a trust or plan described in clause (1) (2) or (3) shall not be considered to be contributed by the decedent.*

Sec. 9. Minnesota Statutes 1978, Section 291.07, Subdivision 1, is amended to read:

291.07 [DEDUCTIONS.] Subdivision 1. In determining the tax imposed by section 291.01, where, a personal representative has been appointed for the estate, or where a decree of descent for the estate has been entered under section 525.31 or where there have been summary proceedings for the estate if under section 525.51, the following deductions shall be allowed:

- (1) funeral expenses;
- (2) probate *reasonable legal, accounting, fiduciary and administration expenses and fees with respect to both probate and non-probate assets*, including but not limited to expenses incurred during administration in converting real and personal property held by the estate into cash;
- (3) expenses of last illness unpaid at death;
- (4) valid claims against *and debts of* the decedent, *unpaid at death*, which have been properly paid;
- (5) family maintenance to the extent provided by section 201.10
- (6) value of personal property to the extent of the amount allowed under the provisions of section 525.15
- (7) federal estate taxes determined as follows:
 - (a) the value of the net estate taxable in Minnesota reduced by the deduction allowable for transfer for public, charitable and religious use as prescribed by Internal Revenue Code, Section 2055 and by the marital deduction as prescribed by Internal Revenue Code, Section 2056, shall be the numerator of a fraction;
 - (b) the denominator of the fraction shall be the value of the net estate everywhere reduced by the same class of deductions allowable in subparagraph (a) above;
 - (c) the ratio of the fraction so derived shall be multiplied by the federal estate tax due and payable to the United States Treasury.
 - (d) for purposes of this clause, the net estate is defined as the gross value of the estate on the applicable valuation date reduced by any unpaid mortgages on, or any indebtedness in respect of, property where the decedent's interest therein, undiminished by such mortgage or indebtedness, is included in the value of the gross estate.
- (8) other taxes which have accrued and are a lien on property in the estate at the time of death
- (9) reasonable fees for legal or fiduciary services incident to non-probate assets
- (10) (5) Minnesota and federal income taxes on "income in respect of a decedent," as computed under subdivision 3.
- (6) federal estate taxes allocable to the Minnesota taxable estate. The portion of federal estate taxes allocable to the Minnesota taxable estate shall be equal to the amount obtained by mul-

tipling the total federal estate tax by a fraction, the numerator of which is the Minnesota taxable estate plus the amount of the federal estate tax on the estate of the decedent and the denominator of which is the federal taxable estate for federal estate tax purposes;

(7) real estate taxes due and payable prior to or in the year of the decedent's death with respect to real estate subject to taxation under chapter 291 and other taxes which have accrued and are a lien on property in the estate at the time of death;

(8) liens and mortgages on property subject to taxation under chapter 291 which are not deductible as claims or debts of the decedent.

Sec. 10. Minnesota Statutes 1978, Chapter 291, is amended by adding a section to read:

[291.075] [ALTERNATE VALUATION OF QUALIFIED PROPERTY.] *When property subject to the tax imposed by chapter 291 qualifies for valuation based on its use pursuant to section 2032A of the Internal Revenue Code, it shall have the same value for Minnesota estate tax purposes as it has for federal estate tax purposes.*

Sec. 11. Minnesota Statutes 1978, Section 291.08, is amended to read:

291.08 [NONRESIDENT ESTATES; ALLOWANCE OF DEDUCTIONS AND EXEMPTIONS.] ~~(a)~~ *Where any a tax is due on the transfer of any property or interest therein owned by a nonresident, the following deductions and exemptions shall be allowed as provided in clauses (b) and (c) below:*

~~(b) Deductions.~~

~~(1) Funeral expenses to the extent incurred in Minnesota;~~

~~(2) Minnesota probate administration expense;~~

~~(3) Family maintenance to the extent provided by section 291.10, reduced by the maximum amount allowed or allowable under the laws of the state of residence of the decedent;~~

~~(4) Value of personal property to the extent of the amount allowed under section 525.15, reduced by the maximum amount allowed or allowable under the laws of the state of residence of the decedent;~~

~~(5) Reasonable legal, accounting, fiduciary and administration fees and expenses allocable to both probate and nonprobate property included in the Minnesota gross estate;~~

~~(3) Federal estate taxes subject to the limitations imposed by as computed in section 291.07;~~

~~(6) Other (4) Real estate taxes which have accrued and are a lien on Minnesota property at the time of death, or which are owed to Minnesota in respect of taxable income; due and payable prior to or in the year of the decedent's death.~~

(5) *Liens and mortgages on property included in the Minnesota gross estate.*

(7) *Reasonable fees for legal or fiduciary services incident to nonprobate assets taxable in Minnesota.*

(c) *Exemptions.* The exemptions applicable to the person entitled to a beneficial interest shall be allowed as in the case of residents under section 201.05, reduced by the maximum exemption allowed or allowable under the laws of the state of residence of the decedent.

Sec. 12. Minnesota Statutes 1978, Section 291.09, is amended by adding a subdivision to read:

Subd. 1a. In all instances in which a resident decedent dies after December 31, 1979 and before January 1, 1981 leaving a federal gross estate in excess of \$161,000 and in all instances in which a resident decedent dies after December 31, 1980 leaving a federal gross estate in excess of \$175,000, and the decedent has an interest in property with a situs in Minnesota, and in all instances in which a non-resident decedent has a liability under chapter 291, the personal representative shall submit to the commissioner, on a form prescribed by the commissioner, a Minnesota estate tax return. The return shall be accompanied by a federal estate tax return and shall contain a computation of the Minnesota estate tax due. The return shall be signed by the personal representative.

Sec. 13. Minnesota Statutes 1978, Section 291.09, is amended by adding a subdivision to read:

Subd. 2a. The commissioner may designate on the return the documents that are required to be filed together with the return in order to determine the proper valuation of assets and computation of tax. The commissioner shall not be bound by any item on the return unless he has received all required documents and unless all items of information on the return have been completed.

Sec. 14. Minnesota Statutes 1978, Section 291.09, is amended by adding a subdivision to read:

Subd. 3a. (a) The commissioner may challenge matters of valuation or taxability of any assets reported on the return, or any deductions claimed, or the computation of tax, only if within 90 days of receipt of the return and all documents required to be filed with the return, the commissioner mails or delivers a written notice to the personal representative objecting to the return as filed and specifying the reasons for the objection.

(b) If the personal representative disagrees with the objection or does not wish to fully comply with the objection, he may request that the commissioner hold a hearing on the objection. Within 30 days of receipt of a request, the commissioner shall set a time and place for hearing. Unless otherwise agreed upon, the hearing date shall not be earlier than 30 days nor later than 60 days from the date of the notice setting the hearing. The notice of hearing shall set forth the rights available to the personal representative under chapter 15. Not later than 30 days after the

commissioner receives the report and recommendation of the hearing examiner, or a written waiver of his hearing rights by the personal representative, the commissioner shall issue an order determining the tax. Any such determination made by the commissioner may be appealed to the tax court as provided in section 271.09.

(c) At any time together with or after the objection, the commissioner, on his own initiative, may set a time and place for a hearing in accordance with (b) above.

(d) In his objection, or at any time thereafter, the commissioner may assess any additional tax as the facts may warrant, subject to the right of the personal representative to demand a hearing under chapter 15. If the personal representative does not demand a hearing within 90 days of the date of the assessment, the tax so assessed shall be legally due and the commissioner may proceed to collect any unpaid tax after one year from the date of death. If the commissioner later finds the tax assessment to be erroneous, he may adjust the assessment prior to collection.

(e) The commissioner shall not be required to object to any subsequent original, amended or supplemental return in order to preserve his rights. The commissioner shall not be precluded from objecting to a subsequent original, amended or supplemental return even though an original return was accepted as filed. If the commissioner had accepted an original return showing no tax due and a subsequent original, amended or supplemental return discloses additional assets not disclosed on the original return, the commissioner may object to any matter of valuation, taxability, deduction or computation of tax on the original return within 90 days of receipt of the subsequent original, amended or supplemental return.

(f) Subject to the provisions of section 291.11, the Minnesota estate tax liability shall be considered as finally determined on the date notification of acceptance is issued to the personal representative or, if no objection is filed, on the 91st day after the return, together with all other documents required to be filed with the return, is received.

(g) Subject to the time limits imposed elsewhere in this chapter, the commissioner may refund an overpayment of tax penalty or interest even though the personal representative has not made an application for refund.

Sec. 15. Minnesota Statutes 1978, Section 291.09, is amended by adding a subdivision to read:

Subd. 4a. If any estate tax return required to be filed pursuant to the provisions of this section has not been filed, the commissioner may make and file a return including a computation of the tax resulting from the transfers therein reported. At the time of the filing the commissioner shall mail copies of the return to the personal representative, if any, and to each person from whom any portion of the tax is due. The return may be objected to and a hearing held on the objections in the manner provided in subdivision 3a.

Sec. 16. Minnesota Statutes 1978, Section 291.09, Subdivision 5, is amended to read:

Subd. 5. Notwithstanding other provisions of this chapter, when agreed in writing between the commissioner and the representative, values for purposes of the inheritance estate tax on both probate and non-probate assets shall be the same as those finally determined for purposes of the federal estate tax on a decedent's estate.

Sec. 17. Minnesota Statutes 1978, Section 291.09, Subdivision 7, is amended to read:

Subd. 7. The inheritance estate tax return, except as otherwise provided in this chapter, shall be filed with the commissioner within 12 months after the decedent's death.

Sec. 18. Minnesota Statutes 1978, Section 291.11, Subdivision 1, is amended to read:

291.11 [TIME EFFECTIVE.] Subdivision 1. [UPON DEATH; TIME OF ASSESSMENT.] (a) All taxes imposed by this chapter shall take effect at and upon the death of the person from whom the transfer is made whose estate is subject to taxation and shall be due and payable at the expiration of 12 months from such death, except as otherwise provided in this chapter. Provided, that any taxpayer who owes at least \$5,000 in taxes may choose to pay these taxes in five equal installments over a period of time not to exceed five years from the death of the person from whom the transfer is made whose estate is subject to taxation or five years from the expiration of the extension granted by the commissioner pursuant to section 291.132, whichever is later. When a taxpayer elects to pay the tax in installments, he shall notify the commissioner in writing no later than 12 months after the death of the person from whom the transfer is made whose estate is subject to taxation. If the taxpayer fails to pay an installment on time, the election shall be revoked and the entire amount of unpaid tax shall be due and payable 90 days after the date on which the installment was payable.

(b) (A) False return — in the case of a false or fraudulent return with the intent to evade tax, any additional tax resulting therefrom may be assessed at any time.

(B) No return — in the case of failure to file a return, the tax may be assessed at any time.

(C) Omissions — in the case where there is omitted from the estate items subject to tax under this chapter the tax on such omitted items may be assessed at any time.

In determining the items omitted, there shall not be taken into account any item which has been disclosed in the return or in a statement attached to the return in a manner adequate to apprise the commissioner of the nature and amount of such item.

(c) Where, before the expiration of the time prescribed in this chapter for the determination or adjustment of the tax, the com-

missioner and the taxpayer shall consent in writing to the extension of time for such determination or adjustment the tax may be determined at any time prior to the expiration agreed upon and in the manner agreed upon. The period so agreed upon may be extended by subsequent agreements in writing made before the expiration of the period previously agreed upon.

(d) The estate tax prescribed in section 291.34, notwithstanding the period of limitations prescribed for determination of the inheritance tax in this chapter shall be determined by the commissioner not later than 90 days following the filing of the Minnesota estate tax return with the commissioner, together with a copy of the federal audit report or the closing letter accepting the federal return as originally filed.

Sec. 19. Minnesota Statutes 1978, Section 291.111, Subdivision 1, is amended to read:

291.111 [TAXATION OF DISCLAIMED INTERESTS.] Subdivision 1. Transfers of any interest in real or personal property and all rights and powers relating to the same which have been duly disclaimed pursuant to the provisions of sections 501.211 and 525.532, or in any manner provided in subdivision 2 shall be subject to the inheritance estate tax imposed by this chapter, and acts amendatory thereof only if, and to the same extent and in the same manner as, the same would have been subject to said tax if said interests, rights or powers had been originally created in favor of and transferred to the same persons and in the same shares in which they are effectively distributed or otherwise disposed of, after giving full effect to such disclaimers, pursuant to the governing instrument, if any, and sections 501.211 and 525.532 and all other applicable law.

Sec. 20. Minnesota Statutes 1978, Section 291.132, is amended to read:

291.132 [EXTENSION TO FILE OR PAY.] Subdivision 1. The commissioner may extend the time for filing returns or making payment of the tax, without penalty, for a period not to exceed six months. In lieu of the six month extension, the commissioner may extend the time for payment of the tax, without penalty, for a period not to exceed two years if the payment of the tax would result in an undue hardship on the estate. The written request for the undue hardship extension shall be made to the commissioner no later than 12 months after the death of the person from whom the transfer is made. The taxpayer may elect to pay the taxes in installments as specified in section 291.11, subdivision 1, provided that the period of time for the payment of the taxes shall not exceed five years from the expiration of the extension granted by the commissioner. Where an extension of time has been granted, interest shall be payable at the rate specified in section 270.75 from the date when such payment should have been made, if no extension had been granted, until such tax is paid.

Subd. 2. In lieu of an extension provided pursuant to subdivision 1 or payment of the estate tax in installments pursuant to section 291.11 on the property which qualifies under this subdivision, the commissioner may extend the time for payment of the tax on property which qualifies for valuation under section 10. The personal representative of an estate containing such property may elect to pay all or part of the tax imposed by chapter 291 in two or more, but not to exceed ten, equal installments, provided that the maximum amount of tax which may be paid in installments pursuant to this subdivision shall be an amount which bears the same ratio to the estate's tax liability under chapter 291 as the value of property determined pursuant to section 12 bears to the amount of the taxable estate. The first installment shall be paid on or before the date selected by the personal representative. The date may be no more than five years after the date prescribed by section 291.11, subdivision 1, for payment of the estate tax. Each succeeding installment shall be paid on or before that same date each year. An election under this subdivision shall be made not later than the time prescribed by section 291.11 for filing of the estate tax return and shall be made in the manner as the commissioner shall prescribe by rule.

Subd. 3. If the time for payment of estate tax has been extended under subdivision 2, interest shall be payable as provided in this subdivision.

(a) Interest payable under section 291.15 on any unpaid portion of the amount attributable to the first five years after the date prescribed by section 291.11 for payment of the tax shall be paid annually.

(b) Interest payable under section 291.15 on any unpaid portion of the amount attributable to any period after the five year period referred to in clause (a) shall be paid annually at the same time as, and as part of, each installment payment of the tax.

(c) If the executor has selected a period shorter than five years under subdivision 2 the shorter period shall be substituted for five years in clauses (a) and (b).

Sec. 21. Minnesota Statutes 1978, Section 291.14, is amended to read:

291.14 [PERSONAL LIABILITY OF PERSONAL REPRESENTATIVE AND TRANSFEREE.] Subdivision 1. Every tax imposed by this chapter shall be a lien upon the property embraced in any inheritance, devise, bequest, legacy, or gift until paid, and The personal representative and person to whom such property which is subject to taxation under chapter 291 is transferred shall be personally liable for such tax, until its payment, to the extent of the value of such the property. No such lien shall be enforced against real property ; included in the probate estate, unless the state shall assert the same by filing a statement of its lien in the office of the county recorder or registrar of titles in the county wherein such real estate may be situated, within ten years after the

date of any deed of distribution or decree of distribution which may be entered in the estate involved.

Subd. 1a. (1) Where an order approving distribution of property is not issued by the court, any tax due on the transfer of such property or interest to a devisee or to heirs who are entitled under the statutes of intestate succession shall be a lien upon such property until the tax imposed by this chapter is paid.

(2) The lien shall not be enforced against real property subject to the provisions of clause (1) unless the state asserts it by filing a statement of lien in the office of the county recorder or the registrar of titles in the county where the real estate is situated within ten years from the date of recording a copy of the death record of the testate or intestate decedent, as the case may be, together with a statement by the commissioner acknowledging receipt of an inventory and appraisal listing the real property.

(3) When the tax on property subject to the provisions of this subdivision has been paid, or if there be deposited with the commissioner a sum of money in an amount equal to the tax which, in the judgment of the commissioner may be due upon the transfer of the property, or if there is no tax required to be paid, the commissioner shall certify on an affidavit prescribed by him or instrument of conveyance that the lien for inheritance tax has been satisfied or has been waived, as the case may be. The affidavit or instrument of conveyance so certified may be recorded as are other instruments affecting the title to real estate.

Subd. 2. (1) Except as provided in clause (4) of this subdivision, where a lien for inheritance tax imposed under this chapter may be enforced against real property transferred to surviving joint tenants, or upon property transferred by a decedent during such decedent's lifetime, the surviving joint tenants or the transferees of the property so transferred by the decedent shall file on a form prescribed by the commissioner a schedule of non-probate assets listing the property or interest taxable. Any tax due on the transfer of such property or interest to the surviving joint tenants or to the transferees of the property so transferred by the decedent shall be reported on an inheritance tax return filed with the commissioner pursuant to section 201-00, and shall be a lien upon the interest of the surviving joint tenants or the transferees, until paid, and the surviving joint tenants or the transferees shall be personally liable for such tax to the extent of the value of such property.

(2) No lien shall be enforced against real property subject to the provision of clause (1) of this subdivision unless the state shall assert the same by filing a statement of such lien in the office of the county recorder or registrar of titles in the county wherein such real estate may be situated within ten years from the date of recording a copy of the death record of the deceased joint tenant or deceased transferor, together with a copy of the schedule of non-probate assets required to be filed with the commissioner pursuant to clause (1) of this subdivision, which copy shall have been duly acknowledged by the commissioner.

(3) Where the tax on property subject to the provisions of clause (1) of this subdivision has been paid, or if there is deposited with the commissioner cash in an amount equal to the tax which, in the judgment of the commissioner, may be due upon the transfer of such property, or if there is no tax required to be paid, the commissioner shall certify on an affidavit of survivorship-remainderman, described by the commissioner, that the lien has been satisfied or waived as the case may be. The affidavit so certified may be recorded as are other instruments affecting the title to real estate.

(4) (a) (i) When the decedent's death occurred subsequent to April 20, 1939, the provisions of this clause shall apply to the spouse, minor or dependent natural or adopted child of the decedent, or to the combination of classes or persons included herein,

(ii) When decedent's death occurred in the period beginning on April 21, 1939, and ending April 25, 1949, the provisions of this clause shall apply to the spouse, minor or dependent natural or adopted child or any other issue of the decedent, or to any combination of classes of persons included in this subparagraph (ii),

(b) Where the homestead is held in joint tenancy with the right of survivorship by the decedent and persons meeting the conditions described in (a) above, an affidavit in the form and manner prescribed by the commissioner, may be delivered to the county recorder or the registrar of titles. Such affidavit shall declare

(i) that the surviving joint tenant or tenants were members of the classes described in (a) above at the date of decedent's death (if any of the surviving joint tenants were minors, state date of such minor's birth),

(ii) that the property described as the homestead was owned and occupied by the decedent as his principal dwelling place at date of death;

(iii) that the quantity of land included in such property is not in excess of 120 acres, and not included in the laid out or platted portion of any city. If the land is within a laid out or platted portion of a city, its area shall not exceed one-half of an acre,

(iv) that the gross market value of such property at date of death was not in excess of \$45,000,

(v) the affidavit to be delivered to the county recorder or registrar of titles shall have attached thereto a certified copy of the death certificate with respect to the death of the deceased joint tenant.

The affidavit shall be in lieu of an affidavit of survivorship certified by the commissioner and shall extinguish the lien imposed on such property by clause (2) of this subdivision, and shall be recorded or filed as a document affecting the title to the real estate. The county recorder or registrar of titles shall not be required to verify the declarations made in such affidavit.

(c) A copy of the affidavit (which need not bear a copy of the death certificate) shall be supplied to the county recorder or reg-

istrar of titles; he will forward this copy to the commissioner at his office in St. Paul, Minnesota.

(d) Where it appears that a schedule of non-probate assets would otherwise not be required to be filed, the property, the lien on which has been extinguished in accordance with the provisions of paragraph (a) above, need not be reported on a schedule of non-probate assets.

Subd. 4. The lien of the state for inheritance taxes payable by a personal representative shall not extend to any right acquired by a bona fide purchaser, mortgagee, or lessee through any conveyance made by such personal representative, provided that such personal representative delivers to the county recorder or registrar of titles, as the case may be, a declaration that the property described therein has been sold to a bona fide purchaser, or has been mortgaged or leased, as the case may be. The declaration so submitted shall have attached thereto a certified copy of letters evidencing the appointment of such personal representative. The county recorder or registrar of titles shall submit a copy of such declaration to the commissioner at his office in St. Paul, Minnesota, without any requirement that the statements made therein by such personal representative have been verified. The lien so extinguished with respect to such bona fide purchaser, mortgagee or lessee shall not be reinstated or challenged by the commission.

Sec. 22. Minnesota Statutes 1978, Section 291.19, Subdivision 3, is amended to read:

Subd. 3. Any personal representative, trustee, heir or legatee of a nonresident decedent desiring to transfer property having its situs in this state may make application to the commissioner of revenue for the determination of whether there is any tax due to the state on account of the transfer of the decedent's property and such applicant shall furnish to the commissioner of revenue therewith an affidavit setting forth a description of all property owned by the decedent at the time of his death and having its situs in the state of Minnesota, the value of such property at the time of said decedent's death; also when required by the commissioner of revenue, a description of and statements of the true value of all the property owned by the decedent at the time of his death and having its situs outside the state of Minnesota, and also a schedule or statement of the valid claims against the estate of the decedent, including the expenses of his last sickness and funeral and the expenses of administering his estate, to the extent that such claims were incurred within this state. Such person shall also, on request of the commissioner of revenue, furnish to the latter a certified copy of the last will of the decedent in case he died testate, or an affidavit setting forth the names, ages and residences of the heirs at law of the decedent in case he died intestate and the proportion of the entire estate of such decedent inherited by each of said persons; and the relation, if any, with each legatee, devisee, heir, or transferee sustained to the decedent or person from whom the transfer was made. Such affidavits shall

be subscribed and sworn to by the personal representative of the decedent or some other person having knowledge of the facts therein set forth.

Sec. 23. Minnesota Statutes 1978, Section 291.20, Subdivision 1, is amended to read:

291.20 [SAFETY DEPOSIT COMPANIES NOT TO TRANSFER FUNDS.] Subdivision 1. No person holding securities or assets belonging at the time of death of a decedent to him or to him and another or others as joint tenants, or having on deposit funds in excess of \$1,000 to the credit of a decedent, or to the decedent and another or others as joint tenants, or to the credit of the decedent as trustee for another or others, or renting a safe deposit box or other place of safekeeping to a decedent, individually or as joint tenant or tenant in common, shall deliver or transfer the same to any person, or permit any person to have access thereto, unless notice of the time and place of such intended transfer or access be served upon the county treasurer, personally or by representative, in which event the county treasurer, personally or by representative, may examine said securities, assets, funds or contents of such safe deposit box, at the time of such delivery, transfer or access. If, upon such examination the county treasurer or his representative shall for any cause deem it advisable that such securities, assets or funds should not be immediately delivered or transferred, or access to said safe deposit box or other place of safekeeping should not immediately be granted, he may forthwith notify in writing such person to defer delivery or transfer or access, as the case may be, for a period not to exceed ten days from the date of such notice, and thereupon it shall be the duty of the person notified to defer such delivery, transfer or access until the time stated in such notice or until prior revocation thereof. Failure to serve the notice first above mentioned, or to allow such examination, or to defer delivery or transfer of such securities, assets, or funds, or to refuse access to such safe deposit box or other place of safekeeping for the time stated in the second of such notices, shall render such person liable to the payment of the tax due, not exceeding \$1,000, upon the transfer of said securities, assets, or funds, or upon securities, assets, or moneys in such safe deposit box or other place of safekeeping, pursuant to the provisions of this act; provided, however, that nothing herein contained shall subject such person to liability for the payment of any such tax unless such person had knowledge of the death of the decedent prior to such delivery or transfer of such securities, assets, or funds, or entry to said safe deposit box or other place of safekeeping. The word "person" as used herein shall include individual persons, safe deposit companies, banks, trust companies, savings and loan associations, partnerships and all other organizations.

Any person seeking access to any safe deposit box upon the death of any person who at the time of his death was a tenant thereof either individually or as joint tenant or tenant in common, or seeking to withdraw securities, assets or funds belonging to the decedent or which decedent had the right to withdraw, shall notify

the person renting such safe deposit box or holding such securities, assets or funds of the decedent's death. Any person who wilfully fails to give the notice of the death of the decedent required by this paragraph with intent to evade taxes due hereunder shall be guilty of a misdemeanor. It shall be a complete defense to any prosecution under the provisions of this subdivision that no inheritance estate tax was due from the decedent's estate.

Sec. 24. Minnesota Statutes 1978, Chapter 291, is amended by adding a section to read:

[291.215] [VALUATION OF ESTATE; REPORTING.]
Subdivision 1. The valuation of all property includable in the Minnesota taxable estate of a decedent shall be subject to review and approval of the commissioner of revenue.

Subd. 2. Before the final settlement of an estate the personal representative shall furnish an amended estate tax return listing all property and taxable transfers or other events of which he has become aware since the first estate tax return was made which would result in a change in either the amount of the estate tax initially determined or the statements made by the affiant therein. He also shall furnish copies of any documents or records and any other information relating to the estate or its value upon request of the commissioner of revenue.

Subd. 3. The personal representative shall file an amended estate tax return within 90 days after any amended estate tax return is filed pursuant to the provisions of the United States Internal Revenue Code. If no amended federal estate tax return is filed but the federal estate tax return is changed or corrected, the change or correction shall be reported to the commissioner of revenue within 90 days after the final determination of the change or correction is made. Upon receipt of an amended federal estate tax return or upon notification of any change or correction made on the federal estate tax return, the commissioner of revenue may reassess the estate tax.

Sec. 25. Minnesota Statutes 1978, Section 291.27, is amended to read:

291.27 [UNPAID TAX; OMITTED PROPERTY.] If any tax is due and unpaid under the provisions of this chapter, the representative, the county attorney of the county in which an estate is probated, the attorney general or the commissioner may apply to the probate court for a citation, citing the persons liable to pay such tax to appear before the court on a day specified, not more than three months from the date of such citation, and show cause why the tax should not be paid. The judge of the probate court, upon such application, and whenever it shall appear to him that any such tax accruing under this chapter has not been paid as required by law, shall issue such citation, and the service of such citation, and the time, manner, and proof thereof, and the hearing and determination thereon, shall conform, as near as may be, to the provisions of the probate code of this state, and whenever it shall appear that any such tax is due

and payable and the payment thereof cannot be enforced under the provisions of this chapter in the probate court, the person or corporation from whom the same is due is hereby made liable to the state for the amount of such tax.

Any tax due and unpaid under the provisions of this chapter may be enforced and collected from any transferee of property included in the Minnesota estate by action in a the court of administration of the estate of the decedent or in a court of general jurisdiction by the personal representative of any estate, or by action, in the name of the state, brought by the attorney general, the county attorney or the commissioner in the name of the state.

Any property which for any cause is omitted from an appraisal, inventory, or schedule of non-probate assets the Minnesota estate tax return so that its value is not taken into consideration in the determination of the inheritance taxes estate tax, may be subsequently taxed against the persons receiving the same, or any part thereof, to the same effect as if included in the original appraisal, inventory, schedule of non-probate assets, inheritance estate tax return and determination, except that any personal representative of an estate discharged from his trust in the meantime shall not be liable for the payment of such tax. When any property has been thus omitted in the determination of an inheritance estate tax, such taxes the tax thereon may be determined and recovered in a civil action brought by the attorney general or the commissioner, in the name of the state, in any court of general jurisdiction; or may be prosecuted to collection by citation and subsequent proceedings in the probate court wherein the estate was administered.

Sec. 26. Minnesota Statutes 1978, Chapter 291, is amended by adding a section to read:

[291.48] [PUBLICITY OF RETURNS; INFORMATION.]
It shall be unlawful for the commissioner or any other public official, employee or former employee to divulge or otherwise make known in any manner any particulars set forth or disclosed in any report or return required by chapter 291 or 292 or information acquired while examining or auditing any taxpayer's liability for taxes thereunder, except in connection with a proceeding involving taxes due under chapter 291 or 292 from the taxpayer making the return. The commissioner may furnish a copy of any return or report to any official of the United States or any state having duties to perform in respect to the assessment or collection of any inheritance, estate, or gift tax, if the taxpayer is required by the laws of the United States or of the other state to make a return therein. Nothing herein contained shall be construed to prohibit the commissioner from publishing statistics so classified as not to disclose the identity of particular property, decedents, heirs, or personal representatives, returns or reports and the contents thereof. Any person violating the provisions of this section shall be guilty of a gross misdemeanor.

The return of a decedent or donor shall, upon written request, be open to inspection by or disclosure to (a) the administrator, executor, or trustee of his estate, and (b) any heir at law, next of kin, or beneficiary under the will of the decedent, and any other person whose basis in property is determined in whole or part by values set forth in the return, or (c) a donee of the property, but only if the commissioner finds that the heir, next of kin, beneficiary or other person or donee has a material interest which will be affected by information contained therein.

Sec. 27. Minnesota Statutes 1978, Section 291.33, Subdivision 1, is amended to read:

291.33 [PAYMENTS TO COUNTIES.] Subdivision 1. On or before the first of November in each year the commissioner shall determine the net amount of ~~inheritance tax, Minnesota estate tax~~ and interest collected thereon which has been paid to the commissioner during the fiscal year ending June 30 next preceding from estates in each of the several counties of this state wherein probate proceedings have been had or where, if no probate proceedings have been required, wherein are located the probate courts that would have had venue under the provisions of section 524.3-201, had there been assets of decedents subject to probate.

For purposes of this subdivision net amount shall be the total amount paid from each of the several counties under the provisions of this chapter, during the appropriate fiscal year, reduced by the refunds made by the commissioner applicable to each of the several counties under the provisions of this chapter, during the same fiscal year.

Sec. 28. Minnesota Statutes 1978, Section 352.15, Subdivision 1, is amended to read:

352.15 [EXEMPTION FROM PROCESS AND TAXATION.] Subdivision 1. None of the moneys, annuities, or other benefits mentioned herein shall be assignable either in law or in equity or be subject to execution, levy, attachment, garnishment, or other legal process, or to any ~~state income tax or state inheritance estate tax, except that none shall be exempt from taxation under chapter 291, unless transferred to a surviving spouse or minor or dependent child of the decedent or a trust for their benefit.~~ Provided, however, the executive director may pay an annuity, benefit or refund to a banking institution, qualified under chapter 48, that is trustee for a person eligible to receive such annuity, benefit or refund. Upon the request of a retired, disabled or former employee, the executive director may mail the annuity, benefit or refund check to a banking institution, savings association or credit union for deposit to such employee's account or joint account with his spouse. The board of directors may prescribe the conditions under which such payments will be made.

Sec. 29. Minnesota Statutes 1978, Section 353.15, is amended to read:

353.15 [NONASSIGNABILITY AND EXEMPTION OF ANNUITIES AND BENEFITS FROM JUDICIAL PROCESS AND TAXATION.] No money, annuity, or benefit provided for in this chapter is assignable or subject to power of attorney, execution, levy, attachment, garnishment, or legal process, including actions for divorce, legal separation, and child support, or to any state income tax or state inheritance *estate* tax; except that none shall be exempt from taxation under chapter 291, unless transferred to a surviving spouse or minor or dependent child of the decedent or a trust for their benefit. Provided, however, the association may pay an annuity, benefit or refund to a trust company, qualified under chapter 48, that is trustee for a person eligible to receive such annuity, benefit or refund. Upon the request of a retired, disabled or former member, the association may mail the annuity, benefit or refund check to a banking institution, savings association or credit union for deposit to such person's account or joint account with his spouse. The association may prescribe the conditions under which such payment will be made. If in the judgment of the executive director conditions so warrant, payment may be made to a public body in behalf of an annuitant, disabilitant, or survivor upon such terms as the executive director may prescribe.

Sec. 30. Minnesota Statutes 1978, Section 354.10, is amended to read:

354.10 [FUND NOT SUBJECT TO ASSIGNMENT OR PROCESS; BENEFICIARIES.] The right of a teacher to avail himself of the benefits provided by this chapter, is a personal right only and shall not be assignable. All moneys to the credit of a teacher's account in the fund or any moneys payable to him from the fund shall belong to the state of Minnesota until actually paid to the teacher or his beneficiary pursuant to the provisions of this chapter. Any power of attorney, assignment or attempted assignment of a teacher's interest in the fund, or of the beneficiary's interest therein, by a teacher or his beneficiary, including actions for divorce, legal separation, and child support, shall be null and void and the same shall be exempt from garnishment or levy under attachment or execution and from all taxation by the state of Minnesota, except that none shall be exempt from taxation under chapter 291, unless transferred to a surviving spouse or minor or dependent child of the decedent or a trust for their benefit. Provided however, the board may pay an annuity or benefit to a banking institution, qualified under chapter 48, that is a trustee for a person eligible to receive such annuity or benefit. Upon completion of the proper forms as provided by the board, the annuity or benefit check may be mailed to a banking institution, savings association or credit union for deposit to the recipient's individual account or joint account with his or her spouse. The board shall prescribe the conditions which shall govern these procedures. If in the judgment of the executive director conditions so warrant, payment may be made to a public body in behalf of an annuitant, disabilitant, or survivor upon such terms as the executive director may prescribe. Any beneficiary

designated by a teacher under the terms of this chapter, may be changed or revoked by the teacher at his pleasure, in such manner as the board may prescribe. In case a designated beneficiary dies before the teacher designating him dies, and a new beneficiary is not designated, the teacher's estate shall be the beneficiary.

Sec. 31. Minnesota Statutes 1978, Section 354A.11, is amended to read:

354A.11 [CERTAIN MONEYS AND CREDITS OF TEACHERS EXEMPT.] All moneys deposited by a teacher or member or deposited by any other person or corporation, municipal or private, to the credit of such teacher or member in a corporation organized as a "Teachers Retirement Fund Association" under sections 354A.03 to 354A.10, and all moneys, rights, and interests or annuities due or to become due to such teacher, member, or annuitant, or their beneficiaries, from any such association shall not be assignable, shall be exempt from garnishment, attachment, and execution or sale on any final process issued from any court and shall not be subject to the inheritance estate tax provisions of this state if transferred to a surviving spouse or minor or dependent child of the decedent or a trust for their benefit.

Sec. 32. Minnesota Statutes 1978, Section 524.3-706, is amended to read:

524.3-706 [DUTY OF PERSONAL REPRESENTATIVE; INVENTORY AND APPRAISEMENT.] Within three months after his appointment, a personal representative, who is not a special administrator or a successor to another representative who has previously discharged this duty, shall prepare and file with the court or registrar and mail to the surviving spouse, if there be one, and to all residuary distributees an inventory of property owned by the decedent at the time of his death, listing it with reasonable detail, and indicating as to each listed item, its fair market value as of the date of the decedent's death, and the type and amount of any encumbrance that may exist with reference to any item.

The personal representative shall also mail a copy of the inventory to interested persons or creditors who request it, and shall file an executed copy of the Minnesota inheritance tax return with the court or registrar.

Sec. 33. Minnesota Statutes 1978, Section 524.3-916, is amended to read:

524.3-916 [APPORTIONMENT OF ESTATE TAXES.] (a) For purposes of this section:

(1) "estate" means the gross estate of a decedent as determined for the purpose of federal estate tax and the estate tax payable to this state;

(2) "person" means any individual, partnership, association, joint stock company, corporation, government, political subdivision, governmental agency, or local governmental agency;

(3) "person interested in the estate" means any person entitled to receive, or who has received, from a decedent or by reason of the death of a decedent any property or interest therein included in the decedent's estate. It includes a personal representative, conservator, and trustee;

(4) "state" means any state, territory, or possession of the United States, the District of Columbia, and the Commonwealth of Puerto Rico;

(5) "tax" means the federal estate tax and the state estate tax determined by the commissioner of revenue pursuant to *section 201.34 chapter 291* and interest and penalties imposed in addition to the tax;

(6) "fiduciary" means personal representative or trustee.

(b) Unless the will or other written instrument otherwise provides, the tax shall be apportioned among all persons interested in the estate. The apportionment is to be made in the proportion that the value of the interest of each person interested in the estate bears to the total value of the interests of all persons interested in the estate. The values used in determining the tax are to be used for that purpose. If the decedent's will or other written instrument directs a method of apportionment of tax different from the method described in this code, the method described in the will or other written instrument controls.

(c) (1) The court in which venue lies for the administration of the estate of a decedent, on petition for the purpose may determine the apportionment of the tax.

(2) If the court finds that it is inequitable to apportion interest and penalties in the manner provided in subsection (b), because of special circumstances, it may direct apportionment thereof in the manner it finds equitable.

(3) If the court finds that the assessment of penalties and interest assessed in relation to the tax is due to delay caused by the negligence of the fiduciary, the court may charge him with the amount of the assessed penalties and interest.

(4) In any action to recover from any person interested in the estate the amount of the tax apportioned to the person in accordance with this code the determination of the court in respect thereto shall be *prima facie* correct.

(d)(1) The personal representative or other person in possession of the property of the decedent required to pay the tax may withhold from any property distributable to any person interested in the estate, upon its distribution to him, the amount of tax attributable to his interest. If the property in possession of the personal representative or other person required to pay the tax and distributable to any person interested in the estate is insufficient to satisfy the proportionate amount of the tax determined to be due from the person, the personal representative or other person required to pay the tax may recover the deficiency

from the person interested in the estate. If the property is not in the possession of the personal representative or the other person required to pay the tax, the personal representative or the other person required to pay the tax may recover from any person interested in the estate the amount of the tax apportioned to the person in accordance with Laws 1975, Chapter 347.

(2) If property held by the personal representative is distributed prior to final apportionment of the tax, the distributee shall provide a bond or other security for the apportionment liability in the form and amount prescribed by the personal representative.

(e)(1) In making an apportionment, allowances shall be made for any exemptions granted, any classification made of persons interested in the estate and for any deductions and credits allowed by the law imposing the tax.

(2) Any exemption or deduction allowed by reason of the relationship of any person to the decedent or by reason of the purposes of the gift inures to the benefit of the person bearing such relationship or receiving the gift; but if an interest is subject to a prior present interest which is not allowable as a deduction, the tax apportionable against the present interest shall be paid from principal.

(3) Any deduction for property previously taxed and any credit for gift taxes or death taxes of a foreign country paid by the decedent or his estate inures to the proportionate benefit of all persons liable to apportionment.

(4) Any credit for inheritance, succession or estate taxes or taxes in the nature thereof applicable to property or interests includable in the estate, inures to the benefit of the persons or interests chargeable with the payment thereof to the extent proportionately that the credit reduces the tax.

(5) To the extent that property passing to or in trust for a surviving spouse or any charitable, public or similar gift or devisee is not an allowable deduction for purposes of the tax solely by reason of an inheritance tax or other death estate tax imposed upon and deductible from the property, the property is not included in the computation provided for in subsection (b) hereof, and to that extent no apportionment is made against the property. The sentence immediately preceding does not apply to any case if the result would be to deprive the estate of a deduction otherwise allowable under section 2053(d) of the Internal Revenue Code of 1954, as amended, of the United States, relating to deduction for state death taxes on transfers for public, charitable, or religious uses.

(f) No interest in income and no estate for years or for life or other temporary interest in any property or fund is subject to apportionment as between the temporary interest and the remainder. The tax on the temporary interest and the tax, if any, on the remainder is chargeable against the corpus of the property or funds subject to the temporary interest and remainder.

(g) Neither the personal representative nor other person required to pay the tax is under any duty to institute any action to recover from any person interested in the estate the amount of the tax apportioned to the person until the expiration of the three months next following final determination of the tax. A personal representative or other person required to pay the tax who institutes the action within a reasonable time after the three month period is not subject to any liability or surcharge because any portion of the tax apportioned to any person interested in the estate was collectible at a time following the death of the decedent but thereafter became uncollectible. If the personal representative or other person required to pay the tax cannot collect from any person interested in the estate the amount of the tax apportioned to the person, the amount not recoverable shall be equitably apportioned among the other persons interested in the estate who are subject to apportionment.

(h) A personal representative acting in another state or a person required to pay the tax domiciled in another state may institute an action in the courts of this state and may recover a proportionate amount of the federal estate tax, of an estate tax payable to another state or of a death duty due by a decedent's estate to another state, from a person interested in the estate who is either domiciled in this state or who owns property in this state subject to attachment or execution. For the purposes of the action the determination of apportionment by the court having jurisdiction of the administration of the decedent's estate in the other state is *prima facie* correct.

Sec. 34. Minnesota Statutes 1978, Section 524.3-1001, is amended to read:

524.3-1001 [FORMAL PROCEEDINGS TERMINATING ADMINISTRATION; TESTATE OR INTESATE; ORDER OF DISTRIBUTION, DECREE, AND GENERAL PROTECTION.] (a) (1) A personal representative or any interested person may petition for an order of complete settlement of the estate. The personal representative may petition at any time, and any other interested person may petition after one year from the appointment of the original personal representative except that no petition under this section may be entertained until the time for presenting claims which arose prior to the death of the decedent has expired. The petition may request the court to determine testacy, if not previously determined, to consider the final account or compel or approve an accounting and distribution, to construe any will or determine heirs and adjudicate the final settlement and distribution of the estate. After notice to all interested persons and hearing the court may enter an order or orders, on appropriate conditions, determining the persons entitled to distribution of the estate, and, as circumstances require, approving settlement and directing or approving distribution of the estate and discharging the personal representative from further claim or demand of any interested person.

(2) In such petition for complete settlement of the estate, the petitioner may apply for a decree. Upon the hearing, if in the best

interests of interested persons, the court may issue its decree which shall determine the persons entitled to the estate and assign the same to them in lieu of ordering the assignment by the personal representative. The decree shall name the heirs and distributees, state their relationship to the decedent, describe the property, and state the proportions or part thereof to which each is entitled. In the estate of a testate decedent, no heirs shall be named in the decree unless all heirs be ascertained.

(3) In solvent estates, the hearing may be waived by written consent to the proposed account and decree of distribution or order of distribution by all heirs or distributees, and the court may then enter its order allowing the account and issue its decree or order of distribution.

(4) The court shall have the power in its decree or order of distribution to waive the lien of inheritance estate taxes, find that the taxes have been satisfied by payment or, decree the property subject to the lien; provided, however, where a decree or order for distribution is issued, the personal representative shall not be discharged until all property is paid or transferred to the persons entitled thereto, and has otherwise fully discharged his trust. If objections are filed with the court by the commissioner of revenue, no discharge shall be issued until the objections are determined. ~~The court shall send a copy of the decree, upon issuance, to the commissioner of revenue. If no objection is filed, the court shall have the power to settle and distribute the estate and discharge the personal representative without regard to tax obligations.~~

(b) If one or more heirs or devisees were omitted as parties in, or were not given notice of, a previous formal testacy proceeding, the court, on proper petition for an order of complete settlement of the estate under this section, and after notice to the omitted or unnotified persons and other interested parties determined to be interested on the assumption that the previous order concerning testacy is conclusive as to those given notice of the earlier proceeding, may determine testacy as it affects the omitted persons and confirm or alter the previous order of testacy as it affects all interested persons as appropriate in the light of the new proofs. In the absence of objection by an omitted or unnotified person, evidence received in the original testacy proceeding shall constitute prima facie proof of due execution of any will previously admitted to probate, or of the fact that the decedent left no valid will if the prior proceedings determined this fact.

Sec. 35. Minnesota Statutes 1978, Section 525.091, Subdivision 1, is amended to read:

525.091 [DESTRUCTION AND REPRODUCTION OF PROBATE RECORDS.] Subdivision 1. The clerk of court of any county upon order of the probate judge may destroy all the original documents in any proceeding of record in his office five years after the file in such proceeding has been closed provided the original or a Minnesota state archives commission approved photographic, photostatic, microphotographic, microfilmed, or

similarly reproduced copy of the original of the following enumerated documents in the proceeding are on file in his office.

Enumerated original documents:

(a) In estates, the jurisdictional petition and proof of publication of the notice of hearing thereof; will and certificate of probate; letters; inventory and appraisals; ~~inheritance tax return or schedule of non-probate assets, inheritance tax return waiver or self assessed inheritance tax return~~; orders directing and confirming sale, mortgage, lease, or for conveyance of real estate; order setting apart statutory selection; receipts for federal estate taxes and state ~~inheritance estate~~ taxes; orders of distribution and general protection; decrees of distribution; federal estate tax closing letter, consent to discharge by commissioner of revenue and order discharging representative; and any amendment of the listed documents.

When an estate is deemed closed as provided in clause (d) of this subdivision, the enumerated documents shall include all claims of creditors.

(b) In guardianships or conservatorships, the jurisdictional petition and order for hearing thereof with proof of service; letters; orders directing and confirming sale, mortgage, lease or for conveyance of real estate; order for restoration to capacity and order discharging guardian; and any amendment of the listed documents.

(c) In mental, inebriety, and indigent matters, the jurisdictional petition; report of examination; warrant of commitment; notice of discharge from institution, or notice of death and order for restoration to capacity; and any amendment of the listed documents.

(d) Except for the enumerated documents described in this subdivision, the clerk of probate court may destroy all other original documents in any proceeding without retaining any reproduction of the document. For the purpose of this subdivision, a proceeding in the probate court is deemed closed if no document has been filed in the proceeding for a period of 15 years, except in the cases of wills filed for safe-keeping and those containing wills of decedents not adjudicated upon.

Sec. 36. Minnesota Statutes 1978, Section 525.091, Subdivision 2, is amended to read:

Subd. 2. The clerk of probate court of any county upon order of the probate judge may destroy the original record books as enumerated in this subdivision provided a Minnesota state archives commission approved photographic, photostatic, microphotographic, microfilmed, or similarly reproduced copy of the original record book is on file in his office.

Enumerated original record books:

~~(a)~~ All record books kept for recording in compliance with section 525.03, clauses (3), (4), (5) and (6).

(b) All record books kept for inheritance tax purposes in compliance with section 291.29, subdivisions 1 and 2, after the expiration of 15 years from the date of the last proceeding entered therein.

Sec. 37. Minnesota Statutes 1978, Section 525.312, is amended to read:

525.312 [DECREE OF DESCENT.] Upon the filing of such petition, the court shall fix the time and place for the hearing thereof, notice of which shall be given pursuant to section 524.1-401. Notice of the hearing, in the form prescribed by court rule, shall also be given under direction of the clerk of court by publication once a week for two consecutive weeks in a legal newspaper in the county where the hearing is to be held, the last publication of which is to be at least ten days before the time set for hearing. Upon proof of the petition and of the will if there be one, or upon proof of the petition and of an authenticated copy of a will duly proved and allowed outside of this state in accordance with the laws in force in the place where proved, if there be one, the court shall allow the same and enter its decree of descent assigning the real or personal property, or any interest therein, to the persons entitled thereto pursuant to the will or such authenticated copy, if there be one, otherwise pursuant to the laws of intestate succession in force at the time of the decedent's death. The court may appoint two or more disinterested persons to appraise the property. No decree of descent shall be entered until the inheritance tax, if any, has been determined and paid.

Sec. 38. Minnesota Statutes 1978, Section 525.71, is amended to read:

525.71 [APPEALABLE ORDERS.] Appeals to the district court may be taken from any of the following orders, judgments, and decrees issued by a judge of the court under chapters 524 or 525:

- (1) An order admitting, or refusing to admit, a will to probate;
- (2) An order appointing, or refusing to appoint, or removing, or refusing to remove, a representative other than a special administrator or special guardian;
- (3) An order authorizing, or refusing to authorize, the sale, mortgage, or lease of real estate, or confirming, or refusing to confirm, the sale or lease of real estate;
- (4) An order directing, or refusing to direct, a conveyance or lease of real estate under contract;
- (5) An order permitting, or refusing to permit, the filing of a claim, or allowing or disallowing a claim or counterclaim, in whole or in part, when the amount in controversy exceeds \$100;
- (6) An order setting apart, or refusing to set apart, property, or making, or refusing to make, an allowance for the spouse or children;

(7) An order determining, or refusing to determine, venue; an order transferring, or refusing to transfer, venue;

(8) An order directing, or refusing to direct, the payment of a bequest or distributive share when the amount in controversy exceeds \$100;

(9) An order allowing, or refusing to allow, an account of a representative or any part thereof when the amount in controversy exceeds \$100;

(10) An order adjudging a person in contempt;

(11) An order vacating a previous appealable order, judgment, or decree; an order refusing to vacate a previous appealable order, judgment, or decree alleged to have been procured by fraud or misrepresentation, or through surprise or excusable inadvertence or neglect;

(12) A judgment or decree of partial or final distribution or an order determining or confirming distribution or any order of general protection;

(13) An order entered pursuant to section 576.142;

(14) An order granting or denying restoration to capacity;

(15) An order made directing, or refusing to direct, the payment of representative's fees or attorneys' fees, and in such case the representative and the attorney shall each be deemed an aggrieved party and entitled to take such appeal;

(16) An order, judgment, or decree relating to or affecting inheritance estate taxes or refusing to amend, modify, or vacate such an order, judgment, or decree; but nothing herein contained shall abridge the right of direct review by the supreme court;

(17) An order extending the time for the settlement of the estate beyond five years from the date of the appointment of the representative.

Sec. 39. Minnesota Statutes 1978, Section 525.74, is amended to read:

525.74 [DIRECT APPEAL TO SUPREME COURT.] A party aggrieved may appeal direct to the supreme court from an order determining or refusing to determine inheritance estate taxes upon a hearing on a prayer for reassessment and redetermination. Within 30 days after service of notice of the filing of such order, the appellant shall serve a notice of appeal upon all parties adversely interested or upon their attorneys and upon the probate judge. An appellant, other than the state, the veterans' administration, or a representative appealing on behalf of the estate, shall file in the probate court a bond in such amount as that court may direct, conditioned to prosecute the appeal with due diligence to a final determination, pay all costs and disbursements and abide the order of the court therein. The notice of appeal with proof of service and the bond, if required, shall be filed in the

probate court within ten days after the service of such notice and the appellant shall pay to such court the sum of \$15, of which \$10 shall be transmitted to the clerk of the supreme court, as provided by law for appeals in civil actions.

Such appeal shall stay all proceedings on the order appealed from. When a party in good faith gives due notice of appeal from such order and omits through mistake to do any other act necessary to perfect the appeal, or to stay proceedings, the court may permit an amendment on such terms as may be just. Upon perfection of the appeal, the probate court shall transmit to the clerk of the supreme court the \$10 aforementioned together with a certified copy of the notice of appeal and bond, if required. The filing thereof shall vest in the supreme court jurisdiction of the cause, and records shall be transmitted to the supreme court, and records and briefs shall be printed, served, and filed, and such appeal shall be heard and disposed of as in the case of appeals in civil actions from the district court. If a settled case be necessary, the probate court may settle a case upon the application of any party. The notice of the hearing upon such application and the case proposed to be settled shall be served on all other parties interested in the appeal at least eight days prior to the hearing.

Sec. 40. Minnesota Statutes 1978, Section 525.841, is amended to read:

525.841 [ESCHEAT RETURNED.] In all such cases the commissioner of finance shall be furnished with a certified copy of the court's order assigning the escheated property to the persons entitled thereto, and upon notification of payment of the inheritance estate tax, the commissioner of finance shall draw his warrant on the state treasurer, or execute a proper conveyance to the persons designated in such order. In the event any escheated property has been sold pursuant to sections 11.08 or 94.09 to 94.16, then the warrant shall be for the appraised value as established during the administration of the decedent's estate. There is hereby annually appropriated from any moneys in the state treasury not otherwise appropriated an amount sufficient to make payment to all such designated persons. No interest shall be allowed on any amount paid to such persons.

Sec. 41. [REPEALER.] *Minnesota Statutes 1978, Sections 3A.08; 291.02; 291.07, Subdivisions 2 and 2a; 291.09, Subdivisions 1, 2, 3 and 4; 291.10; 291.11, Subdivisions 2, 3, 4, 5, 6, 7, 8 and 9; 291.12, Subdivision 4; 291.20, Subdivision 3; 291.21, Subdivision 2; 291.22; 291.23; 291.24; 291.25; 291.26; 291.29, Subdivisions 1, 2, 3 and 4; 291.30; 291.34; 291.35; 291.36; 291.37; 291.38; 291.39; 291.40; 292.01; 292.02; 292.03; 292.031; 292.04; 292.05; 292.06; 292.07; 292.08; 292.09; 292.105; 292.111; 292.112; 292.12; 292.125; 292.14; and 292.15 are repealed.*

Sec. 42. *There is appropriated for fiscal years 1980, 1981 and 1982 from the general fund to the commissioner of revenue the amounts necessary to make the refunds provided by section 5.*

Sec. 43. [EFFECTIVE DATE.] *The provisions of section 5 which relate to payments for military service while the decedent was missing in action shall be effective for estates of decedents declared dead after January 1, 1975. The provisions of section 26 shall be effective the day following final enactment and shall relate to returns filed pursuant to chapters 291 and 292 prior to and after the effective date of this act. The remainder of this act is effective for estates of decedents dying after December 31, 1979 and gifts made after December 31, 1979.*

Amend the title as follows:

Page 1, line 7, delete "1,2,3,4," and delete the comma after "5"

Page 1, line 8, delete "a subdivision" and insert "subdivisions"

Page 1, line 10, delete "Subdivisions" and insert "Subdivision", and delete "and 5"

Page 1, line 11, delete "291.21, Subdivision 2;"

Page 1, line 13, after "354A.11;" insert "524.3-706;"

Page 1, line 14, after "2;" insert "525.312;"

Page 1, line 17, after "2a;" insert "291.09, Subdivisions 1, 2, 3 and 4;"

Page 1, line 19, delete "3;" and insert "4; 291.20, Subdivision 3;"

Page 1, line 25, before "292.15" insert "and" and delete "; and 525.151"

And when so amended the bill do pass.

Mr. Laufenburger moved the adoption of the foregoing committee report. The motion prevailed. Amendments adopted. Report adopted.

SECOND READING OF SENATE BILLS

S. F. No. 1258 was read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Penny moved that the name of Mr. Sikorski be added as co-author to S. F. No. 851. The motion prevailed.

Mr. Peterson moved that the names of Messrs. Strand and Setzepfandt be added as co-authors to S. F. No. 1099. The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved to take up the Special Orders Calendar. The motion prevailed.

SPECIAL ORDER

S. F. No. 326: A bill for an act relating to retirement; providing a retirement allowance for members of the legislature after eight years of service; amending Minnesota Statutes 1978, Section 3A.02, Subdivision 1.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 48 and nays 1, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Luther	Purfeerst	Staples
Bang	Gearty	McCutcheon	Rued	Strand
Benedict	Gunderson	Menning	Schaaf	Stumpf
Bernhagen	Hanson	Merriam	Schmitz	Tennessen
Brataas	Johnson	Moe	Setzepfandt	Ueland, A.
Chenoweth	Kirchner	Nelson	Sieloff	Ulland, J.
Chmielewski	Kleinbaum	Olhoft	Sikorski	Vega
Coleman	Knaak	Olson	Sillers	Willet
Dieterich	Knoll	Perpich	Solon	
Dunn	Laufenburger	Peterson	Spear	

Mr. Keefe, J. voted in the negative.

So the bill passed and its title was agreed to.

SPECIAL ORDER

S. F. No. 1425: A bill for an act relating to local government; providing that part of the town of Laketown is in the Lake Minnetonka conservation district for tax purposes.

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	Engler	Luther	Purfeerst	Staples
Bang	Gearty	McCutcheon	Rued	Strand
Benedict	Gunderson	Menning	Schaaf	Stumpf
Bernhagen	Hanson	Merriam	Schmitz	Tennessen
Brataas	Johnson	Nelson	Setzepfandt	Ueland, A.
Chenoweth	Keefe, J.	Nichols	Sieloff	Ulland, J.
Chmielewski	Kirchner	Olhoft	Sikorski	Vega
Coleman	Kleinbaum	Olson	Sillers	Willet
Davies	Knaak	Perpich	Solon	
Dieterich	Laufenburger	Peterson	Spear	

So the bill passed and its title was agreed to.

SPECIAL ORDER

S. F. No. 744: A bill for an act relating to automobile insurance; regulating damage appraisals, adjustments and related repair practices; prohibiting certain acts by insurers, adjusters and appraisers;

amending Minnesota Statutes 1978, Section 72B.02, by adding a subdivision; and Chapter 72B, 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 50 and nays 1, as follows:

Those who voted in the affirmative were:

Ashbach	Dunn	Laufenburger	Perpich	Solon
Bang	Engler	Lessard	Peterson	Spear
Benedict	Gearty	Luther	Purfeerst	Staples
Bernhagen	Gunderson	McCutcheon	Rued	Strand
Brataas	Hanson	Menning	Schaaf	Stumpf
Chenoweth	Johnson	Merriam	Schmitz	Tennessee
Chmielewski	Kirchner	Moe	Setzepfandt	Ueland, A.
Coleman	Kleinbaum	Nelson	Sieloff	Ulland, J.
Davies	Knaak	Olhoft	Sikorski	Vega
Dieterich	Knoll	Olson	Sillers	Willet

Mr. Keefe, J. voted in the negative.

So the bill passed and its title was agreed to.

SPECIAL ORDER

S. F. No. 1040: A bill for an act relating to insurance; authorizing use of facsimile signatures on certain insurance policies; amending Minnesota Statutes 1978, Sections 60A.08, Subdivision 5; and 65A.01, by adding a subdivision.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 50 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dunn	Knoll	Olhoft	Sillers
Bang	Engler	Knutson	Olson	Solon
Benedict	Gearty	Laufenburger	Perpich	Spear
Bernhagen	Gunderson	Luther	Purfeerst	Staples
Brataas	Hanson	McCutcheon	Rued	Stumpf
Chenoweth	Johnson	Menning	Schaaf	Tennessee
Chmielewski	Keefe, J.	Merriam	Schmitz	Ueland, A.
Coleman	Kirchner	Moe	Setzepfandt	Ulland, J.
Davies	Kleinbaum	Nelson	Sieloff	Vega
Dieterich	Knaak	Nichols	Sikorski	Willet

So the bill passed and its title was agreed to.

SPECIAL ORDER

S. F. No. 1010: A bill for an act relating to elections; regulating the financing of political campaigns and disclosure of economic interests by certain candidates and elected officials in Hennepin County and certain adjoining municipalities and school districts; imposing duties on the ethical practices board, county election officials, city clerks and school district administrators;

superseding other special laws, home rule charters and local ordinances; imposing late filing fees and criminal penalties; repealing laws 1977, Chapter 131.

Mr. Luther moved to amend S. F. No. 1010 as follows:

Page 2, line 6, delete "17" and insert "18"

Page 4, line 8, delete "county, city or school district"

Page 4, line 8, after "election" insert a period

Page 4, line 8, delete "in Hennepin County"

Page 4, delete lines 9 and 10

Page 4, after line 15, insert:

"Subd. 15. "Population" means population as determined by the most recent federal census for a city and by the chief school district administrator for a school district."

Page 4, line 16, delete "15" and insert "16"

Page 4, line 18, delete "16" and insert "17"

Page 6, line 19, delete everything after the period

Page 6, delete lines 20 to 23

Page 10, line 9, delete "to influence the outcome"

Page 10, delete lines 10 to 12

Page 10, line 13, delete "County,"

Page 10, line 26, delete "ballot question in any"

Page 10, line 27, after "district" insert "ballot question at any"

Page 10, line 27, delete "in Hennepin County or in any home"

Page 10, delete line 28

Page 10, delete line 29 except for the period

Page 12, lines 8 and 9, delete "city or school district"

Page 12, line 11, after "County" insert "and having a population of 5,000 or more in Hennepin County"

Page 12, line 16, after "officials" insert "of Hennepin County and of a home rule charter city, statutory city or school district located wholly or partially in Hennepin County and having a population of 5,000 or more in Hennepin County who are"

Page 13, line 29, after "city" insert "clerk"

Page 13, line 29, after "district" insert "administrator"

Page 14, line 1, after the period, insert "The filing officer and each city clerk and school district administrator shall retain the statements, reports and copies and make them available for public inspection for a period of five years after the date of receipt by the filing officer."

Page 17, line 28, delete "16" and insert "17"

Page 17, line 30, delete "17" and insert "18"

The motion prevailed. So the amendment was adopted.

Mr. Dunn moved to amend S. F. No. 1010 as follows:

Page 1, line 21, delete "or partially"

Page 2, line 28, delete "or partially"

Page 3, line 22, delete "or partially"

Page 12, line 11, delete "or partially"

Page 18, line 4, delete "or partially"

In the Luther amendment to page 12, line 16, delete "or partially"

Amend the title as follows:

Page 1, lines 5 and 6, delete "and certain adjoining municipalities and school districts"

The motion prevailed. So the amendment was adopted.

S. F. No. 1010 was then progressed.

SPECIAL ORDER

S. F. No. 1000: A bill for an act relating to liquor; permitting an additional wine license near a University of Minnesota campus; amending Minnesota Statutes 1978, Section 340.14, 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 49 and nays 6, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Lessard	Pillsbury	Spear
Bang	Hanson	Luther	Purfeerst	Staples
Bernhagen	Jensen	Menning	Rued	Strand
Brataas	Johnson	Merriam	Schaaaf	Stumpf
Chenoweth	Keefe, J.	Moe	Schmitz	Ueland, A.
Davies	Kleinbaum	Nelson	Setzepfandt	Ulland, J.
Dieterich	Knaak	Nichols	Sieloff	Vega
Dunn	Knoll	Ogdahl	Sikorski	Wegener
Engler	Knutson	Olson	Sillers	Willet
Frederick	Laufenburger	Perpich	Solon	

Those who voted in the negative were:

Benedict	Gunderson	Olhoft	Peterson	Renneke
Chmielewski				

So the bill passed and its title was agreed to.

SPECIAL ORDER

S. F. No. 693: A bill for an act relating to insurance; excepting certain policies from readability requirements; limiting the ap-

plicability of readability requirement with respect to certain forms of insurance policies; permitting delays in compliance for certain forms of insurance policies; amending Minnesota Statutes 1978, Sections 72C.03; 72C.09; and 72C.11, Subdivision 1.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 54 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

SPECIAL ORDER

S. F. No. 824: A bill for an act relating to local government; limiting spending for certain cemeteries; amending Minnesota Statutes 1978, Section 471.24; repealing Minnesota Statutes 1978, Section 471.25.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 53 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

SPECIAL ORDER

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

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 39 and nays 16, as follows:

Those who voted in the affirmative were:

Bang	Frederick	Knutson	Peterson	Sieloff
Benedict	Gearty	Laufenburger	Pillsbury	Sikoraki
Bernhagen	Gunderson	Lessard	Purfeerst	Solon
Brataas	Hanson	Luther	Renneke	Staples
Chmielewski	Johnson	Moe	Rued	Strand
Dieterich	Keefe, J.	Nelson	Schaaf	Vega
Dunn	Kleinbaum	Nichols	Schmitz	Willet
Engler	Knoll	Olhoff	Setzepfandt	

Those who voted in the negative were:

Chenoweth	Kirchner	Ogdahl	Sillers	Ueland, A.
Davies	Menning	Olson	Spear	Ulland, J.
Jensen	Merriam	Perpich	Stumpf	Wegener
Keefe, S.				

So the bill passed and its title was agreed to.

SPECIAL ORDER

S. F. No. 1025: A bill for an act relating to intoxicating liquor; permitting persons to hold more than one on-sale liquor license; amending Minnesota Statutes 1978, Section 340.13, Subdivisions 3 and 7.

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 16, as follows:

Those who voted in the affirmative were:

Bang	Johnson	Moe	Setzepfandt	Ueland, A.
Bernhagen	Keefe, J.	Nichols	Sieloff	Ulland, J.
Brataas	Keefe, S.	Ogdahl	Sikoraki	Vega
Dieterich	Kleinbaum	Pillsbury	Sillers	Wegener
Engler	Knaak	Purfeerst	Solon	
Frederick	Laufenburger	Rued	Spear	
Gearty	Luther	Schaaf	Stumpf	
Hanson	Merriam	Schmitz	Tennessen	

Those who voted in the negative were:

Benedict	Dunn	Knutson	Olhoff	Renneke
Chenoweth	Gunderson	Lessard	Perpich	Strand
Chmielewski	Kirchner	Menning	Peterson	Willet
Davies				

So the bill passed and its title was agreed to.

SPECIAL ORDER

S. F. No. 615: A bill for an act relating to retirement; St. Paul teachers retirement fund association; post retirement adjustments

for certain retirees and benefit recipients; retirement annuity computation for certain coordinated members; recomputation of disability benefits; early retirement reductions; augmentation of benefits.

Mr. Davies moved to amend S. F. No. 615 as follows:

Page 3, after line 20, insert:

“Sec. 2. [LIMITATION ON NONFORFEITABLE ENTITLEMENT TO BENEFIT INCREASE.] No current annuitant, disablitant or survivor benefit recipient and no active or inactive member of any retirement fund to which this act applies shall acquire a nonforfeitable interest in, or entitlement to, any modification in the benefit plan of the fund contained in this act or be entitled to bring any action based on any modification in the benefit plan of the fund contained in this act until a period of two years commencing with the date on which the benefit plan modification becomes effective has expired.”

Renumber the sections in sequence

The motion prevailed. So the amendment was adopted.

Mr. Stumpf moved to amend S. F. No. 615 as follows:

Amend the title as follows:

Page 1, line 7, delete “early retirement reductions;”

The motion prevailed. So the amendment was adopted.

S. F. No. 615: A bill for an act relating to retirement; St. Paul teachers retirement fund association; post retirement adjustments for certain retirees and benefit recipients; retirement annuity computation for certain coordinated members; recomputation of disability benefits; augmentation of benefits.

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 49 and nays 0, as follows:

Those who voted in the affirmative were:

Bang	Gearty	Luther	Pillsbury	Spear
Benedict	Johnson	McCutcheon	Purfeerst	Staples
Bernhagen	Keefe, J.	Menning	Renneke	Strand
Brataas	Keefe, S.	Merriam	Rued	Stumpf
Chenoweth	Kirchner	Nelson	Schaaf	Tennessen
Chmielewski	Kleinbaum	Nichols	Setzepfandt	Ueland, A.
Davies	Knoll	Ogdahl	Sieloff	Ulland, J.
Dieterich	Knutson	Olhoff	Sikorski	Vega
Dunn	Laufenburger	Perpich	Sillers	Willet
Engler	Lessard	Peterson	Solon	

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

SPECIAL ORDER

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.

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 43 and nays 0, as follows:

Those who voted in the affirmative were:

Bernhagen	Johnson	Merriam	Schaaf	Stumpf
Brataas	Keefe, J.	Nelson	Setzepfandt	Tennessen
Chenoweth	Kirchner	Olhoft	Sieloff	Ueland, A.
Chmielewski	Kleinbaum	Olson	Sikorski	Ulland, J.
Davies	Knutson	Perpich	Sillers	Vega
Dieterich	Laufenburger	Pillsbury	Solon	Wegener
Dunn	Luther	Purfeerst	Spear	Willet
Engler	McCutcheon	Renneke	Staples	
Gearty	Menning	Rued	Strand	

So the bill passed and its title was agreed to.

SPECIAL ORDER

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.

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 44 and nays 0, as follows:

Those who voted in the affirmative were:

Bernhagen	Hanson	Luther	Pillsbury	Spear
Brataas	Johnson	McCutcheon	Purfeerst	Staples
Chenoweth	Keefe, J.	Menning	Renneke	Stumpf
Chmielewski	Keefe, S.	Merriam	Rued	Tennessen
Davies	Kirchner	Moe	Schaaf	Ueland, A.
Dieterich	Kleinbaum	Nelson	Setzepfandt	Ulland, J.
Engler	Knutson	Nichols	Sieloff	Vega
Frederick	Laufenburger	Olson	Sikorski	Willet
Gearty	Lessard	Perpich	Solon	

So the bill passed and its title was agreed to.

SPECIAL ORDER

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, Subdivision 3, and by adding subdivisions.

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 45 and nays 1, as follows:

Those who voted in the affirmative were:

Bernhagen	Gunderson	Lessard	Olson	Sikorski
Brataas	Hanson	Luther	Perpich	Solon
Chenoweth	Johnson	McCutcheon	Pillsbury	Spear
Chmielewski	Keefe, J.	Menning	Purfeerst	Staples
Davies	Keefe, S.	Merriam	Renneke	Stumpf
Dieterich	Kirchner	Moe	Rued	Ueland, A.
Engler	Kleinbaum	Nelson	Schaaf	Ulland, J.
Frederick	Knutson	Nichols	Setzepfandt	Vega
Gearty	Laufenburger	Olhoff	Sieloff	Willet

Mr. Tennesen voted in the negative.

So the bill passed and its title was agreed to.

SPECIAL ORDER

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.

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 18, as follows:

Those who voted in the affirmative were:

Bang	Gunderson	Moe	Pillsbury	Staples
Bernhagen	Hanson	Nelson	Renneke	Strand
Brataas	Kirchner	Nichols	Rued	Tennesen
Davies	Kleinbaum	Ogdahl	Schaaf	Ueland, A.
Engler	Knutson	Olhoff	Setzepfandt	Ulland, J.
Frederick	Laufenburger	Olson	Sieloff	Vega
Gearty	Menning	Peterson	Solon	Wegener

Those who voted in the negative were:

Benedict	Johnson	Lessard	Perpich	Spear
Chenoweth	Keefe, J.	Luther	Purfeerst	Stumpf
Chmielewski	Keefe, S.	McCutcheon	Sikorski	Willet
Dieterich	Knoll	Merriam		

So the bill passed and its title was agreed to.

SPECIAL ORDER

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 requirements; allowing county and municipal court judges to hear election contests; amending

Minnesota Statutes 1978, Sections 204A.32, Subdivision 4; 209.02, Subdivisions 3, 4 and 4a; 209.06, Subdivision 2; and Chapter 209, by adding a section.

Mr. Davies moved to amend S. F. No. 74 as follows:

Amend the title as follows:

Page 1, line 2, delete everything after the semicolon

Page 1, delete lines 3 to 5

Page 1, line 6, delete "election contests" and insert "permitting certain challenges of voters in an election contest; establishing conditions for compelling voters to disclose the manner in which they voted; clarifying and simplifying the procedures for instituting an election contest; extending the deadline for instituting an election contest after a general election"

The motion prevailed. So the amendment was adopted.

S. F. No. 74: A bill for an act relating to elections; permitting certain challenges of voters in an election contest; establishing conditions for compelling voters to disclose the manner in which they voted; clarifying and simplifying the procedures for instituting an election contest; extending the deadline for instituting an election contest after a general election; amending Minnesota Statutes 1978, Sections 204A.32, Subdivision 4; 209.02, Subdivisions 3, 4 and 4a; 209.06, Subdivision 2; and Chapter 209, by adding a section.

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	Peterson	Sillers
Bang	Gearty	Knutson	Pillsbury	Spear
Bernhagen	Gunderson	Lessard	Purfeerst	Staples
Brataas	Hanson	Luther	Renneke	Strand
Chenoweth	Hughes	Menning	Rued	Stumpf
Chmielewski	Johnson	Merriam	Schaaf	Tennessen
Davies	Keefe, J.	Nelson	Schmitz	Ueland, A.
Dieterich	Keefe, S.	Nichols	Setzepfandt	Ulland, J.
Dunn	Kirchner	Olhoft	Sieloff	Wegener
Engler	Kleinbaum	Perpich	Sikorski	Willet

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

SPECIAL ORDER

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.

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	Laufenburger	Pillsbury	Spear
Benedict	Gunderson	Lessard	Purfeerst	Staples
Bernhagen	Hanson	Luther	Renneke	Strand
Brataas	Hughes	Menning	Rued	Stumpf
Chenoweth	Johnson	Merriam	Schaaf	Tennessen
Davies	Keefe, J.	Nelson	Schmitz	Ueland, A.
Dieterich	Keefe, S.	Nichols	Setzepfandt	Ulland, J.
Dunn	Kirchner	Olhoff	Sieloff	Wegener
Engler	Knoll	Perpich	Sikorski	Willet
Frederick	Knutson	Peterson	Sillers	

So the bill passed and its title was agreed to.

SPECIAL ORDER

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.

Mr. Ulland, J. moved to amend S. F. No. 783 as follows:

Page 3, line 20, reinstate the stricken word "may" and delete "shall"

The motion prevailed. So the amendment was adopted.

Mr. Sieloff moved to amend S. F. No. 783 as follows:

Page 3, line 23, after the comma insert "*provided that the court may require the tenant to pay the rental for the period of the stay prior to the issuance of the stay*"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 25 and nays 29, as follows:

Those who voted in the affirmative were:

Ashbach	Dunn	Kirchner	Olhoff	Sieloff
Bang	Engler	Knutson	Pillsbury	Sillers
Bernhagen	Frederick	Lessard	Renneke	Strand
Brataas	Jensen	Menning	Rued	Ueland, A.
Chmielewski	Keefe, J.	Ogdahl	Schmitz	Ulland, J.

Those who voted in the negative were:

Benedict	Gunderson	Knoll	Perpich	Staples
Chenoweth	Hanson	Laufenburger	Peterson	Stumpf
Coleman	Hughes	Luther	Schaaf	Tennessen
Davies	Johnson	McCutcheon	Setzepfandt	Wegener
Dieterich	Keefe, S.	Merriam	Sikorski	Willet
Gearty	Kleinbaum	Nelson	Spear	

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

S. F. No. 783 was then progressed.

SPECIAL ORDER

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.

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 42 and nays 7, as follows:

Those who voted in the affirmative were:

Benedict	Hanson	Merriam	Setzepfandt	Tennessen
Bernhagen	Hughes	Moe	Sikorski	Ueland, A.
Chenoweth	Johnson	Nelson	Sillers	Ulland, J.
Chmielewski	Keefe, S.	Olhoft	Solon	Vega
Davies	Kirchner	Perpich	Spear	Wegener
Dieterich	Knoll	Peterson	Staples	Willet
Dunn	Lessard	Rued	Stokowski	
Engler	Luther	Schaaf	Strand	
Gearty	Menning	Schmitz	Stumpf	

Those who voted in the negative were:

Brataas	Gunderson	Laufenburger	Olson	Renneke
Frederick	Jensen			

So the bill passed and its title was agreed to.

SPECIAL ORDER

S. F. No. 768: A bill for an act relating to natural resources; requiring county board or land exchange board approval on the acquisition of wildlife lands by the commissioner of natural resources; amending Minnesota Statutes 1978, Section 97.481.

Mr. Luther moved to amend S. F. No. 768 as follows:

Page 3, line 10, delete everything after the first comma and insert "*not to exceed 30 days, may be given by the commissioner*"

The motion prevailed. So the amendment was adopted.

S. F. No. 768 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 7, as follows:

Those who voted in the affirmative were:

Bang	Gearty	Luther	Perpich	Staples
Benedict	Gunderson	McCutcheon	Schaaf	Stokowski
Chenoweth	Hughes	Menning	Schmitz	Stumpf
Davies	Jensen	Merriam	Setzepfandt	Tennessen
Dieterich	Johnson	Moe	Sieloff	Ueland, A.
Dunn	Knoll	Nelson	Sikorski	Ulland, J.
Engler	Laufenburger	Olhoft	Solon	Willet
Frederick	Lessard	Olson	Spear	

Those who voted in the negative were:

Bernhagen	Renneke	Sillers	Strand	Wegener
Chmielewski	Rued			

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

SPECIAL ORDER

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; appropriating money.

Mr. Engler moved to amend S. F. No. 874 as follows:

Page 2, line 21, after "Sec. 2." insert "The department of natural resources shall maintain a forest management account."

Page 2, line 21, delete "this act" and insert "section 1"

Page 2, line 22, after "account" insert "and are annually appropriated to the commissioner of natural resources"

The motion prevailed. So the amendment was adopted.

S. F. No. 874 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 49 and nays 3, as follows:

Those who voted in the affirmative were:

Bang	Frederick	Laufenburger	Rued	Stokowski
Benedict	Gearty	Lessard	Schaaf	Strand
Bernhagen	Gunderson	Luther	Schmitz	Stumpf
Brataas	Hanson	McCutcheon	Setzepfandt	Tennessen
Chenoweth	Hughes	Menning	Sieloff	Ueland, A.
Chmielewski	Johnson	Nelson	Sikorski	Ulland, J.
Coleman	Keefe, S.	Olhoft	Sillers	Vega
Davies	Kleinbaum	Olson	Solon	Wegener
Dunn	Knoll	Peterson	Spear	Willet
Engler	Knutson	Renneke	Staples	

Messrs. Dieterich, Merriam and Perpich voted in the negative.

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

SPECIAL ORDER

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

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 54 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

SPECIAL ORDER

S. F. No. 1403: A bill for an act relating to workers' compensation; providing that certain farmers shall not be considered employees; amending Minnesota Statutes 1978, Section 176.011, Subdivision 11a, and by adding a subdivision.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 47 and nays 3, as follows:

Those who voted in the affirmative were:

Bang	Frederick	Laufenburger	Peterson	Staples
Benedict	Gearty	Lessard	Renneke	Strand
Bernhagen	Gunderson	Luther	Rued	Ueland, A.
Brataas	Hanson	McCutcheon	Schaaf	Ulland, J.
Chenoweth	Hughes	Menning	Schmitz	Vega
Chmielewski	Jensen	Merriam	Setzepfandt	Wegener
Coleman	Johnson	Moe	Sieloff	Willet
Davies	Keefe, S.	Nelson	Sikorski	
Dunn	Knoll	Olhoff	Sillers	
Engler	Knutson	Perpich	Solon	

Messrs. Dieterich, Spear and Stumpf voted in the negative.

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Moe moved that S. F. No. 439 be withdrawn from the Committee on Rules and Administration, the committee report from Taxes and Tax Laws be adopted, and that S. F. No. 439 be given its second reading and re-referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration. The motion prevailed. Amendments adopted. Report adopted.

S. F. No. 439 was read the second time.

Mr. Coleman moved that the Senate do now adjourn until 9:30 o'clock a.m., Tuesday, May 8, 1979. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate