

FIFTY-SEVENTH DAY

St. Paul, Minnesota, Friday, May 18, 1979

The Senate met at 1:30 o'clock p.m. and was called to order by the President.

CALL OF THE SENATE

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

Anderson	Dunn	Kleinbaum	Penny	Staples
Ashbach	Engler	Knaak	Perpich	Stokowski
Bang	Frederick	Knoll	Pillsbury	Strand
Benedict	Gearty	Laufenburger	Purfeerst	Stumpf
Brataas	Gunderson	Lessard	Rued	Tennessee
Chenoweth	Hanson	Menning	Schaaf	Ueland, A.
Chmielewski	Hughes	Merriam	Schmitz	Ulland, J.
Coleman	Johnson	Moe	Sieloff	Vega
Davies	Keefe, S.	Nelson	Solon	Willet
Dieterich	Kirchner	Olson	Spear	

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

Prayer was offered by the Chaplain, Rev. Dave Schneider.

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	Tennessee
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	Olhott	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. Keefe, J. was excused from the Session of today until 8:00 o'clock p.m.

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Mr. Pillsbury introduced—

S. F. No. 1583: A bill for an act relating to economic development; authorizing formation of a general stock ownership corporation to provide venture capital and investment opportunities for the citizens of this state; providing for its operation and funding; providing penalties; amending Minnesota Statutes 1978, Sections 11.015, by adding a subdivision; 11.10, Subdivision 1; and 80A.15, Subdivisions 1 and 2.

Referred to the Committee on Employment.

Messrs. Willet, Johnson, Peterson, Lessard and Rued introduced—

S. F. No. 1584: A bill for an act relating to transportation; providing for advertising along certain highways.

Referred to the Committee on Transportation.

Messrs. Peterson, Hanson and Sillers introduced—

S. F. No. 1585: A bill for an act relating to taxation; providing for a tax upon the business of removing gravel from pits or deposits; providing for enforcement and prescribing penalties for violations.

Referred to the Committee on Taxes and Tax Laws.

Mr. Renneke introduced—

S. F. No. 1586: A bill for an act relating to agriculture; regulating wholesale produce dealers; amending Minnesota Statutes 1978, Sections 27.001; 27.01; 27.03; 27.04; 27.041; 27.05; 27.06; and Chapter 27, by adding a section.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Merriam, Luther and Engler introduced—

S. F. No. 1587: A bill for an act relating to metropolitan government; providing for solid waste disposal planning; permitting designation of waste districts; amending Minnesota Statutes 1978, Sections 473.121, by adding a subdivision; 473.149, Subdivision 3, and by adding a subdivision; 473.516; 473.803; 473.811, Subdivisions 1 and 5; 473.823, Subdivision 3, and by adding a subdivision; 473.851; 473.852, Subdivision 8; 473.855; 473.858, by adding a subdivision; 473.859; and 473.862, Subdivision 1.

Referred to the Committee on Agriculture and Natural Resources.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

May 17, 1979

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State, S. F. No. 988.

Sincerely yours,
Albert H. Quie, Governor

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned: S. F. Nos. 1328, 182 and 529.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 17, 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. 831: A bill for an act relating to the Hennepin county park reserve district; regulating tax levies; reaffirming the requirement that the environmental quality board make its decisions by a majority vote; permitting certain requests for reconsideration of board decisions; amending Laws 1967, Chapter 721, Section 2, as amended; and Minnesota Statutes 1978, Section 116D.04, Subdivision 3.

Senate File No. 831 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 17, 1979

Mrs. Staples moved that the Senate do not concur in the amendments by the House to S. F. No. 831 and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a Conference Committee to be appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which

amendments the concurrence of the Senate is respectfully requested:

S. F. No. 961: A bill for an act relating to retirement; volunteer firefighters' relief associations and independent nonprofit firefighting corporations; providing for a flexible statutory service pension maximum; providing a procedure for the recognition of a funding surplus in the calculation of the financial requirements of a relief association and the minimum obligation of a municipality; clarifying the calculation of the time period for the amortization of unfunded accrued liabilities of volunteer firefighters' relief associations; clarifying and updating various ambiguous and obsolete provisions regarding the fire state aid program, the authorization of retirement benefits for volunteer firefighters and the mandated guidelines for the financing of volunteer firefighters' relief associations; amending Minnesota Statutes 1978, Sections 69.771; 69.772, Subdivisions 1, 2, 3, 4, 5, 6, and by adding a subdivision; 69.773; and 69.774; and Laws 1963, Chapter 429, Section 1; Laws 1967, Chapters 575, Sections 1, Subdivision 1; and 2; 829, Section 1; Laws 1969, Chapters 526, Section 2a, as added; 664, Section 1; Laws 1971, Chapters 114, Section 10; 127, Section 1; 140, Section 7; and 214, Sections 1, as amended, and 2; Laws 1973, Chapters 304, Section 4; and 472, Section 1, as amended; Laws 1975, Chapter 237, Sections 1 and 2; Laws 1976, Chapter 209, Section 1; Laws 1977, Chapter 374, Sections 41; 50, Subdivision 2; 51; and 57; Laws 1978, Chapter 685, Sections 1 and 4; repealing Minnesota Statutes 1978, Sections 69.04; 69.055; 69.06; 69.22; 69.23; 69.24; 69.66; 69.67; 69.68; 69.691; 424.30; and 424.31; Laws 1959, Chapter 324; Laws 1965, Chapters 592, Section 1; and 598, Section 1; Laws 1967, Chapters 575, Section 1, Subdivision 2; 742, Section 1; 815, Sections 1 and 2, Subdivision 1; and 831; Laws 1969, Chapters 252, Section 1, Subdivisions 1 and 2; 526, Sections 1 and 2; 530; 644, Section 1; 714; 719, Section 1; 877; 1088, Section 2, Subdivision 1; and 1105, Sections 1, 2 and 3; Laws 1971, Chapters 2; 114, Section 3, Subdivision 2; 140, Section 1; 184, Section 1, Subdivisions 1 and 2; 200; and 233; Laws 1973, Chapters 30, Section 1, Subdivision 1; 33; 166; 170; 173; 175; 181; 182; 280; 283, Section 1; 288; 304, Section 1, Subdivision 2; 311; and 464; Laws 1974, Chapters 112; Laws 1975, Chapters 36; 43; 117; 118; 119; 124; 125; 178; 197; 229, Section 1; 306, Section 33, Subdivisions 1 and 2; and 367; Laws 1976, Chapters 71; 97; 100, Section 1, Subdivisions 1 and 3; 206; 208; 214; 267; 272, Section 2; and 288, Section 1; Laws 1977, Chapters 294; 295; and 374, Section 50, Subdivision 1; Laws 1978, Chapters 599, Section 1, Subdivisions 2 and 3; 606; 617, Section 1; 622; 631; 673; 683, Sections 1 and 2, Subdivision 1; 753, Section 2, Subdivisions 1 and 1a; and 754.

Senate File No. 961 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 17, 1979

CONCURRENCE AND REPASSAGE

Mr. Peterson moved that the Senate concur in the amendments by the House to S. F. No. 961 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 961 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 60 and nays 0, as follows:

Those who voted in the affirmative were:

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

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

MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

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

S. F. No. 186: A bill for an act relating to crimes; limiting a perpetrator's right to commercially exploit the crime; providing for the payment of crime victims; appropriating money; amending Minnesota Statutes 1978, Chapter 299B, by adding a section.

Senate File No. 186 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 17, 1979

Mr. Chmielewski moved that the Senate do not concur in the amendments by the House to S. F. No. 186 and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a Conference Committee to be appointed on the part of the House. The motion prevailed.

Mr. President:

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

S. F. No. 332: A bill for an act relating to pipelines; limiting negotiation and acquisition of easements; requiring public meet-

ings and information books for affected landowners; requiring minimum depth of cover on cultivated land; authorizing adoption of local ordinances to protect public roads and drainage facilities; authorizing counties to adopt ordinances to establish pipeline construction standards; requiring pipelines to pay inspection fees; providing for a county inspector; limiting liability for certain unintentional damage to pipelines; establishing a pipeline property tax credit; providing for reversion of certain easements and recording of survey points; imposing duties on the environmental quality board and certain county boards; providing for enforcement by injunctive relief; imposing criminal and civil penalties; appropriating money.

Senate File No. 332 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 17, 1979

CONCURRENCE AND REPASSAGE

Mr. Setzepfandt moved that the Senate concur in the amendments by the House to S. F. No. 332 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 332: A bill for an act relating to pipelines; limiting negotiation and acquisition of easements; requiring public meetings and information books for affected landowners; requiring minimum depth of cover on cultivated land; authorizing adoption of local ordinances to protect public roads and drainage facilities; authorizing counties to adopt ordinances to establish pipeline construction standards; requiring pipelines to pay inspection fees; providing for a county inspector; limiting liability for certain unintentional damage to pipelines; requiring annual payments to owners of property crossed by a pipeline; providing for reversion of certain easements and recording of survey points; imposing duties on the environmental quality board and certain county boards; providing for enforcement by injunctive relief; imposing criminal and civil penalties; appropriating money.

Was read the third time, as amended 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 4, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Humphrey	McCutcheon	Penny
Ashbach	Dieterich	Johnson	Menning	Perpich
Bang	Dunn	Keefe, S.	Merriam	Peterson
Benedict	Engler	Kleinbaum	Moe	Pillsbury
Bernhagen	Frederick	Knaak	Nelson	Purfeerst
Brataas	Gearty	Knoll	Nichols	Renneke
Chenoweth	Gunderson	Knutson	Ogdahl	Rued
Chmielewski	Hanson	Lessard	Olhoft	Schaaf
Coleman	Hughes	Luther	Olson	Schmitz

Setzepfandt	Solon	Stokowski	Tennessen	Wegener
Sieloff	Spear	Strand	Ulland, J.	Willet
Sikorski	Staples	Stumpf	Vega	

Messrs. Jensen, Laufenburger, Sillers and Ueland, A. voted in the negative.

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

MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

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

S. F. No. 607: A bill for an act relating to crimes; prescribing penalties for the possession of controlled substances on school premises; amending Minnesota Statutes 1978, Section 152.15, by adding a subdivision.

Senate File No. 607 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 17, 1979

CONCURRENCE AND REPASSAGE

Mr. Merriam moved that the Senate concur in the amendments by the House to S. F. No. 607 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 607: A bill for an act relating to crimes; prescribing penalties for the possession of controlled substances on school premises; providing for therapeutic research program using marijuana; amending Minnesota Statutes 1978, Chapter 144, by adding a Section; Section 152.15, by adding a subdivision.

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 36 and nays 27, as follows:

Those who voted in the affirmative were:

Anderson	Gunderson	Merriam	Setzepfandt	Stumpf
Benedict	Hanson	Moe	Sieloff	Tennessen
Chenoweth	Humphrey	Nelson	Sikorski	Ulland, J.
Chmielewski	Jensen	Nichols	Solon	Vega
Coleman	Keefe, S.	Ogdahl	Spear	
Davies	Knoll	Olson	Staples	
Dieterich	Luther	Penny	Stokowski	
Gearly	McCutcheon	Schaaf	Strand	

Those who voted in the negative were:

Ashbach	Brataas	Frederick	Kirchner	Knutson
Bang	Dunn	Hughes	Kleinbaum	Laufenburger
Bernhagen	Engler	Johnson	Knaak	Lessard

Menning
Olthoff
Perpich

Peterson
Pillsbury
Purfeerst

Renneke
Rued

Sillers
Ueland, A.

Wegener
Willet

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

RECONSIDERATION

Mr. Keefe, S. moved that the vote whereby S. F. No. 607 was passed by the Senate on May 18, 1979, be now reconsidered. The motion did not prevail.

MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

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

S. F. No. 622: A bill for an act relating to the county of Hennepin; creating the office of county administrator; providing financial procedures; providing for the operation of county government; providing bonding limits; creating a corrections facility; providing for central purchasing; establishing set aside contracts; providing a penalty; amending Laws 1965, Chapter 533, Section 1, as amended; Extra Session Laws 1967, Chapter 24, Section 1, Subdivision 1; Extra Session Laws 1967, Chapter 24, Section 1, Subdivision 2, as amended; Extra Session Laws 1967, Chapter 47, Section 1, as amended; Extra Session Laws 1967, Chapter 47, Section 3, as amended; Laws 1969, Chapter 476, Section 1, as amended; repealing Laws 1951, Chapter 556; Laws 1951, Chapter 598; Laws 1951, Chapter 636, Section 4; Laws 1951, Chapter 702; Laws 1953, Chapter 270; Laws 1953, Chapter 703, Section 1; Laws 1953, Chapter 753; Laws 1955, Chapter 875; Laws 1957, Chapter 671, Section 7; Laws 1957, Chapter 950; Laws 1959, Chapter 200; Laws 1959, Chapter 297; Extra Session Laws 1959, Chapter 17; Extra Session Laws 1961, Chapter 45; Extra Session Laws 1961, Chapter 47; Laws 1963, Chapter 857; Laws 1965, Chapter 294; Laws 1965, Chapter 633; Laws 1965, Chapter 850; Laws 1967, Chapter 441; Laws 1967, Chapter 588; Laws 1967, Chapter 599, Section 4; Laws 1967, Chapter 796; Laws 1969, Chapter 473; Laws 1969, Chapter 692; Laws 1969, Chapter 918; Laws 1969, Chapter 1053; Laws 1971, Chapter 495; Laws 1971, Chapter 744, Section 2; Laws 1973, Chapter 261.

Senate File No. 622 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 17, 1979

CONCURRENCE AND REPASSAGE

Mrs. Staples moved that the Senate concur in the amendments by the House to S. F. No. 622 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 622 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 7, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Brataas	Perpich	Setzepfandt	Strand	Willet
McCutcheon	Peterson			

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

MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

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

S. F. No. 843: A bill for an act relating to intoxicating liquor; authorizing on-sale wine licensees to sell certain beer; amending Minnesota Statutes 1978, Section 340.11, Subdivision 20.

Senate File No. 843 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 17, 1979

CONCURRENCE AND REPASSAGE

Mr. Ulland, J. moved that the Senate concur in the amendments by the House to S. F. No. 843 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 843: A bill for an act relating to the city of Duluth; permitting the city to authorize on-sale wine licenses to sell certain beer not exceeding 7 percent alcohol by weight.

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 10, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Knaak	Penny	Solon
Ashbach	Gearty	Knoll	Perpich	Spear
Bang	Hanson	Lessard	Pillsbury	Staples
Bernhagen	Hughes	Luther	Purfeerst	Stokowski
Brataas	Humphrey	Merriam	Rued	Stumpf
Chenoweth	Jensen	Moe	Schaaf	Tennessee
Coleman	Johnson	Nelson	Setzepfandt	Ueland, A.
Davies	Keefe, S.	Nichols	Sieloff	Ulland, J.
Dieterich	Kirchner	Ogdahl	Sikorski	Vega
Dunn	Kleinbaum	Olson	Sillers	Wegener

Those who voted in the negative were:

Benedict	Gunderson	Menning	Peterson	Strand
Chmielewski	McCutcheon	Olhoff	Renneke	Willet

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

MESSAGES FROM THE HOUSE—CONTINUED

Mr. President:

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

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

Four members of the House have been appointed to such committee on the part of the House as follows: Carlson, D.; Redalen; Mann and Kalis.

Senate File No. 801 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 17, 1979

Mr. President:

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

S. F. No. 1047: A bill for an act relating to workers' compensation; providing for settlement of claims; amending Minnesota Statutes 1978, Section 176.521, Subdivisions 1 and 2.

Four members of the House have been appointed to such committee on the part of the House as follows: Kaley, Stadum, Simon-eau and Begich.

Senate File No. 1047 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 17, 1979

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. 218: A bill for an act relating to public utilities; removing cooperative telephone associations from the rate jurisdiction of the public service commission; granting associations an option as to rate regulation; amending Minnesota Statutes 1978, Section 237.06.

Four members of the House have been appointed to a Conference Committee on the part of the House as follows: Fjoslien, Stowell, Adams and Battaglia.

House File No. 218 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 17, 1979

Mr. Olhoft moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 218, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

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

H. F. No. 257: A bill for an act relating to taxation; providing standards and procedures for tax increment financing; authorizing the issuance of bonds; authorizing tax increment financing for the payment of principal and interest on such bonds; providing limitation on extent of districts to which tax increment financing applies; amending Minnesota Statutes 1978, Sections 362A.05; 458.192, Subdivision 11; 462.545, Subdivision 5; 462.585, Subdivisions 2, 3 and 4; 472A.06; 472A.07, by adding a subdivision; 473F.02, Subdivision 3; 473F.05; 473F.08, Subdivisions 2, 4 and 6; 474.10, Subdivisions 2 and 3; and Chapter 273, by adding sections; repealing Minnesota Statutes 1978, Sections 458.192, Subdivision 12; 472A.02, Subdivision 3; 472A.07, Subdivision 4; and 472A.08.

Six members of the House have been appointed to a Conference Committee on the part of the House as follows: Casserly, Pehler, Vanasek, Pleasant, Hoberg and Halberg.

House File No. 257 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 17, 1979

Mr. Hanson moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 257, and that a Conference Committee of 5 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

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

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.

Four members of the House have been appointed to a Conference Committee on the part of the House as follows: Corbid, Elioff, Nysether and Anderson, R.

House File No. 686 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 17, 1979

Mr. Hanson moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 686, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

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

H. F. No. 738: A bill for an act relating to the collection and dissemination of data; classifying data; clarifying information practices; extending the period of time during which the emergency classifications of data may be made; defining terms; clarifying the duties of the responsible authority; providing remedies; prescribing penalties; amending Minnesota Statutes 1978, Sec-

tions 15.1642, Subdivisions 3 and 5; and 15.165; and Chapter 15, by adding sections; repealing Minnesota Statutes 1978, Sections 15.162; 15.163; 15.1641; 15.1642, Subdivision 4; 15.166; 15.167; 15.1671; 15.169; and 15.17, Subdivision 4.

Four members of the House have been appointed to a Conference Committee on the part of the House as follows: Stoa, Hokanson, Dean and Ainley.

House File No. 738 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 17, 1979

Mr. Tennessen moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 738, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

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

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.

Four members of the House have been appointed to a Conference Committee on the part of the House as follows: Patton, Sarna, Biersdorf and Johnson, D.

House File No. 914 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 17, 1979

Mr. Stokowski moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 914, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

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

H. F. No. 970: A bill for an act relating to unemployment compensation; limiting benefits paid to certain owners and relatives of certain businesses; amending Minnesota Statutes 1978, Section 268.07, Subdivision 3.

Four members of the House have been appointed to a Conference Committee on the part of the House as follows: Haukoos, Rose, Adams and Osthoff.

House File No. 970 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 17, 1979

Mr. Pillsbury moved that H. F. No. 970 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. 1206: A bill for an act relating to energy; encouraging municipalities to use diseased trees.

Four members of the House have been appointed to a Conference Committee on the part of the House as follows: Sviggum, Wigley, Kalis and Greenfield.

House File No. 1206 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 17, 1979

Mr. Engler moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 1206, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 1499, 866 and 1253.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted May 17, 1979

FIRST READING OF HOUSE BILLS

The following bills were read the first time.

H. F. No. 1499: A bill for an act relating to minerals; providing for notice and opportunity for hearing prior to forfeiture for failure to file a statement of severed mineral interest, and amending certain laws related thereto; validating certain statements; amending Minnesota Statutes 1978, Sections 93.55; 273.13, Subdivision 2a; and Chapter 93, by adding a section.

Mr. Johnson moved that H. F. No. 1499 be laid on the table. The motion prevailed.

H. F. No. 866: A bill for an act relating to peace officers; regulating part-time officers; appropriating money; amending Minnesota Statutes 1978, Sections 626.84 and 626.841; and Chapter 626, by adding sections.

Mr. Willet moved that H. F. No. 866 be laid on the table. The motion prevailed.

H. F. No. 1253: A bill for an act relating to open space and recreation; providing for the acquisition and betterment of open space lands, state trails, forests, fish and wildlife management, natural and scientific areas, and accesses to public waters; payments to counties in lieu of taxes on public hunting grounds and game refuges; establishing Tettegouche State Park; prescribing the powers and duties of the commissioner of natural resources in relation to Tettegouche State Park; authorizing the issuance of bonds; appropriating money; amending Minnesota Statutes 1978, Section 97.49, Subdivision 3; and Laws 1977, Chapter 421, Section 13, Subdivision 3.

Mr. Anderson moved that H. F. No. 1253 be laid on the table. The motion prevailed.

REPORTS OF COMMITTEES

Mr. Keefe, S. moved that the Committee Reports at the Desk be now adopted, with the exception of reports pertaining to appointments. The motion prevailed.

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

H. F. No. 724: A bill for an act relating to housing; providing for an increase in the authorization for bonds and notes for the housing finance agency; establishing a grant program for the construction of three or more bedroom apartment units; creating a grant program for accessible housing; increasing the spending and complement limits; making certain changes in the laws relating to the operation of the agency; appropriating money; amending Minnesota Statutes 1978, Sections 462A.05, Subdivision 15, and by adding subdivisions; 462A.07, Subdivision 15; 462A.21, Subdivision 6, and by adding subdivisions; and 462A.22, Subdivisions 1 and 1a.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1978, Section 462A.05, is amended by adding a subdivision to read:

Subd. 2a. It may make grants to sponsors or builders of multi-unit residential housing for occupancy by persons and families of low and moderate income. The grants shall only be made for the construction or rehabilitation of three bedroom apartment units or townhouse units of four bedrooms or more for large low and moderate income families. No grant shall exceed the amount of \$5,000 per unit. In making grants, the agency shall determine the circumstances under which and the terms and conditions under which all or any portion thereof will be repaid and shall determine the appropriate security should repayment be required.

Sec. 2. Minnesota Statutes 1978, Section 462A.05, Subdivision 15, is amended to read:

Subd. 15. It may make grants to persons and families of low and moderate income to pay or to assist in paying a loan made pursuant to subdivision 14, or to rehabilitate or to assist in rehabilitating existing residential housing owned or occupied by such persons or families. For the purposes of this section, persons of low and moderate income include administrators appointed pursuant to section 566.25, clause (c). No grant shall be made unless the agency determines that the grant will be used primarily to make the housing more desirable to live in, to increase the market value of the housing or for compliance with state, county or municipal building, housing maintenance, fire, health or similar codes and standards applicable to housing, or to accomplish energy conservation related improvements. In unincorporated areas and municipalities not having codes and standards, the agency may, solely for the purpose of administering this provision, establish codes and standards. No grant for rehabilitation of owner occupied residential housing shall be denied solely because the grant will not be used for placing the residential housing in full compliance with all state, county or municipal building, housing maintenance, fire, health or similar codes and standards applicable to housing. The amount of any grant shall not exceed the lesser of (a) \$5,000, or (b) the actual cost of the work performed, or (c) that portion of the cost of rehabilitation which the agency determines cannot otherwise be paid by the person or family without spending an unreasonable portion of the income of the person or family thereon; ~~provided, however, that a grant may exceed \$5,000 by an amount, up to \$2,500, necessary to improve the accessibility of residential housing to a handicapped occupant.~~ In making grants, the agency shall determine the circumstances under which and the terms and conditions under which all or any portion thereof will be repaid and shall determine the appropriate security should repayment be required.

The agency may also make grants to rehabilitate or to assist in rehabilitating housing under this subdivision to persons of low and moderate income for the purpose of qualifying as foster parents.

Sec. 3. Minnesota Statutes 1978, Section 462A.05, is amended by adding a subdivision to read:

Subd. 15a. It may make grants to persons and families of low and moderate income to improve the accessibility of existing residential housing for handicapped occupants, or to assist in paying a loan made pursuant to subdivision 14 to improve the accessibility of existing residential housing for handicapped occupants. Grants may be in an amount up to \$10,000, based upon the cost of the improvements, the financial ability of the person or family receiving the grant, and other appropriate factors including extraordinary medical expenses. Grants may be made in connection with other agency loan or grant programs; provided that in no case may agency rehabilitation loans and any grants pursuant to this section total an amount exceeding \$15,000. Grants made pursuant to this section may include the payment of money for technical assistance for the design and construction of accessibility improvements. In making grants, the agency shall determine the circumstances under which and the terms and conditions under which all or any portion thereof will be repaid and shall determine the appropriate security should repayment be required. The agency may gather data on available accessible housing financed under this program and make the information available to interested individuals and groups.

Sec. 4. Minnesota Statutes 1978, Section 462A.07, Subdivision 15, is amended to read:

Subd. 15. It may engage in housing programs for low and moderate income native Americans as that term is defined in section 254A.02, subdivision 11, residing in the metropolitan area defined in section 473.121, subdivision 2, and cities with a population greater than 50,000 persons. The programs shall demonstrate innovative methods of providing housing for urban Indians, may involve the construction, purchase and rehabilitation of residential housing, and may be administered through any other provision of this chapter. To the extent possible, the programs shall combine appropriated money with other money from both public and private sources. The agency shall consult with the advisory council on urban Indians created pursuant to section 3.922, subdivision 8, in the development of programs pursuant to this subdivision. Temporary rules to implement this section may be promulgated as emergency rules and amended pursuant to chapter 15. The temporary rules may remain in effect until July 1, 1980.

Sec. 5. Minnesota Statutes 1978, Section 462A.09, is amended to read:

462A.09 [BONDS AND NOTES; RESOLUTIONS AUTHORIZING, ADDITIONAL TERMS, SALE.] The notes and bonds of the agency shall be authorized by a resolution or resolutions adopted by the agency, shall bear such date or dates, shall mature at such time or times, shall bear interest at such rate or rates, be in such denominations, be in such form, carry such registration privileges, be executed in such manner, be payable in lawful money of the United States of America, at such place or places within or without the state, and be subject to such terms of redemption prior to maturity as such resolutions or certificates may provide. No note shall mature more than ten years from its date or from the date of

any note refunded thereby. The maximum maturity of any bond, whether or not issued for the purpose of refunding, shall be 50 years from its date. The notes and bonds of the agency may be sold at public or private sale, at such price or prices as the agency shall determine; provided that in no event shall the net proceeds to the agency of any issuance of bonds be less than 98 97.5 percent of the face amount of the bonds. Prior to the sale of notes and bonds, the agency shall consult with the executive secretary of the state board of investment on the terms and conditions of the bonds and appropriate underwriting fees. The executive secretary of the state board of investment shall participate in the negotiations for the sale of bonds of the agency.

Sec. 6. Minnesota Statutes 1978, Section 462A.21, Subdivision 6, is amended to read:

Subd. 6. Notwithstanding the provisions of subdivision 5, the agency shall not expend moneys in the fund for the purpose of making rehabilitation or accessibility grants except by specific appropriation by the legislature.

Sec. 7. Minnesota Statutes 1978, Section 462A.21, is amended by adding a subdivision to read:

Subd. 4e. It may expend money for the purpose of section 1, and pay the costs and expenses necessary and incidental to the development and operation of the grant program authorized therein.

Sec. 8. Minnesota Statutes 1978, Section 462A.21, is amended by adding a subdivision to read:

Subd. 4f. It may make grants for the purpose of section 3 and may pay the costs and expenses necessary and incidental to the development and operation of the housing accessibility program.

Sec. 9. Minnesota Statutes 1978, Section 462A.21, is amended by adding a subdivision to read:

Subd. 11. The agency may make loans to owners of rental property of four units or more that is at least 15 years old and occupied at the time of loan closing by low and moderate income tenants, for the purposes of moderate rehabilitation and energy improvements necessary to bring the property into compliance with section 116H.129, subdivision 3. Loans made pursuant to this subdivision shall only be made with the proceeds of bonds and notes, and shall not include any appropriated money.

Sec. 10. Minnesota Statutes 1978, Section 462A.22, Subdivision 1, is amended to read:

462A.22 [BOND FUND.] Subdivision 1. The aggregate principal amount of bonds and notes which are outstanding at any time, excluding the principal amount of any bonds and notes refunded by the issuance of new bonds or notes, shall not exceed the sum of:

(a) \$175,000,000 \$225,000,000 issued for the purpose of providing funds for rehabilitation loans, or refunding bonds or notes issued for this purpose, plus

(b) \$725,000,000 \$1,325,000,000 issued for other purposes specified in section 462A.08.

Sec. 11. Minnesota Statutes 1978, Section 462A.22, Subdivision 1a, is amended to read:

Subd. 1a. Not less than ten percent of the proceeds of the additional bonds authorized by Laws 1977, Chapter 401 for subdivision 1, paragraph (b) which are used for the purpose of providing for multifamily residential housing shall be allocated by the agency for eligible loans involving the rehabilitation of existing buildings. From the proceeds of bonds issued from time to time after the effective date of this act, the agency shall make in an aggregate principal amount at least \$10,000,000 in mortgage loans for the rehabilitation of existing buildings for multifamily residential housing.

Sec. 12. Minnesota Statutes 1978, Section 462A.22, Subdivision 9, is amended to read:

Subd. 9. The agency shall also submit a biennial report of its activities, projected activities, receipts, and expenditures for the next biennium, to the governor and the legislature on or before January 15 in each odd-numbered year. The report shall include the distribution of money under each agency program by county, except for counties containing a city of the first class, where the distribution shall be reported by municipality. Within cities of the first class, the distribution of agency money shall be reported by census tract.

In addition, the report shall include the cost to the agency of the issuance of its bonds for each issue in the biennium, along with comparable information for other state housing finance agencies.

Sec. 13. [APPROPRIATION.] Subdivision 1. The sum of \$44,750,000 is appropriated from the general fund to the housing development fund created in Minnesota Statutes, Section 462A.20, for the purposes specified in this section and for the payment of related costs and expenses.

Subd. 2. For making rehabilitation grants to persons and families of low income, as provided in Minnesota Statutes, Section 462A.21, Subdivision 4a \$21,000,000

Subd. 3. For making low interest rate rehabilitation loans to persons and families of low and moderate income, as provided in Minnesota Statutes, Section 462A.21, Subdivisions 4b and 7 \$7,500,000

Subd. 4. For the purpose specified in section 3, and for the payment of related costs and expenses \$2,500,000

Subd. 5. For the home ownership assistance fund provided in Minnesota Statutes, Section 462A.21, Subdivision 8 \$8,000,000

Subd. 6. For the native Americans revolving fund created in Minnesota Statutes, Section 462A.21, Subdivision 4c \$3,500,000

Subd. 7. *For the urban American Indians revolving fund created in Minnesota Statutes, Section 462A.21, Subdivision 4d* \$1,500,000

Subd. 8. *For the purpose of section 1 and for the payment of related costs and expenses* \$500,000

Subd. 9. *For the purpose of making rehabilitation grants to enrolled members within the Sioux communities of Prairie Island, Shakopee, Lower Sioux (Morton) and Upper Sioux (Granite Falls) for existing housing in accordance with the home improvement grant program of the Minnesota housing finance agency, and for the payment of related costs and expenses* \$250,000

Subd. 10. *The appropriation in subdivision 2 shall be paid to the housing development fund in eight equal installments, on the first day of each quarter of the biennium. The appropriation in subdivision 3 shall be paid on January 1, 1980. The appropriation in subdivision 5 shall be paid in two equal installments, on July 1, 1979, and March 1, 1980. The appropriation in subdivision 6 shall be paid in three installments, 50 percent of which shall be paid on July 1, 1979, 25 percent of which shall be paid on October 1, 1979, and 25 percent of which shall be paid on January 1, 1980. The appropriation in subdivisions 4, 7, 8 and 9 shall be paid on July 1, 1979. The payment dates specified in this subdivision may be accelerated by the commissioner of finance within the biennium as money is available in the general fund.*

Subd. 11. *The approved complement of the Minnesota housing finance agency is increased by 15 positions and the spending limit on cost of general administration of agency programs is increased by \$605,000 in fiscal year 1980 and by \$905,000 in fiscal year 1981 over the amounts provided for those fiscal years by other provisions of law.*

Sec. 14. *Sections 10 and 11 are effective the day following final enactment."*

Amend the title as follows:

Delete the title in its entirety and insert:

"A bill for an act relating to housing; providing for an increase in the authorization for bonds and notes for the housing finance agency; making certain changes in the laws relating to the operation of the agency; establishing a grant program for the construction of three and four bedroom apartment or townhouse units; creating a grant program for accessible housing; creating a rehabilitation loan program for certain rental housing; appropriating money; amending Minnesota Statutes 1978, Sections 462A.05, Subdivision 15, and by adding subdivisions; 462A.07, Subdivision 15; 462A.09; 462A.21, Subdivision 6, and by adding subdivisions; and 462A.22, Subdivisions 1, 1a and 9."

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

Mr. Willet from the Committee on Agriculture and Natural Resources, to which was referred the following appointment as reported in the Journal for March 5, 1979:

**MINNESOTA POLLUTION CONTROL AGENCY
DIRECTOR**

Marcelle (Terry) Hoffman

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

Mr. Keefe, S. 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. 1241 for comparison with 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.
1241	1109				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 1241 be amended as follows:

Page 3, line 7, delete "Each"

Page 3, delete lines 8 to 12

Page 3, line 13, delete everything before "Upon" and insert *"The commissioner of finance shall review the credit history and financial resources of the local governmental unit in order to determine whether the local government unit has the ability to repay a loan. He shall notify the commissioner of natural resources whether, if a grant for the project is approved by the legislature, he will approve a loan for the local share of project costs, and the amount and terms of the loan he would approve. The commissioner of natural resources shall include this information in his recommendation to the legislature."*

Page 3, line 22, delete "state building" and insert "general"

Page 4, line 26, after "3" insert a comma

And when so amended H. F. No. 1241 will be identical to S. F. No. 1109, and further recommends that H. F. No. 1241 be given its second reading and substituted for S. F. No. 1109, 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. 1234, 1141, 266, 897, 966, 1035, 1390, 275, 776, 816, 84, 1519 and H. F. Nos. 1465, 990 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 HOUSE BILLS

H. F. No. 1241 was read the second time.

H. F. No. 724 was read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

MOTIONS AND RESOLUTIONS

Mr. Ueland, A. moved that the name of Mr. Laufenburger be added as co-author to S. F. No. 1469. The motion prevailed.

Mr. Davies moved that S. F. No. 1435 be withdrawn from the Committee on Judiciary. The motion prevailed.

S. F. No. 1435: A resolution memorializing the Federal Republic of Germany to repeal the statute of limitations for Nazi crimes.

SUSPENSION OF RULES

Mr. Sieloff moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to S. F. No. 1435 and that the rules of the Senate be so far suspended as to give S. F. No. 1435 its second and third reading and place it on its final passage. The motion prevailed.

S. F. No. 1435 was read the second time.

S. F. No. 1435 was read the third time and placed on its final passage.

The question was taken on the passage of the resolution.

The roll was called, and there were yeas 52 and nays 0, as follows:

Anderson	Chmielewski	Gunderson	Knaak	Moe
Ashbach	Coleman	Hughes	Knoll	Nelson
Bang	Davies	Humphrey	Knutson	Nichols
Benedict	Dieterich	Johnson	Luther	Olhoft
Bernhagen	Dunn	Keefe, S.	McCutcheon	Olson
Brataas	Engler	Kirchner	Menning	Penny
Chenoweth	Gearty	Kleinbaum	Merriam	Purfeerst

Renneke	Sieloff	Staples	Tennessee	Willet
Rued	Sikorski	Stokowski	Ueland, A.	
Schaaf	Sillers	Strand	Ulland, J.	
Schmitz	Spear	Stumpf	Vega	

So the resolution passed and its title was agreed to.

MOTIONS AND RESOLUTIONS—CONTINUED

CONFIRMATION

Mr. McCutcheon moved that the report from the Committee on Taxes and Tax Laws, reported May 16, 1979, pertaining to appointments, be taken from the table. The motion prevailed.

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

Mr. McCutcheon moved that in accordance with the report from the Committee on Taxes and Tax Laws, reported May 16, 1979, the Senate, having given its advice, do now consent to and confirm the appointment of:

TAX COURT

John Knapp, Albany, Stearns County, effective May 3, 1979, for a term expiring the first Monday in January, 1985.

The motion prevailed. So the appointment was confirmed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Sieloff moved that the name of Mr. Sikorski be added as co-author to S. F. No. 1435. The motion prevailed.

Mr. Nichols moved that S. F. No. 808 be taken from the table. The motion prevailed.

CONCURRENCE AND REPASSAGE

Mr. Nichols moved that the Senate concur in the amendments by the House to S. F. No. 808 and that the bill be placed on its repassage as amended. The motion prevailed.

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.

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 48 and nays 8, as follows:

Those who voted in the affirmative were:

Ashbach	Hughes	McCutcheon	Peterson	Staples
Bang	Humphrey	Menning	Pillsbury	Stokowski
Benedict	Jensen	Merriam	Purfeerst	Strand
Brataas	Johnson	Moe	Schaaf	Stumpf
Coleman	Keefe, S.	Nelson	Schmitz	Tennessen
Davies	Kirchner	Nichols	Setzepfandt	Ulland, J.
Dieterich	Kleinbaum	Ogdahl	Sieloff	Vega
Dunn	Knoll	Olhoft	Sikorski	Willet
Gearty	Laufenburger	Olson	Sillers	
Gunderson	Luther	Perpich	Spear	

Those who voted in the negative were:

Bernhagen	Knutson	Penny	Rued	Ueland, A.
Chmielewski	Lessard	Renneke		

So the bill, as amended, was repassed 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

H. F. No. 1563: A bill for an act relating to organization and operation of state government; appropriating money for the department of transportation and for other purposes with certain conditions; amending Minnesota Statutes 1978, Sections 161.123; 174.24, Subdivision 3; 360.015, by adding a subdivision; and Laws 1973, Chapter 567, Section 8; repealing Minnesota Statutes 1978, Section 174.28.

CALL OF THE SENATE

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

Anderson	Engler	Knoll	Olhoft	Spear
Ashbach	Frederick	Knutson	Penny	Staples
Bang	Gearty	Laufenburger	Perpich	Stokowski
Benedict	Gunderson	Lessard	Peterson	Strand
Bernhagen	Hanson	Luther	Rued	Stumpf
Brataas	Hughes	McCutcheon	Schaaf	Tennessen
Chenoweth	Humphrey	Merriam	Schmitz	Ueland, A.
Chmielewski	Jensen	Moe	Setzepfandt	Wegener
Davies	Johnson	Nelson	Sieloff	
Dunn	Kirchner	Ogdahl	Sikorski	

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

Mr. Vega moved to amend H. F. No. 1563, as amended pursuant to Rule 49, adopted by the Senate May 10, 1979, as follows:

(The text of the amended House File is identical to S. F. No. 1540.)

Page 14, after line 12, insert:

"Sec. 17. Minnesota Statutes 1978, Section 174.23, is amended by adding a subdivision to read:

Subd. 6. [DRIVER TRAINING.] The commissioner may make grants to any project eligible for assistance under sections 174.24 to 174.27, for the purpose of training drivers of vehicles operated by the project. The subjects of the training may include safe driving skills, techniques of assisting elderly and handicapped passengers and first aid. The commissioner may also contract with a public or private agency or institution to provide driver training to drivers of vehicles utilized by eligible projects."

Page 17, after line 32, insert:

"Sec. 23. Minnesota Statutes 1978, Chapter 174, is amended by adding a section to read:

[174.255] [PARATRANSIT PROGRAMS; ACCESSIBILITY; INSURANCE.] Subdivision 1. [HANDICAPPED ACCESSIBILITY.] *The commissioner shall require any paratransit project receiving assistance under section 174.24 or 174.25 which includes the operation of two or more vehicles other than automobiles or taxis to provide at least one vehicle that is accessible to handicapped individuals and may require additional accessible vehicles if necessary to serve handicapped individuals expected to use the project. A vehicle is accessible if it is equipped to allow transportation of an individual confined to a wheelchair or using an orthopedic device.*

Subd. 2. [ASSISTANCE IN OBTAINING INSURANCE.] In order to reduce the expense of liability insurance required for paratransit projects eligible for assistance under sections 174.24 and 174.25 the commissioner and the commissioner of insurance shall investigate the causes of high liability insurance costs and shall take the appropriate administrative action to assist paratransit projects to obtain liability insurance coverage from qualified insurance carriers at the lowest available cost. Appropriate administrative action includes: (a) taking bids from and negotiating and entering into contracts with qualified carriers to provide liability insurance for eligible paratransit projects that wish to be covered; or (b) providing technical and administrative assistance to eligible paratransit projects to assist them in securing low cost liability insurance."

Page 21, after line 15, insert:

"Sec. 26. Minnesota Statutes 1978, Chapter 174, is amended by adding a section to read:

[174.29] [COORDINATION OF SPECIAL TRANSPORTATION SERVICE.] Subdivision 1. [DEFINITION.] *For the purpose of sections 26 to 28 "special transportation service" means motor vehicle transportation provided on a regular basis by any public or private entity or person which is designed exclusively or primarily to serve individuals who are elderly, handicapped, disabled or*

economically disadvantaged and who are unable to use regular means of transportation. Special transportation service includes but is not limited to service provided by specially equipped buses, vans, taxis and volunteers driving private automobiles.

Subd. 2. [DIRECTION.] *In order to provide more adequate access to transportation service for the elderly, handicapped and others with special transportation needs and to more efficiently utilize public and private funds expended for that purpose, all state agencies that assist, provide, reimburse or regulate special transportation services shall promote, support and facilitate coordination of those services with other special services and with regular transportation services offered to the general public.*

Subd. 3. [INTERAGENCY TASK FORCE.] *The commissioner or chief administrative officer of each department, agency or board of the state that assists, provides, reimburses or regulates special transportation services shall serve or appoint a representative to serve on an interagency task force on coordination of special transportation programs. The departments of economic security, education, health, public safety, public welfare and transportation, the council on the handicapped and the board on aging shall be represented on the task force. The commissioner of transportation shall appoint members of the task force representing other departments, boards or agencies of the state that assist, provide, reimburse or regulate special transportation service and shall appoint up to five additional members representing the metropolitan council, regional development commissions and public and private entities that provide special transportation service. The commissioner of transportation shall furnish necessary administrative support for the task force and shall chair or appoint a representative to chair the task force.*

The task force shall:

(a) Identify the programs administered by state departments, agencies or boards to assist, provide, reimburse or regulate special transportation service and identify for each program the amount of state and federal money spent, the types of service provided, the types of individuals served and constraints on coordination with other special or regular transportation services;

(b) Identify possible strategies and opportunities for coordination of programs for special transportation services and evaluate them for effectiveness in improving or expanding access to transportation for those with special transportation needs and for efficiency in use of public investments and public funds;

(c) Develop a continuing procedure for interagency cooperation and communication concerning special and regular transportation programs and concerning the adoption of state operating standards for providers of special transportation service;

(d) Develop alternative ways in which transportation programs and expenditures of those agencies required to provide or reimburse special transportation services as a component of other

programs such as human services and educational programs can be coordinated with the programs and expenditures of agencies authorized to provide capital and operating assistance to operators of special and regular transportation service;

(e) Examine the feasibility of transportation voucher systems as a method of improving access to transportation for those with special transportation needs and decreasing capital and operating costs incurred by public agencies to support or provide that transportation. Voucher systems examined shall include systems which allow or require participation by agencies providing transportation as a component of other programs;

(f) Recommend the adoption of policies, rules and legislation necessary to implement programs which it has identified or developed as a result of its study and evaluation; and

(g) Report its findings, conclusions and recommendations to the legislature, including written and oral presentations to the appropriate standing committees. The task force shall make a preliminary report to the legislature not later than November 1, 1979. The preliminary report shall include the task force's findings under clause (a) and any additional findings, conclusions and recommendations which are appropriate for action by the legislature at the 1980 session. A final report covering all items set forth in clauses (a) to (f) shall be made to the legislature not later than July 1, 1980. This subdivision shall expire on December 31, 1980.

Sec. 27. Minnesota Statutes 1978, Chapter 174, is amended by adding a section to read:

[174.30] [OPERATING STANDARDS FOR SPECIAL TRANSPORTATION SERVICE.] Subdivision 1. [SPECIAL DEFINITION.] For the purpose of this section "special transportation service" does not include transportation provided by a common carrier operating on fixed routes and schedules, a taxi, a volunteer driver using a private automobile, a school bus as defined in section 169.01, subdivision 6, or an emergency ambulance regulated under chapter 144.

Subd. 2. [AUTHORITY TO ADOPT; PURPOSE AND CONTENTS; RULEMAKING.] The commissioner of transportation shall adopt standards for the operation of vehicles used to provide special transportation service which are reasonably necessary to protect the health and safety of individuals using that service. The commissioner, as far as practicable, consistent with the purpose of the standards, shall avoid adoption of standards that unduly restrict any public or private entity or person from providing special transportation service because of the administrative or other cost of compliance.

Standards adopted under this section may include but are not limited to:

(a) Qualifications of drivers and attendants including driver training requirements;

(b) *Safety equipment required for vehicles;*

(c) *General requirements concerning maintenance of standard equipment of vehicles; and*

(d) *Minimum insurance requirements.*

Subd. 3. [OTHER STANDARDS; WHEELCHAIR SECUREMENT.] *A special transportation service that transports individuals occupying wheelchairs is subject to the provisions of sections 299A.11 to 299A.18 concerning wheelchair securement devices. The commissioners of transportation and public safety shall cooperate in the enforcement of this section and sections 299A.11 to 299A.18 so that a single inspection is sufficient to ascertain compliance with sections 299A.11 to 299A.18 and with the standards adopted under this section.*

Subd. 4. [CERTIFICATE OF COMPLIANCE.] *The commissioner of transportation shall issue an annual certificate of compliance for each vehicle used to provide special transportation service which complies with the standards adopted under this section. A vehicle subject to subdivision 3 shall be issued a certificate of compliance only if the vehicle also complies with sections 299A.11 to 299A.18. The commissioner shall provide procedures for determining compliance and issuing the certificates. The procedures may include inspection of vehicles and examination of drivers.*

Subd. 5. [RULES.] *The standards authorized under subdivision 2 and the procedures authorized by subdivision 4 shall be adopted by rule in accordance with chapter 15. Not later than November 15, 1979, and before proposing any rules under this section the commissioner shall:*

(a) *Make available a draft of the rules, a plan for enforcing the rules and a proposed budget for the necessary enforcement activities of the department for review by the standing committees on transportation in both houses of the legislature; and*

(b) *Review the draft rules, enforcement plan and proposed budget with the interagency task force on coordination of special transportation service. The commissioner shall adopt the rules necessary to implement this section and commence enforcement of those rules not later than July 1, 1980.*

Subd. 6. [PREEMPTION OF OTHER REQUIREMENTS.] *Notwithstanding any other law, ordinance or resolution to the contrary an operator of special transportation service that has been issued a current certificate of compliance under subdivision 4 for a vehicle used to provide that service shall not be required to obtain any other state or local permit, license or certificate as a condition of operating the vehicle for that purpose. This subdivision does not exempt any vehicle from the requirements imposed on vehicles generally as a condition of using the public streets and highways.*

Subd. 7. [ENFORCEMENT.] *After January 1, 1981, no state agency, political subdivision or other public agency shall provide*

any capital or operating assistance to or reimbursement for services rendered by any operator of special transportation service unless current certificates of compliance have been issued under subdivision 4 for the vehicles used by the operator to provide the service.

Sec. 28. Minnesota Statutes 1978, Chapter 174, is amended by adding a section to read:

[174.31] [SPECIAL DEMONSTRATION PROJECT; COORDINATION OF SPECIAL TRANSPORTATION SERVICE IN THE METROPOLITAN AREA.] *Subdivision 1. [ESTABLISHMENT; OBJECTIVES.] A special demonstration project for coordination of special transportation service in the metropolitan area as defined in section 473.121, subdivision 2, shall be established and implemented by the commissioner with the following objectives:*

(a) To provide greater access to transportation for the elderly, handicapped and others with special transportation needs in the metropolitan area and particularly to fill all unmet needs for that transportation in the transit taxing district as defined in section 473.446, subdivision 2; and

(b) To develop an integrated system of special transportation service providing transportation tailored to meet special individual needs in the most cost-efficient manner using existing public and private providers of service.

For the purpose of this section "project" means the demonstration project established under this subdivision.

Subd. 2. [FINANCING; IMPLEMENTATION; MANAGEMENT AND ADVISORY GROUPS.] The project shall be operated pursuant to the rules governing and funded with money available under the paratransit service demonstration grant program. The commissioner shall not operate the project but shall contract for services necessary for its operation. All transportation service provided through the project shall be provided under a contract between the commissioner and the provider which specifies the service to be provided and the rates for providing it. The commissioner shall establish a committee to set management policies for the project. The management policy committee shall include the commissioner or his designee, representatives of persons contracting to provide services for the project, a representative of the metropolitan council, a representative of the metropolitan transit commission and at least two representatives of the task force established to advise the committee. The meetings of the management policy committee shall be public and minutes of all meetings shall be taken, preserved and made available for public inspection. The commissioner shall establish an advisory task force of individuals representing the elderly, handicapped and other users of service provided by the project to advise the management policy committee.

Subd. 3. [DUTIES OF COMMISSIONER.] In implementing the project the commissioner shall:

(a) *Encourage participation in the project by public and private providers of special transportation service currently receiving capital or operating assistance from a public agency;*

(b) *Contract with public and private providers that have demonstrated their ability to effectively provide service at a reasonable cost;*

(c) *Encourage individuals using service provided through the project to use the type of service most appropriate to their particular needs;*

(d) *Insure that all persons providing service through the project receive equitable treatment in the allocation of the ridership;*

(e) *Encourage shared rides to the greatest extent practicable;*

(f) *Insure that a full range of service is made available through the project to all parts of the metropolitan transit taxing district;*

(g) *Encourage public agencies that provide transportation to eligible individuals as a component of human services and educational programs to coordinate with the project and to allow reimbursement for services provided through the project at rates that reflect the public cost of providing those services.*

Subd. 4. [COORDINATION REQUIRED.] *The commissioner shall not grant any financial assistance under sections 174.24 or 174.25 to any recipient that proposes to use any part of the grant to provide special transportation service in the metropolitan area unless the program is coordinated with the project in the manner determined by the commissioner. A recipient of a grant made before the effective date of this section shall coordinate its program with the project as far as practicable but shall not be denied any additional grant for which it is otherwise qualified solely because it is not coordinated with the project.*

Subd. 5. [COMPLIANCE WITH OPERATING STANDARDS.] *A vehicle providing special transportation service which is subject to the operating standards adopted pursuant to section 27 shall not be allowed to provide service through the project after January 1, 1981, unless a current certificate of compliance has been issued to the vehicle.*

Subd. 6. [EVALUATION AND REPORTS.] *The commissioner shall evaluate the project and submit a report to the legislature in January, 1981, including the following information:*

(a) *All amounts of money spent or obligated for the project by the commissioner and the persons receiving those amounts;*

(b) *The types of service provided, number of individuals served and areas covered;*

(c) *A comparison of the cost of providing different types of service;*

(d) *A review of the achievements or failures of the project, problems encountered in implementation and conclusions and recommendations concerning future action.*

The commissioner shall submit a preliminary report to the legislature in January, 1980, covering the above information to the extent it is available at that time.

Subd. 7. [EXPIRATION OF PROJECT.] The project shall expire June 30, 1981, and the commissioner shall not enter a contract or make any grant the proceeds of which may be expended for the purpose of implementing or continuing the project beyond June 30, 1981.

Sec. 29. Minnesota Statutes 1978, Section 256B.04, Subdivision 12, is amended to read:

Subd. 12. Place limits on the types of services covered by medical assistance, the frequency with which the same or similar services may be covered by medical assistance for an individual recipient, and the amount paid for each covered service. The state agency shall promulgate rules, including temporary rules, establishing maximum reimbursement rates for emergency and non-emergency ambulance transportation.

The rules shall provide:

(a) An opportunity for all recognized transportation providers to be reimbursed for non-emergency transportation consistent with the maximum rates established by the agency;

(b) Reimbursement of public and private nonprofit providers serving the handicapped population generally at reasonable maximum rates that reflect the cost of providing the service regardless of the fare that might be charged by the provider for similar services to individuals other than those receiving medical assistance or medical care under this chapter; and

(c) Reimbursement for each additional passenger carried on a single trip at a substantially lower rate than the first passenger carried on that trip.

The commissioner shall encourage providers reimbursed under this chapter to coordinate their operation with similar services that are operating in the same community. To the extent practicable, the commissioner shall encourage eligible individuals to utilize less expensive providers capable of serving their needs.

For the purpose of this subdivision and section 256B.02, subdivision 8, and effective on January 1, 1981, "recognized providers of transportation services" means any operator of special transportation service as defined in section 24 that has been issued a current certificate of compliance with operating standards of the department of transportation or, if those standards do not apply to an operator, that the agency finds is able to provide the required transportation in a safe and reliable manner. Until January 1, 1981, "recognized transportation providers" includes any operator of special transportation service that the agency finds is able to provide the required transportation in a safe and reliable manner.

Sec. 30. [EFFECTIVE DATE.] *Sections 17, 23, 26, 27, 28 and 29 are effective the day following final enactment."*

Page 26, after line 28, insert:

"Sec. 31. [TRANSFERS.] *The commissioner of transportation may transfer the following amounts from appropriations for para-transit grants to the appropriation for transit administration:*

(a) *Up to \$25,000 for administrative support for the inter-agency task force on coordination of special transportation programs; and*

(b) *Up to \$75,000 for development of operating standards for vehicles providing special transportation service and of procedures for enforcing the standards. Any amount transferred in the first year of the biennium shall not cancel but shall be available until June 30, 1981."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 9, after the semicolon insert "providing for encouragement, coordination and safety regulation of programs concerning special transportation service;"

Page 1, line 11, before the first semicolon insert "and by adding a subdivision"

Page 1, line 12, after the second semicolon insert "256B.04, Subdivision 12;"

Page 1, line 16, delete "a section" and insert "sections"

The motion prevailed. So the amendment was adopted.

Mr. Frederick moved to amend H. F. No. 1563, as amended pursuant to Rule 49, adopted by the Senate May 10, 1979, as follows:

(The text of the amended House File is identical to S. F. No. 1540.)

Page 26, after line 28, insert:

"Sec. 54. Minnesota Statutes 1978, Section 296.02, Subdivision 1, is amended to read:

296.02 [GASOLINE, EXCISE TAX.] Subdivision 1. [TAX IMPOSED FOR MOTOR VEHICLE USE.] There is hereby imposed an excise tax of nine ten cents per gallon on all gasoline used in producing and generating power for propelling motor vehicles used on the public highways of this state. This tax shall be payable at the times, in the manner, and by persons specified in this chapter.

Sec. 55. *The increased tax imposed by section 54 applies to all gasoline and special fuels, as defined in section 296.01, subdivision 6, in distributor storage on July 1, 1979."*

Amend the title as follows:

Page 1, line 9, after the semicolon, insert "increasing the excise tax on gasoline;"

Page 1, line 12, after the second semicolon, insert "296.02, Subdivision 1;"

Mr. Purfeerst moved to amend the Frederick amendment to H. F. No. 1563 as follows:

Page 1, after line 15, insert:

"Sec. 55. [161.045] [USE OF CERTAIN EXCISE TAX PROCEEDS.] *The net proceeds of the increase in the gasoline excise tax imposed pursuant to section 54 of this act shall be expended solely for maintenance of the streets and highways in existence on the effective date of this section which are eligible for assistance from the trunk highway fund, the county state-aid highway fund and the municipal state-aid street fund.*"

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

The question recurred on the amendment of Mr. Frederick.

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 20 and nays 40, as follows:

Those who voted in the affirmative were:

Ashbach	Frederick	Laufenburger	Pillsbury	Schaaf
Brataas	Jensen	Nichols	Purfeerst	Strand
Chmielewski	Kirchner	Olson	Renneke	Ueland, A.
Dunn	Knutson	Penny	Rued	Ulland, J.

Those who voted in the negative were:

Anderson	Gunderson	Knoll	Ogdahl	Spear
Bang	Hanson	Lessard	Olhoff	Staples
Benedict	Hughes	Luther	Perpich	Stokowski
Chenoweth	Humphrey	McCutcheon	Schmitz	Stumpf
Coleman	Johnson	Menning	Sieloff	Tennessen
Davies	Keefe, S.	Merriam	Sikorski	Vega
Dieterich	Kleinbaum	Moe	Sillers	Wegener
Gearty	Knaak	Nelson	Solon	Willet

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

Mr. Schaaf moved to amend H. F. No. 1563, as amended pursuant to Rule 49, adopted by the Senate May 10, 1979, as follows:

(The text of the amended House File is identical to S. F. No. 1540.)

Page 26, after line 28, insert:

"Sec. 39. [DEFINITIONS.] *Subdivision 1. The definitions in this section apply to sections 39 to 51.*

Subd. 2. "City" means the city of St. Paul in Ramsey County acting through the city council or any agency, authority or corpora-

tion established by or with the approval of the city, acting through its governing body, to implement any of the provisions of sections 39 to 53.

Subd. 3. "Commission" means the metropolitan transit commission created by Minnesota Statutes, Section 473.404, having jurisdiction over the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington.

Subd. 4. "People mover system" means an automated fixed guideway transit system designed to serve the main commercial area of the city of St. Paul and the area of the city surrounding it as determined by the board, and all property, real and personal, and all contract rights, determined to be necessary or desirable for the acquisition, betterment, operation and maintenance of the system.

Subd. 5. "Transit system" has the meaning given in Minnesota Statutes, Section 473.121.

Subd. 6. "Acquisition" and "betterment" have the meanings given in Minnesota Statutes, Section 475.51.

Subd. 7. "Vehicle system" means the transit cars, the guideway, the guideway columns, the guideway electrification, the control and communication mechanisms, the platform doors, the maintenance and control center equipment, and other similar necessary components of the people mover system.

Subd. 8. "Capitol area" has the meaning given in Minnesota Statutes, Section 15.50.

Subd. 9. The "joint management board" or "board" means the board created under section 40.

Subd. 10. "Revenue service" means days the people mover system is actually operating and available for use by the general public.

Sec. 40. [JOINT MANAGEMENT BOARD; IMPLEMENTATION AUTHORITY.] The city and the commission shall enter into a written joint powers agreement establishing a joint management board to manage and supervise the people mover system. The board shall have the powers and responsibilities provided for in sections 39 to 53 and in the agreement. The board shall be composed of seven members. Two shall be members of the commission appointed by the chairman of the commission with the approval of the commission. Not more than one of these members shall be a resident of the city of St. Paul. Two members of the St. Paul city council and two members representing property owners in the area served by the people mover shall be appointed by and serve at the pleasure of the mayor of the city of St. Paul and shall be confirmed by the council. Notwithstanding the provisions of section 471.59, subdivision 2, the seventh member and chairman of the board shall be appointed by the chairman of the metropolitan council established by Minnesota Statutes, Section 473.123 and shall not be a resident of the city of St. Paul. The city and the commission acting together, pursuant to the joint powers agreement or any amendment thereof, may exercise all powers conferred upon either or

both of them by law or charter, to provide for the acquisition, betterment, operation, maintenance and promotion of a people mover system. The commission shall agree as part of the joint powers agreement to issue bonds as needed for the acquisition and betterment of the people mover system as provided in section 49. The joint powers agreement shall include an agreement providing for coordination of the people mover system with transit service operated by the commission to encourage and enhance ridership on both systems and a parking, traffic and pedestrian management plan to improve and facilitate access to the people mover system, including construction of fringe parking facilities and skyways. By December 15, 1980, the board shall report to the legislature on the joint powers agreement, the activities conducted pursuant to it and to sections 39 to 53, and any additional legislation that may be necessary or appropriate. In addition to filing copies of the report as provided in section 3.195, the board shall provide an oral presentation to the appropriate standing committees of the legislature.

Sec. 41. [METROPOLITAN COUNCIL REVIEW AND RECOMMENDATION.] *The metropolitan council established by Minnesota Statutes, Section 473.123, in making its review under Minnesota Statutes, Section 473.171, of the application for federal grant in connection with the people mover system as a matter of metropolitan significance, shall conduct a public hearing upon such application and the program proposed thereby within 30 days of submission of the application to the council. Not less than 14 days before the hearing the council shall publish notice thereof in a newspaper having general circulation in the metropolitan area, stating the date, time and place of hearing, and the place where the application may be examined by any interested person. Within 14 days after the hearing the council shall make its recommendation upon the application and cause notice of the same to be published in the same manner as the hearing notice.*

Sec. 42. [EQUIPMENT PURCHASE.] *Subdivision 1. [REQUEST FOR PROPOSALS.] Notwithstanding the provisions of Minnesota Statutes, Sections 471.345 and 471.35 or any other provision of law or charter, a contract for purchase of a vehicle system comprising part of the people mover system shall be awarded to the bidder whose proposal is determined to be most favorable on the basis of specifications which shall include the following considerations: the cost of the vehicle system; its cost consequence for other elements of the people mover system; the operating and maintenance cost of the vehicle system; its visual, aesthetic, environmental, noise and energy impact; the supplier's plan for winter operation; the capacity of the vehicle system to meet the functional and physical specifications of the contract documents; the ability of the bidder to perform design, furnishing, installing and testing services for all vehicle system elements and for construction coordination; and ability of the bidder to meet requirements imposed as contract conditions in any grant contract entered into with the federal government. Bids may not be solicited without approval by the board of the functional and physical specifications proposed for the vehicle system purchase contract. Eligi-*

ble bidders shall be limited to suppliers who have provided people mover systems which have successfully served the public.

Subd. 2. [CONTRACT AWARD.] Contracts for equipment purchase and for construction may not be awarded without approval of the board. The purchase contract for the vehicle system shall require the supplier to assure that the vehicle system operates within the specifications of the contract and to maintain the vehicle system for a five year period of revenue operation at a fixed base price with escalation clauses. The contract shall contain a provision permitting termination of the operation and maintenance portion of the contract (by the board) at the end of any year of revenue operation.

Subd. 3. [CERTIFICATION.] No revenue operation of the people mover system shall begin until the board receives written notice, signed by the administrator of the urban mass transportation administration, stating that the vehicle system or the part proposed to be operated has been fully tested, that it meets the criteria for acceptance established by the authority that let the construction and equipment purchase contracts with the concurrence of the administration, and that it is ready for year-around revenue operation. The purchase contract for the vehicle system shall so provide. The written notice from the administration shall not imply any legal liability of the federal government for construction or operation of the people mover system.

Sec. 43. [SPECIAL ASSESSMENT.] The people mover system and related access facilities, including the seventh place pedestrian mall and public galleria facilities, are determined to be local improvements within the meaning of the Minnesota Constitution, Article X, the city's charter, and Minnesota Statutes, Chapters 429 and 430. Accordingly, the costs of acquisition, construction, reconstruction, extension, operation, maintenance and promotion of the people mover system and such facilities whether paid or to be paid by the city or the commission, may be specially assessed against property determined to be specially benefited thereby, to the extent of and in proportion to the benefits. The special assessment shall be levied by the city pursuant to its charter, chapter 429 or 430, and the collections thereof may be pledged to the payment of the costs.

Sec. 44. [ACCESS FACILITIES.] By December 15, 1980 the board, the commission and the city shall report to the legislature on their plans for improving and facilitating access to the people mover system from other modes of transportation. In addition to filing copies of the reports as provided in section 3.195, the board, the city and the commission shall provide oral presentations of the reports to the appropriate standing committees of the legislature. The commission, subject to the approval of the board, shall produce a plan for managing the relationship between transit vehicles and the people mover to enhance ridership, revenue and patron satisfaction on both systems. The city, subject to the approval of the board, shall produce parking and traffic and pedestrian management plans, including plans for the construction of fringe parking ramps or lots and skyways to improve and facilitate

access to the people mover system. The parking plans shall identify the specific locations and capacities of the proposed facilities, along with preliminary design, engineering, and traffic management studies. The plans shall include a development program with a schedule for the development of such facilities and a detailed financial plan demonstrating financial capability for a prospective five year period to support the capital, operating, maintenance and promotional costs of the parking and other access facilities.

Sec. 45. [FARE AND TRANSFER POLICIES.] *Subdivision 1. [REDUCED OR SOCIAL FARES.] Fares charged during non-peak hours for elderly and handicapped riders shall not exceed one-half of the peak hour fares for the general public. The board may charge the social fares provided in Minnesota Statutes, Section 473.408, Subdivision 3, during non-peak hours. The board shall determine the peak and non-peak hours of the people mover system for purposes of the reduced fares provided in this subdivision. Reduced or social fares charged by the board shall be reimbursed by the Minnesota department of transportation as provided in Minnesota Statutes, Section 174.24, Subdivision 4.*

Subd. 2. [TRANSFER POLICY.] All fares charged to riders of the people mover system who transfer from the system to transit service provided by the commission shall be paid to the commission. No additional fare shall be charged to any rider who transfers to the people mover system from transit service provided by the commission.

Sec. 46. [OPERATING DEFICIT; DETERMINATION AND PAYMENT.] *Subdivision 1. Any operating deficit of the people mover system shall be paid as provided in this section and section 47.*

Subd. 2. For the purposes of this section and section 47, "operating deficit" means that portion of the costs of operating, maintaining and promoting the people mover system during the period of revenue service which exceeds the amount received from revenues of the system, reimbursement for reduced or social fares, federal operating assistance and other sources exclusive of payments by the city, the commission and owners of benefited properties as provided in this section and section 47.

Subd. 3. As soon as practicable before the start of revenue service, the board shall:

(a) Establish an operating deficit account for the deposit of all money required to be paid pursuant to this section by the city, the commission and owners of benefited properties and for the payment of the operating deficit;

(b) Determine the estimated operating deficit for the calendar year in which revenue service is expected to begin and for the first year of revenue service;

(c) Determine the amount of the share required from the city, the commission and the owners of benefited properties to pay the estimated operating deficit as provided in section 47. If the system

is expected to be in revenue service for only a portion of the first calendar year of revenue service, the shares shall be prorated according to the percentage of the year the system is expected to be in revenue service; and

(d) Establish procedures which assure that an amount equal to the estimated operating deficit for the calendar year in which service begins, as determined under clause (b), is paid to the operating deficit account by the city and the commission not later than the first day of revenue service and that additional amounts will be paid by the city and the commission if necessary to pay the actual operating deficit through the end of the first full calendar year of revenue service. The amounts which the city and commission may be required to pay pursuant to this clause are not limited to the amounts provided in section 47.

The city shall levy assessments on benefited properties pursuant to section 43 in the amount the board determines is required from the owners of the properties to pay the estimated operating deficit as determined under clause (c) of this subdivision. These assessments shall be levied at the earliest possible time consistent with the provisions of section 43.

Subd. 4. Not later than July 1 of the first full calendar year of revenue service and at one year intervals thereafter the board shall:

(a) Determine the actual operating deficit for the preceding calendar year;

(b) Determine the amounts paid into the operating deficit account during the preceding calendar year by the city, the commission and owners of benefited properties. Deductions and additions carried over from another year shall be included in payments made during the year subject to the determination;

(c) Determine the amounts which are required from the city, the commission and owners of benefited properties to pay the operating deficit for the preceding calendar year pursuant to section 47;

(d) Determine whether the city, the commission or owners of benefited properties have paid to the operating deficit account during the preceding calendar year an amount that is more or less than that required under clause (c) of this subdivision and deduct the excess from or add the deficiency to the required payment by that party for the following calendar year;

(e) Determine the estimated operating deficit for the following calendar year and the amounts which are required from the city, the commission and owners of benefited properties to pay that estimated operating deficit pursuant to section 47;

(f) Establish a schedule of payments by the city and the commission for the following calendar year which assures the payment of the estimated operating deficit in a timely manner; and

(g) Report its findings and determinations to the city and the commission.

For the purpose of the determination made in the first full calendar year of revenue service, the preceding calendar year is deemed to include all preceding calendar years in which an operating deficit was incurred or payments were made by the city, the commission and owners of benefited property.

Subd. 5. At the earliest possible time after receiving a report of the board as provided in subdivision 4, the city shall levy assessments for the amount determined by the board to be required from owners of benefited properties to pay the estimated operating deficit less any amount previously assessed which was not due and payable before the close of the previous year. The assessments shall be levied pursuant to section 43.

Subd. 6. The city and the commission shall pay the amounts determined by the board to be required from them to pay the estimated operating deficit according to the schedule established by the board.

Sec. 47. [OPERATING DEFICIT SHARING FORMULA.]
Subdivision 1. The city, the commission and the owners of benefited properties shall share in the payment of the operating deficit according to the provisions of subdivisions 2 to 5.

Subd. 2. Owners of benefited properties shall pay the first \$300,000 of any operating deficit for any year of revenue service, subject to escalation as provided in subdivision 5. Payments shall be pursuant to assessments levied by the city pursuant to section 43.

Subd. 3. If the operating deficit for any year exceeds the amount required to be paid pursuant to subdivision 2, the city, the commission and owners of benefited properties shall each pay one-third of the remaining portion up to a maximum of \$500,000, subject to escalation as provided in subdivision 5. Payments by owners of benefited properties shall be pursuant to assessments levied by the city pursuant to section 43.

Subd. 4. If the operating deficit for any year exceeds the amounts required to be paid pursuant to subdivisions 2 and 3, the city shall pay the additional amount.

Subd. 5. The maximum payments provided in subdivisions 2 and 3 shall be increased beginning July 1, 1978, to the close of the first year of revenue service by an amount equal to the local consumer price index not to exceed eight percent, compounded annually. After the first year of revenue service, the amount calculated under the preceding sentence shall be increased by the actual rate of inflation of the cost of operating, and maintaining the people mover system, compounded annually.

Sec. 48. [CAPITOL AREA FACILITIES; STATE OWNED PROPERTY.]
Subdivision 1. Construction of the people mover system within the capitol area shall be exempt from the provisions of Minnesota Statutes 1978, Section 15.50, Subdivision 2, Clause (e), requiring design competition except that capitol sta-

tion west shall be subject to an invited competition as defined in part II, 6, c(2) of the American Institute of Architecture document number 6-J332, issued November, 1976, sponsored and conducted by the capitol area architectural and planning board upon guidelines and criteria as determined by agreement between that board and the joint board. System improvements within the capitol area shall be in conformity with the comprehensive use plan for the capitol area and subject to the approval of the capitol area architectural and planning board.

Subd. 2. The commissioner of administration on behalf of the state may grant to the city or the commission, without compensation, easements for the construction, location and operation of the people mover system upon state owned property. The commissioner of administration and the urban mass transportation administration shall establish the value of easements and related access facilities in the capitol area which will be required for the people mover and which are eligible in lieu of cash as local contributions to the capital cost of the people mover project. The value of these easements and facilities shall be applied to the commission's share of the local contributions.

Sec. 49. Laws 1979, Chapter 46, Section 1, is amended by adding a subdivision to read:

Subd. 6. [PEOPLE MOVER SYSTEM.] The commission may issue certificates of indebtedness, bonds or other obligations in an amount not exceeding \$9,000,000 for the purpose of acquisition and betterment of the people mover system as defined in section 39. The proceeds of the obligations shall be expended as provided in the joint powers agreement entered into by the commission pursuant to section 40. Proceeds of the obligations which are not needed for acquisition and betterment of the people mover system shall be expended to pay the operating deficit of the people mover system pursuant to sections 46 and 47. No obligations shall be issued under this subdivision until the commission determines that agreements have been executed between the authority that will let the construction contract for the people mover system and the appropriate labor organizations and construction contractor organizations which provide that no labor strike or management lockout will halt, delay or impede construction.

Sec. 50. [JUDICIAL PROCEEDINGS; TIME TO COMMENCE.] No action shall be commenced or maintained, nor defense interposed in an eminent domain proceeding, questioning the public purpose, propriety of expenditure of public funds, or validity of any law authorizing the acquisition, betterment, operation, maintenance or financing of the people mover system, except by lawsuit commenced in the district court of Ramsey County within 90 days of the date of publication of the metropolitan council recommendation given pursuant to section 41, or within 90 days of the date of written notice mailed to persons whose property may be taken by subsequent proceedings in eminent domain for the people mover system or right of way. Such action

timely commenced by any taxpayer, any person whose property is or may be taken or interfered with by reason of the proposed implementation of the people mover system, or other person with standing, shall be maintained in the manner provided by law, including Minnesota Statutes, Chapter 562. Nothing in this subdivision nor notice given pursuant thereto shall be construed as a taking of private property, nor as limiting a property owner's right to just compensation for the taking of private property to be litigated in proceedings in eminent domain subsequently instituted under charter or Minnesota Statutes, Chapter 117, for such taking and assessment and award of damages.

Sec. 51. [LIMIT ON CAPITAL EXPENDITURES.] *Subdivision 1. [TOTAL EXPENDITURES.] Except as otherwise provided in this subdivision, the sum of all expenditures by the city and the commission, including federal grants and in-kind expenditures, for acquisition, construction and betterment of the people mover system shall not exceed \$90,000,000. This amount may be increased by up to 20 percent if the federal urban mass transportation administration provides 80 percent matching grants for any amount exceeding \$90,000,000 and that all of the non-federal share required to match the federal grants is provided by the city.*

Subd. 2. [COMMISSION EXPENDITURES.] The commission shall expend no money for the acquisition, construction or betterment of the people mover system except the proceeds of the bonds authorized in section 49.

Sec. 52. [REPEALER.] *Laws 1977, Chapter 454, Section 45, is repealed.*

Sec. 53. [EFFECTIVE DATE.] *Sections 39 to 52 are effective upon approval by resolution of the St. Paul city council and by resolution of the metropolitan transit commission. The resolutions shall be adopted after published notice to the public and public hearing."*

Amend the title as follows:

Page 1, line 9, after the semicolon insert "authorizing the acquisition, betterment, operation and maintenance of a people mover system in St. Paul; authorizing financial participation in its construction and operation by the metropolitan transit commission; providing for assistance by the state;"

Page 1, line 16, delete "and"

Page 1, line 17, before the period insert "; and Laws 1979, Chapter 46, Section 1, by adding a subdivision; repealing Laws 1977, Chapter 454, Section 45"

Mr. Sieloff moved to amend the Schaaf amendment to H. F. No. 1563 as follows:

Page 1, line 9, delete "51" and insert "52"

Page 14, after line 17, insert:

"Sec. 52. [RELATIONSHIP TO TAX INCREMENT FINANCING DISTRICTS.] *After approval of sections 39 to 53 by the governing body of the city of St. Paul, no tax increment financing district may be certified by the county auditor pursuant to the provisions of Minnesota Statutes, Chapters 458, 462, 472A or 474 if the proposed district includes any property located within a distance of one half mile of the proposed route of the people mover system. In the case of a tax increment financing project for which certification has been requested from the county auditor prior to approval of sections 39 to 53, there may be no geographic enlargement of the district to add any property located within one half mile of the route. If a district for which certification was requested prior to approval of sections 39 to 53 includes property located within one half mile of the route, no bonds may be issued after the date of the approval of sections 39 to 53 by the municipality or the authority responsible for the project for the purpose of financing project activities within the district.*"

Page 14, line 20, delete "52" and insert "53"

The motion prevailed. So the amendment to the Schaaf amendment was adopted.

Mr. Sieloff then moved to amend the Schaaf amendment to H. F. No. 1563 as follows:

Page 11, line 17, after the comma insert "*owners of benefited properties shall pay one-half of the excess up to a maximum of \$800,000, subject to escalation as provided in subdivision 5, and*"

Page 11, line 17, delete "additional" and insert "remaining"

Page 11, line 18, after "amount" insert "*of the excess*"

Page 11, line 18, after the period insert "*Payments by owners of benefited properties shall be pursuant to assessments levied by the city pursuant to section 43.*"

The motion prevailed. So the amendment to the Schaaf amendment was adopted.

Mr. Sieloff then moved to amend the Schaaf amendment to H. F. No. 1563 as follows:

Page 5, line 17, after the period insert "*The five year period shall be extended for the period of time equal to the time when the vehicle system is not in service because of a failure of the system to perform according to the specifications of the contract.*"

The motion prevailed. So the amendment to the Schaaf amendment was adopted.

Mr. Luther moved to amend the Schaaf amendment to H. F. No. 1563 as follows:

Page 2, line 29, delete "seven" and insert "nine"

Page 3, line 4, after "council." insert "*Two members of the Ramsey County board of commissioners shall be appointed by the county board.*"

Page 3, line 6, delete "*seventh*" and insert "*ninth*"

Page 3, line 15, delete "*The commission*" and insert "*Ramsey County*"

Page 6, line 17, after the period, insert "*No state-owned property shall be assessed pursuant to this section.*"

Page 12, line 24, delete everything after "49."

Page 12, delete line 25

Page 12, line 26, delete "*Subd. 6. [PEOPLE MOVER SYSTEM.]*" and insert "*[RAMSEY COUNTY BONDS.]*"

Page 12, line 26, delete "*The commission*" and insert "*Ramsey County*"

Page 12, line 32, delete "*commission*" and insert "*county board*"

Page 12, line 33, delete everything after the period

Page 13, delete lines 1 and 2

Page 13, line 3, delete everything before "*No*"

Page 13, line 5, delete "*commission*" and insert "*county board*"

Page 13, after line 10, insert:

"The obligations authorized by this section shall be sold, issued and secured in the manner provided in Minnesota Statutes, Chapter 475, for general obligation bonds. The full faith and credit and taxing powers of Ramsey County, with respect to the commercial and industrial property located therein shall be pledged to the payment of the principal and interest of the bonds. The county board of commissioners shall levy an amount of tax necessary to pay the principal and interest of the bonds upon all parcels of taxable real estate, including buildings and improvements thereon, which are situated in the county and are devoted to a commercial or industrial use. For the purpose of this section, commercial and industrial property includes all real property in class 4 as described in section 273.13, subdivision 9, except real property and buildings and improvements thereon which are used exclusively to provide residential, nontransient housing, and for functionally related and subordinate purposes. The approval of the electors of Ramsey County shall not be required for the issuance of bonds authorized by this section."

Page 13, line 17, after the comma, insert "*including the special assessment provisions of this act,*"

Amend the title amendment as follows:

Page 14, line 30, delete "*and*"

Page 14, line 31, delete "*operation by the metropolitan transit commission*" and insert "*by Ramsey County; establishing a procedure for payment of the operating deficit*"

Page 14, line 32, after the semicolon insert "authorizing issuance of bonds by Ramsey County and payment from a tax levied on commercial and industrial property in Ramsey County;"

Page 14, delete line 33

Page 15, line 1, delete "; and Laws"

Page 15, line 2, delete everything before the semicolon

The question was taken on the adoption of the Luther amendment to the Schaaf amendment.

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

Those who voted in the affirmative were:

Benedict	Gunderson	Menning	Penny	Spear
Davies	Knoll	Olson	Sikorski	Tenneesen
Engler	Luther			

Those who voted in the negative were:

Ashbach	Gearty	Laufenburger	Renneke	Stumpf
Bang	Hughes	Lessard	Rued	Ueland, A.
Bernhagen	Humphrey	Moe	Schaaf	Ulland, J.
Brataas	Jensen	Nelson	Schmitz	Vega
Chenoweth	Keefe, S.	Ogdahl	Setzepfandt	Wegener
Chmielewski	Kirchner	Olhoft	Sieloff	Willet
Coleman	Kleinbaum	Peterson	Solon	
Dunn	Knaak	Pillsbury	Stokowski	
Frederick	Knutson	Purfeerst	Strand	

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

Pursuant to Rule 21, Mr. Moe moved that the following members be excused at 4:30 o'clock p.m. for a Conference Committee on H. F. No. 1518:

Messrs. Moe, Solon, Kirchner, Spear and Perpich. The motion prevailed.

Pursuant to Rule 21, Mr. McCutcheon moved that the following members be excused at 5:30 o'clock p.m. for a Conference Committee on H. F. No. 1495:

Messrs. McCutcheon, Sillers, Hanson, Johnson and Stokowski. The motion prevailed.

Pursuant to Rule 21, Mr. Merriam moved that the following members be excused at 6:30 o'clock p.m. for a Conference Committee on H. F. No. 223:

Messrs. Merriam, Anderson, Dunn, Hughes and Dieterich. The motion prevailed.

Pursuant to Rule 21, Mr. Moe moved that the following members be excused at 7:30 o'clock p.m. for a Conference Committee on S. F. No. 1504:

Messrs. Moe, Kleinbaum, Menning, Pillsbury and Ashbach. The motion prevailed.

Pursuant to Rule 21, Mr. Humphrey moved that the following members be excused at 7:30 o'clock p.m. for a Conference Committee on S. F. No. 1510:

Messrs. Humphrey; Willet; Chenoweth; Keefe, S. and Dunn. The motion prevailed.

Mr. Benedict moved to amend the Schaaf amendment to H. F. No. 1563 as follows:

Page 14, after line 17, insert:

"Sec. 52. [REFERENDUM.] The governing body of any municipality, county or of the commission, before issuing any debt obligations for the purpose of acquisition or betterment of the people mover system, shall cause a referendum to be held on the sale of bonds if the governing body is presented with a petition signed by residents of the jurisdiction equal in number to 10 percent of those voting for the office of governor at the last gubernatorial election within the jurisdiction. The petition shall be presented to the governing body within 30 days of any vote by the governing body to issue debt obligations for the purpose of acquisition or betterment of the people mover system. If a referendum is required, the matter shall be placed on the ballot of the jurisdiction and shall be voted on at the next election of officers of that jurisdiction. If the commission is required to cause a referendum to be held under this section, the matter shall be placed on the county ballots of the seven metropolitan area counties at the next election of county officers. The question on the ballot shall be:

"Shall the (name of city, county or commission) issue debt obligations for the purpose of constructing the downtown people mover?"

Yes.....

No....."

If a referendum is required, no debt obligations shall be issued by the jurisdiction unless a majority of those voting on the question vote "yes".

Renumber the sections in sequence

Correct the internal references

The question was taken on the adoption of the Benedict amendment to the Schaaf amendment.

The roll was called, and there were yeas 18 and nays 33, as follows:

Those who voted in the affirmative were:

Benedict	Knaak	Penny	Sikorski	Ulland, J.
Dieterich	Luther	Peterson	Staples	Willet
Frederick	Menning	Pillsbury	Strand	
Gunderson	Olson	Sieloff	Stumpf	

Those who voted in the negative were:

Ashbach	Gearty	Knoll	Olhoft	Solon
Bernhagen	Hughes	Knutson	Perpich	Spear
Brataas	Humphrey	Laufenburger	Purfeerst	Ueland, A.
Coleman	Jensen	Lessard	Rued	Vega
Davies	Keefe, S.	Moe	Schaaf	Wegener
Dunn	Kirchner	Nelson	Schmitz	
Engler	Kleinbaum	Nichols	Setzepfandt	

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

Mr. Humphrey moved to amend the Schaaf amendment to H. F. No. 1563 as follows:

Page 2, lines 18 and 26, delete "*management*"

Page 2, line 23, delete "MANAGEMENT"

Page 2, line 26, delete "*manage and*"

Page 2, line 26, after "*supervise*" insert "*the construction of*"

Page 3, line 13, delete the second comma and insert "*and*"

Page 3, line 14, delete ", *operation, maintenance and promotion*"

Page 5, line 19, delete "*by the board*"

Page 6, line 26, delete "*subject to the approval of*" and insert "*in consultation with*"

Page 6, line 30, delete "*subject to the approval of*" and insert "*in consultation with*"

Page 7, line 10, delete "FARE AND TRANSFER POLICIES" and insert "OPERATION BY COMMISSION; FARES; TRANSFERS"

Page 7, line 10, after "1." insert "[OWNERSHIP AND OPERATION.] *The commission shall own the people mover system and shall operate the system beginning with the first day of revenue service.*

Subd. 2."

Page 7, line 14, delete "*board*" and insert "*commission*"

Page 7, line 16, delete "*board*" and insert "*commission*"

Page 7, line 19, delete "*board*" and insert "*commission*"

Page 7, line 22, delete "2" and insert "3"

Page 7, lines 22 to 25. delete all the language from "All" in line 22 through the period in line 25

Page 7, line 27, after "*from*" insert "*other*"

Page 8, line 10, delete "*board*" and insert "*commission*"

Page 9, line 6, delete "*board*" and insert "*commission*"

Page 9, line 14, delete "*board*" and insert "*commission*"

Page 10, line 11, delete "*and the commission*"

Page 10, line 19, delete "*board*" and insert "*commission*"

Page 10, line 21, delete "*board*" and insert "*commission*"

Page 10, line 27, delete "*board*" and insert "*commission*"

Page 10, line 29, delete "*board*" and insert "*commission*"

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

Mr. Chmielewski moved to amend the Schaaf amendment to H. F. No. 1563 as follows:

Page 14, after line 24, insert:

"Sec. 54. Minnesota Statutes 1978, Section 296.02, Subdivision 1, is amended to read:

296.02 [GASOLINE, EXCISE TAX.] Subdivision 1. [TAX IMPOSED FOR MOTOR VEHICLE USE.] There is hereby imposed an excise tax of ~~nine cents per gallon~~ on all gasoline used in producing and generating power for propelling motor vehicles used on the public highways of this state. *The rate of the gasoline excise tax shall be in terms of cents per gallon and shall be determined pursuant to section 55 or 56.* This tax shall be payable at the times, in the manner, and by persons specified in this chapter.

Sec. 55. Minnesota Statutes 1978, Chapter 296, is amended by adding a section to read:

[296.021] [RATE OF GASOLINE EXCISE TAX.] Subdivision 1. [BASE RATE.] *The base rate for excise tax computation shall be nine cents per gallon. The base value for the consumer price index is the January, 1978, revised all urban consumer price index for the Minneapolis-St. Paul metropolitan area, prepared by the United States Department of Labor, with 1967 as the base year.*

Subd. 2. [COMPUTATION OF TAX RATE.] *Annually on or before June 1, the commissioner shall determine the excise tax rate in terms of cents per gallon, in the following manner:*

(a) *The base rate of excise tax for gasoline shall be multiplied by an indexing factor to be determined by dividing the value of the revised all urban consumer price index for the Minneapolis-St. Paul metropolitan area, prepared by the United States Department of Labor, for the month of February of the current year by the base value for the consumer price index.*

(b) *The excise tax so determined shall be rounded down to the nearest one-tenth of one cent, and shall be effective July 1 of the current year.*

If the consumer price index for February of the current year is computed using a base year other than 1967, the value of the current index shall be adjusted by recomputing it using 1967 as the base year. The adjusted value of the current index shall be used to determine the tax rate under clause (a).

Sec. 56. Minnesota Statutes 1978, Chapter 296, is amended by adding a section to read:

[296.022] [EXPIRATION OF INDEXING; CONTINUATION OF RATE.] *Effective July 2, 1979, section 55 is repealed and the rate of excise tax for gasoline is the rate which was calculated pursuant to section 2 and in effect on July 1, 1979.*

Sec. 57. *Notwithstanding the provisions of section 55 of this act, the rate of the gasoline excise tax imposed pursuant to Minnesota Statutes, Section 296.02, Subdivision 1, shall be nine cents per gallon until July 1, 1979.*

Sec. 58. [REPORT TO LEGISLATURE.] *Prior to January 1, 1981, the commissioners of transportation and revenue shall report to the legislature on the consumer price index based gasoline excise tax.*

Sec. 59. [EFFECTIVE DATE.] *Sections 56 to 58 are effective the day after final enactment."*

Amend the title amendment as follows:

Page 14, line 32, after the semicolon, insert "increasing the excise tax on gasoline;"

Page 14, after line 33, insert:

"Page 1, line 16, after the last semicolon, insert "Chapter 296, by adding sections;"

The question was taken on the adoption of the Chmielewski amendment to the Schaaf amendment.

The roll was called, and there were yeas 18 and nays 33, as follows:

Those who voted in the affirmative were:

Ashbach	Frederick	Laufenburger	Penny	Rued
Bernhagen	Jensen	Lessard	Pillsbury	Schmitz
Brataas	Kirchner	Ogdahl	Purfeerst	Wegener
Chmielewski	Knutson	Olson		

Those who voted in the negative were:

Benedict	Gearty	Luther	Renneke	Strand
Chenoweth	Gunderson	Menning	Schaaf	Stumpf
Coleman	Humphrey	Moe	Setzepfandt	Tennessen
Davies	Keefe, S.	Nelson	Sieloff	Vega
Dieterich	Kleinbaum	Nichols	Sikorski	Willet
Dunn	Knaak	Perpich	Spear	
Engler	Knoll	Peterson	Staples	

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

The question recurred on the Schaaf amendment, as amended.

Mr. Schaaf moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 34 and nays 23, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Kirchner	Perpich	Solon
Bang	Frederick	Kleinbaum	Peterson	Ueland, A.
Bernhagen	Gearty	Lessard	Pillsbury	Ulland, J.
Brataas	Hanson	Moe	Purfeerst	Vega
Chmielewski	Humphrey	Nelson	Rued	Wegener
Coleman	Jensen	Ogdahl	Schaaf	Willet
Dunn	Keefe, S.	Olson	Setzepfandt	

Those who voted in the negative were:

Benedict	Knaak	Menning	Schmitz	Staples
Chenoweth	Knoll	Merriam	Sieloff	Strand
Davies	Knutson	Nichols	Sikorski	Stumpf
Dieterich	Laufenburger	Penny	Spear	Tennessee
Gunderson	Luther	Renneke		

The motion prevailed. So the Schaaf amendment, as amended, was adopted.

Mr. Penny moved to amend H. F. No. 1563, as amended pursuant to Rule 49, adopted by the Senate May 10, 1979, as follows:

(The text of the amended House File is identical to S. F. No. 1540.)

Page 26, after line 28, insert:

"Sec. 39. Minnesota Statutes 1978, Section 222.48, is amended to read:

222.48 [DEFINITIONS.] Subdivision 1. As used in sections 222.46 to 222.54, the terms defined in this section shall have the meanings given them herein.

Subd. 2. "Department" means the *state planning agency department of transportation*.

Subd. 3. "~~Director~~" "*Commissioner*" means the *director of the state planning agency commissioner of transportation*.

Subd. 4. "Rail line" means railroad roadbeds, track, track structure, and other appurtenances of railroad right-of-way.

Subd. 5. "Rail service" means rail transportation and local rail service.

Subd. 6. "Rail users" means shippers, consignors or other business entities that depend upon or benefit from the movement of goods and products by means of rail service.

Subd. 7. "*Federal rail service continuation program*" means *any federal program created under the Railroad Revitalization and Regulatory Reform Act of 1976, Public Law 94-210, as amended*.

Sec. 40. Minnesota Statutes 1978, Section 222.50, Subdivision 3, is amended to read:

Subd. 3. The ~~director~~ *commissioner* shall have the power to:

(a) Set priorities for the allocation *and expenditure* of money or in kind contributions ~~to railroads according to authorized under the rail service improvement program and develop criteria developed by the director for eligibility and approval of projects under the program.~~ The criteria shall include the anticipated economic and social benefits to the state and to the area being served *and the economic viability of the project;*

(b) Negotiate and enter into contracts for rail line rehabilitation or other rail service improvement;

(c) Disburse state and federal money for rail service improvements; *and*

(d) Adopt rules necessary to carry out the purposes of sections 222.46 to 222.54 ; *and*

~~(e) Acquire elm railroad ties manufactured by Stillwater state prison inmates and disperse them by sale, lease or otherwise to be used in rail line rehabilitation. The director may negotiate with rail companies concerning the use of the ties. Progress reports on this activity shall be submitted to the senate finance and house appropriations committees on a regular basis .~~

Sec. 41. Minnesota Statutes 1978, Section 222.50, Subdivision 4, is amended to read:

Subd. 4. The director may negotiate and enter into contracts for the purpose of rail line rehabilitation *and for the purpose of assisting in the payment of the local share of a rehabilitation project under the federal rail service continuation program.* The participants in these contracts shall be railroads, rail users and the department, and may be political subdivisions of the state and the federal government. In such contracts, participation by all parties shall be voluntary. The director may provide a portion of the money required to carry out the terms of any such contract by expenditure from the rail service improvement account.

Sec. 42. Minnesota Statutes 1978, Section 222.50, Subdivision 6, is amended to read:

Subd. 6. The commissioner may approve grants from the rail service improvement account for payment of the local share of the cost of any rail line project under the *federal* rail service continuation program established by the Railroad Revitalization and Regulatory Reform Act of 1976, Public Law 94-210, Section 803, provided that the amount of any grant shall not exceed the amount of state tax revenue attributable to the project rail line during the last year of operation of the line preceeding the year in which the grant is approved.

Sec. 43. Minnesota Statutes 1978, Section 222.50, is amended by adding a subdivision to read:

Subd. 7. The commissioner may expend money from the rail service improvement account for the following purposes:

(a) *To pay interest adjustments on loans guaranteed under the state rail user loan guarantee program;*

(b) *To acquire, repair and make available to rail users by lease, sale or otherwise rolling stock capable of transporting agricultural commodities on light density rail lines;*

(c) *To pay all or a portion of the costs of small capital improvement demonstration projects designed to improve rail service including construction or improvement of short segments of rail line such as side track, team track and connections between existing lines, acquisition and repair of rolling stock for use on light density lines and construction and improvement of loading, unloading, storage and transfer facilities of a rail user;*

(d) *To acquire, maintain, manage and dispose of railroad right-of-way under the state rail bank program;*

(e) *To assist in the placement of monuments or markers necessary to indicate the boundary lines of tracts of property adjoining a railroad right-of-way abandoned after the effective date of this section.*

All money derived by the commissioner from the disposition of railroad right-of-way acquired under the state rail bank program or of any other property acquired pursuant to sections 222.46 to 222.62 shall be deposited in the rail service improvement account.

Sec. 44. Minnesota Statutes 1978, Section 222.51, is amended to read:

222.51 [PARTICIPATION BY POLITICAL SUBDIVISIONS.] The governing body of any political subdivision of the state may with the approval of the ~~director~~ commissioner appropriate money for rail service improvement and may participate in the state rail service improvement program *and the federal rail service continuation program*.

Sec. 45. Minnesota Statutes 1978, Section 222.53, is amended to read:

222.53 [ACCEPTANCE OF FEDERAL MONEY.] The ~~director~~ commissioner may exercise those powers necessary for the state to qualify for, accept, and disburse any federal money that may be made available pursuant to the provisions of the federal rail ~~revitalization and regulatory reform act of 1976~~ *service continuation program*, including the power to:

(a) Establish an adequate plan for rail service in the state as part of an overall planning process for all transportation services in the state, including a suitable process for updating, revising, and amending the plan;

(b) Administer and coordinate the plan with other state agencies, and provide for the equitable distribution of resources;

(c) Develop, promote, and support safe, adequate and efficient rail transportation services; employ qualified personnel; maintain adequate programs of investigation, research, promotion and devel-

opment, with provisions for public participation; and take all practical steps to improve transportation safety and reduce transportation related energy utilization and pollution;

(d) Adopt and maintain adequate procedures for financial control, accounting and performance evaluation in order to assure proper use of state and federal money;

(e) Do all things otherwise necessary to maximize federal assistance to the state under the federal rail revitalization and regulatory reform act of 1976 service continuation program .

Sec. 46. Minnesota Statutes 1978, Chapter 222, is amended by adding a section to read:

[222.545] [ADVOCACY OF IMPROVED SERVICE.] *The commissioner may advocate and promote improved rail service and more effective use of available rail service at a reasonable cost by: (a) providing technical assistance to rail users; (b) negotiating with persons representing the rail industry and other transportation modes; and (c) appearing on behalf of the public in the regulatory, rulemaking and other proceedings of state and federal agencies in support of improved and innovative rail service and for other purposes.*

Sec. 47. Minnesota Statutes 1978, Section 222.55, is amended to read:

222.55 [RAIL USER LOAN GUARANTEE PROGRAM; PURPOSE.] *In order to aid rail users in obtaining credit for participation in contracts for rail line rehabilitation and for paying the costs of capital improvements necessary to improve rail service or reduce the impact of discontinuance of rail service , there is established a rail user loan guarantee program to provide state money in guarantee of loans made according to the provisions of sections 222.55 to 222.62.*

Sec. 48. Minnesota Statutes 1978, Section 222.56, Subdivision 5, is amended to read:

Subd. 5. "Loans" means a loan or advance of credit to a rail user for participation in contracts for rail line rehabilitation or for paying the costs of capital improvements necessary to improve rail service or reduce the impact of discontinuance of rail service.

Sec. 49. Minnesota Statutes 1978, Section 222.57, is amended to read:

222.57 [RAIL USER LOAN GUARANTEE ACCOUNT.] *There is created a rail user loan guarantee account as a separate account in the special revenue fund in the state treasury rail service improvement account , which shall be used by the commissioner for carrying out the provisions of sections 222.55 to 222.62 with respect to loans insured under section 222.58. The commissioner may transfer to the rail user loan guarantee account from money otherwise available in the rail service improvement account whatever amount is necessary to implement the rail user loan guarantee*

program and may withdraw any amount from the rail user loan guarantee account which is not required to insure outstanding loans as provided in section 222.60, subdivision 1.

Sec. 50. Minnesota Statutes 1978, Section 222.58, Subdivision 2, is amended to read:

Subd. 2. [ELIGIBILITY REQUIREMENTS.] A loan is eligible for insurance under this section under the following conditions:

(a) The loan shall be in an original principal amount, bear an interest rate, contain complete amortization provisions, and have a maturity satisfactory under such terms as the commissioner may prescribe by rule.

(b) The proceeds of the loan shall be used solely for

(i) participation in contracts for capital investment loans for rail line rehabilitation, or

(ii) capital improvement projects designed to improve rail service or reduce the economic impact of discontinuance of rail service. The projects may include but are not limited to construction or improvement of short segments of rail line such as side track, team track and connections between existing lines; acquisition and repair of rolling stock for use on low density rail lines; and construction and improvement of loading, unloading, storage and transfer facilities of the rail user.

(c) The loan agreement shall contain such terms and provisions with respect to any other matters as the commissioner may, in his discretion, prescribe.

(d) The borrower provides a personal guarantee and collateral for the loan which is acceptable to the commissioner as sufficient security to protect the interests of the state.

Sec. 51. Minnesota Statutes 1978, Section 222.58, is amended by adding a subdivision to read:

Subd. 5a. [INTEREST ADJUSTMENT.] A loan insured under this section that is amortized over a term of not more than ten years with equal annual installments of principal and interest and that has an interest rate exceeding seven percent per annum is eligible for an interest adjustment under this subdivision. The commissioner may pay annually to the lender a percentage of the outstanding balance due on an eligible loan at the beginning of the year equal to the difference between the interest rate on the loan and an interest rate of seven percent per annum. The percentage paid by the commissioner shall not exceed four percent. The borrower shall reimburse the commissioner for any amounts paid pursuant to this subdivision the year after the last payment is due on the loan. The obligation to reimburse the commissioner shall be a lien against any property of the borrower in which the proceeds of the loan have been invested. As a condition of receiving an interest adjustment the commissioner may require the borrower to demonstrate inability to obtain similar assistance or a low interest loan from other available sources. The commis-

sioner may adopt by rule additional reasonable conditions or qualifications for payment of interest adjustments under this subdivision.

Sec. 52. Minnesota Statutes 1978, Chapter 222, is amended by adding a section to read:

[222.63] [ABANDONED RIGHT-OF-WAY; STATE RAIL BANK.] *Subdivision 1. [DEFINITION.] For the purpose of this section the term "abandoned", when used with reference to a railroad line or right-of-way, means a line or right-of-way with respect to which the interstate commerce commission has found that the public convenience and necessity permit discontinuance of rail service, or a line or right-of-way which is owned by a railroad company which is in bankruptcy proceedings.*

Subd. 2. [ESTABLISHMENT; ACQUISITION; ELIGIBLE PROPERTIES.] A state rail bank is established for the acquisition, preservation and disposition of abandoned railroad right-of-way for future use for commercial transportation of people and goods and transmission of electrical energy. The commissioner of transportation may acquire by gift, purchase, lease, easement or otherwise all or part of any abandoned railroad right-of-way which is necessary for inclusion in the state rail bank to meet the future commercial transportation needs of the state. The commissioner may acquire an interest in all or a portion of an abandoned right-of-way for inclusion in the state rail bank by eminent domain but shall not exercise that power with respect to any property if an owner of the property files a notice of objection to the taking with the court on or before the date set for hearing the eminent domain petition.

An abandoned right-of-way is eligible for inclusion in the state rail bank if the right-of-way:

(1) Provides or is expected to provide access to a major energy using facility such as an electrical generating plant, major heating plant or other major industrial user of energy;

(2) Provides or is expected to provide access to a major storage or terminal facility of statewide significance in the marketing of agricultural commodities;

(3) Provides important access to surrounding states;

(4) Is a potential corridor for a pipeline, electrical transmission line, highway, transit route, rail passenger line or other similar commercial transportation use; or

(5) Provides access to an extractive resource requiring rail service for its development.

Subd. 3. [PUBLIC AND AGENCY PARTICIPATION.] If the commissioner desires to dispose of or utilize any right-of-way which he has acquired pursuant to authorization under subdivision 6, he shall publish a notice of the proposed action in the state register and in at least one newspaper of general circulation in the area where the right-of-way is located. If any person objects in writing

to the proposed action within 30 days of publication of notice the commissioner shall proceed in the manner provided for a contested case. If no written objection is received the commissioner may take the proposed action only after holding a public meeting to seek public comment on the action. At least one hearing or meeting required under this subdivision shall be held in the area where the right-of-way is located.

Subd. 4. [ANNUAL REVIEW; SPECIFIC USE OF RIGHT-OF-WAY; DISPOSITION REQUIRED.] *The commissioner shall annually review the status of each property included in the state rail bank to determine whether to retain or dispose of the property. The commissioner shall dispose of any property for which no specific commercial transportation use has been identified by the commissioner within five years after its acquisition. The commissioner shall dispose of any property for which a specific commercial transportation use has been identified but which is not disposed of or utilized for a commercial transportation purpose within 15 years after its acquisition.*

The commissioner may require as a condition of sale to adjacent owners that the property be purchased in its entirety for resale to the individual adjacent owners.

Subd. 5. [INTERVENTION IN ABANDONMENT PROCEEDING.] *The commissioner may intervene in a proceeding of the interstate commerce commission on the issue of suitability for a public use of a rail line proposed to be abandoned if the commissioner finds that the right-of-way of the line would be eligible for inclusion in the state rail bank. To the extent practicable before intervening as provided in this section the commissioner shall hold at least one public meeting in the area in which the line is located to solicit opinions of interested persons concerning the commissioner's proposed action.*

Subd. 6. [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, has held at least one public meeting in the area in which the line is located to solicit opinions of interested persons concerning the commissioner's proposed action, 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. If legislative authorization is required for acquisition of a right-of-way when the legislature is not in session, the legislative advisory commission may authorize the acquisition.*

Subd. 7. [RULES.] *The commissioner of transportation may adopt rules necessary to establish criteria for properties eligible for inclusion in the rail bank and to establish public procedures for acquisition and disposition of rail bank properties.*

Subd. 8. [AUTHORIZATION OF RIGHT-OF-WAY ACQUISITION.] *The commissioner may acquire the right-of-way of the Chicago, Milwaukee, St. Paul and Pacific Railroad between Jackson and Ramsey, and between Minnesota Lake and Wells.*

Sec. 53. Minnesota Statutes 1978, Section 174.03, Subdivision 4, is amended to read:

Subd. 4. [OTHER DUTIES.] The commissioner shall:

(a) Construct and maintain transportation facilities as authorized by law;

(b) Cooperate with, and may provide technical and financial assistance to, the metropolitan council and regional development commissions in the regional transportation planning process, in accordance with mutually acceptable terms and conditions;

(c) Cooperate with and may provide planning and technical assistance upon the request of any political subdivision or other governmental agency in accordance with mutually accepted terms and conditions, except as otherwise restricted by law; and

(d) Develop, revise and monitor a statewide rail transportation plan as part of the statewide transportation planning process, including a study and evaluation of alternative methods for insuring adequate and economical transportation of agricultural commodities, supplies and other goods to and from rural areas of the state. The commissioner shall *plan may* include in the study consideration of rail line improvement programs including those adopted or proposed in other states. Based on the study and evaluation, the commissioner shall recommend an appropriate state assistance program to the governor and the legislature no later than July 1, 1978. Upon completion of each stage of any rail improvement study conducted by a state department or agency, the information developed by the study shall be made available to the commissioner an analysis of rail lines in the state for the purpose of determining: (1) eligibility of rail lines for assistance under federal and state rail assistance programs; (2) eligibility of rail lines for inclusion in the state rail bank; and (3) the actions required by the state to insure the continuation of rail service which meets essential state needs and objectives.

Sec. 54. Minnesota Statutes 1978, Chapter 222, is amended by adding a section to read:

[222.65] [ADVISORY TASK FORCE.] *The commissioner of transportation may establish an advisory task force in the manner provided in section 15.059 to advise the department concerning the implementation of the rail service improvement program, the federal rail service continuation program, the rail service loan guarantee program and the state rail bank. The task force may include representatives of departments of agriculture, commerce, economic development, the energy agency, state planning agency, railroad companies, railroad labor organizations and rail users.*

Sec. 55. [TEMPORARY RULE MAKING POWER; SURVIVAL OF EXISTING RULES.] *The commissioner of transportation*

may adopt temporary rules necessary to implement the provisions of sections 39 to 52. This section, and any temporary rules adopted under this section, expire one year after the effective date of this section. Rules adopted before the effective date of this section to implement the rail service improvement program or the rail user loan guarantee program shall remain in effect until amended or repealed.

Sec. 56. [DIRECTION TO REVISOR.] *In the next and subsequent editions of Minnesota Statutes, the revisor of statutes shall substitute the term "commissioner" for the term "director" whenever that term appears in sections 222.46 to 222.54.*

Sec. 57. [EFFECTIVE DATE.] *Sections 39 to 57 are effective the day following final enactment."*

Amend the title as follows:

Page 1, line 9, after the semicolon insert "modifying the rail service improvement program and the rail user loan guarantee program; establishing a rail bank and authorizing acquisition of certain rail lines; permitting state payment of interest adjustments on guaranteed loans to rail users;"

Page 1, line 10, after the semicolon insert "174.03, Subdivision 4;"

Page 1, line 12, after the last semicolon insert "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;"

Page 1, line 16, delete "and Chapter" and insert "Chapters"

Page 1, line 16, after the second semicolon insert "and 222, by adding sections;"

The motion prevailed. So the amendment was adopted.

Mr. Humphrey moved to amend H. F. No. 1563, as amended pursuant to Rule 49, adopted by the Senate May 10, 1979, as follows:

(The text of the amended House File is identical to S. F. No. 1540.)

Page 1, line 26, after "figures" insert "'1979',"

Page 1, line 28, after "ending" insert "June 30, 1979,"

Page 2, line 3, before "1980" insert "1979"

Page 4, after line 31, insert: "For 1979—\$205,000"

Page 5, after line 21, insert:

"The appropriation for 1979 is for the purpose of providing transit operating subsidies to the Medicine Lake Lines. This appropriation is available to subsidize operations from February 1, 1979, to June 30, 1979; however for service rendered from April 9, 1979, to June 30, 1979, the subsidy shall be paid only for ser-

vice that meets the regular route service standards for private operators in the metropolitan area, as submitted by the commissioner of transportation to the legislature on April 5, 1979."

Correct the Summary by Fund accordingly

The motion prevailed. So the amendment was adopted.

H. F. No. 1563 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 46 and nays 10, as follows:

Those who voted in the affirmative were:

Ashbach	Hanson	Luther	Purfeerst	Strand
Bang	Humphrey	Menning	Renneke	Ueland, A.
Benedict	Jensen	Moe	Rued	Ulland, J.
Bernhagen	Keefe, S.	Nelson	Schaaf	Vega
Brataas	Kirchner	Ogdahl	Schmitz	Wegener
Coleman	Kleinbaum	Olson	Setzepfandt	Willet
Dunn	Knoll	Penny	Sikorski	
Engler	Knutson	Perpich	Solon	
Frederick	Laufenburger	Peterson	Spear	
Gearty	Lessard	Pillsbury	Staples	

Those who voted in the negative were:

Chenoweth	Dieterich	Knaak	Nichols	Stumpf
Davies	Gunderson	Merriam	Sieloff	Tennessen

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

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Vega moved that S. F. No. 405, No. 33 on Special Orders, be stricken and laid on the table. The motion prevailed.

Mr. Schaaf moved that S. F. No. 1261, No. 34 on Special Orders, be stricken and laid on the table. The motion prevailed.

Mr. Coleman moved that H. F. No. 1467 be withdrawn from the Subcommittee on Bill Scheduling of the Committee on Rules and Administration and laid on the table. The motion prevailed.

Pursuant to Rule 21, Mr. Moe moved that the following members be excused at 8:00 o'clock p.m., for a Conference Committee on H. F. No. 1526:

Messrs. Moe, Tennessen, Stumpf, Ogdahl and Renneke. The motion prevailed.

RECESS

Mr. Coleman moved that the Senate do now recess until 8:00 o'clock p.m. The motion prevailed.

The hour of 8:00 o'clock p.m. having arrived, the President called the Senate to order.

CALL OF THE SENATE

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

Bang	Hughes	Menning	Schaaf	Stumpf
Benedict	Johnson	Merriam	Schmitz	Tennessen
Bernhagen	Keefe, S.	Olson	Setzepfandt	Ulland, J.
Brataas	Kirchner	Penny	Sieloff	Vega
Coleman	Kleinbaum	Peterson	Sikorski	Wegener
Davies	Knaak	Pillsbury	Solon	
Dieterich	Laufenburger	Purfeerst	Staples	
Gearty	Luther	Renneke	Stokowski	
Gunderson	McCutcheon	Rued	Strand	

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

Pursuant to Rule 21, Mr. McCutcheon moved that the following members be excused at 9:00 o'clock p.m. for a Conference Committee on H. F. No. 1495:

Messrs. McCutcheon, Sillers, Stokowski, Hanson and Johnson. The motion prevailed.

SPECIAL ORDER

S. F. No. 1151: A bill for an act relating to retirement; providing determination of service credits; Minneapolis municipal employees retirement fund; increasing the employee contribution rate; amending Minnesota Statutes 1978, Sections 422A.08, Subdivision 2; and 422A.10, Subdivision 1; and Chapter 355, by adding a section.

Mr. Stokowski moved to amend S. F. No. 1151 as follows:

Page 3, after line 17, insert:

"Sec. 2. Minnesota Statutes 1978, Section 422A.03, Subdivision 1, is amended to read:

422A.03 [MEETINGS; EMPLOYEES; RULES AND REGULATIONS.] Subdivision 1. The retirement board shall meet on the third Tuesday of each calendar month of each year and may adjourn from time to time. Special meetings may be held upon the call of the president. The board shall, by a ~~four-fifths~~ *four-sevenths* vote of all members of the board, appoint an executive secretary, who shall have charge of the performance of the duties required by the provisions of sections 422A.01 to 422A.25, and shall appoint other necessary clerical help. If at the time of his appointment as executive secretary the appointee holds a position subject to the civil service rules and regulations of the city he shall be deemed to be on leave of absence from such civil service position during his tenure as executive secretary, and upon termination of such service shall be returned to his permanent civil service classification. If no vacancy is available in his permanent civil service classified position, seniority shall prevail, and the person most recently certified to such position shall be returned to the permanent civil service classification held by him prior to such certification.

Sec. 3. Minnesota Statutes 1978, Section 422A.03, Subdivision 2, is amended to read:

Subd. 2. The executive secretary may be removed by a ~~four-fifths~~ *four-sevenths* vote of all members of the board at a meeting called for such purpose. Before exercising the power of removal 15 days written notice shall be given to the executive secretary setting forth the cause for removal and stating the time and place where such charges will be heard. The hearing shall be open to the public. Other employees under the supervision of the board and employees appointed hereafter shall be subject to applicable civil service laws and rules of the city. The compensation of the executive secretary and the other employees under the supervision of the board shall be fixed by such board."

Page 6, delete section 5

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, after "Sections" insert "422A.03, Subdivisions 1 and 2;"

The motion prevailed. So the amendment was adopted.

S. F. No. 1151: A bill for an act relating to retirement; providing determination of service credits; Minneapolis municipal employees retirement fund; increasing the employee contribution rate; amending Minnesota Statutes 1978, Sections 422A.03, Subdivisions 1 and 2; 422A.08, Subdivision 2; and 422A.10, Subdivision 1; and Chapter 355, by adding a section.

S. F. No. 1151 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 0, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Lessard	Purfeerst	Stokowski
Bang	Gunderson	Luther	Rued	Strand
Benedict	Hughes	Menning	Schaaf	Ueland, A.
Bernhagen	Kirchner	Merriam	Schmitz	Ulland, J.
Brataas	Kleinbaum	Nelson	Setzepfandt	Vega
Davies	Knaak	Nichols	Sieloff	Wegener
Dieterich	Knoll	Olson	Sikorski	
Engler	Knutson	Penny	Spear	
Frederick	Laufenburger	Peterson	Staples	

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

SPECIAL ORDER

S. F. No. 202: A bill for an act relating to health; providing for several types of life support transportation service; providing for health systems agencies to be involved in the licensing process; providing factors to be used in making licensing recommendations;

providing for standards for services; forbidding inquiry as to ability to pay before provision of life support transportation services; requiring rules for nonemergency transportation reimbursement under medical assistance; exempting certain providers; amending Minnesota Statutes 1978, Sections 144.801; 144.802; 144.803; 144.804; 144.805; 144.807, Subdivision 1; 144.808; 144.809 and 144.8091, Subdivision 1.

Mrs. Brataas moved to amend S. F. No. 202 as follows:

Pages 15 and 16, delete sections 12 and 13

Amend the title as follows:

Page 1, line 11, delete "exempting certain providers;"

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

S. F. No. 202 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:

Anderson	Frederick	Laufenburger	Peterson	Solon
Bang	Gearty	Lessard	Pillsbury	Spear
Benedict	Gunderson	Luther	Purfeerst	Staples
Bernhagen	Hughes	Menning	Rued	Strand
Brataas	Kirchner	Merriam	Schaaf	Ueland, A.
Coleman	Kleinbaum	Nelson	Schmitz	Ueland, J.
Davies	Knaak	Olson	Setzepfandt	Vega
Dieterich	Knoll	Penny	Sieloff	Wegener
Engler	Knutson	Perpich	Sikorski	

So the bill passed and its title was agreed to.

SPECIAL ORDER

H. F. No. 1167: A bill for an act relating to taxation; lowering the excise tax on natural and artificial sparkling wines on a temporary basis.

CALL OF THE SENATE

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

Anderson	Frederick	Lessard	Peterson	Spear
Bang	Gearty	Luther	Pillsbury	Staples
Benedict	Gunderson	Menning	Rued	Strand
Bernhagen	Hughes	Merriam	Schaaf	Ueland, A.
Brataas	Kirchner	Nelson	Schmitz	Vega
Coleman	Kleinbaum	Nichols	Setzepfandt	Wegener
Davies	Knaak	Olson	Sieloff	
Dieterich	Knoll	Penny	Sikorski	
Engler	Laufenburger	Perpich	Solon	

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

H. F. No. 1167 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 37 and nays 19, as follows:

Those who voted in the affirmative were:

Anderson	Johnson	McCutcheon	Purfeerst	Stokowski
Bang	Keefe, J.	Moe	Rued	Ueland, A.
Bernhagen	Keefe, S.	Nelson	Schaaf	Ulland, J.
Brataas	Kleinbaum	Nichols	Schmitz	Vega
Engler	Knaak	Ogdahl	Setzepfandt	Wegener
Frederick	Knutson	Olson	Sieloff	
Hanson	Laufenburger	Penny	Solon	
Jensen	Lessard	Pillsbury	Staples	

Those who voted in the negative were:

Benedict	Gearty	Luther	Peterson	Strand
Coleman	Gunderson	Menning	Renneke	Stumpf
Davies	Hughes	Merriam	Sikorski	Tennessee
Dieterich	Kirchner	Perpich	Spear	

So the bill passed and its title was agreed to.

SPECIAL ORDER

S. F. No. 1548: A bill for an act relating to claims against the state; appropriating money for the payment thereof.

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 46 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gunderson	Luther	Pillsbury	Strand
Bang	Hughes	Menning	Renneke	Stumpf
Benedict	Jensen	Merriam	Rued	Tennessee
Bernhagen	Keefe, J.	Moe	Schaaf	Ueland, A.
Brataas	Kirchner	Nelson	Schmitz	Vega
Coleman	Kleinbaum	Nichols	Setzepfandt	Wegener
Davies	Knaak	Olson	Sieloff	
Engler	Knoll	Penny	Sikorski	
Frederick	Knutson	Perpich	Solon	
Gearty	Lessard	Peterson	Spear	

So the bill passed and its title was agreed to.

RECESS

Mr. Coleman moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

Without objection, the Senate reverted to the Order of Business of Messages From the House and Reports of Committees.

MESSAGES FROM THE HOUSE

Mr. President:

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

S. F. No. 917: A bill for an act relating to workers' compensation; changing certain insurance rate making procedures; increasing the membership of the workers' compensation court of appeals; directing certain studies; providing for certain schedules and lists; increasing certain staff; relocating workers' compensation court of appeals; changing availability amounts for certain benefits; changing rehabilitation procedures; changing certain presumptions; changing basis for attorneys' fees; changing notice provisions; establishing a workers' compensation reinsurance association; transferring self-insuring duties to the commissioner of insurance; establishing a reopened case fund; establishing a voluntary group self-insurance association; appropriating money; amending Minnesota Statutes 1978, Sections 79.01, Subdivision 2, and by adding subdivisions; 79.095; 79.10; 79.21; 79.22, by adding a subdivision; 79.25; 175.006, Subdivision 1; 175.08; 176.011, Subdivisions 9 and 15; 176.021, Subdivision 3; 176.061, Subdivision 5; 176.081, Subdivision 5; 176.101, Subdivisions 1, 3 and 4; 176.111, Subdivision 1; 176.131, Subdivisions 3, 10 and by adding a subdivision; 176.135, by adding a subdivision; 176.141; 176.155, Subdivision 2; 176.179; 176.181, Subdivision 2, and by adding a subdivision; 176.191; 176.231, Subdivisions 1 and 2; 176.235, Subdivision 1; 176.241; 176.271; 176.391, Subdivision 2; 176.521, Subdivision 1; Chapters 79, by adding sections; and 176, by adding a section; repealing Minnesota Statutes 1978, Sections 79.05; 79.06; 79.07; 175.092; and 176.101, Subdivision 7.

Senate File No. 917 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 18, 1979

Mr. Keefe, S. moved that the Senate do not concur in the amendments by the House to S. F. No. 917 and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a Conference Committee to be appointed on the part of the House. The motion prevailed.

REPORTS OF COMMITTEES**APPOINTMENTS**

Mr. Coleman from the Subcommittee on Committees recommends that the following Senators be and they hereby are appointed as a Conference Committee on:

H. F. No. 257: Messrs. Hanson, McCutcheon, Humphrey, Stokowski, and Davies.

H. F. No. 686: Messrs. Hanson, Anderson, and Dunn.

S. F. No. 831: Mrs. Staples, Messrs. Luther, and Ogdahl.

H. F. No. 218: Messrs. Olhoft, Davies, and Jensen.

S. F. No. 186: Messrs. Chmielewski, Sikorski, and Keefe, J.

H. F. No. 738: Messrs. Tennessen, Davies, and Keefe, J.

H. F. No. 914: Messrs. Stokowski, Strand, and Ogdahl.

H. F. No. 317: Messrs. Wegener, Bernhagen, and Sikorski.

H. F. No. 1206: Messrs. Engler, Humphrey, and Olson.

Mr. Coleman moved that the foregoing appointments be approved. The motion prevailed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Anderson moved that H. F. No. 1253 be taken from the table. The motion prevailed.

H. F. No. 1253: A bill for an act relating to open space and recreation; providing for the acquisition and betterment of open space lands, state trails, forests, fish and wildlife management, natural and scientific areas, and accesses to public waters; payments to counties in lieu of taxes on public hunting grounds and game refuges; establishing Tettegouche State Park; prescribing the powers and duties of the commissioner of natural resources in relation to Tettegouche State Park; authorizing the issuance of bonds; appropriating money; amending Minnesota Statutes 1978, Section 97.49, Subdivision 3; and Laws 1977, Chapter 421, Section 13, Subdivision 3.

SUSPENSION OF RULES

Mr. Anderson 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. 1253 and that the rules of the Senate be so far suspended as to give H. F. No. 1253 its second and third reading and place it on its final passage. The motion prevailed.

H. F. No. 1253 was read the second time.

CALL OF THE SENATE

Mr. Anderson imposed a call of the Senate for the balance of the proceedings on H. F. No. 1253. The following Senators answered to their names:

Anderson	Engler	Knoll	Penny	Sikorski
Ashbach	Gearty	Knutson	Peterson	Staples
Bang	Gunderson	Laufenburger	Pillsbury	Stokowski
Benedict	Hughes	Lessard	Rued	Strand
Bernhagen	Johnson	Luther	Schaaf	Ueland, A.
Brataas	Kirchner	Menning	Schmitz	Ulland, J.
Davies	Kleinbaum	Merriam	Setzepfandt	
Dieterich	Knaak	Nelson	Sieloff	

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

Mr. Johnson moved to amend H. F. No. 1253 as follows:

Pages 8 to 13, delete section 10

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 8, delete everything after the first semicolon

Page 1, delete lines 9 and 10

Page 1, line 11, delete everything before "authorizing"

The question was taken on the adoption of the amendment.

Mr. Anderson moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 24 and nays 38, as follows:

Those who voted in the affirmative were:

Ashbach	Johnson	Lessard	Olson	Solon
Bernhagen	Kleinbaum	McCutcheon	Peterson	Stokowski
Engler	Knaak	Menning	Rued	Vega
Frederick	Knutson	Moe	Schmitz	Willet
Hanson	Laufenburger	Nichols	Setzepfandt	

Those who voted in the negative were:

Anderson	Dunn	Knoll	Purfeerst	Strand
Bang	Gearty	Luther	Renneke	Stumpf
Benedict	Gunderson	Merriam	Schaaf	Tennessen
Brataas	Hughes	Nelson	Sieloff	Ueland, A.
Chenoweth	Humphrey	Ogdahl	Sikorski	Ulland, J.
Coleman	Keefe, J.	Olhoft	Sillers	Wegener
Davies	Keefe, S.	Penny	Spear	
Dieterich	Kirchner	Pillsbury	Staples	

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

Mr. Johnson then moved to amend H. F. No. 1253 as follows:

Page 13, after line 33, insert:

"Sec. 11. [CITIZEN'S ADVISORY TASK FORCE ON THE BOUNDARY WATERS CANOE AREA.] *Subdivision 1. There is created a citizen's advisory task force on the Boundary Waters Canoe Area, consisting of 17 members selected as follows:*

(1) *Three residents of St. Louis County appointed by the governor;*

(2) *Three residents of Cook County appointed by the governor;*

(3) *Three residents of Lake County appointed by the governor; and*

(4) *Eight residents of the state residing outside of the aforementioned counties appointed by the governor.*

The governor shall designate one of the appointees to serve as chairman and the advisory task force may elect such other officers as it deems necessary. The advisory task force shall be subject to the provisions of Minnesota Statutes, Section 15.059, except that the advisory task force shall not expire until June 30, 1983.

Subd. 2. The advisory task force shall conduct meetings and research into all matters related to the establishment and operation of the Boundary Waters Canoe Area, and shall make such recommendations to the United States Forest Service and other federal and state agencies concerned, regarding operation of the area, as the advisory task force deems advisable. A copy of each recommendation shall be filed with the legislative reference library. The advisory task force shall not apply for or accept funds from public or private sources other than the legislature. Subject to the availability of legislative appropriation, the advisory task force may contract for services relating to matters within its authority.

Subd. 3. The sum of \$60,000 is appropriated from the general fund to the commissioner of administration for the purposes of this act to be available until June 30, 1981.

Subd. 4. This section is effective July 1, 1979, and expires June 30, 1983."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 11, after the semicolon, insert "establishing a citizen's advisory task force on the Boundary Waters Canoe Area;"

The motion prevailed. So the amendment was adopted.

Mr. Bernhagen moved to amend H. F. No. 1253 as follows:

Page 2, line 28, delete "for development of" and insert "shall be made on"

Page 2, line 29, delete everything after "the" and insert "eastern corporate limits of the city of Winsted except for maintenance and replacement of drainage tile, culverts and fences, noxious weed control and similar expenses. No further expenditure of money for development of the Luce Line trail"

The motion prevailed. So the amendment was adopted.

H. F. No. 1253 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 59 and nays 2, as follows:

Those who voted in the affirmative were:

Anderson
Ashbach
Benedict

Bernhagen
Brataas
Chenoweth

Coleman
Davies
Dieterich

Dunn
Engler
Frederick

Gearty
Gunderson
Hanson

Hughes	Laufenburger	Olhoff	Schmitz	Strand
Humphrey	Luther	Olson	Setzepfandt	Stumpf
Johnson	McCutcheon	Penny	Sieloff	Tennessee
Keefe, J.	Menning	Perpich	Sikorski	Ueland, A.
Keefe, S.	Merriam	Peterson	Sillers	Ulland, J.
Kirchner	Moe	Pillsbury	Solon	Vega
Knaak	Nelson	Purfeerst	Spear	Wegener
Knoll	Nichols	Renneke	Staples	Willet
Knutson	Ogdahl	Schaaf	Stokowski	

Messrs. Lessard and Rued voted in the negative.

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

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Anderson moved that S. F. No. 1032, No. 29 on Special Orders, be stricken and laid on the table. The motion prevailed.

Mr. Coleman moved that H. F. No. 1467 be taken from the table. The motion prevailed.

H. F. No. 1467: A bill for an act relating to state employees; providing for wage and fringe benefits for certain state employees; ratifying collective bargaining agreements; amending Minnesota Statutes 1978, Sections 43.01, Subdivision 14; 43.12, Subdivisions 2, 3, 5, 6, 7, 8, 8a, 10, 12, 14, 16, 17, 23, 24, 25, and by adding subdivisions; 43.122, Subdivision 5; 43.17, Subdivision 3; 43.43, by adding a subdivision; 43.44, Subdivision 2; 43.50, Subdivision 1; 43.51; and 645.44, Subdivision 5.

SUSPENSION OF RULES

Mr. Coleman 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. 1467 and that the rules of the Senate be so far suspended as to give H. F. No. 1467 its second and third reading and place it on its final passage. The motion prevailed.

H. F. No. 1467 was read the second time.

Mr. Coleman moved to amend H. F. No. 1467 as follows:

Delete everything after the enacting clause and insert:

"ARTICLE I

Section 1. [TEMPORARY PROVISION: WAGE AND ECONOMIC FRINGE BENEFITS; AGREEMENTS APPROVED.] Subdivision 1. [PREAMBLE.] *The legislature finds that the quality of public employees in Minnesota is high and that public employees provide a significant public service to the people of Minnesota. The legislature further finds that there is a need to study, clarify and change the laws relating to civil service and public employee labor relations in order to preserve equity in public employment wages, promote employee morale, expedite labor negotiations, and promote efficient management in the state civil service.*

Subd. 2. Within the funds appropriated for the purpose by the 71st legislature, the commissioner of personnel is authorized to implement those provisions of the agreements negotiated with the Minnesota state employees union, American federation of state, county and municipal employees, Council No. 6, AFL-CIO, the Minnesota teamsters public and law enforcement employees union, local No. 320, the international union of operating engineers, locals No. 34 and 49, the independent Minnesota association of government employees, the Minnesota highway patrol officers' association, the bureau of criminal apprehension association of forensic scientists, the bureau of criminal apprehension agents association, the Minnesota state university association of administrative and service faculty/Teamsters, the professional employee pharmacists of Minnesota, the middle management association, the Minnesota community college faculty association, the Minnesota conservation officers association, the Minnesota highway patrol supervisors association, the Minnesota nurses association, the Minnesota government engineers council, the association of institutional dentists, the state residential schools education association, the Minnesota administrative hearing officers association, the inter-faculty organization/Minnesota education association, and the Minnesota state fire/arson investigators and fire inspectors, local No. S-13, I.A.F.F., which establish wages and economic fringe benefits.

Sec. 2. Minnesota Statutes 1978, Chapter 3, is amended by adding a section to read:

[3.985] [LEGISLATIVE COMMISSION ON EMPLOYEE RELATIONS.] Subdivision 1. [ESTABLISHMENT.] *There is created the legislative commission on employee relations. The commission shall consist of five members of the senate and five members of the house of representatives. The senate members shall include the majority leader, the minority leader, the chairman of the governmental operations committee, the chairman of the finance committee, and the chairman of the tax committee, or their designees. The house members shall include the speaker, the minority leader, the chairman of the governmental operations committee, the chairman of the appropriations committee, and the chairman of the tax committee, or their designees. In the event that the membership of the house is evenly divided, the house members shall be selected pursuant to the rules of the house. The commission shall elect its own officers who shall serve for terms of two years. The chairmanship of the commission shall alternate between a member of the senate and a member of the house.*

Subd. 2. [STATE EMPLOYEE NEGOTIATIONS.] Prior to the commencement of collective bargaining activities with state employees, the commission shall conduct hearings at which public employees, representatives of public employees and the commissioner of personnel shall be allowed to testify as to their beginning negotiating positions. The commissioner of personnel shall regularly advise the commission on the progress of collective bargaining activities with state employees pursuant to the

state public employment labor relations act. The commission may make recommendations to the commissioner as it deems appropriate. The commissioner shall submit to the chairman of the commission any negotiated agreements or arbitration awards which the commissioner has approved within five days of the making thereof. If the commission disapproves of any agreement or award, the commission shall specify in writing to the parties those portions with which it disagrees and the reasons therefor. Upon receipt of the notice of disapproval from the commission, the commissioner of personnel will reopen the negotiations. If the commission approves of an agreement or award, it shall cause the matter to be submitted to the legislature to be accepted or rejected pursuant to section 179.74. Failure of the commission to disapprove of affected portions of an agreement or award within 30 days of its receipt shall be deemed approval. Approval or disapproval by the commission shall not be binding on the entire legislature.

Subd. 3. [OTHER DUTIES.] In addition to the duties specified in subdivision 2, the commission shall perform the following:

(a) Continually monitor the state's civil service system, Chapter 43, and collective bargaining process, Sections 179.61 to 179.76, as applied to state employees;

(b) Research and analyze the need for improvements in those statutory sections; and

(c) Perform such other related functions as are delegated to it by the legislature.

Sec. 3. [DEFINITIONS.] Subdivision 1. As used in sections 3 to 7, the terms defined in this section have the meanings given them.

Subd. 2. "State agency" means every department and agency in the executive branch of state government having more than 40 state funded positions, but not including the constitutional officers nor the University of Minnesota. For the purposes of sections 3 to 7 only, it also means the Minnesota historical society.

Subd. 3. "State-funded positions" means all full-time equivalent personnel positions however authorized, except those funded entirely by federal money and those which provide direct care to residents at state hospitals.

Subd. 4. "Normal attrition" means vacancies occurring due to voluntary resignations, retirements, and deaths. It does not include vacancies due to involuntary dismissals and terminations.

Sec. 4. The commissioner of finance shall submit to the chairmen of the senate finance and house appropriations committees, and the legislative commission on employee relations by October 1, 1980, a plan for reducing the number of state funded positions pursuant to sections 3 to 7 during the 1981-1983 biennium. The plan shall include (1) a description of the number and types of reductions in positions, (2) an analysis of how the reductions co-

ordinate with departmental long range program plans, and (3) an analysis of the ratio of supervisory to non-supervisory employees in the agency.

The commissioner of finance shall, in consultation with the commissioner of personnel, prescribe procedures by which each state agency shall submit to the commissioner of finance the information necessary for him to comply with sections 3 to 7. The position reduction program shall be integrated to the extent possible with the program budgeting system and the evaluation of program functions conducted as part of the budgeting process.

Sec. 5. [POSITION REDUCTIONS.] *Subdivision 1. [VACANT POSITIONS.] The commissioner of finance shall cancel every state funded position that has remained vacant for more than 90 days, unless (a) the commissioner of personnel has certified that the position has not been filled because the department of personnel was unable to certify any names pursuant to section 43.18, or (b) an exception has been requested pursuant to subdivision 4. If the exception is denied, the position shall be cancelled.*

Subd. 2. [NORMAL ATTRITION.] The total number of state funded positions authorized on July 1, 1981, shall be reduced by at least four percent. Reductions shall be accomplished solely by cancellation pursuant to subdivision 1 and normal attrition. Subject to the needs of the state agency, the reductions shall be distributed among salary schedules in approximate proportion to the number of employees in each schedule. Positions providing custodial control of inmates of state correctional institutions, maintenance of state highways, teaching at state universities and community colleges paid for by increased tuition from increased enrollment, or enforcement of state laws on state highways or public lands and waters shall not be eliminated unless the agency shows that it has no other feasible and prudent alternative. To the maximum extent feasible, one-half of the reduction shall be accomplished by June 20, 1982, and the remainder by June 30, 1983.

Subd. 3. [TRANSFERS.] A state agency may transfer positions to another agency pursuant to Minnesota Statutes, Section 16.125, but the number of positions on July 1, 1981 for each agency affected shall be adjusted to reflect the transfer. A position that is eliminated by transferring an employee to part-time, seasonal, or other status of employment by the same state agency does not count as a position reduction for purposes of meeting the goals set by this section.

Subd. 4. [EXCEPTIONS; SHIFTS.] Where the position cancellations and reductions required by this section would unduly impair the ability of a state agency to perform the duties assigned to it, the state agency may apply to the commissioner of finance for an exception permitting the agency to avoid the cancellation or make a lesser reduction than would otherwise be required.

Sec. 6. [SPENDING PLANS.] *Subdivision 1. [TRANSFERS.] A state agency shall not transfer any money to or from personal*

services as shown on the official worksheets of the conferees of the senate and house of representatives, a true copy of which is on file in the office of the commissioner of finance, without the written approval of the commissioner of finance.

Subd. 2. [SALARY SAVINGS.] The commissioner of finance shall reduce the amount allotted or to be allotted to each state agency by the amount of any saving that can be effected upon previous spending plans through the position reductions required by section 5.

Sec. 7. [REPORTING AND REVIEW.] Subdivision 1. The commissioner of personnel shall report monthly to the commissioner of finance the number of vacancies occurring in each state agency due to normal attrition.

Subd. 2. The commissioner of finance shall report monthly to the chairmen of the senate finance and house appropriations committees and to the legislative commission on employee relations the number of vacancies occurring in each state agency due to normal attrition, the number of state funded positions that have been eliminated as required by section 5, and a summary of personnel employed by each state agency showing by fund the number of full-time and full-time equivalent state funded and federal positions and the number of persons actually employed by the agency.

Subd. 3. The legislative commission on employee relations shall periodically review the progress of the state agencies in meeting the requirements of section 5.

Sec. 8. Minnesota Statutes 1978, Section 15.0411, Subdivision 2, is amended to read:

Subd. 2. "Agency" means any state officer, board, commission, bureau, division, department, or tribunal, other than a court, having a statewide jurisdiction and authorized by law to make rules or to adjudicate contested cases. "Agency" also means the capitol area architectural and planning board. Sections 15.0411 to 15.052 do not apply to (a) agencies directly in the legislative or judicial branches, (b) emergency powers in sections 12.31 to 12.37, (c) corrections board and pardon board, (d) the unemployment insurance program in the department of economic security, (e) the director of mediation services, (f) the workers' compensation division in the department of labor and industry, (g) the workers' compensation court of appeals, (h) board of pardons, or (i) the department of military affairs. Sections 15.0418 to 15.0426 do not apply to the Minnesota municipal board or the public employment relations board.

Sec. 9. Minnesota Statutes 1978, Section 15A.081, Subdivision 1, is amended to read:

15A.081 [SALARIES AND SALARY RANGES FOR CERTAIN EMPLOYEES.] Subdivision 1. The following salaries or salary ranges are provided for the below listed employees in the executive branch of government:

	Base Salary or Range
Administration, department of commissioner	\$41,000
Agriculture, department of commissioner	36,000
Attorney general, office of deputy attorney general	23,000-42,000
Commerce, department of commissioner of banks	32,000
commissioner of insurance	32,000
commissioner of securities	32,000
executive secretary, commerce commission	27,000
Community college system chancellor	41,000
Corrections, department of commissioner	36,000
ombudsman	32,000
Crime prevention and control, governor's commission on executive director	32,000
Economic development, department of commissioner	32,000
Economic security, department of commissioner	41,000
Education, department of commissioner	41,000
Energy agency director	36,000
Finance, department of commissioner	45,000
Health, department of commissioner	41,000
Hearing examiners office chief hearing examiner	36,000
Higher education coordinating board executive director	36,000
Housing finance agency executive director	36,000
Human rights, department of commissioner	29,000
Indian affairs board executive director	25,000

	Base Salary or Range
Investment, board of executive secretary	41,000
Iron range resources and rehabilitation board commissioner	29,000
Labor and industry, department of commissioner	36,000
judge of the workers' compensation court of appeals	36,000
director, mediation services	29,000
Natural resources, department of commissioner	41,000
Personnel, department of commissioner	41,000
Planning agency director	41,000
Pollution control agency director	36,000
<i>Public employment relations board chairman member</i>	
Public safety, department of commissioner	36,000
Public service, department of commissioner, public service commission director	32,000 32,000
Public welfare, department of commissioner	41,000
Revenue, department of commissioner	41,000
State university system chancellor	41,000
Transportation, department of commissioner	41,000
Veterans affairs, department of commissioner	29,000

Sec. 10. Minnesota Statutes 1978, Section 15A.13, is amended to read:

15A.13 [OTHER TERMS AND CONDITIONS OF EMPLOYMENT.] The annual salaries prescribed by chapter 15A for positions in the unclassified service of the executive branch of the state government are in addition to other terms and conditions of their employment as now or hereafter prescribed by law or the commissioner of personnel pursuant to section 43.127, subdivision 6.

Sec. 11. Minnesota Statutes 1978, Section 16A.123, is amended to read:

16A.123 [APPROVED COMPLEMENT.] The approved complement set for an agency by law limits the number of persons who ~~may be employed by personnel positions~~ in the agency at any one time. The approved complement does not apply to independent contractors. In addition to the approved complement, part-time employees, seasonal or intermittent employees *as defined by the commissioner of personnel*, summer student help, service workers, pre-service trainees employed pursuant to affirmative action programs approved by the commissioner of personnel, CETA employees, or employees engaged in repair or construction projects may be employed with the advance approval of the commissioner of finance who shall determine the need for them and that money is available. The approved complement applies to ~~persons employed by positions~~ in the agency regardless of the fund or appropriation from which they are paid.

Additional full-time ~~employees positions~~ over the number of the approved complement may be ~~employed~~ *created* on the basis of public necessity or emergency. If the ~~employee position~~ is to be paid from a ~~direct an~~ appropriation of money *other than federal money*, the addition shall not be made without the written approval of the governor. The governor shall not approve the addition until after he has consulted with the legislative advisory commission and the commission has made its recommendation on the matter. The recommendation is advisory only. Failure or refusal to make a recommendation promptly is deemed a negative recommendation. If the ~~employee position~~ is ~~not~~ to be paid from a ~~direct an~~ appropriation of *federal money*, the addition may be made with the written approval of the commissioner of finance who shall determine the need for it and that money is available. The commissioner of finance shall promptly notify the committee on finance of the senate and the committee on appropriations of the house of representatives of the additions.

Sec. 12. Minnesota Statutes 1978, Section 43.01, Subdivision 10, is amended to read:

Subd. 10. [POSITION.] "Position" means ~~an office, position, or employment~~ *a group of current duties and responsibilities assigned or delegated by competent authority, requiring the full time or part time employment of one person*.

Sec. 13. Minnesota Statutes 1978, Section 43.01, Subdivision 11, is amended to read:

Subd. 11. [APPOINTING AUTHORITY.] "Appointing authority" means ~~the appointing officer or authority of any state office or department~~ *a person or group of persons empowered by the constitution, by statute, or executive order to employ or to make appointments to positions in the state civil service*.

Sec. 14. Minnesota Statutes 1978, Section 43.01, Subdivision 14, is amended to read:

Subd. 14. [RECLASSIFICATION.] *"Reallocation"* *"Reclassification"* means a ~~reassignment~~ *reallocation*, or change in allocation, of an individual position by raising it to a higher class, reducing it to a lower class, or moving it to another class at the same level, ~~on the basis~~. *A reclassification shall be considered a "reallocation" when the reclassification is the result of significant changes over a period of time in the kind, difficulty, or responsibility of the work performed in such position. A reclassification shall be considered a "change in allocation" when the reclassification is the result of changes in the organizational structure of an agency or abrupt changes in the duties and responsibilities of the position.*

Sec. 15. Minnesota Statutes 1978, Section 43.01, is amended by adding a subdivision to read:

Subd. 23. [PERMANENT.] *"Permanent" means the employment status of an employee in the classified civil service who has been appointed to a position after successfully completing an initial probationary period as set forth in section 43.21.*

Sec. 16. Minnesota Statutes 1978, Section 43.05, Subdivision 2, is amended to read:

Subd. 2. [SPECIFIED DUTIES.] The commissioner shall:

(1) Attend all meetings of the board;

(2) ~~Prepare~~ *Promulgate* personnel rules for the purpose of carrying out the provisions of this chapter; these rules shall provide, among other things, for current records of efficiency, and standards of performance, for all officers and employees subject to the provisions of this chapter; the manner of completing appointments and promotions; rejection of eligible candidates; examinations; retention of examination records under the provisions of section 138.163; creation of eligible lists, with successful candidates ranked according to their ratings in the examinations; leaves of absence with and without pay; transfers, reinstatements, layoffs, vacations, and hours of work; public notice of examinations; procedure for changes in rates of pay; compulsory retirement at fixed ages; and other conditions of employment. If a rule is made concerning sick leave for illness in the immediate family of an employee, the term "immediate family" shall be limited to the spouse, minor or dependent children, or parents where the parent has no other person to provide the necessary nursing care, living in the household of the employee;

(3) Appoint temporary and permanent employees and officers as are necessary to carry out the provisions of this chapter; these employees and officers shall be chosen in accordance with and shall be subject to, the provisions of this chapter;

(4) Keep in the office of the department of personnel an official roster of the state civil service *Operate an information system from which data can be retrieved concerning employees in agencies under his jurisdiction showing the their employment history of each and every person who has been appointed to, employed, promoted, reduced, or reinstated in any position in the service; which roster*

shall show, in connection with each name, *histories including the date of appointment, employment, promotion, reduction demotion, reinstatement, increases or decreases in pay, the compensation and title of the position, changes in title, transfers, sick or annual leaves, and separations from the service; and the commissioner shall have access to all public records and papers private personnel data kept by an appointing authority, the examination of which will aid in the discharge of his duty in connection with the roster duties;*

~~(5)~~ (4) Prepare, in accordance with the provisions of this chapter and the rules adopted hereunder, examinations, eligible lists, and ratings of candidates for appointment;

~~(6)~~ (5) Make certifications for appointment within the classified service, in accordance with the provisions of this chapter;

~~(7)~~ (6) Make investigations concerning all matters touching the enforcement and effect of the provisions of this chapter and the personnel rules prescribed hereunder;

~~(8)~~ (7) Discharge such duties as are imposed upon him by this chapter;

~~(9)~~ (8) Establish, publish and continually review logical career paths in the classified civil service;

~~(10)~~ (9) Consider all requests for other than state appropriated funds from any state department or agency for personnel purposes all of which shall be submitted to him for comment before any such request is made of a federal, local, or private agency; and

~~(11)~~ (10) Prepare rules regulating the temporary placement designation of positions in the unclassified civil service;

~~(12)~~ (11) Review, establish or change titles for the positions in the unclassified civil service in the executive branch of state government except those established by law or by the constitution, to make titles descriptive of positions and consistent throughout the state service; and

~~(13)~~ (12) In conformance with the rule making provisions of chapter 15, promulgate a code of ethics establishing standards of conduct to be observed by state employees in the performance of their official duties.

Sec. 17. Minnesota Statutes 1978, Section 43.055, is amended to read:

43.055 [EXTENT OF AUTHORITY.] Whenever any power or authority is given to the commissioner of personnel by any provision of ~~chapters 15A or chapter 43~~, such power or authority shall extend to all ~~departments agencies~~ in the executive branch, but shall not extend to any ~~subdivisions or~~ employees in the judicial branch or legislative branch. The classified employees in the office of the legislative auditor, the Minnesota state retirement system, and teachers retirement association, however, shall be subject to the powers or authority of the commissioner of personnel.

Sec. 18. Minnesota Statutes 1978, Section 43.064, is amended to read:

43.064 [OTHER SALARIES SET BY COMMISSIONER OF PERSONNEL.] Notwithstanding any other law to the contrary, *salaries compensation* for all unclassified positions in the executive branch not enumerated in the listing described in section 15A.081, shall be established by the commissioner of personnel except for the following: (1) ~~positions listed in section 15A.083;~~ (2) positions listed in section 299D.03; (3) (2) employees in the office of the governor whose salaries shall be determined by the governor; (4) (3) employees in the office of the attorney general; (5) (4) positions in the state university system, the community college system, and in the higher education coordinating board whose primary duties consist of instructing and counseling students, directing academic programs of schools, divisions or departments of colleges and community colleges, or conducting research on academic subjects, *or conducting academic support programs*; and the positions of state university and community college presidents. Individual salaries for positions enumerated in clauses (3) and (4) and (5) *for classified hearing examiners in the office of hearing examiners* shall be determined by the attorney general, the state university board, the state board for community colleges, and the higher education coordinating board, *and the chief hearing examiner*, respectively, within the limits of salary plans which shall have been approved by the commissioner of personnel before becoming effective.

No provision of any subsequent law relating to salaries of state employees shall be construed as inconsistent with this section unless it is expressly provided in such subsequent act that the provisions of this section shall not be applicable or shall be superseded, amended, or repealed.

Sec. 19. Minnesota Statutes 1978, Section 43.067, Subdivision 3, is amended to read:

Subd. 3. [MEDICAL DOCTORS EXEMPTED.] Salaries of medical doctors who are occupying positions which the commissioner of personnel determines require an a M.D. degree and who are paid under the provisions of section 43.126, or who are employed by political subdivisions in positions that the governing body of the political subdivision has determined require an a M.D. degree, *and dentists who are employed by the department of corrections and welfare* shall be excluded from the limitation provided in this section.

Sec. 20. Minnesota Statutes 1978, Section 43.09, Subdivision 2, is amended to read:

Subd. 2. [UNCLASSIFIED SERVICE.] The unclassified *civil* service comprises positions held by state officers or employees who are:

(1) Chosen by election or appointed to fill an elective office;

(2) Heads of department required by law to be appointed by the governor or other elective officers, and the executive or administra-

tive heads of departments, divisions and institutions specifically established by law, except that with respect to state institutions, the provisions of section 246.02 are hereby continued in effect; provided, this clause shall not apply to heads of divisions now existing in the department of labor and industry ; ~~nor to the director of the division of vocational rehabilitation in the department of education ;~~

(3) Except as herein otherwise enlarged, one private secretary to each of the elective officers of this state, and in addition thereto, one deputy, clerk, or employee to the secretary of state, state auditor, and state treasurer;

(4) Intermittent help employed by the commissioner of public safety to assist in the issuance of vehicle licenses;

(5) Employees in the offices of the governor and of the lieutenant governor, and one confidential employee for the governor in the office of the adjutant general;

(6) Officers and employees of the senate and house of representatives of the legislature including temporary or permanent employees of legislative committees or commissions. Employees of the legislative audit commission, except for the legislative auditor, his deputy, and his confidential secretary, however, shall be employees in the classified civil service of the state;

(7) Teachers, research assistants, student employees on less than half-time pay basis or eligible under terms of the federal economic opportunity act work study program, presidents, deans, and administrative officers in the state universities *and community colleges*; but this clause shall not be construed to include the custodial, clerical, or maintenance employees, or any administrative officers, or clerical workers performing duties in connection with the business administration of these institutions;

(8) Officers and enlisted persons in the national guard;

(9) Attorneys, legal assistants, examiners, and three confidential employees appointed by the attorney general or employed with his authorization;

(10) All courts and all employees thereof, referees, receivers, jurors, and notaries public, except referees and adjusters employed by the department of labor and industry;

(11) ~~Patient and inmate help in state institutions;~~

(12) Members of the state highway patrol; provided that selection and appointment of highway patrol officers *troopers* shall be made in accordance with applicable laws governing the classified state civil service;

(13) The deputy commissioner of agriculture, and the deputy director and assistant director of the Minnesota pollution control agency;

(14) One employee of the state treasurer, for the purpose of receiving and safekeeping assets deposited and maintained with

the state treasurer, pursuant to Laws 1943, Chapter 591, and whose salary or compensation is to be reimbursed to the state under said act;

(15) (12) Seasonal help employed by the department of revenue;

(16) (13) Employees of the department of administration permanently assigned to the ceremonial house ;

(14) *Examination monitors and intermittent training instructors employed by the department of personnel;*

(15) *Student workers;*

(16) *Unclassified pursuant to other statutory authority.*

Sec. 21. Minnesota Statutes 1978, Section 43.09, Subdivision 2a, is amended to read:

Subd. 2a. [ADDITIONAL UNCLASSIFIED POSITIONS.] Notwithstanding any other law to the contrary, the personnel board, upon the request of the governor, is hereby authorized to establish permanent unclassified positions, or to unclassify previously classified positions, provided that:

(1) Positions so established involve only deputy or assistant heads of departments or agencies, or director level positions which are not specifically established by law, and who are appointed by and report directly to a head of a department or agency who is required by law to be appointed by the governor, or by a gubernatorially appointed board; as well as one position for a personal secretary of any head of a department or agency listed in clause (4).

(2) Classified incumbents of such positions, if any, are not removed from that position for a period of one year except under applicable provisions of rules and laws governing classified state employees. An incumbent of a position that is declassified pursuant to this subdivision, if he so requests within 120 days after being removed from that position, shall be appointed to a classified position comparable to the position that was declassified, or if such a position is unavailable, to a position comparable to that which he held immediately prior to being appointed to the position that was declassified. If a position is declassified and the incumbent at the time the position was declassified had no classified status immediately prior to the appointment to the position that was declassified, he shall, if he so requests within 120 days after being removed from that position, be appointed to a comparable or lower classified position within two salary ranges of the position that was declassified.

(3) If an employee in the classified civil service accepts a newly created unclassified position, he shall retain an inactive classified civil service status and, upon his request, shall be reappointed to a classified position comparable to that which he held immediately prior to being appointed to the *unclassified* position ~~that was declassified~~.

(4) Positions so established are limited in number to six in the departments of administration, corrections, economic security, finance, transportation, natural resources, public safety, public welfare, and revenue; to five in the departments of commerce, education, health, labor and industry, and personnel *and the housing finance agency* ; to four in the departments of agriculture, and economic development; to three in the department of public service, the planning agency, and the pollution control agency; and to two in the departments of human rights , *the crime control planning board* and veterans affairs. Departments or agencies not enumerated in this clause shall not be authorized to establish additional unclassified positions under the provisions of this subdivision.

(5) Funds are available.

Sec. 22. Minnesota Statutes 1978, Section 43.12, Subdivision 2, is amended to read:

Subd. 2. [SALARY RANGES.] The following procedure will be used in establishing rates of pay for all state employees in the classified civil service whose positions are assigned to classes in the professional salary schedule, which schedule shall be known as salary schedule "A". Classes shall be assigned salary ranges within an area of compensation beginning at a prescribed minimum monthly rate of pay and extending upward by a maximum of 33 additional salary increments. Salary range assignments for each class of employment in this schedule shall include no more than ten salary steps. Effective July 6, 1977 4, 1979, the prescribed minimum monthly rate of pay shall be ~~\$932~~ \$981. The maximum monthly rate of pay shall be ~~\$3,304~~ \$3,598.

Sec. 23. Minnesota Statutes 1978, Section 43.12, Subdivision 3, is amended to read:

Subd. 3. All employees whose rates of pay are established according to salary schedule "A", effective July 6, 1977 4, 1979, shall be advanced in salary from their rate of pay and step in salary range immediately preceding that date to the comparable step in the new salary range for their class or to the new minimum rate of pay for their class, whichever rate is greater.

Employees who are paid at a rate which exceeds the maximum rate established for their class prior to July 6, 1977, but whose rate falls within the new range for their class, shall be assigned to the maximum of the new range in the event the maximum rate established for a classification as of July 6, 1977, is equal to or less than the employee's salary on July 5, 1977, no adjustment shall be made; however, the employee shall suffer no reduction in pay and shall continue at his rate of pay as of July 5, 1977.

Sec. 24. Minnesota Statutes 1978, Section 43.12, Subdivision 5, is amended to read:

Subd. 5. The following procedure shall be used to establish rates of pay for all state employees in the classified civil service whose positions are assigned to classes in the maintenance and related

trades schedule, which schedule shall be known as salary schedule "B". Classes shall be assigned an orientation and base rate, one consecutive wage step apart. The orientation rate shall be paid during the first six calendar months of service and the base rate shall be paid commencing at the beginning of the pay period nearest the completion of six calendar months of service. In assigning rates of pay to classes of work covered by this schedule, the commissioner shall give primary consideration to the median of rates paid by other public and private employers for similar types of work. Supplementary pay practices shall be evaluated and costs considered in comparing the rates being paid by other employers. The commissioner is authorized to establish a percentage differential based upon full annual employment and tenure where such advantages are not common in employment outside of the state service.

Effective July 6, 1977 4, 1979, the minimum hourly rate of pay in the salary schedule "B" shall be \$4.71 \$5.38. The schedule shall provide for 19 additional wage steps with a maximum rate of \$8.21 \$9.51 per hour. *Effective July 2, 1980, the hourly rates of pay in salary schedule B shall each be increased by 2-1/2 percent, rounded to the nearest cent.*

Notwithstanding any provision of this chapter to the contrary, the commissioner is authorized to establish (a) hourly equipment rates to provide appropriate compensation to employees intermittently engaged in operating maintenance equipment, (b) an hourly rate to provide appropriate compensation to employees intermittently assigned to first level highway foreman work, (c) ~~an eight percent a 60 cent per hour differential rate rounded to the nearest cent for journeyman skilled trade classes assigned to salary schedule B and employed at adult institutions of the department of corrections, and (d) a ten cent per hour differential for skilled trade classes assigned to salary schedule B and employed by the department of administration.~~ The commissioner shall establish ~~regulations~~ rules and procedures to equitably implement such rates.

Sec. 25. Minnesota Statutes 1978, Section 43.12, Subdivision 6, is amended to read:

Subd. 6. All employees with more than six calendar months of service whose rates of pay are established according to salary schedule "B", effective July 6, 1977 4, 1979, shall be advanced in salary to the established base rate for their class.

Employees with less than six calendar months of service whose rates of pay are established according to salary schedule "B", effective July 6, 1977 4, 1979, shall be advanced in salary to the established orientation rate for their class.

Employees who are classified as highway maintenance worker, senior and who are employed by the department of transportation and assigned to the central office and districts 5 and 9 shall, in addition, be granted a one time lump sum payment of \$400.

Employees who are paid at a rate which exceeds the maximum rate established for their class prior to July 6, 1977, but whose rate falls within the new range for their class, shall be assigned to the maximum of the new range, in the event the maximum rate for a classification as of July 6, 1977, is equal to or less than an employee's salary on July 5, 1977, no adjustment shall be made; however, the employee shall suffer no reduction in pay and shall continue at his rate of pay as of July 5, 1977.

Sec. 26. Minnesota Statutes 1978, Section 43.12, Subdivision 7, is amended to read:

Subd. 7. The following procedure shall be used to establish rates of pay for all state employees in the classified civil service whose positions are assigned to classes in the general service salary schedule, which schedule shall be known as salary schedule "C". Classes shall be assigned salary ranges within an area of compensation beginning at a prescribed ~~monthly~~ hourly rate of pay and extending upward 34 37 additional fixed salary increments. Salary range assignments for each class of employment in this schedule shall not include more than eight salary steps. Effective July 6, 1977 4, 1979, the prescribed minimum ~~monthly~~ hourly rate of pay shall be \$4.56 \$3.09. The maximum ~~monthly~~ hourly rate of pay shall be \$1,409 \$9.13.

Sec. 27. Minnesota Statutes 1978, Section 43.12, Subdivision 8, is amended to read:

Subd. 8. All employees whose rates of pay are established according to salary schedule "C", effective July 6, 1977 4, 1979, shall be advanced in salary from their rate of pay and step in salary range immediately preceding that date, to the next step within the salary range for that classification. An employee whose classification is reassigned to a higher salary range shall, in addition, be adjusted to the comparable step in the new salary range for his ~~their~~ class or to the new minimum rate of pay for their class, whichever rate is greater. These step increases shall not affect an employee's eligibility for normal step progression increases provided by section 43.122, subdivision 3.

Employees who are paid at a rate which exceeds the maximum rate established for their class prior to July 6, 1977, but whose rate falls within the new range for their class, shall be assigned to the maximum of the new range. In the event the maximum rate for a classification as of July 6, 1977, is equal to or less than an employee's salary on July 5, 1977, no adjustment shall be made; however, the employee shall suffer no reduction in pay and shall continue at his rate of pay as of July 5, 1977.

Sec. 28. Minnesota Statutes 1978, Section 43.12, Subdivision 8a, is amended to read:

Subd. 8a. The following procedure shall be used to establish rates of pay for all state employees whose positions are assigned to the labor service. The labor service shall consist of four steps. Effective July 6, 1977 4, 1979, the hourly rate of pay for step A

shall be \$4.47 \$5.14, for step B \$4.62 \$5.29, for step C \$5.22 \$5.90, for step D \$5.37 \$6.09.

Tenured laborers who are on the payroll on July 6, 1977, shall be paid at the step D rate.

Non-tenured laborers who are on the payroll on July 6, 1977, and who were paid at the base rate on July 5, 1977, shall be paid at the step D rate. Such employees shall continue to be paid at the step D rate in subsequent years provided that their service in the previous calendar year was 800 hours or more.

Non-tenured laborers who are on the payroll on July 6, 1977, and who were paid at the orientation rate on July 5, 1977, shall be paid at the step C rate. Such employees shall advance to step D after completion of 800 hours of work in the second of two consecutive calendar years in which at least 800 hours at step C are worked; provided, however, that an employee whose service in calendar year 1976 was 800 hours or more shall advance to step D upon the completion of 800 hours in calendar year 1977.

For the purpose of this subdivision, service requirements must be fulfilled with the same appointing authority, at the same principal place of employment and performing similar work. Advancement to the next higher step shall be effective at the beginning of the first payroll period following completion of the service requirements.

Non tenured laborers who are not on the payroll on July 6, 1977 but who have worked 800 hours or more in the 12 months immediately preceding July 6, 1977, and who return to work in the labor service prior to July 1, 1978 with the same appointing authority, at the same principal place of employment and to perform similar work, shall be paid at the rate which they would have received and advanced in pay in the same manner as if they had been on the payroll on July 6, 1977.

Tenured laborers whose employment relationship is severed and non tenured laborers who in any calendar year fail to meet the service and hour requirements of this subdivision shall be subject to the hiring and advancement provisions of section 43.122, subdivision 5 if they are subsequently reappointed to the labor service.

Sec. 29. Minnesota Statutes 1978, Section 43.12, is amended by adding a subdivision to read:

Subd. 9a. Employees who are paid at a rate which exceeds the maximum rate established for their class prior to July 4, 1979, but whose rate falls within the new range for their class, shall be assigned to the maximum of the new range. In the event the maximum rate for a classification as of July 4, 1979, is equal to or less than an employee's salary on July 3, 1979, no adjustment shall be made; however, the employee shall suffer no reduction in pay and shall continue at his rate of pay as of July 3, 1979. Conversion to a new compensation grid shall not change an employee's eligibility for step progression increases.

Sec 30. Minnesota Statutes 1978, Section 43.12, Subdivision 10, is amended to read:

Subd. 10. For each full four-tenths point increase in the ~~consumers~~ *revised consumer* price index for urban wage earners and clerical workers for Minneapolis-St. Paul, as published by the Bureau of Labor Statistics for the months of ~~January, 1977 October, 1979, and October, 1977~~ *April, 1980*, new series index (1967=100) all rates of pay in the "A", "B", "C", special teacher, and labor service salary schedules shall be increased by one cent per hour.

The increase, if any, in wages and salaries generated by this formula shall be effective ~~January 4, 1978, July 2, 1980~~, and shall continue in effect until ~~July 5, 1978~~ *December 31, 1980*.

A redetermination of the cost of living allowance shall be made for ~~April, 1978~~ *October, 1980*. For each full four-tenths point increase in the *revised* consumer price index for urban wage earners and clerical workers for Minneapolis-St. Paul, as published by the Bureau of Labor Statistics for the months of ~~January, 1977 October, 1979, and April, 1978~~ *October, 1980*, all rates of pay in the "A", "B", "C", special teacher, and labor *service* salary schedules shall be increased by one cent per hour. The increase, if any, in wages and salaries generated by this redetermination shall be effective ~~July 5, 1978~~ *December 31, 1980*.

During periods when such cost of living allowance is in effect, it shall be added to the applicable basic hourly ~~rates~~ *rate* of pay of each employee, including those that are above the maximum step of their range, and treated as a part thereof in all calculations involving employees' pay. Cost of living adjustments are not cumulative and allowances paid under an earlier determination shall cease when a redetermination takes effect.

Sec. 31. Minnesota Statutes 1978, Section 43.12, Subdivision 12, is amended to read:

Subd. 12. Overtime worked shall be compensated for either by cash payment or compensatory time off as provided for in overtime schedules approved under the provisions of the personnel rules *or a collective bargaining agreement entered into under the provisions of sections 179.61 to 179.76*.

Sec. 32. Minnesota Statutes 1978, Section 43.12, is amended by adding a subdivision to read:

Subd. 12a. Notwithstanding any provision in this chapter to the contrary, the commissioner is authorized to pay for "work out of class" as required by the personnel rules or a collective bargaining agreement entered into under the provisions of sections 179.61 to 179.76.

Sec. 33. Minnesota Statutes 1978, Section 43.12, Subdivision 14, is amended to read:

Subd. 14. Except for classification reassignments effective July 6, 1977 4, 1979, no class will be reassigned to a higher salary range by the commissioner during the 1977-1979 1979-1981 biennium.

Sec. 34. Minnesota Statutes 1978, Section 43.12, Subdivision 15, is amended to read:

Subd. 15. Notwithstanding the provisions of any other law to the contrary, when prior to making an appointment to the unclassified civil service of the executive branch of government, *except for unclassified employees compensated in accordance with plans submitted to the commissioner under the provisions of section 43.064*, the appointing authority shall provide the commissioner with a personal resume of the appointee and a detailed job description outlining the duties and responsibilities of the position which the appointee will occupy in such form as the commissioner may prescribe. Any changes in work assignment shall be reported in writing to the commissioner. If, in the judgment of the commissioner, additional information is required in order to establish comparability with positions in the classified civil service, the commissioner shall review the duties of the position in the same manner as a position in the classified civil service would be investigated. All persons in the unclassified civil service of the executive branch of government, except those whose salary is set specifically by statute, shall be paid according to the compensation provisions applicable to employees performing comparable work in the classified civil service, but in no event shall unclassified personnel receive rates of pay which exceed the maximum rate of the salary range established for comparable work in the classified civil service. *The appointing authority shall provide the commissioner with a personal resume of the appointee at the time of appointment to a position subject to the provisions of this subdivision.*

Sec. 35. Minnesota Statutes 1978, Section 43.12, Subdivision 16, is amended to read:

Subd. 16. Effective July 9, 1975 4, 1979, employees whose positions are assigned to classes in the A, B, C, and labor service, and special teachers salary schedules working an assigned shift that begins before 6:00 a.m. or which ends on or after 7:00 p.m. shall receive a shift differential of 15 20 cents per hour for all hours worked on that shift in addition to their regular rate of pay. *Such Shift differential shall be included in all payroll computations for hours worked but shall not apply during periods of paid leave.*

Employees working the regular day schedule who are required to work overtime or who are called back to work for special projects shall not be eligible for the shift differential.

Sec. 36. Minnesota Statutes 1978, Section 43.12, Subdivision 17, is amended to read:

Subd. 17. Effective July 1, 1977 1979, any employee who is separated from the state classified civil service by reason of death, mandatory retirement, *retirement at or after 65*, or layoff, excluding seasonal layoffs, or who is separated after completing 20 years of continuous state service, or who retires under a state retirement

program after completing ten years of state service from state service after ten years of continuous state service and is immediately entitled at the time of retirement to receive an annuity under a state retirement program, notwithstanding an election to defer payment of the annuity, shall be entitled upon such separation, to pay in an amount equal to 40 percent of the employee's accumulated but unused sick leave balance at the time of separation, which balance shall not exceed 900 hours, plus 25 percent of the employee's accumulated but unused sick leave bank, times the employee's regular rate of pay at the time of separation. Severance pay for community college system faculty employees and for state university system faculty employees whose appointment and salary are based upon a nine month academic year shall be 35 percent of the employee's accumulated but unused sick leave balance. The provisions of this subdivision shall apply to unclassified employees in the same manner as they apply to employees in the classified civil service.

Should any employee who has received severance pay be subsequently reappointed to state service, eligibility for future severance pay shall be computed upon the difference between the amount of accumulated but unused sick leave to the employee's credit at the time the employee was separated and the amount of accumulated but unused sick leave balance at the time of the employee's subsequent eligibility for severance pay.

The base for computing the severance pay provided for in this clause shall not exceed 900 hours except for community college and state university system faculty employees whose base shall not exceed 112 days, nor shall said base include lapsed sick leave hours as defined by departmental rules and regulations.

Such severance pay shall be excluded from retirement deductions and from any calculations in retirement benefits and shall be paid over a period not to exceed five years from termination of employment. In the event that a terminated employee dies before all or a portion of the severance pay has been disbursed, that balance due shall be paid to a named beneficiary or, lacking same, to the deceased's estate.

Sec. 37, Minnesota Statutes 1978, Section 43.12, Subdivision 23, is amended to read:

Subd. 23. Whenever, because of changes in the organizational structure of an agency, in the duties of a position, or for some other reason, a position appears to be improperly allocated, the commissioner shall, upon his own initiative, or upon the written request of a permanent employee or an appointing authority, investigate the duties of the affected position. Following that investigation he may ~~reallocate~~ *reclassify* it to an appropriate class. If the commissioner makes a ~~reallocation~~ *reclassification* or denies an application for ~~reallocation~~ *reclassification*, under this subdivision, he shall notify the appointing authority and the employee affected of his action. A permanent employee or appointing authority affected by any such action shall have the same right to make an application for reconsideration as is granted an appointing

authority in the case of an original allocation by subdivision 22, and the procedure set out in subdivision 22 shall apply to such application. Except as provided in subdivision 26, any ~~reallocation~~ *reclassification* granted by the commissioner shall become effective upon the expiration of the time fixed for making an application for reconsideration, if none is made, or if one is made, at the date of notice by the commissioner of his final action.

Sec. 38. Minnesota Statutes 1978, Section 43.12, Subdivision 24, is amended to read:

Subd. 24. In case of any allocation under subdivision 21, or any ~~reallocation~~ *reclassification* under subdivision 23, no examination of witnesses nor any trial or hearing shall be required, but the commissioner may act upon such matters as are submitted to him in writing by the employee whose position will be affected by a ~~reallocation~~ *reclassification*, or by the appointing authority who will be affected by an allocation or a ~~reallocation~~ *reclassification*, and reports and records of investigators of the department, and may take official notice of the records of the department and of allocations of other comparable positions. The matters of which he takes official notice shall be set out by him in a memorandum to be filed with his order or report of investigation and made a part of his record. In all cases of applications for ~~reallocation~~ *reclassification*, the burden of proof shall be upon the person requesting the ~~reallocation~~ *reclassification*.

Sec. 39. Minnesota Statutes 1978, Section 43.12, Subdivision 25, is amended to read:

Subd. 25. Except as provided in subdivision 26, the incumbent of a position which has been ~~reallocated~~ *reclassified* shall continue in the position only if he is eligible for and actually is appointed to the position of the new class in accordance with the *provisions of this chapter, the personnel rules of the commissioner and a collective bargaining agreement entered into under the provisions of sections 179.61 to 179.76 governing reallocation or change in allocation of positions, promotion, transfer, and demotion.* In any case in which the incumbent is ineligible to continue in the position and he is not transferred, promoted or demoted, the layoff provisions of this chapter and , the ~~personnel rules of the commissioner or a collective bargaining agreement entered into under the provisions of sections 179.61 to 179.76~~ shall apply. Personnel changes required by the ~~reallocation~~ *reclassification* of positions shall be completed within a reasonable period of time, as prescribed by the commissioner, following the ~~reallocation~~ *reclassification* notice to an appointing authority. Any employee with permanent or probationary status whose position is reallocated shall be considered eligible to compete in any examination held to fill the reallocated position, as provided in the ~~personnel rules of the commissioner.~~

Sec. 40. Minnesota Statutes 1978, Section 43.122, Subdivision 5, is amended to read:

Subd. 5. Employees who are hired after July 5, 1977, for positions assigned to the labor service shall be hired at step A. Such

Employees shall advance to step B after 800 hours of service within a calendar year; to step C after completion of 800 hours in the second of two consecutive calendar years in which at least 800 hours at step B are worked; and to step D after completion of 800 hours in the second of two consecutive calendar years in which at least 800 hours at step C are worked. Advancement to the next higher step shall be effective at the beginning of the first payroll period following completion of the service requirement. Service requirements must be fulfilled with the same appointing authority, at the same principal place of employment, and performing similar work. Tenured laborers whose employment relationship is severed and non-tenured laborers who fail to meet the service and hour requirements for advancement in any calendar year, shall be considered to be new employees for purposes of this subdivision if they are subsequently reappointed to the labor service and shall be reappointed at step A.

Nontenured laborers who fail to meet the service and hour requirements for advancement in any calendar year and who are subsequently reappointed to the labor service with the same appointing authority within one year of termination shall be reappointed at the step at which they were last paid.

Tenured laborers who fail to meet the service and hour requirement for advancement in any calendar year shall continue at the step at which they were last paid until they meet the service and hour requirements for advancement.

Sec. 41. Minnesota Statutes 1978, Section 43.127, Subdivision 6, is amended to read:

Subd. 6. [EMPLOYEE BENEFITS.] The commissioner may design an employee benefit system for employees defined as managerial providing flexibility between leave, insurance, and other compensation items, which may differ from those for other state employees. Retirement items shall not be included in the commissioner's authority. *The managerial benefits established under the provisions of this subdivision may be extended to unclassified managers, including those department heads and deputies whose salaries are established in section 15A.081, subdivisions 1 and 5.*

Sec. 42. Minnesota Statutes 1978, Section 43.15, Subdivision 5, is amended to read:

Subd. 5. [EXPANSION OF ELIGIBLE LISTS TO MEET AFFIRMATIVE ACTION GOALS.] When the commissioner of personnel determines that a disparity exists between the agency's work force and its approved affirmative action plan, the commissioner shall insure to the extent possible that members of the protected group groups for which the disparity exists are included on that portion of the eligible list of persons to be considered for appointment, which list is hereinafter referred to as the "appointment list". Notwithstanding any contrary provision of this chapter, when a position is to be filled by open competitive examination and fewer than three individuals of a all protected group groups for which a disparity has been determined to exist appear

on the appointment list, the commissioner shall certify, if possible, as many additional names in order from the eligible list as are necessary so that an aggregate total of three persons from all the protected groups for which a disparity has been determined to exist have been added to *appear on* the appointment list. Notwithstanding any contrary provision of this chapter, when a position is to be filled by examination other than open competitive examination and fewer than one-third of the individuals on an appointment list are members of the protected group groups for which a disparity has been determined to exist, the commissioner shall certify, if possible, as many additional names in order from the eligible list as are necessary so that persons from all the protected groups for which a disparity has been determined to exist comprise one-third of the appointment list or until an aggregate total of three persons from all the protected groups for which a disparity has been determined to exist have been added to *appear on* the appointment list, whichever comes first. *However, the appointment list shall not be expanded when the position to be filled is covered by a collective bargaining agreement which provides for the filling of vacancies by seniority and the appointment list developed in accord with section 43.18 includes the names of one or more employees within the bargaining unit in which the vacancy exists.* Notwithstanding any provision of this subdivision to the contrary, no person shall be added to an appointment list as a result of this subdivision if that person received a score of less than 70 on the applicable test.

Sec. 43. Minnesota Statutes 1978, Section 43.17, Subdivision 3, is amended to read:

Subd. 3. [CERTIFIED LISTS; APPOINTMENTS MADE FROM.] Appointments shall be made from the appropriate eligible list, but if no such list exists, then the commissioner may certify from such other list as he deems the next most nearly appropriate. A new and separate list shall be created for a stated position only when there is no satisfactory list determined appropriate by the commissioner. Where the vacancy to be filled is in a position covered by a collective bargaining agreement, the appointment list shall be made available upon request to the exclusive representative as defined in sections 179.61 to 179.76. The commissioner shall have authority to establish separate eligible lists applicable to various localities. No person shall be appointed or employed under any title not appropriate to the duties performed, and no person shall be transferred to, nor assigned, *except pursuant to the "work out of class" provisions of the personnel rules or a collective bargaining agreement*, to perform the duties of, any position in the classified service, unless he has previously qualified therefor under the provisions of this chapter.

Sec. 44. Minnesota Statutes 1978, Section 43.17, Subdivision 4a, is amended to read:

Subd. 4a. Notwithstanding any law to the contrary, persons may be employed by any governmental department agency in the classification of service worker or be employed as a pre-service

trainee, as defined by applicable personnel job description or personnel rule, in excess of any personnel limitations, quotas or complements as established by law. Said employment shall be subject to restrictions contained in section 46.173 16A.123 and shall be subject to the advance approval of the commissioner of ~~administration~~ *finance*.

Sec. 45. Minnesota Statutes 1978, Section 43.19, is amended to read:

43.19 [VACANCIES; PROMOTIONS; DISMISSALS.] Subdivision 1. [VACANCIES FILLED BY PROMOTION.] (1) Vacancies in positions shall be filled, so far as practicable, by promotion from among persons holding positions in the *classified executive branch of the state civil service, or the legislative branch of state civil service, and classified positions on the staff of the legislative auditor, Minnesota state retirement system and teachers retirement association* and, subject to such exceptions as the commissioner may provide, from the lower class and in accordance with section 43.18 and personnel rules. Except as provided in clause (2), promotions shall be based upon merit and fitness, to be ascertained by competitive examinations in which the employee's efficiency and job-related conduct shall constitute a factor. For positions defined by personnel rule as "non-managerial" seniority shall also constitute a factor.

(2) The commissioner may authorize the appointing authority of any state agency to promote any employee in that agency to a ~~position in a higher class requiring peculiar and exceptional qualifications of an administrative, scientific, professional, or expert character, following a non competitive examination, which shall be practical and shall involve only the duties of the position provided his position has been reallocated as the result of gradual changes in the job which have occurred over a period of time and he has performed satisfactorily in the position.~~

(3) The commissioner shall give the non competitive examinations provided for in clause (2) upon request of any appointing authority, in accordance with personnel rules.

Subd. 2. [INCREASE, WHEN A PROMOTION.] For the purpose of this section, the commissioner shall determine, by personnel rule, what shall constitute a promotion.

Subd. 3. [RESTORATION TO POSITION AFTER DISMISSAL.] Any promotional appointee who is either dismissed during the probationary period from the position to which he has been promoted for cause other than misconduct or delinquency on his part from the position to which he has been promoted either during the probationary period, or who does not attain permanent classified civil service status in the class to which he has been promoted in accord with section 43.21 at the conclusion thereof by reason of the failure of the appointing authority to file a request for his continuance in the position of the probationary period, shall be restored to the a position in the class and agency from which he was promoted. Nothing contained in this section shall be

construed to prevent any employee of the classified civil service from competing for places upon registers of persons eligible for original appointments.

Subd. 4. [MANAGERIAL OR PROFESSIONAL POSITION, FILLING.] Notwithstanding any provision in this chapter, to the contrary, every vacancy in a managerial or professional position shall be open to any state employee *in the executive branch or legislative branch and any classified employee of the legislative auditor, Minnesota state retirement system and teachers retirement association* qualifying through examination and in accordance with the provisions of section 43.18, subdivision 1. The commissioner of personnel may require the filling of this type of vacancy by any qualified person, but in no case shall the filling of such a vacancy be limited to only the employees of a department or agency. *For professional positions seniority in length of service* shall also be one of the factors in an appointment in the manner as provided by personnel rule.

Subd. 5. [PROMOTIONS; WORK STATION LOCATION.] No employee of any agency in the executive branch shall be deemed ineligible for promotion to a position solely because of the location of the employee's current work station or the location of the work station to which the employee would be assigned if promoted to that position.

Sec. 46. Minnesota Statutes 1978, Section 43.20, Subdivision 3, is amended to read:

Subd. 3. In case of an emergency, an appointment may be made without regard to the provisions of this chapter, but in no case shall it continue longer than ~~ten~~ 30 working days, and in no case shall successive emergency appointments be made; . This provision shall apply to both persons and positions; and . No person shall receive *be employed more than three 30 working days* on emergency appointments in ~~any one or different positions~~ within any 12 month period *by the same appointing authority*.

Sec. 47. Minnesota Statutes 1978, Section 43.20, Subdivision 5, is amended to read:

Subd. 5. Where the services to be rendered by an appointee are for a temporary period ~~not to exceed an accumulation of six months in any 12 month period~~, the commissioner shall, *when practicable*, certify from an eligible list for the temporary service any person he deems qualified; the acceptance or refusal by an eligible of a temporary appointment shall not affect his standing on the register for permanent employment, nor shall the period of temporary service be counted as a part of the probationary period in case of subsequent appointment to a permanent position. *Where certification from an eligible list is impractical, the commissioner may authorize the temporary appointment of an individual designated by the appointing authority. The commissioner shall refer to the appointing authority the names of employees on layoff from the legislature who are available for appointment to temporary positions with duties and responsibilities comparable to*

work performed in the legislature. The secretary of the senate and the chief clerk of the house shall supply the names of legislative employees on layoff status who are available for appointment. No temporary appointment shall exceed an accumulation of six months except to fill a vacancy created by an approved leave of absence not to exceed one year or where the commissioner grants an extension of temporary appointment to the maximum of one year in the best interests of the state. No person shall receive successive temporary appointments, nor be employed in temporary appointments for more than 12 months within any 24 month period.

Sec. 48. Minnesota Statutes 1978, Section 43.227, is amended to read:

43.227 [TIME OFF IN EMERGENCIES.] *At the request of a department head, and An appointing authority, after consultation with the commissioner of public safety, the commissioner may authorize the requesting department head to excuse state employees from duty with full pay in the event of a natural or man made emergency, if continued operation would involve a threat to the health or safety of individuals. Absence with pay shall not exceed 16 working hours at any one time unless the governor commissioner authorizes a longer duration.*

Sec. 49. Minnesota Statutes 1978, Section 43.24, is amended to read:

43.24 [REMOVAL.] Subdivision 1. [WRITTEN STATEMENT.] *No permanent employee in the classified service, under the provisions of this chapter or the rules made pursuant thereto, shall be removed, discharged, suspended without pay for more than 30 days, or reduced in pay or position, except for just cause, which shall not be religious or political, or because of the employee's race, sex, disability or age, subject however to the mandatory retirement ages specified by law. In case of any disciplinary action, as enumerated in this section, the employee shall, before the action is taken, be furnished with a statement, in writing, setting forth the reasons for the disciplinary action, be permitted five days time to reply thereto, in writing, or upon his request, to appear personally and reply to the head of the department. A copy of the statement and the employee's reply, if any, shall be filed with the commissioner prior to the effective date thereof. Any permanent employee in the classified service who is removed, discharged, suspended without pay for more than 30 days, or reduced in pay or position, shall be notified no later than the effective date of the action of his right to appeal the action to the board.*

Subd. 1a. For the purposes of this section, "just cause" includes, but is not limited to, consistent failure to perform assigned duties, chronic unauthorized absenteeism, substandard or consistently marginal performance, failure to improve performance despite warnings and suggestions for improvement by supervisors, insubordination, and unfavorable performance appraisals. "Just cause" excludes the religious beliefs, political beliefs, race, sex, disability

status and age of the employee, subject however to mandatory retirement ages specified by law.

Subd. 2. [APPEAL TO BOARD; PUBLIC HEARINGS, FINDINGS, HEARING CONFERENCE.] Any permanent employee who is removed, discharged, suspended without pay for more than 30 days, or reduced in pay or position and who has not elected to proceed pursuant to a grievance procedure, if such procedure is available, pursuant to sections 179.61 to 179.77, may appeal to the board within 30 days after the effective date of such removal, discharge, suspension or reduction in pay or position. In no event may an employee avail himself of both the procedure under this section and the grievance procedure under sections 179.61 to 179.77. Upon such appeal, both the appealing employee and the appointing authority or their representatives shall meet with the hearing officer, at a place and on such date as set by him for the purpose of determining the facts at issue. Prior to the hearing conference, both parties may stipulate on mutually agreed matters relevant to the dismissal or other disciplinary action referred to in this subdivision. If the hearing officer is successful in reaching a mutually agreed settlement between both parties, such agreement shall be certified to the board, with copies furnished to both parties, and such agreement, if approved by the board, shall become binding on both parties. The hearing conference shall be conducted in such manner and follow such procedures as prescribed by the board. The issues and facts on which agreement has not been reached will be decided during the hearing at which hearing technical rules of evidence shall not apply. If the board finds that the action complained of was not taken by the appointing authority for just cause, the employee shall be reinstated to his position, or an equal position in another department or division, without loss of pay. If the board finds that there exist sufficient grounds for institution of dismissal but extenuating circumstances are brought out in testimony and evidence, it may in its discretion reinstate the employee, with full, partial, or no pay, or it may modify the appointing authority's action by substituting a lesser disciplinary action. The hearing officer shall recommend to the board an appropriate disposition of the case. If no exceptions are made, the hearing officer's recommended disposition shall, at the option of the board, become final. If exceptions are taken, the board, upon a review of the record, may accept the officer's recommendations with or without additional oral or written evidence from the parties, may remand the case to the officer for further hearing, adopt the hearing officer's report with any changes warranted by the record, or issue its own report of findings and orders. In those cases in which the board finds just cause for dismissal, the findings and recommendations of the board shall be submitted to and considered by the appointing authority, who may, not later than 30 days after receipt of such findings and recommendations, reinstate the employee with or without pay for the period of suspension, or otherwise modify his original decision of suspension, demotion, or discharge. When any permanent employee is dismissed and not reinstated after appeal, the board may direct that his name be placed on an appropriate reemployment

list, for employment in any similar position other than the one from which he has been removed, which direction shall be enforced by the commissioner.

Subd. 3. [REQUEST FOR WRITTEN STATEMENT.] When any such permanent employee shall be suspended without pay, he shall, within 30 days time after being notified of such disciplinary action, be furnished with a statement in writing specifically setting forth the reasons for the disciplinary action, and a copy of such statement shall then also be filed with the commissioner.

Sec. 50. Minnesota Statutes 1978, Section 43.32, Subdivision 4, is amended to read:

Subd. 4. [HUMAN RESOURCES PLANNING.] The commissioner, *in conjunction with state agency heads*, shall develop a statewide system of manpower planning in cooperation with state departments and agencies which shall provide for an assessment of present and future manpower needs *analyze and assess current and future human resource requirements*.

The commissioner shall coordinate *departmental* agency training activities and other personnel actions throughout the state civil service in order to meet the current and projected personnel *human resource* requirements of the state.

Sec. 51. Minnesota Statutes 1978, Section 43.327, Subdivision 2, is amended to read:

Subd. 2. [COMMISSIONER TO MAKE RULES ON TRAVEL.] (1) The commissioner shall ~~make promulgate~~ personnel rules relating to *special expenses and travel* of state employees on state business ~~and expenses incurred thereon~~. For purposes of this subdivision, "special expense" means a necessary reimbursable expense for meals, lodging, registration, conference fees or other expenses incurred in connection with assigned official duties of a state employee and where the employee's attendance or participation will accrue primarily to the state.

(2) When unusual difficulty in recruiting qualified applicants is being encountered, the commissioner may authorize the appointing authority to pay travel expenses incurred by applicants invited for oral examinations or for employment interviews in the same manner and amounts authorized by personnel rules for state employees.

Sec. 52. Minnesota Statutes 1978, Section 43.327, Subdivision 3, is amended to read:

Subd. 3. [COMMISSIONER OF FINANCE TO ENFORCE RULES.] The commissioner of finance shall enforce the personnel rules concerning travel ~~or~~, relocation and special expenses and provide for the payment of expenses actually incurred or for payment on a daily flat rate as the personnel rules may permit. The commissioner of finance may delegate the authority to approve travel and special expenses to the appointing authority. Subsequent delegation by the appointing authority must be approved in advance by the commissioner of finance and filed with the secre-

tary of state. The commissioner of finance shall periodically review authority that has been delegated to ensure compliance with personnel rules relating to travel and special expenses and may modify or withdraw the delegation at any time upon written notice to the appointing authority.

Sec. 53. Minnesota Statutes 1978, Section 43.43, is amended by adding a subdivision to read:

Subd. 9. "Dental insurance" means:

A plan that provides coverage for, or pays, or reimburses expenses for dental care, including orthodontics for an eligible employee's eligible dependent children from age 8 to 19.

Sec. 54. Minnesota Statutes 1978, Section 43.44, Subdivision 2, is amended to read:

Subd. 2. A state employee determined to be eligible for the benefits provided in sections 43.42 to 43.49 43.50 shall continue to be eligible therefor so long as he appears on a state payroll for at least one working day during each payroll period except as otherwise provided in this subdivision. Vacation leave, compensatory time or sick leave cannot be used for the purpose of continuing state paid insurance by keeping an employee on a state payroll for one working day per payroll period during the time the employee is on an unpaid leave of absence. If the state employee is employed on the basis of a school year and whose his employment contemplates absences from the state payroll during the summer months and during vacation periods occurring at Christmas, New Years, and Easter scheduled by the appointing authority which occur during the regular school year, he nonetheless shall continue to be eligible for such benefits provided he appears on his regular payroll for at least one working day for the payroll period immediately preceding such vacation periods. An academic employee of the University of Minnesota, the state university board, or the state board for community colleges, otherwise eligible for basic life insurance, basic dental insurance and basic health benefits coverage paid for by the state shall have continuous basic coverages maintained during the period of a sabbatical leave.

If the state employee is granted a leave of absence to work for the legislature or either branch thereof, during a regular or special legislative session, he nonetheless shall continue to be eligible for such benefits provided he appears on the state payroll or the legislative payroll for at least one working day for each payroll period.

If a state employee who has three years or more of continuous service is laid off he nonetheless shall continue to be eligible for the benefits provided in sections 43.42 to 43.50 for a period of six months from the date of layoff.

A state employee who is disabled and off the state payroll as a result of personal injury arising out of and in the course of employment with the state and is otherwise eligible for the basic life insurance, basic dental insurance and basic health benefits cover-

age paid for by the state shall be eligible ~~for state paid for coverage and shall continue to be eligible therefor for state paid coverage~~ during the period such employee is receiving workers' compensation payments for temporary total or temporary partial disability pursuant to an award of the workers' compensation court of appeals or is on disability leave pursuant to the rules of the department of personnel or a collective bargaining agreement entered into under the provisions of sections 179.61 to 179.76.

Sec. 55. Minnesota Statutes 1978, Section 43.47, Subdivision 2, is amended to read:

Subd. 2. An emergency, temporary, or intermittent employee of the state; *student workers hired after July 1, 1979 and interns of the state*; a part time or seasonal employee of the state serving on less than a 75 percent time basis; but this exclusion shall not apply to a part time or seasonal employee of the state in the classified service who prior to April 1, 1967 was eligible for state paid basic life insurance and health benefits;

Sec. 56. Minnesota Statutes 1978, Section 43.491, Subdivision 5, is amended to read:

Subd. 5. Notwithstanding the restrictions contained in section 43.44, subdivision 2, a retired state employee who is eligible for, applies for and receives an annuity under a state retirement program shall be eligible to continue to participate at his own expense in the hospital benefits coverage and medical benefits coverage provided for other state employees by sections 43.42 to 43.50. The retired employee may also, at his own expense, continue hospital benefits coverage and medical benefits coverage for his dependents who meet the general dependent eligibility requirements for those coverages. The coverage shall be coordinated with relevant health insurance benefits provided through the federally-sponsored medicare program. Within 30 days after April 6, 1978 *August 1, 1979*, or within 30 days after the effective date of his retirement, whichever day is later, the employee shall notify the commissioner or his designee of his intention to continue the coverage. The commissioner shall establish forms and procedures, *including provisions for notice to the retired or retiring employee*, for exercise of the option provided by this section and for payment of necessary premiums.

Sec. 57. Minnesota Statutes 1978, Section 43.50, Subdivision 1, is amended to read:

43.50 [PAYMENT OF PREMIUMS.] Subdivision 1. Each department of the state government shall pay the amounts due for basic life insurance, basic dental insurance, and basic health benefits coverage authorized for eligible state employees as provided by this chapter. Effective July 1, ~~1977~~ 1979, each department of the state government shall contribute up to \$58 \$64 per year toward the cost of the approved annual health evaluation and screening program for each eligible employee who elects to participate *and who elects health insurance coverage under Blue Cross and Blue*

Shield of Minnesota. Eligible employees who elect coverage under a health maintenance organization shall only be eligible to receive this benefit if the health maintenance organization in which the employee is enrolled does not make available without additional cost, on an annual basis, the tests performed for state employees by the approved program. Effective July 1, 1981, a health maintenance organization which is a carrier for state employees shall be eligible to receive the payments under this section for the evaluation and screening of state employees who are enrollees in that health maintenance organization.

Additionally, and notwithstanding any law to the contrary, effective the first day of the first payroll period commencing on or after July 1, 1977 1979, each department of the state government shall contribute \$45 up to \$60 per month or 90 percent of the cost, whichever is greater, toward the cost of dependent hospital-medical insurance coverage premiums for their eligible employees who have eligible dependents. Effective the first day of the first payroll period commencing on or after July 1, 1978, Each department shall pay the full cost for such dependent hospital medical coverage and, for all eligible employees carrying dependent dental insurance coverage, shall also contribute one-half the difference between single and family dental coverage per month except that no department shall pay an amount in excess of the contribution for dependent hospital medical and dental coverage in effect on June 30, 1979 for all eligible employees carrying dependent dental insurance coverage. To enable employees to receive benefit from this provision, open enrollment periods from August 15 through September 30, 1977 1979 and from August 15 through September 30, 1978 1980, are established. During open enrollment periods employees may enroll their dependents in dental coverage and hospital-medical coverage without proof of insurability. Effective January 1, 1977, the state contribution of \$30 per month shall apply to eligible members of the legislature who have eligible dependents. Effective January 1, 1979 1981, the increased changed benefits provided in this section shall apply to eligible members of the legislature and their eligible dependents. Each of the departments shall pay such amounts from accounts and funds from which the department receives its revenues, including appropriations from the general fund and from any other fund, now or hereafter existing for the payment of salaries and in the same proportion as it pays therefrom the amounts of salaries. In order to enable the commissioner of finance to maintain proper records covering the appropriations pursuant to this section, he may require certifications in connection therewith as he may deem necessary from any state agency, the Minnesota historical society, or the university of Minnesota whose employees receive benefits pursuant to this chapter. The accounts and funds referred to from which departments receive appropriations under the terms of this section are hereby declared to be a source of revenue for the purposes of any other law or statutory enactment.

Sec. 58. Minnesota Statutes 1978, Section 43.51, is amended to read:

43.51 [DEATH BENEFIT FOR RETIRED EMPLOYEES.]

Employees who retire from state service on or after July 1, 1977, shall be entitled to a \$500 cash death benefit payable to a beneficiary designated by the employee, if, at the time of the employee's death, the employee is receiving entitled to an annuity under a state retirement program. *A \$500 cash death benefit shall also be payable to the designated beneficiary of an employee who becomes totally and permanently disabled after July 1, 1979, and who at the time of death is receiving a state disability benefit and is eligible for a deferred annuity under a state retirement program.*

Sec. 59. Minnesota Statutes 1978, Section 62D.22, Subdivision 7, is amended to read:

Subd. 7. *A licensed health maintenance organization shall be deemed to be a prepaid group practice plan for the purposes of chapter 43 and shall be allowed to participate as a carrier for state employees subject to any negotiated labor agreement and reasonable restrictions applied to all carriers.*

Sec. 60. Minnesota Statutes 1978, Section 179.63, Subdivision 11, is amended to read:

Subd. 11. *"Essential employee" means any person within the definition of subdivision 7 whose employment duties involve work or services essential to the health or safety of the public and the withholding of such services would create a clear and present danger to the health or safety of the public firefighters, police officers, highway patrolmen, guards at correctional institutions, and employees of hospitals other than state hospitals.*

Sec. 61. Minnesota Statutes 1978, Section 179.64, Subdivision 5, is amended to read:

Subd. 5. Any public employee, upon request, shall be entitled, as hereinafter provided, to establish that he did not violate the provisions of this section. Such request must be filed in writing with the officer or body having the power to remove such employee, board within ten days after notice of termination is served upon him; whereupon such officer, or body, the board shall within ten days commence a proceeding at which such person shall be entitled to be heard for the purpose of determining whether the provisions of this section have been violated by such public employee, and. If there be are laws and regulations establishing proceedings to remove such public employee, the hearing shall be conducted in accordance therewith proceedings shall be suspended until the board has issued its decision on whether or not a violation of this section has occurred. The proceedings may upon application to the court board by an employer, an employee, or employee organization and the issuance of an appropriate order by the court board include more than one employee's employment status if the employees' defenses are identical, analogous or reasonably similar. Such proceedings shall be undertaken without unnecessary delay. Any person may secure a review of his removal by serving a notice so requesting upon the employer removing him within 20 days after the results of the hearing referred to herein

have been announced. This notice, with proof of service thereof, shall be filed within ten days after service, with the clerk of the district court in the county where the employer has its principal office or in the county where the employee last was employed by the employer. The district court shall thereupon have jurisdiction to review the matter the same as on appeal from administrative orders and decisions. This hearing, shall take precedence over all matters before the board and may be held upon ten seven days written notice by either party to both parties. The court shall make such order in the premises as is proper; and an appeal may be taken therefrom to the supreme court. The board shall make findings of fact and issue any order as is proper. Any sanction against an employee imposed by the employer pursuant to this section which is not reasonable or is inconsistent with the board's findings and order shall be an unfair labor practice and appealable to the board as such.

Sec. 62. 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, or, *as applied to state employees, a disapproval by the legislative commission on employee relations pursuant to section 2 or a failure by the legislature to approve pursuant to section 179.74,* 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 board~~ in mitigation of or retraction of any penalties as to employees and employee organizations.

Sec. 63. 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. 64. Minnesota Statutes 1978, Section 179.66, Subdivision 1, is amended to read:

179.66 [RIGHTS AND OBLIGATIONS OF EMPLOYERS.]

Subdivision 1. A public employer is not required to meet and negotiate on matters of inherent managerial policy, which include, but are not limited to, such areas of discretion or policy as the functions and programs of the employer, its overall budget, utilization of technology, the organizational structure and selection and direction and number of personnel. *No public employer shall sign an agreement which limits the right of the public employer to select persons to serve as supervisory employees or state managers pursuant to section 43.127 or requires the use of seniority in their selection.*

Sec. 65. Minnesota Statutes 1978, Section 179.67, Subdivision 3, is amended to read:

Subd. 3. The director may certify an employee organization as an exclusive representative in an appropriate unit upon the joint request of the employer and the organization if, *after investigation, he finds that no charge is pending with the board claiming that an unfair labor practice was committed in initiating and submitting the joint request and that the employee organization does in fact represent over 50 percent of the employees in the appropriate unit.* The provisions of this subdivision shall not in any case reduce the time period or nullify any bar to the employee organization's certification existing at the time of the filing of the joint request.

Sec. 66. Minnesota Statutes 1978, Section 179.67, Subdivision 13, is amended to read:

Subd. 13. Upon a finding by the ~~director~~ *board* of an unfair labor practice being committed by an employer or representative candidate or an employee or group of employees, which unfair labor practice affected the result of an election held pursuant to this section, the ~~director~~ *board* may void ~~such~~ *the* election result and order ~~the director to conduct a new election or, if a fair election cannot be held, the board may order the director to~~ *certify a union if the unfair labor practice has resulted in the dissipation of the majority status of the employee organization.*

Sec. 67. Minnesota Statutes 1978, Section 179.67, is amended by adding a subdivision to read:

Subd. 4a. *The director shall not consider a petition for a decertification election during the effective term of a contract covering employees of the executive branch of the state of Minnesota except for a period for not more than 270 to not less than 210 days before its date of termination.*

Sec. 68. Minnesota Statutes 1978, Section 179.68, Subdivision 1, is amended to read:

179.68 [UNFAIR PRACTICES.] Subdivision 1. The practices specified in this section are unfair practices. Any employee, employer, employee or employer organization, exclusive representative, or any other person or organization aggrieved by an unfair labor practice as defined in sections 179.61 to 179.77 may bring an

action in district court of the county wherein the practice is alleged to have occurred before the board for injunctive relief and for damages caused by such the unfair labor practice.

Sec. 69. Minnesota Statutes 1978, Chapter 179, is amended by adding a section to read:

[179.681] [PREVENTION OF UNFAIR LABOR PRACTICES.] *Subdivision 1. Any allegation concerning an unfair labor practice shall be submitted to the board for a determination and remedy as provided in this section.*

Subd. 2. Upon the filing with the board by any party in interest of a complaint in writing, on a form provided by the board, charging any person with engaging in or having engaged in any specific unfair labor practice, the complainant shall provide by registered mail or personal service a copy of the complaint to all other parties in interest. Any other person claiming interest in the dispute or controversy, as an employer, an employee, or their representative, may be made a party upon application. The board may bring in additional parties by service of a copy of the complaint. Only one complaint shall issue against a person with respect to a single controversy, but a complaint may be amended in the discretion of the board at any time prior to the issuance of a final order based on the complaint. The person against whom the complaint is made may file an answer to the original or amended complaint and may appear in person or otherwise and give testimony at the place and time fixed in the notice of hearing. If the board decides that the complaint is without merit, it shall issue an order to that effect. If the board decides that the complaint may have merit, the board shall fix a time for the hearing, which shall not be less than ten nor more than 40 days after the filing of the complaint, except as otherwise provided in section 179.64, subdivision 5. Notice shall be given to each interested party by personal service or by mailing a copy to him at his last known post-office address at least ten days before the hearing. No complaint may be acted on by the board concerning an unfair labor practice committed more than six months prior to the filing of the complaint unless the board for good cause waives the time limitation.

Subd. 3. The board may issue subpoenas, administer oaths, and take and provide for the taking of depositions. Any person who willfully and unlawfully fails or neglects to appear, testify or produce books, papers, and records as required, shall, upon application to a district court, be ordered to appear before the board to testify or produce evidence if so ordered. Failure to obey the order of the court may be punished as civil contempt. Each witness appearing before the board or before a hearing examiner holding a hearing on behalf of the board shall be paid by the party requesting the witness in the amount and manner specified in section 357.22 unless the board determines that the witness is a public official who is appearing in the regular and normal course of his official duties and who is reimbursed by his employer in whole or in part for expenses necessitated by his appearance. A full and complete record of all proceedings before the board shall be kept in the manner most practical and most economical as determined

by the board. The board may admit and give probative effect to evidence which possesses probative value commonly accepted by reasonable, prudent men in the conduct of their affairs. They shall give effect to the rules of privilege recognized by law. They may exclude incompetent, irrelevant, immaterial and repetitious evidence. Compliance with the technical rules of pleading before courts need not be required by the board.

Subd. 4. If the board cannot expeditiously hold a hearing on a complaint filed with the board, the board may request the chief hearing officer of the state office of hearing examiners to assign a hearing officer to hold a hearing on the complaint on behalf of the board. After an assignment is made the hearing officer shall notify the parties of the time and place of the hearing, conduct the hearings in a fair and impartial manner, and following the hearing, issue a report to the board stating his findings of fact, his conclusions, and, if proper, his recommendations for a remedy. The board shall then consider the report of the hearing examiner and may adopt, modify, or reject the report. The board may base its decision on a review of the record made by the hearing examiner, or it may, if necessary, choose to rehear the matter in whole or in part before issuing its decision.

Subd. 5. If upon the preponderance of the testimony taken the board is of the opinion that any person named in the complaint has engaged in or is engaging in an unfair labor practice, then it shall state its findings of fact and shall issue an order and cause to be served on the person an order requiring him to cease and desist from the unfair labor practice, and to take affirmative action, including, but not limited to, reinstatement of employees with or without back pay, as will effectuate the policies of the public employment labor relations act. If upon the preponderance of the testimony taken the board is not of the opinion that the person named in the complaint has engaged in or is engaging in an unfair labor practice, then the board shall state its findings of fact and shall issue an order dismissing the complaint. The board may as part of its final order, in cases where it deems it appropriate, require a person found to have committed an unfair labor practice to reimburse the prevailing party for reasonable costs incurred in conjunction with the filing and hearing of the complaint.

Subd. 6. If, after 30 days following the issuance of its order, the board finds that the order has not been complied with, the board or the prevailing complainant may petition the district court of the county wherein the unfair labor practice was or is being committed for an injunction against further disobedience of its order. The injunction shall be granted unless the party against whom the board's order was directed can show that it has initiated appeals proceedings under subdivision 7, in which case, the injunction shall still be granted unless the court finds substantial reasons for denying the injunction.

Subd. 7. A party in interest may within 30 days of the issuance of an order have the order reviewed by the supreme court on certiorari upon the grounds provided in section 15.0425.

No objection that has not been urged before the board shall be considered by the court, unless the failure or neglect to urge the objection is excused because of extraordinary circumstances. The findings of the board with respect to questions of fact, if supported by substantial evidence on the record considered as a whole, shall be conclusive. If either party applies to the court for leave to adduce additional evidence and shows to the satisfaction of the court that the additional evidence is material and that there were reasonable grounds for the failure to adduce the evidence in the hearings before the board, the court may order the evidence to be taken before the board and to be made a part of the record. The board may modify its findings as to the facts, or make new findings, by reason of additional evidence taken and filed. The board shall file the modified or new findings, which findings with respect to questions of fact if supported by substantial evidence on the record considered as a whole shall be conclusive. The board shall file its recommendations, if any, for the modification or setting aside of its original order. On review of any board order the supreme court may reverse, affirm, or modify the order and enter such judgment as it deems just and proper. Where necessary the supreme court may remand the cause to the board for a new hearing or for further proceedings with directions.

Subd. 8. Until the record in a case is filed in a court, as hereinafter provided, the board may at any time, upon reasonable notice and in a manner it deems proper, modify or set aside, in whole or in part, any findings or order made or issued by it.

Sec. 70. Minnesota Statutes 1978, Section 179.72, is amended to read:

179.72 [PUBLIC EMPLOYMENT RELATIONS BOARD; POWERS AND DUTIES; ARBITRATION.] Subdivision 1. There is hereby established a public employment relations board with the powers and duties assigned to it by this section. The board shall consist of five ~~three~~ members appointed by the governor of the state of Minnesota with the advice and consent of the senate. Two members shall be ~~representative of public employees;~~ two shall be representative of public employers; and one shall be representative of the public at large. ~~Public employers and employee organizations representing public employees may submit for consideration names of persons representing their interests to serve as members of the board. Board members shall devote the equivalent of full time service to the board and shall refrain from political activity or other activity incompatible with their board duties during the term of their appointment. Board members shall not be selected on the basis of their affiliation with or representation of any group or special interest, but shall be selected because of experience and proficiency in the practice and laws of labor relations and because of an ability to render knowledgeable, impartial decisions in matters before the board. Members shall be appointed for a term of six years, each term beginning on July 1 of an even numbered year. One initial appointment shall be for two years, and one initial appointment shall be for four years. Members shall hold office until their successors are appointed and~~

qualified and vacancies shall be filled by the governor of the state of Minnesota for the unexpired term. The board governor shall select one of its members to serve as chairman for a term beginning May 1 each year. The director of mediation services shall provide secretarial and administrative services to the board.

Subd. 2. The board shall adopt its own rules governing its procedure and shall hold regular and special meetings as are prescribed in such rules. The chairman shall preside at meetings of the board. *The chairman may designate one or more of the board members, individually, to perform certain acts on behalf of the board. The chairman shall have the responsibility for scheduling hearings, assigning the writing of opinions, hiring employees, and he shall be the chief administrative officer of the board.*

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; and

(e) to render and enforce decisions in unfair labor practice cases as specified in sections 179.64, 179.67, 179.68, and section 69.

Subd. 4. The board shall adopt rules pursuant to chapter 15 governing the presentation of issues relating to matters included in subdivision 3; and the taking of such appeals. All issues and appeals from a determination of the director presented to the board shall be determined upon the record established by the director of mediation, except that the board at its discretion may request additional evidence when necessary or helpful. *The board may employ persons as are necessary for the efficient performance of its functions. The board shall keep and file in a logical manner all its orders and decisions, which file shall be available for use by the public. The board shall in January of each odd numbered year issue a report on its activities to the governor and the legislature. The report may also contain recommendations for legislative action in the field of labor relations.*

Subd. 5. The board shall maintain a list of names of arbitrators qualified by experience and training in the field of labor management negotiations and arbitration. Names on the list may be selected and removed at any time by a majority of the board. In maintaining the list of such persons the board shall, to the maxi-

imum extent possible, select persons from varying geographical areas of the state.

Subd. 6. When final positions are certified to the board as provided in sections 179.69, subdivision 3, or submitted to the board as provided in section 179.69, subdivision 5, the board shall constitute an arbitration panel as follows:

The parties shall, under the direction of the chairman of the board, alternately strike names from a list of seven arbitrators until only three names remain, which three members shall be members of the panel; provided, however, that if either party requests the parties shall select a single arbitrator to hear the dispute. If the parties are unable to agree on who shall strike the first name, the question shall be decided by the flip of a coin. In submitting names of arbitrators to the parties the board shall endeavor whenever possible to include names of persons from the general geographical area in which the public employer is located. The panel shall assume and have jurisdiction over the items of dispute certified to the board for which the panel was constituted. The panel's orders shall be issued upon a majority vote of members considering a given dispute. The members of the panel shall be paid their actual and necessary traveling and other expenses incurred in the performance of their duties plus a per diem allowance of \$180 for each day or part thereof while engaged in the consideration of a dispute. All fees, expenses and costs of the panel shall be shared and assessed equally to the parties to the dispute. In those cases where a single arbitrator is hearing a dispute, the fees, expenses and costs of the arbitrator shall also be shared and assessed equally by the parties to the dispute.

Subd. 7. The arbitration panel or arbitrator selected by the parties shall resolve the issues in dispute between the parties as submitted by the board, and the panel's decision and order shall be final and binding upon the parties. Provided, however, that no decision of the panel which violates any provision of the laws of Minnesota or rules or regulations promulgated thereunder or municipal charters or ordinances or resolutions enacted pursuant thereto, or which causes a penalty to be incurred thereunder, shall have any force or effect. In considering a dispute and issuing its order the panel shall give due consideration to the statutory rights and obligations of public employers to efficiently manage and conduct its operations within the legal limitations surrounding the financing of such operations. The panel's ~~orders~~ order shall be issued by a majority vote of its members considering a given the dispute. The panel shall have no jurisdiction over nor authority to entertain any matter or issue not within the definition stated in section 179.63, subdivision 18; provided, however, items not within terms and conditions of employment may be included in an arbitration decision if such items are contained in the employer's final position. Any issue or order or part thereof issued by the panel determining any matter not included under section 179.63, subdivision 18 or the employer's final position shall be void and of no effect. The panel shall render its decision within ten days from the date that all arbitration proceedings have been concluded,

but in any event must issue its order by the last date the employer is required by statutes, charter, ordinance or resolution to submit its tax levy or budget or certify its taxes voted to the appropriate public officer, agency, public body or office, or by November 1, whichever date is earlier. The panel's order shall be for such period as the panel shall direct, except that orders determining contracts for teacher units shall be effective to the end of the contract period as determined by section 179.70, subdivision 1.

Subd. 8. Notwithstanding the provisions of subdivision 7, for employees of the executive branch of the state of Minnesota, the panel shall be restricted to selecting between the final offers on each impasse item submitted by the parties to the panel.

Sec. 71. Minnesota Statutes 1978, Section 179.74, Subdivision 4, is amended to read:

Subd. 4. The commissioner of personnel shall meet and negotiate with the exclusive representative of appropriate units in the manner prescribed by sections 179.61 to 179.77; provided, however, that the director of mediation services shall define appropriate units of state employees as all the employees under the same appointing authority except where professional, geographical or other considerations affecting employment relations clearly require appropriate units of some other composition. The positions and classes of positions in the classified and unclassified services defined as managerial by the commissioner of personnel in accordance with the provisions of section 43.326 and so designated in the official state compensation schedules, all unclassified positions in the state university system and the community college system defined as managerial by their respective boards, all positions in the bureau of mediation services, *all hearing examiners in the office of hearing examiners*, employees who work in the personnel offices of an appointing authority in the executive branch and who have access to information subject to use by the appointing authority in meeting and negotiating or who actively participate in the meeting and negotiating on behalf of the state employees, shall be excluded from any appropriate unit. Regardless of unit determination, the governor may upon the unanimous written request of exclusive representatives of units and appointing authorities direct that negotiations be conducted for one or more appointing authorities in a common proceeding.

Sec. 72. Minnesota Statutes 1978, Section 179.74, Subdivision 5, is amended to read:

Subd. 5. The commissioner of personnel is authorized to and may enter into agreements. The provisions of ~~said the negotiated~~ agreements which ~~establish wages and economic fringe benefits and arbitration awards~~ shall be submitted to the legislature to be accepted, or rejected or modified. A state employee whose exclusive representative, as defined by section 179.63, subdivision 6, has not ~~executed an reached a proposed agreement with the state covering wages and economic fringe benefits which has been submitted by the commissioner to the legislative commission on employee relations on or before May April 15 of each an odd num-~~

bered year, shall not receive the wage and economic fringe benefit increases provided pursuant to an agreement executed and approved under this subdivision. *Disapproval by the legislative commission on employee relations pursuant to section 2 or failure of the legislature to approve an agreement with respect to wages and economic fringe benefits by the time of adjournment of the regular legislative session in an odd numbered year shall be a defense to a violation of section 179.64.*

Sec. 73. Minnesota Statutes 1978, Section 223.02, is amended to read:

223.02 [LICENSE; BOND.] No person shall sell, or receive, or solicit shipments of such commodities for sale, without first obtaining a license from the department of ~~public service~~ *agriculture* to carry on the business of a commission merchant, and filing with the department a corporate surety bond to the state for the benefit of such consignors, approved by the department, and conditioned for the faithful discharge of his duties as such commission merchant and full compliance with all the laws of the state and rules of the department relative thereto. If the license authorizes the sale of grain the bond shall not be for a less sum than \$25,000 for each separate municipality in which the commission merchant maintains an office for the conduct of such business. If the license only authorizes the sale of hay and straw the bond shall be not less than \$8,000. In either case the department may at any time require such an additional amount of bond as it may deem necessary to protect the consignors.

Sec. 74. Minnesota Statutes 1978, Section 229.01, Subdivision 2, is amended to read:

Subd. 2. [PUBLIC HAY TRACKS.] The department of ~~public service~~ *agriculture* shall designate at convenient places on the several lines of railway entering terminal points in this state, tracks to be known as public hay tracks. The different railway companies either separately or jointly are hereby required to provide suitable tracks to meet the requirements of this chapter. Such public hay tracks may be established on each individual line of railway, or they may be so established as to serve for two or more railways.

Sec. 75. Minnesota Statutes 1978, Section 229.07, is amended to read:

229.07 [WEIGHERS AND INSPECTORS; APPEALS; RE-INSPECTION AND FINAL REVIEW.] The department of ~~public service~~ *agriculture* shall appoint a suitable number of persons to perform such weighing and inspecting of hay and straw. Such weighers and inspectors shall be under the immediate supervision of the department. In case of dissatisfaction of any interested person with the official acts of any inspector, reinspection may be had upon application to the department. A final appeal from the decision of the department may be made to the board of final review, to be provided for by the department under the rules it shall establish. The decision of such board of review shall be final,

provided the department may provide suitable rules for the cancellation of any certificate of inspection issued upon original inspection, reinspection or upon final review when it appears that owing to the manner in which cars of hay or straw were loaded it was impossible for the inspector to obtain a fair sample.

Sec. 76. Minnesota Statutes 1978, Section 231.01, Subdivision 1, is amended to read:

231.01 [DEFINITIONS.] Subdivision 1. [DEPARTMENT.] The word "department," as used in this chapter, means the Minnesota state department of *public service agriculture*.

Sec. 77. Minnesota Statutes 1978, Section 231.01, Subdivision 2, is amended to read:

Subd. 2. [COMMISSIONER.] The term "commissioner," as used in this chapter, means ~~one of the members of the commission~~ *commissioner of agriculture*.

Sec. 78. Minnesota Statutes 1978, Section 232.01, Subdivision 1, is amended to read:

232.01 [LOCAL GRAIN WAREHOUSES.] Subdivision 1. All elevators, flour, cereal and feed mills, malthouses or warehouses in which grain belonging to persons other than the warehouseman is received for storage, situate at any location other than Minneapolis, St. Paul or Duluth, shall be known as public local grain warehouses and shall be under the supervision and subject to the inspection of the department of *public service agriculture*. Provided, however, that nothing herein contained shall be construed as applying to public terminal warehouses as defined in section 233.01, subdivision 3.

Sec. 79. Minnesota Statutes 1978, Section 233.01, Subdivision 1, is amended to read:

233.01 [DEFINITIONS.] Subdivision 1. [DEPARTMENT.] Wherever the term "department" is used in this chapter it shall be construed to mean the department of *public service agriculture* of the state of Minnesota.

Sec. 80. Minnesota Statutes 1978, Section 233.03, is amended to read:

233.03 [DUTIES OF WAREHOUSEMEN.] Every warehouseman shall receive for storage and shipment as far as the capacity of his warehouse will permit, all grain in suitable condition for storage, tendered him in the usual course of business, without discrimination of any kind. All grain shall be inspected on receipt and stored with other grain of the same grade except as herein otherwise provided. At the time of the receipt of the grain, the warehouseman shall issue and deliver to the owner or consignee a warehouse receipt in the following form:

Warehouse Receipt No.

..... Elevator Co.
, Minn., 19.....

The Elevator
 Company has received in store in its elevator known as
 situated at

 Minnesota, for storage from
 owner, bushels of
 which has been duly
 inspected by a duly authorized inspector of grain appointed by
 the department of ~~public service~~ agriculture of Minnesota, or
 licensed by the Secretary of Agriculture of the United States, and
 has been graded by the inspector as No.
 and is that grade. This grain, or an equal amount of grain of the
 same kind and grade, is deliverable upon the return of this receipt
 properly endorsed by the owner above named and the payment of
 all lawful charges; in case of grain stored separately in a special
 bin, at the request of the owner or consignee, the identity of such
 grain will be preserved while in store and the grain will be delivered
 as such separate lot or parcel, in accordance with the law, upon
 surrender of the receipt. Loss by fire, heating or the elements is at
 the owner's risk.

Countersigned by

.....
 Secretary

The Elevator Company
 conducts this elevator as a public terminal warehouse and receives
 and stores therein grain of others for hire.
 bushels grade.

By

STUB RECORD

Initial Car No. Bushels

Receipt No. 19.....

Received in store from

Bushels. Lbs. Grade.

Car No. Bushels Car No. Bushels

The receipts shall be consecutively numbered and delivered to
 the owner immediately upon receipt of each lot or parcel of grain,
 giving the true and correct grade and weight thereof. The manner
 of receipt of such grain shall be stated in the receipt, and with the
 number and distinctive mark of each car, and the name of each
 barge or other vessel. The failure to issue such receipt as directed
 or the issuance of any warehouse receipt differing in form or
 language from that prescribed shall be a misdemeanor; provided
 that such warehouse receipt at the request of the owner or con-
 signee, may provide for delivery of the grain represented thereby

to the depositor, or any other specified person, and may have printed or stamped there the words "non-negotiable."

Sec. 81. Minnesota Statutes 1978, Section 234.02, is amended to read:

234.02 [CONSTRUCTION OF TERMS.] As used in this chapter, unless the context clearly evidences a contrary intention, the following terms shall be construed respectively:

(1) Any local supervisory board of individual producers appointed by the department of ~~public service~~ *agriculture* under the provisions of this chapter;

(2) Any person whose duty it shall be under the provisions of this chapter to inspect, measure, and seal any granary, crib, bin, or other receptacle for the storage of grain;

(3) Any certificate or receipt evidencing the storage of grain under the provisions of this chapter and any rules or regulations promulgated thereunder shall be considered to be used herein in the same connection as the words "document of title," as defined in the uniform commercial code, section 336.1-201 (15);

(4) Any person or persons (whether individuals, corporations, partners or copartners) who shall have title to and possession of any grain stored under the provisions of this chapter shall be construed to have been used herein in the same connection as the word "warehouseman," as defined in the uniform commercial code, section 336.7-102(1) (h).

Sec. 82. Minnesota Statutes 1978, Section 234.10, is amended to read:

234.10 [SEALS.] Seals employed hereunder shall be furnished by the department and shall contain the following language:

"Sealed by authority State of Minnesota, Department of ~~Public Service~~ *Agriculture*.

Any person tampering with this seal or removing any grain herein shall be subject to a fine and imprisonment as provided by law.

Consecutive No....."

Sec. 83. Minnesota Statutes 1978, Section 235.01, is amended to read:

235.01 [SUPERVISION OVER GRAIN.] The department of ~~public service~~ *agriculture* shall exercise general supervision over the grain interests of the state and of buying, selling, handling, and storage of grain, and of the management of public warehouses and public grain markets, including chambers of commerce, boards of trade, and grain exchanges; investigate, on complaint or upon its own motion, all cases of fraud and injustice in the grain trade, unfair practices, or unfair discrimination in the buying or selling of grain; have the power to compel the discontinuance of such unfair practices or unfair discrimination; and make all proper rules and

regulations for carrying out and enforcing the provisions of all laws of the state relating to such subjects.

Sec. 84. Minnesota Statutes 1978, Section 236.01, Subdivision 5, is amended to read:

Subd. 5. "Department" means the Minnesota department of public service agriculture.

Sec. 85. Minnesota Statutes 1978, Section 299D.03, Subdivision 2, is amended to read:

Subd. 2. [SALARIES.] (1) Each employee other than the chief supervisor, lieutenant colonel, majors, captains, corporals and sergeants hereinafter designated shall be known as patrol troopers.

(2) There may be appointed one lieutenant colonel; and such majors, captains, corporals, sergeants and troopers as the commissioner deems necessary to carry out the duties and functions of the highway patrol. Persons in above named positions shall be appointed by law and have such duties as the commissioner may direct and, except for troopers, shall be selected from the patrol troopers, corporals, sergeants, captains, and majors who shall have had at least five years' experience as either patrol troopers, corporals, sergeants, or supervisors.

(3) Commencing ~~July 6, 1977~~ July 4, 1979, the salaries for all members of the highway patrol, except for the chief supervisor and the lieutenant colonel shall be as shown in the following table:

TOTAL YEARS OF SERVICE

	Base Salary	6 Months	1 Year	2 Years	3 Years
Trooper	\$1075 \$1157	1117 1199	1163 1295	1209 1343	1257 1404
	4 thru 6 Years	7 thru 11 Years		12 thru 20 Years	After 20 Years
Trooper	\$1308 \$1474	1350 1528		1413 1585	1470 1646
	5 thru 11 Years		12 thru 20 Years		After 20 Years
Trooper I	\$1350 \$1528		1413 1585		1470 1646
			10 thru 20 Years		After 20 Years
Corporal			\$1438 \$1610		1495 1670
Staff Sergeant			Years		
7	8	9	10	11	12 thru 20 After 20
\$1442	1471	1500	1531	1561	1590 1648
\$1616	1646	1677	1710	1742	1773 1834

TIME IN RANK

	Base Salary	1 Year	2 Years	After 12 Years total Service	After 20 Years total Service
Captain	\$1720 \$1911	1778 1971	1835 2032	1892 2091	1945 2149
Major	1970 2194	2035 2245		2093 2305	2150 2366
Lt. Col.	2170	2236		2294	2350

Commencing July 2, 1980, the salaries for all members of the highway patrol, except for the chief supervisor and the lieutenant colonel shall be as shown in the following table:

TOTAL YEARS OF SERVICE

	Base Salary	6 Months	1 Year	2 Years	3 Years
Trooper	\$1227	1270	1373	1423	1488
	4 thru 6 Years	7 thru 11 Years	12 thru 20 Years	After 20 Years	
Trooper	\$1563	1620	1681	1745	
	5 thru 11 Years	12 thru 20 Years	After 20 Years		
Trooper I	\$1620	1681	1745		
		10 thru 20 Years	After 20 Years		
Corporal		\$1707	1771		
Staff Sergeant				Years	
	7 \$1714	8 1745	9 1778	10 1813	11 1846
				12 thru 20 1879	After 20 1944

TIME IN RANK

	Base Salary	1 Year	2 Years	After 12 Years Total Service	After 20 Years Total Service
Captain	\$2025	2090	2154	2217	2278
Major	\$2314	2379		2445	2509

Employees designated as station sergeants shall receive an additional three percent above the current rate rounded to the nearest dollar for the duration of the appointment. Employees permanently assigned exclusively to Twin City metropolitan freeway duty shall be designated freeway troopers and shall be compensated \$25 per month above their current salary when so assigned. Salary increases in accordance with the above schedule shall become effective for the payroll period nearest the employee's anniversary date of employment.

In addition to the rates of pay provided above, all employees compensated according to the above salary table shall be paid a

cost of living allowance to be determined and redetermined in the following manner:

For each full four tenths point increase in the consumer price index for urban wage earners and clerical workers for Minneapolis-St. Paul, Minnesota (new series index 1967-100) as published for the months January, 1977, and October, 1977, by the Bureau of Labor Statistics of the United States Department of Labor all hourly rates of pay shall be increased by one cent per hour. The increase, if any, in salaries generated by this formula shall become effective January 4, 1978, and shall continue in effect until July 5, 1978. A redetermination of the cost of living allowance shall be made for April, 1978. For each full four-tenths point increase in the consumer price index for urban wage earners and clerical workers for Minneapolis-St. Paul, (new series index 1967-100) as published for the months of January, 1977, and April, 1978, by the Bureau of Labor Statistics, all hourly rates of pay shall be increased by one cent per hour. The increase, if any, in salaries generated by this redetermination shall be effective July 5, 1978. For the purpose of this clause, the term "hourly rate of pay" means the monthly salary of a rank set forth herein divided by 174.

During periods when such cost of living allowance is in effect, it shall be added to the applicable monthly rates of pay for highway patrol trooper, corporal, sergeant, captain, major and lieutenant colonel, and treated as a part thereof in all calculations involving employees' pay. Cost of living adjustments are not cumulative and allowances paid under an earlier determination shall cease when a redetermination takes effect.

The commissioner of finance shall transfer to the department of public safety the necessary amount to finance the increased cost of the cost of living provisions of this clause. This amount is appropriated from the trunk highway fund to the department of public safety for this purpose.

(4) Upon promotion, the person will be paid at the base salary rate of pay in effect for that rank, and shall subsequently be eligible for the time in rank increases calculated from the effective date of promotion.

(5) Any time in rank increases in salary provided for in the tables in clause (3), shall be effective for the payroll period nearest the employee's anniversary date of employment.

The salary rates for all highway patrol troopers, corporals and sergeants as cited in clause (3) shall be deemed to include reimbursement for shift differential, meal and business expenses incurred by highway patrol troopers, corporals and sergeants in the performance of their assigned duties in their patrol areas; business expenses include, but are not limited to: uniform costs, home garaging of squad cars and maintenance of home office.

Sec. 86. Minnesota Statutes 1978, Section 229D.03, Subdivision 3, is amended to read:

Subd. 3. [AIR PATROL; SALARY ADJUSTMENT.] The commissioner of public safety shall increase the salary of any member of the Minnesota highway patrol in an amount not to exceed \$140 per month for operation of fixed wing aircraft and \$175 per month for operation of helicopter during the period in which such member of the patrol is assigned air patrol duty. The commissioner of public safety may appoint, from among the members of the patrol assigned to air patrol duty, a chief pilot who shall receive \$125 per month in addition to the air patrol duty salary differential permitted by this subdivision, *be compensated at the same rate of pay as a captain during the period of his assignment as chief pilot.*

Sec. 87. Minnesota Statutes 1978, Section 299D.03, Subdivision 9, is amended to read:

Subd. 9. [CHARGES AGAINST PATROLMEN.] (a) Charges against any state highway patrolman shall be made in writing and signed and sworn to by the person making the same, which written charges shall be filed with the commissioner. Upon the filing of same, if the commissioner shall be of the opinion that such charges constitute a ground for suspension, demotion, or discharge, he shall order a hearing to be had thereon and fix a time for such hearing and may designate a subordinate as his deputy to conduct such hearing. Otherwise he shall dismiss the charges. At least ten days before the time appointed for the hearing, written notice specifying the charges filed and stating the name of the person making the charges, shall be served on the employee personally or by leaving a copy thereof at his usual place of abode with some person of suitable age and discretion then residing therein. If the commissioner orders a hearing he may suspend such employee pending his decision to be made after such hearing.

(b) The exclusive representative of Members of the state highway patrol shall have the option of utilizing either the contractual grievance procedure or the legal remedies of this section, but in no event both. *Notwithstanding the above, any employee may utilize the provisions of subdivisions 10 and 11.*

(c) The commissioner, after having been informed by the exclusive representative that the employee against whom charges have been filed desires to utilize the grievance procedure of the labor agreement, may immediately suspend, demote or discharge the employee without the hearing required by clause (a).

Sec. 88. Minnesota Statutes 1978, Section 355.12, is amended to read:

355.12 [AGREEMENTS.] The state agency, *with the approval of the governor,* is hereby authorized to enter into an agreement with the secretary of health, education, and welfare, or to modify any such agreement previously made to obtain the benefits of the federal old age survivors insurance system in respect to services performed by employees of any employing unit.

Sec. 89. Minnesota Statutes 1978, Section 355.17, is amended to read:

355.17 [MODIFICATION OF AGREEMENT, RETROACTIVE EFFECT.] Employing units may individually determine whether they desire inclusion in the state social security agreement, and each employing unit desiring such inclusion shall so indicate by submitting a formal resolution to the state agency, including therein the desired starting date for social security coverage. The state agency, ~~with the approval of the governor,~~ may modify the agreement between the state and the secretary of health, education and welfare with respect to employees of any such employing unit, separately, so as to provide social security coverage therefor retroactive to any date subsequent to December 31, 1955.

Sec. 90. Minnesota Statutes 1978, Section 355.207, is amended to read:

355.207 [AGREEMENTS WITH FEDERAL AGENCY.] Upon the governor's certification pursuant to section 355.206, the state agency, ~~with the approval of the governor,~~ shall be authorized after June 30, 1978, to enter into an agreement with the secretary of health, education, and welfare, or modify any such agreement previously made with respect to teachers. The agreement or modification shall contain such terms and provisions authorized by the social security act and the enabling act as the state agency finds proper.

Sec. 91. Minnesota Statutes 1978, Section 355.23, Subdivision 3, is amended to read:

Subd. 3. Upon such certification, the state agency, ~~with the approval of the governor,~~ shall become authorized to modify the agreement with the secretary of health, education and welfare, previously made as provided in the enabling act, to obtain the benefits of the federal old age and survivors insurance system in respect to services performed by teachers as defined in sections 355.21 to 355.27. Such modification may take effect retroactively to January 1 of the year in which the modification of the agreement is accepted by the secretary of health, education and welfare, and apply to all such services performed after the effective date by teachers who are such on the date the modification is entered into or thereafter, excepting any service of an emergency nature, any service performed by a student, and all services in any class or classes of part-time positions, or positions the compensation for which is on a fee basis.

Sec. 92. Minnesota Statutes 1978, Section 355.286, is amended to read:

355.286 [AGREEMENTS WITH FEDERAL AGENCY.] Upon the governor's certification pursuant to section 355.285, the state agency, ~~with the approval of the governor,~~ shall be authorized after June 30, 1978, to enter into an agreement with the secretary of health, education, and welfare, or modify any such agreement previously made with respect to teachers. The agreement or modification shall contain such terms and provisions authorized by the

social security act and the enabling act as the state agency finds proper.

Sec. 93. Minnesota Statutes 1978, Section 355.295, is amended to read:

355.295 [STATE-FEDERAL AGREEMENT.] Upon such certification as provided herein the state agency or individual so designated with the approval of the governor shall be authorized to enter into an agreement with the secretary of health, education and welfare or modify any such agreement previously made with respect to the employment by public employees. The agreement or modification authorized hereunder shall take effect retroactively and apply to all employment performed after the last day of the fifth calendar year preceding the year in which the agreement or modification is entered into by the employees who are such on the effective date of the agreement or modification. The agreement or modification shall further include within its application, effective with the date of entry into service as public employees, all employment of such public employees on the date of and subsequent to the approval of the agreement or modification as well as those who are such on the effective date thereof.

The agreement shall not include employment of any public employee who performs service in (a) any position the compensation for which is on a fee basis, (b) any position performing services which, under the social security act, may not be included in any agreement between the state and secretary of health, education and welfare, (c) any position which is an elective office of the state, and (d) any position in a public hospital for which employees are provided coverage under the old age, survivors, and disability insurance provisions of Title II of the Federal Social Security Act under another provision of law. This section applies only to hospitals in existence prior to July 1, 1971.

Sec. 94. Minnesota Statutes 1978, Section 355.308, is amended to read:

355.308 [AGREEMENTS WITH FEDERAL AGENCY.] Upon the governor's certification pursuant to section 355.307, the state agency ; with the approval of the governor, shall be authorized after June 30, 1978, to enter into an agreement with the secretary of health, education, and welfare, or modify any such agreement previously made with respect to municipal employees. The agreement or modification shall contain such terms and provisions authorized by the social security act and the enabling act as the state agency finds proper.

Sec. 95. Minnesota Statutes 1978, Section 355.45, is amended to read:

355.45 [STATE AGENCY TO MAKE AGREEMENT WITH SECRETARY OF HEALTH, EDUCATION AND WELFARE.] Upon such certification the state agency, with the approval of the governor, shall be authorized to enter into an agreement with the secretary of health, education and welfare, or modify any such agreement previously made with respect to employment by state

employees, public employees, and educational employees. The agreement or modifications shall take effect retroactively and apply to all such employment performed after December 31, 1955, by the employees who are such on that date, and shall include within its application effective with the date of entry into state, public or educational service, all employment by such employees on the date of and subsequent to the approval of the agreement or modification as well as those who are such on the approval date thereof.

Sec. 96. Minnesota Statutes 1978, Section 355.60, is amended to read:

355.60 [AGREEMENTS WITH FEDERAL AGENCY.] Upon such certification the state agency, ~~with the approval of the governor,~~ shall be authorized to enter into an agreement with the secretary of health, education, and welfare, or modify any such agreement previously made with respect to employment by educational employees. The agreement or modification shall contain such terms and provisions authorized by the social security act and the enabling act as the state agency finds proper.

Sec. 97. Minnesota Statutes 1978, Section 355.76, is amended to read:

355.76 [STATE-FEDERAL AGREEMENT.] Upon such certification the state agency ~~or individual so designated, with the approval of the governor,~~ shall be authorized to enter into an agreement with the secretary of health, education, and welfare or modify any such agreement previously made with respect to the employment by state employees, public employees, and educational employees. The agreement or modification authorized hereunder shall take effect retroactively and apply to all employment performed after December 31 of the year prior to the date of the agreement or modification, by the employees who are such on that date and shall include within its application, effective with the date of entry into service as a hospital employee, all employment by such hospital employees on the date of and subsequent to the approval of the agreement or modification as well as those who are such on the approval date thereof. The agreement under sections 355.71 to 355.81 shall not apply to services in positions the compensation for which is on a fee basis.

Sec. 98. Minnesota Statutes 1978, Section 645.44, Subdivision 5, is amended to read:

Subd. 5. [HOLIDAYS.] "Holiday" includes New Year's Day, January 1; Washington's and Lincoln's Birthday, the third Monday in February; Memorial Day, the last Monday in May; Independence Day, July 4; Labor Day, the first Monday in September; Christopher Columbus Day, the second Monday in October; Veterans Day, November 11; Thanksgiving Day, the fourth Thursday in November; and Christmas Day, December 25; provided, when New Year's Day, January 1; or Independence Day, July 4; or Veterans Day, November 11; or Christmas Day, December 25; falls on Sunday, the following day shall be a holiday and, provided, when New Year's Day, January 1; or Independence Day, July 4;

or Veterans Day, November 11; or Christmas Day, December 25; falls on Saturday, the preceding day shall be a holiday. No public business shall be transacted on any holiday, except in cases of necessity and except in cases of public business transacted by the legislature, nor shall any civil process be served thereon. However, for the executive branch of the state of Minnesota, "holiday" also includes the Friday after Thanksgiving but does not include Christopher Columbus Day. Other branches of state government and political subdivisions shall have the option of determining whether Christopher Columbus Day and the Friday after Thanksgiving shall be holidays. Where it is determined that Columbus Day or the Friday after Thanksgiving is not a holiday, public business may be conducted thereon.

Any agreement between a public employer and an employee organization citing Veterans Day as the fourth Monday in October shall be amended to cite Veterans Day as November 11.

Sec. 99. Employees who are represented by the international union of operating engineers, local No. 49, and who are employed by the department of transportation and assigned to the central office and districts 5 and 9, shall, in addition to the salaries provided by Minnesota Statutes, Section 43.12, receive a supplemental adjustment of 12 cents per hour.

Sec. 100. The one percent differential established by Laws 1977, Chapter 452, Section 30, for the classes crime laboratory analyst 1, 2, and 3 and identification officer shall continue in effect for the period July 4, 1979, to July 1, 1981.

Notwithstanding Minnesota Statutes, Section 43.12, Subdivision 14, effective July 2, 1980, one additional step shall be added to the salary ranges for the classes crime laboratory analyst 2 and 3 and identification officer. An employee assigned to one of those classes shall be advanced in pay from his rate of pay immediately preceding that date to the next step within the salary range for his classification. The salary increases provided by this section are in addition to the salaries provided by Minnesota Statutes, Section 43.12.

Sec. 101. In lieu of a birthday holiday, employees in the classes crime investigator 1 and 2, crime laboratory analyst 1, 2, and 3, assistant identification officer and identification officer, and employees represented by the Minnesota government engineers council shall receive a one time lump sum payment in an amount equal to the employee's regular hourly rate of pay on July 4, 1979 times 16 hours.

Sec. 102. The commissioner of public safety is authorized to reimburse employees covered by the agreement with the bureau of criminal apprehension association of forensic scientists up to a maximum of \$100 a year for professional dues for job related organizations.

Sec. 103. Employees who are represented by the Minnesota teamsters public and law enforcement employees union, local No. 320, and who are employed by the department of administration,

or by the department of public safety in the classes security guard, law compliance representative 1, or liquor control investigator specialist and headquartered in the Minneapolis-St. Paul metropolitan area, Rochester and Duluth, or by the state board for community colleges in the classes general maintenance worker or general repair worker and assigned to Anoka-Ramsey, Inver Hills, Lakewood, Metropolitan, Normandale or North Hennepin community college shall receive, in addition to the salaries provided by, Minnesota Statutes, Section 43.12, a supplemental travel allowance of \$20 per month. The commissioner of personnel may extend the supplemental travel allowance of \$20 per month to employees who are employed by the department of transportation in the class right-of-way agent and assigned to the central office and districts 1a, 5, 6a and 9.

Sec. 104. In lieu of the salaries provided by Minnesota Statutes, Section 43.12, Subdivisions 2 and 3, employees of the department of public safety, bureau of criminal apprehension, who are represented by the bureau of criminal apprehension agents association shall receive the following salary increases:

(1) Effective July 4, 1979, the salary rates and ranges for the classes crime investigators 1 and 2 shall be increased 5.3 percent over the salary rates and ranges in effect on July 3, 1979.

(2) Effective July 2, 1980, the salary rates and ranges for the classes crime investigator 1 and 2 shall be increased 3.8 percent over the salary rates and ranges in effect on July 1, 1980.

Sec. 105. In lieu of the salaries and cost of living adjustments provided by Minnesota Statutes, Section 43.12, Subdivisions 2, 3, and 10, employees of the departments of corrections and public welfare who are represented by the professional employee pharmacists of Minnesota shall receive the following salary increases:

(1) Effective July 4, 1979, the salary rates and ranges for the classes hospital pharmacist and hospital pharmacist senior shall be increased by 6.5 percent over the salary rates and ranges in effect on July 3, 1979.

(2) Effective July 2, 1980, the salary rates and ranges for the classes hospital pharmacist and hospital pharmacist senior shall be increased by 5 percent over the salary rates and ranges in effect on July 1, 1980.

Sec. 106. In lieu of the salaries provided by Minnesota Statutes, Section 43.12, Subdivisions 2 and 3, employees of the department of transportation who are represented by the middle management association shall receive the following salary increases:

(1) Effective July 4, 1979, the salary rates and ranges for covered employees shall be increased by 1.3 percent over the salary rates and ranges in effect on July 7, 1977.

(2) Effective July 2, 1980, the salary rates and ranges for covered employees shall be increased 4.4 percent over the salary rates and ranges in effect on July 1, 1980.

Sec. 107. Notwithstanding the provisions of Minnesota Statutes, Section 43.50, for employees of the department of transportation who are represented by the middle management association, the department of transportation shall pay the full cost of dependent hospital-medical insurance coverage up to \$60 per month or the cost of the Blue Cross/Blue Shield premium attributable to dependent coverage, whichever is greater.

Sec. 108. In lieu of the salaries provided by Minnesota Statutes, Section 43.12, Subdivisions 2 and 3, employees of the department of natural resources who are represented by the Minnesota conservation officers association shall receive the following salary increases:

(1) Effective July 4, 1979, the salary rates and ranges for the classes natural resources specialist (conservation officer) 1, 2, 3, and 4 shall be increased 13 percent over the salary rates and ranges in effect on July 7, 1977.

(2) Effective July 2, 1980, the salary rates and ranges for the classes natural resources specialist (conservation officer) 1, 2, 3, and 4 shall be increased 4.4 percent over the rates and ranges in effect on July 1, 1980.

(3) In addition to the adjustments made by paragraphs (1) and (2), each covered employee shall receive an increase of seven cents per hour in lieu of a birthday holiday. The seven cents per hour shall not be included in the wage rate base for purposes of determining the 4.4 percent increase effective July 2, 1980.

(4) Vehicles purchased by the state for the official use of conservation officers shall be equipped pursuant to the terms of the agreement. Officers shall be supplied with flak jackets pursuant to the terms of the agreement.

Sec. 109. In lieu of the salaries provided by Minnesota Statutes, Section 43.12, Subdivisions 2 and 3, effective July 4, 1979, employees of the department of public welfare who are represented by the Minnesota nurses association shall receive the following salary increases:

(1) Covered employees who were paid at a rate of \$1,014 or \$1,051 per month on July 3, 1979 shall be paid at a rate of \$1,133 per month.

(2) The salary rates and ranges for all other covered employees shall be increased by six percent over the salary rates and ranges in effect on July 3, 1979.

In lieu of a birthday holiday covered employees shall receive one floating holiday per year.

Sec. 110. Employees who are represented by the Minnesota government engineers council and who are employed by the department of transportation in the classes radio engineer 1, principal highway technician and principal engineer aide shall receive, in addition to the salaries provided by Minnesota Statutes, Section 43.12, a one time lump sum payment of \$438.

Sec. 111. *Notwithstanding the provisions of Minnesota Statutes, Section 43.12, Subdivision 17, the severance pay provisions of the collective bargaining agreements with the Minnesota community college faculty association, the IFO/MEA, the Minnesota State University Association of Administrative and Service Faculty/Teamsters, the Minnesota highway patrol officers association and the Minnesota highway patrol supervisors association are approved.*

Sec. 112. *The commissioner of transportation is authorized to reimburse employees covered by the agreement with the Minnesota government engineers council up to a maximum of \$50 a year for professional dues for job related organizations.*

Sec. 113. *Effective July 2, 1980, employees of the departments of welfare and corrections who are represented by the association of institutional dentists shall receive, in addition to the salaries provided by Minnesota Statutes, Section 43.12, a 35 cent per hour differential.*

Sec. 114. *Employees of the department of corrections who are represented by the Minnesota teamsters public and law enforcement employees, local No. 320, shall receive, in addition to the salaries and differentials provided by Minnesota Statutes, Section 43.12, the following salary adjustments:*

(1) Employees in the classes correctional counselor 1, 2 and 3, shall receive a 6 cent per hour differential.

(2) Employees in the classes electrician, painter and plant maintenance engineer shall receive a 10 cent per hour differential.

(3) Effective July 2, 1980, the hourly rate of pay for employees in the classes delivery van driver and janitor, senior shall be increased by 2½ percent, rounded to the nearest cent.

(4) These employees shall receive the same bonus as that provided for in section 115.

Sec. 115. *Any employee except an emergency, project or temporary employee who is represented by the American federation of state, county and municipal employees, Council No. 6, AFL-CIO, shall receive:*

(1) a lump sum bonus of \$225 payable no later than July 31, 1979, provided he was employed prior to January 1, 1979 and was continuously employed through July 1, 1979.

(2) a lump sum bonus of \$225 payable no later than July 31, 1980, provided he was employed prior to January 1, 1980 and was continuously employed through July 1, 1980. However, intermittent employees and nontenured laborers who otherwise meet the employment requirements of this section shall only be eligible to receive the bonus after completion of 100 working days in any 12 month period. Part time employees who meet the employment requirements of this section shall receive a bonus of \$137.50 on each of the dates specified in this section.

The bonus provided by this section shall not be considered as salary for the purposes of section 352.01, subdivision 13.

Sec. 116. *The commissioner is authorized to establish a procedure for paying eligible employees, under the holiday pay provisions of the personnel rules or as required by a collective bargaining agreement, whichever is applicable, for a birthday holiday.*

Sec. 117. *Notwithstanding the provisions of section 179.74, subdivision 5, a state employee whose exclusive representative, as defined by section 179.63, subdivision 6, was unable to enter into an agreement with the state covering wages and economic fringe benefits on or before May 15, 1979, as a result of an order to cease and desist bargaining issued by the director of mediation services, shall receive the applicable wage and economic fringe benefit increases provided by this act.*

Sec. 118. *The duties, personnel complement of six persons, and appropriation involved in discharging the duties of the department of public service under Minnesota Statutes, Chapters 223, 229, 231, 232, 233, 234, 235, and 236 are transferred to the department of agriculture as of July 1, 1979. Nothing herein shall be construed as abrogating or modifying any rights now enjoyed by affected employees under the terms of an agreement between an exclusive representative of public employees and the state or one of its appointing authorities.*

Sec. 119. [PERSONNEL SYSTEM STUDY; APPROPRIATION.] *There is appropriated to the legislative commission on employee relations the sum of \$100,000 for the period ending July 1, 1981, to be used for a study of the state personnel system. A primary focus of the study will be the interrelationship of the civil service system with the public employment labor relations act, as that act applies to state employees. The goal of the study will be the preparation of a report for the legislature containing alternative recommendations by which improvements could be made in applicable laws, rules, structures and procedures. Specific areas to be studied include, but are not necessarily limited to, bargaining procedures, compensation, classification, work force size and turnover, and personnel administration. In performing this study, attention shall be given to methods for preserving and strengthening the role for collective bargaining in the system. Consideration shall also be given to past reports and studies dealing with the state's personnel system and to innovative improvements made in civil service systems by the federal government and other states. The study shall also examine state laws with respect to local civil service systems and local public employee labor negotiations.*

The commission shall study and report to the legislature, on or before November 15, 1980, as to its recommendations, including proposed legislation, with respect to (1) merit pay system, progression, and cost of living adjustments for state employees and (2) a mechanism for transferring the duty to negotiate with state employees on behalf of the state from the department of person-

nel to an independent office of state employee contract negotiations.

To the extent practicable, use shall be made of existing legislative staff and other resources. In the performance of this study, there shall be frequent consultation with persons and groups involved with or directly affected by the state civil service system. The heads of state agencies shall give their full cooperation in the performance of this study.

The final report of the study, together with any proposed statutory amendments, shall be submitted to the commission no later than November 15, 1980. Any recommendations of the study which will substantially affect the collective bargaining process leading to the 1981-1982 biennium shall be submitted no later than December 1, 1979.

Sec. 120. [REPEALER.] Effective July 1, 1981, Minnesota Statutes 1978, Sections 43.03; 43.06; 43.062; 43.063; 43.064; 43.065; 43.067; 43.068; 43.069; 43.07; 43.09; 43.111; 43.12; 43.121; 43.122; 43.126; 43.127; 43.128; 43.13; 43.14; 43.162; 43.17; 43.18; 43.19; 43.20; 43.21; 43.22; 43.222; 43.223; 43.224; 43.23; 43.24; 43.245; 43.321; 43.322; 43.323; 43.324; 43.326; 43.327; 43.33; 43.44; 43.45; 43.46; 43.48; 43.49; 43.50; and 43.51 are repealed. Section 73 of this act and section 179.72, subdivision 8, expire on July 1, 1981. Minnesota Statutes 1978, Section 179.72, Subdivision 1a, is repealed effective July 1, 1980.

Sec. 121. [APPROPRIATION.] Subdivision 1. There is appropriated to the legislative commission on employee relations the sum of \$100,000 for the period ending July 1, 1981, to be used for its general operating purposes:

Subd. 2. There is appropriated to the public employee relations board the sum of \$200,000 for the fiscal year beginning July 1, 1980.

Sec. 122. [EFFECTIVE DATE.] The effective dates for Article I are as follows: sections 2, 4, 8, 42, 47, 49, 56, 59, 60, 63, 64, 71 and 119 are effective upon final enactment. Sections 9, 61, 62, 65, 66, 68, 69, 70, and 72 are effective July 1, 1980. Sections 3, 5, 6 and 7 are effective July 1, 1981. The remaining provisions of Article I are effective July 1, 1979. The changed jurisdiction of the board over unfair labor practices shall commence on July 1, 1980 and shall extend to all actions occurring on or after that date. The terms of all members of the board on the effective date of this act shall expire on July 1, 1980 and the terms of the new members appointed under section 70 shall commence on July 1, 1980. The salaries set forth in section 15A.081, subdivision 1 for members of the board shall not apply until July 1, 1980. The provisions of section 49 shall apply to all disciplinary actions taken on or after the effective date of section 31. The provisions of sections 99 to 117 shall expire on July 1, 1981. The provisions of section 137.02, subdivision 4, shall not apply to sections 99 to 117.

ARTICLE II

Section 1. Minnesota Statutes 1978, Section 15A.081, is amended to read:

15A.081 [SALARIES AND SALARY RANGES FOR CERTAIN EMPLOYEES.] Subdivision 1. The following salaries or salary ranges are provided for the below listed employees in the executive branch of government:

	Base Salary or Range		
	Effective	Effective	
	July 1,	July 1,	
	1979	1980	
Administration, department of commissioner	\$41,000	\$44,000	\$47,000
Agriculture, department of commissioner	36,000	38,500	41,000
Attorney general, office of deputy attorney general	23,000-42,000		
Commerce, department of commissioner of banks	32,000	34,000	36,500
commissioner of insurance	32,000	34,000	36,500
commissioner of securities	32,000	34,000	36,500
director of consumer services		28,000	30,000
executive secretary commerce commission	27,000		
Community college system chancellor	41,000	44,000	47,000
Corrections, department of commissioner	36,000	38,500	41,000
ombudsman	32,000	34,000	36,500
Crime prevention and control planning board, governor's commission on executive director	32,000	34,000	36,500
Economic development, department of commissioner	32,000	34,000	36,500
Economic security, department of commissioner	41,000	44,000	47,000

	Base Salary or Range		
	Effective July 1, 1979	Effective July 1, 1980	
	\$	\$	\$
Education, department of commissioner	41,000	44,000	47,000
Energy agency director	36,000	38,500	41,000
Finance, department of commissioner	45,000	48,000	51,500
Health, department of commissioner	41,000	44,000	47,500
Hearing examiners office chief hearing examiner	36,000	38,500	41,000
Higher education coordinating board executive director	36,000	38,500	41,000
Housing finance agency executive director	36,000	38,500	41,000
Human rights, department of commissioner	29,000	31,000	33,000
Indian affairs board executive director	25,000	27,000	28,500
Investment, board of executive secretary	41,000	44,000	47,000
Iron range resources and rehabilitation board commission	29,000	31,000	33,000
Labor and industry, department of commissioner	36,000	38,500	41,000
judge of the workers' compensation court of appeals	36,000	38,500	41,000
Mediation services, bureau of director, mediation services	29,000	31,000	33,000
Natural resources, department of commissioner	41,000	44,000	47,000
Personnel, department of commissioner	41,000	44,000	47,000
Planning agency director	41,000	44,000	47,000
Pollution control agency director	36,000	38,500	41,000

	Base Salary or Range		
	Effective July 1, 1979	Effective July 1, 1980	
	\$	\$	\$
<i>Public employment relations board</i>			
<i>chairman</i>			33,000
<i>member</i>			33,000
Public safety, department of			
commissioner	36,000	38,500	41,000
Public service, department of			
commissioner, public service			
commission	32,000	34,000	36,500
director	32,000	34,000	36,500
Public welfare, department of			
commissioner	41,000	44,000	47,000
Revenue, department of			
commissioner	41,000	44,000	47,000
State university system			
chancellor	41,000	44,000	47,000
Transportation, department of			
commissioner	41,000	44,000	47,000
Veterans affairs, department of			
commissioner	29,000	31,000	33,000

Subd. 5. A deputy of a position listed in subdivision 1, ~~other than the attorney general~~, shall be paid a base salary equal to 90 percent of the salary of the head of that department or agency as listed in subdivision 1.

Subd. 6. The following salaries are provided for the constitutional officers of the state:

	Effective July 1, 1979	Effective July 1, 1980	
Governor	\$58,000	\$62,000	\$66,500
Attorney general	49,000	52,500	56,000
Lieutenant governor	36,000	38,500	41,000
Auditor	30,000	38,500	41,000
Secretary of state	30,000	38,500	41,000
Treasurer	30,000	38,500	41,000

The salaries of the *chief deputy attorney general*, deputy auditor, deputy secretary of state and deputy treasurer shall be 90 percent of the salaries of their respective superior constitutional officers. The deputies shall be eligible for achievement awards as provided in section 43.069.

Subd. 7. The following salaries are provided for officers of metropolitan agencies:

		<i>Effective July 1, 1979</i>	<i>Effective July 1, 1980</i>
Chairman, metropolitan council	\$39,000		
<i>(part-time)</i>		\$21,000	\$22,500
<i>(full-time)</i>		42,000	44,500
Chairman, metropolitan airports commission	10,000	10,500	11,500
Chairman, metropolitan transit commission	33,500		
<i>(part-time)</i>		18,000	19,000
<i>(full-time)</i>		36,000	38,000
Chairman, metropolitan waste control commission	15,000	16,000	17,000

Fringe benefits for unclassified employees of the metropolitan waste control commission shall not exceed those fringe benefits received by unclassified employees of the metropolitan council.

Sec. 2. Minnesota Statutes 1978, Section 15A.083, Subdivision 1, is amended to read:

15A.083. [SALARIES FOR POSITIONS IN THE JUDICIAL BRANCH.] Subdivision 1. [ELECTIVE JUDICIAL OFFICERS.] The following salaries shall be paid annually to the enumerated elective judicial officers of the state:

		<i>Effective July 1, 1979</i>	<i>Effective July 1, 1980</i>
(1) Chief justice of the supreme court	\$52,000	\$56,000	\$59,000
(2) Associate justice of the supreme court	49,000	52,500	56,000
(3) District judge, judge of county court (learned in the law), probate court, and county municipal court	42,000	45,000	48,000
(4) Judge of a county court (not learned in the law)	27,000	29,500	31,500

Sec. 3. Minnesota Statutes 1978, Section 15A.083, Subdivision 2, is amended to read:

Subd. 2. [COUNTY COURT AND COUNTY MUNICIPAL JUDGES.] (1) Notwithstanding any other law to the contrary, the salary paid to a judge of a county court shall also be paid to

judges of the probate court of St. Louis county and to judges of the Duluth municipal court.

(2) Judges of the county municipal courts, and county courts in the counties of Hennepin, Ramsey, Washington, Anoka, Scott, St. Louis, Carver and Dakota . . . ~~42,000~~ shall receive a salary of \$45,000, effective July 1, 1979, and \$48,000, effective July 1, 1980.

(3) If any judge enumerated in this subdivision dies while in office, the amount of his salary remaining unpaid for the month in which his death occurs, shall be paid to his estate.

Sec. 4. Minnesota Statutes 1978, Section 15A.083, Subdivision 4, is amended to read:

Subd. 4. [RANGES FOR OTHER JUDICIAL POSITIONS.] Salaries or salary ranges are provided for the following positions in the judicial branch of government. The appointing authority of positions any position for which ranges have a salary range has been provided shall fix the individual salaries under the provisions of section 15A.081, subdivision 2 salary within the prescribed range, considering the qualifications and overall performance of the employee. Appointments to fill vacancies shall not be made above the midpoint of the salary range prescribed for the position unless the personnel board has been consulted in advance and its approval obtained. Any salary increase that would adjust an employee's rate of pay beyond the midpoint of the range prescribed for the position must be approved in advance by the personnel board.

		Salary or Range	
		Effective July 1, 1979	Effective July 1, 1980
Public defender	\$35,000	\$37,500	\$40,000
District administrator	25,000-35,000	27,000-37,500	28,500-40,000
County attorneys council executive director	20,400-20,700	22,000-32,000	23,500-34,000
Board on judicial standards executive director		36,000	38,000
State court administrator		44,500	47,000

Sec. 5. Minnesota Statutes 1978, Section 43.067, Subdivision 4, is amended to read:

Subd. 4. [LIMIT ON POLITICAL SUBDIVISION SALARIES.] Notwithstanding any other law to the contrary, no salary of a person employed by a city, county, town, school

district, metropolitan or regional agency, or other political subdivision of the state may exceed 110 percent of the highest salary of the commissioner of finance plus the maximum permissible achievement award under section 43.069 listed in section 15A.081, subdivision 1.

Sec. 6. Minnesota Statutes 1978, Section 43.126, Subdivision 1, is amended to read:

43.126 [SPECIAL RATES OF PAY.] Subdivision 1. Notwithstanding the provisions of sections 43.12 and 43.121 to 43.123, the following salary ranges are established with annual salaries as shown:

Range A	\$29,000 \$32,000	to	\$40,500 \$45,000
Range B	\$35,500 \$37,000	to	\$48,000 \$54,000
Range C	\$48,000 \$42,000	to	\$57,500 \$67,500

Sec. 7. [TEMPORARY PROVISION.] *No incumbent whose salary is prescribed in section 15A.083 shall suffer a decrease in salary as a result of this act. If the midpoint of the salary range prescribed by section 15A.083 is less than the salary the incumbent is earning on the day prior to the effective date of this act, the incumbent shall continue to receive that salary for as long as he holds that position, but he shall not be eligible for increases (1) until his salary is no longer higher than the midpoint of the range for that position or (2) unless the personnel board approves an increase.*

Sec. 8. [REPEALER.] *Minnesota Statutes 1978, Section 15A.083, Subdivision 4a, is repealed.*

Sec. 9. *Article II is effective July 1, 1979."*

Amend the title by deleting it and inserting:

"A bill for an act relating to state government; setting wage and fringe benefits to employees in the executive and judicial branches of state government; ratifying certain collective bargaining agreements; making changes in the state civil service and personnel laws; making changes in public employment labor relations law; changing the duties of the public employment relations board; creating a legislative commission on employee relations; providing for a study of state employment and labor relations practices; providing for attrition in state funded personnel positions; transferring certain duties from the public service commission to the department of agriculture; appropriating money; amending Minnesota Statutes 1978, Sections 15.0411, Subdivision 2; 15A.081; 15A.083, Subdivisions 1, 2, and 4; 15A.13; 16A.123; 43.01, Subdivisions 10, 11, 14 and by adding a subdivision; 43.05, Subdivision 2; 43.055; 43.064; 43.067, Subdivisions 3 and 4; 43.09, Subdivisions 2 and 2a; 43.12, Subdivisions 2, 3, 5, 6, 7, 8, 8a, 10, 12, 14, 15, 16, 17, 23, 24, 25 and by adding subdivisions; 43.122, Subdivision 5; 43.126, Subdivision 1; 43.127, Subdivision 6; 43.15, Subdivision 5; 43.17, Subdivisions 3 and 4a; 43.19; 43.20, Subdivisions 3 and

5; 43.227; 43.24; 43.32, Subdivision 4; 43.327, Subdivisions 2 and 3; 43.43, by adding a subdivision; 43.44, Subdivision 2; 43.47, Subdivision 2; 43.491, Subdivision 5; 43.50, Subdivision 1; 43.51; 62D.22, Subdivision 7; 179.63, Subdivision 11; 179.64, Subdivisions 5 and 7; 179.65, Subdivision 6; 179.66, Subdivision 1; 179.67, Subdivisions 3, 13 and by adding a subdivision; 179.68, Subdivision 1; 179.72; 179.74, Subdivisions 4 and 5; 223.02; 229.01, Subdivision 2; 229.07; 231.01, Subdivisions 1 and 2; 232.01, Subdivision 1; 233.01, Subdivision 1; 233.03; 234.02; 234.10; 235.01; 236.01, Subdivision 5; 299D.03, Subdivisions 2, 3 and 9; 355.12; 355.17; 355.207; 355.23, Subdivision 3; 355.286; 355.295; 355.308; 355.45; 355.60; 355.76; 645.44, Subdivision 5; Chapter 3, by adding a section; and Chapter 179, by adding a section; repealing Minnesota Statutes 1978, Sections 15A.083, Subdivision 4a; 43.03; 43.06; 43.062; 43.063; 43.064; 43.065; 43.067; 43.068; 43.069; 43.07; 43.09; 43.111; 43.12; 43.121; 43.122; 43.126; 43.127; 43.128; 43.13; 43.14; 43.162; 43.17; 43.18; 43.19; 43.20; 43.21; 43.22; 43.222; 43.223; 43.224; 43.23; 43.24; 43.245; 43.321; 43.322; 43.323; 43.324; 43.326; 43.327; 43.33; 43.44; 43.45; 43.46; 43.48; 43.49; 43.50; 43.51; and 179.72, Subdivision 1a."

The motion prevailed. So the amendment was adopted.

Mr. Coleman then moved to amend H. F. No 1467, as amended by the Coleman amendment, adopted by the Senate May 18, 1979, as follows:

(The text of the amended House File is identical to S. F. No. 1519.)

Page 5, line 16, after "officers" insert "*, the state university system, the community college system*"

Page 5, delete lines 17 and 18

Page 6, line 31, delete everything after the comma

Page 6, delete line 32

Page 6, line 33, delete everything before "or"

Page 30, line 16, delete everything after "with"

Page 30, line 17, delete everything before "43.064" and insert "*sections 15A.081 and*"

Page 31, line 11, delete "and"

Page 32, line 8, delete "bank" and insert "*in excess of 900 hours*"

Page 34, line 26, delete the comma and insert "and"

Page 34, line 26, delete "and" and insert "or"

Page 34, line 33, reinstate "and" and delete the comma

Page 40, line 16, delete "classified"

Page 43 line 30, delete "chronic"

Page 55, line 10, after "approve" insert "*a negotiated agreement or arbitration award*"

Page 55, line 14, strike "Laws 1973, Chapter 635" and insert "*sections 179.61 to 179.76*"

Page 55, line 27, strike "Laws 1973, Chapter 635" and insert "*sections 179.61 to 179.76*"

Page 67, line 3, delete "8" and insert "7a"

Page 68, line 24, delete "an" and insert "*a negotiated*"

Page 68, line 24, after "*agreement*" insert "*or arbitration award*"

Page 95, line 4, delete "8" and insert "7a"

Page 95, line 26, delete "*The*"

Page 95, delete lines 27 and 28

Page 104, line 24, after the period insert "*The salaries set forth in section 15A.081, subdivision 1 for the chairman and members of the public employment relations board shall not apply until July 1, 1980.*"

The motion prevailed. So the amendment was adopted.

Mr. Coleman then moved to amend H. F. No. 1467 as amended by the Coleman amendment, adopted May 18, 1979, as follows:

(The text of the amended House File is identical to S. F. No. 1519.)

Page 92, line 5, after "*employee*" insert "*who is compensated pursuant to section 43.12 and excluded from a bargaining unit by section 179.74, subdivision 4 or*"

The motion prevailed. So the amendment was adopted.

Mr. Gearty moved to amend H. F. No. 1467, as amended by the Coleman amendment, adopted by the Senate May 18, 1979, as follows:

(The text of the amended House File is identical to S. F. No. 1519.)

Page 98, line 27, delete "31,000" and insert "36,000"

Page 98, line 27, delete "33,000" and insert "38,000"

The motion prevailed. So the amendment was adopted.

Mr. Pillsbury moved to amend H. F. No. 1467, as amended by the Coleman amendment, adopted by the Senate May 18, 1979, as follows:

(The text of the amended House File is identical to S. F. No. 1519.)

Page 67, line 5, delete everything after "*shall*"

Page 67, delete lines 6 and 7 and insert "*consider only the final*"

positions of the parties and shall make its decision and order in terms of either of the final positions."

CALL OF THE SENATE

Mr. Coleman imposed a call of the Senate for the balance of the proceedings on H. F. No. 1467. The following Senators answered to their names:

Ashbach	Gunderson	Knoll	Purfeerst	Stokowski
Bang	Hanson	Luther	Renneke	Strand
Benedict	Hughes	McCutcheon	Rued	Tennessee
Bernhagen	Humphrey	Menning	Schaaf	Ueland, A.
Chenoweth	Johnson	Nelson	Schmitz	Ulland, J.
Coleman	Keefe, J.	Olhoft	Setzepfandt	Wegener
Dunn	Keefe, S.	Penny	Sikorski	Willet
Engler	Kirchner	Perpich	Sillers	
Frederick	Kleinbaum	Peterson	Spear	
Gearty	Knaak	Pillsbury	Staples	

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

The question was taken on the adoption of the amendment of Mr. Pillsbury. The motion did not prevail. So the amendment was not adopted.

Mr. Penny moved to amend H. F. No. 1467 as amended by the Coleman amendment, adopted May 18, 1979, as follows:

(The text of the amended House File is identical to S. F. No. 1519.)

Page 53, line 21, delete "and"

Page 53, line 22, before the period, insert "*and registered nurses, as defined in 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 40 and nays 15, as follows:

Those who voted in the affirmative were:

Ashbach	Gunderson	Knutson	Penny	Sikorski
Bang	Hanson	Laufenburger	Peterson	Sillers
Benedict	Hughes	Lessard	Pillsbury	Staples
Bernhagen	Humphrey	Menning	Purfeerst	Stokowski
Brataas	Keefe, S.	Moe	Renneke	Strand
Dunn	Kirchner	Ogdahl	Rued	Ueland, A.
Engler	Kleinbaum	Olhoft	Schmitz	Ulland, J.
Frederick	Knaak	Olson	Setzepfandt	Wegener

Those who voted in the negative were:

Chenoweth	Dieterich	Luther	Nichols	Tennessee
Coleman	Gearty	McCutcheon	Schaaf	Vega
Davies	Johnson	Nelson	Spear	Willet

The motion prevailed. So the amendment was adopted.

Mr. Frederick moved to amend H. F. No. 1467 as amended by the Coleman amendment, adopted May 18, 1979, as follows:

(The text of the amended House File is identical to S. F. No. 1519.)

Page 51, line 10, after the period, insert "*Effective July 1, 1981, licensed medical doctors shall be eligible to receive the same payments allowed under this section for providing the evaluation and screening to state employees who are their patients, provided that payment by the state shall be in lieu of any other payments for the evaluation and screening.*"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 33 and nays 26, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Knutson	Peterson	Sillers
Aabbach	Frederick	Lessard	Pillsbury	Strand
Bang	Gunderson	Menning	Purfeerst	Ueland, A.
Benedict	Hughes	Olhoft	Renneke	Ulland, J.
Bernhagen	Keefe, J.	Olson	Rued	Wegener
Brataas	Kirchner	Penny	Schmitz	
Dunn	Knaak	Perpich	Setzepfandt	

Those who voted in the negative were:

Chenoweth	Humphrey	McCutcheon	Sikorski	Vega
Coleman	Johnson	Merriam	Solon	Willet
Davies	Keefe, S.	Moe	Spear	
Dieterich	Kleinbaum	Nelson	Staples	
Gearty	Knoll	Nichols	Stokowski	
Hanson	Luther	Schaaf	Tennessee	

The motion prevailed. So the amendment was adopted.

Mr. Luther moved to amend H. F. No. 1467, as amended by the Coleman amendment, adopted by the Senate May 18, 1979, as follows:

(The text of the amended House File is identical to S. F. No. 1519.)

Page 55, line 22, strike everything after the period

Page 55, lines 23 to 27, strike the old language

Page 55, line 28, strike "essential employees."

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 30 and nays 28, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Moe	Peterson	Spear
Benedict	Gunderson	Nelson	Purfeerst	Stokowski
Chenoweth	Johnson	Nichols	Schaaf	Tennessee
Coleman	Keefe, S.	Olhoft	Schmitz	Vega
Davies	Luther	Olson	Setzepfandt	Wegener
Dieterich	McCutcheon	Perpich	Sikorski	Willet

Those who voted in the negative were:

Ashbach	Frederick	Knaak	Pillsbury	Staples
Bang	Hughes	Knoll	Renneke	Strand
Bernhagen	Humphrey	Knutson	Rued	Ueland, A.
Brataas	Keefe, J.	Lessard	Sieloff	Ulland, J.
Dunn	Kirchner	Ogdahl	Sillers	
Engler	Kleinbaum	Penny	Solon	

The motion prevailed. So the amendment was adopted.

Mr. Ulland, J. moved to amend H. F. No. 1467, as amended by the Coleman amendment, adopted by the Senate May 18, 1979, as follows:

(The text of the amended House File is identical to S. F. No. 1519.)

Page 100, lines 14, 15, 16, and 17, delete "38,500" and insert "38,000"

The motion prevailed. So the amendment was adopted.

Mr. Willet moved to amend H. F. No. 1467, as amended by the Coleman amendment, adopted by the Senate May 18, 1979, as follows:

(The text of the amended House File is identical to S. F. No. 1519.)

Page 92, line 7, after "AFL-CIO," insert "*or the International Union of Operating Engineers, Local No. 49,*"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 9 and nays 45, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Lessard	Purfeerst	Willet
Dunn	Gunderson	Menning	Wegener	

Those who voted in the negative were:

Ashbach	Gerty	Knutson	Pillsbury	Solon
Benedict	Hanson	Luther	Renneke	Staples
Bernhagen	Hughes	McCutcheon	Rued	Stokowski
Brataas	Humphrey	Moe	Schaaf	Strand
Chenoweth	Johnson	Nelson	Schmitz	Stumpf
Coleman	Keefe, S.	Nichols	Setzepfandt	Tennessen
Davies	Kirchner	Ogdahl	Sieloff	Ueland, A.
Dieterich	Kleinbaum	Olhoft	Sikorski	Ulland, J.
Engler	Knoll	Penny	Sillers	Vega

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

Mr. Willet moved to amend H. F. No. 1467, as amended by the Coleman amendment, adopted by the Senate May 18, 1979, as follows:

(The text of the amended House File is identical to S. F. No. 1519.)

Page 75, line 28, delete "\$1157 1199 1295 1343 1404"
and insert "1203 1245 1341 1389 1450"

Page 75, line 32, delete "\$1474 1528 1585 1646" and
insert "\$1520 1574 1631 1692"

Page 76, line 3, delete "\$1528 1585 1646" and insert
"\$1574 1631 1692"

Page 76, line 7, delete "\$1610 1670" and insert "\$1656
1716"

Page 76, line 11, delete "\$1616 1646 1677 1710 1742
1773 1834" and insert "\$1662 1692 1723 1756 1788
1819 1880"

Page 76, line 17, delete "\$1911 1971 2032 2091 2149"
and insert "\$1984 2044 2105 2164 2222"

Page 76, line 19, delete "\$2184 2245 2305 2366" and
insert "\$2257 2318 2378 2439"

Page 76, line 28, delete "\$1227 1270 1373 1423
1488" and insert "\$1275 1319 1421 1472 1537"

Page 76, line 31, delete "\$1563 1620 1681 1745" and
insert "\$1611 1668 1729 1794"

Page 77, line 1, delete "\$1620 1681 1745" and insert
"\$1668 1729 1794"

Page 77, line 4, delete "\$1707 1771" and insert "\$1755
1819"

Page 77, line 7, delete "\$1714 1745 1778 1813 1846
1879 1944" and insert "\$1762 1794 1826 1861 1895
1928 1993"

Page 77, line 12, delete "\$2025 2090 2154 2217
2278" and insert "\$2103 2167 2231 2294 2355"

Page 77, line 13, delete "\$2314 2379 2445 2509" and
insert "\$2392 2457 2521 2585"

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

Mr. Ashbach moved to amend H. F. No. 1467 as amended by the Coleman amendment, adopted May 18, 1979, as follows:

(The text of the amended House File is identical to S. F. No. 1519.)

Page 92, after line 20, insert:

"The bonus provided by this section shall also be paid to employees in the executive branch who meet the requirements of this section and who (a) are compensated pursuant to section 43.12 and (b) do not have an exclusive representative."

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 18 and nays 43, as follows:

Those who voted in the affirmative were:

Ashbach	Dunn	Knutson	Renneke	Ueland, A.
Bang	Engler	Ogdahl	Rued	Ulland, J.
Bernhagen	Frederick	Olson	Sieloff	
Brataas	Knaak	Pillsbury	Sillers	

Those who voted in the negative were:

Anderson	Hughes	Luther	Perpich	Stokowski
Benedict	Humphrey	McCutcheon	Peterson	Strand
Chenoweth	Johnson	Menning	Purfeerst	Stumpf
Coleman	Keefe, S.	Merriam	Schaaf	Tennessen
Davies	Kirchner	Moe	Schmitz	Vega
Dieterich	Kleinbaum	Nelson	Setzepfandt	Wegener
Gearty	Knoll	Nichols	Sikorski	Willet
Gunderson	Laufenburger	Olhoff	Spear	
Hanson	Lessard	Penny	Staples	

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

H. F. No. 1467 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 59 and nays 1, 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	Stokowski
Bernhagen	Hughes	McCutcheon	Purfeerst	Strand
Brataas	Humphrey	Menning	Renneke	Stumpf
Chenoweth	Johnson	Merriam	Rued	Ueland, A.
Coleman	Keefe, S.	Moe	Schaaf	Ulland, J.
Davies	Kirchner	Nelson	Setzepfandt	Vega
Dieterich	Kleinbaum	Ogdahl	Sieloff	Wegener
Dunn	Knaak	Olhoff	Sikorski	Willet
Engler	Knoll	Olson	Sillers	

Mr. Nichols voted in the negative.

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

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman moved that S. F. No. 1519, now on Special Orders, be stricken and laid on the table. The motion prevailed.

Without objection, the Senate reverted to the Order of Business of Messages From the House.

MESSAGES FROM THE HOUSE

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. 907: A bill for an act relating to retirement; judges retirement fund; including the conciliation court of the city of Duluth in certain provisions governing judicial retirement; transferring the obligations and assets of the county and probate court judges survivors' account to the judges retirement fund; amending Minnesota Statutes 1978, Sections 490.121, Subdivision 2; and 490.124, Subdivision 8; repealing Minnesota Statutes 1978, Section 490.12, Subdivisions 7 and 8.

Four members of the House have been appointed to a Conference Committee on the part of the house as follows:

Reding, Patton, Biersdorf and Albrecht.

House File No. 907 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 18, 1979

Mr. Stokowski moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 907, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a Conference Committee appointed on the part of the House. The motion prevailed.

MEMBERS EXCUSED

Mr. Olhoft was excused from the Session of today from 6:10 to 10:30 o'clock p.m. Mr. Chmielewski was excused from the Session of today at 6:15 o'clock p.m.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman moved that the Senate do now adjourn until 10:00 o'clock a.m., Saturday, May 19, 1979. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate